MRG METALS LIMITED

ACN 148 938 532

ENTITLEMENT ISSUE PROSPECTUS

For a pro-rata non-renounceable entitlement issue of three (3) New MRQOD Options for every five (5) Shares held by those Eligible Shareholders registered at the Record Date at an issue price of $0.001 (0.1 cents) per New MRQOD Option to raise up to approximately $1,174,235 (based on the number of Shares on issue as at the date of this Prospectus together with Shares issued under the Placement announced on 23 November 2022 (**Placement**) and assuming no Existing Options are exercised prior to the Record Date) (**Entitlement Offer**).

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

INVESTORS INTERESTED IN PARTICIPATING IN THE SHORTFALL OFFER SHOULD REFER TO SECTION 3.8 OF THIS PROSPECTUS FOR FURTHER INFORMATION

This Prospectus has been prepared for the purposes of making the Offers.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the New MRQOD Options or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The New MRQOD Options offered by this Prospectus should be considered as speculative.

IMPORTANT NOTICE

This Prospectus is dated 23 November 2022 and was lodged with ASIC on that date. ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which the Prospectus relates.

No New MRQOD Options 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 New MRQOD Options offered by this Prospectus should be considered highly speculative.

Applications for New MRQOD Options 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 New MRQOD Options 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 6 of this Prospectus.

Overseas shareholders

The Offers do 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.

For further information on overseas Shareholders please refer to Section 3.13 of this Prospectus.

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 New MRQOD Options.

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 7.2 of this Prospectus for further details.

Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at <www.mrgmetals.com.au>.

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 3 5330 5800 during office hours or by emailing the Company at <info@mrgmetals.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 (CHESS) and Issuer Sponsorship

The Company will apply to participate in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS 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 Securities 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 CHESS 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 **Error! Reference source not found.** of this Prospectus.

All references to time in this Prospectus are references to Australian Eastern Standard Time (AEST).

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 Securities, 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 Offers please call the Company Secretary, Shane Turner on +61 3 5330 5800.

CORPORATE DIRECTORY

Directors

Andrew Van Der Zwan
Chairman & Non-Executive Director

Christopher Jordan Gregory
Non-Executive Director

Shane Gordon Turner
Non-Executive Director

Company Secretary

Shane Gordon Turner

Registered Office

C/- RSM
12 Anderson Street West
BALLARAT VIC 3350
Telephone: +61 3 5330 5800

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

Share Registry*

Automic Pty Ltd
GPO Box 5193
SYDNEY NSW 2000

Telephone: 1300 228 664 (Within Australia)

Telephone: + 61 2 9698 5414 (Overseas)

Auditor*

William Buck Audit (Vic) Pty Ltd
Level 20, 181 William Street
MELBOURNE VIC 3000

Legal Advisers

Moray & Agnew
Level 6
505 Little Collins Street
Melbourne VIC 3000

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

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1. Key Information on the Offers

1.1 Indicative Timetable

Action	Date
Announcement of the Offers	23 November 22
Lodgement of Prospectus with ASIC	23 November 22
Lodgement of Prospectus and Appendix 3B with ASX	23 November 22
Notice sent to Ineligible Shareholders & Optionholders	23 November 22
Ex Date	30 November 22
Record Date for determining Entitlements	1 December 22
Prospectus despatched to Eligible Shareholders and Company announcement of despatch	2 December 22
Opening date of the Offers	2 December 22
Last day Company can extend the Closing Date*	23 December 22
Closing Date of the Entitlement Offer at 5:00 pm*	30 December 22
Announcement of results of the Entitlement Offer and Shortfall Offer closes[#]	6 January 23
Issue date of New MRQOD Options and lodgement of Appendix 2A with ASX applying for quotation of the New MRQOD Options	6 January 23
New MRQOD Options issued under the Offers* commence trading on a normal settlement	9 January 23

Dates may change.

*The above dates are indicative only and are subject to change. The Company reserves the right to amend any or all of these dates and times subject to the Corporations Act, the ASX Listing Rules and other applicable laws. Any change to dates and times will have a consequential effect on subsequent dates. The Company also reserves the right not to proceed with the Offers at any time.

[#]The Directors may vary the closing date of the Shortfall Offer without notice.

1.2 Key Statistics of the Offers

Offer Price per New MRQOD Option	$0.001 (0.1 cents)
Entitlement Ratio (based on existing Shares)	3:5
Number of Shares currently on issue[1]	1,957,058,628
Existing Options on issue as at date of the Prospectus – exercisable at $0.025 on or before 30 June 2023)[3]	305,236,375
New Options to be issued under Placement	150,000,000
New MRQOD Options to be issued under the Offers	1,174,235,177
Gross proceeds of the issue of New MRQOD Options under the Offers (assuming all Entitlements are accepted)	$1,174,235

Notes

1. Includes Shares issued under the Placement.

2. Refer to Section 5.2 of this Prospectus for the terms of the Shares.

3. Refer to Section 5.3 of this Prospectus for the terms of the Existing Options.

2. Chairman's Letter

Dear Shareholders,

On behalf of the Board, I am pleased to invite you to participate in this non-renounceable entitlement issue of three (3) New MRQOD Options for every five (5) Shares held in the Company. Your Entitlement will provide you with the opportunity to increase your exposure to the upside of the Company moving forward.

Together with funds on hand at 30 September 2022 and the Placement which was announced on 23 November 2022 raising $840,000, funds from this Entitlement Offer will be used in part for:

- Corridor Sands HMS Project – improvement programs to increase project economics towards Feasibility. Follow up drilling, mineralogy and metallurgy to test high VHM Azaria and Cihari targets.
- Jangamo HMS Project – exercise option if DD confirms and develop pathway to production.
- Exploration at HMS, Rare Earth Elements and Uranium Projects should these Exploration Licences be granted.
- Working Capital, costs of the Placement and expenses of the Offers.

More information on these costs are set out in Section 4.1 of this Prospectus. It is estimated that in excess of $1 million will remain at 30 June 2023 to further develop and explore.

The Entitlement Offer gives Eligible Shareholders the opportunity to invest in New MRQOD Options in the Company. The Entitlement Offer is a non-renounceable entitlement issue of three (3) New MRQOD Options for every five (5) Shares held at the Record Date at an issue price of $0.001 (0.1 cents) per New MRQOD Option to raise up to approximately $1,174,235 (before costs associated with the Offers and assuming the Entitlement Offer is fully subscribed). The New MRQOD Options are exercisable at $0.008 (0.8 cents) and expire on 31 December 2025.

Generally speaking, options have the potential to offer significant value to investors, particularly in smaller resource companies where exploration success leads to high price volatility. As at 18 November 2022, the closing price of Existing Options was $0.001. The value achieved for the New MRQOD Options will ultimately depend on future Share and New MRQOD Option price performance.

The New MRQOD Options offered under this Prospectus will (together with the Existing Options) increase the number of Options on issue and quoted on ASX (subject to approval). As such, they will be able to be traded during their respective terms.

All Directors of the Company who own Shares in the Company or controls an entity that holds shares in the Company, intend to participate in the Entitlement Offer.

The Entitlement Offer for New MRQOD Options can be accepted in full or in part by making payment of Acceptance Monies by BPAY or EFT in accordance with the instructions set out in this Prospectus and on the Entitlement and Acceptance Form.

Eligible Shareholders who accepted their Entitlement in full can also apply for Additional Options in excess of their Entitlement, subject to the discretion of the Board with regards to the scale back and allocation of any Additional Options applied for in excess of Entitlements.

This Prospectus includes a further offer of any New MRQOD Options not taken under the Entitlement Offer under the Shortfall Offer.

Application Monies for the New MRQOD Options (which includes any Additional Options and Shortfall Options) must be received by our Share Registry by the Closing Date. Please refer to the timetable in this Prospectus for the important dates of the Offers.

The Entitlement Offer is non-renounceable and therefore your Entitlement is not tradable on the ASX or otherwise transferable.

Potential investors should be aware that subscribing for New MRQOD Options involves a number of risks. The key risk factors of which investors should be aware are set out in Section 6 of this

Prospectus. Investors should carefully consider the risk factors that affect the Company specifically and the resources, mining and exploration industry in which it operates. Investors should note that minerals exploration is a high risk endeavour.

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

Yours Sincerely,



Andrew Van Der Zwan
Non-Executive Chairman
MRG Metals Limited

3. Details of the Offers

3.1 The Entitlement Offer

The Entitlement Offer is being made as a non-renounceable entitlement issue of three (3) New MRQOD Options for every five (5) Shares held by Eligible Shareholders on the Record Date, at an issue price of $0.001 (0.1 cents) per New MRQOD Option to raise up to approximately $1,174,235. Fractional entitlements will be rounded up to the nearest whole number. All New MRQOD Options must be paid for in full at the time of Application. The New MRQOD Options are exercisable at $0.008 (0.8 cents) and expire on 31 December 2025.

Based on the capital structure of the Company as at the date of this Prospectus together with Shares issued under the Placement announced on 23 November 2022 and assuming that all Entitlements are accepted and no Existing Options are exercised prior to the Record Date, a maximum of 1,174,235,177 New MRQOD Options will be issued pursuant to the Entitlement Offer to raise up to approximately $1,174,235, before costs associated with the Offers.

All of the New MRQOD Options will be issued on the terms and conditions set out in Section 5.1 of this Prospectus.

All Shares issued on exercise of the New MRQOD Options will rank equally with the Shares on issue at the date of this Prospectus. Please refer to section 5.2 of this Prospectus for further information regarding the rights and liabilities attaching to the Shares.

The purpose of the Offers and the intended use of funds raised are out in Section 4.1 of this Prospectus.

3.2 Minimum subscription

There is no minimum subscription to the Offers.

3.3 Lead broker

There is no lead broker to the Offers.

3.4 Underwriting

The Entitlement Offer is not underwritten.

3.5 Additional Options

Your application for Additional Options may not be successful (wholly or partially). The decision in relation to the number of Additional Options in excess of your Entitlement to be allocated to you will be final. No interest will be paid on any application monies received and returned.

It is possible that there will be few or no Additional Options available, depending on the level of acceptance of Entitlements by Eligible Shareholders. There is therefore no guarantee that in the event that Additional Options are available for issue, they will be allocated to all or any of the Eligible Shareholders who have applied for them.

In the event all Entitlements are not taken up, the Directors reserve the right, subject to the Corporations Act and the ASX Listing Rules, to allocate any Additional Options at their absolute discretion. The Company may issue to an Applicant a lesser number of Additional Options or not proceed with the issuing of all or part of the Additional Options. If the number of Additional Options is less that the number applied for, surplus Application Monies will be refunded without interest.

3.6 Alternatives for Eligible Shareholders

Accompanying this Prospectus is a personalised Entitlement and Acceptance Form along with a Shortfall Application Form. Eligible Shareholders may:

(a) take up all of their Entitlement;

(b) take up all of their Entitlement and apply for Additional Options;

(c) take up all of their Entitlement and apply for Additional Options and Shortfall Options under the Shortfall Offer;

(d) take up all of their Entitlement and apply for Shortfall Options under the Shortfall Offer;

(e) take up a proportion of their Entitlement and allow the balance to lapse; or

(f) allow all or part of their Entitlement to lapse.

3.7 Acceptance

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

You may participate in the Entitlement Offer as follows:

(a) if you wish to accept your full Entitlement:

(i) make payment by BPAY® or EFT for your full Entitlement as indicated on your personalised Entitlement and Acceptance Form; or

(b) if you wish to subscribe for more than your Entitlement:

(i) make payment by BPAY® or EFT for the appropriate Application Monies (being the sum of your full Entitlement and the number of Additional Options that you indicate in the Entitlement and Acceptance Form that you wish to acquire, multiplied by $0.001 per New MRQOD Option); or

(c) if you only wish to accept part of your Entitlement:

(i) make payment by BPAY® or EFT for the appropriate Application Monies (being the number of New MRQOD Options that you indicate in the Entitlement and Acceptance Form that you wish to acquire, multiplied by $0.001 per New MRQOD Option).

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

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

3.8 Payment by BPAY® or EFT

For payment by BPAY® or EFT, 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® or EFT:

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

(b) if you do not pay for your Entitlement and Additional Options in full, you are deemed to have taken up your Entitlement in respect of such whole number of New MRQOD Options which is covered in full by your Application Monies paid by BPAY® or EFT; and

(c) it is your responsibility to ensure that your BPAY® or EFT payment is received by the Share Registry by no later than 4:00 pm (AEST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment.

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

3.9 Implications of returning a completed Entitlement and Acceptance Form or paying by BPAY® or EFT

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

(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.

3.10 Shortfall and Shortfall Offer

Any New MRQOD Options not taken under the Entitlement Offer will form part of the Shortfall and become subject of the Shortfall Offer.

The Shortfall Offer is a separate offer under this Prospectus and may remain open for up to three (3) months after the Closing Date. The Shortfall Offer is currently anticipated to close on [***insert***], with the Company having the discretion to vary this closing date without notice. The Company may also withdraw the Shortfall Offer at any time without notice.

The issue price of each Shortall Option to be issued pursuant to the Shortfall Offer will be $0.001 being the price at which New MRQOD Options have been offered under the Entitlement Offer.

Eligible Shareholders who wish to subscribe for New MRQOD Options above their Entitlement are invited to apply for Shortfall Options under the Shortfall Offer by following the instructions set out on the Shortfall Application Form and paying the appropriate Application Monies.

Additionally, other investors who are not currently Shareholders who wish to participate in the Shortfall Offer may apply for Shortfall Options by following the instructions set out on the Shortfall Application Form and paying the appropriate Application Monies.

The Directors reserve the right to allocate and issue any Shortfall Options at their discretion.

The Board presently intends to allocate New MRQOD Options under the Shortfall Offer to Eligible Shareholders and third party investors with allocations (and any scale back) taking account the following factors:

(a) the need to recognise the ongoing support of existing Shareholders of the Company;

(b) identifying new potential long-term or cornerstone investors; and

(c) ensuring an appropriate Shareholder base for the Company.

The Directors reserve the right to issue an Eligible Shareholder or third party investor a lesser number of Shortfall Options than applied for or no Shortfall Options at all. All decisions regarding the allocation of Shortfall Options will be made by the Directors and will be final and binding on all Applicants under the Shortfall Offer. As such, there is no guarantee that any Shortfall Options applied for will be issued to Applicants. The Company will have no liability to any Applicant who receives less than the number of New MRQOD Options they applied for under the Shortfall Offer. If the Company scales back any applications for Shortfall Options under the Shortfall Offer any application monies will be returned (without interest) in accordance with the provisions of the Corporations Act.

3.11 ASX listing

Application for Official Quotation of the New MRQOD Options offered pursuant to this Prospectus will be made in accordance with the timetable set out at the commencement of this Prospectus. If ASX does not grant Official Quotation of any of the New MRQOD Options offered pursuant to this Prospectus before the expiration of three (3) months after the date of the issue of this Prospectus (or such longer period as varied by ASIC), the Company will not issue any New MRQOD Options and will repay all of application monies for the New MRQOD Options within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the New MRQOD Options pursuant to this Prospectus is not to be taken in any way as an indication of the merits of the Company or the New MRQOD Options.

3.12 Issue of New MRQOD Options

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

Additional Options issued will be allotted on a progressive basis up to and after the Closing Date. Where the number of New MRQOD Options issued is less than the number applied for, or where no allotment is made, surplus Application Monies will be refunded without any interest to the Applicant as soon as practicable after the closing date of the Entitlement Offer.

Shortfall Options issued pursuant to the Shortfall Offer will be issued in the manner describe in Section 3.10 of this Prospectus.

Where the number of New MRQOD Options issued is less than the number issued 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 Offers.

Pending the latter to occur of the issue of the New MRQOD Options, payment of refunds pursuant to this Prospectus and ASX granting Official Quotation of the New MRQOD Options offered under 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 New MRQOD Options issued under the Entitlement Offer and the Shortfall Offer will be distributed in accordance with the ASX Listing Rules and the timetable set out at the commencement of this Prospectus.

3.13 Overseas Shareholders

The Offers do not, and are 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 New MRQOD Options these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offers are not being extended and New MRQOD Options will not be issued to Shareholders (or other persons) with a registered address which is outside Australia or New Zealand.

The Offers are being made in New Zealand pursuant to the *Securities Act (Overseas Companies) Exemption Notice 2013* (New Zealand).

Shareholders resident in Australia or New Zealand holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up an Entitlement under the Entitlement Offer and/or the Shortfall Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form and/or Shortfall Application Form will be taken by the Company to constitute a representation that there has not been, and will not be, any breach of those regulations.

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

In particular, the New MRQOD Options have not been, and will not be, registered under the Securities Act of 1933 (United States of America) (as amended) (**US Securities Act**) or the laws securities laws of any state of the United States and may not be offered or sold in the United States unless the New MRQOD Options are registered under the US Securities Act, or offered or sold in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

3.14 Withdrawal of the Offers

The Company reserves the right to withdraw all or part of the Offers, and this Prospectus, at any time, subject to applicable laws. In that case, the Company will refund Application Monies relating to any New MRQOD Options not already issued in accordance with the Corporations Act and without payment of interest.

To the fullest extent permitted by law, you agree that any Application Monies paid by you to the Company will not entitle you to receive any interest and that any interest earned in respect of Application Monies will belong to the Company

3.15 Enquiries

Any questions concerning the Offers should be directed to Shane Turner, Non-Executive Director and Company Secretary on (03) 5330 5800.

4. Use and effect of the Offers

4.1 Use of funds raised

The Offers will raise up to approximately $1,174,235 (before costs associated with the Offers).

Together with funds raised under the Placement, the funds raised from the Offers are planned to be used in accordance with the table set out below (assuming the Offers are fully subscribed):

Funds on hand as at 30 September 2022	**$437,115**
Proceeds of the Offers & Placement	**$2,451,115**
Use of funds	
Corridor Sands HMS Project - improvement programs to increase project economics towards Feasibility. Follow up drilling, mineralogy and metallurgy to test high VHM Azaria target.	$500,000
Jangamo HMS Project - exercise option, develop pathway to production	$300,000
Exploration at HMS, REE and Uranium Projects should these Exploration Licences be granted	$200,000
Further Exploration Drilling & Mineralogy at Marao	$100,000
Working capital, costs of Placement and expenses of the Offers to 30 June 2023	$350,000
Total Estimated Funds at 30 June 2023	**$1,001,115**

The above table is a statement of current intentions as at the date of this Prospectus. Investors should note that, as with any budget, the allocation of the funds raised as set out in the table above may change depending on various factors including, but not limited to, the success of the Company's business plan, marketing campaigns, business development, regulatory developments and economic decisions. The Company reserves the right to alter the purposes and/or the amounts in which any of those funds may be applied.

In the event that the Entitlement Offer is not fully subscribed (and the Shortfall Offer is also not fully subscribed), the Company shall apply the actual proceeds raised by the Offers first towards the estimated expenses of the Offers, then towards reduction of current liabilities up to a maximum of $100,000 with the balance (if any) applied equally towards general working capital and exploration and evaluation of the Company's existing projects. The Board reserves the right to alter the priority and proportions in which funds raised are applied.

In the event that insufficient funds are raised to meet the expenses of the Offers, the Company intends to use its existing working capital to meet the expenses of the Offers.

4.2 Effect of the Offers

The principal effect of the Offers, assuming all New MRQOD Options offered under this Prospectus are subscribed for, will be to:

(a) increase the cash reserves and issued capital by up to approximately $1,174,235 immediately after completion of the Offers (prior to deducting the estimated expenses of the Offers which will be met from those cash reserves); and

(b) increase the total number of Options on issue from 305,236,375 as at the date of this Prospectus to up to 1,629,471,552 following completion of the Offers. Please see Section 4.4 of this Prospectus for further details.

4.3 Pro-forma consolidated Group statement of financial position

Set out below is the consolidated Group's audited statement of financial position as at 30 June 2022 and the pro-forma unaudited statement of financial position as at 30 June 2022 taking into account the effect of:

(a) the Placement; and

(b) the Offers.

This pro-forma is not intended to be a statement of the Group's current financial position. The Group's pro-forma statement of financial position has been prepared assuming all Entitlements are accepted and includes the expenses of the Offers.

The Group prepares its financial statements in accordance with the requirements of the Corporations Act, applicable accounting standards, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board (AASB). The accounting policies upon which the pro-forma information has been prepared are set out in the Group's financial statements for the financial year ended 30 June 2022. A copy of the Group's financial statements for the financial year ended 30 June 2022 can be viewed on the ASX platform (ticker: MRQ) or the Company's website at www.mrgmetals.com.au. The Group's pro-forma consolidated statement of financial position is presented in abbreviated form and does not contain all of the disclosures that are usually found in financial statements prepared in accordance with the Corporations Act. The information is not represented as being indicative of the Group's current or future financial condition and/or performance.

The Group's pro-forma statement of financial position has been prepared to provide investors with information on the assets and liabilities of the Group and pro-forma assets and liabilities of the Group 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.

	(Audited)	**Pro-forma (unaudited)**
	30-Jun-22	30-Jun-22
	$	**$**
Current Assets		
Cash and cash equivalents	1,017,533	2,986,768
Other receivables	321,471	321,471
Total current assets	1,339,004	3,308,239
Non-current Assets		
Deposits	22,980	22,980
Plant & equipment	72,026	72,026
Exploration and evaluation	5,176,689	5,176,689
Total non-current assets	5,271,695	5,271,695

Total assets	6,610,699	8,579,934
Current Liabilities		
Trade and other payables	205,916	205,916
Total current liabilities	205,916	205,916
Total liabilities	205,916	205,916
Net assets	**6,404,783**	**8,374,018**
Equity		
Share capital	27,761,631	29,775,866
Reserves	160,168	160,168
Accumulated losses	-21,517,016	-21,562,016
Total equity	**6,404,783**	**8,374,018**

Other than as outlined in the table, these pro-forma financial statements do not include any change since 30 June 2022. Shareholders and investors should consider announcements released to the market since 30 June 2020 when evaluating the Group's movements in financial position and the effect of the Offers.

4.4 Effect on capital structure

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

Shares	**Number**
Shares on issue as at date of Prospectus	1,747,058,628
New Shares from Placement announced 23 November 2022	210,000,000
Total Shares on issue after completion of the Offers	**1,957,058,628**

Options	**Number**
Existing Options on issue as at the date of the Prospectus – exercisable at $0.025 on or before 30 June 2023	305,236,375
New Options from Placement announced 23 November 2022	150,000,000
New MRQOD Options offered pursuant to the Entitlement Offer – exercisable at $0.008 on or before 31 December 2025[1]	1,174,235,177
Total Options on issue after completion of the Entitlement Offer	**1,629,471,552**

Notes

1. Assumes full subscription of the Entitlement Offer.

4.5 Potential dilution of Shareholders

Shareholders should note that if they do not participate in the Entitlement Offer, their holdings are likely to be diluted by approximately 40% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus). Examples of how the dilution may impact Shareholders are set out in the table below:

Example Holder	Holding at Record Date	% at Record Date	Entitlement under the Entitlement Offer	Holding if Entitlement Offer not taken up	% post Entitlement Offer
1	20,000,000	[0.01%]	12,000,000	20,000,000	[0.006%]
2	10,000,000	[0.005%]	6,000,000	10,000,000	[0.003%]
3	3,000,000	[0.001%]	1,800,000	3,000,000	[0.001%]
Total	**1,957,058,628**		**1,174,235,177**		**3,131,293,805**

Note:

1. 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 Shortfall Offer and all New MRQOD Options issued under the Offers are exercised prior to their expiry.

4.6 Effects on substantial holders

Based on publicly available information as at the close of trading on 18 November 2022, there were no persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue.

In the event all Entitlements are accepted by Eligible Shareholders there will be no change to the substantial holders on completion of the Offers.

4.7 Effect of Offers on control of the Company

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

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

(a) the percentage interest of Shareholders who are not Eligible Shareholders, and Eligible Shareholders who do not take up their Entitlement, will be diluted by approximately 40% (assuming the Offers are fully subscribed);

(b) if all Eligible Shareholders take up their Entitlements under the Entitlement Offer and 100% of the Shortfall is placed (i.e. 100% Entitlements of Ineligible Shareholders is placed), all Eligible Shareholders will hold the same percentage interest in the Company as before the Offers open;

(c) in the more likely event that there is a Shortfall, Eligible Shareholders who do not subscribe for their full Entitlement under the Entitlement Offer will be diluted relative to those Shareholders who subscribe for some or all of their Entitlements as shown by the table in Section 4.5 of this Prospectus; and

(d) Eligible Shareholders will be entitled to top-up their Shareholding over and above their Entitlements, by subscribing for Additional Options and applying for Shortfall Options under the Shortfall Offer.

New MRQOD Options may only be exercised in compliance with the Corporations Act and will only affect control where permitted under the Corporations Act.

5. Rights and liabilities attaching to Securities

5.1 Rights attaching to New MRQOD Options

The New MRQOD Options entitle the holder to subscribe for Shares on the following terms and conditions:

(a) **Entitlement:**

Each New MRQOD Option gives the New MRQOD Optionholder the right to subscribe for one Share. To obtain the right given by each New MRQOD Option, the New MRQOD Optionholder must exercise the New MRQOD Options in accordance with the terms and conditions of the New MRQOD Options.

(b) **Exercise Price:**

Subject to any variation in share capital, the amount payable upon exercise of each New MRQOD Option will be $0.008 (0.8 cents) (**Exercise Price**).

(c) **Expiry Date:**

The New MRQOD Options will, except to the extent earlier exercised, expire at 5:00 pm (AEST) on the Expiry Date (being 31 December 2025). Any New MRQOD Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

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

(e) **Notice of Exercise:**

The New MRQOD Options may be exercised at any time before the Expiry Date by notice in writing to the Company in the manner specified on the New MRQOD Option certificate (**Exercise Notice**) and payment of the Exercise Price in full for each New MRQOD Option, in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Timing of Issue of Shares on exercise:**

Within 10 Business Days after the Exercise Date, the Company will:

(i) allot and issue the number of Shares required under these terms and conditions in respect of the number of New MRQOD Options specified in the Exercise Notice and for which cleared funds have been received by the Company; and

(ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

If a notice delivered under subparagraph (g)(ii) above for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(g) **Shares issued upon exercise:**

Any Shares issued upon the exercise of a New MRQOD Option will rank equally in all respects with all other Shares on issue at that time.

(h) **Quotation of Shares issued on exercise:**

The Company will apply for Official Quotation of all Shares issued upon the exercise of the New MRQOD Options within 10 Business Days after the date of allotment of those Shares.

(i) **Variation of Share Capital:**

If at any time the issued capital of the Company is reconstructed, the number of New MRQOD Options and the Exercise Price will be adjusted in such a manner as the auditors for the time being of the Company will in writing advise the Directors to be in their opinion fair and reasonable, and in any event, in accordance with the provisions of the Listing Rules.

(j) **Participation in new issues:**

There are no participating rights or entitlements inherent in the New MRQOD Options and New MRQOD Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the New MRQOD Options, without first exercising the New MRQOD Options. However the Company will notify all holders of New MRQOD Options that are permitted to be exercised prior to the record or other qualifying date applicable to any new issue that is to be made on a pro rata basis to all then existing Shareholders, no less than 10 Business Days prior to the closing date of the offer period attaching that proposed new issue, in order to enable those New MRQOD Optionholders to exercise some or all of their respective New MRQOD Options and thereby participate in that new issue.

If, prior to the Expiry Date, the Company makes a bonus issue of Shares to Shareholders, then, upon the exercise of their New MRQOD Options, New MRQOD Optionholders would be entitled to have issued to them, in addition to Shares which would otherwise be issued to them upon the exercise of their New MRQOD Options, the Shares which would have been issued under that bonus issue (**Bonus Shares**) if, on the record date applicable to the Bonus Shares, they had been registered as the holder of the Shares to be issued to them upon exercise of the New MRQOD Options. Such Bonus Shares will be paid by the Company out of profits or reserves in the same manner as was applied in relation to the bonus issue and upon issue will rank equally in all respects with the Bonus Share.

(k) **Change in exercise price:**

Other than as provided for in subparagraph (i) above, a New MRQOD Option does not confer the right to a change in the Exercise Price or a change in the number of underlying securities over which the New MRQOD Option can be exercised.

(l) **Quotation of New MRQOD Options**

The Company intends to apply for official quotation of the New MRQOD Options on ASX. If ASX does not grant Official Quotation of the New MRQOD Options, the New MRQOD Options will be unlisted and, as referred to in subparagraph (g)(ii) above, the Company will issue a notice that seeks to comply with the applicable provisions of the Corporations Act.

(m) **Transferability**

The New MRQOD Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

5.2 Rights Attaching to Shares

The following is a summary of the more significant rights attaching to the Shares (being the underlying securities of the Options). 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 obtain a copy of the Constitution, a copy of which is available to inspect during business hours at the registered office of the Company or that is available at <www.mrgmetals.com.au> and, if required, seek independent legal advice.

The Shares are all fully paid ordinary shares in the issued capital of the Company, and that is the only class of shares in that issued capital. The Shares will rank equally with, and have the same rights and entitlements, in all other respects as the existing Shares, including for any dividend issued after the date of this Prospectus. The Company is registered in Australia under the Corporations Act.

The rights and liabilities attaching to Shares are:

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

(a) **General meetings**

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

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

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

(b) **Voting rights**

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

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

(ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and

(iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder will, in respect of each fully paid Share held by that Shareholder, or in respect of which that Shareholder is appointed a proxy, attorney or representative, have one vote for each Share by them, but in respect of partly paid Shares 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 Corporations Act, the Directors may from time to time declare such dividends as appear to the Directors to be justified by the profits of the Company.

Subject to the rights of persons entitled to securities with special preferential or qualified rights as to dividends, the profits of the Company are divisible amongst Shareholders in proportion to the amounts paid up (not credited) on the Shares

held by them. The Directors may from time to time pay to Shareholders such dividends as in their judgment the position of the Company justifies.

(d) **Winding up**

Upon paying the Application Monies and Exercise Price for the Options in full, an Applicant will have no further liability to make payments in respect of Shares, to the Company in the event of the Company being wound up.

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, 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 the liquidator 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 security holders.

The liquidator may, with the authority of a special resolution of the Company, 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) **Power to issue Shares**

Subject to the Listing Rules, the Board may issue such number of Shares as it determines. The Board may issue Shares that rank as to voting or distribution rights, or both, equally or in priority to any existing Shares.

(f) **Transfer of Shares**

Generally, Shares are freely transferable, subject to satisfying the usual requirements of security transfers on ASX, 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 or the ASX Listing Rules.

(g) **Variation of rights**

Pursuant to section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of security holders or with the written consent of the majority of security holders in the affected class, vary or abrogate the rights attaching to the securities (including Shares).

(h) **Alteration of Constitution**

The Constitution can only be amended by a special resolution passed by at least 75% of Shareholders present (in person, by proxy, attorney or representative) and voting at the general meeting.

(i) **Sale of non-marketable holdings**

The Company may take steps in respect of non-marketable holdings of Shares to effect an orderly sale of those Shares in the event that Shareholders do not take steps to retain their respective Shareholdings.

The Company may only take steps to eliminate non-marketable Shareholdings in accordance with the Corporations Act and the Listing Rules.

For more particular details of the rights attaching to Shares, investors should refer to the Constitution.

5.3 Rights attaching to Existing Options

The Existing MRQOC Options entitle the holder to subscribe for Shares on the following terms and conditions:

(a) **Entitlement:**

Each Existing Option gives the Existing Optionholder the right to subscribe for one Share. To obtain the right given by each Existing Option, the Existing Optionholder must exercise the Existing Options in accordance with the terms and conditions of the Existing Options.

(b) **Exercise price:**

Subject to any variation in share capital, the amount payable upon exercise of each Existing Option is $0.025 (2.5 cents).

(c) **Expiry date:**

The Existing Options will, except to the extent earlier exercised, expire at 5:00 pm (AEST) on 30 June 2023. Any Existing Option not exercised before that time will automatically lapse.

(d) **Exercise period**

The Existing Options are exercisable at any time on or prior to 5:00 pm (AEST) on 30 June 2023.

(e) **Notice of exercise:**

The Existing Options may be exercised at any time before 5:00 pm (AEST) on 30 June 2023 by notice in writing to the Company in the manner specified on the Existing Option certificate and payment of the exercise price in full for each Existing Option, in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Timing of issue of Shares on exercise:**

Within 10 Business Days after the exercise date, the Company will:

(i) issue the number of Shares required under these terms and conditions in respect of the number of Existing Options specified in the exercise notice and for which cleared funds have been received by the Company; and

(ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

If a notice delivered under subparagraph (g)(ii) above for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(g) **Shares issued upon exercise:**

Any Shares issued upon the exercise of an Existing Option will rank equally in all respects with all other Shares on issue at that time.

(h) **Quotation of Shares issued on exercise:**

The Company will apply for Official Quotation of all Shares issued upon the exercise of the Existing Options within 10 Business Days after the date of allotment of those Shares.

(i) **Variation of Share Capital:**

If at any time the issued capital of the Company is reconstructed, the number of Existing Options and the exercise price will be adjusted in such a manner as the auditors for the time being of the Company will in writing advise the Directors to be in their opinion fair and reasonable, and in any event, in accordance with the provisions of the Listing Rules.

(j) **Participation in new issues:**

There are no participating rights or entitlements inherent in the Existing Options and Existing Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Existing Options, without first exercising the Existing Options. However the Company will notify all holders of Existing Options that are permitted to be exercised prior to the record or other qualifying date applicable to any new issue of Shares that is to be made on a pro rata basis to all then existing Shareholders, no less than 10 Business Days prior to the closing date of the offer period attaching that proposed new issue, in order to enable those Existing Optionholders to exercise some or all of their respective Existing Options and thereby participate in that new issue.

If, prior to the expiry date, the Company makes a bonus issue of Shares to Shareholders, then, upon the exercise of their Existing Options, Existing Optionholders would be entitled to have issued to them, in addition to Shares which would otherwise be issued to them upon the exercise of their Existing Options, the Shares which would have been issued under that bonus issue (**Bonus Shares**) if, on the record date applicable to the Bonus Shares, they had been registered as the holder of the Shares to be issued to them upon exercise of the Existing Options. Such Bonus Shares will be paid by the Company out of profits or reserves in the same manner as was applied in relation to the bonus issue and upon issue will rank equally in all respects with other bonus shares.

(k) **Change in exercise price:**

Other than as provided for in subparagraph (i) above, an Existing Option does not confer the right to a change in the exercise price or a change in the number of underlying securities over which the Existing Option can be exercised.

(l) **Quotation**

Existing Options are quoted on ASX under the ticker ‘MRQOC’.

(m) **Transferability**

The Existing Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

6. Risk factors

6.1 Introduction

The New MRQOD Options offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free. Due to the nature of the Company's business activities and mineral exploration interests, making or increasing an investment in the Company carries with it risks reasonably expected of an investment in a business of this type. Applicants should read this Prospectus in full, consider the risk factors described within it and all other relevant material including the Company's announcements. If an Applicant is in any doubt, or requires clarification or further additional information, that Applicant should contact their stockbroker, accountant, solicitor or other professional adviser.

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

The following is a summary of the more material matters to be considered and should be read in conjunction with specific matters referred to in the Company's announcements and reports. However, the summary is not exhaustive and potential investors should examine the contents of this Prospectus in its entirety and consult their professional advisors before deciding whether to apply for New MRQOD Options.

6.2 Key Risks and dependencies associated with the Company include:

(a) **Exploration risk**

Mineral exploration and development by its nature is a high risk activity and there can be no guarantee of exploration success on the Company's projects. There can be no assurance that exploration of the tenements, or any other tenements that may be acquired in the future, will result in the discovery of an economic deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

Further, exploration involves certain operating hazards, such as failure and or breakdown of equipment, adverse geological, seismic and geotechnical conditions, industrial accidents, labour disputes, adverse weather conditions, pollution and other environmental hazards and risks.

Success in exploration development is dependent upon a number of factors including, but not limited to, prospective projects, systematic target generation and follow up, use of the latest technology, strong management and availability of exploration capital.

Exploration and development involves numerous additional specific risks:

(i) failure to delineate commercial ore reserves;

(ii) delays in the availability of drilling rigs and the delivery of equipment;

(iii) hiring rates for drill equipment;

(iv) failures or breakdown of equipment;

(v) industrial accidents;

(vi) unexpected drilling conditions;

(vii) availability of specialised personnel;

(viii) adverse weather conditions; and

(ix) permits, grants and maintenance of licences and permits.

(b) **Budget risk**

The exploration and development 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 uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions.

(c) **Additional requirements for capital**

Further funds will be required for the Company to complete is current programs and achieve its current objectives. Until the Company develops or acquires an income producing asset, it will be dependent on its cash resources, any funds derived from the exercise of the New MRQOD Options, and the ability of the Company to obtain future equity or debt funding to support exploration.

The Company's ability to raise further equity or debt funding, or to divest part of its interest in a project, and the terms of such transaction will vary and be influenced by a number of factors, including the terms relating to the acquisition of a cash producing asset, securing the requisite permits, the results of mining studies, success of further exploration activities, stock market conditions and prices.

If it is established that a mining production operation is technically, environmentally and economically viable, we may require substantial additional financing to permit and establish mining operations and production facilities. No assurances can be given that the Company will be able to raise the additional financing required for such activities.

Any additional equity financing may be dilutive to Shareholdings and debt financing, if available, may involve restrictions on financing and operating activities. There are no assurances that additional financing will be available on terms acceptable to us, or at all.

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 programs.

(d) **New projects and acquisitions and joint ventures**

The Company will continue to actively pursue and assess, other new business opportunities particularly those in the resources sector. These new business opportunities may take the form of direct project acquisitions, joint ventures, farm-ins, acquisition of tenements/permits, or direct equity participation.

If an acquisition is completed, the Directors will need to reassess, at that time, the funding allocated to current projects and new projects, which may result in the Company reallocating funds from other projects and/or the raising of additional capital (if available).

Furthermore, any new project or business acquisition may change the risk profile of the Company, particularly if the new project is located in another jurisdiction, involves a new commodity and/or changes the Company's capital/funding requirements.

Should the Company propose or complete the acquisition of a new project or business activity, investors should re-assess their investment in the Company in light of the new project/business activity.

(e) **Mineral resources and ore reserves are estimates only**

There is no certainty that the mineral resources, or any ore reserve, will be realised. Until a deposit is actually mined and processed, the quantity of mineral resources and ore reserves and grades must be considered estimates only. In addition, the value of mineral resources and any ore reserves will depend upon, among other things, commodity prices and currency exchange rates. Any material change in the quantity of mineral resources, or any ore reserves, or grade, may affect the economic viability of any future mines. Any material reductions in the estimates or mineral resources or ore reserves, or our ability to extract any ore, could have a material adverse effect on the Company's operational results and financial condition.

Mineral resource estimates are expressions of judgments based knowledge, experience and industry practice. Often estimates are appropriate when made, but may change significantly when the new information becomes available. There are risks associates with such estimates. Mineral resource estimates are necessarily imprecise and depend to some extent upon interpretations, which may prove to be inaccurate and require adjustment. Adjustments to the Company's mineral resources could affect the Company's development, mining plans and financial position.

(f) **Resources estimates**

Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates that were valid when originally made may alter significantly when new information or techniques become available.

In addition, by their very nature, resource estimates are imprecise and depend on interpretations which may prove to be inaccurate, and whilst the Company will employ industry-standard techniques including compliance with the JORC Code to reduce the resource estimation risk, there is no assurance that this approach will alter the risk. As further information becomes available through additional fieldwork and analysis, resource estimates may change. This may result in alterations to mining and development plans which may in turn adversely affect the Company.

(g) **Risk of not obtaining required permits**

The future operations of the Company, including in respect of the Mozambique Heavy Mineral Sands Projects, may require permits from various governmental authorities and will be governed by laws and regulations governing prospecting, development, mining, production, export, taxes, labour standards, occupational health, waste disposal, land use, environmental protections, mine safety and other matters. There is no assurance that the Company will be able to obtain all necessary permits and approvals that may be required to undertake exploration activity or commence construction or operation of extraction facilities on its properties or any other properties the Company may acquire in the future. To the extent such approvals are required and not obtained, the Company may be curtailed or prohibited from commencing or continuing with mining operations, or proceeding with any future exploration or development of its lithium properties or other properties the Company may acquire in the future.

(h) **Joint venture risk**

The Company is currently and may in the future become a party to joint venture agreements governing the exploration and development of its projects. There is a risk that one of the Company’s joint venture partners may default in their joint venture obligations or not act in the best interests of the joint venture. This may have an adverse effect on the interests and prospects of the Company.

There can be no certainty that the parties will be able to settle the formal documentation in respect thereof. Failure to settle the terms of the formal

documentation may result in termination of the joint venture and/or a potential dispute resolution process.

(i) **Reliance on key personnel**

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. The loss of service of these persons may have a material, adverse, effect on the Company's business and prospects. There are no assurances that the Company will be able to retain the services of these persons.

(j) **Contractual risks**

As in any contractual relationship, the ability for the Company to ultimately be registered as a holder of an interest in the tenements is dependent upon the relevant vendor complying with its contractual obligations to deliver good title. To the extent that such third parties default in their obligations, it may be necessary for the Company to approach a court to seek a legal remedy. Such legal action may be costly and no guarantee can be given by the Company that a legal remedy will ultimately be granted on appropriate terms.

(k) **Land access risk**

Land access is critical for exploration and evaluation to succeed. In all cases, the acquisition of prospective tenements is competitive, in which propriety knowledge or information, and the ability to negotiate satisfactory commercial arrangements with other parties, is often essential.

(l) **Country specific risks – Mozambique**

The Company's operations include those located in Mozambique and are exposed to various levels of political, economic and other risks and uncertainties. These risks and uncertainties include, but are not limited to, currency exchange rates, high rates of inflation, labour unrest, renegotiation or nullification of existing concessions, licences, permits and contracts, changes in taxation policies, restrictions on foreign exchange, changing political conditions, currency controls and government regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, purchase supplies from, a particular jurisdiction.

Changes, if any, in mining or investment policies or shifts in political attitude in Mozambique may adversely affect the Company's operations and profitability. Operations may be affected in varying degrees by governmental regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, income taxes, foreign investment, environmental legislation, land use, land claims of local people, water use, mine safety and government and local participation. Failure to comply strictly with applicable laws, regulations and local practices relating to mineral tenure and development, could result in loss, reduction or expropriation of entitlements.

The Company deals with Mozambique regulators and government officials. The Company is very aware of its legal obligations and best practice concerning anti-bribery and corruption issues. It can be difficult to know with certainty what status any application to government has, what feedback is the subject of official requirements, when decisions are final and when responses might be received.

In addition, the transportation and service infrastructure in Mozambique are under-developed and can be unreliable in some of the areas where the Company is operating. Material delays in the transportation of equipment, supplies and resources may delay the exploration and development of the Company's projects and/or commercialisation of those projects. Any such delay is likely to increase the cost of exploring and developing the projects, and such increase may materially affect the Company's business, results of operations and financial condition.

The Company's investment may be exposed to adverse political developments that could affect the economics of a project.

Terrorism is a threat in Mozambique, including clashes between armed groups linked to Islamist extremism and security forces. Continued insurgency may impact the Company's operations.

Operating in a foreign jurisdiction with legal systems and laws different to Australia may lead to uncertainty for the Company in enforcing legal and contractual rights in those jurisdictions. If the Company is unable to enforce its legal and contractual rights this may have a material adverse effect on the Company. Any future material adverse changes in government policies or legislation in Mozambique that affect foreign ownership, mineral exploration, development or mining activities, may affect the viability of the Company.

(m) **Competition**

The industry in which the Company will be involved is subject to domestic and global competition. Some competitors of the Company have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business opportunities. While the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors. As such, there can be no assurance that the Company will be able to compete effectively with these companies.

6.3 Industry specific

(a) **Operational and technical risks**

The current and future operations of the Company, including exploration, appraisal and possible production activities, may be affected by a range of factors that are beyond the Company's control, these include:

(i) water shortages;

(ii) electrical and mechanical failures;

(iii) transportation capacity;

(iv) geological, geotechnical and seismic factors;

(v) industrial and mechanical accidents;

(vi) equipment and environmental hazards;

(vii) unscheduled shut downs or other process problems; and

(viii) adverse weather conditions.

(b) **Commodity price volatility and foreign exchange risk**

In the event that the Company achieves exploration success leading to production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price risks.

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

Moreover, commodity prices are also affected by macroeconomic factors such as expectations regarding inflation, interest rates and global and regional demand for, and supply of, the commodity as well as general global economic conditions.

These factors may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

Furthermore, international prices of various commodities are denominated in United States Dollars whereas the income and expenditure of the Company are and will be taken into account in Australian currency, 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.

(c) **Tenement title**

Although the Company will endeavour to maintain solid tenement management, the conditions attaching to tenement licences may change, or the Company may not be able to comply with some or all of the conditions associated with Tenement licences. There is a material risk that the Company may not be able to acquire, or may lose title to Tenements.

(d) **Environmental risks**

The Company's operations are subject to environmental regulation in all of the jurisdictions in which it operates. Such legislation covers a wide array of matters, including waste disposal, protection of the environment, work safety, mine development, land and water use and the protection of endangered and protected species among others. Existing and possible future environmental legislation, regulations and actions could cause the Company to incur additional expenses, restrictions and delays in our activities, the extent of which cannot be predicted.

Although the Company undertakes precautions to minimise environmental risks, the Company's operations are subject to hazards which may result in environmental pollution and consequent liability which could have a material adverse impact on the Company's business, operations and financial performance. Damages occurring as a result of such risks may give rise to claims against the Company which may not be covered, in whole or part, by any insurances taken out. In addition, the occurrence of any of these incidents could result in our current or future operational target dates being delayed or interrupted and result in increased capital expenditure.

The costs and complexity of complying with environmental laws and regulations may have a material adverse impact of the operations and financial performance of the Company.

(e) **Climate risk**

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

(i) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and

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

associated with climate change may significantly change the industry in which the Company operates.

(f) **Community relations and landowners**

The Company's ability to undertake exploration and production on tenements will depend in part on its ability to maintain good relations with relevant local communities. Any failure to adequately manager community and social expectations with respect to compensation for land access, employment opportunities, impact on local business and other expectations may lead to local dissatisfaction with the Company, which in turn may lead to disruptions in the exploration and production (if relevant at the time) programs for the tenements and potentially losses.

6.4 General risks

(a) **Coronavirus (COVID-19) risk**

The outbreak of the coronavirus disease ("COVID-19") is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. 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.

(b) **Ukraine conflict**

The current evolving conflict between Ukraine and Russia (Ukraine Conflict) is impacting global economic markets. The nature and extent of the effect of the Ukraine Conflict on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by the Ukraine Conflict.

The Directors are continuing to closely monitor the potential secondary and tertiary macroeconomic impacts of the unfolding events, including the changing pricing of commodity and energy markets and the potential 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. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain.

(c) **Economic risks and market conditions**

Factors, such as, but not limited to, world economic conditions, political instability, stock market trends, interest rates, exchange rates, inflation levels, commodity prices, industrial disruption, environmental impacts, international competition, taxation changes and legislative or regulatory changes may all have an adverse impact on our revenues, operating costs, profit margins and Share price. These factors are beyond the control of the Company and the Company cannot predict how they will impact its business.

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

The price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general. Neither the

Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(d) **Changes in government policies and legislation**

Any material adverse changes in government policies or legislation of Australia, Mozambique, Sweden or any other country that the Company may acquire economic interests in may affect the viability and profitability of the Company.

(e) **Unforeseen expenditure risk**

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

(f) **Industrial risk**

Industrial disruptions, work stoppages, safety issues and accidents in the course of the Company's operations could result in losses and delays, which may adversely affect profitability.

(g) **Force majeure**

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

(h) **Insurance**

The Company will, where possible and economically practicable, endeavour to mitigate some project and business risks by procuring relevant insurance cover. However, such insurance cover may not always be available or economically justifiable and the policy provisions and exclusions may render a particular claim by the Company outside the scope of the insurance cover.

(i) **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.

(j) **Taxation**

The holding or disposal of the any Securities will have tax consequences which may differ depending on the individual financial affairs of each holder of such Security. All of holders of Securities are urged to obtain independent financial advice about the consequences of holding or disposing of any of those Securities from a taxation viewpoint and generally.

(k) **No profits to date**

The Company has incurred losses since its inception. It is therefore not possible to evaluate its prospects based on past performance. Since the Company intends to invest in its exploration and development program, the Directors anticipate making further losses in the foreseeable future. While the Directors have confidence in the future revenue-earning potential of the Company, there can be no certainty that the Company will achieve or sustain profitability or achieve or sustain positive cash flow from its operating activities.

(l) **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.

(m) **Other**

Other risk factors include those normally found in conducting business, including litigation resulting from the breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts, loss of service of key management or operational personnel, non-insurable risks, delay in resumption of activities after reinstatement following the occurrence of an insurable risk and other matters that may interfere with the business or trade of the Company.

The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Securities offered under this Prospectus. Therefore, the Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities.

6.5 Speculative investment

The above list of risk factors are not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The risk factors described above, and others not specifically referred to above, may have a materially adverse impact on the performance of the Company and the value of the New MRQOD Options offered under this Prospectus or the underlying Shares.

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

Neither the New MRQOD Options offered under this Prospectus or the underlying Shares that may be issued as a result of the exercise of the New MRQOD Options carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

7. Additional information

7.1 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.

7.2 Continuous disclosure obligations

The Company is listed on ASX and its Shares are quoted on ASX under the code: MRQ.

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 value of the Company's securities.

This Prospectus is a 'transaction-specific prospectus'. In general terms, a 'transaction-specific prospectus' 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.

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 enquiries 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 (3) 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.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

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

(a) it is subject to regular reporting and disclosure obligations;

(b) copies of documents lodged with ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of ASIC; and

(c) it will provide 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 ASIC;

  (ii) any half-year financial report lodged by the Company with ASIC after the lodgement of the annual financial report referred to in paragraph 7.2(c)(i) and before the lodgement of this Prospectus with ASIC; and

(iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in paragraph 7.2(c)(i) and before the lodgement of this Prospectus with ASIC.

Copies of all documents lodged with ASX 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 ASIC are set out in the table below.

Date	**Description of Announcement/Document**
30/09/2022	Appendix 4G
21/10/2022	MRG HMS – Corridor Projects Mining Licence Applications
28/10/2022	Notice of Annual General Meeting, Explanatory Notes & Proxy
31/10/2022	30.9.22 Quarterly Activities and Cashflow Report
03/11/2022	MRG HMS – Scoping Study & PEA Delivers Significant NPV
09/11/2022	MRG Secures Option to Acquire Savannah's Jangamo Project
10/11/2022	MRG HMS – New Very High Valuable Heavy Minerals Azaria Target
15/11/2022	New Uranium & Rare Earth Elements Licence Application
16/11/2022	MRG HMS – New Very High Valuable Heavy Minerals Cihari Target
21/11/2022	Trading Halt
23/11/2022	Placement and Entitlement Offer
23/11/2022	Proposed Issue of Securities

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.mrgmetals.com.au.

7.3 Market price of Existing Options

The Company is a disclosing entity for the purposes of the Corporations Act and its Existing Options are enhanced disclosure securities quoted on ASX under the ticker MRQOC.

The highest, lowest and last market sale prices of its Existing Options on ASX during the three (3) months immediately preceding the date of lodgement of this Prospectus with ASIC and the respective dates of those sales were:

Highest	$0.001	26/09/22
Lowest	$0.001	26/09/22

Last	$0.001	18/11/22

7.4 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 (3) months immediately preceding the date of lodgement of this Prospectus with ASIC and the respective dates of those sales were:

Highest	$0.006	10/11/22
Lowest	$0.005	07/10/22
Last	$0.005	18/11/22

7.5 Directors support

As at the date of this Prospectus, all of the Directors have advised the Company that they intend to participate under the Entitlement Offer.

7.6 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the two (2) years preceding lodgement of this Prospectus with 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 Offers; or

(c) the Offers,

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

  (ii) the Offers.

Security holdings of the Directors

The relevant interests of each of the Directors in the securities of the Company as at the date of this Prospectus, together with their respective entitlement under the Entitlement Offer, is set out in the table below:

Director	Shares	Existing Options	Entitlement (New MRQOD Options)
Andrew Van Der Zwan	37,906,679	Nil	22,744,007
Christopher Jordan Gregory	63,563,986	Nil	38,138,392
Shane Gordon Turner	24,482,509	Nil	14,689,505

Remuneration of the Directors

The total maximum remuneration of non-executive Directors is determined 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. The current amount has been set at an amount not to exceed $350,000 per annum.

A Director may be paid fees or other amounts (ie non-cash performance incentives such as options, performance rights, 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 annual remuneration (exclusive of superannuation and performance rights expense) payable to each of the Directors in the financial year ended 30 June 2022 and proposed annual remuneration for the current financial year ending on 30 June 2023:

Director	2022 Financial Year	2023 Year
Andrew Van Der Zwan	$100,000	$100,000
Christopher Jordan Gregory	$100,000	$100,000
Shane Gordon Turner	$100,000	$100,000

7.7 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; or

(b) promoter of the Company;

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

(c) the formation or promotion of the Company;

(d) any property acquired or proposed to be acquired by the Company in connection with:

(i) its formation or promotion; or

(ii) the Offers; or

(e) the Offers,

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:

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

(g) the Offers.

Moray & Agnew has acted as the legal advisers to the Company in relation to the Offers and is entitled to be paid approximately $10,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with ASIC, Moray & Agnew has been paid fees totalling $20,341 (excluding GST and disbursements) for legal services provided to the Company.

7.8 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the New MRQOD Options), the Directors, 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; and

(b) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section.

Moray & Agnew has given its written consent to being named as the legal advisers to the Company in this Prospectus. Moray & Agnew has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

The Share Registry is included in this Prospectus for information purposes only. It has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus.

7.9 Expenses of the offer

The total expenses of the Offers are estimated to be approximately $45,000 (excluding GST) and are expected to comprise legal fees, ASX listing fees and other administrative expenses, including ASIC fees. As noted at Section 4.2, the expenses of the Offers will be met from the Company's existing cash reserves.

7.10 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.

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

The Company currently operates an electronic issuer-sponsored register and an electronic CHESS sub-register. The two sub-registers together will comprise the Company's register of Options.

The Company will not issue option certificates. Investors who are issued New MRQOD Options under this Prospectus will be provided with a transaction confirmation statement which sets out the number of New MRQOD Options allotted to the Investor. Investors who elect to hold New MRQOD Options on the issuer-sponsored sub-register will be provided with a holding statement (similar to a bank account statement) which sets out the number of New MRQOD Options allotted to the Shareholder under this Prospectus. For Investors who elect to hold their New MRQOD Options on the CHESS sub-register, the Company will issue an advice that sets out the number of the New MRQOD Options allotted to the Investor under this Prospectus. At the end of the month of allotment, CHESS, acting on behalf of the Company, will provide New MRQOD Optionholders with a holding statement that confirms the number of New MRQOD Options held and any transactions during that month.

A holding statement (whether issued by CHESS or the Company) will also provide details of the applicable Holder Identification Number in case of a holding on the CHESS sub-register or Reference Number in case of a holding on the issuer-sponsored sub-register. Following distribution of these initial holding statements, a holding statement will also be provided to each New MRQOD Optionholder at the end of any subsequent month during which the balance of that New MRQOD Optionholder's holding of New MRQOD Options changes.

A New MRQOD Optionholder may request a holding statement at any other time. However, a charge may be imposed by the Share Registry for additional statements.

7.12 Privacy Act

If you complete an application for New MRQOD Options, you will be providing personal information to the Company (directly or by the Share Registry). The Company collects, holds and will use that information to assess your application, service your needs as a holder of equity securities in the Company, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, 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. Please contact the Company or the Share Registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth), 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 New MRQOD Options, the Company may not be able to accept or process your application.

7.13 Governing Law

This Prospectus, the Offers and any transactions created or entered into under the provisions of or as contemplated under this Prospectus or the Offers are subject to the laws of Victoria, Australia. Any person who partakes in an Offer or any transactions created or entered into under the provisions of or as contemplated under this Prospectus submits to the non-exclusive jurisdiction of the courts of Victoria, Australia.

7.14 Cooling Off

There are no cooling-off rights applicable to a subscription for Securities available under the Offers. Applications for Securities may not be withdrawn once they have been accepted.

7.15 Disclaimer of representations

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

7.16 Modification and withdrawal

The Company reserves the right to modify or withdraw the Offers or any one of them at any time after the publishing of this Prospectus. If the Company withdraws the Offers, any Application Monies received will be refunded (without interest) if the Securities have not already been issued in accordance with the Corporations Act.

7.17 ASIC declarations and Listing Rule waivers

The Company has not been granted any waivers, exemptions or modifications by ASIC or ASX in connection with the Offers.

8. Directors' authorisation

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

Each of the Directors of the Company has consented to the lodgement of this Prospectus with ASIC in accordance with section 720 of the Corporations Act and has not withdrawn that consent.



Andrew Van Der Zwan
Chairman & Non-Executive Director
For and on behalf of MRG Metals Ltd

10. Glossary

$ means the lawful currency of the Commonwealth of Australia.

Additional Options means New MRQOD Options in addition to an Eligible Shareholder's Entitlement for which an Applicant applies for pursuant to an Entitlement and Acceptance form.

AEST means Australian Eastern Standard Time.

Applicant means an Eligible Shareholder who applies for New MRQOD Options (including Additional Options) pursuant to the Entitlement Offer or a person who applies for Shortfall Options under the Shortfall Offer, as the context requires.

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

Application Monies means monies received by the Company from Applicants with respect to the Entitlement and Acceptance Form.

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 a day that is not a Saturday, Sunday or a public holiday in Melbourne, Victoria.

CHESS means the Clearing House Electronic Sub-register System operated by ASX Settlement Pty Ltd.

Closing Date means the date specified in the timetable set out at the commencement of this Prospectus (unless extended).

Company means MRG Metals Limited ACN 148 938 532.

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

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

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

Eligible Shareholder means a Shareholder of the Company as at the Record Date other than an Ineligible Shareholder.

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

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

Entitlement Offer means the offer by way of the non-renounceable entitlement issue to Eligible Shareholders of New MRQOD Options under this Prospectus.

Exercise Price means $0.008 (0.8 cents).

Existing Option means an option to acquire a Share issued by the Company prior to the date of this Prospectus.

Existing Optionholder means a holder of an Existing Option.

Expiry Date means 31 December 2025.

Ineligible Shareholder means a Shareholder as at the Record Date whose registered address in the Company's register of members is not situated in Australia or New Zealand.

Investor means an investor participating in the Offers.

Issue Price means $0.001 (0.1 cents) per New MRQOD Option.

New MRQOD Option means an option to acquire a Share pursuant to the Offers under this Prospectus.

New MRQOD Optionholder means a holder of a New MRQOD Option.

Offers means the Entitlement Offer and the Shortfall Offer.

Official Quotation means official quotation on ASX.

Option means an option issued by the Company to acquire a Share and includes an Existing Option and a New MRQOD Option.

Placement means the placement by way of the issue of 210 million fully paid Shares at $0.004 (0.4 cents) per Share, together with 140 million attaching options, exercisable at $0.008 (0.8 cents) on or before 31 December 2025, by the Company to sophisticated and professional investors for aggregate proceeds of $840,000 and 10,000,000 options to the Lead Manager, which was announced to ASX by the Company's announcement dated 23 November 2022.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out at the commencement of this Prospectus.

Related Body Corporate has the meaning given to that term in the Corporations Act.

Related Entity has the meaning given to that term in the Corporations Act.

Securities means Shares and Options.

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

Share Registry means Automic Pty Ltd, being the share registry of the Company as noted in the Corporate Directory section of this Prospectus.

Shareholder means a holder of a Share.

Shortfall means the New MRQOD Options not applied for under the Entitlement Offer (if any).

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

Shortfall Offer means the offer of Shortfall Options on the terms set out in section 3.8 of this Prospectus.

Shortfall Options means those New MRQOD Options issued pursuant to the Shortfall Offer.

Tenements means each of the following tenements held by the Company as at 30 September 2022:

Project	Tenement	% Owned	Note
Norrliden	**K nr 1**	**10**	
Malanaset	**nr 100**	**10**	
Malanaset	**nr 101**	**10**	
Corridor Central	**6620L**	**100**	
Corridor South	**6621L**	**100**	
Corridor North	**10779L**	**100**	**Application**
Linhuane	**7423L**	**100**	**Application**
Marao	**6842L**	**100**	
Marruca	**6846L**	**100**	
Patricio	**10999L**	**100**	**Application**
Adriano	**11000L**	**100**	**Application**
Fotinho	**11002L**	**100**	**Application**
Olinga	**11005L**	**100**	**Application**

MRG Metals Limited | ACN 148 938 532

All Registry Communication to:
AUTOMIC
GPO Box 5193, Sydney NSW 2001
1300 288 664 (within Australia)
+61 2 9698 5414 (international)
corporate.actions@automicgroup.com.au
www.automicgroup.com.au

[EntityRegistrationDetailsLine1Envelope]
[EntityRegistrationDetailsLine2Envelope]
[EntityRegistrationDetailsLine3Envelope]
[EntityRegistrationDetailsLine4Envelope]
[EntityRegistrationDetailsLine5Envelope]
[EntityRegistrationDetailsLine6Envelope]

Holder Number:
[HolderNumberMasked]

Shares held as at the Record Date at
7.00 pm (AEDT), 1 December 2022
[CumBalance]

ENTITLEMENT AND ACCEPTANCE FORM

OFFER CLOSES 5.00 PM (AEDT), 30 DECEMBER 2022 (WHICH MAY CHANGE WITHOUT NOTICE)

On 23 November 2022, MRG Metals Limited (the **Company**) announced its intention to raise $1,174,235 by way of a pro-rata non-renounceable entitlement offer of New MRQOD Options. Under the Entitlement Offer, eligible shareholders are entitled to subscribe for 3 New MRQOD Options for every 5 Shares held at 7:00pm (AEDT) on 1 December 2022 (**Record Date**), at the Offer Price of $0.001 per New MRQOD Option. The New MRQOD Options are exercisable at $0.008 (0.8 cents) and expire on 31 December 2025.

The Prospectus dated 23 November 2022 contains information about the Entitlement Offer and you should carefully read the Prospectus before applying for New MRQOD Options. This Entitlement and Acceptance Form should be read in conjunction with the Prospectus. If you do not understand the information provided in the Prospectus or you are in doubt as to how you should deal with it, you should seek professional advice. Other than as defined in this Entitlement and Acceptance form, capitalised terms have the same meaning as defined in the Prospectus.

1 ACCEPTANCE OF ENTITLEMENT OR PART THEREOF

	Payment Amount A$ ($0.001 per New MRQOD Option)	Number of New MRQOD Options Applied
Full Entitlement	[EntPayable]	[Entitlement]
Partial Entitlement	, , ,	

2 APPLICATION FOR SHORTFALL MRQOD OPTIONS

As an Eligible Shareholder, you are invited to apply for Shortfall MRQOD Options**,** providing you have taken up your full Entitlement.

	Payment Amount A$ ($0.001 per New MRQOD Option)	Number of Shortfall MRQOD Options Applied
Shortfall Application	, , ,	

No fractional Options will be issued. If the dollar amount for additional Options, divided by the issue price ($0.001), is a fraction of a New Option, the New Options allotted will be rounded down).

3 MAKE YOUR PAYMENT BY BPAY® OR ELECTRONIC FUNDS TRANSFER (EFT)

Payments must be made by BPAY® or by EFT and may not be made by cheque or money order. You do not need to return this form if you have made payment via BPAY® or EFT.

Total Payment A$	, , ,

Option A – BPAY®

Biller Code: TBC

Ref No: [BPayCRN]

Contact your financial institution to make your payment from your cheque or savings account.

Note: You do not need to return this form if you have made payment via BPAY® or EFT. Your BPAY® reference number or unique reference number will process your payment for your application for New Options electronically.

Option B – Electronic Funds Transfer (EFT)

The unique reference number which has been assigned to your Application is: [HolderId]-[CAId]-MRQ

Funds are to be deposited in AUD currency directly to following bank account:

Account name: Automic Pty Ltd
Account BSB: TBC
Account number: TBC
Swift Code: WPACAU2S

IMPORTANT: You must quote your unique reference number as your payment reference/ description when processing your EFT payment. Failure to do so may result in your funds not being allocated to your application and Options subsequently not issued.

4 Elect to receive email communication

Return to Automic Group by email to corporate.actions@automicgroup.com.au

Telephone Number	Contact Name (PLEASE PRINT)	MRQ-[HolderId]
( )		

Please insert your email address if you wish to elect to be an e-Shareholder, and you consent to receiving communications from the Share Registry, Automic Group

INSTRUCTIONS FOR COMPLETION OF THIS FORM

The right to participate in the Entitlement Offer is optional and is offered exclusively to all Shareholders who are registered as holders of fully paid ordinary Shares in the capital of the Company on the Record Date with a registered address in Australia or New Zealand (**Eligible Shareholders**).

ACCEPTANCE OF OFFER

By making a BPAY® or EFT payment:

- you represent and warrant that you have read and understood the Prospectus and that you acknowledge the matters, and make the warranties and representations contained therein and in this Entitlement and Acceptance Form; and
- you provide authorisation to be registered as the holder of Options acquired by you and agree to be bound by the Constitution of the Company.

1 Acceptance of Full or Partial Entitlement for New MRQOD Options

If you wish to accept your full entitlement:

- make payment by BPAY® or EFT for your full entitlement by following the instructions on this Entitlement and Acceptance Form.

If you only wish to accept part of your entitlement:

- calculate the payment amount for the portion of your entitlement that you wish to take up in accordance with the partial entitlement section of this Entitlement and Acceptance Form; and
- make payment by BPAY® or EFT for that portion of your entitlement by following the instructions on this Entitlement and Acceptance Form.

2 Applying for Shortfall MRQOD Options

If you accept your full entitlement and wish to apply for Shortfall MRQOD Options in excess of your entitlement:

- make payment by BPAY® or EFT of the total payment amount for your full entitlement AND your participation in the Shortfall Offer by following the instructions on this Entitlement and Acceptance Form.

Your application for Shortfall MRQOD Options may not be successful (wholly or partially). The decision in relation to the number of Shortfall MRQOD Options in excess of your entitlement to be allocated to you will be final. No interest will be paid on any application monies received and returned.

3 Payment

By making a payment via BPAY® or EFT, you agree that it is your responsibility to ensure that funds are submitted correctly and received by the Share Registry by the closing date and time. Payment must be received by the Share Registry by 5:00pm (AEDT) on 30 December 2022.

It is your responsibility to ensure your CRN or unique Payment Reference is quoted, as per the instructions in Section 3. If you fail to quote your CRN or unique Payment Reference correctly, Automic may be unable to allocate or refund your payment. If you need assistance, please contact Automic.

Payment by BPAY®: You can make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. To BPAY® this payment via internet or telephone banking use your reference number on this Form. Multiple acceptances must be paid separately.

Payment by EFT: You can make a payment via Electronic Funds Transfer (EFT). Multiple acceptances must be paid separately. Please use your unique reference on this Form. This will ensure your payment is processed correctly to your application electronically.

Applicants should be aware of Automic's financial institution's cut off-time, their own financial institution's cut-off time and associated fees with processing a funds transfer. It is the Applicant's responsibility to ensure funds are submitted correctly by the closing date and time, including taking into account any delay that may occur as a result of payments being made after 5pm (AEDT) and/or on a day that is not a business day (payment must be made to be processed overnight). You do not need to return this Form if you have made payment via BPAY® or EFT. Your reference number will process your payment to your application electronically and you will be deemed to have applied for such Options for which you have paid.

4 Contact Details - Elect to receive email communication

The Company encourages shareholders to elect to receive their shareholder communications electronically. This will ensure you receive all future important shareholder communications in a faster and more secure way and reduce the environmental footprint of printing and mailing.

If you require further information about the Offer, please contact Automic on 1300 288 664 or +61 2 9698 5414 between 8:30am and 5:00pm (AEDT).