

DISCOVEX RESOURCES LIMITED
ACN 115 768 986

ENTITLEMENT ISSUE PROSPECTUS

For a pro-rata non-renounceable entitlement issue of 2 Shares for every 7 Shares held by those Shareholders registered at the Record Date at an issue price of \$0.004 per Share to raise up to \$2,935,616 (based on the number of Shares on issue as at the date of this Prospectus) (**Offer**).

This Offer is partially underwritten by Windandsea and Serpentine (together, the **Underwriter**). Refer to Section 1.4, 1.6 and 6.4.1 for details regarding the terms of the underwriting.

IMPORTANT NOTICE

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

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

IMPORTANT NOTICE

This Prospectus is dated 20 June 2022 and was lodged with the ASIC on that date. The ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Shares may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

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

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

Applications for Shares offered pursuant to this Prospectus can only be made by an original Entitlement and Acceptance Form or Shortfall Application Form.

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

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

No Investment Advice

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your

financial or investment objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding to subscribe for Shares under this Prospectus to determine whether it meets your objectives, financial situation and needs.

Forward-looking statements

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

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

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

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

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

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

Overseas shareholders

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or

to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

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

For further information on overseas Shareholders please refer to Section 2.9.

Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Shares.

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

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

Please refer to Section 6.2 for further details.

Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.discoverresources.com.au. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian or New Zealand resident and must only access this Prospectus from within Australia or New Zealand.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on +61 8 9380 9440 during office hours or by emailing the Company at info@discoverresources.com.au.

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

Company Website

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

Financial forecasts

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

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

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

Electronic sub-registers mean that the Company will not be issuing

certificates to investors. Instead, investors will be provided with statements (similar to a bank account statement) that set out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

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 the 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.

Definitions and Time

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 7.

All references to time in this Prospectus are references to Australian Western Standard Time.

Privacy statement

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, including bidders for your securities in the context of takeovers, regulatory bodies including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the share registry.

You can access, correct and update the personal information that we hold about you. If you wish

to do so, please contact the share registry at the relevant contact number set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Shares, the Company may not be able to accept or process your application.

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offers or how to accept the Offer please call the Company Secretary on +61 (0)8 9380 9440.

CORPORATE DIRECTORY

Directors

Heath Hellewell
Non-Executive Chairman

Toby Wellman
Managing Director

David Morgan
Non-Executive Director

Kim Massey
Non-Executive Director

Company Secretary

Nerida Schmidt

Registered Office

Unit 1
72 Kings Park Road
WEST PERTH WA 6005

Telephone: + 61 8 9380 9440

Email: info@discoverresources.com.au
Website: www.discoverresources.com.au

Auditor*

PKF Perth
Level 4
35 Havelock Street
WEST PERTH WA 6005

Share Registry*

Automic Group
Level 2
267 St Georges Terrace
PERTH WA 6000

Telephone: 1300 288 664

Underwriter

Nedlands Nominees Pty Ltd
ATF Windandsea Investments A/C

Toby Wellman
ATF Serpentine Investment A/C

Legal Advisers

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

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

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1. KEY OFFER INFORMATION

1.1 Timetable*

Lodgement of Prospectus with the ASIC	20 June 2022
Lodgement of Prospectus and Appendix 3B with ASX	20 June 2022
Ex date	23 June 2022
Record Date for determining Entitlements	24 June 2022
Offer opening date, Prospectus sent out to Shareholders and Company announces this has been completed	29 June 2022
Last day to extend the Closing Date	8 July 2022
Closing Date as at 5:00pm**	13 July 2022
Securities quoted on a deferred settlement basis	14 July 2022
ASX and Underwriter notified of under subscriptions	18 July 2022
Underwriter subscribe for Shortfall under terms of Underwriting Agreement	18 July 2022
Issue date and lodgement of Appendix 2A with ASX applying for quotation of the Shares	20 July 2022
Quotation of Shares issued under the Offer**	21 July 2022

*These dates are indicative only and are subject to change.

**The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. Accordingly, the date the Shares are expected to commence trading on ASX may vary.

1.2 Key statistics of the Offer

Shares

	Minimum Subscription (\$500,000) ¹	Maximum Subscription (\$2,935,616)
Offer Price per Share	\$0.004	\$0.004
Entitlement Ratio (based on existing Shares)	2:7	2:7
Shares currently on issue ²	2,568,664,076	2,568,664,076
Shares to be issued under the Offer	125,000,000	733,904,022
Gross proceeds of the issue of Shares	\$500,000	\$2,935,616
Shares on issue Post-Offer	2,693,664,076	3,302,568,098

Notes:

1. Assuming the Minimum Subscription of \$500,000 is achieved under the Offer.
2. Refer to Section 4 for the terms of the Shares.

1.3 Key Risk Factors

Prospective investors should be aware that subscribing for Shares involves a number of risks and an investment in the Company should be considered as highly speculative. The future performance of the Company and the value of the Shares may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are set out in Section 5.

The predominant risks relating to the Company and the Offer are summarised below:

Risk	Description	Further Information
Potential for dilution	Upon implementation of the Offer, assuming all Entitlements are accepted, no other Shares are issued including Options are exercised prior to the Record Date, the number of Shares in the Company will increase from 2,568,664,076 currently on issue to 3,302,568,098. This means that immediately after the Offer each Share will represent a significantly lower proportion of the ownership of the Company.	Section 5.2
Additional requirements for capital	Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities.	Section 5.2
Going Concern	The Company's financial report for the half year ended 31 December 2021 includes a note on the financial condition of the Company and the possible existence of a material uncertainty about the Company's ability to continue as a going concern.	Section 5.2

1.4 Directors' Interests in Securities

The relevant interest of each of the Directors in the Securities of the Company as at the date of this Prospectus, together with their respective Entitlement, is set out in the table below:

Director	Shares	Options	Share Entitlement	\$
Heath Hellewell	55,236,595	10,250,000 ¹	15,781,884	\$63,128

Director	Shares	Options	Share Entitlement	\$
Toby Wellman	12,500,000	40,250,000 ²	3,571,429	\$14,286
David Morgan	30,966,677	15,250,000 ³	8,847,623	\$35,390
Kim Massey ⁴	Nil	Nil	Nil	Nil

Notes:

1. Comprising 1,250,000 unlisted Options expiring exercisable at \$0.02 on or before 9 December 2022, 4,500,000 unlisted Options exercisable at \$0.00725 on or before 14 October 2025 and 4,500,000 unlisted Options exercisable at \$0.0095 on or before 14 October 2025.
2. Comprising 1,250,000 unlisted Options exercisable at \$0.02 on or before 9 December 2022, 8,000,000 unlisted Options exercisable at \$0.017 on or before 1 December 2023, 8,000,000 unlisted Options exercisable at \$0.0225 on or before 1 December 2023, 8,000,000 unlisted Options exercisable at \$0.0315 on or before 1 December 2023, 7,500,000 unlisted Options exercisable at \$0.00725 on or before 14 October 2025 and 7,500,000 unlisted Options exercisable at \$0.0095 on or before 14 October 2025.
3. Comprising 7,625,000 unlisted Options exercisable at \$0.02 on or before 9 December 2022, 625,000 unlisted Options exercisable at \$0.02 on or before 9 December 2022, 3,500,000 unlisted Options exercisable at \$0.00725 on or before 14 October 2025 and 3,500,000 unlisted Options exercisable at \$0.0095 on or before 14 October 2025.
4. Mr Massey is the chief executive officer and company secretary of Capricorn Metals Limited, a substantial holder of the Company. Refer to Section 1.5 for further details in relation to the substantial holding.

As outlined in Section 1.6, in addition to their Entitlements the Non-Executive Chairman, Mr Hellewell and the Managing Director, Mr Wellman (through their nominees) have each entered into agreements with the Company to underwrite an aggregate of \$300,000 of the Offer. Mr Hellewell has agreed to underwrite \$250,000 (62,500,000 Shares) and Mr Wellman has agreed to underwrite \$50,000 (12,500,000 Shares) of the Offer. Upon completion of the Offer this represents a maximum potential shareholding of 4.96% for Mr Hellewell and 2.92% for Mr Wellman assuming that the Minimum Subscription has been raised. Refer to Section 6.4.1 for details regarding the terms of the Underwriting Agreement.

The Board recommends all Shareholders take up their Entitlements. All Directors intend to take up their full Entitlements.

1.5 Details of Substantial Holders

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

Shareholder	Shares	%
Capricorn Metals Ltd	300,000,000	11.68%
Crest Investment Group Limited	146,092,888	5.69%

In the event all Entitlements are accepted there will be no change to the substantial holders on completion of the Offer. Please also refer to Section 1.7.

1.6 Underwriting

The Offer is partially underwritten by Nedlands Nominees Pty Ltd ATF Windandsea Investment A/C (**Windandsea**) and Toby Wellman ATF Serpentine Investment A/C (**Serpentine**) (together, the **Underwriter**). Mr Hellewell is the sole director and substantial shareholder of Nedlands Nominees Pty Ltd ATF Windandsea Investments A/C. Refer to Section 6.4.1 for details of the terms of the underwriting.

1.7 No effect on Control

The Underwriters, Windandsea and Serpentine are presently a Shareholder and are a related party of the Company for the purposes of the Corporations Act. The issue of Shares under this Prospectus to each of the Underwriters may increase their interest in the Company and dilute the Shareholding of other Shareholders to the extent they elect not to participate in the Offer or are ineligible to participate in the Offer. As at the date of this Prospectus, the Underwriters will not increase their holding to an amount in excess of 19.9%. Refer to Section 1.4 for further details regarding the potential effects of the underwriting on Mr Hellewell's and Mr Wellman's relevant interest.

In accordance with the terms of the Underwriting Agreement and the allocation policy set out in Section 2.6, no person will acquire, through participation in the Shortfall Offer a holding of Shares of, or increase their holding to, an amount in excess of 19.9% of all the Shares on issue on completion of the Offer.

1.8 Potential dilution on non-participating Shareholders

In addition to potential control impacts set out in Section 1.8, Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 22.22% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).

For illustrative purposes, the table below shows how the dilution may impact the holdings of Shareholders:

Holder	Holding as at Record date	% at Record Date	Entitlements under the Offer	Holdings if Offer not taken Up	% post Offer
Shareholder 1	10,000,000	0.39%	2,857,143	10,000,000	0.30%
Shareholder 2	5,000,000	0.19%	1,428,572	5,000,000	0.15%
Shareholder 3	1,500,000	0.06%	428,572	1,500,000	0.05%
Shareholder 4	400,000	0.02%	114,286	400,000	0.01%
Shareholder 5	50,000	0.00%	14,286	50,000	0.00%
Total	2,568,664,076		733,904,022		22.22%

Notes:

1. This is based on a share capital of 2,568,664,076 Shares as at the date of the Prospectus and assumes no Options currently on issue are exercised.
2. The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted by Eligible Shareholders are placed under the Underwriting and Shortfall Offer. In the event all Entitlements are not accepted and some or all of the resulting Shortfall was not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

2. DETAILS OF THE OFFER

2.1 The Offer

The Offer is being made as a pro-rata non-renounceable entitlement issue of 2 Shares for every 7 Shares held by Shareholders registered at the Record Date at an issue price of \$0.004 per Share. Fractional entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus, (and assuming Shares are issued prior to the Record Date including on exercise or conversion of securities on issue) approximately 733,904,022 Shares may be issued under the Offer to raise up to \$2,935,616.

All of the Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4 for further information regarding the rights and liabilities attaching to the Shares.

The purpose of the Offer and the intended use of funds raised are set out in Section 3.

2.2 What Eligible Shareholders may do

The number of Shares to which Eligible Shareholders are entitled is shown on the personalised Entitlement and Acceptance Form which can be accessed at <https://investor.automic.com.au>. Once successfully logged in, click on 'Documents and Statements', then category 'Other Documents', to locate your personalised Entitlement and Acceptance Form. Eligible Shareholders may choose any of the options set out in the table below.

Option	Key Considerations	For more information
Take up all of your Entitlement	<ul style="list-style-type: none">Should you wish to accept all of your Entitlement, then your application for Shares under this Prospectus must be made by following the instructions on the personalised Entitlement and Acceptance Form which can be accessed at https://investor.automic.com.au. Please read the instructions carefully.Payment can be made by the methods set out in Section 2.3. As set out in Section 2.3, if you pay by BPAY or EFT, you do not need to return the Entitlement and Acceptance Form.	Section 2.3 and Section 2.4.
Take up all of your Entitlement and also apply for Shortfall Shares	<ul style="list-style-type: none">Should you wish to accept all of your Entitlement and apply for Shortfall Shares, then your application for your Entitlement and additional Shortfall Shares under this Prospectus must be made by following the instructions on your personalised	Sections 2.3, 2.4 and 2.6.

Option	Key Considerations	For more information
	<p>Entitlement and Acceptance Form which can be accessed at https://investor.automic.com.au. Please read the instructions carefully.</p> <ul style="list-style-type: none"> • Payment can be made by the methods set out in Section 2.3. Payment should be made for your Entitlement and the amount of the Shortfall for which you are applying. • If you apply for Shortfall Shares beyond your Entitlement you are deemed to have accepted your Entitlement in full. You should note that the allocation of Shortfall Shares is at the Company's absolute discretion as per the allocation policy set out in Section 2.6. Accordingly, your application for additional Shortfall Shares may be scaled-back. • The Company's decision on the number of Shortfall Shares to be allocated to you will be final. 	
<p>Take up a proportion of your Entitlement and allow the balance to lapse</p>	<ul style="list-style-type: none"> • If you wish to take up only part of your Entitlement and allow the balance to lapse, your application must be made by completing the personalised Entitlement and Acceptance Form which can be accessed at https://investor.automic.com.au for the number of Shares you wish to take up and making payment using the methods set out in Section 2.3 below. As set out in Section 2.3, if you pay by BPAY or EFT, you do not need to return the Entitlement and Acceptance Form. 	<p>Section 2.3 and Section 2.4</p>
<p>Allow all or part of your Entitlement to lapse</p>	<ul style="list-style-type: none"> • If you do not wish to accept any part of your Entitlement, you are not obliged to do anything. If you do not take up your Entitlement by the Closing Date, the Offer to you will lapse. 	<p>N/A</p>

The Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

2.3 Payment options

(a) By BPAY®

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

- (i) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form;
- (ii) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your Application monies; and
- (iii) if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for Shortfall Shares (if any) under the Shortfall Offer, to the extent of the excess.

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. **It is your responsibility to ensure that funds submitted through BPAY® are received by 5.00 pm (WST) on the Closing Date. The Company shall not be responsible for any delay in the receipt of the BPAY® payment.**

It is your responsibility to ensure your CRN is quoted correctly, as per the instructions in the Entitlement and Acceptance Form. If you fail to quote your CRN correctly, your payment will not be reconciled and therefore will not be allocated or refunded until you contact Automic.

Guidance where you have more than one CRN (Shareholding of Shares)

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

(b) By Electronic Funds Transfer (overseas applicants)

For payment by Electronic Funds Transfer (EFT) for overseas Eligible Shareholders, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via EFT if you are the holder of an account that supports EFT transactions to an Australian bank account. Please note that should you choose to pay by EFT:

- (iv) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form;
- (v) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your Application monies; and
- (vi) if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for Shortfall Shares (if any) under the Shortfall Offer, to the extent of the excess.

It is your responsibility to ensure your unique payment reference is quoted correctly, as per the instructions in the Entitlement and Acceptance Form. If you fail to quote your unique payment reference correctly, your payment will not be reconciled and therefore will not be allocated or refunded until you contact Automic.

(c) **By Cheque**

Payment by cheque or cash will not be accepted.

2.4 Implications of an acceptance

Returning a completed Entitlement and Acceptance Form or paying any Application monies by BPAY® or EFT will be taken to constitute a representation by you that:

- (a) you have received a copy of this Prospectus and the accompanying Entitlement and Acceptance Form, and read them both in their entirety;
- (b) you acknowledge that once the Entitlement and Acceptance Form is returned, or a BPAY® or EFT payment instruction is given in relation to any Application monies, the application may not be varied or withdrawn except as required by law.

2.5 Minimum subscription

The minimum subscription in respect of the Offer is \$500,000.

No Shares will be issued until the minimum subscription has been received. If the minimum subscription is not achieved within 4 months after the date of issue of this Prospectus, the Company will either repay the Application monies to the Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Application and be repaid their Application monies.

2.6 Shortfall Offer

Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer. (**Shortfall Shares**). The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three months following the Closing Date. The issue price for each Share to be issued under the Shortfall Offer shall be \$0.004 being the price at which Shares have been offered under the Offer.

If you do not wish to take up any part of your Entitlement you are not required to take any action. That part of your Entitlement not taken up will form part of the Shortfall Offer and potentially be allocated to other Eligible Shareholders or other third parties as part of the Shortfall Offer. The Shortfall Offer will only be available where there is a Shortfall between applications received from Eligible Shareholders and the number of Shares proposed to be issued under the Offer.

Eligible Shareholders who wish to subscribe for Shares above their Entitlement are invited to apply for Shortfall Shares under the Shortfall Offer by completing the appropriate section on their Entitlement and Acceptance Form or by making payment for such Shortfall Shares in accordance with Section 2.3

Allocation of the Shortfall Shares will be at the discretion of the Board in conjunction with the Underwriter and will otherwise be subject to the terms of the Underwriting Agreement, details of which are set out in Section 6.4.1. If the Offer is oversubscribed (by take up of Entitlements and applications for Shortfall Shares by Eligible Shareholders), scale back will be applied to applications under the Shortfall Offer at the discretion of the Board in conjunction with the Underwriter. There is no guarantee that Eligible Shareholders will receive Shares applied for under the Shortfall Offer.

The Underwriter notes that no Shares will be issued to an applicant under this Prospectus or via the Shortfall Offer if the issue of Shares would contravene the takeover prohibition in section 606 of the Corporations Act. Similarly, no Shares will be issued via the Shortfall Offer to any related parties of the Company.

2.7 ASX listing

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made in accordance with the timetable set out at Section 1. If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of three months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Shares and will repay all Application monies for the Shares within the time prescribed under the Corporations Act, without interest.

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

2.8 Issue of Shares

Shares issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and timetable set out at Section 1.

Shares issued pursuant to the Shortfall Offer will be issued on a progressive basis. Where the number of Shares issued is less than the number applied for, or where no issue is made surplus Application monies will be refunded without any interest to the Applicant as soon as practicable after the closing date of the Shortfall Offer.

Pending the issue of the Shares or payment of refunds pursuant to this Prospectus, all Application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

Holding statements for Shares issued under the Offer will be mailed as soon as practicable after the issue of Shares and for Shortfall Shares issued under the Shortfall Offer as soon as practicable after their issue.

2.9 Overseas shareholders

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

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

New Zealand

The Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021 (New Zealand).

This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

Nominees and custodians

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

3. PURPOSE AND EFFECT OF THE OFFER

3.1 Purpose of the offer

The purpose of the Offer is to raise up to \$2,935,616 before costs.

The funds raised from the Offer are intended to be applied in accordance with the table set out below:

Item	Proceeds of the Offer	Minimum Subscription (\$)	%	Maximum Subscription (\$)	%
1.	Exploration Sylvania ^{1,2}	200,000 ¹	40.0	1,350,000 ²	46.0
2.	Exploration Edjudina ^{3,4}	200,000 ³	40.0	1,000,000 ⁴	34.0
3.	Working capital	67,000	13.4	545,616	18.6
4.	Expenses of the Offer ⁵	33,000	6.6	40,000	1.4
	Total	500,000	100%	2,935,616	100%

Notes:

1. Commence drill testing of various gold in soil anomalies (Peak and Dingo).
2. Commence drill testing of various gold in soil anomalies (Peak, Contact, Hilditch and Dingo), IP geophysics.
3. Drill testing of Spartan anomaly.
4. Continue with ongoing soil sampling and geophysics (regional), drill testing of various soil anomalies (Spartan and Jaguar).
5. Refer to Section 6.8 for further details relating to the estimated expenses of the Offer.

On completion of the Offer, the Board believes the Company will have sufficient working capital to achieve its stated objectives. In the event that only the Minimum Subscription is raised, operational objectives will need to be modified, which may result in delay or changes to the company's future plans. Funds raised in excess of the Minimum Subscription but less than the Maximum Subscription (after accounting for increased Offer costs) will be first applied proportionally between Item 1 and 2 in the table above and then towards Item 3 in the table above.

In addition, it should be noted that the Company's budgets and forecasts will be subject to modification on an ongoing basis depending on the results achieved from its business activities, business operations and available capital.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

3.2 Effect of the Offer

The principal effect of the Offer, assuming all Entitlements are accepted and no Shares are issued including on exercise or conversion of other Securities on issue prior to the Record Date, will be to:

- (a) increase the cash reserves by \$2,895,616 (after deducting the estimated expenses of the Offer) immediately after completion of the Offer; and
- (b) increase the number of Shares on issue from 2,568,664,076 as at the date of this Prospectus to 3,302,568,098 Shares.

3.3 Effect on capital structure

The effect of the Offer on the capital structure of the Company, assuming Minimum and Maximum Subscription and no Shares are issued including on exercise or conversion of other Securities on issue prior to the Record Date, is set out below.

Shares

	Minimum Subscription Number	Maximum Subscription Number
Shares currently on issue	2,568,664,076	2,568,664,076
Shares offered pursuant to the Offer	125,000,000	733,904,022
Total Shares on issue after completion of the Offer	2,693,664,076	3,302,568,098

Options

	Number
<u>Options currently on issue</u>	
Unquoted Options exercisable at \$0.0135 on or before 9 September 2022 (ASX: DCXESC4)	1,666,666
Unquoted Options exercisable at \$0.0158 on or before 9 September 2022 (ASX: DCXOPT5)	1,666,667
Unquoted Options exercisable at \$0.018 on or before 9 September 2022 (ASX: DCXOPT6)	1,666,667
Unquoted Options exercisable at \$0.02 on or before 9 December 2022 (ASX: DCXOPT8)	62,561,547
Unquoted Options exercisable at \$0.017 on or before 1 December 2023 (ASX: DCXOPT9)	16,000,000
Unquoted Options exercisable at \$0.0225 on or before 1 December 2023 (ASX: DCXOPT10)	16,000,000
Unquoted Options exercisable at \$0.0315 on or before 1 December 2023 (ASX: DCXOPT11)	8,000,000

	Number
Unquoted Options exercisable at \$0.013 on or before 20 August 2024 (ASX: DCXOPT12)	1,000,000
Unquoted Options exercisable at \$0.013 on or before 20 August 2022 (ASX: DCXOPT13)	20,000,000
Unquoted Options exercisable at \$0.00725 on or before 14 October 2025 (ASX: DCXOPT14)	25,750,000
Unquoted Options exercisable at \$0.0095 on or before 14 October 2025 (ASX: DCXOPT15)	25,750,000
Total Options on issue as at the date of this Prospectus	180,061,547
Options to be issued pursuant to the Offer	Nil
Total Options on issue after completion of the Offer	180,061,547

3.4 Pro-forma balance sheet

The unaudited balance sheet as at 31 March 2022 and the unaudited pro-forma balance sheet as at 31 March 2022 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming both the Minimum Subscription and Maximum Subscription under the Offer are raised, no Options or convertible securities are exercised prior to the Record Date and including expenses of the Offer.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	UNAUDITED 31 March 2022	PROFORMA Minimum Subscription	PROFORMA Maximum Subscription
	\$	\$	\$
CURRENT ASSETS			
CURRENT ASSETS			
Cash	2,065,376	2,515,376	4,960,992
Other current assets	1,068,724	1,068,724	1,068,724
TOTAL CURRENT ASSETS	3,134,100	3,584,100	6,029,716
NON-CURRENT ASSETS			
Plant and equipment	239,306	239,306	239,306

	UNAUDITED 31 March 2022	PROFORMA Minimum Subscription	PROFORMA Maximum Subscription
	\$	\$	\$
Exploration & evaluation costs	5,131,184	5,131,184	5,131,184
TOTAL NON-CURRENT ASSETS	5,370,490	5,370,490	5,370,490
TOTAL ASSETS	8,504,590	8,954,590	11,400,206
CURRENT LIABILITIES			
Creditors and other payables	418,979	418,979	418,979
TOTAL CURRENT LIABILITIES	418,979	418,979	418,979
NON-CURRENT LIABILITIES			
Lease liability	120,621	120,621	120,621
TOTAL NON-CURRENT LIABILITIES	120,621	120,621	120,621
TOTAL LIABILITIES	539,600	539,600	539,600
NET ASSETS (LIABILITIES)	7,964,990	8,414,990	10,860,606
EQUITY			
Share capital	35,595,287	36,045,287	38,490,903
Options Reserve	416,946	416,946	416,946
Retained loss	(28,047,243)	(28,047,243)	(28,047,243)
TOTAL EQUITY	7,964,990	8,414,990	10,860,606

4. RIGHTS AND LIABILITIES ATTACHING TO SHARES

The following is a summary of the more significant rights and liabilities attaching to the Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) **General meetings**

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

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) **Voting rights**

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

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

(c) **Dividend rights**

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

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

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

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

(d) **Winding-up**

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

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

(e) **Shareholder liability**

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

(f) **Transfer of shares**

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

(g) **Future increase in capital**

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

(h) **Variation of rights**

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

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

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

5. RISK FACTORS

5.1 Introduction

The Shares offered under this Prospectus should be considered as highly speculative and an investment in the Company is not risk free.

The Directors strongly recommend that prospective investors consider the risk factors set out in this Section 5, together with all other information contained in this Prospectus.

The future performance of the Company and the value of the Shares may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are described below.

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

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

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

5.2 Company specific

Risk Category	Risk
Potential dilution for	<p>Upon implementation of the Offer, assuming all Entitlements are accepted, no other Shares are issued including Options are exercised prior to the Record Date, the number of Shares in the Company will increase from 2,568,664,076 currently on issue to 3,302,568,098. This means that immediately after the Offer each Share will represent a significantly lower proportion of the ownership of the Company.</p> <p>It is not possible to predict what the value of the Company's Shares will be following the completion of the Offer being implemented and the Directors do not make any representation as to such matters.</p> <p>The last trading price of Shares on ASX prior to the Prospectus being lodged of \$0.006 is not a reliable indicator as to the potential trading price of Shares after implementation of the Offer.</p>
Additional requirements for capital	<p>The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company</p>

Risk Category	Risk
	<p>may require further financing in addition to amounts raised under the Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.</p>
<p>Going Concern</p>	<p>The Company's financial report for the half year ended 31 December 2021 (Financial Report), the Company's auditor noted the following:</p> <p><i>"The financial statements have been prepared on the going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business. The Group incurred a net loss after tax of \$268,708 for the period ended 31 December 2021 (31 December 2020: \$337,179). As at 31 December 2021 the Group had net assets of \$8,129,566 (30 June 2021: \$8,309,945) and continues to incur expenditure on its exploration tenements drawing on its cash balances. As at 31 December 2021 the Group had \$2,651,443 (30 June 2021: \$3,960,555) in cash and cash equivalents.</i></p> <p><i>The ultimate recoupment of costs carried forward for exploration and evaluation is dependent on the successful development and commercial exploitation or sale of the respective areas of interest. Ultimate exploitation of the assets will depend on raising necessary funding in the future. Should the Group be unable to raise additional funds, there is a material uncertainty which may cast significant doubt over the Group's ability to continue as a going concern. As at 31 December 2021 there has been no adjustment in the financial report relating to the recoverability and classification of the asset carrying amounts, or the amounts and classification of liabilities that might be necessary, should the Group be unable to raise capital as and when required, and the exploitation of the areas of interest not be successful, or the Group not continue as a going concern."</i></p> <p>Notwithstanding the 'going concern' qualification included in the Financial Report, the Directors believe that upon the successful completion of the Offer, the Company will have sufficient funds to adequately meet the Company's current exploration commitments and</p>

Risk Category	Risk
	<p>short term working capital requirements. However, it is highly likely that further funding will be required to meet the medium to long term working capital costs of the Company.</p> <p>In the event that the Offer is not completed successfully there is significant uncertainty as to whether the Company can continue as a going concern which is likely to have a material adverse effect on the Company's activities.</p>
Climate Risk	<p>There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:</p> <p>(a) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and</p> <p>(b) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.</p>
Coronavirus (COVID-19)	<p>The presence of the coronavirus disease (COVID-19) continues to impact global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company continues to remain uncertain. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.</p> <p>The Directors are monitoring the situation closely and have considered the impact of COVID-19 on the Company's business and financial performance.</p>

Risk Category	Risk
	<p>However, the situation is continually evolving, and the consequences are therefore inevitably uncertain. In compliance with its continuous disclosure obligations, the Company will continue to update the market regarding the impact of COVID-19 on its operations, exploration activities and any adverse impact on the Company. If any of these impacts appear material prior to close of the Offer, the Company will notify investors under a supplementary prospectus.</p>

5.3 Industry specific

Risk Category	Risk
<p>Environmental</p>	<p>The operations and proposed activities of the Company are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or 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.</p> <p>Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or 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.</p> <p>The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive.</p> <p>Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.</p> <p>In this regard, the Department of Mines, Industry Regulation and Safety in Western Australia from time to time reviews the environmental bonds that are placed on tenements. The Directors are not in a position to state whether a review is imminent or whether the outcome of such a review would be detrimental to the funding needs</p>

Risk Category	Risk
	of the Company.
Exploration	<p>The mineral tenements of the Company are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.</p> <p>There can be no assurance that exploration of these 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.</p> <p>The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company.</p> <p>The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its 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 case reserves of the Company and possible relinquishment of the Tenements.</p> <p>The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.</p>
Operational Risks	<p>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, insufficient or unreliable infrastructure such as power, water and transport, 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, plant and equipment.</p> <p>In the event that any of these potential risks eventuate, the Company's operational and financial performance</p>

Risk Category	Risk
	<p>may be adversely affected. 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.</p>
<p>Metallurgy Risk</p>	<p>When compared with many industrial and commercial operations, mining exploration projects are high risk. Each ore body is unique and the nature of the mineralisation, the occurrence and grade of the ore, as well as its behaviour during mining can never be wholly predicted. Estimations of a mineral deposit are not precise calculations but are based on interpretation and on samples from drilling, which represent a very small sample of the entire ore body. Reconciliation of past production and reserves, where available, can confirm the reasonableness of past estimates, but cannot categorically confirm accuracy of future projections.</p> <p>The applications of metallurgical test work results and conclusions to the process design, recoveries and throughput depend on the accuracy of the test work and an assumption that the sample tests are representative of the ore body as a whole. There is a risk associated with the scale-up of laboratory and pilot plant results to a commercial scale and with the subsequent design and construction of any plant.</p>
<p>Commodity price volatility and exchange rate risks</p>	<p>If the Company achieves success leading to mineral production, the revenue it will derive through the sale of product exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors. The Company is a gold exploration company and the gold price has recently seen record highs. In the event that the gold price falls significantly, there is a risk that the Company's projects may cease to be viable or that the trading price of the Company's Shares will drop.</p> <p>Furthermore, international prices of various commodities (including gold) are denominated in United States dollars, whereas the income and expenditure of the Company will be taken to account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.</p>

5.4 General risks

Risk Category	Risk
Economic	General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration activities, as well as on its ability to fund those activities.
Market conditions	<p>Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:</p> <ul style="list-style-type: none"> (a) general economic outlook; (b) introduction of tax reform or other new legislation; (c) interest rates and inflation rates; (d) changes in investor sentiment toward particular market sectors; (e) the demand for, and supply of, capital; and (f) terrorism or other hostilities. <p>The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.</p> <p>In addition, the extent of the effects of COVID-19 is at this stage uncertain and continuing to evolve. The COVID-19 pandemic is having, and is expected to continue to have, a significant influence on the volatility of equity markets generally and may continue to impact and influence the value of the Company's quoted securities.</p>
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.
Dividends	Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.
Taxation	The acquisition and disposal of Shares will have tax consequences, which will differ depending on the

Risk Category	Risk
	<p>individual financial affairs of each investor. All prospective investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.</p> <p>To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.</p>
Reliance on key personnel	<p>The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.</p>
Ukraine conflict	<p>The current conflict between Ukraine and Russia (Ukraine Conflict) is impacting global economies and financial markets. The nature and extent of the effect the Ukraine Conflict may have on the Company's operations remains uncertain at this time. In the short to medium term, the Company's Share price may be adversely affected by the economic uncertainty caused by the Ukraine Conflict and the wider effect the conflict has on global economies and financial markets.</p> <p>The Directors are monitoring the potential secondary and tertiary macroeconomic impacts of the Ukraine Conflict, including the fluctuations in commodity and energy prices and the potential risk of cyber activity impacting governments and businesses. Further, any governmental or industry measures taken in response to the Ukraine Conflict, including limitations on travel and changes to import/export restrictions and arrangements involving Russia, may adversely impact the Company's operations and are likely to be beyond the control of the Company. The Company is monitoring the situation closely and considers the impact of the Ukraine Conflict on the Company's business and financial performance to, at this stage, be limited impact. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain.</p>

5.5 Speculative investment

The risk factors described above, and other risks factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Shares.

Prospective investors should consider that an investment in the Company is highly speculative.

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

Before deciding whether to subscribe for Shares under this Prospectus you should read this Prospectus in its entirety and consider all factors, taking into account your objectives, financial situation and needs.

6. ADDITIONAL INFORMATION

6.1 Litigation

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

6.2 Continuous disclosure obligations

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

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;
 - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
 - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Description of Announcement
17/06/2022	High Grades Continue at Greater Duchess Project - CNB
23/05/2022	New Geochemical Anomalies Light Up Sylvania Project
23/05/2022	Expiry of Unlisted Options

Date	Description of Announcement
09/05/2022	Stunning Drill Results from Greater Duchess Project - CNB
05/05/2022	Surface Sampling defines exceptional target at Edjudina
03/05/2022	Option executed with Rio for Iron Ore Rights at Sylvania
02/05/2022	MM1: Midas Confirms Lithium Pegmatites at Newington Project
14/04/2022	Quarterly Activities/Appendix 5B Cash Flow Report
12/04/2022	Exploration Continues at Sylvania
04/04/2022	Exceptional Drill Results Nil Desperandum and Lady Fanny CNB
04/04/2022	MM1: Midas enters Option to acquire gold & lithium prospect
08/03/2022	Stepout Drilling Hits Southwest extension of Nil Desperandum
02/03/2022	Release of Securities From Voluntary Escrow
21/02/2022	Cancellation of Options
04/02/2022	Half Year Accounts
04/02/2022	Major Discovery Confirmed at Nil Desperandum
25/01/2022	Edjudina Exploration Results
19/01/2022	Amended Quarterly Activities Report
17/01/2022	Lady Fanny Prospect - LFRC008 40m @ 1.0%Cu And 11m @ 1.7%Cu
13/01/2022	Quarterly Activities Report
10/01/2022	Strong Drill Results at Nil Desperandum - 60m @ 0.9% Copper
29/12/2021	Major Copper Gold Discovery 41m @ 4.1% Cu Inc 9m @ 10.3% Cu
21/12/2021	Re-release of ASX Announcement dated 17 December 2021
21/12/2021	Re-release of ASX Announcement dated 13 December 2021
20/12/2021	Change of Registry Address
17/12/2021	Spectacular Copper Discovery - Greater Duchess Project CNB
04/11/2021	Exploration Update
25/10/2021	Positive geochemical results received from Sylvania Project
20/10/2021	Quarterly Activities Report
20/10/2021	Quarterly Cashflow Report App 5B
15/10/2021	Notification regarding unquoted securities - DCX
15/10/2021	Notification regarding unquoted securities - DCX
15/10/2021	Change of Director's Interest Notice
15/10/2021	Change of Director's Interest Notice
15/10/2021	Change of Director's Interest Notice
07/10/2021	Results of Meeting
06/10/2021	Exercise Price of Options

Date	Description of Announcement
02/09/2021	Notice of Annual General Meeting/Proxy Form
01/09/2021	Appendix 4G
01/09/2021	Corporate Governance Statement

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website www.discoverresources.com.au.

6.3 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

	(\$)	Date
Highest	\$0.011	4 April 2022
Lowest	\$0.005	14 June 2022, 15 June 2022, 16 June 2022
Last	\$0.006	17 June 2022

6.4 Material Contracts

6.4.1 Underwriting Agreement

The Company has entered into an underwriting agreement with Windandsea and Serpentine dated 17 June 2022 (together, the **Underwriting Agreement**).

Pursuant to the Underwriting Agreement, each Underwriter has agreed to underwrite an aggregate of \$300,000 (**Total Underwritten Amount**) comprising of 75,000,000 Shares (**Underwritten Shares**). Each Underwriter will underwrite the following amounts:

- (a) Windandsea agrees to underwrite \$250,000 (62,500,000 Shares); and
- (b) Serpentine agrees to underwrite \$50,000 (12,500,000 Shares),

of the Offer.

The material terms and conditions of each Underwriting Agreement is summarised below:

Fees	The Underwriter will not receive a fee for underwriting the Offer.
Termination Events	The obligation of the Underwriter to underwrite the Offer is subject to certain events of termination. The

Underwriter may terminate their obligations under the Underwriting Agreements (without cost or liability to them) if:

- (a) **(Prospectus)**: the Company does not lodge the Prospectus on the date of lodgement or the Prospectus or Offer is withdrawn by the Company; or
- (b) **(Supplementary prospectus)**:
 - (i) the Underwriter, having elected not to exercise its right to terminate its obligations under the Underwriting Agreement as a result of a material adverse event, forms the view on reasonable grounds that a supplementary prospectus should be lodged with ASIC and the Company fails to lodge a supplementary prospectus within such time as the Underwriter may reasonably require; or
 - (ii) the Company lodges a Supplementary Prospectus without the prior written agreement of the Underwriter; or
- (c) **(Non-compliance with disclosure requirements)**: it transpires that the Prospectus does not contain all the information that investors and their professional advisers would reasonably require to make an informed assessment of:
 - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - (ii) the rights and liabilities attaching to the Underwritten Shares; or
- (d) **(Misleading Prospectus)**: it transpires that there is a statement in the Prospectus that is or may become misleading or deceptive or likely to mislead or deceive, or that there is an omission from the Prospectus; or
- (e) **(Index changes)**: the All Ordinaries Index or the S&P/ASX Small Ordinaries Index as published by ASX is at any time after the date of the Underwriting Agreement 10% or more below its respective level on any two (2) consecutive trading days after the execution of the Underwriting Agreement and up to the date that the Underwriter subscribes for the Shortfall; or
- (f) **(Other Underwriter)**: the other Underwriter lawfully terminates their respective

- Underwriting Agreement;
- (g) **(Proceedings)**: ASIC or any other person proposes to conduct any enquiry, investigation or proceedings, or to take any regulatory action or to seek any remedy, in connection with the Offer or the Prospectus, or publicly foreshadows that it may do so; or
 - (h) **(Unable to Issue Securities)**: the Company is prevented from issuing the Underwritten Shares within the time required by the Underwriting Agreement, the Corporations Act, the Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority; or
 - (i) **(Future matters)**: any statement or estimate in the Prospectus which relates to a future matter is or becomes incapable of being met or, in the reasonable opinion of the Underwriter, unlikely to be met in the projected timeframe; or
 - (j) **(Withdrawal of consent to Prospectus)**: any person (other than the Underwriter) who has previously consented to the inclusion of their name in the Prospectus, withdraws that consent; or
 - (k) **(No Quotation Approval)**: the Company fails to lodge an Appendix 3B in relation to the Underwritten Shares with ASX by the time required by the Corporations Act, the Listing Rules or any other regulation; or
 - (l) **(ASIC application)**: an application is made by ASIC for an order under Section 1324B or any other provision of the Corporations Act in relation to the Prospectus, the date on which ASX and the Underwriter are notified of subscriptions has arrived, and that application has not been dismissed or withdrawn; or
 - (m) **(ASIC hearing)**: ASIC gives notice of its intention to hold a hearing under Section 739 of the Corporations Act in relation to the Prospectus to determine if it should make a stop order in relation to the Prospectus or ASIC makes an interim or final stop order in relation to the Prospectus; or
 - (n) **(Indictable offence)**: a director or senior manager of the Company is charged with an indictable offence; or
 - (o) **(Termination Events)**: any of the following

events occurs:

- (i) **(Default)**: default or breach by the Company under the Underwriting Agreement of any terms, condition, covenant or undertaking; or
- (ii) **(Incorrect or untrue representation)**: any representation, warranty or undertaking given by the Company in the Underwriting Agreement is or becomes untrue or incorrect in a material respect; or
- (iii) **(Contravention of constitution or Act)**: a material contravention by the Company of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX; or
- (iv) **(Misleading information)**: any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of the Offer or the affairs of the Company is or becomes misleading or deceptive or likely to mislead or deceive; or
- (v) **(Official Quotation qualified)**: the official quotation is qualified or conditional; or
- (vi) **(Event of Insolvency)**: an event of insolvency occurs in respect of the Company; or
- (vii) **(Judgment against the Company)**: a judgment in an amount exceeding \$100,000 is obtained against the Company and is not set aside or satisfied within 7 days; or
- (viii) **(Litigation)**: litigation, arbitration, administrative or industrial proceedings are, after the date of the Underwriting Agreement, commenced against the Company; or
- (ix) **(Timetable)**: any date in the timetable is not met for more than five (5) Business Days otherwise than as the direct result of actions taken by the Underwriter or the actions of the Company (where

those actions were taken with the prior consent of the Underwriter); and

- (x) **(Capital Structure)**: the Company alters its capital structure in any manner not contemplated by the Prospectus.

The Underwriting Agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

6.5 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed director:

- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (i) the Offer.

Security holdings

The relevant interest of each of the Directors in the Securities as at the date of this Prospectus, together with their respective Entitlement, is set in Section 1.4.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive Directors as disclosed in the Company's 2021 Annual Report.

Director	Proposed Remuneration for FY ending 30 June 2022	Remuneration for FY ending 30 June 2021
Heath Hellewell	\$106,603 ¹	\$19,162 ⁵
Toby Wellman	\$309,671 ²	\$225,460 ⁶
David Morgan	\$65,680 ³	\$33,945 ⁷
Kim Massey	\$34,100 ⁴	\$10,402 ⁸

Notes:

1. Comprising of \$60,000 in Directors' fees, \$6,000 in superannuation and \$40,603 in securities-based payments.
2. Comprising of \$220,000 in salary/fees, \$22,000 in superannuation and \$67,671 in securities-based payments.
3. Comprising of \$31,000 in Directors' fees, \$3,100 in superannuation and \$31,580 in securities-based payments.
4. Comprising of \$31,000 in Directors' fees, \$3,100 in superannuation.
5. Comprising of \$19,162 in Directors' fees. (Appointed 11 March 2021).
6. Comprising of \$189,011 in salary/fees, \$17,956 in superannuation and \$18,493 in securities-based payments.
7. Comprising of \$31,000 in Directors' fees and \$2,945 in superannuation.
8. Comprising of \$10,402 in Directors' fees. (Appointed 11 March 2021).

6.6 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;

- (e) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (f) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offer.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin approximately \$15,000 (excluding GST and disbursements) for these services.

6.7 Consents

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

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section;
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section; and
- (c) has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Nedlands Nominees Pty Ltd ATF Windandsea Investments A/C has given their written consent to being named as the underwriter to the Offer in this Prospectus.

Toby Wellman ATF Serpentine Investment A/C has given their written consent to being named as the underwriter to the Offer in this Prospectus.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus.

6.8 Expenses of the offer

The total expenses of the Offer are estimated to be approximately \$33,000 (excluding GST) for Minimum Subscription and \$40,000 (excluding GST) for Maximum Subscription and are expected to be applied towards the items set out in the table below:

	Minimum Subscription \$	Maximum Subscription \$
ASIC fees	3,206	3,206
ASX fees	3,501	10,706
Legal fees	15,000	15,000
Printing and distribution	10,000	10,000
Miscellaneous	1,293	1,088
Total	33,000	40,000

6.9 Directors' Authorisation

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

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



Heath Hellewell
Non-Executive Chairman
Discovex Resources Limited

7. GLOSSARY

\$ means the lawful currency of the Commonwealth of Australia.

Application Form means an Entitlement and Acceptance Form or Shortfall Application Form as the context requires.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

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

Board means the board of Directors unless the context indicates otherwise.

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

Closing Date means the date specified in the timetable set out at Section 1 (unless extended).

Company means Discoverex Resources Limited (ACN 115 768 986).

Constitution means the constitution of the Company as at the date of this Prospectus.

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

CRN means Customer Reference Number in relation to BPAY®.

Directors means the directors of the Company as at the date of this Prospectus.

Eligible Shareholder means a Shareholder as at the Record Date who is eligible to participate in the Offer.

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form either attached to or accompanying this Prospectus.

Offer means the non-renounceable entitlement issue the subject of this Prospectus.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out at Section 1.

Section means a section of this Prospectus.

Securities means Shares as the context requires.

Serpentine means Toby Wellman ATF Serpentine Investment A/C.

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

Shareholder means a holder of a Share.

Shortfall means the Securities not applied for under the Offer (if any).

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

Shortfall Offer means the offer of the Shortfall Securities on the terms and conditions set out in Section 2.6.

Shortfall Shares means those Shares not applied for under the Offer (if any) and offered pursuant to the Shortfall Offer.

Underwriter or Underwriters means Windandsea and Serpentine.

Total Underwritten Amount means \$300,000.

Windandsea means Nedlands Nominees Pty Ltd (ACN 141 158 321) ATF Windandsea Investments A/C.

WST means Western Standard Time as observed in Perth, Western Australia.