



## Infinity Lithium Corporation Limited

ACN 147 413 956

### PROSPECTUS

This Prospectus is being issued for the following offers:

- a non-renounceable pro rata offer to Eligible Shareholders of 1 new Share for every 8 Shares held on the Record Date, at an issue price of \$0.07 per new Share, together with 1 free-attaching Option for every 2 new Shares subscribed for (**Entitlement Offer**); and
  - any shortfall under the Entitlement Offer at an issue price of \$0.07 per new Share, together with 1 free-attaching Option for every 2 new Shares subscribed for (**Shortfall Offer**),
- (together, the **Offers**).

**THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT SHOULD BE READ IN ITS ENTIRETY.**

**IF YOU ARE IN DOUBT ABOUT WHAT TO DO, YOU SHOULD CONSULT YOUR PROFESSIONAL ADVISER WITHOUT DELAY.**

**The Securities offered in connection with this Prospectus are of a speculative nature.**

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## Important information

This Prospectus is dated 16 September 2020 and was lodged with the ASIC on that date with the consent of all Directors. Neither ASIC nor ASX nor their respective officers take any responsibility for the contents of this Prospectus.

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

A copy of this Prospectus is available for inspection at the registered office of the Company at Level 3, 22 Railway Road, Subiaco, Western Australia 6008, during normal business hours. The Company will provide a copy of this Prospectus to any person on request. The Company will also provide copies of other documents on request (see Section 5.6).

The Securities offered by this Prospectus should be considered speculative. Please refer to Section 4 for details relating to investment risks.

Applications for Securities under the Offers can only be submitted on an original Entitlement and Acceptance Form sent with a copy of this Prospectus by the Company. If the application is by BPAY® there is no need to return the original Entitlement and Acceptance Form.

Revenues and expenditures disclosed in this Prospectus are recognised exclusive of the amount of goods and services tax, unless otherwise disclosed. No person is authorised to give any information or to make any representation in connection with the Offers 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 the Offers.

No action has been taken to permit the offer of Securities under this Prospectus in any jurisdiction other than Australia and New Zealand.

The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws. This Prospectus does not constitute an offer of Securities in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

This document is important and should be read in its entirety before deciding to participate in the Offers. This does not take into account the investment objectives, financial or taxation, or particular needs of any Applicant. Before making any investment in the Company, each Applicant should consider whether such an investment is appropriate to their particular needs, and considering their individual risk profile for speculative investments, investment objectives and individual financial circumstances. Each Applicant should consult their stockbroker, solicitor, accountant or other professional adviser without delay. Some of the risk factors that should be considered by potential investors are outlined in Section 4.

Definitions of certain terms used in this Prospectus are contained in Section 7. All references to currency are to Australian dollars and all references to time are to the time in Perth, Western Australia unless otherwise indicated.

## Corporate Directory

### Directors

Ryan Parkin	Managing Director & CEO
Adrian Byass	Non-Executive Chairman
Remy Welschinger	Non-Executive Director

### Company Secretary

Jonathan Whyte

### Registered and Principal Office

Level 3, 22 Railway Road  
Subiaco WA 6008

Phone: +61 8 6146 5325  
Email: [admin@infinitylithium.com](mailto:admin@infinitylithium.com)  
Website: [www.infinitylithium.com](http://www.infinitylithium.com)

### ASX Code:

Shares: INF

### Share Registry\*

Advanced Share Registry Services  
110 Stirling Highway  
Perth WA 6000

Telephone (within Australia): 9389 8033  
Telephone (international): +61 8 9389 8033

### Auditor\*

Pitcher Partners BA&A Pty Ltd  
Level 11, 12-14 The Esplanade  
Perth WA 6000

### Solicitors

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

### Lead Manager

Canaccord Genuity (Australia) Limited  
Level 4, 60 Collins Street  
Melbourne VIC 3000

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

## Proposed timetable

Lodgement of Prospectus with ASIC Lodgement of Prospectus and announcement of Offers with ASX	Wednesday, 16 September 2020
Shares quoted on an "EX" basis	Friday, 18 September 2020
Record Date for determining Entitlements	Monday, 21 September 2020
Prospectus and Entitlement and Acceptance Form dispatched to Eligible Shareholders and Company announces that this has occurred	Thursday, 24 September 2020
Last day to extend Closing Date	Wednesday, 7 October 2020
Closing Date (5pm AWST)*	Monday, 12 October 2020
Securities quoted on a deferred settlement basis	Tuesday, 13 October 2020
Announcement of results of Entitlement Offer	Thursday, 15 October 2020
Anticipated date for issue of the Securities under the Entitlement Offer Company lodges an Appendix 2A with ASX applying for quotation of the new Securities (before 10am AWST)	Monday, 19 October 2020
Anticipated date for commencement of new Securities trading on a normal settlement basis	Tuesday, 20 October 2020

\* The Directors may extend the Closing Date by giving at least three Business Days' notice to ASX prior to the Closing Date. As such, the date the Securities offered under this Prospectus are expected to be issued and commence trading on ASX may vary.

Table of contents

<b>1.</b>	<b>Details of the Offers</b>	<b>1</b>
<b>2.</b>	<b>Action required by Shareholders</b>	<b>8</b>
<b>3.</b>	<b>Effect of the Offers</b>	<b>12</b>
<b>4.</b>	<b>Risk Factors</b>	<b>16</b>
<b>5.</b>	<b>Additional information</b>	<b>24</b>
<b>6.</b>	<b>Directors' Statement and Consent</b>	<b>36</b>
<b>7.</b>	<b>Glossary</b>	<b>37</b>

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## Letter from the Chairman

Dear Shareholder,

As announced on 8 September 2020 and in order to strengthen its capital position, the Company recently undertook a Placement. The Placement, which was oversubscribed, raised approximately \$2.2 million. The Company is now offering Eligible Shareholders the opportunity to participate on the same terms as the Placement subscribers.

On behalf of your Directors, I am pleased to invite you to participate in this non-renounceable pro-rata 1-for-8 Entitlement Offer at an issue price of \$0.07 per Share with 1 free attaching Option exercisable at \$0.12 each for every 2 new Shares subscribed for, to raise up to approximately \$2.4 million (before costs).

Eligible Shareholders also have the opportunity to subscribe for any Securities that are not subscribed for under the Entitlement Offer pursuant to the Shortfall Offer under this Prospectus.

The funds raised by the Offers under this Prospectus are intended to be used towards completion of the feasibility study on the San Jose Lithium Hydroxide Project as well as working and other capital requirements. For further details on the proposed use of funds to be raised under the Offers, please see Section 1.3 of this Prospectus.

The Entitlement Offer is scheduled to close at **5.00pm (AWST) on Monday, 12 October 2020**. Eligible Shareholders wishing to participate in the Entitlement Offer or the Shortfall Offer must apply for new Securities before this time in accordance with the instructions set out in Section 2 and on the Entitlement and Acceptance Form accompanying this Prospectus.

The Company encourages participants in the Offers to apply for the new Securities by BPAY® as a matter of public safety, to avoid the handling of paper Entitlement and Acceptance Forms and cheques and to overcome potential mail delays in light of the ongoing COVID-19 pandemic.

The Entitlement Offer is non-renounceable and therefore your Entitlements will not be tradeable on the ASX or otherwise transferable.

The Board recommends that you take up your Entitlement after reading this Prospectus in its entirety including the risks outlined in Section 4.

The Prospectus includes further details of the Offers and the effect of the Offers on the Company, and a statement of the risks associated with investing in the Company. This is an important document and should be read in its entirety. If you have any doubts or questions in relation to the Prospectus you should consult your stockbroker, accountant, solicitor or other independent professional advisor to evaluate whether or not to participate in the Offers.

On behalf of the Board, I look forward to your continued support and on updating you on the Company's progress.

Yours faithfully



Adrian Byass  
**Non-Executive Chairman**

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## Investment overview

This Section is intended to highlight key information for potential investors. It is an overview only, and is not intended to replace the Prospectus. Potential investors should read the Prospectus in full before deciding to invest in Securities.

Key Information	Further Information
<p><b>Transaction specific prospectus</b></p> <p>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. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.</p>	<p>Section 5.4</p>
<p><b>Risk factors</b></p> <p>Potential investors should be aware that subscribing for Securities involves a number of risks. The key risk factors of which investors should be aware are set out in Section 4, including (but not limited to) risks in respect of:</p> <ul style="list-style-type: none"> <li>• <b>Additional requirements for capital:</b> The funds raised pursuant to the Placement and the Offers are expected to provide the required working capital until December 2021. There can be no assurance that additional finance will be available when needed or, if available, the term of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.</li> <li>• <b>Exploration and development risk:</b> Mineral exploration and development is a high risk undertaking. There can be no assurance that further exploration on the Company's projects will result in the discovery of an economic ore deposit or that it can be economically exploited.</li> <li>• <b>General market risks:</b> Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors. The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company</li> <li>• <b>Coronavirus (COVID-19) risk:</b> The global economic outlook is facing uncertainty due to the COVID-19 pandemic, which has had and may continue to have a significant impact on capital markets and share prices. The Share price may be adversely affected by the economic uncertainty caused by COVID-19. Further, any measures to limit the transmission of the virus</li> </ul>	<p>Section 4</p>

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Key Information	Further Information
<p>implemented by governments around the world (such as travel bans and quarantining) may adversely impact the Company's operations.</p>	
<p><b>Entitlement Offer</b></p> <p>This Prospectus is for a non-renounceable entitlement offer of 1 new Share for every 8 existing Shares held by Eligible Shareholders on the Record Date at an issue price of \$0.07 per new Share to raise up to approximately \$2.4 million (before costs). Participants in the Entitlement Offer will also be issued 1 free-attaching Option for every 2 new Shares subscribed for.</p>	<p>Section 1.1</p>
<p><b>Shortfall Offer</b></p> <p>Any Securities not taken up pursuant to the Entitlement Offer will form the Shortfall Offer.</p> <p>Eligible Shareholders may apply for Securities under the Shortfall Offer subject to such applications being received by the Closing Date.</p> <p>The issue price for each new Share to be issued under the Shortfall Offer shall be \$0.07 being the price at which new Shares have been offered under the Entitlement Offer. Participants in the Shortfall Offer will also be issued 1 free-attaching Option for every 2 new Shares subscribed for.</p> <p>The allocation policy for the Shortfall Offer is outlined in Section 1.2. There is no guarantee that Eligible Shareholders will receive new Securities applied for under the Shortfall Offer.</p>	<p>Section 1.2</p>
<p><b>Eligible Shareholders</b></p> <p>The Entitlement Offer is made to Eligible Shareholders only. Eligible Shareholders are those Shareholders who:</p> <ul style="list-style-type: none"> <li>• are the registered holder of Shares as the Record Date; and</li> <li>• have a registered address in Australia, or subject to the offer restrictions in Section 1.17, New Zealand.</li> </ul>	<p>Sections 1.16 and 1.17</p>
<p><b>Underwriting</b></p> <p>The Entitlement Offer is not underwritten.</p> <p>However the Company has appointed Canaccord Genuity (Australia) Limited to be the Lead Manager to the Entitlement Offer.</p>	<p>Sections 1.6 and 5.3</p>
<p><b>Use of funds</b></p> <p>Funds raised under the Entitlement Offer will be used towards the completion of the feasibility study on the San Jose Lithium Hydroxide Project as well as working and other capital requirements.</p>	<p>Section 1.3</p>
<p><b>Effect on control of the Company</b></p> <p>The Company is of the view that the Offers will not affect the control of the Company.</p>	<p>Sections 1.8 and 1.9</p>

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Key Information					Further Information																				
<p>No investor or existing Shareholder will hold a voting power greater than 20% as a result of the Offers.</p> <p>Shareholders should note that if they do not participate in the Offers, their holdings will be diluted. Examples of how the dilution may impact Shareholders are set out in Section 1.9.</p>																									
<p><b>Indicative capital structure and pro-forma balance sheet</b></p> <p>The indicative capital structure upon completion of the Offers is set out below:</p> <table border="1"> <thead> <tr> <th></th> <th>Shares</th> <th>Unquoted Options</th> <th>Performance Rights</th> <th>Share Appreciation Rights</th> </tr> </thead> <tbody> <tr> <td>Balance at the date of this Prospectus</td> <td>275,825,863</td> <td>31,040,081</td> <td>3,140,312</td> <td>5,000,000</td> </tr> <tr> <td>Maximum to be issued pursuant to the Offers</td> <td>34,478,233</td> <td>17,239,116</td> <td>-</td> <td>-</td> </tr> <tr> <td><b>Total</b></td> <td><b>310,304,096</b></td> <td><b>48,279,197</b></td> <td><b>3,140,312</b></td> <td><b>5,000,000</b></td> </tr> </tbody> </table> <p>The above table assumes that the Offers are fully subscribed. The indicative pro-forma balance sheet showing the effect of the Offers is in Section 3.2.</p>						Shares	Unquoted Options	Performance Rights	Share Appreciation Rights	Balance at the date of this Prospectus	275,825,863	31,040,081	3,140,312	5,000,000	Maximum to be issued pursuant to the Offers	34,478,233	17,239,116	-	-	<b>Total</b>	<b>310,304,096</b>	<b>48,279,197</b>	<b>3,140,312</b>	<b>5,000,000</b>	Sections 3.1 and 3.2
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<p><b>Directors' interests in Shares and Entitlements</b></p> <p>The relevant interest of each of the Directors in Shares as at the date of this Prospectus, together with their respective Entitlement is set out in the table below:</p> <table border="1"> <thead> <tr> <th rowspan="2">Name</th> <th rowspan="2">Existing Shares</th> <th colspan="2">Entitlement</th> </tr> <tr> <th>Shares</th> <th>Options</th> </tr> </thead> <tbody> <tr> <td>Ryan Parkin</td> <td>2,494,611</td> <td>311,827</td> <td>155,913</td> </tr> <tr> <td>Adrian Byass</td> <td>8,653,318</td> <td>1,081,665</td> <td>540,832</td> </tr> <tr> <td>Remy Welschinger</td> <td>18,425</td> <td>2,303</td> <td>1,152</td> </tr> </tbody> </table> <p>As at the date of this Prospectus, the intention of the Directors' in relation to their Entitlement is as follows:</p> <ul style="list-style-type: none"> <li>• Mr Ryan Parkin intends to take up part of his Entitlement;</li> <li>• Mr Adrian Byass does not intend to take up his Entitlement; and</li> <li>• Mr Remy Welschinger is not an Eligible Shareholder, and as such is unable to take up his Entitlement.</li> </ul>					Name	Existing Shares	Entitlement		Shares	Options	Ryan Parkin	2,494,611	311,827	155,913	Adrian Byass	8,653,318	1,081,665	540,832	Remy Welschinger	18,425	2,303	1,152	Section 5.9(b)		
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Adrian Byass	8,653,318	1,081,665	540,832																						
Remy Welschinger	18,425	2,303	1,152																						

Key Information	Further Information
<p><b>Forward looking statements</b></p> <p>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.</p> <p>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 considered reasonable.</p> <p>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 management.</p> <p>The Directors cannot and do 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.</p> <p>The Directors have 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.</p> <p>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 4.</p>	<p>Key Information and Section 4</p>

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## 1. Details of the Offers

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### 1.1 Entitlement Offer

The Company is making a non-renounceable pro-rata offer of:

- (a) ordinary fully paid Shares at an issue price of \$0.07 each to Eligible Shareholders on the basis of 1 new Share for every 8 existing Shares held at 5.00pm on the Record Date; and
- (b) free-attaching Options on the basis of 1 new Option for every 2 new Shares issued to Eligible Shareholders.

The market price of Shares at the date of this Prospectus is such that it is unlikely that any of the existing Options will be exercised before the Record Date. On the basis that no existing Options are exercised or existing Performance Rights are converted prior to the Record Date, the Entitlement Offer is for a maximum of 34,478,233 Shares and 17,239,116 free-attaching Options, to raise up to approximately \$2.4 million (before costs).

Where the determination of the Entitlement of any Eligible Shareholder results in a fraction of a Share, such fraction will be rounded up to the nearest whole Share.

A summary of the rights and liabilities attaching to the Shares offered under the Entitlement Offer is in Section 5.1.

A summary of the rights and liabilities attaching to the Options offered under the Entitlement Offer is in Section 5.2. All Shares issued upon the exercise of the Options will rank equally with the Shares on issue at the date of the Prospectus, as summarised in Section 5.1.

### 1.2 Shortfall Offer

Eligible Shareholders may subscribe for additional Shares and free-attaching Options in excess of their Entitlement by applying for additional Securities under the Shortfall Offer.

The Shortfall Offer is a separate offer made pursuant to this Prospectus.

The issue price of any Shares issued under the Shortfall Offer will be \$0.07 each, which is the issue price at which Shares are offered to Eligible Shareholders under the Entitlement Offer. Free-attaching Options will also be issued under the Shortfall Offer on the basis of 1 new Option for every 2 Shares issued.

Eligible Shareholders who wish to subscribe for Shortfall Securities may apply by completing the relevant section on the Entitlement and Acceptance Form or by making payment for such Shortfall Securities using BPAY® (refer to Section 2.4). The Directors reserve the right to allocate Shortfall Securities to selected new investors who are not related to the Company or foreign Shareholders, in their absolute discretion (and subject to any applicable laws in the relevant jurisdiction). Investors wishing to participate should contact the Company to obtain a copy of this Prospectus and the Shortfall Application Form.

The Directors reserve the right to issue Shortfall Securities at their absolute discretion. If the Entitlement Offer is oversubscribed (by take up of Entitlements and applications for Shortfall Securities by Eligible Shareholders), scale back may be applied to applications under the Shortfall Offer on a pro-rata basis to the respective shareholdings of Eligible Shareholders. There

is no guarantee that Eligible Shareholders will receive any Securities applied for under the Shortfall Offer.

No Shares will be issued to an Applicant under this Prospectus or via the Shortfall Offer if the issue of Shares would contravene the takeover prohibition in section 606 of the Corporations Act. Similarly, no Shares will be issued via the Shortfall Offer to any related parties of the Company unless prior Shareholder approval is received.

New Shares issued under the Shortfall Offer will be issued as fully paid ordinary shares and will rank equally in all respects with existing Shares on issue. A summary of the rights and liabilities attaching to the Shares offered under the Shortfall Offer is in Section 5.1.

A summary of the rights and liabilities attaching to the Options offered under the Shortfall Offer is in Section 5.2. All Shares issued upon the exercise of the Options will rank equally with the Shares on issue at the date of the Prospectus, as summarised in Section 5.1.

### 1.3 Use of funds

Completion of the Offers will result in an increase in cash at hand of approximately \$2.4 million (before payment of costs), on the assumption that the Offers are fully subscribed.

The following indicative table sets out the proposed use of funds raised under the Offers:

Proposed use	\$	%
Feasibility study on the San Jose Lithium Hydroxide Project <sup>1</sup>	1,050,060	43.8
In-Country Project Costs	763,113	31.8
Costs of the Offers	40,606	1.7
General working capital <sup>2</sup>	546,221	22.8
<b>Total</b>	<b>2,400,000</b>	<b>100</b>

#### Notes:

1. Funds will be used to progress the feasibility study. Funding commitments have been finalised for a significant segment of the feasibility study that are aligned to current test work activities. The aggregate of these amounts and (1) are expected to materially account for a significant proportion of the total feasibility study cost.
2. Working capital includes but is not limited to corporate office, administration, staff and operating costs, directors' fees, executive fees, ASX and share registry fees, legal, tax and audit fees, insurance and travel costs.
3. The above table assumes the maximum amount offered under the Offers is raised. In the event that a lesser amount is raised, the Company intends to reduce the funds attributed to working capital accordingly and would be required to draw on existing cash balances to fund the Company's working capital requirements.

The above is a statement of current intentions at the date of this Prospectus. Intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.

The amounts and timing of the actual expenditures and investments may vary significantly and will depend on numerous factors including the success of exploration activities, access conditions, weather and any changes in the business and economic environment.

#### 1.4 **Opening and Closing Dates**

For the Entitlement Offer, the Company will accept Entitlement and Acceptance Forms from the date it dispatches the Prospectus until 5.00pm (AWST) on Monday, 12 October 2020 or such other date as the Directors in their absolute discretion shall determine, subject to the requirements of the Listing Rules (**Closing Date**).

The Shortfall Offer will remain open for a period of up to three months from the Closing Date (or such shorter period as determined by the Directors), however Eligible Shareholders who wish to participate in the Shortfall Offer must submit their Applications to the Company by no later than the Closing Date.

#### 1.5 **Minimum subscription**

There is no minimum subscription for the Offers.

#### 1.6 **Underwriting**

The Offers are not underwritten.

#### 1.7 **Lead Manager**

Canaccord Genuity (Australia) Limited (**Lead Manager**) has entered into a capital raising mandate with the Company to lead manage the Entitlement Offer.

The key terms of engagement of the Lead Manager are set out in Section 5.3.

#### 1.8 **Effect on control of the Company**

Section 606(1) of the Corporations Act prohibits a person, unless an exception applies, from increasing their voting power in the Company:

- (a) from 20% or below to above 20%; or
- (b) from a starting point of above 20% and below 90%.

One of the exceptions to section 606(1) is where that increase occurs as a result of an issue under a disclosure document to an underwriter or sub-underwriter to the issue.

No nominee has been appointed for Ineligible Foreign Shareholders under section 615 of the Corporations Act and, as such, Eligible Shareholders will not be able to rely on the exception for rights issues in item 10 of section 611 of the Corporations Act. Accordingly, when an Eligible Shareholder applies for some or all of their Entitlement, they must have regard to section 606 of the Corporations Act. Eligible Shareholders who may be at risk of exceeding the 20% voting power threshold in section 606 as a result of acceptance of their Entitlement should seek professional advice before completing and returning their Entitlement and Acceptance Form.

The total number of Shares proposed to be issued under the Offers is 34,478,233 which will constitute 11.1% of the Shares on issue following completion of the Offers (assuming no other Shares are issued or Securities exercised or converted to Shares prior to the Record Date).

The Company is of the view that the Offers will not affect the control (as defined by section 50AA of the Corporations Act) of the Company.

No Shareholder's voting power in the Company may increase to 20% or above as a result of the Offers. Refer to the Company's allocation policy summarised in Section 1.2 for further information.

## 1.9 Potential dilution

Shareholders should note that if they do not participate in the Offers, their holdings are likely to be diluted (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:

Holder	Holding as at Record Date	% at Record Date	Entitlement to Shares	Shareholding if Entitlement not subscribed	% post Offer
Shareholder 1	15,000,000	5.44%	1,875,000	15,000,000	4.83%
Shareholder 2	10,000,000	3.63%	1,250,000	10,000,000	3.22%
Shareholder 3	8,000,000	2.90%	1,000,000	8,000,000	2.58%
Shareholder 4	5,000,000	1.81%	625,000	5,000,000	1.61%
Shareholder 5	2,500,000	0.91%	312,500	2,500,000	0.81%

The dilution effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted are placed under the Shortfall Offer. In the event all Entitlements are not accepted and some or all of the resulting Shortfall is not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

The above table also assumes that no Shares are issued other than those offered pursuant to this Prospectus, including by exercise of the existing Options or Performance Rights on issue, or the Options issued pursuant to this Prospectus.

## 1.10 Substantial Shareholders

Based on information known to the Company as at the date of this Prospectus, there is no person which together with their associates have a voting power in 5% or more of the Shares on issue.

## 1.11 No rights trading

The rights to Securities under the Entitlement Offer are non-renounceable. Accordingly, there will be no trading of rights on ASX and you may not dispose of your Entitlement to any other party. If you do not take up your Entitlement by the Closing Date, your Entitlement will lapse.

## 1.12 Issue Date and dispatch

All Securities under the Entitlement Offer and Securities subscribed for by Eligible Shareholders under the Shortfall Offer are expected to be issued on or before the date specified in the proposed timetable in this Prospectus.

Any remaining issues of Shortfall Securities will occur within three months after the Closing Date.

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

Security holder statements will be dispatched at the end of the calendar month following the issue of the Securities under the Offers.

## 1.13 Application Monies held on trust

All Application Monies received for the Securities under the Offers will be held on trust in a bank account maintained solely for the purpose of depositing Application Monies received pursuant to this Prospectus until the Securities are issued. All Application Monies will be returned (without interest) if the Securities are not issued.

## 1.14 ASX quotation

Application has been or will be made for the official quotation of the Securities offered by this Prospectus. If permission is not granted by ASX for the official quotation of the Securities offered by this Prospectus within three months after the date of this Prospectus (or such period as the ASX allows), the Company will repay, as soon as practicable, without interest, all Application Monies received pursuant to this Prospectus.

## 1.15 CHESS

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

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of Shares.

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

The CHESS statement will specify the number of Shares issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the Shares, including a notice to exercise the Shares.

If you are registered on the Issuer Sponsored sub-register, your statement will be dispatched by the Company's share registry and will contain the number of Securities issued to you under this Prospectus and your security holder reference number.

A CHESS statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their Shareholding changes. Shareholders may request a statement at any other time; however, a charge may be made for additional statements.

## 1.16 Ineligible Foreign Shareholders

This Prospectus, and any accompanying Entitlement and Acceptance Form, does not, and is not intended to, constitute an offer of Securities 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 or the Securities under the Offers.

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

The Company believes that it is unreasonable to extend the Entitlement Offer to Ineligible Foreign Shareholders. The Company has formed this view having considered:

- (a) the number and value of the Securities that would be offered to those Shareholders; and
- (b) the cost of complying with the legal requirements and the requirements of regulatory authorities in the overseas jurisdictions.

Accordingly, Ineligible Foreign Shareholders will not be entitled to participate in the Entitlement Offer.

## 1.17 New Zealand offer restrictions

The new Shares are not being offered or sold to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand at the Record Date to whom the offer of new Shares is being made in reliance on the transitional provisions of the *Financial Markets Conduct Act 2013* (New Zealand) and the *Securities Act (Overseas Companies) Exemption Notice 2013* (New Zealand).

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

## 1.18 Notice to nominees and custodians

Nominees and custodians that hold Shares should note that the Entitlement Offer is available only to Eligible Shareholders. The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of Shares. If any nominee or custodian is acting on behalf of a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Offer is compatible with applicable foreign laws.

## 1.19 Risk factors

An investment in Securities should be regarded as speculative. In addition to the general risks applicable to all investments in listed securities, there are certain specific risks associated with an investment in the Company which are detailed in Section 4.

## 1.20 **Taxation implications**

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

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

## 1.21 **Major activities and financial information**

A summary of the major activities and financial information relating to the Company, for the financial year ended 30 June 2019, can be found in the Company's Annual Report announced on ASX on 26 September 2019 and, for the half-year ended 31 December 2019, the Half Year Accounts announced on ASX on 16 March 2020. The Company's continuous disclosure notices (i.e. ASX announcements) since 26 September 2019 are listed in Section 5.6. Copies of these documents are available free of charge from the Company. The Directors strongly recommend that Applicants review these and all other announcements prior to deciding whether or not to participate in the Offers.

## 1.22 **Privacy**

The Company collects information about each Applicant provided on an Entitlement and Acceptance Form for the purposes of processing the application and, if the application is successful, to administer the Applicant's holding of Securities in the Company.

By submitting an Entitlement and Acceptance Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Entitlement and Acceptance Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the share registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

If you do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process your Application (as applicable).

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

## 1.23 **Enquiries concerning Prospectus**

For enquiries concerning the Entitlement and Acceptance Forms and the Prospectus, please contact the Company Secretary on +61 8 6146 5325.

For general Shareholder enquiries, please contact Advanced Share Registry Services on (08) 9389 8033.

## 2. Action required by Shareholders

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### 2.1 Action in relation to the Offers

The Company will send this Prospectus, together with a personalised Entitlement and Acceptance Form, to all Eligible Shareholders.

Should you wish to acquire new Shares as part of the Entitlement Offer, you may either take up all of your Entitlement (refer to Section 2.2) or part of your Entitlement (refer to Section 2.3) as shown on the accompanying personalised Entitlement and Acceptance Form.

If you take up all of your Entitlement, you may also apply for Shortfall Securities under the Shortfall Offer (refer to Section 2.4).

**Applicants are encouraged to apply via BPAY®.**

If you do not wish to take up any of your Entitlement to new Shares, you may allow your Entitlement to lapse (refer to Section 2.5).

### 2.2 Acceptance of Entitlement in full

Should you wish to accept all of your Entitlement under the Entitlement Offer and you are not paying by BPAY®, then applications for Securities under this Prospectus must be made on the Entitlement and Acceptance Form which accompanies this Prospectus, in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form. Please read the instructions carefully.

Please complete the Entitlement and Acceptance Form by filling in the details in the spaces provided and attach a cheque, bank draft or money order for the amount indicated on the Entitlement and Acceptance Form.

Completed Entitlement and Acceptance Forms must be accompanied by a cheque, bank draft or money order in Australian dollars, crossed "Not Negotiable" and made payable to "Infinity Lithium Corporation Limited" and lodged at any time after the issue of this Prospectus and on or before the Closing Date at the Company's share registry (by delivery or by post) at:

Delivery:           Advanced Share Registry Services  
                          110 Stirling Hwy  
                          Nedlands WA 6009

Post:                C/- Advanced Share Registry Services  
                          PO Box 1156  
                          Nedlands WA 6909

Applications will be deemed not to have been received until the Company is in receipt of cleared funds.

If paying via BPAY®, Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and it is the responsibility of the Applicant to ensure that funds are submitted through BPAY® by the Closing Date. **If you elect to pay via BPAY®, you must follow the instructions for BPAY® set out in the Entitlement and Acceptance Form and you will not need to return the Entitlement and Acceptance Form.**

### 2.3 If you wish to take up only part of your Entitlement

Should you wish to only take up part of your Entitlement under the Entitlement Offer and you are not paying by BPAY®, then applications for Securities under the Entitlement Offer must be made on the Entitlement and Acceptance Form which accompanies this Prospectus in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form. Please read the instructions carefully.

Please complete the Entitlement and Acceptance Form by filling in the details in the spaces provided, including the number of Shares and Options you wish to accept and the amount payable (calculated at \$0.07 per Share accepted), and attach a cheque, bank draft or money order for the appropriate Application Monies.

Completed Entitlement and Acceptance Forms must be accompanied by a cheque, bank draft or money order in Australian dollars, crossed "Not Negotiable" and made payable to "Infinity Lithium Corporation Limited" and lodged at any time after the issue of this Prospectus and on or before the Closing Date at the Company's share registry (by delivery or by post) at the address indicated at Section 2.2.

Applications will be deemed not to have been received until the Company is in receipt of cleared funds.

If paying via BPAY®, Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and it is the responsibility of the Applicant to ensure that funds are submitted through BPAY® by the Closing Date. If you elect to pay via BPAY®, you must follow the instructions for BPAY set out in the Entitlement and Acceptance Form and you will not need to return the Entitlement and Acceptance Form.

### 2.4 If you wish to apply for Shortfall Securities

If you are an Eligible Shareholder and you wish to apply for Securities in excess of your Entitlement under the Entitlement Offer by applying for Shortfall Securities, you may do so by completing the relevant section of the Entitlement and Acceptance Form relating to the Shortfall Offer and which accompanies this Prospectus, in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form. Any Securities applied for in excess of your Entitlement will be applied for under the Shortfall Offer and will be issued in accordance with the allocation policy described in Section 1.2.

Completed Entitlement and Acceptance Forms must be accompanied by a cheque, bank draft or money order in Australian dollars, crossed "Not Negotiable" and made payable to "Infinity Lithium Corporation Limited" and lodged at any time after the issue of this Prospectus and on or before the Closing Date at the Company's share registry (by delivery or by post) at the address indicated at Section 2.2.

Applications will be deemed not to have been received until the Company is in receipt of cleared funds.

If paying via BPAY®, Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and it is the responsibility of the Applicant to ensure that funds are submitted through BPAY® by the date and time mentioned above. If you elect to pay via BPAY®, you must follow the instructions for BPAY® set out in the Entitlement and Acceptance Form and you will not need to return the Entitlement and Acceptance Form.

The Company may also provide application forms with a copy of this Prospectus to other investors who are invited to subscribe for Shortfall Securities in accordance with the allocation policy described in Section 1.2 (**Shortfall Application Form**).

## 2.5 Entitlements not taken up

If you do not wish to accept any of your Entitlement, you are not obliged to do anything. The number of Securities you hold and the rights attached to those Securities will not be affected should you choose not to accept any of your Entitlement.

## 2.6 Entitlement and Acceptance Form

Acceptance of a completed Entitlement and Acceptance Form by the Company creates a legally binding contract between the Applicant and the Company for the number of Securities accepted by the Company. The Entitlement and Acceptance Form does not need to be signed to be a binding application for Securities.

If the Entitlement and Acceptance Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the Entitlement and Acceptance Form as valid and how to construe, amend or complete the Entitlement and Acceptance Form, is final.

The Company will send this Prospectus, together with the relevant Entitlement and Acceptance Form, to all Eligible Shareholders.

By completing and returning your Entitlement and Acceptance Form with the requisite Application Monies (if applicable), or making a payment via BPAY®, you will be deemed to have:

- (a) represented and warranted that you are an Eligible Shareholder, if your Entitlement and Acceptance Form is in respect of the Entitlement Offer;
- (b) represented and warranted on behalf of yourself or each person on whose account you are acting that the law in your place of residence and/or where you have been given the Prospectus, does not prohibit you from being given the Prospectus;
- (c) agreed to be bound by the terms of the relevant Offer;
- (d) declared that all details and statements in the Entitlement and Acceptance Form are complete and accurate;
- (e) declared that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Entitlement and Acceptance Form;
- (f) authorised the Company and its respective officers or agents, to do anything on your behalf necessary for the Securities to be issued to you, including to act on instructions of the Company's share registry upon using the contact details set out in the Entitlement and Acceptance Form;
- (g) acknowledged that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that the Securities are suitable for you given your investment objectives, financial situation or particular needs; and
- (h) acknowledged that the Securities offered under this Prospectus have not, and will not be, registered under the securities laws in any jurisdictions outside Australia.

## 2.7 Enquiries concerning your Entitlement

For enquiries concerning the Prospectus, please contact the Company Secretary on +61 8 6146 5325.

For general Shareholder enquiries, please contact Advanced Share Registry Services on (08) 9389 8033.

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### 3. Effect of the Offers

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

	Shares	Unquoted Options	Performance Rights	Share Appreciation Rights
Balance at the date of this Prospectus	275,825,863 <sup>1</sup>	31,040,081 <sup>2</sup>	3,140,312 <sup>4</sup>	5,000,000 <sup>5</sup>
Maximum to be issued pursuant to the Offers	34,478,233	17,239,116 <sup>3</sup>	-	-
<b>Total<sup>6</sup></b>	<b>310,304,096</b>	<b>48,279,197</b>	<b>3,140,312</b>	<b>5,000,000</b>

#### Notes:

- The balance at the date of this Prospectus comprises of:
  - 244,397,292 existing Shares on issue; and
  - 31,428,571 Shares issued pursuant to the Placement.
- 31,040,081 Options comprises of:
  - 2,000,000 Options exercisable at \$0.32 each on or before on 5 December 2020;
  - 1,000,000 Options exercisable at \$0.15 each on or before 11 June 2021;
  - 500,000 Options exercisable at \$0.12 each on or before 14 December 2021;
  - 1,000,000 Options exercisable at \$0.088 each on or before 16 September 2022;
  - 13,182,938 Options with a nil exercise price and expiring on or before 28 July 2025; and
  - 13,357,143 Options exercisable at \$0.07 each on or before 24 October 2021.
- 17,239,116 free attaching Options issued under the Entitlement Offer.
- The Performance Rights expire on 31 December 2020 subject to the achievement on various milestones. For further details, please see the terms and conditions set out in the Company's notice of annual general meeting dated 24 October 2019.
- The Share appreciation rights expire on 13 September 2024 and are subject to various vesting conditions. For further details, please see the terms and conditions set out in the Company's notice of annual general meeting dated 24 October 2019.
- Assumes that all Securities offered under the Offers are issued. The actual number of Securities issued will vary based on the Securities subscribed for and issued pursuant to the Offers. This number is also subject to rounding.
- The Company intends to issue 10,000,000 Options to a corporate advisor in lieu of cash for corporate advisory services. The Options will have an exercise price of \$0.09 each and expire on 30 November 2022. The issue of the Options is subject to Shareholder approval.
- Under the Placement, the Company intends to issue 15,714,285 free-attaching Options to Placement subscribers on the basis of issued 1 free-attaching Option for every 2 Shares subscribed for and issued under the Placement. The issue of the free-attaching Options is subject to Shareholder approval.

### 3.2 Pro forma consolidated statement of financial position

Set out below is:

- (a) the audited consolidated statement of financial position of the Company as at 31 December 2019 (**Balance Date**);
- (b) the unaudited effects of the Offers (assuming the Offers are fully subscribed); and
- (c) the unaudited pro forma statement of financial position of the Company at the Balance Date adjusted to reflect paragraph 3.2(b).

The statements of financial position have been prepared to provide Shareholders with information on the assets and liabilities of the Company and the pro forma assets and liabilities of the Company as noted below. The historical and pro forma information is presented in abbreviated form and does not include all of the disclosures required by the Australian Accounting Standards applicable to annual financial statements.

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	Infinity Lithium 31 Dec 2019 \$	Effect of Transactions \$	Pro Forma Post-Transactions \$
<b>Current Assets</b>			
Cash and cash equivalents	696,590	4,572,870	5,269,460
Trade and other receivables	124,184	-	124,184
Other current assets	15,644	-	15,644
<b>Total Current Assets</b>	<b>836,418</b>	<b>4,572,870</b>	<b>5,409,288</b>
<b>Non-Current Assets</b>			
Equity accounted investments	2,712,854	-	2,712,854
Other assets	40,859	-	40,859
<b>Total Non-Current Assets</b>	<b>2,753,713</b>	<b>-</b>	<b>2,753,713</b>
<b>Total Assets</b>	<b>3,590,131</b>	<b>4,572,870</b>	<b>8,163,001</b>
<b>Current Liabilities</b>			
Trade and other payables	77,753	-	77,753
Deferred consideration payable	639,591	-	639,591
Provisions	23,596	-	23,596
<b>Total Current Liabilities</b>	<b>740,940</b>	<b>-</b>	<b>740,940</b>
<b>Non-Current Liabilities</b>			
Deferred consideration payable	311,010	-	311,010
<b>Total Non-Current Liabilities</b>	<b>311,010</b>	<b>-</b>	<b>311,010</b>
<b>Total Liabilities</b>	<b>1,051,950</b>	<b>-</b>	<b>1,051,950</b>
<b>Net Assets</b>	<b>2,538,181</b>	<b>4,572,870</b>	<b>7,111,051</b>
<b>Equity</b>			
Issued capital	25,794,568	4,572,870	30,367,438
Reserves	767,254	545,323	1,312,577
Accumulated losses	(24,023,641)	(545,323)	(24,568,964)
Equity attributable to owners of the Parent Entity	2,538,181	4,572,870	7,111,051
Non-controlling interest	-	-	-
<b>Total Equity</b>	<b>2,538,181</b>	<b>4,572,870</b>	<b>7,111,051</b>

## **Basis of Preparation**

The pro forma balance sheet has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities

The pro forma statement of financial position is based on the audited financial position as at 31 December 2019 and is adjusted to reflect the following assumptions:

- (a) the placement of 31,428,571 Shares at \$0.07 per Share was completed on 14 September 2020, raising \$2.2 million (before costs);
- (b) the Offers are fully subscribed and approximately \$2.4 million is raised by the issue of 34,478,233 Shares at \$0.07 per Share and 17,239,116 free-attaching Options; and
- (c) the costs of the Offer are approximately \$40,606 (see Section 5.11).

Other than as specified above and in the ordinary course of business, there have been no other material changes to the Company's financial position between 31 December 2019 and the date of this Prospectus.

### **3.3 Market price of Shares**

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

Highest: \$0.110 on 24 August 2020

Lowest: \$0.059 on 16 June 2020

The latest available market sale price of the Shares on ASX prior to the date of lodgement of this Prospectus with ASIC was \$0.092 per Share on 15 September 2020.

## 4. Risk Factors

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Activities in the Company and its controlled entities, as in any business, are subject to risks, which may impact on the Company's future performance. The Company and its controlled entities have implemented appropriate strategies, actions, systems and safeguards for known risks; however, some are outside its control.

The Directors consider that the following summary, which is not exhaustive, represents some of the major risk factors which Shareholders need to be aware of in evaluating the Company's business and risks of increasing your investment in the Company. Shareholders should carefully consider the following factors in addition to the other information presented in this Prospectus.

The principal risks include, but are not limited to, the following:

### 4.1 Risks specific to the Company

#### (a) Additional requirements for capital

The Board considers that its existing cash, proceeds raised by the Placement and anticipated raising under the Offers will be sufficient to support its activities until December 2021.

The Company's ability to raise further capital (equity or debt) within an acceptable time, of a sufficient amount and on terms acceptable to the Company will vary accordingly to a number of factors, including prospectivity of the Company's projects (existing and future), feasibility studies, development of its technology, stock market and industry conditions and the price of relevant commodities and exchange rates.

The Company may seek to raise further funds through equity or debt financing, joint ventures, production sharing arrangements or other means. Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of exploration, development or production on the Company's properties or even loss of a property interest. There can be no assurance that additional finance will be available when needed or, if available, the term of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

#### (b) Exploration costs

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

#### (c) Status of tenements

The Company cannot guarantee that its investigation permits that are currently in application will be granted and there is a material risk that, in the event the Company is unable to have the investigation permits granted, the Company's proposed interest in its tenements could be relinquished. The Company retains right of tenure whilst the investigation permits are in application status.

#### (d) Joint Venture Risk

The Company is subject to the risk that changes in the status of any of the company's joint ventures (including changes caused by financial failure or default by a participant in the joint venture) may adversely affect the operations and performance of the Company.

(e) **Option risk and dilution**

Options are, by their nature, only of value at times when the exercise price is lower than the price of the underlying Shares. There is no guarantee that the Options offered under this Prospectus will, at any particular time, have an exercise price which is lower than the price of the Shares.

Other than: 13,357,143 Options exercisable at \$0.07 on or before 24 October 2021; 13,182,938 Options with a zero exercise price and expiring 28 July 2025; and 1,000,000 Options exercisable at \$0.088 on or before 16 September 2022, the Options are, at the date of this Prospectus, 'out of the money'. There is a risk that the Options may expire at a time when they have little or no value.

On completion of the Offers, assuming maximum subscription, there will be up to a further 17,239,116 Options on issue. If exercised, these Options will be converted into Shares, thereby causing the shareholdings of Shareholders to be diluted by up to 5.3% (on the basis that the Offers are fully subscribed, no other Shares are issued and no existing Options on issue at the date of this Prospectus are exercised). However, each Option has an exercise price of \$0.12 which means that the Company will receive additional funds of up to approximately \$2,068,694 (before costs) upon exercise of the Options, if all Options the subject of the Offers are issued and subsequently exercised.

## 4.2 Risks relating to the industry generally

(a) **Exploration**

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

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

There is no assurance that exploration or project studies by the Company will result in the definition of an economically viable mineral deposit or that the exploration tonnage estimates and conceptual project developments discussed in this Prospectus are able to be achieved.

(b) **Development risk**

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

- (i) geological and weather conditions causing delays and interference to operations;
- (ii) obtaining all necessary and requisite approvals from relevant authorities and third parties;

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- (iii) technical and operational difficulties associated with mining of minerals and production activities;
  - (iv) access to necessary funding;
  - (v) mechanical failure of plant and equipment;
  - (vi) shortage or increases in price of consumables, and plant and equipment;
  - (vii) environmental hazards, fires, explosions and other accidents;
  - (viii) transportation facilities;
  - (ix) costs overruns; and
  - (x) the costs of extraction being higher than expected.

There is no guarantee that the Company will achieve commercial viability through the development of its projects. If the Company locates commercial reserves of minerals, it may seek to apply for a mining lease over the area. The lease is subject to approval being obtained from the Minister and may be subject to any terms and conditions imposed by the Minister (or other interested parties).

(c) **Mine development**

Possible future development of a mining operation at any of the Company's projects is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.

The Company's operations may be disrupted by a variety of risks and hazards which are beyond its control, including environmental hazards, industrial accidents, technical failures, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement of hazardous weather conditions and fires, explosions or accidents. No assurance can be given that the Company will achieve commercial viability through the development or mining of its projects.

(d) **Operations**

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

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

(e) **Resource estimates**

In the event a resource is delineated this would be an estimate only. An estimate is an expression of judgement based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans which may, in turn, adversely affect the Company's operations.

(f) **Sovereign**

The Company's projects outside Australia are subject to the risks associated in operating in a foreign country. These risks may include economic, social or political instability or change, hyperinflation, currency non-convertibility or instability and changes of law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, labour relations as well as government control over natural resources or government regulations that require the employment of local staff or contractors or require other benefits to be provided to local residents.

Any future material adverse changes in government policies or legislation in foreign jurisdictions in which the Company has projects that affect foreign ownership, exploration, development or activities of companies involved in exploration and production, may affect the viability and profitability of the Company.

(g) **Environmental risk**

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

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

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive.

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

(h) **Commodity and currency price risk**

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors.

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.

(i) **Regulatory Risks**

The Company's exploration and development activities are subject to extensive laws and regulations relating to numerous matters including resource licence consent, conditions including environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, native title and heritage matters, protection of endangered and protected species and other matters. The Company requires permits from regulatory authorities to authorise the Company's operations. These permits relate to exploration, development, production and rehabilitation activities.

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

4.3 **General risks**

(a) **Economic**

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

(b) **Share market conditions**

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

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;

- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

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

(c) **Taxation**

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

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

(d) **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 material litigation.

(e) **Potential acquisitions**

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

(f) **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. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

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

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

(h) **Insurance**

Insurance against all risks associated with the Company's business is not always available or affordable. The Company maintains insurance where it is considered appropriate for its needs however it will not be insured against all risks either because

appropriate cover is not available or because the Directors consider the required premiums to be excessive having regard to the benefits that would accrue.

(i) **Unforeseen expenditure risks**

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

(j) **Managing growth**

The Company's success will depend on its ability to expand its operations. If the Company is unable to successfully manage the expansion of its business, its financial condition and results of operations could be materially adversely affected.

(k) **Climate change risks**

Climate change is a risk the Company has considered, particularly related to its operations in the mining industry. The climate change risks particularly attributable to the Company include:

- (i) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and
- (ii) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

(l) **Coronavirus disease**

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

Measures to limit the transmission of the virus implemented by governments around the world (such as travel bans and quarantining) are adversely impacting the Company's operations and will cause delays in the Company's previously planned exploration programs.

#### 4.4 **Investment speculative**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred

to above, may in the future materially affect the financial performance of the Company and the value of the 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.

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

For personal use only

## 5. Additional information

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### 5.1 Rights and liabilities attaching to Shares

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

#### (a) General meetings

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

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

#### (b) Voting rights

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

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

#### (c) Dividend rights

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

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

(d) **Winding-up**

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

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

(e) **Shareholder liability**

As the Shares under the Prospectus are fully paid Shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture. If a Shareholder fails to pay any call or instalment on a partly paid Share, the Share may be forfeited by a resolution of the Directors.

(f) **Transfer of Shares**

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

(g) **Future increase in capital**

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

(h) **Variation of rights**

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

If at any time the share capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may be varied with the consent in writing of the holders of three quarters of the issued Shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the Shares of that class.

(i) **Alteration of Constitution**

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

## 5.2 Rights and liabilities attaching to Options

The rights attaching to the Options are regulated by the Constitution, the Corporations Act, the Listing Rules and the general law. The following is a summary of the key terms of the Options:

(a) **Entitlement**

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

(b) **Issue Price**

No cash consideration is payable for the issue of the Options.

(c) **Exercise Price**

Subject to paragraph (h), the amount payable upon exercise of each Option will be \$0.12 (**Exercise Price**).

(d) **Expiry Date**

Each Option will expire at 5.00pm (WST) 2 years after the issue date (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(e) **Exercise Period**

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

(f) **Quotation of the Options**

The Company will not apply for quotation of the Options on ASX.

(g) **Transferability of the Options**

The Options are not transferable, except with the prior written approval of the Company.

(h) **Notice of Exercise**

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

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

(i) **Timing of issue of Shares on exercise**

Within 5 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 Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with Section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with

ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy Section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (ii) 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.

(j) **Shares issued on exercise**

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

(k) **Quotation of Shares on exercise**

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options in accordance with the Listing Rules.

(l) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(m) **Participation in new issues**

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

(n) **Adjustment for bonus issues of Shares**

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

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

### 5.3 **Lead Manager**

The Company has entered into a lead manager mandate with Canaccord Genuity (Australia) Limited (ACN 075 071 466) (**Mandate**) to lead manage the Offers. The Company has agreed to

pay the Lead Manager (exclusive of GST, to be deducted from gross proceeds and withheld from settlement):

- (a) a management fee of 2% of any shortfall placed by the Lead Manager; and
- (b) a capital raising fee of 4% of any shortfall placed by the Lead Manager.

The Mandate is otherwise on standard terms and conditions for an agreement of this nature.

#### 5.4 Company is a disclosing entity

The Company is a disclosing entity under the Corporations Act. It is subject to regular reporting and disclosure obligations under both the Corporations Act and the Listing Rules. These obligations require the Company to notify ASX of information about specific events and matters as they arise for the purpose of ASX making the information available to the securities market conducted by ASX. In particular, the Company has an obligation under the Listing Rules (subject to certain limited exceptions), to notify ASX once it is, or becomes aware of information concerning the Company which a reasonable person would expect to have a material effect on the price or value of the Shares.

The Company is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a Directors' statement and report, and an audit review or report. Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an ASIC office (see Section 5.6 below). Copies of all documents announced to the ASX can be found on the Company's website.

#### 5.5 Dividend Policy

The Directors are not able to say when and if dividends will be paid in the future, as the payment of any dividends will depend on the future profitability, financial position and cash requirements of the Company.

#### 5.6 Copies of documents

Copies of documents lodged by the Company in connection with its reporting and disclosure obligations may be obtained from, or inspected at, an office of ASIC. The Company will provide free of charge to any person who requests it during the period of the Entitlement Offer a copy of:

- (a) the Annual Report for the period ending 30 June 2019 lodged with ASX on 26 September 2019 (**Annual Financial Report**);
- (b) the Half Yearly Report for the period ending 31 December 2019 lodged with ASX on 16 March 2020; and
- (c) the continuous disclosure notices given by the Company to notify ASX of information relating to the Company during the period from the date of lodgement of the Annual Financial Report lodged with ASX on 26 September 2019, until the date of this Prospectus:

Date lodged	Subject of Announcement
14/09/2020	Notice under Section 708A
14/09/2020	Appendix 2A - Placement

<b>Date lodged</b>	<b>Subject of Announcement</b>
11/09/2020	Appendix 2A - Placement
08/09/2020	Proposed issue of Securities - INF
08/09/2020	Proposed issue of Securities - INF
08/09/2020	Proposed issue of Securities - INF
08/09/2020	INF Receives Firm Commitments for \$2.2m Capital Raise
02/09/2020	Trading Halt
01/09/2020	Infinity Corporate Presentation September 2020
28/08/2020	Final Director's Interest Notice
27/08/2020	Resignation of Non-Executive Director
18/08/2020	Change in Board Composition
03/08/2020	Appendix 2A
03/08/2020	Final Director's Interest Notice
31/07/2020	Quarterly Activities Report
31/07/2020	Quarterly Cashflow Report
30/07/2020	Change of Director's Interest Notice - Adrian Byass
30/07/2020	Change of Director's Interest Notice - Vincent Pedailles
30/07/2020	Change of Director's Interest Notice - Ryan Parkin
28/07/2020	Appendix 2A
28/07/2020	Appendix 2A
27/07/2020	Results of Meeting
24/07/2020	Initial Director's Interest Notice
22/07/2020	Board Change - Appointment of Non-Executive Director
24/06/2020	Notice of General Meeting/Proxy Form
23/06/2020	Infinity Investor Presentation June 2020
18/06/2020	Proposed issue of Securities - INF
18/06/2020	EU Backed Group Finalises First Strategic Investment in INF
21/05/2020	Infinity presents San Jose Project to EU Commission and EIB

<b>Date lodged</b>	<b>Subject of Announcement</b>
28/04/2020	Company Secretary Appointments/Resignation
28/04/2020	Quarterly Activities Report
28/04/2020	Quarterly Cashflow Report
24/04/2020	Section 708 statement
24/04/2020	Appendix 2A
20/04/2020	Proposed issue of Securities - INF
20/04/2020	Capital Raising
16/04/2020	Trading Halt
25/03/2020	European Innovation Funding
23/03/2020	Trading Halt
20/03/2020	Expiry of unlisted Options
19/03/2020	Expiry of Milestone B Performance Shares
17/03/2020	Equatorial Potash Agreement
16/03/2020	Half Year Accounts
25/02/2020	Equatorial Potash Divestment
29/01/2020	Quarterly Activities Report
29/01/2020	Quarterly Cashflow Report
20/01/2020	External interest and applications in the Iberian Peninsula
27/12/2019	Section 708 Notice
27/12/2019	Appendix 3B
10/12/2019	Change of Director's Interest Notice
10/12/2019	Appendix 3B
27/11/2019	Final Director's Interest Notice
27/11/2019	Results of Meeting
26/11/2019	EU Funding Update
12/11/2019	Director Resignation
31/10/2019	Quarterly Activities Report

Date lodged	Subject of Announcement
31/10/2019	Quarterly Cashflow Report
30/10/2019	Change of Director's Interest Notice
30/10/2019	Options Lapse
25/10/2019	Notice of Annual General Meeting
24/10/2019	Infinity leads consortium application for InnoEnergy funding
15/10/2019	Initial Director's Interest Notice
15/10/2019	Director Appointment
27/09/2019	Infinity EBA alignment for key projects
26/09/2019	Appendix 4G
26/09/2019	Annual Report to Shareholders

The following documents are available for inspection throughout the period of the Offer during normal business hours at the registered office of the Company:

- (a) this Prospectus;
- (b) the Constitution; and
- (c) the consents referred to in Section 5.12 and the consents provided by the Directors to the issue of this Prospectus.

#### 5.7 Information excluded from continuous disclosure notices

There is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules other than as is set out in this Prospectus.

#### 5.8 Determination by ASIC

ASIC has not made a determination which would prevent the Company from relying on section 713 of the Corporations Act in offering and issuing the Shares under this Prospectus.

#### 5.9 Interests of Directors

##### (a) Information disclosed in this Prospectus

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

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

- (iii) 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:

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

(b) **Security holdings**

The relevant interests of each of the Directors in Securities as at the date of this Prospectus is set out below.

Name	Existing Shares	Entitlement	
		Shares	Options
Ryan Parkin <sup>1</sup>	2,494,611	311,827	155,913
Adrian Byass <sup>2</sup>	8,653,318	1,081,665	540,832
Remy Welschinger <sup>3</sup>	18,425	2,303	1,152

**Notes:**

- Mr Parkin's interest is held indirectly as follows:
  - 1,923,182 Shares held by Chevalier Holdings Pty Ltd <Lapiste Holdings Family Trust>; and
  - 571,429 Shares held by Mr Ryan Xavier Parkin & Mrs Lisa Gabrielle Parkin <Majeet Super Fund>.
- Mr Byass' interest is held indirectly as follows:
  - 4,498,889 Shares held by Valiant Equity Management Pty Ltd <Byass Family A/C>;
  - 500,000 Shares held by Teutonic Investments Pty Ltd; and
  - 3,654,429 Shares held by Oakwood Super Fund.
- Mr Welschinger's interest is held indirectly by Citicorp Nominees Pty Limited (registered holder of shares as nominee for Mr Welschinger's personal pension fund account).

As at the date of this Prospectus, the intention of the Directors' in relation to their Entitlement is as follows:

- Mr Ryan Parkin intends to take up part of his Entitlement;
- Mr Adrian Byass does not intend to take up his Entitlement; and
- Mr Remy Welschinger is not an Eligible Shareholder, and as such is unable to take up his Entitlement.

(c) **Remuneration**

The Constitution of the Company provides that the non-executive directors are entitled to be paid an amount of fixed fees which does not in any year exceed in aggregate the

amount last fixed by ordinary resolution, to be divided between the non-executive directors as the Directors shall determine and, in default of agreement between them, then in equal shares. No non-executive director shall be paid as part or whole of his remuneration a commission on or a percentage of profits or operating revenue.

The aggregate amount of compensation for non-executive directors was initially set by the Board at \$250,000. The aggregate amount of compensation was increased by the Board on 27 November 2019 to \$400,000. There has been no change to these levels since 2019.

A Managing Director or Executive Director shall, subject to the terms of any agreement entered into in a particular case, receive remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the Directors may determine. The Company currently has one Executive Director, Mr Ryan Parkin. Mr Parkin's base salary is comprised of a base salary of \$208,050 per year (inclusive of superannuation).

The Constitution also provides that the Directors shall be entitled to be paid reasonable travelling, accommodation and other expenses incurred by them respectively in or about the performance of their duties as Directors. If any of the Directors are called upon to perform extra services or make any special exertions on behalf of the Company or its business, the Directors may remunerate this Director in accordance with such services or exertions, and this remuneration may be either in addition to or in substitution the Directors share in the remuneration provided by the Constitution.

The following table sets out the remuneration the Directors have accrued up to 30 June 2019:

Director	Directors' fees, and salary (accrued) (\$)	Share based payments (\$)	Superannuation (\$)	Total (\$)
Kevin Tomlinson <sup>1</sup>	120,000	-	-	120,000
Ryan Parkin <sup>2</sup>	186,667	-	17,733	204,400
Adrian Byass <sup>3</sup>	188,392	-	17,897	206,289
Vincent Ledoux-Pedailles <sup>4</sup>	65,141	26,670	-	91,811
Eric Lilford <sup>5</sup>	13,500	-	-	13,500
Humphrey Hale <sup>6</sup>	59,970	-	5,697	65,667
Robert Orr <sup>7</sup>	86,592	-	-	86,592
Remy Welschinger <sup>8</sup>	-	-	-	-

**Notes:**

1. Mr Tomlinson was appointed as Executive Chairman on 8 June 2017 and resigned on 27 November 2019.

2. Mr Parkin was initially appointed as General Manager of Corporate Development in February 2018 and assumed the role of Managing Director on 4 August 2018.
3. Mr Byass was appointed as Executive Director on 17 June 2011 and assumed the role of Non-Executive Chairman (on an interim basis whilst the Board searches for a potential candidate to be appointed as the Chair of the Company) on 27 November 2019, upon the resignation of Mr Tomlinson.
4. Mr Ledoux-Pedailles was appointed as Executive Director on 16 January 2019 and resigned on 27 August 2020.
5. Mr Lilford was appointed as Non-Executive Director on 28 April 2016 and resigned on 4 August 2018.
6. Mr Hale was appointed as Non-Executive Director on 16 January 2014 and resigned on 4 August 2018.
7. Mr Orr was appointed as Chief Financial Officer and Company Secretary on 2 October 2013 and resigned from his position on 28 April 2020.
8. Mr Welschinger was appointed as Non-Executive Director on 22 July 2020 and therefore did not receive remuneration prior to 30 June 2019.

The following table sets out the remuneration the Directors have accrued up to 30 June 2018:

Director	Directors' fees, and salary (accrued) (\$)	Share based payments (\$)	Superannuation (\$)	Total (\$)
Kevin Tomlinson	120,000	138,960	-	258,960
Adrian Byass	228,500	-	21,708	250,208
Eric Lilford	36,000	-	-	36,000
Humphrey Hale	179,909	-	17,091	197,000
Christian Cordier <sup>1</sup>	28,208	-	-	28,208
Robert Orr	86,592	-	-	86,592

**Note:**

1. Mr Cordier was appointed as Non-Executive Director on 28 April 2016 and resigned on 6 February 2018.

## 5.10 Interests of other persons

Except as disclosed in this Prospectus, no expert, promoter or other person named in this Prospectus as performing a function in a professional, advisory or other capacity:

- (a) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the Shares offered under this Prospectus or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Shares offered under this Prospectus; or
- (b) has been paid or given or will be paid or given any amount or benefit in connection with the formation or promotion of the Company or the Shares offered under this Prospectus.

## 5.11 Expenses of Offer

The estimated expenses of the Offer are as follows:

<b>Estimated expense</b>	<b>\$</b>
ASIC lodgement fees	3,206
ASX quotation fees	10,157
Legal and preparation expenses	20,000
Printing, mailing and other expenses	7,243
<b>TOTAL</b>	<b>40,606</b>

## 5.12 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of Shares under this Prospectus), the Directors, any 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) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

HWL Ebsworth Lawyers has given its written consent to being named as the Solicitors to the Company in this Prospectus. HWL Ebsworth Lawyers has not withdrawn its consent prior to the lodgment of this Prospectus with ASIC.

Canaccord Genuity (Australia) Limited has given its written consent to being named as the Lead Manager to the Company in this Prospectus. Canaccord has not withdrawn its consent prior to the lodgment of this Prospectus with ASIC.

Advanced Share Registry Services has given its written consent to being named as the share registry to the Company in this Prospectus. Advanced Share Registry Services has not withdrawn its consent prior to the lodgment of this Prospectus with ASIC.

## 6. Directors' Statement and Consent

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The issue of this Prospectus has been authorised by each of the Directors of the Company.

This Prospectus is signed for and on behalf of the Company by:



Adrian Byass  
**Non-Executive Chairman**

Dated: 16 September 2020

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## 7. Glossary

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These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

<b>\$</b>	means Australian dollars.
<b>Applicant</b>	means an Eligible Shareholder who submits an Entitlement and Acceptance Form.
<b>Application</b>	means a valid application for Shares (and free attaching Options) made on an Entitlement and Acceptance Form.
<b>Application Monies</b>	means acceptance monies for Shares received by the Company.
<b>ASIC</b>	means the Australian Securities and Investments Commission.
<b>ASX</b>	means ASX Limited (ACN 008 624 691) and where the context permits the Australian Securities Exchange operated by ASX Limited.
<b>AWST</b>	means Australian Western Standard Time.
<b>Board</b>	means the Directors meeting as a board.
<b>Business Day</b>	means Monday to Friday inclusive, other than a day that ASX declares is not a business day.
<b>CHESS</b>	means ASX Clearing House Electronic Subregistry System.
<b>Closing Date</b>	has the meaning given to it in Section 1.4.
<b>Company</b>	means Infinity Lithium Corporation Limited (ACN 147 413 956).
<b>Constitution</b>	means the constitution of the Company as at the date of this Prospectus.
<b>Corporations Act</b>	means <i>Corporations Act 2001</i> (Cth).
<b>Directors</b>	mean the directors of the Company.
<b>Eligible Shareholder</b>	means a person registered as the holder of Shares on the Record Date whose registered address is in Australia or New Zealand.
<b>Entitlement</b>	means the number of new Shares for which an Eligible Shareholder is entitled to subscribe under the Entitlement Offer, being 1 new Share for every 8 existing Shares held on the Record Date (together with 1 free-attaching Option for every 2 new Shares subscribed for and issued).

<b>Entitlement and Acceptance Form</b>	means the entitlement and acceptance form provided by the Company with a copy of this Prospectus that describes the entitlement of Eligible Shareholders to subscribe for Shares and Options pursuant to the Entitlement Offer and the Shortfall Offer.
<b>Entitlement Offer</b>	means the offer under this Prospectus of up to approximately 34,478,233 new Shares to Eligible Shareholders in the proportion of 1 new Share for every 8 existing Shares held on the Record Date (together with 1 free-attaching Option for every 2 new Shares subscribed for and issued).
<b>Ineligible Foreign Shareholder</b>	means a person registered as the holder of Shares on the Record Date whose registered address is not in Australia or New Zealand.
<b>Issuer Sponsored</b>	means Shares issued by an issuer that are held in uncertified form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHESS.
<b>Lead Manager or Canaccord</b>	means Canaccord Genuity (Australia) Limited (ACN 075 071 466) (AFSL 234666).
<b>Listing Rules</b>	means the listing rules of ASX.
<b>Mandate</b>	means the lead manager mandate executed between the Company and the Lead Manager dated 31 August 2020.
<b>Offers</b>	means the offers under this Prospectus to subscribe for Securities, namely, the Entitlement Offer and Shortfall Offer and <b>Offer</b> means any one of those offers, as applicable.
<b>Option</b>	means the right to acquire one Share in the capital of the Company.
<b>Placement</b>	means the issue of 31,428,571 Shares at an issue price of \$0.07 per Share, together with 1 free-attaching Option for every 2 Shares subscribed for and issued under the Placement, to institutional and sophisticated investors to raise \$2.2 million.
<b>Prospectus</b>	means this prospectus dated 16 September 2020.
<b>Record Date</b>	means 5.00pm on the date identified in the Timetable as the record date.
<b>Section</b>	means a section of this Prospectus.
<b>Securities</b>	mean any securities including Shares, Options or Performance Rights issued or granted by the Company.
<b>Share</b>	means a fully paid ordinary share in the capital of the Company.
<b>Shareholder</b>	means a holder of Shares.

<b>Shortfall Offer</b>	means the offer of the Shortfall under this Prospectus, which includes the offer in relation to the Shortfall Securities.
<b>Shortfall or Shortfall Securities</b>	means Entitlements not subscribed for under the Entitlement Offer.
<b>Timetable</b>	means the timetable on page iii.
<b>VWAP</b>	means volume weighted average price.