OCEANA LITHIUM

PROSPECTUS 2022

For the offer of 27,500,000 Shares at an issue price of $0.20 to raise $5.5 million
Oversubscriptions of up to a further 2,500,000 Shares to raise up to a further $0.5 million may be accepted.

IMPORTANT INFORMATION

This Prospectus provides important information about the Company and you should read it in its entirety before making any investment decision. You should consult professional advisors if you have any queries.

The Securities offered by this Prospectus should be considered highly speculative.

OCEANA LITHIUM LIMITED
ACN: 654 593 290
PROPOSED ASX CODE: OCN

LEAD MANAGER

WESTAR CAPITAL
AFSL: 255789

Important Notice

This Prospectus is dated 4 April 2022 and was lodged with ASIC on that date. Neither ASIC, ASX nor any of their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No securities will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus. Application will be made to ASX within 7 days after the date of this Prospectus for the quotation of the Shares the subject of this Prospectus.

No offering where doing so would be illegal

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

This document may not be distributed in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy securities in the United States. Any securities described in this document have not been and will not be, registered under the US Securities Act 1993 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act 1993 and applicable US state securities law.

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

No person is authorised to provide any information or make any representation in connection with the Offer which is not contained in this Prospectus.

Exposure Period

This Prospectus will be circulated during the Exposure Period, the purpose for which is to allow market participants to review the Prospectus prior to fund being raised under the Prospectus and which may result in deficiencies being identified in the Prospectus and potentially a supplementary prospectus lodged with ASIC. No preference will be given for Applications made during the Exposure Period.

Web Site – Electronic Prospectus

A copy of this Prospectus is available and can be downloaded from the website of the Company at https://oceanalithium.com/.

Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian resident and must only access the Prospectus from within Australia. Persons who access the electronic version of this Prospectus should ensure that they download and read the entire Prospectus.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company. If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please contact the Company and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus or both.

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

Suitability of Investment & Risks

Before deciding to invest in the Company prospective investors should read entirely this Prospectus and, in particular, the summary of the Company's business in section 5 and the risk factors in section 6. They should carefully consider these factors in the light of their personal circumstances (including financial and taxation issues) and seek professional advice from their accountant, stockbroker, lawyer or other professional adviser before deciding to invest.

Any investment in the Shares of the Company should be regarded as speculative.

Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects,' or 'intends' and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on several assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the Company's management.

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

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

These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 7

Financial Forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain.

Definitions and currency

Certain terms and abbreviations used in this Prospectus have defined meanings which are explained in the Glossary.

No investment advice

The information contained in this Prospectus is not financial produce advice or investment advice and does not consider your financial or investment objectives, financial situation, or particular needs (including financial or taxation issues). You should seek professional advice from your accountant, financial adviser, stockbroker, lawyer, or other professional advisor before deciding to apply for Shares under the Offer to determine whether doing so meets your financial circumstances, objectives and needs.

Enquiries

If you are in any doubt as to ow to deal with an of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offer or how to apply for Shares, please contact the Company Secretary on +61 8 9486 4036 or info@oceanalithium.com.

Table of Contents

Corporate Directory

Directors

Mr Jerome (Gino) Vitale – Non-executive Chairman

Mr Sebastian Kneer – Executive Director

Dr Qingtao Zeng – Non-executive Director

Mr Simon Mottram – Non-executive Director

Company Secretary

Dan Smith

Website

https://oceanalithium.com

Registered Office

C/- Minerva Corporate
Level 8, 99 St Georges Tce
PERTH WA 6000

Share Registry*

Computershare Investor Services Pty Limited
172 St Georges Terrace
PERTH WA 6000

Head Office

Level 1, 33 Richardson Street
WEST PERTH WA 6005

Auditor

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

Solicitors to the Offer

Atkinson Corporate Lawyers
Level 8, 99 St Georges Tce
PERTH WA 6000

Investigating Accountant

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

Legal Representative Brazil*

Barreto e Silva Advogados
Edifício Helbor Offices Savassi
Rua Rio Grande do Norte, nº 1.436
8º andar – Salas 803 a 806
Bairro Savassi
BELO HORIZONTE– MINAS GERAIS, BRAZIL

Corporate Manager Brazil*

David Madureira
Avenida Augusto de Lima, 1568,
Sala 1301 e 1302 CEP: 30190 -003 Barro Preto
BELO HORIZONTE – MINAS GERAIS, BRAZIL

Lead Manager to the Offer

Westar Capital Ltd (AFSL 255789)
Level 4, 216 St Georges Tce,
PERTH WA 6000

*This entity or individual is included for information purposes only. The entity or individual has not been involved in the preparation of this prospectus.

1 TIMETABLE TO THE PUBLIC OFFER

Exposure Period ends	12 April 2022
Opening Date of the Offer	
Closing Date of the Offer[1]	22 April 2022
Issue of Shares under this Prospectus	25 May 2022
Quotation of Shares on the ASX[2]	27 May 2022

1 Subject to all applicable laws and Listing Rules, the Company reserves the right to close the Offer early or later than as indicated above without prior notice.

2 Subject to the Company complying with the Listing Rules.

This timetable is indicative only, and may change.

2 KEY STATISTICS OF THE OFFER

Number of Shares	Offer (A$5,500,000)	Over-subscription (A$6,000,000)
Shares on issue as at the date of this Prospectus	28,500,000	28,500,000
Shares to be offered under the Prospectus ($0.20)	27,500,000	30,000,000
Shares to be issued under the Acquisition Agreements[1]	5,000,000	5,000,000
Total Shares on issue post listing (undiluted)	61,000,000	63,500,000
Director and Advisor Options ($0.30, expiring 4 years)	9,250,000	9,250,000
Broker Options ($0.30, expiring 3 years)	3,500,000	3,500,000
Director Performance Rights	3,268,000	3,268,000
Other Performance Rights	2,028,000	2,028,000
Market capitalisation post listing (undiluted)[2]	$12,200,000	$12,700,000

[1] Refer sections 12.1 and 12.2 for details on the Acquisitions Agreements.

[2] This is determined using the Offer price. There is no guarantee that the Company's Share price will, following listing, trade at the Offer price, and there is a risk that it may trade below the Offer price.

3 LETTER FROM THE CHAIRMAN

Dear Investor,

On behalf of the Board of Directors, I am pleased to present this Prospectus and invite you to become a shareholder of Oceana Lithium Limited (**Company** or **Oceana**).

The Company is a mineral exploration and development company focused on the discovery and delineation of lithium mineral resources in two mining friendly jurisdictions, the state of Ceará, Brazil, and the Northern Territory, Australia.

The Company has brought together a team with expertise and experience in exploration, project development, mining operations and product marketing in the rapidly expanding lithium sector. The Company's directors and consultants have held senior executive positions with established lithium producers with operations in Australia, Argentina and Canada, and extensive exploration and mining experience generally.

The world is in transition to a low carbon emissions economy and at the forefront of this transition is the development of the EV and lithium battery motive power and resulting global market. This is reflected in the continued rise in the demand for lithium and associated market price for spodumene concentrate. The Directors have confidence and optimism that this is the nascent stage of a long term trend based on fundamental industrial demand and supply factors. The fast growing number of chemical and battery producers and EV manufacturers signing contracts with emerging lithium concentrate producers to secure long term supply reflects the global sense of urgency by all developed countries to address climate change. While demand for energy storage capacity, particularly in EV's is rising, there is a supply lag as most of the supply from existing producers is already committed under long term contracts with the major producers of lithium chemicals. The Company believes the combination of these factors provide a clear market signal that now is the time to invest in the exploration and development of new supply sources for lithium concentrate.

The Company has secured major chemical manufacturer Ya Hua International Investment and Development Co as a major anchor investor, which has agreed to subscribe for $1,000,000 under the Offer. I believe this demonstrates confidence in the quality of the Company's lithium exploration portfolio and experienced management team.

Under this Public Offer the Company plans to raise a minimum of $5,500,000 and up to $6,000,000 (before transaction costs) by issuing a minimum of 27,500,000 Shares and up to 30,000,000 Shares at an issue price of 20 cents each. The proceeds of the Offer will be applied to undertake various exploration programs designed to lead to the generation of drilling targets aimed at delineating high-tonnage, high-grade lithium mineral resources.

Detailed information about the Company's projects is set out in the Independent Technical Assessment Reports for the Solonopole project in Brazil and the Napperby project in the NT respectively, in section 8 of this Prospectus.

This Prospectus also contains detailed information about the Offers and the current and proposed operations of the Company, as well as the risks pertaining to an investment in the Company contained in section 6. These risks include exploration risks, commodity price risks and risks associated with operating in Brazil. The Shares offered by this Prospectus should be considered highly speculative.

Potential investors in the Company should carefully consider those risks before making an investment decision and, if required, consult with a stockbroker, solicitor, accountant or other independent professional adviser.

I look forward to welcoming you as a Shareholder should you decide to take up Shares pursuant to the Offer.

Yours faithfully,

Jerome (Gino) Vitale
Non-Executive Chairman

4 INVESTMENT OVERVIEW

The information in this section is a selective overview only. It is not intended to provide full information for investors intending on applying for Shares offered pursuant to this Prospectus. Prospective investors should read and consider this Prospectus in its entirety before deciding to invest in Shares. The Shares offered under this Prospectus carry no guarantee in respect of return of capital, return on investment, payment of dividends or the future value of Shares.

Question	Response	Where to find more information
Introduction		
Who is issuing this Prospectus?	Oceana Lithium Limited, a company incorporated in Australia.	Section 5
What is the Company's business?	Oceana is a junior exploration company established to acquire, explore and develop lithium mines in Brazil and Australia.	Section 5
Information on the Company and investment highlights		
What are the benefits of investing in the Company?	(a) Exposure to two highly prospective lithium exploration projects covering large acreage in known lithium bearing regions of Brazil and the Northern Territory (b) The Company is led by a board and consulting team that have considerable experience in the identification, evaluation, production and sale of lithium concentrates and a track record in growing shareholder value (c) Lithium prices are strongly correlated to the growth in the 'green economy' and the ongoing adoption of and uptake of electric vehicles and battery technology. An investment in the Company provides exposure to this rising market through its early stage lithium exploration projects	Section 5

Risks

Prospective investors should be aware that subscribing for Shares in the Company involves a number of risks and uncertainties. The risk factors set out in **section 6**, and other general risks applicable to all investments in listed securities, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. This section summarises only some of the risks which would apply to an investment in the Company and investors should refer to section 6 for a more detailed summary of the risks.

Question	Response	Where to find more information
What are the key risks of investing in the Company?	The Company, and an investment in it, is subject to several risks as detailed in this Prospectus. These include the following key risks: (a) The Company's projects are early stage exploration projects, with no quantified mineral resources. Exploration is inherently speculative in nature with significant risk. (b) Approximately 15% of the Solonopole Lithium Project in Brazil overlays PA Encanto, a rural settlement. Exploration over rural settlements requires the prior authorisation of the National Institute for Rural Settlement and Land Reform (INCRA). INCRA is required to give authorization where the proposed exploration activity can co-exist with any land settlement program. Whilst the Company will undertake its exploration program in a way to maximise co-existence with any settlers, there is a risk of delay in accessing this portion of the Company's licences for exploration activities or that approval may not occur during the Licence terms. (c) The Napperby Project in the Northern Territory consists of a granted exploration licence and one exploration licence application. There is a risk that the application may not be granted, or may be granted subject to terms unfavorable to the Company. (d) Funding. The Company's business model is to undertake mineral exploration, and it will not in the foreseeable future generate any income. There is a risk that this may never occur. ***General Investment risks*** (a) There are risks associated with any securities investment including extreme price and volume fluctuations that may be unrelated or disproportionate to the operating performance of the Company. (b) Changes in both domestic and world economic conditions may adversely affect the	Section 6

Question	Response	Where to find more information
	financial performance of the Company including inflation, currency fluctuations, interest rates, industrial disruption and economic growth. Investors are urged to carefully read the risks section of this Prospectus and seek independent professional advice if they have any queries.	
Directors and management		
Who are the Directors of the Company?	The Company has four directors, two of whom, Mr Sebastian Kneer, (Executive Director), and Dr Qingtao Zeng (non-executive Director) have pegmatite and lithium mineral specific exploration and product marketing experience, joined by Mr Simon Mottram (non-executive Director), a highly experienced geologist with international experience and a resident of Brazil. The Company's non-executive Chairman Mr Gino Vitale is a widely experienced corporate executive with project development and mineral resources banking background in a number of commodities and jurisdictions.	Section 7
What benefits are being paid to Directors?	Mr Sebastian Kneer is an executive Director and will be responsible for all of the Company's exploration activities. Mr Kneer will be paid a salary of $10,000 per month plus superannuation and annual leave entitlements for working approximately 2.5 days per work. He has also been issued 500,000 Director Options (4 year term, exercisable at 30 cents each) and 800,000 Performance Rights. Dr Qingtao Zeng will be paid Director fees of $60,000 per annum and has been issued with 500,000 Director Options and 1,014,000 Performance Rights. Dr Zeng also holds 4 million Shares and indirectly will receive 1 million Shares in the Company upon its acquisition of Consolidate Lithium Trading Pty Ltd, the entity that holds the Napperby Lithium project tenement applications. Mr Simon Mottram will be paid Director fees of $60,000 per annum and has been issued with 500,000 Director Options and 440,000 Performance Rights. Mr Gino Vitale holds 7.09 million Shares and will be paid Director fees of $84,000 per annum and has been issued with 500,000 Director Options and 1,014,000 Performance Rights.	Section 7

Question	Response	Where to find more information
Material Contracts		
What important contracts have been entered into?	Following are summaries of the key material contracts that the Company is a party to: (a) Acquisition agreement for the Solonopole Lithium Project – The Company has agreed to purchase all of the issued share capital of Ceara Litio Mineracao Eireli, a Brazilian entity that holds the Solonopole Lithium Project, from MMH Capital and Savvy Capital for: (i) Upon signing, an option fee of $75,000 to MMH Capital (this has been paid); (ii) at completion, to be shared 75%/25% between MMH Capital and Savvy Capital Management; (iii) 4,000,000 Shares; (iv) $112,500 in reimbursement of exploration expenses, and (v) a further $62,500 to MMH Capital upon certain licences been extended. Completion is conditional upon certain events being satisfied by no later than 7 June 2022 (with the Company having the right to extend for up to 6 months upon paying an extension fee to the seller), including the Company completing the Offer and receiving written confirmation from ASX that the Company will be admitted to the Official List of ASX, subject only to conditions acceptable to the Company (acting reasonably). (a) Acquisition agreement for the Napperby Lithium project – The Company has agreed to purchase all of the issued share capital of Consolidate Lithium Trading Pty Limited (Consolidate Trading), which is fully owned by Woodsouth Asset Management Pty Limited, an entity controlled by Dr Qingtao Zeng. The consideration for the purchase is 1 million Shares and a 2.5% royalty over concentrate product sold from the Napperby Lithium project.	Section 12

Question	Response	Where to find more information
	Completion is subject to the Company being listed on ASX, raising a minimum of $5.5 million under a public offer and due diligence to the Company's satisfaction. (b) Consulting agreement with R-Tek Group - The Company has entered into an exploration project management agreement with R-Tek Group Pty Ltd, a consultancy company controlled by Mr Brian Talbot, to provide technical services and advice with respect to its exploration assets in both Australia and Brazil. R-Tek will provide its services for fees of $10,000 per month plus receive 3 million Advisor Options ($0.30 expiring 4 years from issue). The agreement is for a 12 month term commencing on 15 March 2022, and may be terminated by either party without cause on one week's notice. In the event the Company is not listed on ASX by 30 June 2022 the agreement will terminate on that date. (c) Executive Service Agreement with Sebastian Kneer - The Company has appointed Mr Kneer as executive Director under an agreement that commenced on 15 March 2022, and is subject to a termination notice period of 3 months by either party. The agreement will terminate if the Company is not listed on ASX by 30 June 2022 Pursuant to the agreement, the Company will pay Mr Kneer $10,000 (plus GST) per month for the equivalent of 2.5 days per week. The agreement otherwise contains clauses consistent for an agreement of this nature, including as to intellectual property rights, insurance, indemnities and confidentiality. (d) Ya Hua International Investment and Development Co., Limited subscription agreement - Ya Hua has agreed to subscribe for 5,000,000 Shares under the Offer. The agreement is conditional upon the Company	

Question	Response	Where to find more information
	listing on ASX by 30 June 2022, or such other date as the parties agree. (e) Broker Mandate – The Company has appointed Westar Capital Ltd as exclusive lead manager and facilitate part of the Offer on a best endeavours basis under a broker mandate. The Company will pay Westar Capital a management and equity raising fee, the material terms of which are as follows: (i) a management fee of 2% on all amounts raised under the Offer; (ii) an equity raising fee of 4% on all amounts raised under the Offer, other than from investors introduced by the Company (including Ya Hua); (iii) 3,500,000 Broker Options to Westar Capital (or its nominees); and (iv) certain disbursements incurred by Westar Capital. Subject to the Offer successfully closing, the Company Westar Capital has the first right of refusal to act as lead manager (if desired by Westar Capital) in relation to all equity capital raisings, for the period of 12 months following their appointment on 11 March 2022.	
Proposed use of funds and key terms of the Offer		
How will the proceeds of the Offer be used?	The Company intends to use funds raised from the Offer (together with existing funds on hand of approximately $414,000 is broadly as follows: **Funds available** / **Full ($'000)** / **Overs ($'000)** Funds raised through pre- IPO raisings / 715 / 715 Funds raised from the offer / 5,500 / 6,000 Total[1] / 6,215 / 6,715 **Allocation of Funds**	Section 5

Question	Response			Where to find more information
	Cost of the offer[2]	498	533	
	Balance of option fee and project cost reimbursements for Solonopole Project	175	175	
	Exploration at Solonopole Lithium Project (Brazil)[3]			
	Tenement fees	32	32	
	Geophysical surveys	50	50	
	Mapping and geochemical surveys	600	600	
	Drilling and assays	1,950	2,200	
	Project studies and permitting	264	264	
	Total	2,896	3,146	
	Exploration at Napperby Lithium Project (Northern Territory)[3]			
	Data review, permitting, mapping and geochemistry	490	490	
	Drilling, assays and geological support	270	270	
	Total	760	760	
	Other			
	New project opportunities	290	290	
	General administration costs[4]	1,100	1,100	
	Surplus working capital[5]	496	711	
	Total allocations	6,215	6,715	

1 Refer to the Financial Information set out in section 9 for further details. The Company intends to apply these funds towards the purposes set out in this table, including the payment of the expenses of the Offer of which various amounts will be payable prior to completion of the Offer. Since 1 January 2022, the Company has spent approximately $160,000 in progressing and preparing the Prospectus.

2 Refer to section 15.6 for further details.

Question	Response	Where to find more information
	3 Refer to section 5.3 and to section 9 of the Independent Geologist Report by GE21 Consultoria Mineral and section 6 of the Independent Geologist Report by Geomin Services Pty Ltd respectively for further details of the Company's proposed exploration programs at the Solonopole and Napperby projects at section 8. 4 Administration costs include the general costs associated with the management and operation of the Company's business including directors' fees, D&O and general insurances, ASIC and ASX fees, rent and other associated costs. 5 To the extent that: a. the Company's exploration activities warrant further exploration; or b. the Company is presented with additional acquisition opportunities, the Company's working capital will fund such further exploration and acquisition costs (including due diligence investigations and expert's fees in relation to such acquisitions).	
What are the conditions of the Offer?	The Offer is conditional upon, amongst other things, the following: • The Company complying with the admission requirements for admission to ASX; and • The Company raising the Full Subscription. In the event the conditions are not met, and in accordance with the Corporations Act, the Company will return all application moneys without interest and the Offer will not proceed.	Section 13.2
Financial Information		
What is the financial position of the Group?	The Company was incorporated in October 2021 for the purpose of acquiring the Solonopole Lithium Project and listing on ASX. Section 10 of this prospectus includes: (a) Notional Historical Consolidated Statements of Profit or Loss and Other Comprehensive Income of Oceana for the years ended 31 December 2020 and 31 December 2021; (b) Notional Historical Consolidated Statements of Cashflows of Oceana for the years ended 31 December 2020 and 31 December 2021; and	Sections 10 and 11

Question	Response	Where to find more information
	(c) Notional Historical Consolidated Statement of Financial Position of Oceana as at 31 December 2021. (d) Pro forma Historical Consolidated Statement of Financial Position of Oceana as at 31 December 2021. Investors are urged to read the Financial Information Section in Section 10 and the Investigating Accountant's Report in Section 11 in full.	
Will the Company pay dividends?	No.	Section 5.9.
Where will the Shares be quoted?	Subject to the Company complying with the Listing Rules and being admitted to the Official List by ASX, the Shares will be traded on the ASX under the symbol '**OCN'**.	
What should I do with any enquiries?	All enquiries in relation to this Prospectus should be directed to the Offer Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) from 8.30am until 5.30pm (Melbourne time) Monday to Friday during the Offer Period. If you are unclear in relation to any matter or are uncertain as to whether an investment in the Company is suitable for you, you should seek professional guidance from your solicitor, stockbroker, tax adviser or other independent and qualified professional adviser before deciding whether to invest.	

5 COMPANY AND BUSINESS MODEL

5.1 Introduction

The Company was incorporated as a private company in October 2021 and changed its status to a public Company on 8 March 2022 for the purpose of seeking admission to ASX. The Company has entered into binding agreements to acquire two highly prospective lithium projects, the Solonopole lithium project in Brazil and the Napperby lithium project in Northern Territory, the details of which are set out below.

Both Solonopole and Napperby are considered highly prospective for lithium and associated minerals, given their locations within known pegmatite and lithium provinces in Ceara state, Brazil and the Northern Territory. Both projects have undergone previous mineral exploration including geological mapping and geochemical sampling and, in the case of Solonopole, small scale artisanal mining by previous owners.

The global push for economies to transition to renewal/green energy will require a substantial supply of minerals and metals for the electrification of the global vehicle fleet and for the massive investment in the electrical grid, renewable energy infrastructure and storage. The Company's founding projects are focused on lithium in particular.

The Company may also consider acquiring (whether by purchase or application) additional exploration projects focusing on metals required for the manufacture of batteries and electric vehicles, such as nickel, cobalt, rare earths, graphite and other specialty metals that complement the Company's existing projects and skills.

As a junior exploration company, the Company will not generate any income (other than interest earned on funds held) and will be reliant upon exploration success and favourable commodity/market outlook to raise further funds and, if resources are discovered and are economic, develop its projects. There are significant risks with the Company's business model, including exploration risks, the requirement to raise further funds, commodity risks and general market risks. An investment in Shares is highly speculative.

5.2 Group Structure

At completion of the Offer, Oceana will have two wholly-owned subsidiaries, Ceara Litio Mineracao Eireli – EEP (Company Number CNPJ 28.173.958/0001-01) which is incorporated in the state of Ceara, Brazil, and Consolidate Lithium Trading Pty Ltd (ACN 644 114 170) which is incorporated in Australia (**Figure 1**).

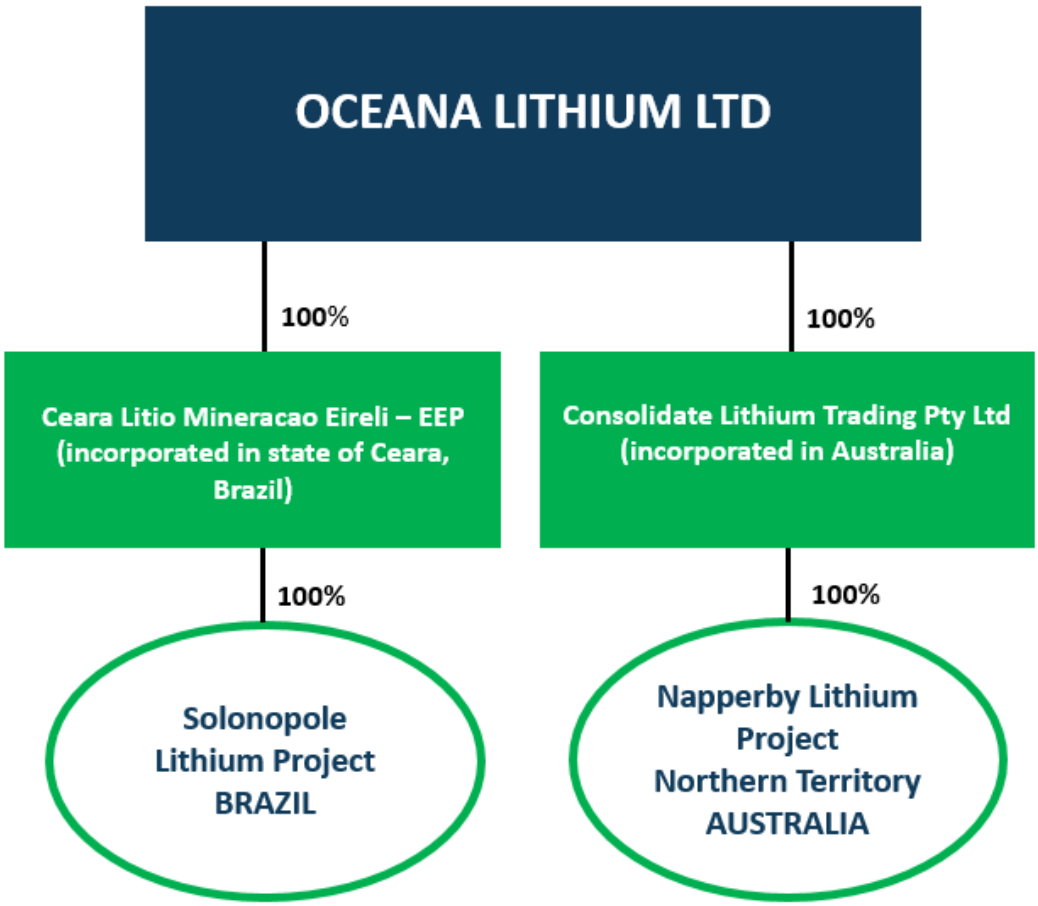

Figure 1: Oceana group structure

5.3 Overview of Projects

Following completion of the Offer, the Company will hold a 100% interest in two exploration projects considered prospective for lithium; the Solonopole lithium project, Brazil and the Napperby lithium project, Northern Territory.

(a) Solonopole Lithium Project

The Solonopole lithium project, located in Ceara State, northeastern Brazil, consists of 8 mining permits covering approximately 115km^2 (**Table 1**). The project is approximately 3 hours from the state capital of Fortaleza, and is situated in one of only two lithium producing regions of Brazil (**Figure 2**). The project is well serviced by sealed highways and high voltage electricity.

Mining Tenement	Holder	Area (hectares)	Date of granting the current Exploration Permit	Original expiry date	Expiry date considering automatic extension*
800.238/2016	Ceara Litio	755.68	11/08/2019	11/08/2022	05/20/2024
800.240/2016		1,245.57	11/08/2019	11/08/2022	05/20/2024
800.241/2016		1,718.44	11/08/2019	11/08/2022	05/20/2024
800.247/2016		1,398.91	11/08/2019	11/08/2022	05/20/2024

Mining Tenement	Holder	Area (hectares)	Date of granting the current Exploration Permit	Original expiry date	Expiry date considering automatic extension*
800.474/2016	Ceara Litio	1,415.57	02/22/2022	02/22/2025	N/A
800.475/2016		1,180.49	02/22/2022	02/22/2025	N/A
800.476/2016		1,999.96	02/22/2022	02/22/2025	N/A
800.477/2016		1,762.29	02/22/2022	02/22/2025	N/A
*In response to the effects of the COVID 19 pandemic, the ANM published some resolutions extending the validity period of some mining rights and, among them, those of the Exploration Permits.					

Table 1: Solonopole lithium project tenement status

MMH Capital Limited ("MMH") initially applied for the licences in or about 2016 and then undertook a geological due diligence site visit. In August 2016, MMH entered an option/incorporated joint venture with Cougar Metals Limited (ASX:CGM), under which Cougar spent US$270,000 to acquire a 25% interest in the project, with the ability to earn up to an 85% interest. Cougar subsequently went into administration and the administrator sold its 25% interest in the JV vehicle, Ceara Litio, to Savvy Capital Management Pty Ltd. MMH and Savvy Capital Management have agreed to sell all of their respective interests Ceara Litio - the holder of the Solonopole project - to the Company on terms set out in section 12.1.

Figure 2: Solonopole Lithium Project location, Brazil

Historical Exploration

The Solonopole project has been the subject of historical lithium, coltan and tin mining in the 1970s and 1980s. In total, 27 historical mines have been identified across the Solonopole permit area, highlighting the widespread mineralisation potential. **Figure 3** shows a typical artisanal mining site in the project area.

Figure 3: Typical historical artisanal mining site in the region (Source: Agencia Nacional De Mineracao, formerly Departamento Nacional de Produção Mineral, "DNMP", 2012)

More recently, the Solonopole project has been subject to detailed geological mapping, wide spaced 400m by 400m soil geochemical sampling (1,790 samples), with some in-fill 50m X 50m, rock-chip sampling (246 samples) and remote sensing undertaken by Cougar Metals Limited identifying 17km of potential strike length.

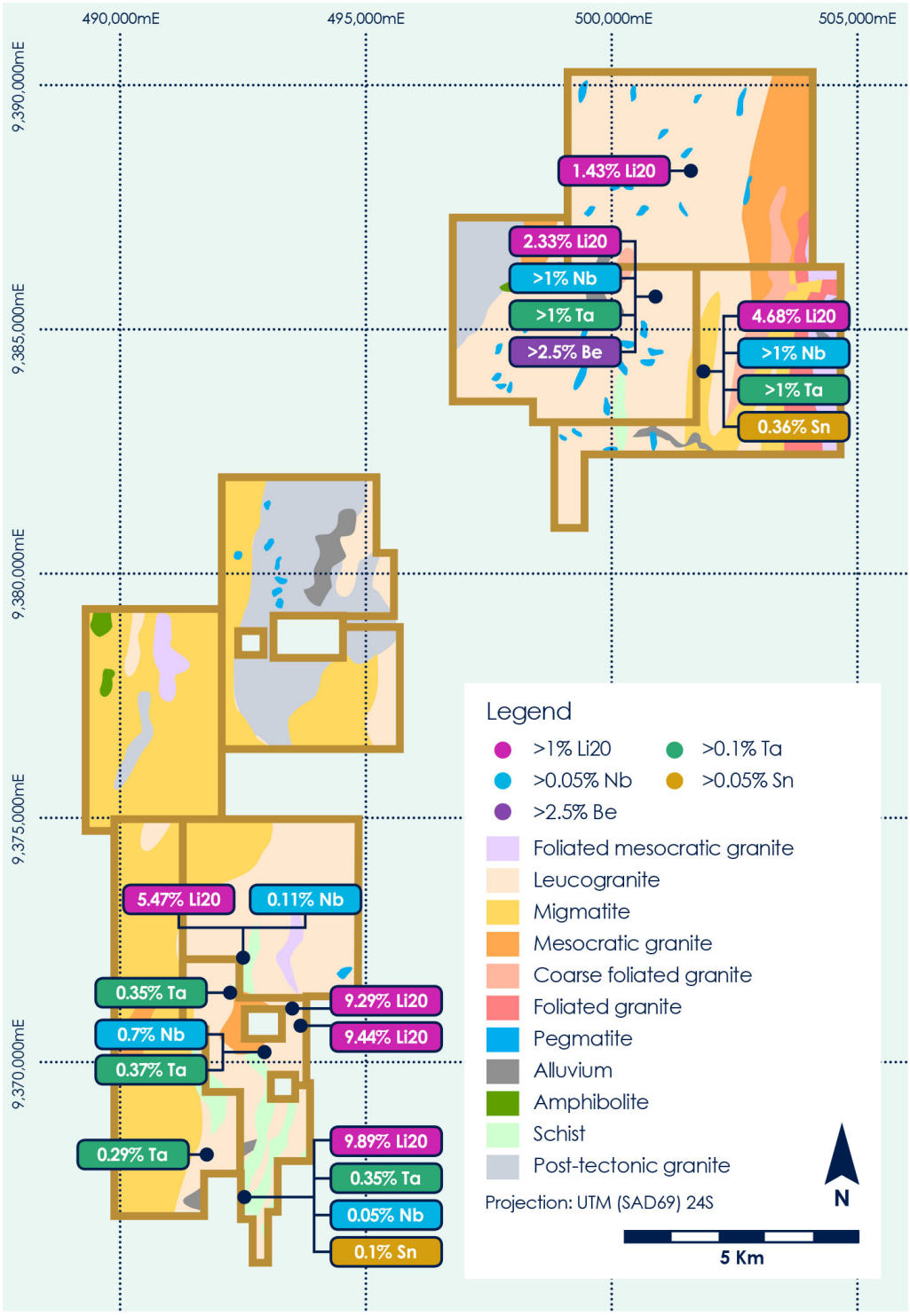

Figure 4: Geological map of the Solonopole lithium project showing significant grab sample results

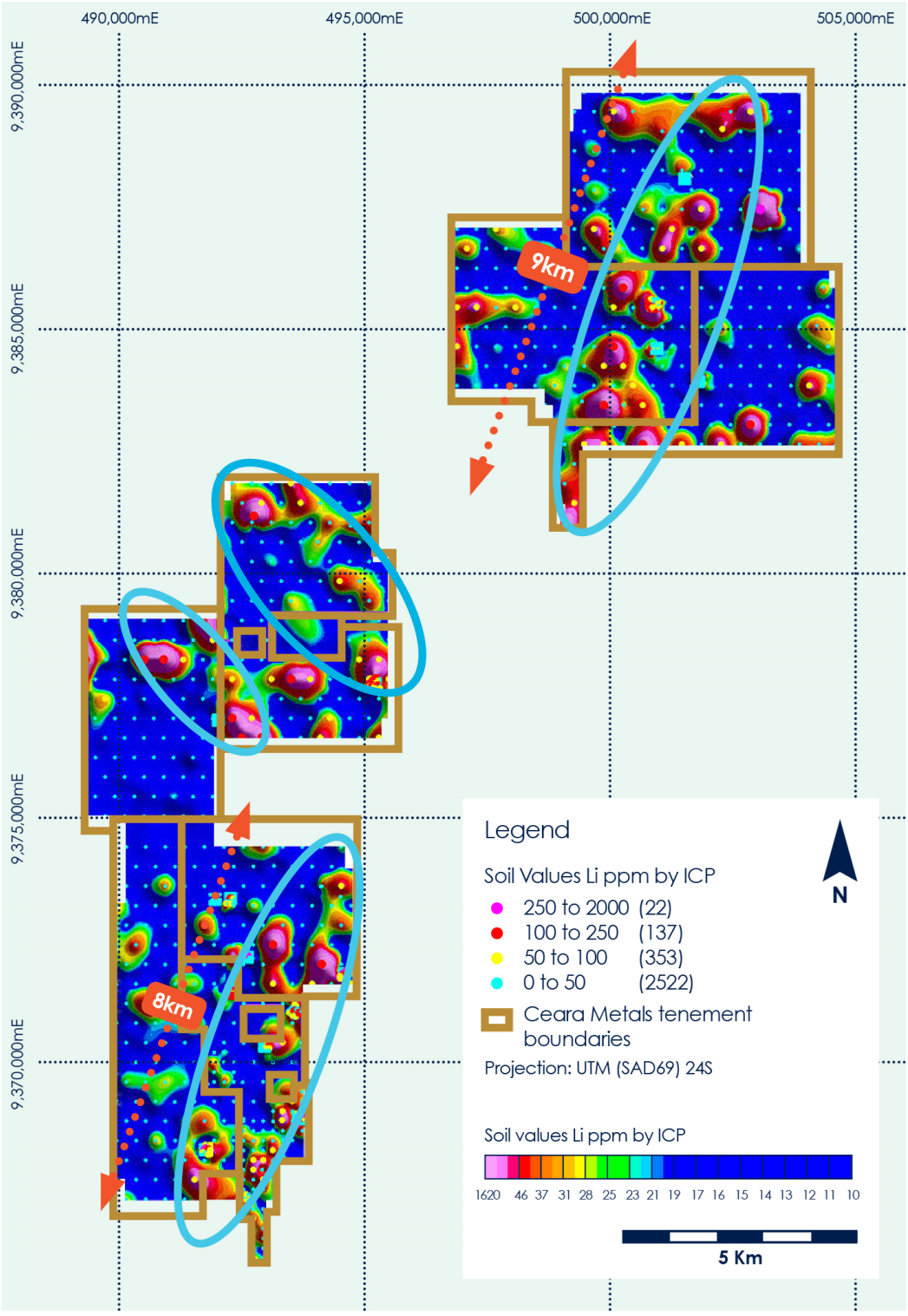

Figure 5: Summary of Soil Geochemistry Results for Li ppm (refer Independent Geologist's Report at Section 8 for results of other anomalous elements)

Prospectivity

The district in which the Solonopole lithium project is located has historically produced spodumene, amblygonite and tantalite/columbite through artisanal mining. Recent exploration and site visits by the Company confirms the presence of extensive pegmatite mineralisation.

A range of lithium bearing minerals have been identified, mostly within narrow Pegmatite dykes identified in trenches and surface artisanal mining pits. Best results from 2018-2019 rock chip sampling are shown below:

- Lithium > 9% Li2O
- Tantalum > 1% Ta (detection limit)
- Niobium > 1% Nb (detection limit)
- Tin > 1000 ppm
- Beryllium > 2.5% Be (detection limit)

Figure 6: Summary of best results from 2018-2019 rock chip sampling

The Company intends to investigate whether there is evidence of any large dyke in shallow depths with demonstrated scale potential. Additional work is planned to define more accurately the mineralisation. Further work will include geophysics, geological mapping combined with geochemical sampling and drill testing.

Proposed Exploration

Following IPO, Oceana plans to follow-up on historical exploration undertaken at Solonopole in a systematic approach. This program will include:

(i) infill soil geochemistry down to a 50m x 50 m grid across identified Li anomalies;

(ii) ground magnetics survey;

(iii) trenching and mapping across identified anomalies; and

(iv) first Pass RC and diamond drilling program across priority targets.

Details of the planned exploration budget in relation to the Solonopole project is set out in section 5.5 below. In addition, more detailed information about the geology, background and expenditure for the project is set out in the Independent Technical

Assessment Report prepared by GE21 Consultoria Mineral included in section 8 of this Prospectus. Further information about the tenements and the regulations relating to the tenements is set out in the Solicitor's Report on Tenements prepared by William Freire Advogados set out in section 9 of this Prospectus.

(b) Napperby Lithium Project

The Napperby lithium project consists of a granted exploration licence (EL32386) covering an area of ~650km^2 and an exploration license application (ELA32941) covering an area of more than 512km^2. The Napperby lithium project is located within the Northern Arunta pegmatite province near the settlement of Ti Tree, approximately 250km northwest of Alice Springs and 250km south of Tennant Creek along the Stuart Highway in the Northern Territory close to Central Australian Railway with access to Darwin Port (**Figure 7**).

Pegmatite occurrences have been identified with historical Sn and Ta production. Work by the Northern Territory Geological Survey (NTGS) reported in 2005 confirmed that the pegmatites in the area were of the LCT (lithium-caesium-tantalum) type. Numerous prospective pegmatite outcrops have been identified where systematic field investigation is warranted.

The tenement applications have been made by Consolidate Lithium Trading Pty Ltd (**Consolidate Trading**) (**Table 2**). The Company has agreed to acquire Consolidate Trading on the terms set out in section 12.2.

Tenement	Project	Grant Date	Area Sq Km	Graticular Blocks	Indicative Expenditure Y1	Y2
EL32836	Wangala	24/03/2022	649.84	205	$121,000	$570,000
ELA32841	Ennugan	Pending	512.37	161	-	$69,000
Total					$121,000	$639,000

Table 2: Napperby lithium project tenement status and indicative expenditure
(refer section 5.5 and Independent Geologist's Report at Section 8 for further detail)

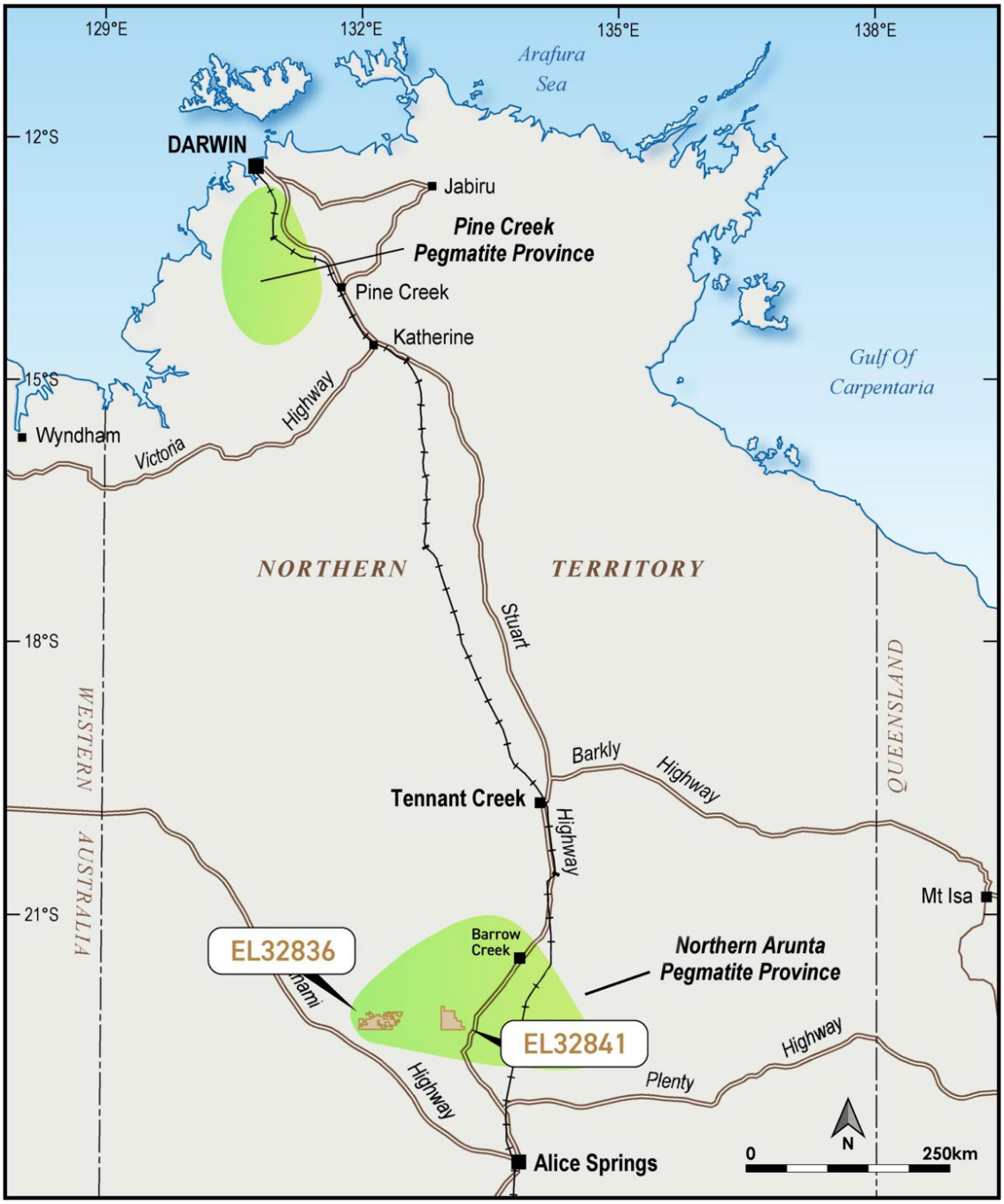

Figure 7: Napperby Lithium Project location, Northern Territory

EL32836 was granted on 23 March 2022. The Company anticipates ELA32841 will be granted in mid-2023.

Available geochemical data indicates that Anningie pegmatites include the two main classes of rare-metal granitic pegmatites, namely niobium-yttrium-fluorine (NYF-type) and lithium-cesium-tantalum (LCT-type). Thirdly, is a regional metasomatic phosphorus-fluorine-rare earth element (REE) system of Nolan style, related to the Chewings Orogeny that is introduced into pre-existing rocks.

Arafura Resources Limited's (ASX:ARU) Nolan REE resource 42km to the south of EL32841 confirms the prospectivity of the area for REEs. Intrusive related REE mineralisation was originally identified within monazite-garnet- gneiss rubble.

Historical exploration

The Wangala license (EL32836) has been historically explored for gold, tin, tungsten, tantalum and uranium. More recent exploration has continued to focus on the Wangala granite, where numerous significant mineral occurrences – such as up to 23.7% Sn- have been reported.

Nine mineral localities (U, Ta, W, Cu and apatite) are recorded by the NTGS, three of which are associated with LCT pegmatites.

Rock chip XRF analysis returned 35.4% Ta and 18.5% Sn, however Li was not assayed.

Figures 8 and 9 show significant mineral occurrences within the licence areas, (adapted from information provided in the Independent Geologists Report by Geomin Services Pty Ltd at section 8).

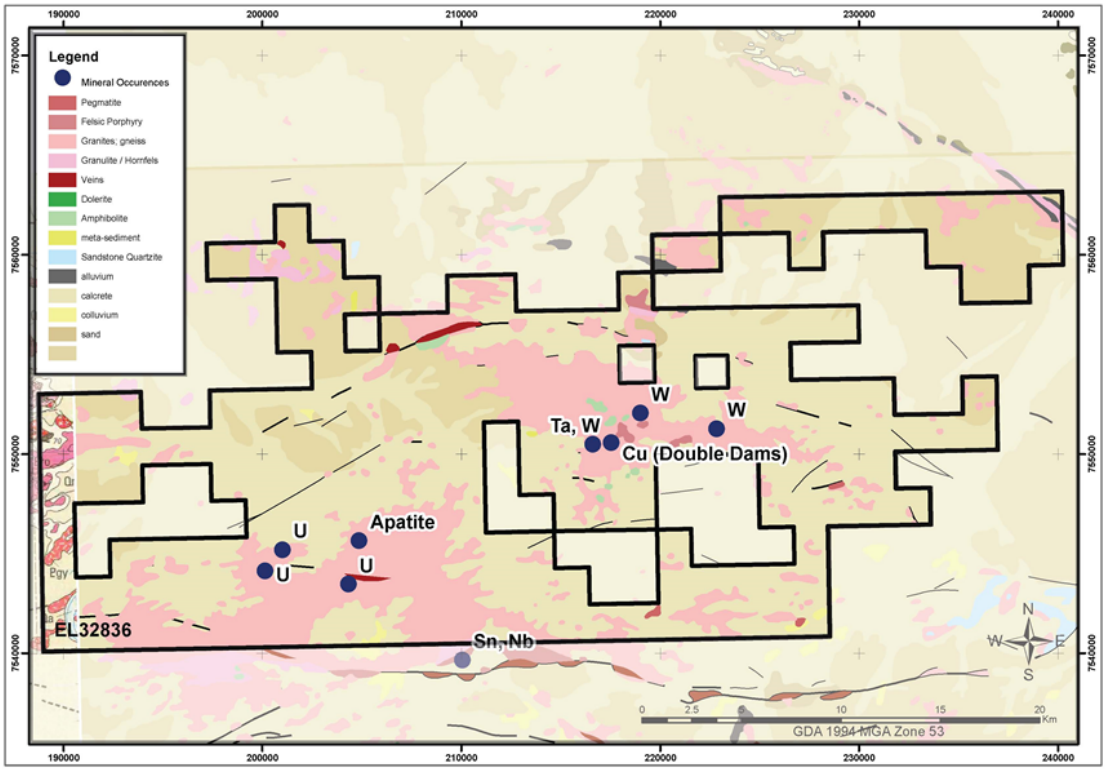

Figure 8: EL32836 overlying Wangala Granite and significant mineral occurrences and excluded areas

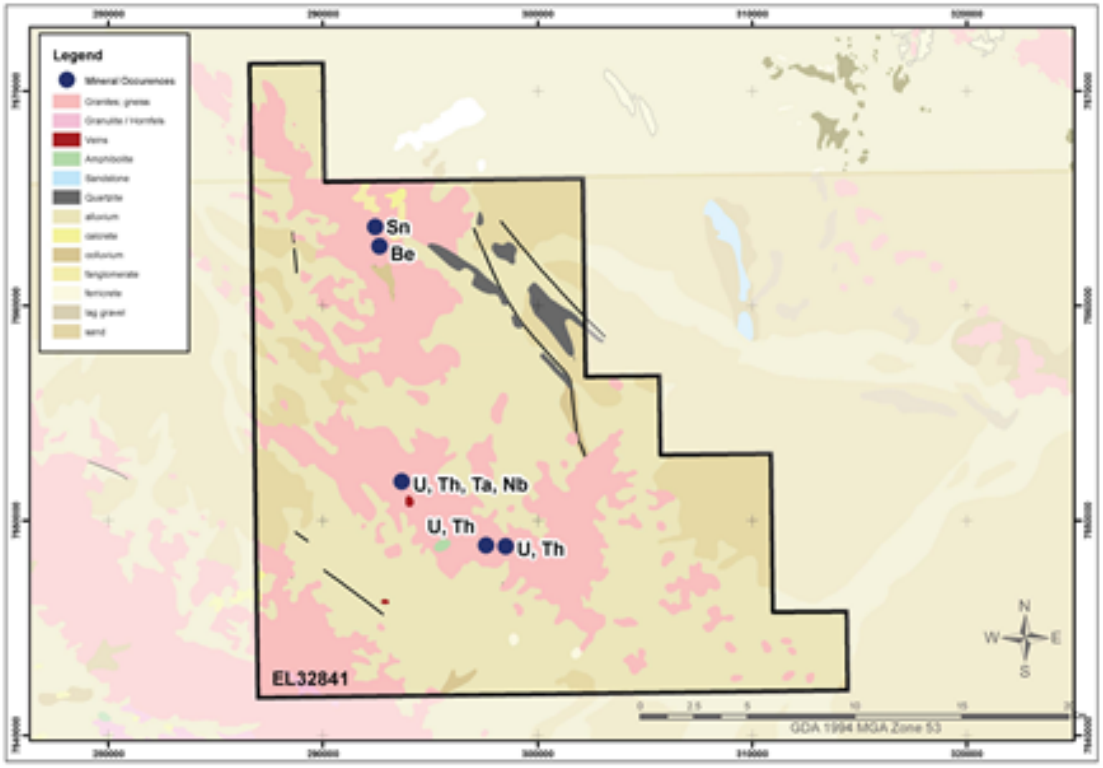

Figure 9: ELA 32841 overlying Ennugan Granite and significant mineral occurrences

Surprisingly, there has been no dedicated lithium exploration, and very little REE exploration. Recent work by the NTGS (referenced in the body of Independent Geologist's Report at section 8 of this Prospectus; and who has not consented to its use in this Prospectus) shows Wangala Granite to be a composite multi-phase pluton, that has been subject to a late hydrothermal event of ca 1575Ma (Chewings) age, that introduced phosphorus, uranium, fluorine, tin tungsten and REE. Of particular interest is a poorly-exposed muscovite-rich granite with abundant pegmatite bodies at the eastern end of the pluton, believed to be the final phase of intrusion. This phase is especially fertile for both NYF and LCT segregations in pegmatite, yet surprisingly there are very few analyses for lithium. The contact zones and the eastern termination of the Wangala pluton against Lander Formation, are considered to be highly prospective for rare-element pegmatites and REE, but are totally unexplored.

The Ennugan license application (EL32841) has been historically explored for tin, tantalum, uranium and REEs; however, the license area has not been subject to any exploration since 1980. The license overlies the Ennugan granite, which is postulated to be the source of elevated tin in historical stream sediment sampling.

The Ennugan Mountains Granite of 1621 Ma (post Yambam) age, is a two-phase pluton. The southern phase is an I-type biotite-hornblende granite which implies derivation from lower crustal melting. It is characterised by lenses of biotite schist with elevated uranium, thorium, phosphorus, fluorine and REE. Uranium exploration in the 1970s primarily focussed on paleo-channel uranium, but also identified bedrock localities with elevated uranium (up to 320ppm) and thorium (up to 820ppm). These anomalies are associated with accessory allanite, monazite and xenotime. Such minerals are invariably REE bearing, but no REE analyses have been reported.

No further exploration has been undertaken at Ennugan since the late 1990s. There is no documentation of pegmatites, and no analyses for lithium. As with the Wangala study, recent work by the NTGS demonstrates the elevated rare elements in the Ennugan Granite represent a 1575 Ma (Chewings) metasomatic event. This is a regionally important fluid-flow event that enhances the prospectivity of Wangala and Ennugan for all rare-element pegmatite, and which requires re-focussing of exploration strategy.

Prospectivity

The Wangala license and Ennugan EL application which make up the Napperby lithium project are both considered prospective for LCT bearing pegmatites, with field inspection completed by the Company confirming outcropping pegmatites.

Proposed Exploration

Oceana plans to undertake a first-pass exploration program at Wangala consisting of:

(i) detailed geological mapping, following up on previously identified pegmatite occurrences;

(ii) rock-chip sampling and trenching across identified anomalies;

(iii) geophysical surveys; and

(iv) systematic soil sampling.

A similar program is planned for Ennugan, to be undertaken when the license is granted, subject to the Company's then circumstances and exploration success on its granted projects.

A summary of the planned exploration budget in relation to the each of the Projects is set out in section 5.5 below. In addition, more detailed information about the geology, background and expenditure for each of the license areas is set out in the Independent Technical Assessment Report prepared by Geomin Services Pty Ltd included in section 8 of this Prospectus. Further information about the tenements and the regulations relating to the tenements is set out in the Solicitor's Report on Tenements prepared by Bowden McCormack set out in section 9 of this Prospectus.

5.4 Business Model

The Company's business model is focused on achieving exploration success and discovery of a potentially economic mineral deposit capable of being developed in Brazil or Australia, with a focus on minerals and metals that are used in the battery storage and electric vehicle sectors.

The Company's projects post completion of the Offer are focused on the highly prospective lithium regions of the Ceara pegmatite province of Brazil and the Northern Arunta pegmatite province in the Northern Territory, Australia, but will include other metals required for the manufacture of batteries and electric vehicles, such as rare earths, graphite, copper, nickel and other specialty metals from projects located in Brazil, Australia or elsewhere.

The Company has allocated a portion of its budget for the identification and evaluation of new project opportunities that fit with its business objectives and complement its existing projects.

5.5 Use of funds, including proposed exploration program

The Company intends to apply funds raised under the Offer, together with existing cash reserves, over the 2 years following admission as follows:

Funds available	Full ($'000)		Overs ($'000)	
Funds raised through pre-IPO seed raisings	715		715	
Funds raised from the offer	5,500		6,000	
Total[1]	**6,215**		**6,715**	
Allocation of Funds				
Cost of the offer[2]	498		533	
Balance of option fee and project cost reimbursements for the Solonopole Project	175		175	
	Year 1	**Year 2**	**Year 1**	**Year 2**
Exploration at Solonopole Lithium Project (Brazil)[3]				
Tenement fees	16	16	16	16
Geophysical surveys	50		50	
Mapping and geochemical surveys	500	100	500	100
Drilling and assays	500	1,450	500	1,700
Project studies and permitting	70	194	70	194
Total	1,136	1,760	1,136	2,010
Exploration at Napperby Lithium Project (Northern Territory)[3]				
Data review, permitting, mapping and geochemistry	121	369	121	369
Drilling, assays and geological support		270		270
Total	121	639	121	639
Other				
New project opportunities	150	140	150	140
General administration costs[4]	500	600	500	600
Surplus working capital[5]	496		711	
Total allocations	**6,215**		**6,715**	

Notes

1. Refer to the Financial Information set out in section 9 for further details. The Company intends to apply these funds towards the purposes set out in this table, including the payment of the expenses of the Offer of which various amounts will be payable prior to completion of the Offer. Since 1 January 2022, the Company has spent approximately $160,000 in progressing and preparing the Prospectus.
2. Refer to section 15.6 for further details.
3. Refer to section 8 for the Independent Technical Assessment Reports for further details of the Company's proposed exploration programs at the Projects.
4. Administration costs include the general costs associated with the management and operation of the Company's business including directors' fees, D&O and general insurances, ASIC and ASX fees, rent and other associated costs.
5. To the extent that:
   a. the Company's exploration activities warrant further exploration; or
   b. the Company is presented with additional acquisition opportunities,

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

It is anticipated that the funds raised under the Offer will enable 2 years of full operations (if the Full Subscription is raised). It should be noted that the Company may not be fully self-funding through its own operational cash flow at the end of this period. Accordingly, the Company may require additional capital beyond this point, which will likely involve the use of additional equity funding. Future capital needs will also depend on the success or failure of exploration activities undertaken on the Company's projects. The use of further equity funding will be considered by the Board where it is appropriate to fund additional exploration or to capitalise on acquisition opportunities in the resources sector.

In the event the Company raises more than Full Subscription of $5,500,000 under the Offer but less than the Over Subscription totaling $6,000,000, the additional funds raised will be first applied towards the expenses of the Offer and then proportionally to the other line items in the above table.

5.6 Capital structure

The Company's capital structure, showing existing Shares on issue and following the Offer, is as follows:

Shares[1]

	Full Subscription $5.5m		Over Subscriptions $6m	
	Shares	**%**	**Shares**	**%**
Shares on issue as at the date of this Prospectus[2]	28,500,000	46.72	28,500,000	44.88
Shares to be offered under the Prospectus	27,500,000	45.08	30,000,000	47.24

	Full Subscription $5.5m		Over Subscriptions $6m	
Shares to be issued pursuant to the Acquisition Agreements[3]	5,000,000	8.20	5,000,000	7.88
Total post Offer (undiluted)	**61,000,000**	**100**	**63,500,000**	**100**
Total Shares on issue assuming all Options are exercised	73,750,000	93.30[3]	76,250,000	93.51[3]
Total Shares on issue assuming all Performance Rights convert to Shares	66,296,000	83.87[3]	68,796,000	84.36[3]
Total Shares on issue (on a fully diluted basis)	**79,046,000**	**100**[3]	**81,546,000**	**100**[3]

Notes

1. The rights attaching to the Shares are summarized in section 14.1
2. The Shares currently on issue comprise:
   a. 10,250,000 Shares issued on or about incorporation at an issue price of $0.001 per Share;
   b. 14,000,000 Shares issued between 4 November 2021 and 14 February 2022 at an issue price of $0.02 per Share pursuant to a seed capital raising round (**Series A Funding**); and
   c. 4,250,000 Shares issued on 15 March 2022 at an issue price of $0.10 per Share pursuant to a seed capital raising round (**Series B Funding**).

   These Shares may, following the Company's admission to ASX, be offered for sale without disclosure by reason of section 708A(11(b)(i) of the Corporations Act.
3. This represents the number of Shares on issue immediately following the Offer as a percentage of the total number of Shares on issue.

   Participants in the Series A Funding and Series B Funding included Directors (past and current) and unrelated professional and sophisticated investors introduced to the Company. These funding rounds were undertaken to fund transaction costs relevant to the Projects, costs associated with the Offer and the ASX listing and initial working capital requirement of the Company. These Shares were issued at a discount to the Offer price to reflect the increased risk associated with an investment in the Company at the time these funding rounds were respectively undertaken and because at the time of issue there was uncertainty over the Company's projects and there was no certainty that the Company would list on ASX.
4. The Company has entered into two acquisition agreements which required Shares to be issued as consideration for the acquisition of the Solonopole and Napperby projects respectively (**Acquisition Agreements**). The terms of the Acquisition Agreements are set out in sections 12.1 and 12.2 of this Prospectus. These Shares will be issued prior to the admission to the Official List.

Options

	Options[1]	%
Director and Advisor Options on issue as at the date of this Prospectus ($0.30, expiring 4 years from issue)	9,250,000	72.55
Options to be issued under the Prospectus	Nil	
Broker Options to be issued to Lead Manager ($0.30, expiring 3 years from issue)	3,500,000	27.45
Total Options on issue after completion of the Offer	**12,750,000**	**100**

Notes: See sections 14.2 and 14.3 for terms of the Options.

Performance Rights

The Company has issued Performance Rights to provide an incentive and remunerate holders, who include both Directors and others involved in the Offer. Details of the holders are as follows:

	Performance Rights[1]
Performance Rights held by Directors	3,268,000
Other Performance Rights	2,028,000
Total Performance Rights	5,296,000

Notes

1. See section 14.3(a) for details of the vesting conditions for the Performance Rights. The Performance Rights are subject to the Listing Rules. The Company has sought confirmation from ASX that the terms of the Performance Rights are acceptable to ASX.
2. Details of the roles that the Directors will play in meeting the respective performance milestones and their holdings is set out in section 7.1 and 7.4.
3. Details of the Performance Rights held by persons other than Directors and key management personal are as follows:
    a. 1,014,000 Performance Rights held by Tony Trevisan, who introduced the Company to the Solonopole Project and his associates.
    b. 1,014,000 Performance Rights held by Nick Rowley, who introduced the Company to Ya Hua International Investment & Development Co Limited, and his associates.

5.7 Substantial Shareholders

Shareholders (and their associates) holding 5% or more of the Shares on issue both as at the date of this Prospectus and on completion of the Offer are set out in the respective tables below.

Shares on issue as at the date of the Prospectus and following the Offer (assuming no existing substantial Shareholder subscribes and receives additional Shares pursuant to the Offer):

	Current		Following the Offer (assuming no Oversubscriptions)	
Shareholder	**Number of Shares**	**%**	**Number of Shares**	**%**
Continental Mining Australia Pty Ltd <Continental Trust A/C>	8,055,000	28.26	8,055,000[1]	13.20
Haramont Pty Ltd <D&V Investment A/C > & Jerome Gino Vitale & Molly Clara Vitale <Vitale Super Fund A/C >	7,090,000	25.93	7,090,000[2]	12.11
Woodsouth Asset Management Pty Ltd	4,000,000	14.04	5,000,000[3]	8.20
Jet Capital Pty Ltd	2,500,000	8.77	2,500,000[4]	4.10
Ya Hua International Investment & Development Co Limited[5]			5,000,000	8.20

Notes

1 Of these Shares the Company expects 7,423,500 Shares to be subject to escrow for 2 years from Listing.

2 Of these Shares the Company expects 6,950,000 Shares to be subject to escrow for 2 years from Listing.

3 Of these Shares the Company expects 5,000,000 Shares to be subject to escrow for 2 years from Listing. Woodsouth Asset Management is the beneficial shareholder of Consolidate Lithium Trading Pty Ltd and will receive 1,000,000 Shares pursuant to the Consolidate Trading Agreement.

4 Of these Shares the Company expects 2,050,000 Shares to be subject to escrow for 2 years from Listing.

5 Ya Hua has entered into a subscription agreement with the Company to subscribe for $1,000,000 under the Offer at $0.20 per Share. See section 12.5 for details.

The Company will announce to the ASX details of its top-20 Shareholders following completion of the Offer and prior to the Shares commencing trading on ASX.

5.8 Restricted securities

Subject to the Company being admitted to the Official List and completing the Offer, certain Shares and Options on issue prior to the Offer will be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of Official Quotation. During the period in which these securities are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner.

The Company will announce to the ASX full details (quantity and duration) of the Shares required to be held in escrow prior to the Shares commencing trading on ASX (which admission is subject to ASX's discretion and approval).

The Company confirms its 'free float' (the percentage of the Shares that are not restricted and are held by shareholders who are not related parties (or their associates) of the Company) at the time of admission to the Official List of ASX will be not less than 20% in compliance with ASX Listing Rule 1.1 Condition 7.

5.9 Dividend policy

The Company anticipates that significant expenditure will be incurred in the evaluation and development of the Group's Projects. These activities, together with the possible acquisition of interests in other projects, are expected to dominate at least, the first two-year period following the date of this Prospectus. Accordingly, the Company does not expect to declare any dividends during that period.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of distributable earnings and operating results and financial condition of the Group, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

5.10 Additional information

Prospective investors are encouraged to read the following reports:

(a) The Independent Technical Reports for further details about the location, geology, historical exploration and mineral potential of the Company's Projects.

(b) The Independent Limited Assurance Report for further details on the Company's financials; and

(c) Title reports on the Tenements for further details on the Company's interests, rights and obligations in the Tenements.

6 RISK FACTORS

An investment in the Company is not risk free. Before deciding to invest in the Shares, Shareholders and prospective investors should read the entire Prospectus, consider at least the following risk factors in light of their personal circumstances and investment objectives (including financial and taxation issues) and seek professional advice from their accountant, stockbroker, lawyer or other professional adviser.

The operating and financial performance and position of the Company, the value of Shares and the amount and timing of any dividends that the Company may pay will be influenced by a range of factors. Many of these factors will remain beyond the control of the Company and the Directors. Accordingly, these factors may have a material effect on the Company's performance and profitability which may cause the market price of Shares to rise or fall over any given period.

This section identifies the areas the Directors regard as major risks associated with an investment in the Company. This list is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

6.1 Company specific risks

(a) Exploration risks

The Solonopole and Napperby Projects are early-stage exploration projects, which are inherently speculative in nature. The projects have no known mineral resources, however are considered to be sufficiently prospective, subject to varying degrees of risk, to warrant further exploration and development of their economic potential, consistent with the programs proposed by Oceana.

Early stage exploration is subject to a number of risks. With respect to the Solonopole Project, specific risks include a lack of water, spacing of historical soil geochemical sampling, interpretation of mineralisation orientations and lack of diamond drilling campaigns. The Company intends to better understand and where possible mitigate, these risks through the proposed exploration programs.

Exploration risks particular to the Napperby Project include that the well-documented abundance of rare-element mineral occurrences on the surface does not necessarily represent a sufficient hydrothermal system to create economic concentrations of minerals, within the depth zone of effect and practical exploration, and extreme rainfall events that can restrict access by drilling rigs and other exploration equipment for extended periods.

See the independent technical reports in section 8 of this Prospectus for more information.

(b) Napperby Project

The Napperby Project consists of granted exploration license EL32836 and exploration license application ELA32841, both held by Consolidate Lithium. The Company has agreed to acquire Consolidate Lithium, subject to the Company being admitted to ASX. The acquisition is not conditional upon ELA31841 being granted, and there is a risk that this tenement application may not be granted, or that there may be significant delay in the application being granted. The Company and Dr Zeng (Consolidate Lithium's shareholder and vendor) are mitigating this risk by working with the relevant native title

bodies to ensure all necessary approvals are obtained for the applications to be expeditiously granted.

See the Report on Tenements prepared by Bowden McCormack in section 9 for further information on Napperby Project.

(c) PA Encanto

Approximately 15% of the Solonopole Lithium Project in Brazil overlays PA Encanto, a rural settlement. Exploration over rural settlements requires the prior authorisation of the National Institute for Rural Settlement and Land Reform (INCRA). INCRA is required to give authorization where the proposed exploration activity can co-exist with any land settlement program. Whilst the Company will undertake its exploration program in a way to maximise co-existence with any settlers, there is a risk of delay in accessing this portion of the project for exploration activities or that approval may not occur during the License terms.

Furthermore, certain rules concerning rural settlements only came into effect in January 2022, and there is uncertainty as to how the rules will operate in practice.

See the legal opinion prepared by William Freire Advogados in section 9 for more information.

(d) New projects and acquisitions

The Company will actively pursue and assess other project opportunities in the resources sector, with a focus on opportunities in the battery metals and associated sectors. These new opportunities may take the form of direct project acquisitions, joint ventures, farm-ins, and/or direct equity participation.

The acquisition of future projects (whether completed or not) may require the payment of monies (as a deposit or exclusivity fee) after only limited due diligence or prior to the completion of comprehensive due diligence has been undertaken. There can be no guarantee that any proposed acquisition will be completed or be successful. If the proposed acquisition is not completed, monies advanced may not be recoverable, which may have a material adverse impact on the Company.

If an acquisition is completed, the Company will need to reassess at that time, the funding allocated to the current projects and new projects, which may result in the Company reallocating funds from the Projects and/or raising capital (if available). Furthermore, notwithstanding that an acquisition may not proceed upon the completion of due diligence, the usual risks associated with the new project/business activities will remain.

6.2 Corporate risks

(a) Dilution

Upon listing, the Company will have 12,750,000 Options and 5,296,000 Performance Rights on issue which, if converted will dilute the interests of existing and new Shareholders. However, each Option has an exercise price of $0.30 which means that the Company will receive additional funds of $3,825,000 if 100% of the Options on issue post-listing were exercised, and each class of Performance Rights are subject to vesting conditions that will only be satisfied if the Company materially progresses its

current projects and/or there is a material increase in the Company's Share price (see section 14.4(b) for details of the Performance Rights).

Furthermore, the Company may in the future elect to issue securities in connection with fundraisings, including to raise proceeds to fund further exploration of its projects. While the Company will be subject to the constraints of the ASX Listing Rules regarding the percentage of its capital it is able to issue within a 12 month period (other than where exceptions apply), Shareholders may be diluted as a result of such issues of securities and fundraisings.

(b) Executive Director

The Company has one executive director, Mr Sebastian Kneer.

The Board is aware of the need to have sufficient management to properly supervise the exploration and (if successful) the development of projects in which the Company has, or will in the future have an interest. The Board will continually monitor the management roles in the Company. To this end, the Company currently has three non-executive directors, Messrs Vitale, Zeng and Mottram, with significant experience in exploration, development, mining and finance to assist the executive director as needed.

As the Company's Projects require an increased level of involvement, the Board will look to appoint additional management and or consultants when and where appropriate to ensure proper management of the Company's Projects. However, there is a risk that the Company may not be able to secure personnel with the relevant experience at the appropriate time which may impact on the Company's ability to complete all of its preferred exploration programs in its preferred timetable.

(c) Conflicts of interest

Certain Directors are also directors and officers of other public companies engaged in mineral exploration and development. These engagements are summarised in the Director profiles in section 7.1. Accordingly, mineral exploration opportunities or prospects of which these Directors become aware may not necessarily be made available to the Company in first instance.

Although these Directors have been advised of their fiduciary duties to the Company, there exist actual and potential conflicts of interest among these persons and situations could arise in which their obligations to, or interests in, other companies could detract from their efforts on behalf of the Company. The Directors intend to manage their responsibilities in accordance with applicable legal requirements and good governance frameworks.

(d) Expiry of Escrow

In the likely event that ASX imposes mandatory escrow on the Company's securities, a high proportion of Shares will be subject to escrow following completion of the Offer. This would reduce liquidity in the market for the Company's Shares and may affect the ability of a Shareholder to sell some or all of its Shares due to the effect less liquidity may have on demand. An illiquid market for the Company's Shares is likely to have an adverse impact on the Share price.

Following the end of any escrow periods, a number of Shares will become tradable on ASX. This may result in an increase in the number of Shares being offered for sale on market which may in turn put downward pressure on the Company's Share price.

6.3 Operational risks

(a) Agents and contractors

The Company intends to outsource substantial parts of its exploration activities pursuant to service contracts with third party contractors. The Company is yet to enter these formal arrangements. The Directors are unable to predict the risk of financial failure or default of the insolvency of any of the contractors that will be used by the Company in any of its activities or other managerial failure by any of the other service providers used by the Company for any activity. Contractors may also underperform their obligations of their contract, and if their contract is terminated, the Company may not be able to find a suitable replacement on satisfactory terms.

(b) Exploration costs

The exploration costs of the Company as summarised in section 5.4 and the Independent Technical Report 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.

The Projects are at various stages of exploration, and potential investors should understand that mineral exploration and development are speculative and high-risk undertakings that may be impeded by circumstances and factors beyond the control of the Company. Success in this process involves, among other things:

(i) discovery and proving-up, or acquiring, an economically recoverable resource or reserve;

(ii) access to adequate capital throughout the acquisition, discovery and project development phases;

(iii) securing and maintaining title to Tenements;

(iv) obtaining required development consents and approvals necessary for the acquisition, exploration, development and production phases; and

(v) accessing the necessary experienced operational staff, the applicable financial management and recruiting skilled contractors, consultants, and employees.

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

The Company has not published resource estimates for any prospects. There is no assurance that exploration or project studies by the Company will result in the definition of an economically viable mineral depos it.

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

The exploration costs of the Company described in the Independent Technical Report 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) Insurance Risks

Insurance coverage of all risks associated with minerals exploration, development and production is not always available and, where available, the cost can be high. The Company will have insurance in place considered appropriate for the Company's needs. The Company will not be insured against all possible losses, either because of the unavailability of cover or because the Directors believe the premiums are excessive relative to the benefits that would accrue. The Directors believe the insurance they have in place is appropriate. The Directors will continue to review the insurance cover in place to ensure that it is adequate.

6.4 Environmental risks

(a) Climate Risk

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

(i) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its potential future 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.

The Company's operations could be impacted by natural events such as significant rain events and flooding. Such natural events could result in impacts including reduced

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

The operations and proposed activities of the Company are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or field development proceeds.

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

6.5 Coronavirus (COVID-19)

The COVID-19 pandemic may give rise to issues, delays or restrictions in relation to land access and the Company's ability to freely move people and equipment to and from exploration projects. This may cause delays or cost increases.

The Directors are monitoring the situation closely and have considered the impact of COVID-19 on the Company's business and financial performance. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain.

6.6 General risks

(a) Additional requirements for capital

The funds raised under the Offer are considered sufficient to meet the objectives of the Company. Additional funding may be required to effectively implement the Company's strategy, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur. In addition, should the Company consider that its exploration results justify commencement of production on any of its Projects, additional funding will be required to implement the Company's development plans, the quantum of which remain unknown at the date of this Prospectus. 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 terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

(b) Unforeseen Expenses

The proposed expenditure on the Projects may be adversely affected by any unforeseen expenses which arise in the future and which have not been considered in this Prospectus. While the Company is not aware of any expenses that may need to

be incurred that have not been considered, if such expenses were incurred, the expenditure proposals of the Company may be adversely affected.

(c) Government policy changes

Adverse changes in government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and mining and exploration activities of the Company. It is possible that the current system of exploration and mine permitting in Western Australia may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation.

(d) Regulatory Risks

The Company's operating activities are subject to extensive laws and regulations relating to numerous matters including resource license consent, 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 and stakeholders to authorise the Company's operations. These permits relate to exploration, development, production and rehabilitation activities.

While the Company believes that it is in substantial compliance with all material current laws and regulations affecting its activities, future changes in applicable laws, regulations, agreements or changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms of existing permits and agreements applicable to the Company or its properties, which could have a material adverse impact on the Company's current operations or planned development projects. Obtaining necessary permits can be a time consuming process and there is a risk that the Company will not obtain required permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Company from proceeding with the development of a Project or the operation or development of a mine.

Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more of the Tenements.

(e) 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. If activities cannot be funded, there is a risk that the Projects may have to be surrendered or not renewed. General economic conditions may also affect the value of Securities and its valuation regardless of its actual performance.

(f) Taxation

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All prospective investors

in the Company are urged to take independent financial advice about the taxation and any other consequences of investing in the Company.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability or responsibility with respect to taxation and any other consequences of investing in the Company.

(g) Force majeure

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

(h) 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. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(i) Litigation

The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, 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, reputation, financial performance, and financial position. The Company is not currently engaged in any litigation.

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

Prospective investors should consider that an investment in the Company is highly speculative. There is no guarantee that the Shares offered under this Prospectus will provide a return on capital, payment of dividends or increases in the market value of those Shares. Before deciding whether to subscribe for Shares under this Prospectus you should read this Prospectus in its entirety and consider all factors, taking into account your objectives, financial situation and needs.

7 DIRECTORS, MANAGEMENT AND CORPORATE GOVERNANCE

7.1 Directors

The Company is managed by the Board of Directors. The Board currently comprises four Directors. Profiles on each of the Directors are set out below.

(a) **Mr Jerome (Gino) Vitale – Non-executive Chairman**

Mr Vitale is an experienced corporate and mining operations and project development executive with 25 years of experience in the mineral resources sector. His focus has been gold, base metals, ferrous and non-ferrous metals and on turnaround situations identifying value-driven mergers and acquisitions. Former senior appointments held with Normandy Mining Group (one of Australia's largest gold producers, since acquired by Newmont), Standard Chartered Bank, Burdekin Resources/Redbank Mines Ltd (ASX:RCP) (founder and CEO with operations in Australia and Fiji), Bligh Resources Ltd (ASX:BGH) (since acquired by Saracen Mineral Holdings and recently merged with Northern Star Ltd, to become a tier 1 gold producer in Australia). Mr Vitale is a Non-Executive Director of Denarius Metals Corp (TSXV:DSLV) which acquired the Lomero polymetallic project in Spain, in April 2021 from a company of which he was foundation director.

Mr Vitale graduated with a Bachelor of Commerce from the University of Western Australia in 1981. He is a member of the Institute of Chartered Accountants Australia and New Zealand, a Senior Fellow (current) and a former Vice President of Financial Services Institute of Australia (FINSIA), and member of the Australian Institute of Company Directors. During the mid 2000's he was invited onto the ASX Corporate Governance Review Committee and brought a practical perspective on compliance guidelines for small to mid-cap companies.

The board considers that Mr Vitale is not an independent Director.

(b) **Mr Sebastian Kneer – Executive Director**

Mr Kneer is a highly experienced Geologist with over 15 years' experience in mineral exploration, resource development and resource Geology. Mr Kneer was previously Galaxy Resources' Geology Manager where he managed all hard rock Lithium exploration and resource development activities in Australia and Canada. Prior to this position Mr Kneer was the Exploration Manager at Mt Cattlin, Western Australia. During that time, he played a key role in large Exploration and resource definition programs which resulted in a significant increase in the resource base at the Mt Cattlin Spodumene Operation.

Mr Kneer was educated in Germany and Australia and holds an Honours degree in economic Geology and a postgraduate certificate in Geostatistics. He will be responsible for planning and execution of the Company's exploration activities.

The board considers that Mr Kneer is not an independent Director.

(c) **Dr Qingtao Zeng – Non-executive Director**

Dr Zeng completed a PhD in geology at the Centre of Exploration Targeting (CET) of University of Western Australia in 2013. He has been engaged as a consulting geologist, principally working with Eldorado Gold Limited CSA Global China and Australia, and has a range of geological and commercial experience. Since 2015, Dr Zeng has been extensively involved in the lithium exploration and corporate transactions through his strong network of contacts throughout Asia. Dr Zeng has published several academic papers on orogenic gold or structure control gold geological studies, and is a member of AUSIMM and Society of Economic Geologist (SEG).

Dr Zeng is currently Managing Director of Australasian Metals Limited (ASX:A8G), a Non-Executive Director of ASX-listed Metalstech Limited (ASX:MTC), ASX-listed Winsome Resources Limited (ASX:WR1) and AIM-listed Kodal Minerals Plc.

Notwithstanding that Dr Zeng is an indirect shareholder and controller of Consolidate Trading, as the transaction was entered into prior to his appointment as a director of the Company and on an arms' length basis, the Board considers Dr Zeng to be an independent Director for the purposes of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th edition).

(d) **Mr Simon Mottram – Non-executive Director**

Mr Mottram is a geologist with over 25 years' experience predominantly in base and precious metals. Mr Mottram has held both executive and senior management positions with several successful mining companies both in Australia and overseas and has seen a number of discoveries advanced through to commercial mine development and has been central to several significant exploration successes. Mr Mottram brings significant nickel exploration experience to the Company where he previously was the Country Manager for Asian Mineral Resources which ran the Ban Phuc Nickel mine in Vietnam. Mr Mottram also played a key role in the evaluation, identification and testing of targets, leading to the discovery of the Sinclair Ni deposit for Jubilee Mines NL.

Mr Mottram was part of the successful executive team that took Avanco Resources Limited from a small junior through discovery and into production, building a successful mining company with an impressive portfolio, that was subsequently purchased on market by mid-tier Australian copper producer OZ Minerals for circa $440M in 2018.

Mr Mottram is currently a Non-Executive Director of ASX listed Odin Metals Limited (ASX: ODM) and Medusa Mining Limited (ASX: MML).

The Board considers Mr Mottram to be an independent Director for the purposes of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th edition).

(e) **Company secretary – Mr Dan Smith**

Mr Smith has 13 years' experience in financial markets, including 10 years' experience with listing rules compliance and corporate governance. He is a director and co-founder of Minerva Corporate Pty Ltd, a boutique corporate services and advisory firm.

Mr. Smith is a fellow member of the Governance Institute of Australia and holds a Bachelor of Arts in International Relations from Curtin University. Mr Smith acts as company secretary for numerous ASX, AIM and NSX listed companies.

7.2 Management and Consultants

(a) **Mr Brian Talbot - Technical Consultant**

Mr Talbot has 30 years' experience in mining and minerals processing operations and holds a bachelor's degree in chemical engineering with Honours. Mr Talbot was previously Galaxy Resources Ltd's Head of Australian Operations. Prior to this position, Brian was General Manager, where he managed the Mt Cattlin mine site increasing production to above plan design.

Prior to joining Galaxy Mr Talbot was at Bikita Minerals, a lithium mine in Zimbabwe where he achieved increased product yield and capacity. Mr Talbot has also held the positions of mining company director, general manager and metallurgist at various mine operations in Egypt and South Africa with diverse experience in designing, planning and managing profitable mining operations.

(b) **Mr David Madureira – Corporate Administrator, Brazil**

Mr Madureira has more than 12 years' experience as executive in controllership, accounting and administration in local and global companies, with wide experience in preparing, implementing and managing business plans in various industry sectors.

Mr Madureira has conducted relevant M&A transactions in agribusiness, steel and automotive sectors, and guided corporate turnaround situations in the United States and Latin-American countries. He holds a Bachelor degree in Accounting and an MBA in Controllership and Auditing, and is qualified to practice as a professional accountant by the Regional Council of Accounting of the State of Minas Gerais. Mr Madureira is currently attending the Executive Program in Governance, Risk and Compliance from KPMG Business School. He is the founder and CEO of Cockpit Controllership Solutions, a specialist 'Controller as a Service' provider firm, located in Belo Horizonte, Brazil, advising and supporting foreign companies with the conduct of their business activities in Brazil.

The Board of Oceana Lithium is aware of the need to have sufficient management to properly supervise the exploration and (if successful) for the development of the Projects in which the Company has, or will in the future have, an interest and the Board will continually monitor the management roles in the Company. As the Company's projects require an increased level of involvement, the Board will look to appoint additional management and/or consultants when and where appropriate to ensure proper management of the Company's projects.

7.3 Directors' holdings

The Directors' interests in the Company's securities are, at this time of this Prospectus, as follows:

	Shares	% of total Shares currently on issue	Director Options	Performance Rights
Mr Sebastian Kneer[1]	Nil	Nil	500,000	800,000
Mr Gino Vitale[2]	7,090,000	24.88	500,000	1,014,000
Dr Qingtao Zeng[3]	4,000,000	14.04	500,000	1,014,000
Mr Simon Mottram[4]	Nil	Nil	500,000	440,000

Notes

1. Mr Kneer holds his interest in the Securities directly.
2. Mr Vitale holds his interest in the securities as trustee of the Vitale Super Fund and indirectly through Haramont Pty Ltd <D&V Investment A/C >, of which he is a director of the trustee and potential beneficiary, and indirectly as trustee and potential beneficiary of the Vitale Super Fund. The issue price for the Shares was $0.001 (2,900,000 Shares) and $0.02 (4,190,000 Shares).
3. Dr Zeng holds his interest in the Securities indirectly through Woodsouth Asset Management Pty Ltd, of which he is a director and shareholder. The issue price for the Shares was $0.001 (4,000,000 Shares). Dr Zeng is also entitled, in consideration for the acquisition of Consolidate Lithium, to be issued an additional 1,000,000 Shares.
4. Mr Mottram holds his interest in the Securities directly.

The Directors may also apply for Shares under the Offer.

7.4 Remuneration received by the Directors and their related entities

The Constitution provides the non-executive Directors may collectively be paid as remuneration for their services a fixed sum not exceeding the aggregate maximum sum per annum from time to time determined by the Company in general meeting (which is currently $400,000 per annum).

A Director may be paid fees or other amounts as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director.

A Director may also be reimbursed for reasonable travel, accommodation and other expenses incurred in relation to attending meetings of the Board, committees or Shareholders, or while engaged on the Company's business.

Subject to the disclosure below, the Directors are not entitled to any remuneration prior to the Company listing on ASX. Following listing, the Directors are entitled to the following remuneration:

	Annual remuneration
Mr Sebastian Kneer	$120,000
Mr Jerome (Gino) Vitale	$84,000
Dr Qingtao Zeng	$60,000
Mr Simon Mottram	$60,000

Dr Zeng has been paid $25,000 for services provided to the Company as part of its due diligence on the Solonopole Project.

In addition to cash remuneration, the Company has also issued Options and Performance Rights to the Directors (the details of which are set out in sections 5.6, 14.3 and 14.4). These were issued to remunerate and provide an incentive to Directors whilst also preserving cash. The number of Options and Performance Rights issued to each Director was determined having regard to the Company's capital structure, its projects and feedback from the lead manager to the Offer, Westar Capital. As a result of the feedback, the Directors consider the numbers to be appropriate and equitable.

7.5 Mr Kneer's executive services contract

The agreement commenced on 15 March 2022, and is subject to a termination notice period of 3 months by either party. The agreement will terminate if the Company is not listed on ASX by 30 June 2022.

Pursuant to the agreement, the Company will pay Mr Kneer $10,000 (plus GST) per month for the equivalent of 2.5 days per week.

The agreement otherwise contains clauses consistent for an agreement of this nature, including as to intellectual property rights, insurance, indemnities and confidentiality.

7.6 Non-Executive Director Appointment Letters

Messrs' Vitale, Zeng and Mottram have entered into an appointment letter with the Company to act in the capacity of Non-Executive Directors. Each will receive the remuneration set out in Section 7.5 above upon the Company being admitted to the Official List.

7.7 Deeds of access and indemnity

The Company has entered into a deed of indemnity, insurance and access with each of its Directors. Under these deeds, the Company will agree to indemnify each officer to the extent permitted by the Corporations Act against any liability arising as a result of the officer acting as an officer of the Company. The Company will also be required to maintain insurance policies for the benefit of the relevant officer and allow the officers to inspect board papers in certain circumstances.

7.8 No other Directors' interests

Other than as set out below or elsewhere in this Prospectus, no Director holds, either at the date of this Prospectus, or at any time during the last 2 years before the date of lodgment of this Prospectus with ASIC, any interest in:

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

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

(c) the Offer;

and no amounts have been paid or agreed to be paid by any person and no benefits have been given or agreed to be given by any person:

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

(e) for services provided by a Director in connection with the formation or promotion of the Company or the Offer.

7.9 Corporate governance

The primary responsibility of the Board is to represent and advance Shareholders' interests and to protect the interests of all stakeholders. To fulfill this role the Board is responsible for the overall corporate governance of the Company including its strategic direction, establishing goals for management and monitoring the achievement of these goals.

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs. To the extent applicable, the Company has adopted The Corporate Governance Principles and Recommendations (4th Edition) as published by ASX Corporate Governance Council (Recommendations). In light of the Company's size and nature, the Board considers that the current board is a cost effective and practical method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

The Company's main corporate governance policies and practices are set out below. The full Corporate Governance Plan is available on the Company's website https://oceanalithium.com/.

(a) Board of directors

The Board is responsible for corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. The goals of the corporate governance processes are to:

(i) maintain and increase Shareholder value;

(ii) ensure a prudential and ethical basis for the Company's conduct and activities consistent with the Company's stated values; and

(iii) ensure compliance with the Company's legal and regulatory objectives.

Consistent with these goals, the Board assumes the following responsibilities:

(iv) leading and setting the Company’s strategic direction, values, and objectives;

(v) appointing the Chairman of the Board, Managing Director, Executive Director or Chief Executive Officer and approving the appointment of senior executives and the Company Secretary;

(vi) overseeing the implementation of the Company's strategic objectives, values, code of conduct and performance generally;

(vii) approving operating budgets, major capital expenditure and significant acquisitions and divestitures;

(viii) overseeing the integrity of the Company's accounting and corporate reporting systems, including any external audit (satisfying itself financial statements released to the market fairly and accurately reflect the Company's financial position and performance);

(ix) establishing procedures for verifying the integrity of those periodic reports which are not audited or reviewed by an external auditor, to ensure that each periodic report is materially accurate, balanced and provides investors with appropriate information to make informed investment decisions;

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

(xi) reviewing, ratifying, and monitoring the effectiveness of the Company's risk management framework, corporate governance policies and systems designed to ensure legal compliance; and

(xii) approving the Company's remuneration framework.

The Company is committed to circulating the relevant materials to Directors in a timely manner to facilitate Directors' participation in the Board discussions on a fully-informed basis.

(b) Composition of the Board and diversity

Election of Board members is substantially the province responsibility of the Shareholders in general meeting, subject to the following:

(i) membership of the Board of Directors will be reviewed regularly to ensure the mix of skills and expertise is appropriate; and

(ii) the composition of the Board has been structured so as to provide the Company with an adequate mix of directors with industry knowledge, technical, commercial and financial skills together with integrity and judgment considered necessary to represent shareholders and fulfil the business objectives and values of the Company as well as to deal with new and emerging business and governance issues.

The Board currently consists of four directors (three non-executive Directors and one executive Director) of whom none are considered independent. The Board considers the current balance of skills and expertise to be appropriate given the Company for its currently planned level of activity.

To assist in evaluating the appropriateness of the Board's mix of qualifications, experience and expertise, the Board intends to maintain a Board Skills Matrix to ensure that the Board has the skills to discharge its obligations effectively and to add value.

The Board undertakes appropriate checks before appointing a person as a Director or putting forward to Shareholders a candidate for election as a Director.

The Board ensures that Shareholders are provided with all material information in the Board's possession relevant to a decision on whether or not to elect or re-elect a Director.

The Company will develop and implement a formal induction program for Directors, which is tailored to their existing skills, knowledge and experience. The purpose of this program is to allow new directors to participate fully and actively in Board decision-making at the earliest opportunity, and to enable new directors to gain an understanding of the Company's policies and procedures.

The Board maintains oversight and responsibility for the Company's continual monitoring of its diversity practices. The Company's Diversity Policy provides a framework for the Company to achieve enhanced recruitment practices whereby the best person for the job is employed, which requires the consideration of a broad and diverse pool of talent.

(c) Identification and management of risk

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

(d) Ethical standards

The Board is committed to the establishment and maintenance of appropriate ethical standards and to conducting all the Company's business activities fairly, honestly with integrity, and in compliance with all applicable laws, rules and regulations. In particular, the Company and the Board are committed to preventing any form of bribery or corruption and to upholding all laws relevant to these issues as set out in in the Company's Anti-Bribery and Anti-Corruption Policy. In addition, the Company encourages reporting of actual and suspected violations of the Company's Code of Conduct or other instances of illegal, unethical, or improper conduct. The Company and the Board provide effective protection from victimisation or dismissal to those reporting such conduct as set out in its Whistleblower Protection Policy.

(e) Independent professional advice

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

(f) Remuneration arrangements

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

In accordance with the Constitution, the total maximum remuneration of non-executive Directors is initially set by the Constitution. Subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum cap will be made by the Board having regard to the inputs and value to the Company of the respective contributions

by each non executive Director. The current amount has been set at an amount not to exceed $400,000 per annum.

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

Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The Board reviews and approves the remuneration policy to enable the Company to attract and retain executives and Directors who will create value for Shareholders having regard to the amount considered to be commensurate for a company of its size and level of activity as well as the relevant Directors' time, commitment and responsibility. The Board is also responsible for reviewing any employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.

(g) Trading policy

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

(i) External audit

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

(j) Audit committee

The Company will not have a separate audit committee until such time as the Board is of a sufficient size and structure, and the Company's operations are of a sufficient magnitude for a separate committee to be of benefit to the Company. In the meantime, the full Board will carry out the duties that would ordinarily be assigned to that committee under the written terms of reference for that committee, including but not limited to:

(i) monitoring and reviewing any matters of significance affecting financial reporting and compliance;

(ii) verifying the integrity of those periodic reports which are not audited or reviewed by an external auditor;

(iii) monitoring and reviewing the Company's internal audit and financial control system, risk management systems; and

(iv) management of the Company's relationships with external auditors.

(h) Diversity policy

The Board has adopted a diversity policy which provides a framework for the Company to achieve, amongst other things, a diverse and skilled workforce, a workplace culture

characterised by inclusive practices and behaviours for the benefit of all staff, improved employment and career development opportunities for women and a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives. The Company is committed to inclusion at all levels of the organisation, regardless of gender, marital or family status, sexual orientation, gender identity, age, disabilities, ethnicity, religious beliefs, cultural background, socio-economic background, perspective, and experience.

(i) Departures from Recommendations

Under the ASX Listing Rules the Company will be required to provide a statement in its annual financial report or on its website disclosing the extent to which it has followed the Recommendations during each reporting period. Where the Company has not followed a Recommendation, it must identify the Recommendation that has not been followed and give reasons for not following it.

The Company's compliance and departures from the Recommendations will also be announced prior to admission to the Official List of the ASX.

7.10 Director and employee incentive plan

The Company has established an employee incentive scheme (**Incentive Plan**), the material terms of which are as follows:

(a) Purpose of the Plan

(i) provide an incentive for Eligible Participants to participate in the future growth of the Company and, upon becoming shareholders, to participate in the Company's profits and development; and

(ii) ensure that securities issued under the Equity Incentive Plan are issued in accordance with the Corporations Act and the Listing Rules.

(b) Participants in the Plan

The Board may offer Options and/or Performance Rights (**Incentive Securities**) to persons (**Plan Participants**) who are Directors, employees or consultants of the Company based on a number of criteria including potential contribution to the Company in the future and other factors the Board considers relevant and on such issue terms as the Directors see fit.

Upon receipt of such an offer, the Plan Participant may nominate a nominee acceptable to the Board to be issued with the Incentive Securities.

(c) Number of Incentive Securities

The maximum number of Incentive Securities issued under the Plan over a 3 year period is 5% of the total number of fully paid ordinary shares on issue in the Company.

(d) Terms of Incentive Securities

(i) An uncertified holding statement will be issued for the Incentive Securities;

(ii) The Incentive Securities shall lapse on the earliest of the relevant dates set out below (**Expiry Date**):

(A) the date on which the Plan Participant's appointment with the Company is terminated for cause;

(B) unless the Board agrees otherwise, the Participant's resignation or employment or engagement with the Company or an associated body corporate is terminated;

(C) the date specified by the Board upon the grant of an Incentive Securities.

(iii) Incentive Securities shall be issued subject to such vesting conditions as the Board determines.

(iv) Each Incentive Security shall carry the right in favour of the Plan Participant to be issued one (1) Share upon:

(A) in the case of Options, vesting of the Option and (if applicable) payment of the Option exercise price determined by the Board in its discretion (**Exercise Price**); and

(B) In the case of Performance Rights, vesting of the Performance Rights.

(v) The Option Exercise Price shall be payable in full on exercise of the Options.

(vi) The Options held by each Option holder may be exercised in whole or in part, at any time upon any vesting conditions being satisfied, up to and including the Expiry Date by the delivery to the registered office of the Company of a notice in writing stating the intention of the Plan Participant to:

(A) exercise all or a specified number of Options; and

(B) pay the Exercise Price by way of subscription monies in full for the exercise of each Option.

The notice must be accompanied by a cheque made payable to the Company for the subscription monies for the shares. An exercise of only some Options shall not affect the rights of the Plan Participant to the balance of the Options held by the Plan Participant, subject to any vesting conditions.

(vii) The Company shall allot the resultant shares and deliver the share certificate or uncertified holding statement within 5 business days of the exercise of the Options or vesting of Performance Rights (as the case may be).

(viii) Incentive Securities shall not be listed for Official Quotation on ASX.

(ix) The Incentive Securities are not transferable except to an associate (as defined in the Corporations Act) of the Plan Participant or nominee approved by the Board in its discretion.

(x) Shares allotted pursuant to an exercise of the Options or vesting of Performance Rights shall rank from the date of allotment, equally with existing fully paid ordinary shares in all respects.

(xi) The Company shall, in accordance with the Listing Rules, make application to have Shares allotted pursuant to an exercise of Options or vesting of Performance Rights listed for Official Quotation on ASX.

(xii) In the event of a reconstruction (including consolidation, subdivision, reduction or return of the issued capital of the Company), all rights of the Plan Participant shall be reconstructed in accordance with the Listing Rules.

(xiii) Subject to paragraph (xii), the Plan Participant shall have no rights to a change in the Exercise Price of an Option or a change to the number of Shares over which an Option can be exercised.

(xiv) If the Company enters into a scheme of arrangement, a takeover bid is made for the Company's shares, or a party acquires a sufficient interest in the Company to enable them to replace the Board (or the Board forms the view that one of those events is likely to occur) then the Board may declare an Option to be free of any conditions of exercise. Options which are so declared may be exercised at any time on or before they lapse.

(xv) There are no participating rights or entitlement inherent in the Incentive Securities and Plan Participants will not be entitled to participate in new issues of securities offered to Shareholders of the Company during the currency of the Incentive Securities.

(e) Taxation

Under current taxation laws any taxation liability in relation to the Incentive Securities, or the Shares issued on exercise of the Options or vesting of Performance Rights, will fall on the Plan Participants.

(f) Lapse

If at any time before the exercise of an Incentive Securities, the holder of the Incentive Securities ceases to be an Eligible Employee, all Incentive Securities held by the Eligible Employee will automatically lapse unless the Board otherwise determines.

(g) Participation by Directors

Although Directors are eligible to be offered Incentive Securities under the Plan, this requires specific shareholder approval due to the requirements of the ASX Listing Rules and the Corporations Act.

(h) Administration of the Plan

The Incentive Plan will be administered under the directions of the Board and the Board may make regulations and establish procedures for the administration and management of the Incentive Plan as it considers appropriate.

(i) Operation

The operation of the Incentive Plan is subject to the ASX Listing Rules and the Corporations Act.

INDEPENDENT TECHNICAL REPORTS

OCEANA LITHIUM

PROJECT 211202

TECHNICAL REPORT

Solonópole Lithium, Niobium and Tantalum Project, Ceará State, Brazil

Prepared by GE21 Consultoria Mineral on behalf of:

Client: OCEANA LITHIUM LIMITED.

Effective Date: January 17, 2022
Release Date: March 31, 2022

Author: Fábio Valério Câmara Xavier – (Geologist), MAIG

Authors	Fábio Valério Câmara Xavier	Geologist	BSc (Geo.), MAIG

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		Fábio Valério Câmara Xavier Geologist

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1 EXECUTIVE SUMMARY

OCEANA LITHIUM LIMITED (Oceana or Company) has commissioned GE21 to prepare a Technical Report (TR) for the Solonópole Pegmatite Project in Ceará state, Brazil. The report is for inclusion on a prospectus to be lodged by Oceana Lithium Limited for an initial public offer of a minimum of AUS$5.5 million and maximum of AUS$6.0 million (IPO) and listing on the Australian Securities Exchange.

The Solonópole Pegmatite Project is owned by Ceará Litio Mineração Eireli – EEP, a company incorporated in Brazil. Oceana has entered into an option and purchase agreement signed on November 7, 2021, under which it has the right to acquire a 100% interest at the IPO completion. The Solonópole project is located in Ceará State, Brazil, approximately 280km from the capital Fortaleza.

GE21 is an independent mineral consulting firm based in Brazil constituted by a team of professionals who are members of the Australian Institute of Geoscientists (“AIG”) and Competent Persons for the purpose of estimation of Mineral Resources and Mineral Reserves in accordance with JORC Code, 2012.

The “Competent person” (as defined in JORC 2012) for this report is Mr. Fábio Valério Câmara Xavier a Geologist for GE21 Consultoria Mineral. Mr. Xavier is a Consultant for GE21 and has more than 19 years’ experience in the mining industry. Mr. Fábio is a registered Member of the Australian Institute of Geosciences (MAIG #5179) and is responsible for all sections of this report. Mr. Xavier conducted a Site Visit to the Solonópole Project on January 17 and 18, 2022.

1.1 Company Details and Tenement Status

Ceará Lítio Mineracao Eireli Epp (OCEANA LITHIUM) is the holder of Exploration Permits 800.238/2018, 800.240/2016, 800.241/2016, 800.247/2016, 800.474/2016, 800.475/2016, 800.476/2016 and 800.477/2016 (“Explorations Permits”) as presented in Table 1. All tenements are under the Ceará State regional branch of the National Mining Agency (“ANM”).

Three of these eight tenements, 800.247/2016, 800.476/2016 and 800.477/2016, partially overlap a rural settlement named PA Encanto (Figure 1). Based on the extent covered by these licenses there is a 15% overlap with the Oceana overall ground position.

In accordance with the ANM’s current understanding, there is no automatic incompatibility between mining activities and the rural settlements created by the INCRA. The coexistence of the activities must be made compatible, to the maximum extent possible, as both are considered of public interest. INCRA issued on December 22, 2021, its Normative Instruction # 112 (Instrução Normativa 112), which came into force on January 3, 2022. It provides the process for the issue of INCRA´s consent for the land use in areas designated for land reform settlement program in the case of mining, energy, and infrastructure projects. Therefore, the continuity of the exploration activities in the part of the exploration permit that overlaps the rural settlement area must be preceded by authorization from INCRA.

Table 1 Summary of tenements from Solonópole Project

Mining Tenement	Holder	Area (hectare)	Date of granting the current Exploration Permit	Original expiry date	Expiry date considering automatic extension*
800.238/2016	Ceará Lítio	755.68	11/08/2019	11/08/2022	05/20/2024
800.240/2016		1,245.57	11/08/2019	11/08/2022	05/20/2024
800.241/2016		1,718.44	11/08/2019	11/08/2022	05/20/2024
800.247/2016		1,398.91	11/08/2019	11/08/2022	05/20/2024
800.474/2016		1,415.57	02/22/2022	02/22/2025	N/A
800.475/2016		1,180.49	02/22/2022	02/22/2025	N/A
800.476/2016		1,999.96	02/22/2022	02/22/2025	N/A
800.477/2016		1,762.29	02/22/2022	02/22/2025	N/A

*In response to the effects of the COVID 19 pandemic, the ANM published some resolutions extending the validity period of some mining rights and, among them, those of the Exploration Permits.

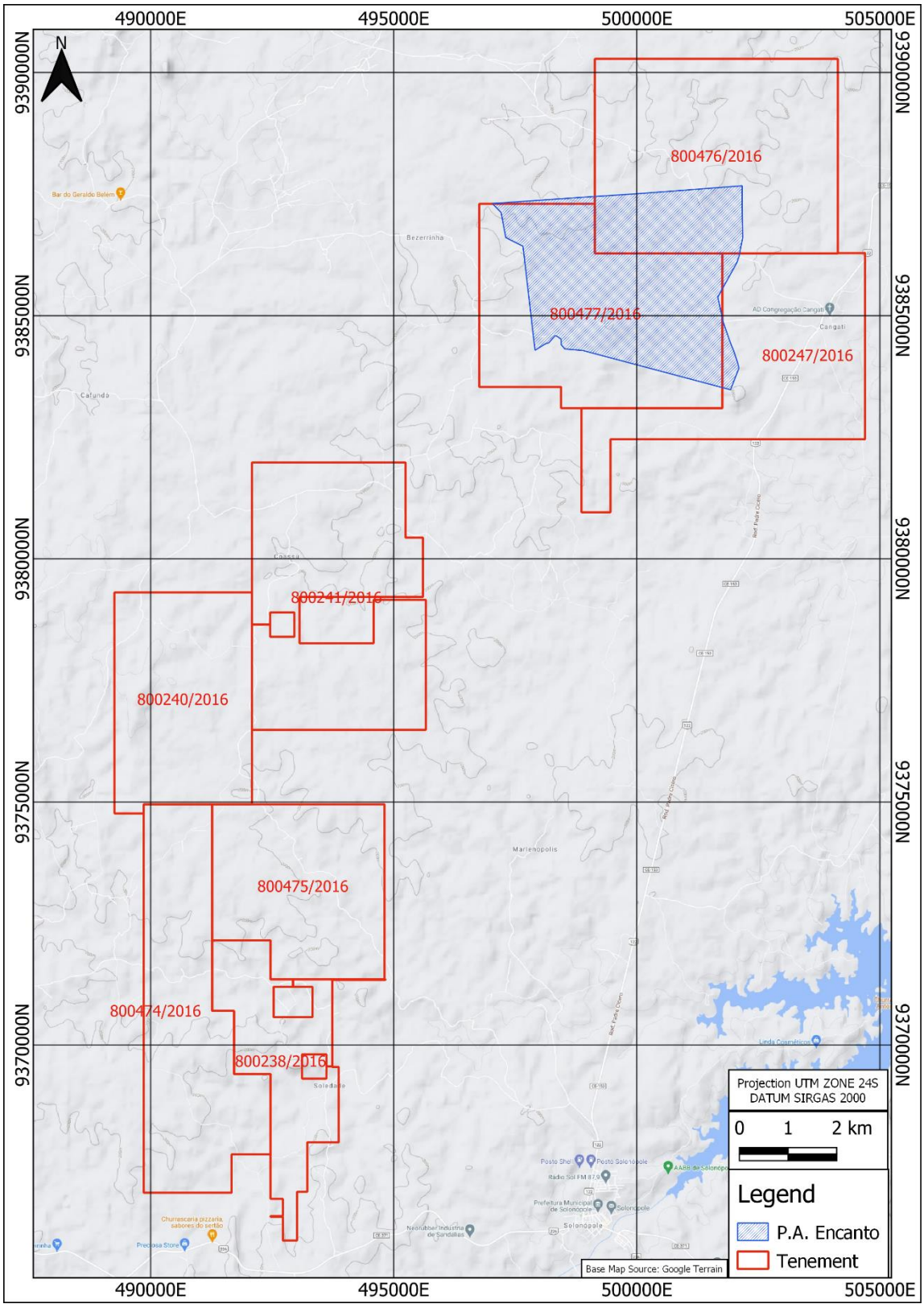

Figure 1 Overlap between ANM (in red) and PA Encanto (in blue)

1.2 Geology and Mineralisation

On a project scale the mapped geology is primarily characterized by migmatites that have been intruded by various granitic rocks comprising mesocratic granite, foliated granite, leucogranite, coarse foliated granite and post-tectonic granite. Many outcropping lenses of pegmatite have been mapped mainly in the northern and central portions of the project area. There are mapped units of amphibolite and schists mainly within the migmatite units. The schists occur mostly in the southern sections of the project.

The Solonópole region is known as a lithium bearing pegmatite mining region in Brazil. A geological review of the Solonópole pegmatites was undertaken by the DNPM in 2012 after which, recent mapping revealed a total of approximately 27 historical mining sites where lithium minerals had been exploited. Though lithium minerals are the primary mined commodity, Columbite-Tantalite, Cassiterite and Beryl were also mined in this region. The lithium mineralisation in the project area is hosted within pegmatites and consists of spodumene, amblygonite and lepidolite.

1.3 Exploration and Mining History

Historical publication from the 1970s and 1980s (Moraes et al, 1973; Oliveira, 1983; Souza, 1985) describe occurrences of pegmatite bodies in the state of Ceará. Results obtained in artisanal mines are cited, with productions higher than 1 ton of amblygonite crystal, in addition to the production of aquamarine, gemological tourmaline, cassiterite and tantalite.

Small scale artisanal mining is reported to have been undertaken over the project area since the 1970's and 80's for Lithium, Coltan & Tin.

The National Mining Agency (ANM) carried out a review over the Solonópole region in 2012. The work comprised grab sampling and mapping of historical mining sites within the area.

Cougar Metals Limited commissioned Southern Geoscience Consultants (SGC) in 2017 to undertake a remote sensing and geophysical targeting exercise in the project area. The interpretation phase of the work comprised the use of Magnetic, Radiometric and satellite data for fine adjustments of the lithological boundaries established by radiometrics and to find zones of anomalous abundance of AlOH minerals.

A mapping and grab sampling work was undertaken by Cougar Metals in 2018 in the project area. Pegmatite swarms were identified during detailed geological mapping with approximately 17km of outcropping mineralised pegmatites identified to date. A total of 246 grab samples were collected from outcropping pegmatites during this campaign.

Geochemical soil sampling campaigns were undertaken in 2018 and 2019 in the project area. An initial grid spacing of 400m by 400m with some infill with 50m x 50m was completed.

A total of 12 shallow trenches were dug over a very limited area at the southernmost edge of the project area. A total of 184 channel samples were collected from the trenches excavated.

1.4 Conclusions and Recommendations

GE21 carried out an assessment of the Solonópole Project focusing on the potential for Lithium, Tantalum and Niobium mineralisation associated with pegmatites. It also evaluated the exploration carried out in the Project.

GE21 believes in the potential of the Project and considers that the research activities carried out to date classify the project as an early-stage exploration.

GE21 understand that there are risks to the project inherent to exploration phase that naturally will be better understood with the advance of exploration program.

The region usually presents shortage of water that may configures a risk to the further beneficiation plant. The following exploration campaigns must consider those issue.

Use of Funds

OCEANA LITHIUM has provided a phased 2-year exploration and development budget shown in the table below. The table is based on the systematic exploration program proposed by OCEANA LITHIUM below. All phases are dependent on positive results from the prior stage of work. The following works are planned if a 6M$ IPO is achieved (if a 5.5M$ IPO is achieved, then the drilling program will be reduced).

Proposed phased exploration for the Solonópole project include:

- Ground Magnetics Survey
- Infill Soil Geochemistry (50m x 50m)
- Trenching and mapping
- 22,000m of RC and Diamond Drilling

The following table (Table 2) shows a phased 2-year exploration budget. The program is results based with work in Year 2 being reliant on positive results from Year 1.

Table 2 Exploration and Development Budget

		5.5M AU$ IPO			6M AU$ IPO		
	Item	Year 1	Year 2	TOTAL	Year 1	Year 2	TOTAL
Solonopole	Tenement Fees	$16,000	$16,000	$32,000	$16,000	$16,000	$32,000
	Geophysics	$50,000		$50,000	$50,000		$50,000
	Mapping and Geochemistry	$500,000	$100,000	$600,000	$500,000	$100,000	$600,000
	Drilling and Assaying	$500,000	$1,450,000	$1,950,000	$500,000	$1,700,000	$2,200,000
	Project Studies and Permitting	$70,000	$194,000	$264,000	$70,000	$196,000	$264,000
	Total	$1,136,000	$1,760,000	$2,896,000	$1,136,000	$2,012,000	$3,146,000

OCEANA LITHIUM has provided an exploration and development budget of AU$1.14M in year 1 and AU$1.76M in year 2 (AU$5,500,000 IPO) and AU$1.14M in year 1 and AU$2.01M in year 2 (AU$6,000,000 IPO), The total budget is AU$2.89M (AU$5,500,000 IPO) and AU$3.15M (AU$6,000,000 IPO). GE21 considers the budget appropriate to adequately test the exploration and development potential of the Ceará Litio projects.

In terms of the PA Encanto overlapping the Soil Geochemistry Results, the overlapped area is roughly 3-4 km of the 17km anomalous zone where the 400m x 400m soil sampling was conducted by Cougar.

In case of unavailable access in the overlapping area, the funds involved will be diverted to the rest of the tenement package where access is not an issue. If the exploration budget were spread evenly

across the surface area of all the tenements, this would be equal to an impact of approximately 15% of the budget in Years 1 and 2, or A$170,400 and A$309,900 respectively for the Minimum Subscription case (total for years 1 and 2 A3.2m) and A$170,400 and A$347,400 for the Maximum Subscription case (total for years 1 and 2 A$3.45m). Therefore, even without an agreement with PA Encanto under the new INCRA rules, OCEANA LITHIUM will still be able to fully apply the funds raised from the IPO for exploration in the Solonópole project.

2 INTRODUCTION

OCEANA LITHIUM LIMITED (Oceana or Company) has commissioned GE21 to prepare a Technical Report (TR) for the Solonópole Pegmatite Project in Ceará state, Brazil. The report is for inclusion in a prospectus to be lodged by Oceana Lithium Limited for an initial public offer of a minimum of AUS$5.5 million and maximum of AUS$6.0 million (IPO) and listing on the Australian Securities Exchange.

The Solonópole Pegmatite Project is owned by Ceará Litio Mineração Eireli – EEP, a company incorporated in Brazil. Oceana has entered into an option and purchase agreement signed on November 7, 2021, under which it has the right to acquire a 100% interest at the IPO completion.

This TR was prepared applying the Australasian Code for Reporting of Exploration Results guidelines and principles, Mineral Resources and Ore Reserves – the 2012 JORC Code, and the rules and guidelines issued by other bodies such as ASIC and ASX related to Independent Expert Reports.

The author is a member of Australian Institute of Geosciences (AIG) and qualifies as a Competent Person (CP) as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”.

2.1 Principal Sources of Information

Mr. Xavier, the Competent Person of this report, conducted a Site Visit to the Project in January 2022.

A GIS database was received from OCEANA LITHIUM containing the following information:

- grab and soil sampling.
- geophysical data.
- geological maps.
- topographical data.

GE21 used information from the following documents:

- Independent Geological Report: Geological Report Solonópole Lithium, Niobium and Tantalum Project, Brazil; prepared by E2M Limited (Sahara) in Jan 12, 2022.
- Legal Opinion No. 32/2022 provided by Willian Freire Advogados Associados.
- Geological mapping of a portion inserted in the solonópole-quixeramobim pegmatitic district to the northwest of the municipality of Solonópole-CE. Federal University of Ceará (UFC), Fortaleza 2014.

- Study of Litiniferous Pegmatites in the Region of Solonópole - Ceará; National Department of Mineral Production (DNPM*) in 2012 (Source: Moreira et al. 2012).

* DNPM: is the acronym for “Departamento Nacional de Produção Mineral” (National Department of Mineral Production), currently “Agência Nacional de Mineração - ANM” (National Mining Agency).

2.2 Qualifications and Experience

GE21 is an independent mineral consulting firm based in Brazil constituted by a team of professionals who are members of the Australian Institute of Geoscientists (“AIG”) and Competent Persons for the purpose of estimation of Mineral Resources and Mineral Reserves in accordance with JORC Code, 2012.

The “Competent person” (as defined in JORC 2012) for this report is Mr. Fábio Valério Câmara Xavier a Geologist for GE21 Consultoria Mineral, located at Avenida Afonso Pena, 3130 − 12º andar, Belo Horizonte, MG, Brazil, CEP 30.130-910.

Mr. Xavier is a Consultant for GE21 and has more than 19 years’ experience in the mining industry. Mr. Fábio is a registered Member of the Australian Institute of Geosciences (MAIG #5179) and is responsible for all sections of this report.

Mr. Xavier has the appropriate qualifications, experience, competence, and independence, to be considered as competent person (“CP” or “Competent Person”), as defined by the 2012 edition of the 'Australian Code of Exploration Reporting Results, Resources Minerals and Ore Reserves'. Neither GE21 nor Mr. Xavier have or have had any material interest in OCEANA LITHIUM or related entities. The relationship between them and OCEANA LITHIUM is solely of professional association between client and independent consultant. This report was prepared in exchange for fees based on rates set by commercial agreement. Payment of these fees is in no way dependent on the results of this Report.

André L. L. Costa conducted a Peer Review of the report. Mr. Costa is a Consultant for GE21 and has more than 28 years’ experience in the mining industry. Mr. Costa is a registered Member of the Australian Institute of Geosciences (FAIG #7967).

2.3 Units of Measurements and Currency

Metric units are used throughout this report unless otherwise noted. The Currency used is the Australian dollars ("Au$").

3 RELIANCE ON OTHER EXPERTS

OCEANA LITHIUM supplied to GE21 a report prepared by Willian Freire Advogados Associados that provided an opinion on the legal standing in terms of mining and environmental law of the mining tenements listed on Table 3.

GE21 did not carry out any consultation or obtain information other than the Willian Freire Advogados Associados report.

4 PROPERTY DESCRIPTION AND LOCATION

4.1 Location

The Solonópole project is located in Ceará State, Brazil, approximately 280km from the capital Fortaleza (Figure 2). The project area can be accessed by a well-maintained road from Fortaleza through Quixada to Cangati town, which is situated in the northernmost portions of the project area. The southern portions of the project area can be accessed from Quixadá along the highway 122 that continues to Solonópole. The figure below summarizes the access to the project area by road from Fortaleza.

Figure 2 Main access to Project

4.2 Company Details and Tenement Status

Ceará Lítio Mineração Eireli Epp (OCEANA LITHIUM) is the holder of Exploration Permits 800.238/2018, 800.240/2016, 800.241/2016, 800.247/2016, 800.474/2016, 800.475/2016, 800.476/2016 and 800.477/2016 ("Explorations Permits"). All tenements are under the Ceará State regional branch of the National Mining Agency ("ANM").

Table 3 and Figure 3 below summarize the 8 granted tenements totalling 11,477 hectares ("ha").

Table 3 Summary of tenements from Solonópole Project

Mining Tenement	Holder	Area (hectare)	Date of granting the current Exploration Permit	Original expiry date	Expiry date considering automatic extension*
800.238/2016	Ceará Lítio	755.68	11/08/2019	11/08/2022	05/20/2024
800.240/2016		1,245.57	11/08/2019	11/08/2022	05/20/2024
800.241/2016		1,718.44	11/08/2019	11/08/2022	05/20/2024
800.247/2016		1,398.91	11/08/2019	11/08/2022	05/20/2024
800.474/2016		1,415.57	02/22/2022	02/22/2025	N/A
800.475/2016		1,180.49	02/22/2022	02/22/2025	N/A
800.476/2016		1,999.96	02/22/2022	02/22/2025	N/A
800.477/2016		1,762.29	02/22/2022	02/22/2025	N/A

*In response to the effects of the COVID 19 pandemic, the ANM published some resolutions extending the validity period of some mining rights and, among them, those of the Exploration Permits.

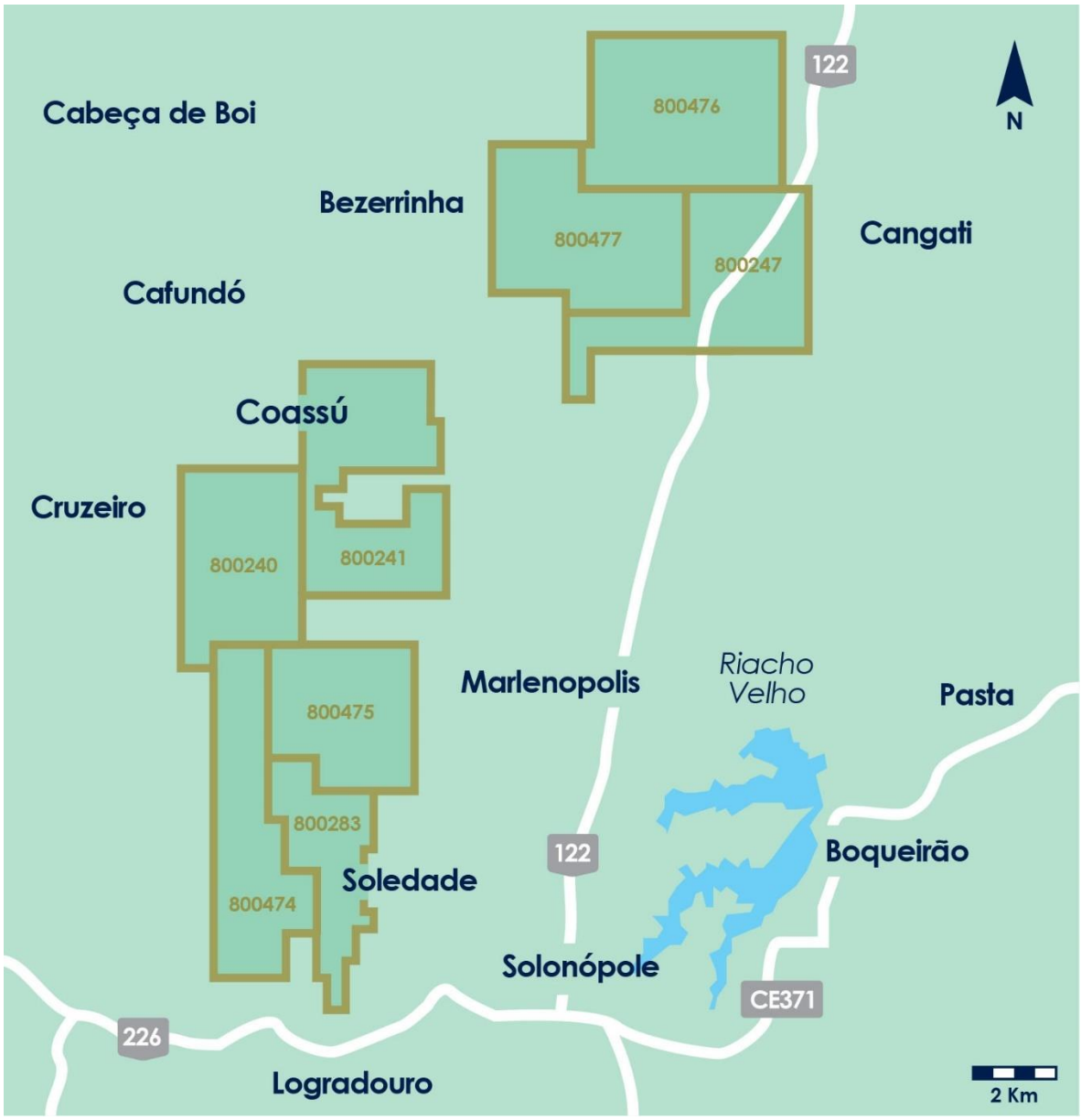

Figure 3 Tenement of Solonópole Project.

Three of these eight tenements, 800.247/2016, 800.476/2016 and 800.477/2016, partially overlap a rural settlement named PA Encanto (Figure 4).

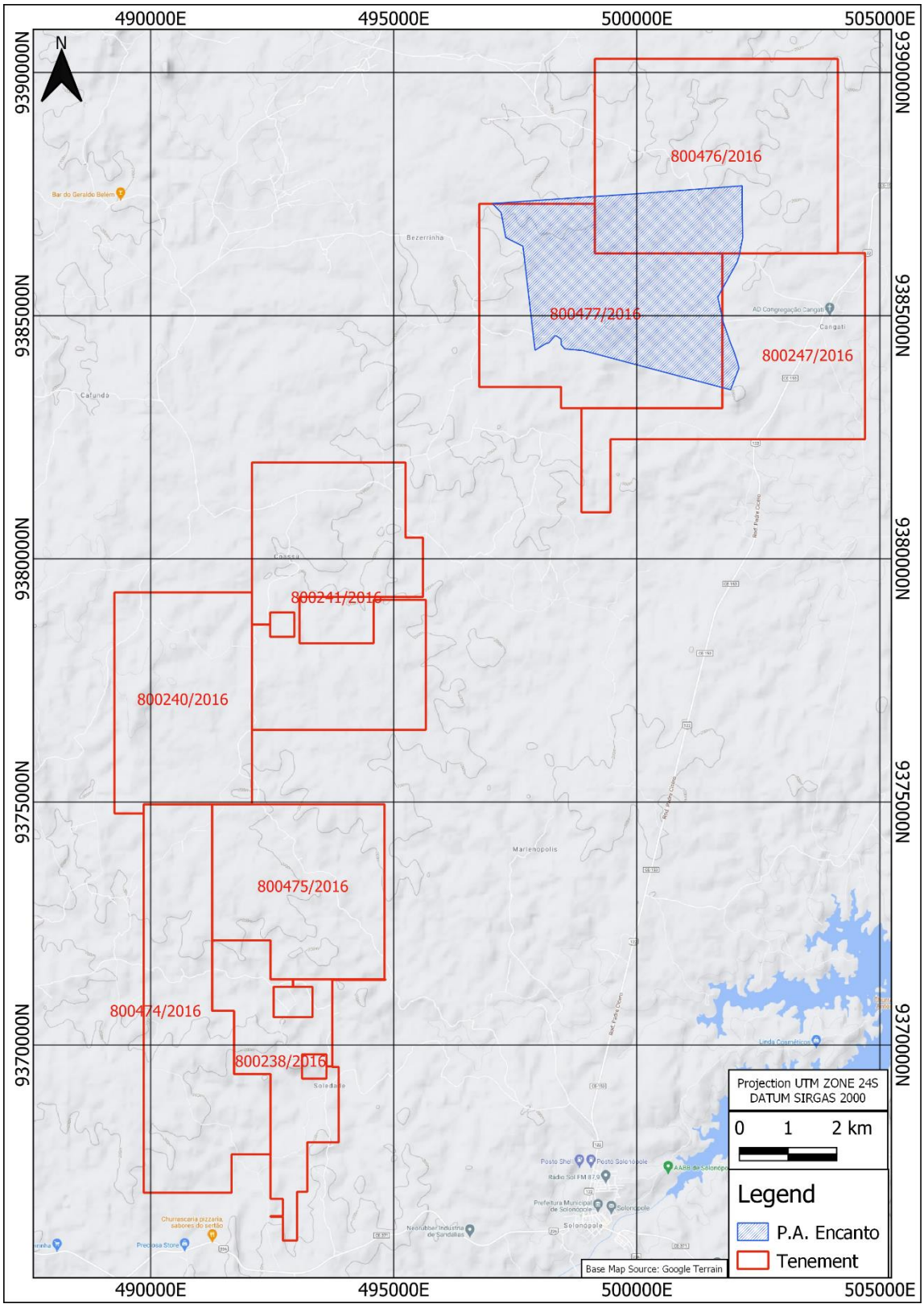

Figure 4 Overlap between ANM (in red) and PA Encanto (in blue)

Based on the ground area covered by these licenses there is a 15% overlap in the Oceana overall ground position (based roughly on 5% of 800.247 + 15% of 800.476 and 80% of 800.477).

In accordance with the ANM's current understanding, there is no automatic incompatibility between mining activities and the rural settlements created by the INCRA. The coexistence of the activities must be made compatible, to the maximum extent possible, as both are considered of public interest. INCRA issued on December 22, 2021, its Normative Instruction # 112 (Instrução Normativa 112), which came into force on January 3, 2022. It provides the process for the issue of INCRA´s consent for the land use in areas designated for land reform settlement program in the case of mining, energy, and infrastructure projects. Therefore, the continuity of the exploration activities in the part of the exploration permit that overlaps the rural settlement area must be preceded by authorization from INCRA.

5 LOCATION, ACCESS, AND CLIMATE

5.1 Physiography and climate

The Solonópole project is in an area of relatively moderate topographic relief ranging between 152m and 266m above sea level.

The climate is warm and temperate, classified as semiarid. In the project area, the highest rainfall is expected in the month of February (172 mm). Humidity is relatively high, with the highest annual humidity levels reaching approximately 80%. Even in the driest month there is rain. The highest average temperature in the Solonópole region is 34.8°C, and it normally occurs in the month of October.

5.2 Local infrastructure and services

The regional centre in the project area is Solonópole town. Solonópole has an estimated population of 18,389 people according to 2021 census data. The town is located about 20km north of the project area. The economy of the region is agriculture based, consisting primarily of dairy and beef farming. Other major industries that contribute to the local economy are fishing, aquaculture, crop farming, timber plantations and tourism.

6 GEOLOGY AND MINERALISATION

6.1 Regional Geology

The Borborema Province covers approximately 450,000km^2 and occupies the extreme northeast ofthe South American Platform, encompassing almost entirely the Northeast Region of Brazil, except for the extreme west portion, which belongs to the Parnaíba Structural Province. The current structural setting of the province was developed at the end of the Neoproterozoic, during an intense tectonic activity at the end of the Paleoproterozoic, a consequence of continental collision involving the West African, Amazonic and São Francisco-Congo cratons. The collision corresponding to the Brazilian-Pan African cycle. This phase was completed, in the case of the Borborema Province, at about 600-550 Ma (Van Schmus et al., 1997). Fetter et al. (2003) recognizes three main domains of the northern portion ofthe Borborema Province, they are: (i) Middle Coreaú Domain (DMC), limited by the Sobral-Pedro II Shear Zone; (ii) Ceará Central Domain (DCC), limited SE by the Orós Shear Zone and NW by the Sobral-Pedro II Shear Zone; and (iii) Rio Grande do Norte Domain (DRGN), limited to the south by the

Patos Lineament and to the NW by the Orós Shear Zone. However, Arthaud (2003) recognizes a geotectonic domain in addition to those already mentioned, inserted in the State of Ceará, on the boundary of the Ceará-Rio Grande do Norte States, as follows: Orós-Jaguaribe Domain (DOJ), limited to the NW by the Shear Zone Orós and the SE by the Jaguaribe Shear Zone and the S by the Farias Brito Shear Zone, between the Ceará Central Domain and the Rio Grande do Norte Domain by Fetter et al. (2003).The study area is located in the southeastern portion of the Ceará Central Domain of Borborema Province and Ceará State (Figure 5).

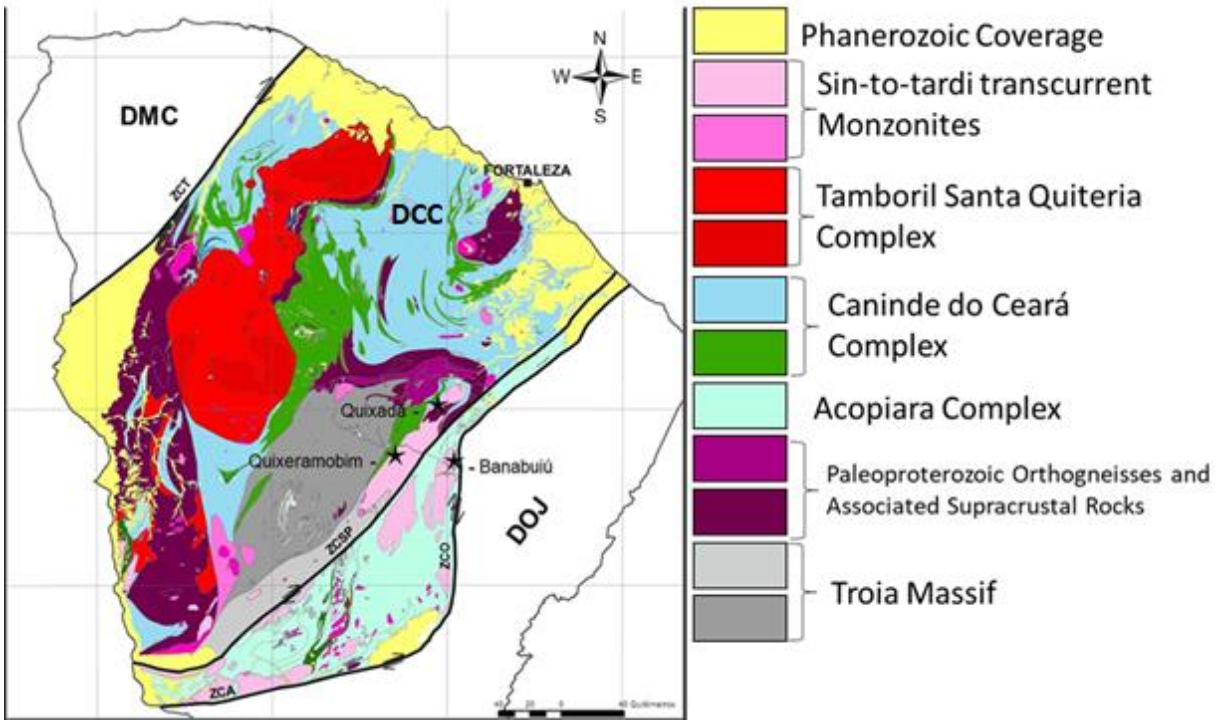

Figure 5 Geological map of the Ceará Central Domain, adapted from the Geological Map of Ceará by Cavalcante et al. (2003).

The Ceará Central Domain, according to Arthaud (2005), can be subdivided into four geotectonic units:

1) Archean Troia — Pedra Branca — Mombasa;
2) Paleoproterozoic Gneissic Complex;
3) Paleoproterozoic to Neoproterozoic Supracrustals; and
4) Granite-Migmatite Complexes and Neoproterozoic Granitoids to Cambrian.

Lima et al. (2007) inserts two more units: Granites and Pegmatites, intruded in the Granitic-Migmatite Complex. Presented here are only the lithostratigraphic units that make up the regional geological framework of the researched area.

6.1.1 Paleoproterozoic

6.1.1.1 Gneissic Basement – Acopiara Complex

The Acopiara Complex has a composition essentially comprised of tonalitic to granodiorite orthogneisses (TTG-like sequences), generally metamorphosed under high amphibolite facies conditions, with varying degrees of migmatization. Metasedimentary rocks are very common, except in the domain between the Orós Belt and the Senador Pompeu Shear Zone.

The denomination Complexo Acopiara was used by Cavalcante et al. (2003) to define a rocky sequence that occurs in the southeastern portion of the Quixeramobim leaf, composed mainly of metatexites with gneiss structure, whose leucosomes exhibit tonalitic, granodioritic and granitic composition, some of them with garnet, and paleosomes whose compositions range from biotite schists to para-amphibolites. Amphibolite and meta-hornblendite lenses are common. There are also abundant fine leucogranites with biotite and, occasionally, with muscovite, which are gray in color, resulting from partial anatexis of the source supracrustal package.

The outcropping rocks extend preferentially in the N-S direction with variable dips below 60° to the east. They may also show a NE-SW direction with dips to the southeast. The dips increase towards the Senador Pompeu shear zone, becoming more accentuated as they approach the lineament. According to Fetter (1999), they have TDM model ages (Sm/Nd) of 2.4-2.2 Ga and U/Pb age in zircons in gneiss of 2,095 ± 33 Ma (Lima et al., 2010).

6.1.2 Neoproterozoic granites

The Granites that intrude the Ceará Central Domain have Neoproterozoic ages and are mainly represented by the Banabuiú Granites, Aroeiras Granites, Quixeramobim Granitic Complex, Quixadá Monzonito and Ceará Complex, whose housing was controlled by three large dextral shear zones: the Quixeramobim Shear Zone, the Senador Pompeu Shear Zone, and the Orós Shear Zone (Arthaud et al. 1998).

During the Brazilian/Pan-African orogenic cycle, the Ceará Central Domain was intruded by abundant volumes of granitoids, grouped by Arthaud (2005) into the following categories: (i) Pre-collisional or continental magmatic arc associated with subduction, where they are represented by the granites of the magmatic arc of Santa Quitéria; (ii) Syn-collisionals associated with the tangential phase, which correspond to S-type two-mica granites, generated during the metamorphic peak (Senator Pompeu and Banabuiú batholiths); (iii) Directional Syn-collisionals, which are formed during the transcurrent phase with lateral extrusion (Quixeramobim and Quixadá batholiths); and (iv) Post-collision, corresponding to the magmatism associated with the dismantling of the Brasiliano chain, are well represented in Ceará Central by the ring complexes (Tauá and Taperuaba) associated with swarms of acid dykes to intermediates (swarms of Tauá and Independência) and by stocks Serra da Barriga, São Paulo, Reriutaba, Mucambo and Meruoca granites.

The Brazilian Cycle granitoids are granitic manifestations that constitute bodies of elongated dimensions, with lithotypes of different units as enclosing. They present magmatic-intrusive contact relationships and/or controlled by shear zones (Cavalcante, 1999). Van Schmus et al. (2003) suggest three stages for the formation of granitic rocks in the Borborema Province. Two stages with intervals between 650 and 625 Ma and 580 to 570 Ma are important markers of accretionary granite formation

and a third interval between 545 and 520 Ma corresponds to granites linked to intrusive or intraplate processes.

6.1.3 Palaeozoic

6.1.3.1 Pegmatites of the Ceará Central Domain

Based on mineralogical and textural criteria, Johnston (1945) distinguished three major groups of pegmatites in Northeast Brazil: (i) homogeneous pegmatites, with uniform texture and simple mineralogy; (ii) heterogeneous pegmatites, with well-marked zoning and metallogenetic specialization; and (iii) mixed pegmatites, with intermediate characteristics between the two previous types.

The homogeneous pegmatites present quartz, feldspar, and micas as essential constituents, with granulations that vary from centimetre to decimetre, and they are rarely mineralised (Vidal & Nogueira Neto, 2005; Lima, 2006. The heterogeneous pegmatites present well-developed feldspar, quartz, and muscovite, and accessories such as tourmalines, cassiterite and garnet. Some heterogeneous pegmatites show an incipient zoning, defined by the predominance of aplitic textures at the edges and coarse textures in the central regions. These bodies are often mineralised tourmaline, beryl, apatite, amblygonite and spodumene. Mixed pegmatites have intermediate features between the homogeneous and heterogeneous, among which "pockets" (lenticular bodies) of quartz are recognized instead and individualized cores, containing generally these disseminated minerals (Lima, 2002).

The Pegmatitic Sub-Province of Ceará is part of the Borborema Province, presenting structural, textural, mineralogical, and possibly genesis diversity. Based on purely geographical criteria, Souza (1985) subdivided the Pegmatitic Sub-Province into two large districts: the Pegmatitic District of Cristais-Russas (DPCR), encompassing the Cascavel, Aracoiaba, Russas and Morada Nova pegmatites; and the Pegmatitic District of Solonópole-Quixeramobim (DPSQ), encompassing the municipalities of Jaguaribe, Solonópole, Quixadá, Milhã and Banabuiú. Both districts are geologically inserted in the Orós-Jaguaribe (DOJ) and Ceará Central (DCC) domains respectively and were sectioned by large shear zones in which granites, aplites and pegmatites are housed. In addition to these two districts, there are still other lesser known and little studied occurrences in the districts of Parambu, Icó and Itapiúna.

The study area is in the Pegmatitic District of Solonópole Quixeramobim, in the center-east of Ceará (Figure 5), in the portion that encompasses the municipalities of Jaguaribe, Solonópole, Quixadá and Milhã. The pegmatitic bodies present in this sector are granitic in nature, mostly heterogeneous, with typically tabular shapes and dimensions ranging from tens of meters to hundreds of meters (Logradouro pegmatite is 500 m). They are discordant in relation to the hosts (biotite-gneisses, metatexites, diatexites and muscovite-schists), oriented predominantly in NE-SW and E-W directions with vertical and subvertical dips. According to Vidal & Nogueira Neto (2005), the region involves five different pegmatitic fields. The first of these fields, from south to north, corresponds to the Nova Floresta-Feiticeiro field, located in the municipality of Jaguaribe, south of Solonópole, where occurs mainly cassiterite and tantalite. The second field NE of Solonópole is represented by lithium-beryl-tantaliferous pegmatites, with the occurrence of fluorite-bearing pegmatitic veins. The third pegmatitic field, where the area is located, west and northwest of Solonópole, is the largest holder of lithium-beryl-tantaliferous pegmatites in the Solonópole-Quixeramobim District. The fourth, called Berilândia-Carnaubinha field,

holds pegmatites bearing industrial beryl, for the most part. Finally, the fifth field, called Rinaré-Banabuiú, holds pegmatites rich in tourmaline and beryl, located north of the city of Banabuiú.

6.1.4 Cenozoic

6.1.4.1 Alluvial Covering

They are composed of clayey-sandy quartz and quartz-feldspathic sediments, with conglomeratic or non-conglomeratic portions. They are in the beds and floodplain of rivers or dams that contain several branches in the mapped area. Possibly all the Units described above may be partially covered by recent deposits dating from the Cenozoic.

6.2 Project Geology

On a project scale the mapped geology is primarily characterized by migmatites that have been intruded by various granitic rocks comprising mesocratic granite, foliated granite, leucogranite, coarse foliated granite and post-tectonic granite. Many outcropping lenses of pegmatite have been mapped mainly to the northern and central portions of the project area. There are mapped units of amphibolite and schists mainly mapped within the migmatite units. The schists occur mainly to the southern sections of the project. Figure 6 below shows the project geology as interpreted by Cougar in 2019.

Some historic artisanal mines, described in the document, "STUDY OF LITINIFEROUS PEGMATITES FROM THE SOLONÓPOLE REGION - CE" (Moreira et al. 2012), are in the tenements of OCEANA LITHIUM.

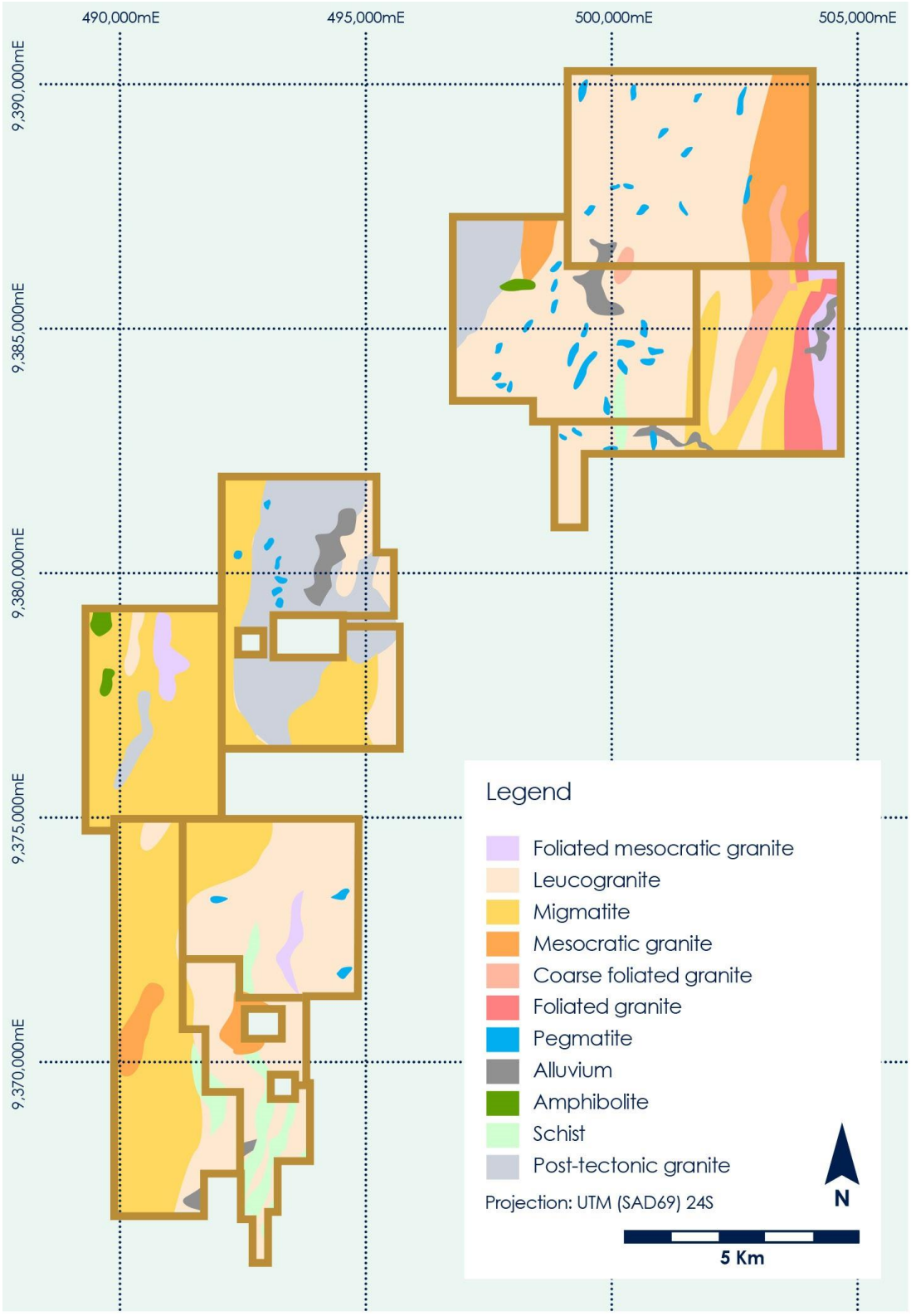

Figure 6 Geological map of Project Solonópole

6.2.1 800.247/2016 – Severo Artisanal Mine

Located in the Encanto camp, this historic artisanal mine features a 5m x 10m pit, with a depth of 10 meters. The area produced tantalite and secondarily amblygonite, cassiterite, beryl and green tourmaline.

6.2.2 800.477/2016 – Quandu Artisanal Mine

Located in Camp Encanto, four pits were found at the site, the largest measuring 3m x 15m. The maximum depth reached at the site was 7 meters.

The pits were excavated for the extraction of tantalite, amblygonite, and beryl.

6.2.3 800.475/2016 – Lapinha Artisanal Mine

In this artisanal mine, amblygonite and spodumene, tantalite, beryl and feldspar were extracted in a pit 20 meters deep and 100 meters long. The extraction continues forming a gallery. Note the presence of vegetation covering the pit (Figure 7 – left), in addition to the large number of tailings consisting of quartz-feldspathic material around the pit (Figure 7 – right).

Figure 7 Lapinha pit, historic artisanal mine (Source: Moreira et al. 2012).

6.3 Mineralisation

The Solonópole region is known as a lithium bearing pegmatite mining region in Brazil. A geological review of the Solonópole pegmatites was undertaken by the Moreira et al. 2012 after which recent mapping revealed a total of approximately 27 historical mining sites where lithium minerals had been exploited. Though lithium minerals are the primary mined commodity, Columbite-Tantalite, Cassiterite and Beryl were also mined in this region.

The lithium mineralisation in the project area is hosted within pegmatites and consists of spodumene, amblygonite and lepidolite. Initial sampling across the Solonópole region of approximately 60 pegmatite samples by the ANM returned assays ranging between 0.5 to 9% Li_2O (Note that these are regional samples with some samples taken outside the Ceará Litio's permits). Detailed field mapping over the OCEANA LITHIUM's permits has delineated an approximately 17km strike length of mineralised pegmatite outcrops inside the tenements.

Cougar Metals took 246 rock chip samples although no mineralogy was completed during this phase of exploration. There are 36 samples with over 1.0% Li_2O readings. High phosphate samples

over 15%, indicate Amblygonite minerals with low-level phosphate of 0.02% or 0.01%, as shown in the figure below which indicates potential for Spodumene mineralisation within the Ceará Litio's permits. There are numerous occurrences of both minerals based on chemical composition (Figure 8).

Figure 8 High grade Lithium mineralisation (9.86% Li2O, High grade Lithium combined with high Phosphorous is indicative of Amblygonite). Source – Cougar Metals, 2019

Given the 17km of outcrop inside the tenements, the zonation of lithium minerals has not yet been defined but work describes the possibility of a mixture of Spodumene and other lithium minerals to be defined across the extensive strike.

7 EXPLORATION AND MINING HISTORY

7.1 Historical Publications

Historical publication from the 1970s and 1980s (Moraes et al, 1973; Oliveira, 1983; Souza, 1985) describe occurrences of pegmatite bodies in the state of Ceará. Based on the geographic concentration of these bodies and their genetic characteristics, the pegmatites were grouped into 5 Districts (Figure 9):

- Russas Crystals in the northeast of the state;
- Solonópole Quixeramobim (DPSQ) in the central-eastern portion of the state;
- Parambu in the southwest of the state;
- Icó southeast of the state;
- Itapiúna central north of the state.

The DPSQ District is cited as having the greatest concentration and economic potential, the district is shown in Figure 10.

Results obtained in artisanal mines are cited, with productions higher than 1 ton of amblygonite crystal, in addition to the production of aquamarine, gemological tourmaline, cassiterite and tantalite.

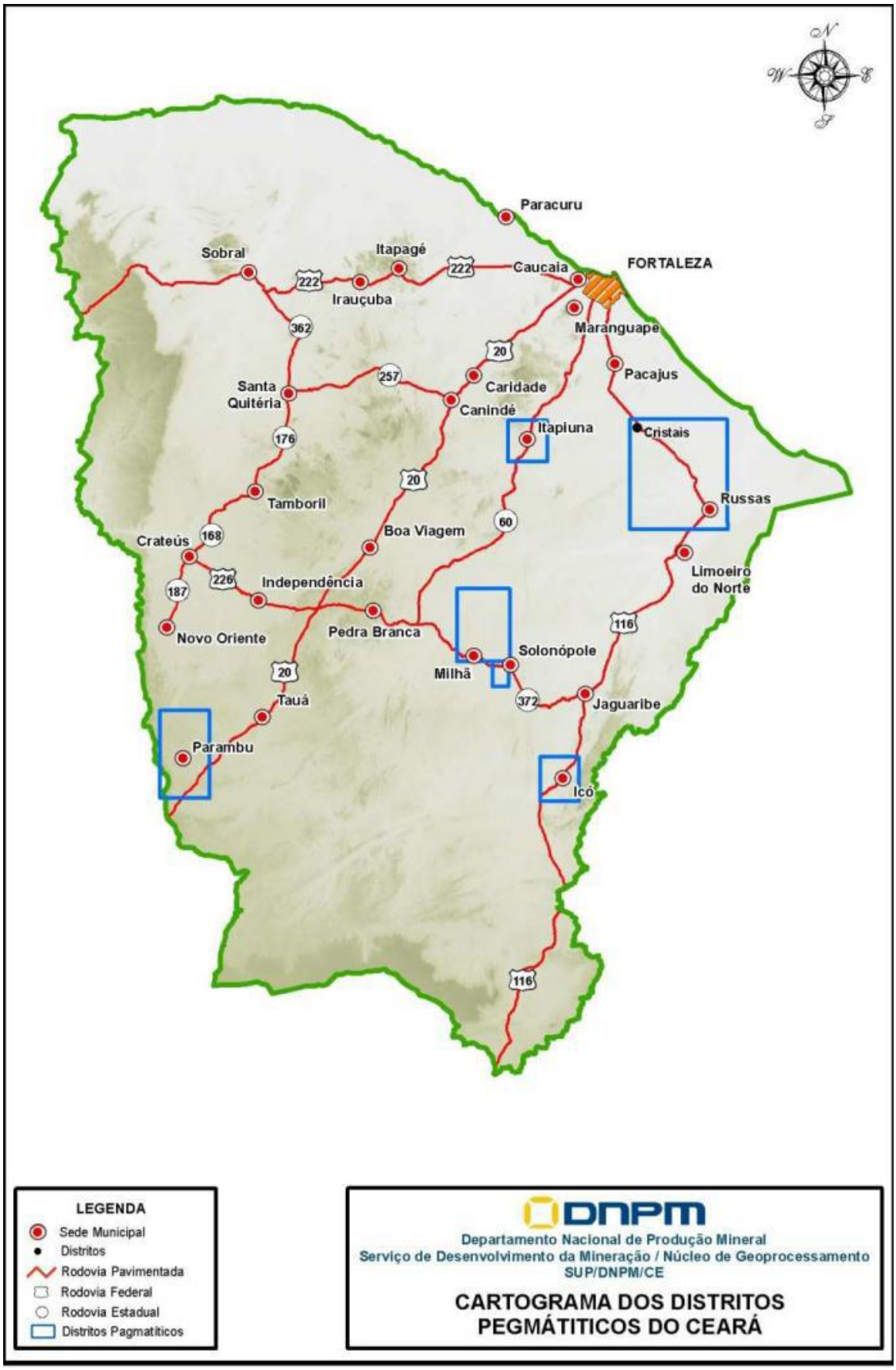

Figure 9 Pegmatite districts od Ceará, Adapted from Souza,1985.

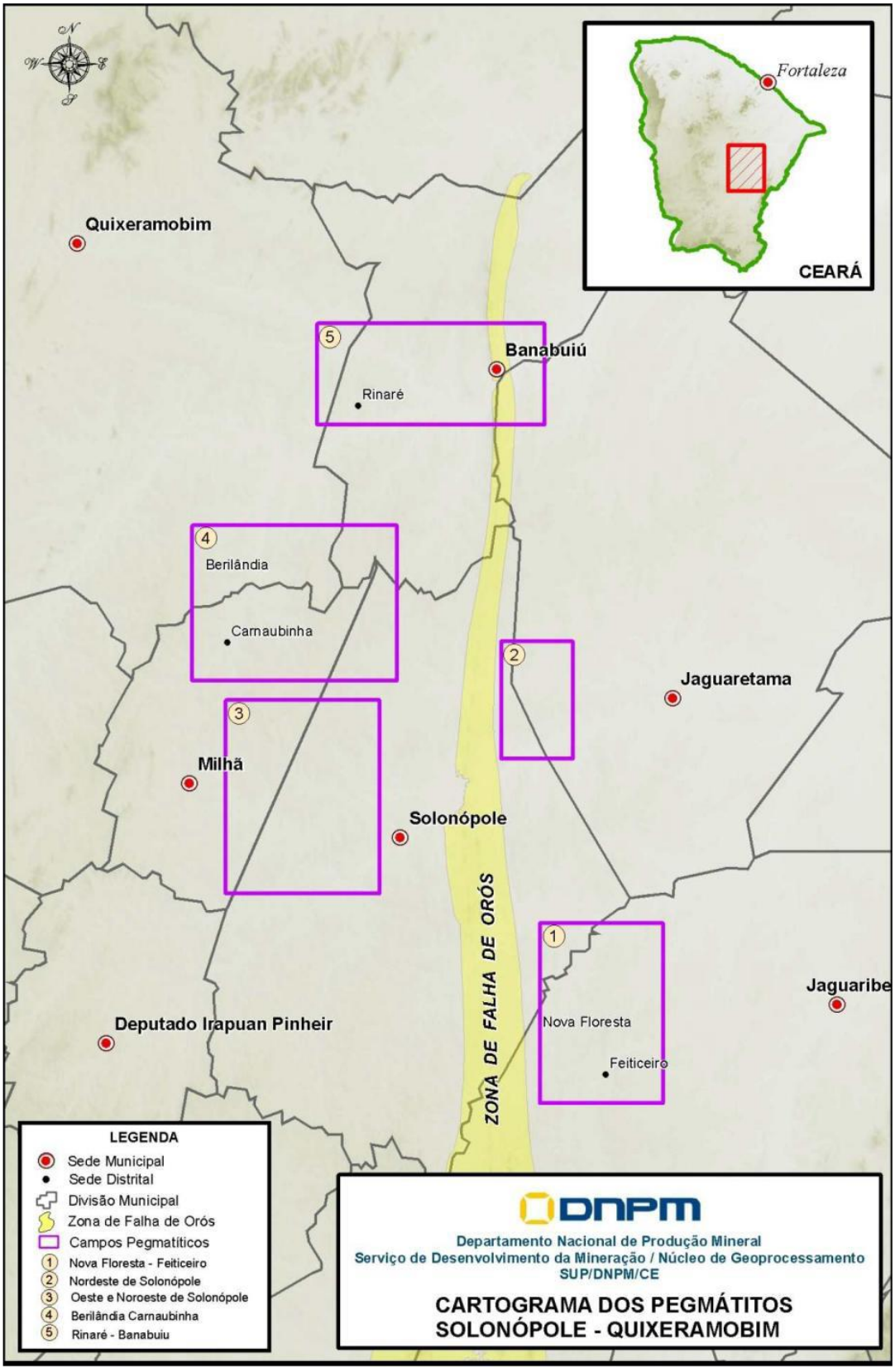

Figure 10 Detail of DPSQ pegmatites fields.

Publications made in the 2000s divide the DPSQ in metallogenetic subdomains, they are:

- Tantalite Domain: occurring to the NW of Solonópole and extending to Cangati, it is characterized by the presence of tantalite associated with other minerals such as Amblygonite, tourmaline, aquamarine, beryl, among others.
- Muscovite domain: Located in the western portion of the DPSQ, it is characterized by the occurrence of mica, mainly in the localities of Alívio, Novo Encanto, Poço dos Cavalos and Pimenta.
- Beryl Domain: Located in the western-northern sector of the area, it is characterized by the presence of a SW-NE zone, with a concentration of industrial or ornamental beryl.
- Tourmaline Domain: Occurs in the northern sector of the DPSQ according to an SSE-NNE trend, it is characterized by the presence of tourmaline on the edges of granite bodies.
- Amethyst Domain: It occurs near the city of Solonópole and is characterized by the presence of the semi-precious gem.
- Fluorite domain: Located east of the municipality of Solonópole, there is record of production of this mineral in two mines Vera Cruz and Casa Nova.
- Cassiterite Domain: Located in the southern western portion, Feiticeiro region, of the DPQS and characterized by cassiterite and beryl mineralisation.

Small scale artisanal mining is reported to have been undertaken over the project area since the 1970's and 80's for Lithium, Coltan & Tin. The known exploration activities undertaken over this area is summarized below.

The ANM carried out a review over the Solonópole region in 2012. The work comprised grab sampling and mapping of historical mining sites within the area. During this review by ANM, a total of 60 grab samples were collected and analysed by ACME Laboratory. A typical historical mining site is shown in the Figure 11 below. These historical mines were typically only undertaken to less than 10 meters vertical depth due to restrictions of hard pegmatite material requiring blasting. The Lithium minerals from the region was historically mined for ceramic and lithium salt production.

Figure 11 Typical Historical Artisanal Mining Site in the region (Source: Moreira et al. 2012)

A summary of significant assays returned from the grab sampling undertaken by the DNPM is shown in Table 4 below. It is noted that these samples were taken regionally and are not all located in the Ceará Brazil permits.

Table 4 Significant Grab Sampling Results (Source: Moreira et al. 2012)

Sample	Mineral	UTM Coordinate		Li_2O (%)
DNPM-1	Ambligonite	492777	9364986	8.68
DNMP-26	Ambligonite	493882	9366600	8.89
DNMP-37A	Spodumene	497676	9378720	0.43
DNMP-37B	Lepidolite	497676	9378720	2.35
DNMP-40	Lepidolite	492667	9378594	1.03
DNMP-41A	Ambligonite	496974	9382202	3.12
DNMP-41B	Lepidolite	496974	9382202	4.84
DNMP-45	Lepidolite	498295	9380340	3.16
DNMP-52	Lepidolite	489243	9388907	2.48
DNMP-53	Ambligonite	489346	9388596	9.41
DNMP-55	Lepidolite	489170	9389244	1.96

7.2 SGC Remote Sensing and Geophysical Targeting

Cougar Metals Limited Commissioned Southern Geoscience Consultants (SGC) in 2017 to undertake a remote sensing and geophysical targeting exercise over the project area. The remote sensing phase comprised.

- ASTER - NDVI and RGB bands compositing
- ASTER – MNF transformed data
- ASTER - mineral index products
- Landsat 8 - original band and MNF band compositing
- Landsat 8 - MNF band compositing

The interpretation phase of the work comprised the use of Magnetic, Radiometric and satellite data for fine adjustments of the lithological boundaries established by radiometrics and to find zones of anomalous abundance of AlOH minerals as shown in the Figure 12.

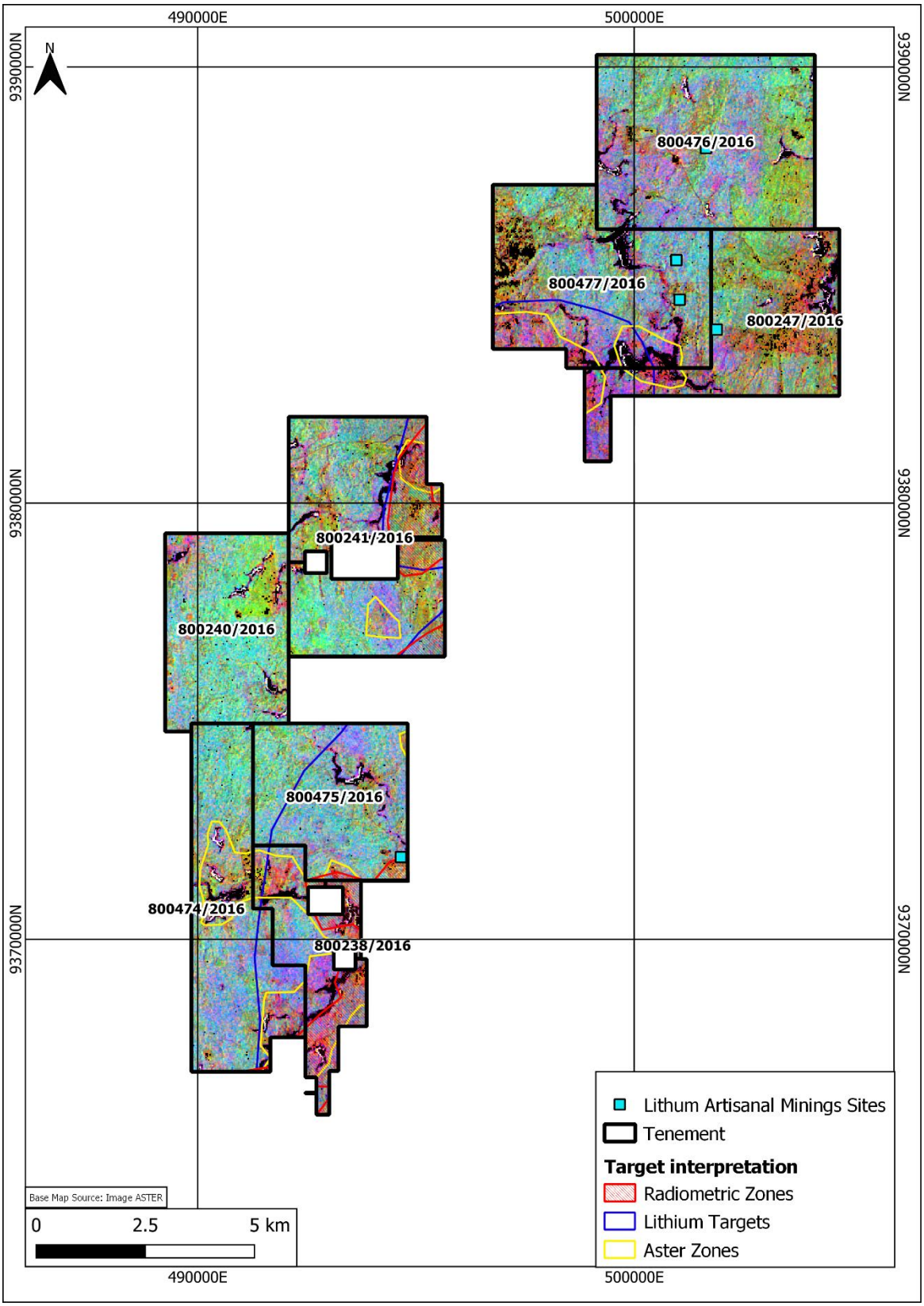

Figure 12 Pegmatite Targeting (Source: SGC 2017)

Figure 13 below summarizes the magnetic data interpretation results over the project area highlighting potential felsic intrusive cross cutting dykes and a north-south trending magnetic feature on the eastern side (this area has been staked for Iron ore).

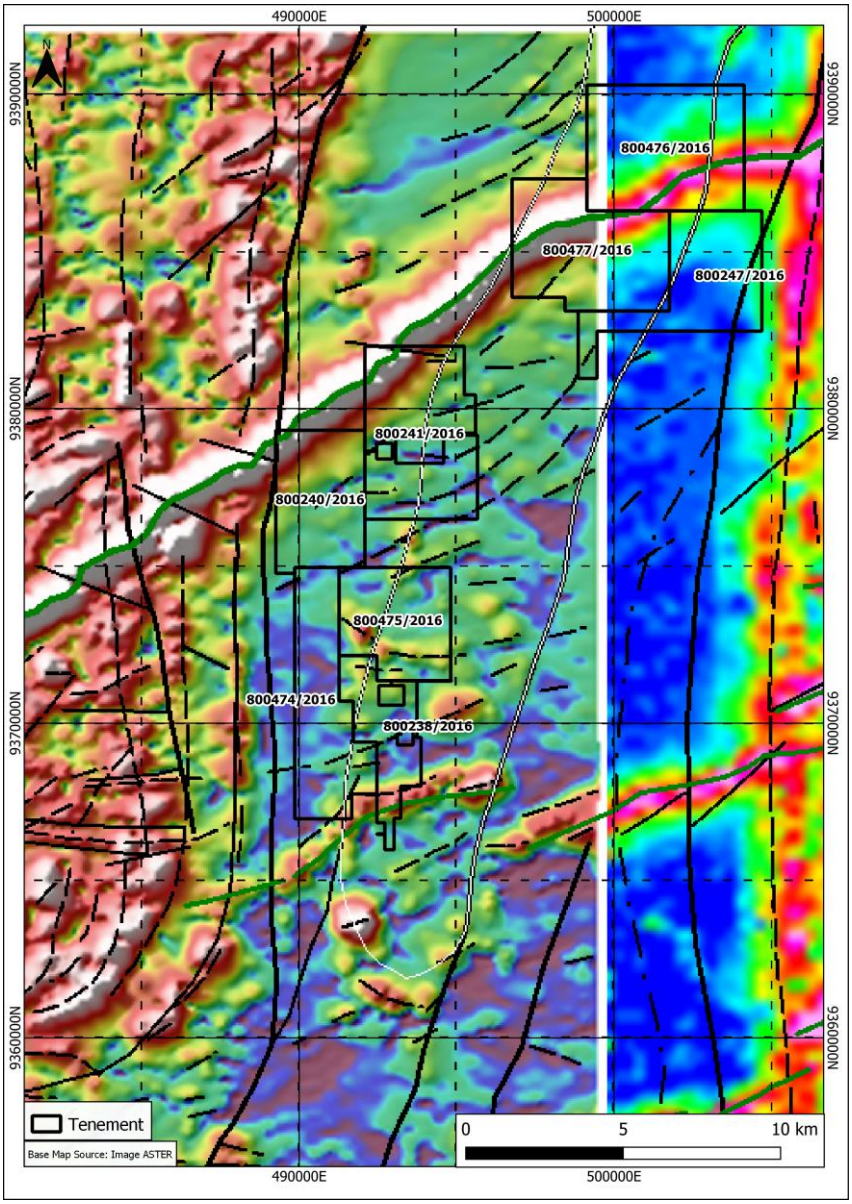

Figure 13 Interpreted Structures over Magnetic Data in the Project Area (Source: SGC 2017).

7.3 Mapping and Grab Sampling

A mapping and grab sampling work was undertaken by Cougar Metals in 2018 in the project area. Pegmatite swarms were identified during detailed geological mapping with approximately 17km of outcropping mineralised pegmatites identified to date. A total of 246 grab samples were collected from outcropping pegmatites during the campaign. Figure 14 summarizes the significant grab sampling results over the mapped geology.

Anomalous Lithium, Niobium and Tantalum has been identified for ~ 17km within the tenements.

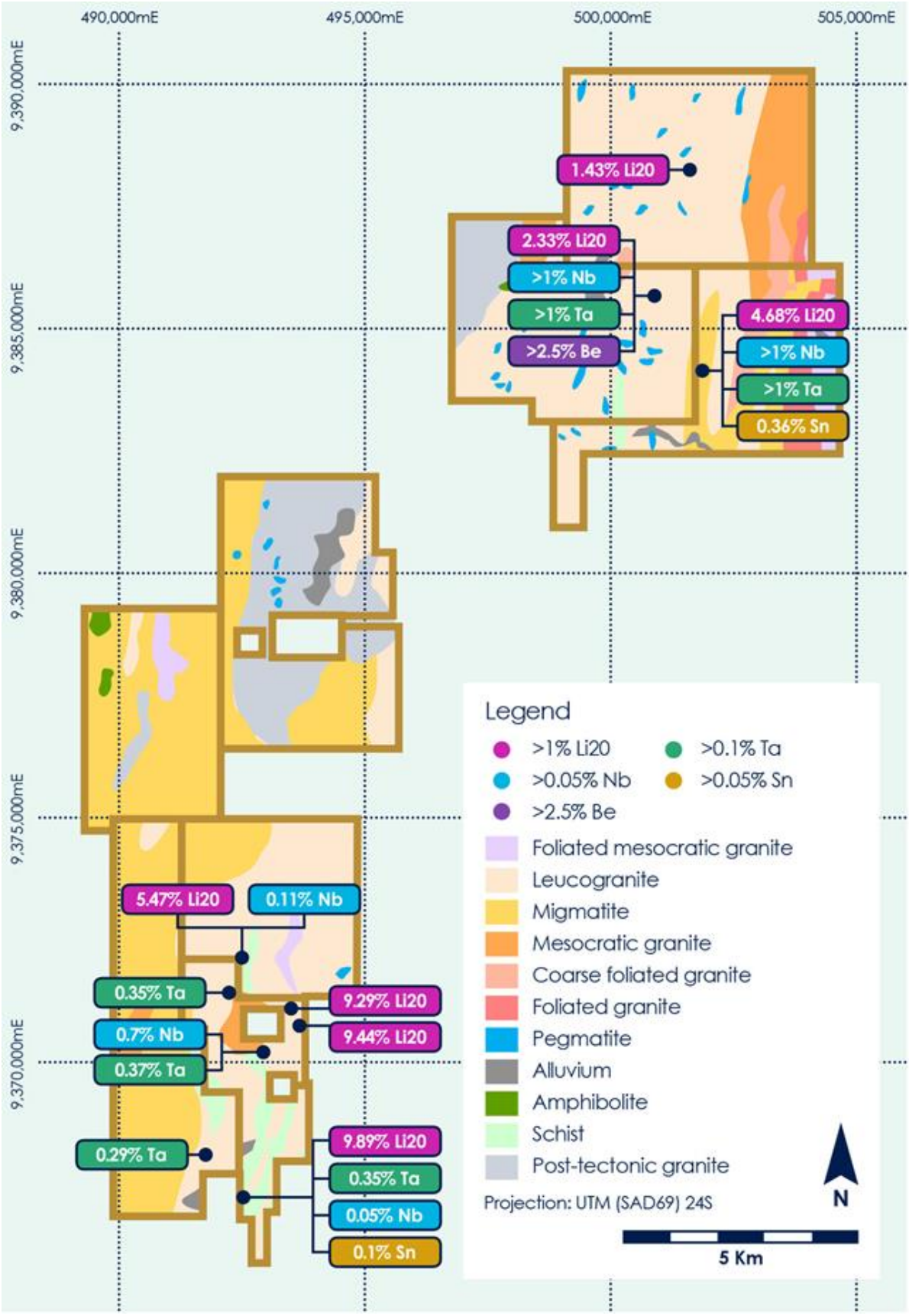

Figure 14 Summary of Significant Grab Sampling Results and Mapped Geology

7.4 Soil Geochemistry

Geochemical soil sampling campaigns were undertaken in 2018 and 2019 in the project area. An initial grid spacing of 400m by 400m with some infill with 50m x 50m was completed. Figure 15 shows the results returned for lithium in the project area.

The major lithium geochemical anomaly defined in the project area extends along a total of approximately 17km in the northeast direction as illustrated in Figure 15. The spacing of soil geochemistry to date is 400m x 400m and it is too wide to provide confident anomalies. Infill soil geochemistry will be required to allow target drilling definition. Figure 16 below shows the soil geochemical anomaly for Niobium in the project area that coincides with the Lithium anomalies defined.

Figure 17 below shows the soil geochemical anomaly for Tantalum in the project area. This anomaly is also coincident with the lithium and niobium anomalies.

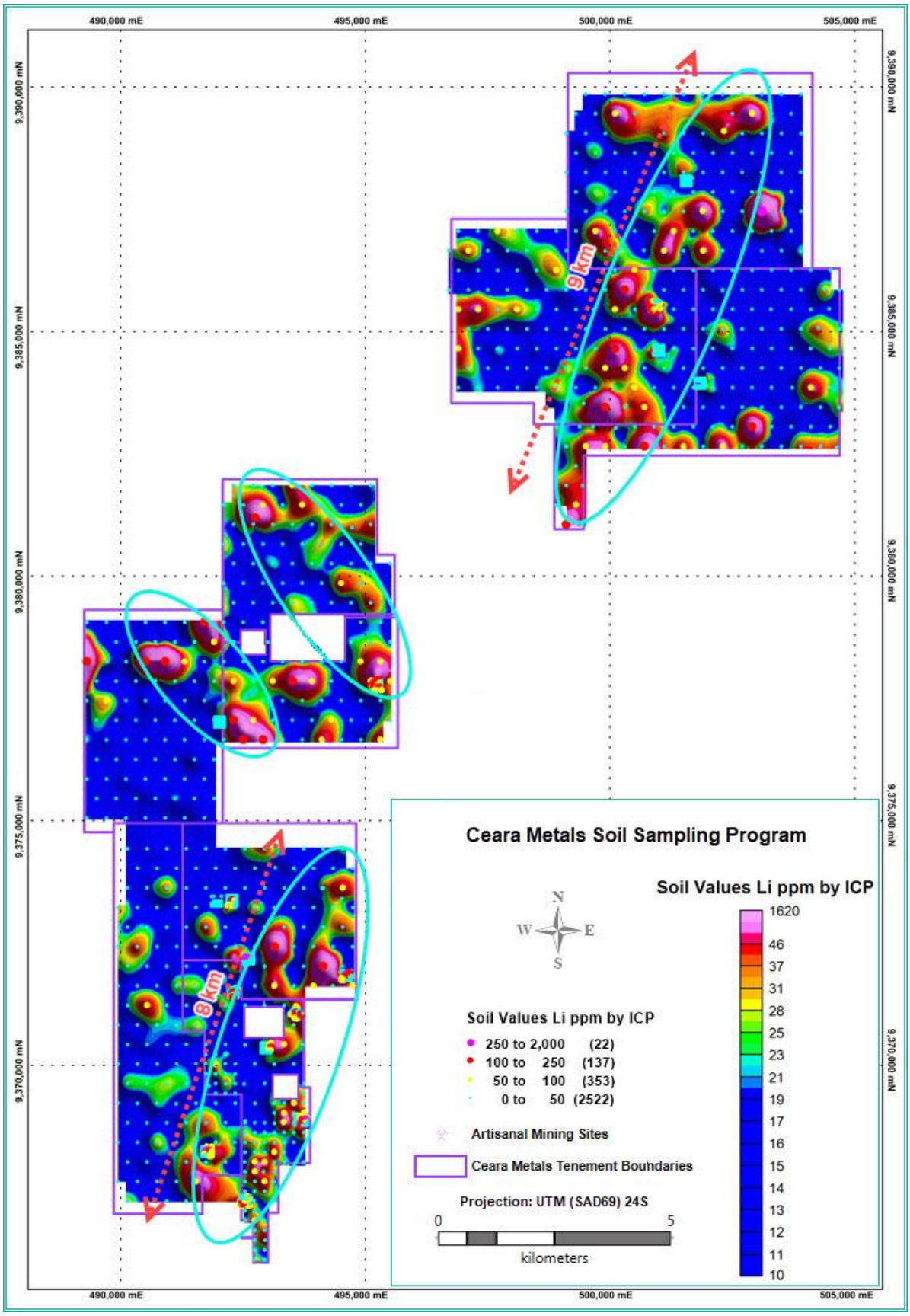

Figure 15 Summary of Soil Geochemistry Results for Li ppm

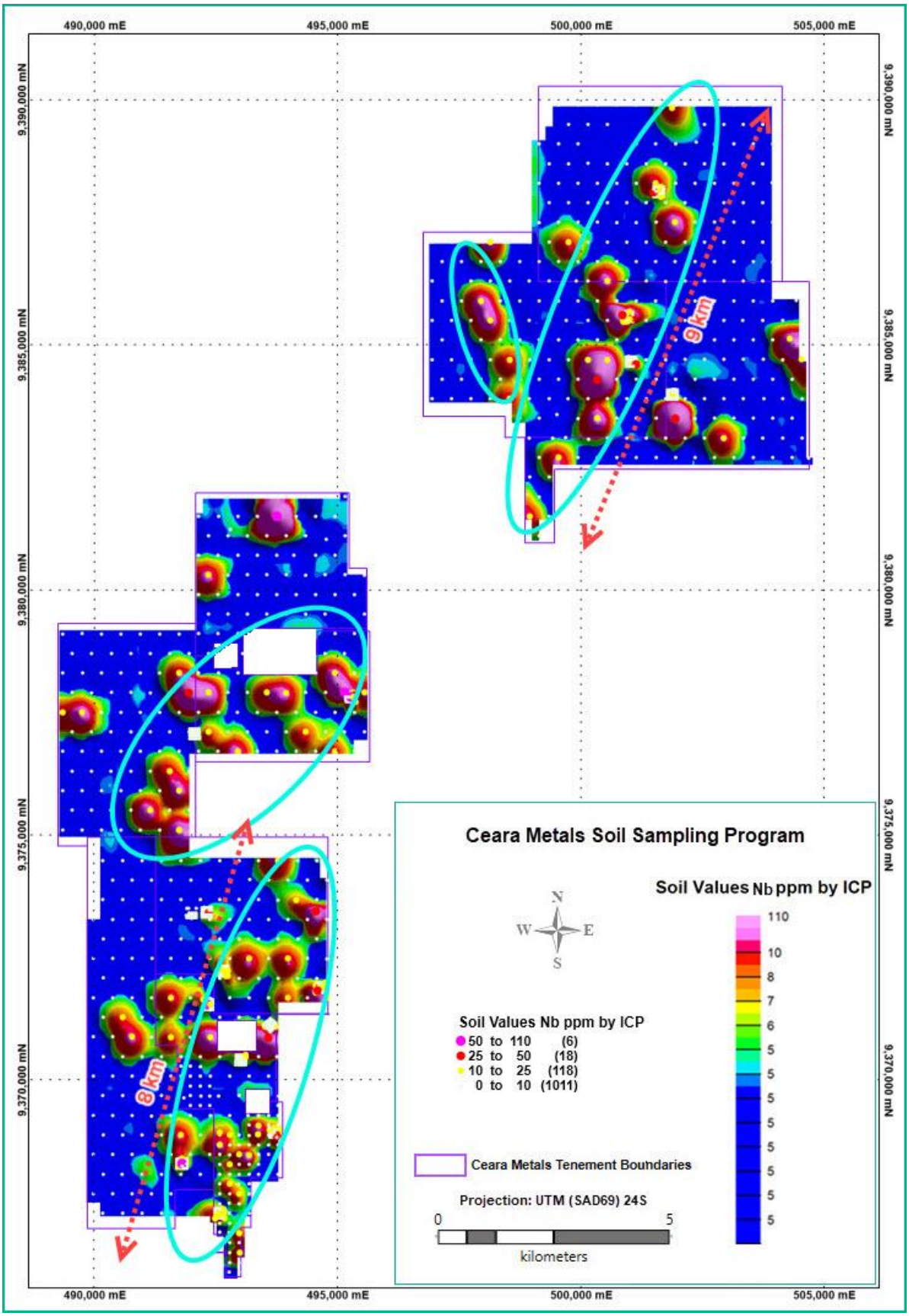

Figure 16 Summary of Soil Geochemistry Results for Nb ppm

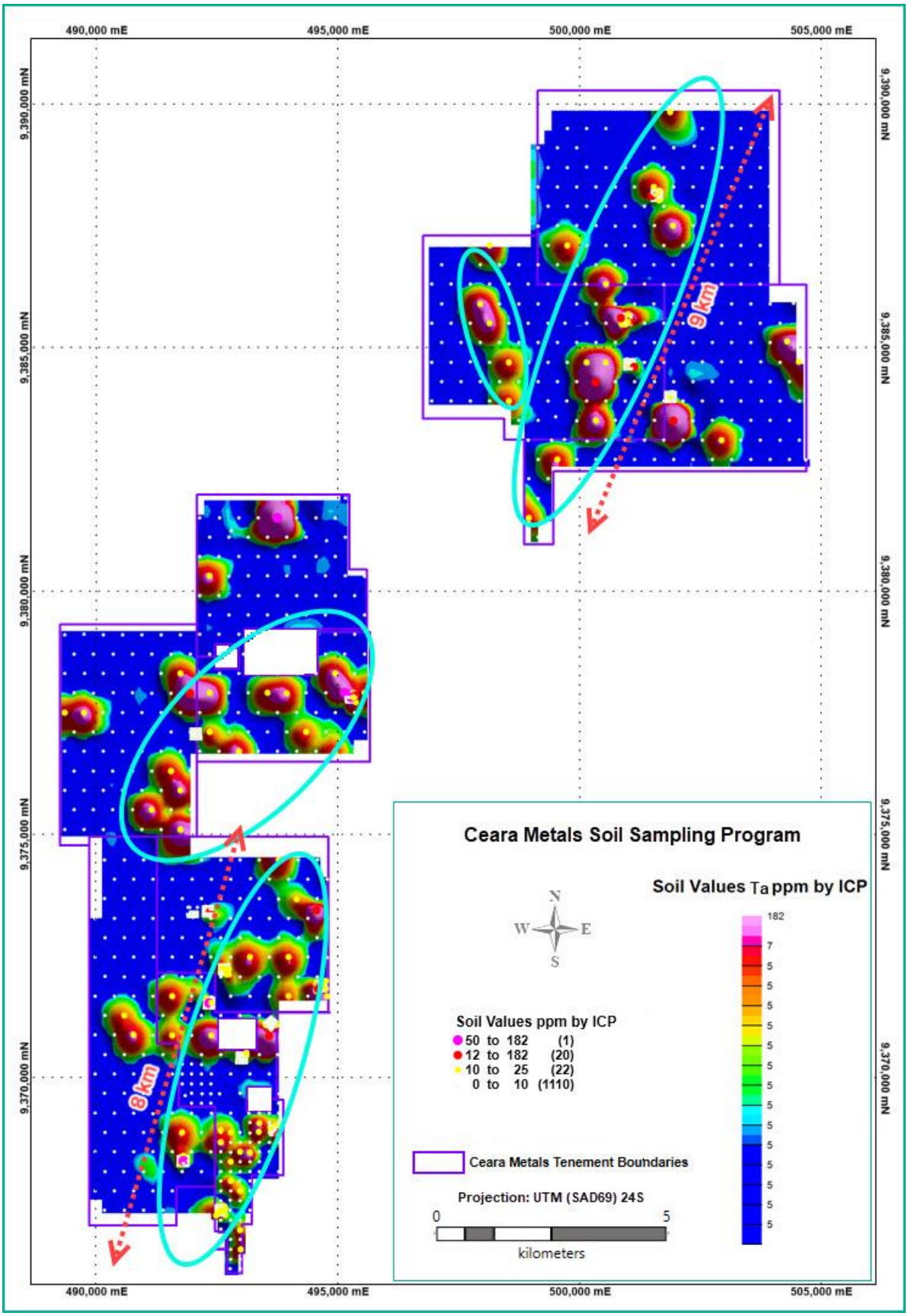

Figure 17 Summary of Soil Geochemistry Results for Ta ppm

7.5 Trenching

A total of 12 shallow trenches were dug over a very limited area at the southernmost edge of the project area. A total of 184 channel samples were collected from the trenches excavated. Figure 18 below summarizes the limited distribution of the trenches in the project area. The trenching was largely ineffective given the hard pegmatites and depth limitations, and yet anomalous levels of lithium were encountered. Figure 19 shows a cross-section representation of one of the trenches excavated.

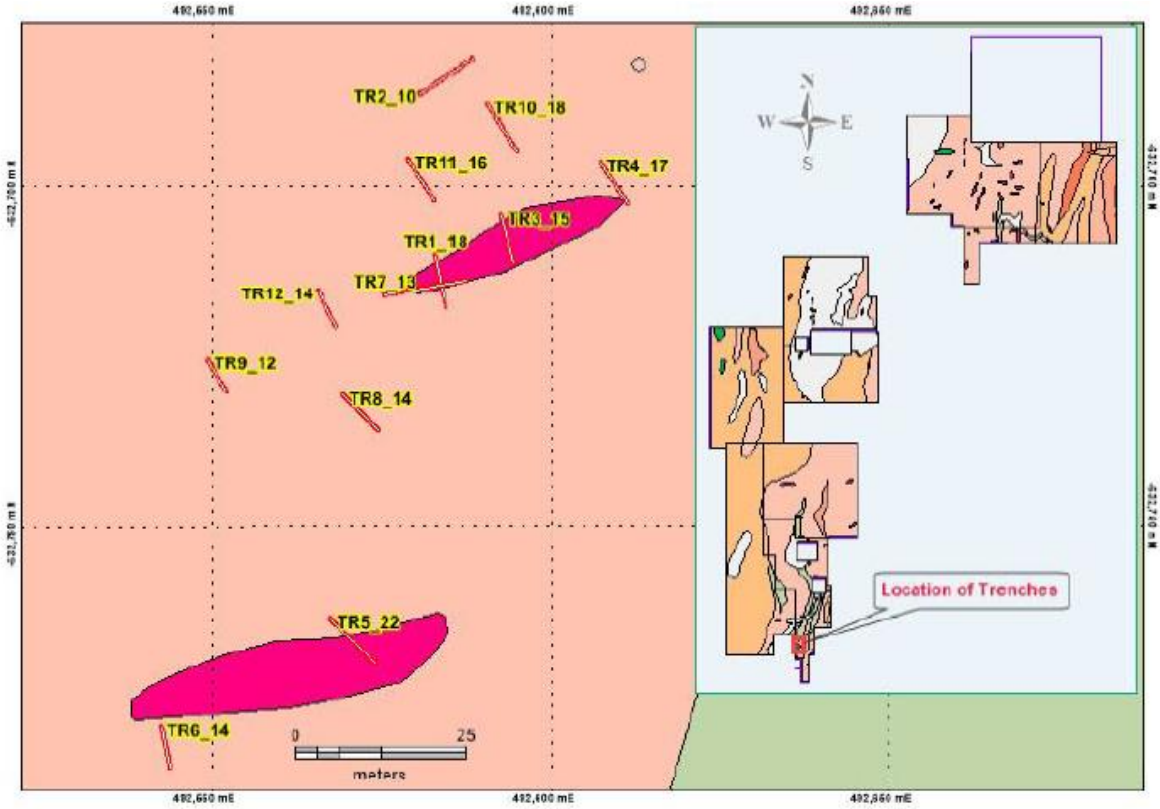

Figure 18 Summary of Trenches Excavated

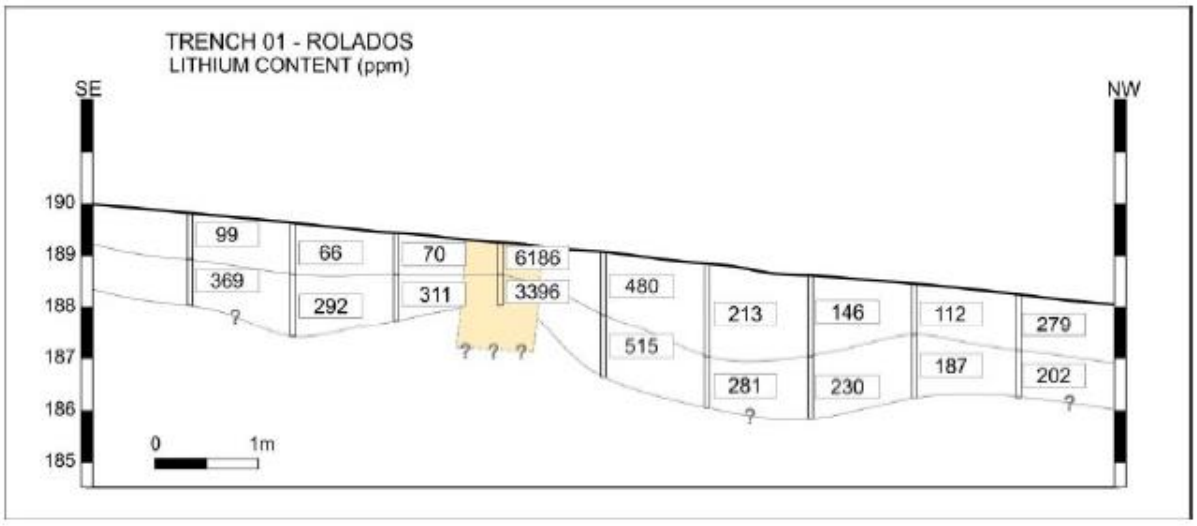

Figure 19 Cross-section Representation of Trench 1

8 SITE VISIT

The author conducted a Site Visit to the Solonópole Project on January 17 and 18, 2022. The Site Visit aimed at verifying the general morphology and geological setting of the project area, confirmation of historical artisanal mining sites, and the methodology applied to previous exploration work conducted by Ceará Litio.

It was observed during the visit that local features agree with the regional trend, and that observed outcrops were consistent with the regional maps presented by Ceará Litio.

In the historical artisanal workings visited, it was possible to observe the dimensions of the pits, the volume of material moved to waste stockpiles, the general orientation of the pegmatite outcrops, and the predominant mineralogy. Due to the rainy season, some pits were flooded or had dangerous access.

In general, the pegmatites visited are oriented E-W, sometimes ENE-WSW with a dip of 50° south to subvertical. The soil is poorly developed, with a thickness of approximately 0.50 meters and saprolite levels up to 1.50 meters.

Figure 20 to Figure 23 show photos taken during the site visit.

Specifically, in the “Mina do Rolado”, where trenches were made by Ceará Litio during their exploration work, the pit and trenches were found buried by the landowner (Figure 24). The site is located on a farm with intense mechanized agricultural activity.

Figure 20 Mina do Quandu – Photo showing alignment of pits indicating the E-W trend of the pegmatite – 500919E/9385528N

Figure 21 Mina do Zilcar – Photo of the pits showing an in-depth view. Total length of 10m and ENE-WSW orientation - 493588E/9371072N

Figure 22 Mina do Zilcar – Plagioclase with tourmaline crystal - 493588E/9371072N

Figure 23 Mina do Rolado - Area of the old pit currently buried for plantation purposes - 501873E/9383940N.

Figure 24 Mina do Rolado – Amblygonite crystal found in area of the old pit - 501873E/9383940N.

9 CONCLUSIONS AND RECOMMEDATIONS

GE21 carried out an assessment of the Solonópole project focusing on the potential for Lithium, Tantalum and Niobium mineralisation associated with pegmatites. It also evaluated the exploration carried out in the Project.

The district in which the Project is located has historical production of spodumene, amblygonite and tantalite/columbite through artisanal mining, in addition to occurrences of green and blue tourmaline referenced in academic publications and by National Mining Agency (ANM).

The research activities carried out in the Project include geophysical and multispectral analysis, regional mapping, rock sampling, soil sampling and trenching.

GE21 believes in the potential of the Project and considers that the research activities carried out to date classify the project as early-stage exploration.

A range of lithium minerals have been identified on these lithium enriched pegmatites, mostly in narrow veins identified in trenches and surface artisanal mining pits. The Company intends to investigate whether there is evidence of any large dyke in shallow depths with demonstrated scale potential. Additional work is planned to define more accurately the mineralisation zonation, including additional geophysics to better define the future drilling programs.

GE21 understand that there are risks to the project inherent to exploration phase like spacing of soil geochemical, interpretation of orebodies orientation and lack of diamond drilling campaigns. These risks naturally will be better understood with the advance of exploration program.

The region usually presents shortage of water that may configures a risk to the further beneficiation plant. The following exploration campaigns must consider those issue.

9.1 Use of Funds

OCEANA LITHIUM has provided a staged 2-year exploration and development budget shown in the table below. The table is based on the systematic exploration program proposed by OCEANA LITHIUM below. All stages are dependent on positive results from the prior stage of work. The following works are planned if a 6M$ IPO is achieved (if a 5.5M$ IPO is achieved then the drilling program will be reduced).

Proposed staged exploration for the Solonópole project include:

- Ground Magnetics Survey
- Infill Soil Geochemistry (50m x 50m)
- Trenching and mapping
- 22,000m of RC and Diamond Drilling

The following table (Table 5) shows a staged 2-year exploration budget. The program is results based with work in Year 2 being reliant on positive results from Year 1.

Table 5 Exploration and Development Budget

		5.5M AU$ IPO			6M AU$ IPO		
	Item	Year 1	Year 2	TOTAL	Year 1	Year 2	TOTAL
Solonopole	Tenement Fees	$16,000	$16,000	$32,000	$16,000	$16,000	$32,000
	Geophysics	$50,000		$50,000	$50,000		$50,000
	Mapping and Geochemistry	$500,000	$100,000	$600,000	$500,000	$100,000	$600,000
	Drilling and Assaying	$500,000	$1,450,000	$1,950,000	$500,000	$1,700,000	$2,200,000
	Project Studies and Permitting	$70,000	$194,000	$264,000	$70,000	$196,000	$264,000
	Total	$1,136,000	$1,760,000	$2,896,000	$1,136,000	$2,012,000	$3,146,000

OCEANA LITHIUM has provided an exploration and development budget of AU$1.14M in year 1 and AU$1.76M in year 2 (AU$5,500,000 IPO) and AU$1.14M in year 1 and AU$2.01M in year 2 (AU$6,000,000 IPO), The total budget is AU$2.89M (AU$5,500,000 IPO) and AU$3.15M (AU$6,000,000 IPO). GE21 considers the budget appropriate to adequately test the exploration and development potential of the Ceará Litio projects.

As mentioned in item 4.2, there are three tenements, no. 800.247/2016, 800.476/2016 and 800.477/2016, with the polygonal partially overlaps a rural settlement (PA Encanto), as shown in Figure 25.

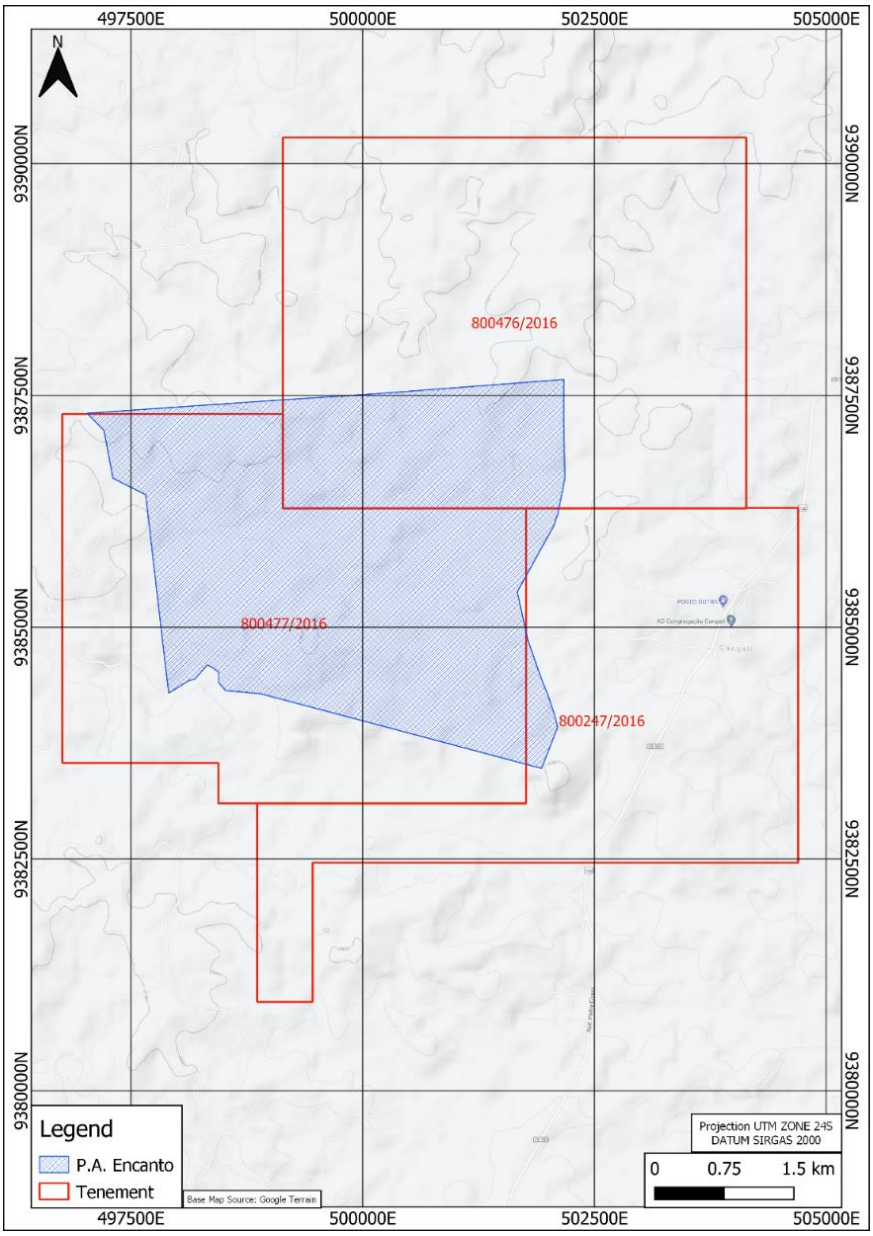

Figure 25 Location map of PA Encanto

In terms of the PA Encanto overlap with the Soil Geochemistry Results, the overlapped area is roughly 3-4 km of the 17km anomalous zone where the 400m x 400m soil sampling was conducted by Cougar.

In case of unavailable access in the overlapping area, the funds involved will be diverted to the rest of the tenement package where access is not an issue. If the exploration budget were spread evenly across the surface area of all the tenements, this would be equal to an impact of approximately 15% of the budget in Years 1 and 2, or A$170,400 and A$309,900 respectively for the Minimum Subscription case (total for years 1 and 2 A3.2m) and A$170,400 and A$347,400 for the Maximum Subscription case (total for years 1 and 2 A$3.45m). Therefore, even without an agreement with PA Encanto under the new INCRA rules, OCEANA LITHIUM will still be able to fully apply the funds raised from the IPO for exploration in the Solonópole project.

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APPENDIX 01 – JORC Table 1

Section 1 Sampling Techniques and Data (Criteria in this section apply to all succeeding sections.)

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Sampling techniques	• Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. • In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	• Geochemical sampling was undertaken by hand sampling below 50cm • Surface grab sampling with approximately 2 to 3 kg was carried out by collecting suitable sites of outcropping pegmatite • Surface channel sampling was undertaken by collecting 1 metre horizontal channel samples along shallow • Soil Geochem samples were analysed by ICP-OES in SGS GEOSOL Laboratories, Belo Horizonte trenches excavated
Drilling techniques	Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	• No drilling completed

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	• Not applicable
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged.	• Geological logs were recorded for all soil and channel samples
Sub-sampling techniques and sample preparation	If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	• Approximately 2kg of soil samples were collected from depths >50cm. Samples were not sieved or sub-sampling. The total of material was sent to the laboratory. • GE21 considers the sampling techniques appropriate for this stage of work.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	• Lab QAQC was applied, with certified samples and repeats utilized
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	• No significant intercepts were reported
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	Handheld GPS to +/-10m utilized
Data spacing and distribution	Data spacing for reporting of Exploration Results. • Whether the data spacing, and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve	• The soil sampling was on an initial 400 x 400m grid spacing, with limited 50 x 50m sample spacing at selected sites.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
	estimation procedure(s) and classifications applied. • Whether sample compositing has been applied.	
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• No Applicable
Sample security	• The measures taken to ensure sample security.	• No data available
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• None completed

Section 2 Reporting of Exploration Results (Criteria listed in the preceding section also apply to this section.)

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Mineral tenement and land tenure status	• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	• Information on the tenement status and ownership was verified and provided in the relevant section of this report.
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	• Area was an important artisanal mining district in the past. • There are academical articles and publication by National Mining Agency about the area.
Geology	• Deposit type, geological setting and style of mineralisation.	• Provided in the relevant section of this report.
Drill hole Information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: o easting and northing of the drill hole collar o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar o dip and azimuth of the hole o down hole length and interception depth o hole length. • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	• N/A

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts	• N/A
Relationship between mineralisation widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	• N/A
Diagrams	• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	• Provided in report
Balanced reporting	• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	• All material
Other substantive exploration data	• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater,	• Provided in report

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
	geotechnical and rock characteristics; potential deleterious or contaminating substances.	
Further work	• The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	• Infill soil geochemical sampling targeted at the regional geochemical anomalies defined has been planned

GEOMIN SERVICES PTY LTD

INDEPENDENT GEOLOGIST REPORT

On the Wangala and Ennugan mineral exploration projects of Oceana Lithium Ltd in the Napperby region of the Northern Territory

27 March 2022

The Directors,
Oceana Lithium Ltd
Perth

Dear Sirs

Independent Geologist Report on the Mineral Assets of Oceana Lithium Ltd in the Northern Territory

Geomin Services Pty Ltd ("**Geomin**") has been engaged by Oceana Lithium Ltd ("**Oceana**" or the "**Company**") to prepare an Independent Geological Report ("**the Report**") on exploration licence applications to the Department located in the Northern Territory of Australia.

The Report is to be included in a Prospectus ("**the Prospectus**") to be lodged with the Australian Securities and Investments Commission ("**ASIC**"), on or about 31 March 2022 for a capital raising to be undertaken by the Company of sufficient shares at an issue price of A$0.20 per share, to raise $5.5 million (before costs), with any oversubscriptions up to a maximum of $6.0m which the Company may accept. It is understood that the majority of the funds raised under the Offer will be used for exploration and evaluation of the exploration properties in Brazil, plus expenses associated with the preparation of the Prospectus and the Offer and for general working capital. This report addresses only the mineral tenements in the Northern Territory, and complements another Independent Geological Report on the Brazil assets.

This review is based upon information provided by the Company, along with published and unpublished data for the exploration properties, and personal knowledge of the areas by the Independent Geologist. A listing of the principal sources of information is included in this Report. Geomin has endeavoured, by making all reasonable enquiries, to confirm the authenticity, accuracy and completeness of the technical data upon which this Report is based.

This Report has been prepared in accordance with the Code and Guidelines for Assessment and Valuation of Mineral Assets and Mineral Securities for Independent Expert Reports ("**VALMIN Code**") and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("**JORC Code**") December 2012 edition, and the rules and guidelines issued by such bodies as ASIC and Australian Securities Exchange ("**ASX**") which pertain to Independent Expert Reports. The Report complies with section 716(2) of the *Corporations Act 2001* (Cth) (as modified) where consent is required if statements have been attributed to third parties.

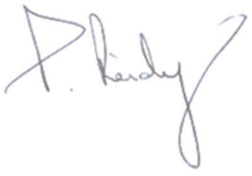
In consideration of the definition provided by the ASX and in the JORC Code, these properties are classified as *early-stage exploration projects*, which are inherently speculative in nature. The properties are considered to be sufficiently prospective, subject to varying degrees of risk, to warrant further exploration and development of their economic potential, consistent with the programmes proposed by Oceana. Mineral Resources estimated in accordance with JORC 2012 guidelines have not previously been reported for the Projects, and no reference to Mineral Resources is made in this report.

The Company has prepared staged exploration programmes, specific to the exploration potential of the individual licences, which are consistent with its budget allocations. It is considered that the Projects are sufficiently prospective to justify the proposed programmes and expenditure. The proposed exploration budgets exceed the minimum annual statutory expenditure requirement on the exploration properties.

This Independent Geologist Report has been compiled based on, and fairly represents, information and supporting documentation available up to and including the date of this Report. The information in this Report that relates to Exploration Results is based on information compiled by Dr Dennis Gee who is a consultant to Geomin. Dr Gee is a member of the Australian Institute of Geoscientists. Dr Gee has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code. Dr Gee has 56 years of relevant experience in the Technical Assessment of Mineral Properties.

Dr Gee consents to the inclusion in the Report of the matters based on his information in the form and context in which it appears.

Dr Dennis Gee, Geomin and its employees are not, nor intend to be, Directors, officers or other direct employees of the Company. The relationship with the Company is solely one of professional association between client and independent consultant. The review work and this Report are prepared in return for professional fees based upon agreed commercial rates and the payment of these fees is in no way contingent on the results of this Report.
Yours faithfully



Paddy Reidy,

Director

For and on behalf of:

Geomin Services Pty Ltd

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SUMMARY OF PROJECTS

In March 2022, Oceana Lithium Ltd entered into an agreement to acquire 100% of Consolidate Lithium Trading Pty Ltd ACN 644 114 170, a company that is the beneficial owner of exploration license EL 32836 (granted) ELA and ELA 32841 (application) in the Northern Territory. These tenements will become the Northern Territory assets of Oceana, and complement those in Brazil.

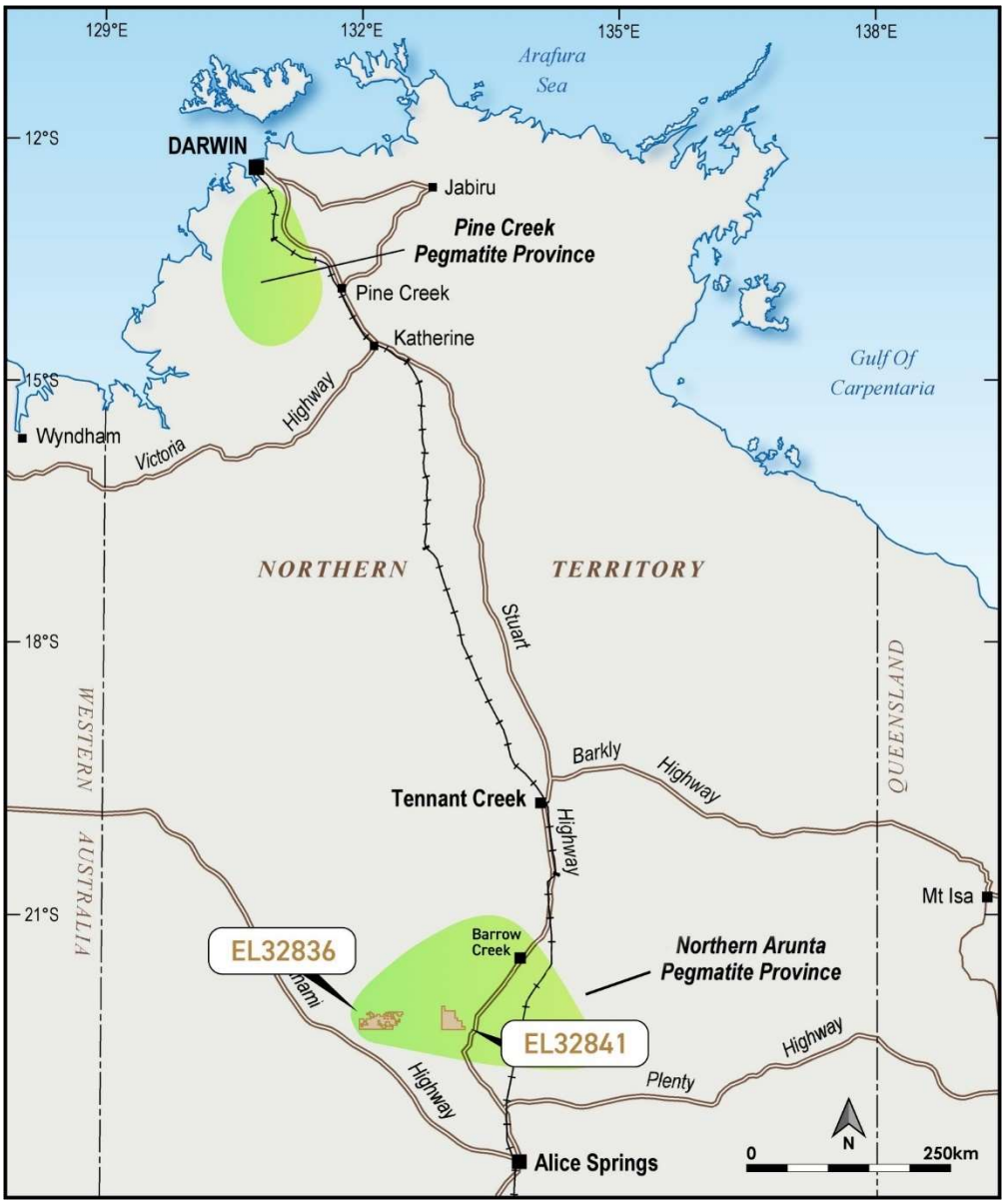

Figure 1: Geographic location of Oceana Lithium projects in the Northern Territory

The ELs are located 280km northwest of Alice Springs. They lie in the Aileron Geological Province, which marks the southern margin of the mineral-endowed North Australian Craton. In this tectonic position the Aileron Province is subject to multiple orogenic events, starting with the craton-forming Stafford Orogenic event at circa 1800Ma, followed by the Yambah Orogeny (~1770Ma), and the Chewings Orogenic event (~1560Ma). Each one of these orogenic events has its own signature mineralising systems. Firstly is the orogenic gold system of Tanami style and poly-metallic basemetal systems of Jervoise style in the metamorphosed Lander Formation which is abundantly intruded by "Stafford" granite suite. Secondly, and of particular relevance to Oceana's assets is the presence of

tin-tantalum-(lithium) pegmatites and greisen-style hydrothermal alteration fluid systems in highly radiogenic granites related to the Yambah Orogenic event, exemplified by the Anningie Pegmatite Field. Available geochemical data indicates that Anningie pegmatites include the two main classes of rare-metal granitic pegmatites, namely niobium-yttrium-fluorine (NYF-type) and lithium-cerium-tantalum (LCT-type). Thirdly, is a regional metasomatic phosphorus-fluorine-rare earth element (REE) system of Nolan style, related to the Chewings Orogeny that is introduced into pre-existing rocks.

The exploration assets of Oceana have extensive coverage of the two most radiogenic granite plutons of the Aileron Province, as well as much of their contact zones. Both plutons have indications of the three mineral systems described above. EL 23836 of 650km^2 covers the Wangala Granite pluton and generates the Wangala Project, and ELA 23841 of 512km^2 covers the Ennugan Mountains granite and generates the Ennugan Project.

Wangala Granite of ca 1777Ma (Yambah) age is a muscovite-biotite per-aluminous S-type granite, which implies derivation by upper-crustal melting of sedimentary rocks of the Lander Formation. In this respect it is fertile for both NYF and LCT pegmatites. Scattered pegmatite dykes, greisen zones, tin-tantalum mineralisation, and apatite-rich enclaves, are recorded from exposed areas. Most previous exploration has involved grab-sampling of historic tin-tantalum occurrences, but no significant mineralisation has so far been found. However significant cassiterite – in the range of 1% - 24% in pan concentrates – has defined a coherent six-kilometre long anomaly along the northern contact of Wangala Granite. The source of the cassiterite has not been identified, and could indicate disseminated bed-rock mineralisation along the contact of the pluton.

Surprisingly, there has been no dedicated lithium exploration, and very little REE exploration. Recent publications by the Northern Territory Geological Survey (referenced in the body of this report; and who has not consented to its use in this Report) shows Wangala Granite to be a composite multi-phase pluton, that has been subject to a late hydrothermal event of ca 1575Ma (Chewings) age, that introduced phosphorus, uranium, fluorine, tin, tungsten and REE. Of particular interest is a poorly-exposed muscovite-rich granite with abundant pegmatite bodies at the eastern end of the pluton, believed to be the final phase of intrusion. This phase is especially fertile for both NYF and LCT segregations in pegmatite, yet surprisingly there are very few analyses for lithium. Bed-rock interpretation indicates this phase is extensive in the sub-crop beneath alluvial-colluvial flats. This area has been subject to shallow geochemical drilling mainly for uranium exploration in the 1970s, but no there is no information on the lithological and geochemical nature of the bedrock. The contact zones and the eastern termination of the Wangala pluton against Lander Formation, are considered to be highly prospective for rare-element pegmatites and REE, but are totally unexplored.

The Ennugan Mountains Granite of 1621 Ma (post Yambam) age, is a two-phase pluton. The southern phase is an I-type biotite-hornblende granite which implies derivation from lower crustal melting. It is characterised by lenses of biotite schist with elevated uranium, thorium, phosphorus, fluorine and REE. Uranium exploration in the 1970s primarily focussed on paleo-channel uranium, but also identified bedrock localities with elevated uranium (up to 320ppm) and thorium (up to 820ppm). These anomalies are associated with accessory allanite, monazite and xenotime. Such minerals are invariably REE bearing, but no REE analyses have been done. The northern phase is finer grained, devoid of hornblende, and is undated, but presumed to be later. The contact zone between the two phases is characterised by mylonitic shearing, quartz vein swarms, copious stream-sediment tin anomalies, and one locality of beryl, topaz and fluorite.

No further exploration has been done at Ennugan since the late 1990s. There is no documentation of pegmatite, and no analyses for lithium. As with the Wangala study, recent work by the Northern

Territory Geological Survey demonstrates the elevated rare elements in the Ennugan Granite represent a 1574 Ma (Chewings) metasomatic event. This is a regionally important fluid-flow event that enhances the prospectivity of Wangala and Ennugan for all rare-element pegmatite, and which requires re-focussing of exploration strategy.

1. INTRODUCTION

1.1 Terms of Reference

Geomin Services Pty Ltd (ACN 623 624 251) ("**Geomin**") has been engaged by Oceana Lithium Ltd ACN 654 593 290, to prepare an Independent Geological Report ("**the Report**") on the Wangala and Ennugan Projects in the Northern Territory of Australia. In March 2021 Oceana entered into an agreement to acquire 100% of the issued capital of Consolidate Lithium Trading Pty Ltd which on 12 September 2021 made application for ELs 32836 and 32841. EL 32836 has subsequently been granted.

This Report is to be included in a Prospectus ("**the Prospectus**") to be lodged by the Company with the Australian Securities and Investments Commission ("**ASIC**"), on or about 25 March 2022 for a capital raising to be undertaken by the Company of sufficient at an issue price of A$0.20 per share, to raise $5.5 million (before costs), with oversubscriptions which may be accepted by the directors of the Company, to raise up to a further $500,000 ("**the Offer**"). The funds raised will be used for the purposes of exploration and evaluation of all the mineral properties, expenses associated with the preparation of the Prospectus and for general working capital.

This Report has been prepared in accordance with the Code and Guidelines for Assessment and Valuation of Mineral Assets and Mineral Securities for Independent Expert Reports ("**VALMIN Code**") and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("**JORC Code**") December 2012 edition, and the rules and guidelines issued by such bodies as ASIC and Australian Securities Exchange ("**ASX**") which pertain to Independent Expert Reports.

The legal status of the tenure of the mineral assets has not been independently verified by Geomin, other than to ascertain the tenements are recorded on the latest spatial datasets of the Northern Territory Geological Survey. The Report has been prepared on the assumption that the tenements will prove lawfully accessible for evaluation and development. In this respect budget and work programs have been proposed for the first and second years subsequent to grant of each application.

This Independent Geologist Report has been compiled based on, and fairly represents, information and supporting documentation available up to and including the date of this Report. Geomin has endeavoured, by making all reasonable enquiries, to confirm the authenticity, accuracy and completeness of the technical data upon which this Report is based. The information in this Report that relates to Exploration Results is based on information compiled by Dr Dennis Gee who is a consultant to Geomin (see qualifications, experience and independence below).

The Report is based on information available up to and including the date of this Report.

Consent has been given for the inclusion of this Report in the form and context in which it appears in a prospectus to be lodged by the Company with ASIC.

1.2 Qualifications, Experience and Independence

Geomin is an independent, privately owned consulting firm which has provided exploration, mining and Mineral Resource consulting services to the minerals industry since 2018.

Mr Paddy Reidy MSc (Mineral and Energy Economics), BA (Hons, Geology) is the Director of Geomin with over 25 years experience in the Australian and International resource sector. Mr Reidy has extensive experience in project management, scoping and feasibility studies, project review, mineral asset valuation and mineral resource estimation across a wide range of commodities.

Dr Dennis Gee is the author of this Independent Geologists Report, and has over 55 years of professional experience as a geologist. He holds the degrees of BSc (First Class Hons) and PhD from the University of Tasmania, is a long-standing member of the Australian Institute of Geoscientists, and is a Graduate of the Australian Institute of Company Directors.

On graduation he worked for nine years with the Tasmanian Mines Department before joining MIM subsidiary Carpentaria Exploration Company based in Kalgoorlie. In 1972 he took up the position of Supervising Geologist with the Geological Survey of Western Australia (GSWA) guiding the completion of 1:250 000-scale geological mapping of the State, and later became Deputy Director of GSWA. In 1986 he took up the position of Technical Director of Reynolds Australia Metals, representing the owner's participation in JV operations at Boddington, Mount Gibson and Marvel Loch gold mines, as well as responsibility for gold exploration in WA, NT and Qld. After withdrawal of Reynolds Metals from Australia he became Regional Exploration Manager for Mount Isa Mines subsidiary MIMEX, His subsequent positions were Director of the Northern Territory Geological Survey and CEO of the Cooperative Research Centre for Landscape Environments and Mineral Exploration attached to CSIRO.

For the last 14 years he has been consulting to listed exploration companies and private syndicates on a range of commodities including gold, copper, zinc, vanadium, iron ore, heavy mineral sands, coal, potash and geothermal energy. He has held directorships with ASX-listed companies.

Information in this Report that relates to Technical Assessment and Valuation of Mineral Assets is compiled by Dr Gee, a Member of the Australian Institute Geoscientists. He has sufficient experience to qualify as a Practitioner as defined in the 2015 edition of the Australasian Code for the Public Reporting of Technical Assessments and Valuations of Mineral Assets.

Dr Gee has sufficient experience relevant to the style of mineralisation and types of deposits under consideration, to qualify as an Expert and Competent Person as defined under the VALMIN Code, and in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("**JORC Code"**).

Neither Dr Gee nor Geomin are, or do not intend to be a director or employee of the Company.

This Report is made in return for professional fees based upon agreed commercial rates.

Dr Gee consents to the inclusion in the Report of the matters based on his information in the form and context in which it appears.

1.3 Principal Sources of Information

This review is based largely on information made available by the Company, together with extensive published geoscientific datasets and open-file company reports on mineral exploration made freely available by the Northern Territory Geological Survey. ASX releases by current and previous explorers within and peripheral to the tenement have been reviewed. All this information has been synthesized using the Independent Geologist's extensive professional experience and knowledge of the geological terrains of Northern Territory. The Independent Geologist has not specifically visited the area in the course of preparation of this report. However he is familiar with the geology of these terranes, having previously worked for the Geological survey of the Northern Territory.

The status of agreements, royalties or tenement standing pertaining to the assets was not investigated.

The Independent Geologist has no equity in the project, or any of the involved corporate entities.

The author has endeavoured, by exercising reasonable due diligence along with other associated enquiries, to confirm the authenticity and completeness of the technical data upon which this Report

is based. The Company was given a final draft of this Report and requested to identify any material errors or omissions prior to its final lodgement.

1.4 Location and Access

The projects of Oceana Lithium are located in the Central Desert LGA of the Northern Territory, some 250km northwest of Alice Springs. Access to the western Wangala project area is via several graded tracks that head north off the Tanami Highway via the communities of Puladi, Yuelamu or Yeundumu. Alternative access to Wangala is via the Mt Denison road that comes off the Stuart Highway at a point 45 km south of the settlement of Ti Tree. Good internal access is via numerous station and past exploration tracks.

Access to the Ennugan project area is via the Nturiya track that heads west off the Stuart Highway at the settlement of Ti-Tree. Internal access within Ennugan EL is more problematic on account of the rugged hills and disused tracks.

2. TENURE

The projects of Oceana Lithium are based on two exploration licenses in the name of Consolidate Lithium Trading Pty Ltd.

Tenement	Project	Effective Date	Area Squ Km	Graticular Blocks	Y1 Indicative Expenditure	Y2 Indicative Expenditure
EL 32836	Wangala	23/03/2022	649.84	205	$30,750	$51,250
ELA32841	Ennugan	22/10/ 2021	512.37	161	$24,150	$40,250

Table 1: Tenement schedule of Oceana Lithium – Napperby Tenements

For descriptive convenience the ELs are given project names. EL 32836 is called Wangala after the Wangala Hills that forms the core of the tenement, which in turn lends its name to the metallogenically important Wangala Granite. The tenement is irregular in shape, on account of several internal exclusions by other applications, and infills around pre-existing applications. It consists of 205 graticular blocks. Wangala EL lies mostly on Mt Denison Pastoral station, and partly on Coniston Station. It was granted on 25 March 2022.

ELA 34821 comprises the Ennugan project area, which derives its name from the Ennugan Mountains that dominate the area, and the important Ennugan Granite. It consists of 161 contiguous blocks. It lies on ALRA ground as per the Aboriginal Land Rights Act which granted inalienable freehold in certain areas to Traditional Owners. This requires agreement of the Traditional Owners before the tenement can be granted, or permission to enter can be given. The standard negotiation period is 24 months.

As per Guideline 6 on project expenditures, issued by the Northern Territory Department of Industry and Resources, indicative minimum expenditure requirements for granted Exploration Licenses are $150 per graticular block in Year 1, and $250 per graticular block in Year 2. Table 1 shows the indicative minimum expenditures for each project area. It is understood that pre-grant expenditures on permissible exploration activities can be claimed in the first year after grant.

Both project areas will require liaison and negotiation with the Central Lands Council. It is relevant to note that apart from a string of granted tenement along a gold belt between the Wangala and Ennugan project areas, many tenements in the area remain as applications.

3. GEOLOGICAL SETTING OF NT PROPERTIES

3.1 Tectonic Evolution

The project areas of Oceana Lithium occur in the central part of the Aileron Geological Province, which in previous geological literature has variously been variously called the Arunta Complex and the Arunta Region. Extensive geological and geochronological work over the last two decades by NTGS and Geoscience Australia have identified the Aileron Province as an important geological and metallogenic entity on the southern margin of the North Australian Craton (NAC). The NAC forms the stable geological basement of the greater part of the Northern Territory north of Alice Springs. It extends westward to include the Halls Creek Orogen in Western Australia, and eastward to include the Isa Orogen in Queensland. It hosts a variety of world-class mineral deposits within and around its periphery. In the Northern Territory its geological components include the Pine Creek Orogen, Tanami Region, Waramunga Province (Tennant Creek), and the Aileron Province. Most of the NAC is composed of metamorphosed sedimentary and volcanic sequences, orthogneiss and granite, all in in the age range of 1870 – 1800 Ma, by which time it achieved tectonic stability. Much of the northern part of the craton is overlain by extensive sedimentary basins commencing at an age about 1800 Ma, as exemplified by the Greater McArthur Basin. The Aileron Province is exceptional in that multiple orogenic events continued after the 1800 Ma cratonisation event, and it is largely devoid of the extensive sedimentary basins, characteristic of the northern part of the NAC.

The following summary of the Aileron Province is drawn from Scrimgeour (2013). The geological representation of the central part of the Aileron Province (Figure 2) is adapted from various NTGS digital products. Its complex evolution is attributed to proximity to the craton margin, and its involvement in several post-cratonisation orogenic events. As summarised in Table 2, three significant orogenic events have shaped the geological nature of the Aileron Province, and its diverse metallogenic systems.

The oldest terranes are composed of belts of Lander Formation, encased within extensive tracts of orthogneiss. The Lander Formation is a metamorphosed greywacke–shale sequence with minor basalt, now metamorphosed to biotite-muscovite-chlorite-andalusite garnet-cordierite assemblages. It is broadly correlated with the lithologically similar Killi Killi Formation of the Tanami region, which along with the underlying Dead Bullock Formation, hosts much of the Tanami gold deposits.

Metamorphism and deformation of the Lander Formation, together with the emplacement of granitic gneiss, records the Stafford Orogeny of age 1810 – 1790 Ma, which represents the craton-stabilisation event throughout the NAC. As such all belts of Lander Formation have potential for hosting orogenic gold and VMS deposits. A line of significant stockwork-type orogenic gold occurrences has been identified along a northwest-southeast trending fault system within a belt of Lander Fm between the two project areas of Oceana Lithium (Figure 2).

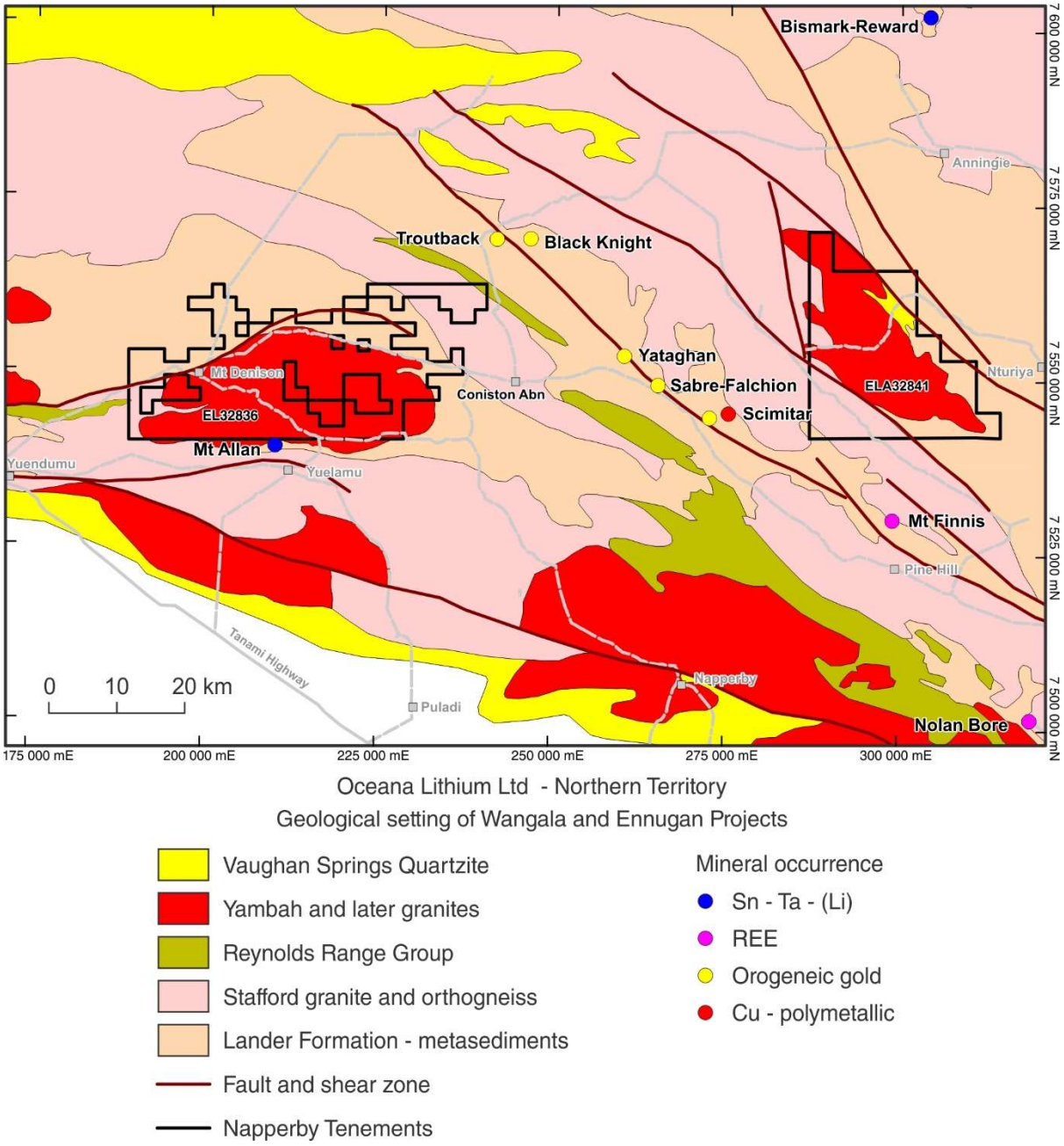

Figure 2: Geological setting of Wangala (EL32836) and Ennugan (ELA32841) project areas. Adapted from NTGS 1:250 000 bedrock interpretation digital dataset

In the area of Figure 2, the encasing "Stafford" granitic rocks have been given formal names such as Harvison and Koonoonyeri granites, and Boothby, Anmatijira and Yaningidjara orthogneiss. They are derived principally from porphyritic and rapakivi granites, and as such have no intrinsic metallogenic significance, although they can host hydrothermal mineralisation events related to later orogenic events, such as the world-class Nolan REE deposit that is hosed in the Boothby Gneiss.

The elongate belt of Reynolds Range Group on Figure 2 marks an infolded remnant of a sedimentary sequence that deposited unconformably on the Stafford metamorphics, at about 1780 Ma. This group consists of quartzite, pelite, shale and carbonates, which have been deformed and metamorphosed in the Yambah Orogenic event. Apart from some polymetallic (basemetal) veins, no significant

mineralisation occurs in the Reynolds Range metasediments. Large granitic intrusions of age 1780-1770 Ga mark the culmination of the Yambah Orogeny. They include a range even-grained undeformed granite, schistose and gneissic granite, microgranite and porphyry and pegmatite – the latter variants indicating high-levels intrusions. They include a variety of genetic types, but the more interesting type is per-aluminous granite with tin-tantalum-tungsten pegmatites, and elevated REE and radiogenic minerals.

The Chewings Orogeny between 1590 – 1560 Ma), is the final orogenic event of metallogenic significance to affect the area. It is characterised by high-temperature regional metamorphism, and deep crustal shearing associated with the final accretion of the Warumpi Province onto the Aileron Province at the southern rim of the NAC, but in this area no major magmatism and sedimentation. It is a time equivalent of the important Isan Orogeny in Queensland. However it is associated with centres of deep-sourced high-temperature late-magmatic / hydrothermal mineral systems throughout the NAC. The so-called "unconformity-related" uranium and REE mineralising events of the Pine Creek Orogen and Tanami Region are probably an expression of this event. Nolan REE deposit may also be an expression of this event.

Age Ma	Sedimentation event	Tectonic Event	Metallogenic Event
1590 – 1560		Chewings	REE Uranium1560
1780- 1770		Yambah	Radiogenic minerals, Sn-Ta
1780	Reynolds Range Group		Nil
1810 - 1790		Stafford	Orogenic gold
1860 - 1838	Lander Formation		VMS

Table 2: Main tectonic events of the Aileron Province

To provide context to the mineral prospectivity of the Oceana Lithium project areas, significant mineral occurrences of the region are shown in Figure 2. These are drawn from the NTGS open-file MODAT database and company reports to NTDIPR and ASX (the authors of which have not consented to the use of those reports in this Report). Mineral occurrences within the tenured project areas are discussed in a later section.

3.2 REE Deposits

Nolans is a world-class REE deposit located in the southeast corner of Figure 2. It is an example of a hydrothermal event related to the Chewings Orogeny that brough hot metasomatic fluids saturated in phosphorus, fluorine and rare earth elements into the older Stafford orthogneiss (Huston *et al* 2016, Ananburg *et al* 2020). It consists of an early stage of fluorapatite injection with abundant inclusions of REE silicates, phosphates and fluoro-carbonates, followed by veins of calcite-allanite with accessory REE-bearing phosphate and (fluoro)carbonate minerals. Mineralisation is dated at 1525Ma, and is hosted in pegmatite of age ca 1525 Ma. Metallogenically, it probably relates to the last phase of north-dipping subduction along the southern margin of the Aileron Province, which produced metasomatic, volatile-rich fluids, possibly derived from subducting phosphorite rocks. It is reasonable to postulate this event will have affected the entire area of Figure 2.

Nolans has a resource of 56Mt at 2.1%TREO (90% Nd/Pr), plus 11% P_2O_5. It is in final feasibility stage, aiming to produce annually 4,440 tonnes of Nd/Pr oxide over a mine life of 38 years, and requires a capital expenditure of A$1.056 billion (Arafura Resources Ltd, ARU:ASX announcement 11 May 2021).

The NTGS MODAT database records a small REE deposit at Mt Finnis (299029mE, 7530120mN), and an un-named occurrence 1.7km to the east-northeast. They lie close to the contact of metamorphosed Lander Formation and "Stafford" orthogneiss). These REE prospects were discovered by Otter Exploration (CR1980- 0056) who described Mt Finnis as a garnet-monazite pod. A grab sample reputedly gave 10.1% Ce, 4.75% La, 3400ppm Y, 3.98% Nd, 0.8% Gd, 0.34% SM, 640ppm Dy, 900ppm Er, and 110%Yb. Hussey (2003) considers the REE occurrences to be related to hydrothermal / metasomatic alteration similar to Nolans deposit. No further information is known about these occurrences.

3.3 Tin-Tantalum-Lithium

Recognised tin-tantalum pegmatite fields occur within the northern Aileron Province, notably Alcoota, Barrow Creek and Anningie (Frater 2005). The closest field to the Oceana tenements is Anningie pegmatite field which lies 40km north of Ennugan, as shown on Figure 2. This field produced 35 tonnes of cassiterite concentrate up till 1936, but subsequent exploration has not defined any resource. Micaceous-rich tin-tantalum pegmatite occurs in an enclave of Lander Formation within the Esther Granite, which is dated at 1789±6MA, and therefore part of the older Stafford suite of granites. Donellan (2008) considers Esther Granite to be the likely source of the Sn-Ta mineralisation, although the area is characterised by over-printed metamorphism, shearing and late quartz veining, and mineralisation could well be of Yambah or later age.

Traditionally, rare-element pegmatites have been classified according to the scheme of Cerny (1993b) which recognised a lithium-cesium-tantalum (LCT) class, and a niobium-yttrium-fluorine (NYF) class. In a review of tin-tantalite mineralisation in the Norther Territory, Frater (2005) considered most of the Northern Territory deposits are LCT class, although it was recognised that some occurrences in the Northern Arunta (that is – the Alerion Province) had chemical signatures of the NYF class.

Diagnostic geochemical signatures of the NYF class are low Li and Nb>Ta. On this metric, it is evident from litho-geochemistry (Frater 2005, p161, p165) that many Northern Arunta pegmatites are of the NYF class, but LCT signatures do occur. Lithium minerals such as spodumene and lepidolite have been seldom recorded, but were documented by Pontifex (1965) in the vicinity of the historic Reward tin mine of the Anningie Field. Unless it is coarsely crystallised, spodumene is easily overlooked in the field, and requires chemical analysis to confirm its presence. Frater (2005, p174) presents an average of three samples from the historic Reward tin mine, illustrating high lithium of 747ppm, plus 435ppm Nb, and 3185ppm Ta, but did not mention lithium minerals. It is significant that abundant fine-grained spodumene has been confirmed at Bismark, a satellite pegmatite of Reward, by Todd River Resources (TRR:ASX announcement 21 Dec 2017). Core Lithium (ASX: CXO) has subsequently acquired the Reward and Bismark properties and undertaken soil sampling, but no further analyses have been released.

In a subsequent revision of rare-element pegmatite classification, Cerny and Ercit (2005) recognised three classes; (a) NYF class with progressive accumulation of Nb, Y and F (with Be, REE, Sc, Ti, Zr, Th and U) fractionated from sub-aluminous to met-aluminous A- and I-type granites; (b) LCT class marked by accumulation of Li, Cs and Ta (Rb, Be, Sn, B, P and F), derived mainly from S-type per-aluminous granites; (c) a mixed NYF + LCT family of diverse origins, such as contamination of NYF plutons by digestion of fertile supracrustal rocks. On the basis of geochemistry of Barrow Creek and Anningie pegmatites, together with the scant whole-rock analyses from Wangala, it is appropriate to regard Wangala pegmatite as a mixed NYF+ LCT class of pegmatite, giving equal exploration focus to lithium and REE.

In regard to the Wangala area, the Mt Allan Tin Mine is the largest so-far identified Sn-Ta pegmatite deposit. It occurs 15km southeast of Mt Denison Homestead, and 4km north-northeast of Yuelamu community, just outside the southern margin of Walgala EL. Cassiterite, with minor tantalite and columbite occur in a pegmatite that intrudes an enclave of Reynold Range calc-silicate metamorphic rocks in close proximity to the southern margin of the Wangala Granite. Modest, but unquantified production of concentrate has come from insitu weathered rock and eluvial workings between 1968 and 1975. In 1970 it was drilled by the Northern Territory Mines Branch which recorded sub-economic values of Sn and Ta (Fruzzetti 1970).

Numerous small-scale workings, and a multitude of anomalous occurrences of tin and tantalum with tungsten (in the form of wolframite) occur within Wangala EL, which are discussed in a later section. The close spatial relationship of all these Sn-Ta (-W) occurrences with Yambah-style "hot" granites, and alteration structures within it, means they constitute a discrete metallogenic system.

3.4 Orogenic Gold

A line of orogenic gold occurrences occurs within a regional shear zone in the Lander Formation, extending from Pine Hill prospect in the southeast, through Sabre, Falchion and Yataghan to Troutback and Black Knight prospects in the northwest, a distance of 40km. They have similar style of mineralisation to those in the Tanami region. These prospects were identified by Poseidon Gold group (CR1995-0403) by surface and shallow sub-surface geochemistry and delivered ore-grade intersections, such as 26m at 2.16g/t Au in diamond hole RD2 (CR1995-0403) at Sabre prospect. In a farmin to the Poseidon ground, Exodus confirmed the mineralised zones with RAB drilling, giving intersections such as 30m at 2.5g/t Au at Sabre, and 12m at 3.9g/t and 4.2%Sb at Falchion. These deposits occur as discrete stockworks of quartz veins with finely disseminated pyrite and arsenopyrite. An ASX release of Prodigy Gold (PRX:ASX, 29 Nov 2011) who now hold this line of gold prospects, gives a summary of significant gold intersections. Although the regional shear that hosts these prospects does not pass into the Wangela tenement, faults and shear zones of a similar nature do occur in areas of Lander Formation that are captured in part by Wangela EL.

3.5 Cu-Au-basemetal mineralisation

Several historic copper-bearing quartz veins occur in close proximity to the orogenic gold line, of which the Reward Copper Mine is the most historic, having produced cupreous ores in the 1950s. These copper occurrences all have anomalous gold, silver and lead. For example, sampling of Reward (ABM:ASX, 13 May 2010) gave 20.3%Cu, 21g/t Ag, and 0.55g/t Au.

Contemporary exploration in the 1990s by the Normandy gold group using lag sampling and shallow RAB and vacuum-drill geochemistry defined a coherent gold, copper, arsenic, lead and zinc anomaly just to the north of Reward Copper, which became Scimitar Prospect. Prodigy Gold Ltd acquired the property in 2012 and flew an airborne EM survey which identified a conductor at Scimitar. This was refined by further geochemistry and a ground moving-loop electromagnetic survey. The target was diamond-drilled to 400m in 2020 under a co-funded NTGS Resourcing the Territory initiative. This intersected pelitic metasedimentary sequence with mafic schist and sulphidic black shales with sphalerite and galena (PRX:ASX 29 Jan 2021). A second co-funded diamond hole was drilled in 2021 to 260m to test the southern extension of Reward, and results are pending.

The style of Reward – Scimitar mineralisation, in terms of host rock and mineral assemblage bears strong similarity to the Jervois deposit of KGL Resources which occurs in the Lander Formation equivalent, and has a resource of 13.58Mt (ind + inf) at 1.8%Cu, 32.8g/t Ag and 0.32g/t Au (KGL:ASX, 10 Jan 2022). These occurrences are unlike syngenetic VMS systems, and more like IOCG systems that could relate to a later hydrothermal event. Consequently they have relevance to the prospectivity of the Wangala project area of Oceana Lithium, which has about 35km km strike extent of Lander Formation on the northern side of Wangala Granite.

4. WANGALA PROJECT AREA

4.1 Geomorphology and Regolith

Topographically, Wangala project area occurs on elevated terrain, slightly off the northern cusp of a regional drainage divide separating south-flowing ephemeral drainages that empty onto the salinas on the Nagalia Basin, and north-flowing creeks that join to form the major ephemeral palaeodrainage of the Lander River, that disperses into the Tanami Desert.

The Lander River tributaries include the Western, Crown and Ingallan creeks that arise in gullies that shape the Wangala topography. Upper reaches of these creeks contain active alluvial channels of sand and gravel that expand downstream into sandy flood floodplains. Alluvial and eluvial heavy minerals are known to occur in gullies. The piedmont areas contain aprons of red soils that underlie the active alluvial and colluvial material, and are thought to represent material from an earlier erosional event that removed lateritic duricrust from the elevated erosional areas. The basal layers of all these surficial depositional units have potential for paleochannel and placer mineral deposits, discussed in a later section.

The upland tracts are dominated by the Wangala Hills in the southwest and Mau Hills to the northeast, which are separated by the locally named Five Mile Creek. Variably weathered exposures of the Wangala Granite pluton on the upland areas and numerous pavements on the lower plains enable the different phases to be mapped.

4.2 Wangala Granite

The highly prospective Wangala Granite is an east-west trending ovate-shaped pluton 42km long and 16km wide. Its bedrock extent is best defined by the detailed mapping of Stewart *et al* (1982), and aeromagnetic imagery (Clifton 2016). Aside from the internal excluded graticular blocks, most of the pluton lies within EL 23836 although the southern contact with Reynolds Range calc-silicates, which hosts known tin deposits, lies just outside the tenement. The pluton contact in the north and west sectors is intrusive into Lander Formation, but much of it is undercover. Its intrusive contact in the east is uncertain, but does include calc-silicates metasediments of the Reynolds Range Group, and older “Stafford” gneiss.

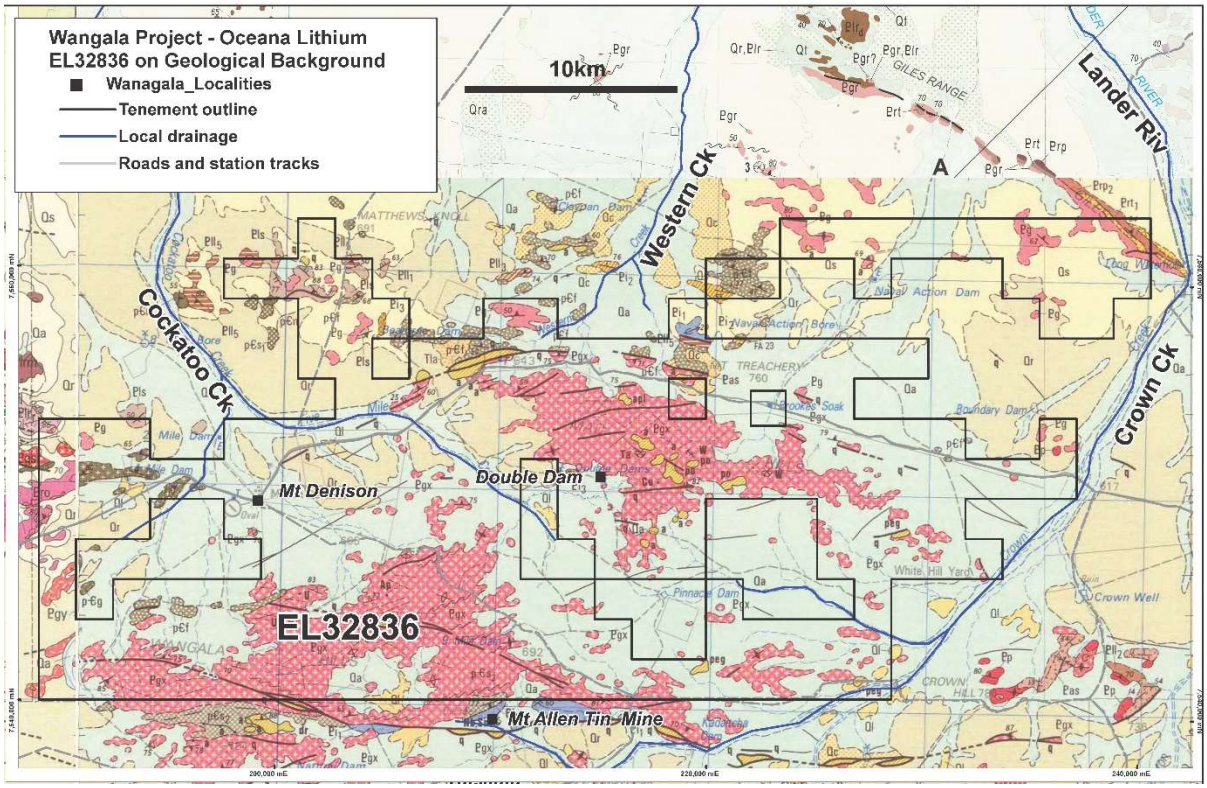

Figure 3: Wangala tenement on geological background, highlighting main access tracks and watercourses

The petrology, mineralogy and geochemistry of the internal phases of Wangala Granite have been investigated by Beyer (2017), and a very useful GIS dataset has been produced. Much of the following information on Wangala derives from the Beyer report.

Overall Wangala Granite can be described as a per-aluminous muscovite-bearing, radiogenic high-heatflow S-type monzogranite of emplacement age 1,777Ma. This implies derivation by melting of Lander Formation, and possibly Reynolds Range calcsilicates, in the Yambah tectonic event. It contains scattered pegmatite dykes with Sn-Ta signatures. It presents a conspicuous feature on radiometric imagery. Its lithology, mineralogy, geochemistry and genesis has been studied by Beyer (2017), from which much of the following description is derived.

Four main phases of Wangala Granite are shown in Figure 4, and summarised using the coding of Beyer, which implies an order of intrusion.

Pgx1 Coarse-grained porphyritic biotite-muscovite granite, with biotite-apatite schist, and greisen zones; mainly forming the Wangala Hills, particularly the Quartz Hill area.

Pgx2 Coarse grained non-porphyritic muscovite-biotite granite with minor apatite-biotite enclaves; mainly forming the Mau Hills and probably much of the intervening sediment-covered area between Mau and Wangala hills.

Pgx3 Medium grained muscovite-biotite porphyritic granite confined to the western extremity of the pluton, devoid of apatite.

Pgx4 Fine-grained non-porphyritic muscovite-rich leucocratic granite with abundant tourmaline-garnet pegmatite; forming the eastern extension of Mau hills, and much of the sediment covered area of the Crown Creek drainage.

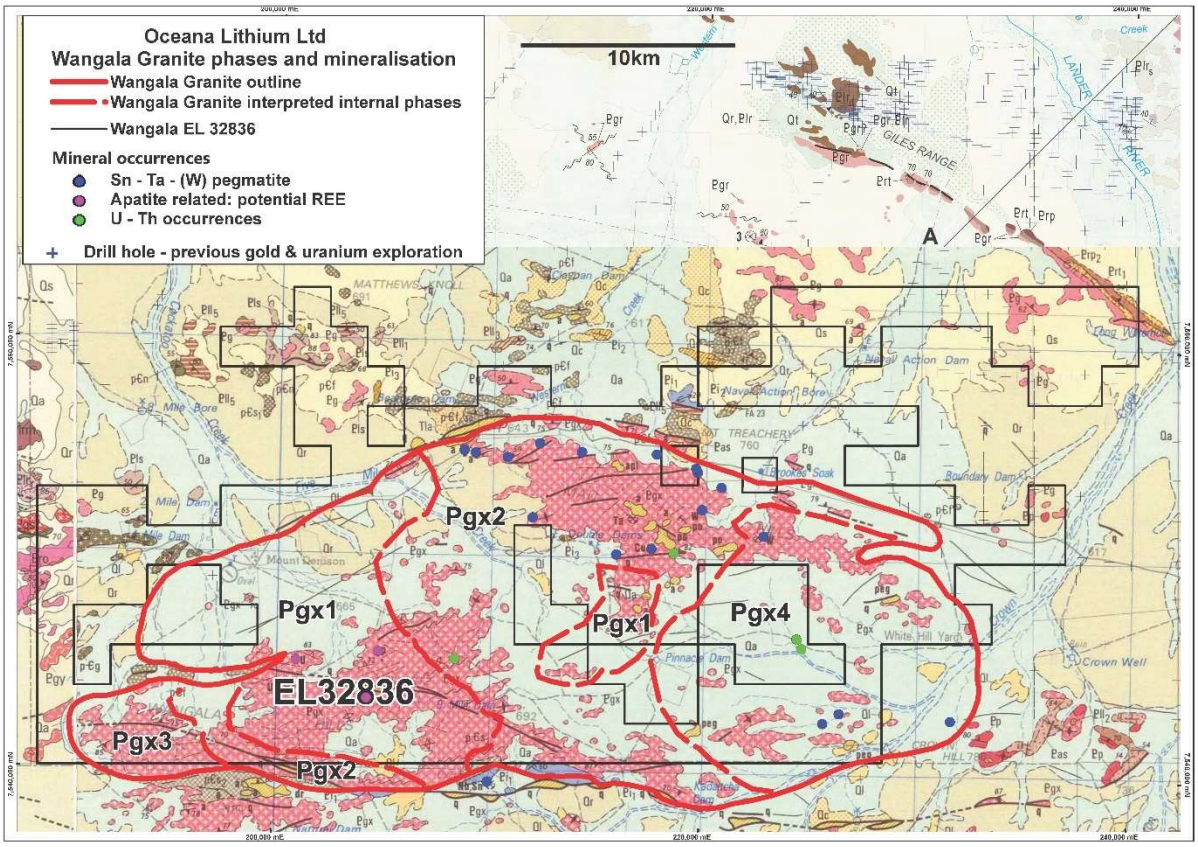

Figure 4: Main phases of Wangala Granite and significant mineral occurrences

Oxides	Pgx1 granite (6)	Pgx1 biotite-apatite schist (8)	Pgx1 greisen (1)	Pgx2 granite (2)	Pgx2 greisen (6)	Pgx2 pegmatite (2)	Pgx4 granite (1)	Double Dam greisen aplite (2)
SiO2	73.04	58.34	65.42	73.30	72.20	70.54	73.15	72.80
TiO2	0.23	1.07	0.14	0.16	0.17	0.05	0.14	0.00
Al2O3	13.92	15.67	20.95	14.35	14.35	16.13	14.16	15.80
Fe2O3	2.48	11.94	1.89	1.76	2.86	1.43	2.16	0.76
MnO	0.03	0.16	0.02	0.03	0.02	0.08	0.04	0.05
MgO	0.42	1.98	0.50	0.30	0.73	0.28	0.29	0.05
CaO	0.97	1.14	0.35	0.74	0.39	0.32	0.55	0.55
Na2O	2.59	0.38	0.23	2.99	1.10	3.70	3.45	6.87
K2O	5.29	5.91	7.24	5.45	6.40	6.12	5.09	1.54
P2O5	0.21	1.01	0.24	0.22	0.23	0.25	0.22	0.47
LOI	0.64	1.65	2.71	0.69	1.39	0.87	0.82	0.82
Total	99.82	99.26	99.75	99.75	99.75	99.75	100.10	99.71
Trace								
Be	8	8	8	10	5	66	9	78
F	1175	6851	2265	2035	1251	777	1492	
Y	29	93	13	11	19	11	17	23
Zr	114	574	76	78	92	36	109	30
Nb	19	137	28	17	19	22	21	110
Sn	16	98	28	16	18	17	25	18
La	38	192	8	30	52	7	44	12
Ce	81	413	16	65	103	14	88	
Pr	9	47	2	8	12	2	9	
Nd	32	165	8	26	40	5	30	
Sm	7	34	2	6	7	1	5	
Dy	5	19	2	2	4	2	3	
Ta	3	23	8	2	3	8	5	72

W	5	35	17	8	14	13	14	17
Th	32	171	20	28	34	6	46	
U	14	49	3	9	17	8	13	
Li								36

Table 3: Whole-rock and trace geochemistry of Wangala Granite phases, average (number in parenthesis) of analyses (Beyer (2017), and greisenised aplite dyke 8.5km northeast of Double Dam after Frater (2005, p174).

These analyses do not purport to be representative of the major phases. Whereas there are six analyses for Pgx1, there is only two for Pgx2, and only one for Pgx4. There is a dearth of pegmatite analyses. Available analyses indicate anomalously high fluorine, and elevated yttrium and niobium in phases Pgx1, 2 and 4. It is notable that apart from Double Dam (Frater 2005), no analyses are available for lithium, and no analyses for boron in any pegmatite.

A distinctive feature of the Pgx1 granite phase granite in the Wangala Hills is the presence of biotite-apatite schist forming lenses up to 10m wide and 25m long. Apatite may be up to 25% of the schist. These have been interpreted by previous explored and Stewart (1982) as enclaves or xenoliths of country rock caught up in the granite intrusion. However Beyer (2017) interprets them as hydrothermally altered zones due to the influx of sodic, potassic, phosphatic and REE-rich fluids. These lenses have transitional boundaries with the host granite, and contain magmatic zircon with a core age of 1762 Ma, and are therefore part of the magmatic history of the Wangala Granite. Zircon rims and introduced monazite record ages around 1573 Ma which is the Chewings Event. Mineralogical and lithogeochemical data (Beyer 2017) show the biotite-apatite schist is enriched in fluorine, phosphorus, REE, thorium and uranium, which is a geochemical signature of the fluor-apatite hosted Nolans REE deposit.

In contrast, the Pgx2 granite phase of the Mau Hills is characterised more by zones of silica-potash alteration zones (referred to as greisens), and tungsten (scheelite) mineralisation in pegmatite, although these two attributes may not be related. No tin or tungsten minerals have been recognised in the so-called greisens, and available geochemistry indicates they do not contain elevated values of Sn of W.

Phase Pgx4 is the last of the major phases. It contains abundant pegmatite, and marks a late-stage influx of boron- and zircon-rich fluids. It should be the focus of future exploration.

4.3 Mineral Occurrences and Previous Exploration

This section reviews in chronological order previous exploration work, and highlights the significant mineral occurrences. Numerous prospects and mineral localities are shown on the map of Stewart (1982) without description, and are referred to in MODAT, Frater (2005), and Beyer (2017), often with the caveats of uncertain position or not visited. Where possible the individual mineral occurrences have been traced back to the original company reports, and the list expanded to include significant geochemical anomalies contained within those company reports. A total of 26 mineral occurrences are tabulated in Table 4, and shown in Figure 3 where they are classified into three categories:

- Sn-Ta-W - mainly eluvial
- U-Th - granite or paleochannel related
- Apatite related – potential REE

Name	Easting	Northing	Element	Source	Comment
MODAT 00204	219003	7552054	W	Stewart (1982)	Brass Bird of ANZECO
Quartz Hill	204329	7543470	Apatite	Stewart (1982.	Biotite-apatite schist.
Quartz Hill	204857	7545642	Apatite	Stewart (1982)	Biotite-apatite schist
Brookes Soak	222829	7551270	Sn-Ta	Tanganyika CR1973-00068	Stream sediment,
MODAT 00204	201004	7545193	Apatite	Stewart (1982)	Quartz Hill area
Unnamed	218620	7550430	U-Th	Tanganyika CR1973-00068	Shear zone in granite
Crown	224672	7546065	U-Th	Central Pacific CR1978-0108	0.29%U, 240ppm Th
Double Dams	217570	7550610	Sn-Ta-W	Stewart (1982)	Cu occurrence - doubtful
Double Dam SE	215935	7550325	Sn-Ta	Jays CR1982-0256	Eluvial workings
Potters Show	211987	7551983	W-Sn	Jays CR1982-0257	Eluvial workings
Crown	224446	7546524	U-Th	ANZECO CR 1979-0103	Secondary U on granite
NED Anomaly	196631	7533110	Sn-W	ANZCO CR1979-0103	pan concentrate, eluvial
Platform	208423	7545358	U-Th	Callabonna CR2011-1050, 1028	In fresh granite
Corrigan 4029	208727	7555074	Sn-W	ANZCO CR1979-0103	pan con. 0.3%W, 4.1%Sn
Corrigan 4027	209268	7554960	Sn-W	ANZCO CR1979-0103	pan con. 0.2%W, 0.9%Sn
Corrigan 4021	210763	7554764	Sn-W	ANZCO CR1979-0103	pan con. 0.1%W,11.5%Sn
Corrigan 4019	212269	7555432	Sn-W	ANZCO CR1979-0103	pan con. 0.8%W,3.4%Sn
Corrigan 4016	214250	7555056	Sn-W	ANZCO CR1979-0103	pan con. 0.5%W, 2.2%Sn
Brass Bird 4030	219929	7552455	Sn-W	ANZCO CR1979-0103	pan con. 0.9%W, 1.9%Sn
Brass Bird 4001	220807	7553507	Sn-W	ANZCO CR1979-0103	pan con. 0.3%W,0.5%Sn
Brass Bird 4003	219686	7554204	Sn-W	ANZCO CR1979-0103	pan con. 0.3%W, 23.7%Sn
Brass Bird 4004	219607	7554381	Sn-W	ANZCO CR1979-0103	pan con. 0.1%W, 5.4%Sn
Brass Bird 4009	217753	7555006	Sn-W	ANZCO CR1979-0103	pan con. 0%W, 2.0%Sn
Pinnacle 1	226482	7543082	Sn	CRAE CR1982-0168	1% Sn in gravel fraction
Pinnacle2	225716	7542614	Sn	CRAE CR1982-0169	2.1% Sn in gravel
Crown Hill	231698	7542802	Sn	CRAE CR1982-0170	1.2% in HM concentrate

Table 4: Significant mineral occurrences in Wangala Project Area

Tanganyika Ltd

In 1973 Tanganyika (CR1973 - 00068) explored old EL749 for gold, tin, tungsten, tantalum and uranium. Field work identified several uranium anomalies associated with east-west oriented shear zones. One significant radiometric anomaly was identified in a shear zone 4km east of Double Dam within the Wangala granite, (given as approximately 218900mE, 7550300mN) where a rock chip gave 660ppm U. This corresponds to a uranium locality on the Stewart map at 218820mE, 7550450. Heavy-mineral stream-sediment sampling identified anomalous tantalum, niobium and tungsten in the eastern Mau Hills south of Brookes Soak Well. This corresponds to the tungsten locality on the Stewart map, and the Brookes Soak alluvials in MODAT at 219742mE, 7551307mN.

Indian Pacific Ltd

In 1973 Indian Pacific utilized pan concentrate sediment sampling to target tungsten, tin and molybdenum around the Mount Allan tin prospect (CR1973 - 00123). It concluded that there was insufficient evidence for large scale concentrated mineralization. However it is clear that exploration did not address the full extend of the southern Wangala contact which contains a structural slice of Reynolds Range calcsilicates.

Central Pacific Minerals

In 1978, Central Pacific, acting as Yuendumu Mining Company, held ELs 1316 and 1317 which covered most of the Wangala area (CR1978-0103, 1978-0108). It initially focussed on uranium, and amongst several other regional uranium anomalies, obtained a rock chip analysis of 0.29%U and 240ppm Th from a small “syenite” outcrop on the alluvial plain of one of the Crown Creek tributaries just south of

Mau Hills, which was called the Crown Anomaly (224672mE, 7546064mN). Later work by ANZECO (CR1979-0103 showed this to be the secondary mineral autunite (uranyl phosphate) and the primary mineral brannerite. This occurrence is not on the Stewart Map.

After poor results from the uranium search, Central Pacific changed focus to the many emerging tin, tantalum and tungsten occurrences around Double Dams in the Mau Hills. A small-scale wolframite alluvial operation 2.8km west-northwest of Double Dams was examined. Analysis of "slugs" gave 73.5%WO_3, and no significant Sn. Concentrate production was estimated to be only 50kg. This prospect was later called Potters Show by Jays Exploration (CR1982-0256), and a sketch map together with workings seen on Google Earth enables this prospect to be located at 211987mE, 7551983mN.

Central Pacific also investigated a tantalite prospect approximately 4km north-east of Double Dam, which is possibly the tantalite occurrences marked on the Stewart Map at 216680mE, 7551960mN. This was described as an alluvial occurrence. Analysis of concentrate by XRF recorded 35.4% Ta, 18.5% Sn, 500ppm W, 220 ppm Cu although it is possible not all analyses were done on the one sample. Analysis by XRD recognised tapiolite ($FeTaO_6$), cassiterite and microlite [$(Ca,Na\ Fe)_2Ta_2(O,OH,F)_7$].

Australian and NZ Exploration Company

In 1979, ANZECO farmed into the Central Pacific ELs 1316 and 1317 to undertake further uranium and tungsten exploration, by way of geological traverses, scintillometer survey, rock chip sampling, and heavy mineral sampling(CR1979 - 00103). At the Crown radiometric anomaly between the Mau and Wangala hills two trenches were dug to bedrock (1.5m). This showed uranium was concentrated in nodular calcrete, in addition to primary brannerite. However, ANZECO concluded that most of the regional radiometric anomalies over bedrock were due to thorium minerals.

As part of the uranium search, ANZECO investigated the radiogenic apatite-biotite schist enclaves within the Wangala Granite in the Quartz Hill area of the Wangala Hills. This work identified several semi continuous apatite-biotite lenses and quartz-tourmaline-topaz veins several hundreds of metres in length and up to 5m wide. Only the apatite-bearing schist was uraniferous, with extensive rock-chip sampling giving averages of 183ppm U (maximum 820ppm) and 220 ppm Th (max 490 ppm). Thin-section petrology was not able to identify the primary radiogenic mineral within the apatite. Zircon, allanite, topaz and sphene were common accessory minerals. Qualitative spectral analysis identified "trace" amounts of cerium, lithium, lanthanum, yttrium and niobium. No analysis for REE was done.

Heavy-mineral sampling was done to clarify and expand the Brookes Soak and Corrigan tungsten occurrences, previously recognised by Tanganyika and Central Pacific. Sampling was done on all the small north-flowing water courses that drain Mau Hills on the northern margin of Wangala Granite. Physiographically this segment is a secondary water divide between west-draining Five Mile Creek and northeast-draining Western Creek. Outcrop is reasonably good and the surficial colluvium is shallow. Pan concentrates were made from sand and gravel, examined for scheelite with ultraviolet lamp, and analysed for tin and tungsten. Sn-W anomalies were encountered over 6km, extending from 209030mE, 755380mN in the west (south of Beantree Dam), to 213900mE, 755500mN in the east (south of Mt Treachery). Collectively this segment is called the Corrigan Anomaly. Sn-W anomalies were also encountered further to the east in the watercourses that drain into Brookes Soak, which ANZECO called Brass Bird anomaly.

Significant results from CR 1979-0103, (p 104) are included in Table 4. These are elemental values, not oxides. Tungsten is mainly in wolframite, rather than scheelite. Collectively these represent a 14-km long Sn-W anomalous zone along the interpreted northern contact margin of the Wangala Granite. In

the immediate hinterland, ANZECO located only two thin pegmatites with traces of scheelite, but these occurrences are insufficient to account for a 14km-long zone of low-level mineralisation. It is possible it represents disseminations through the altered marginal phase of the Wangala Granite.

CRA Exploration

Through 1981-82 CRAE held EL2500 on the eastern termination of Wangala Granite, and the enclosing country rocks, in a search for tin, tantalum, niobium, uranium and gold (CR1982-0168). This involved reconnaissance geochemical drainage surveys and analysis of heavy-mineral concentrates. Anomalous tin values were reported in the minus 80 mesh fraction at two locations in the Crown Creek drainage. A site between Pinnacle Dam and White Hill Yard (225716mE, 7542614m) in a minor tributary west of Crown Creek recorded 2.1% Sn. The second site at 231698mE, 7542802mN near Crown Hill east of Crown Creek, recorded 1.2% Sn in the heavy mineral concentrate. These are the eastern-most tin anomalies so far recognised, and seem to relate to isolated outcrops at the eastern termination of the Wangala Granite.

Jays Exploration

In 1982 Jays exploration (CR1982 – 0256) described two eluvial workings near Double Dam on old EL2602, within the present Oceana tenement. The larger workings lie at 215935mE, 7550315mN, which is 1.8km east-southeast of the main dam of Double Dam. A small amount of concentrate has come from shallow scrapings over bedrock and eluvial material. A concentrate from this locality assayed 72.8% Ta_2O_5, 0.43% Sn, 8.9%Nb_2O_5. The concentrate is described as “coarse to pebble-size tapiolite from two small pods of pegmatite”. This locality is not on the Stewart Map, but is close to an undocumented Cu occurrence. It lies on the same shear zone as the Tanganyika shear-hosted uranium and plots on a so-called copper occurrence on the Stewart Map which is doubted.

The second prospect, which Jays called Double Dam Wolfram Prospect is the Potter Show at 211987mE, 7551983mN which is 1.6km west-northwest of the main dam at Double Dam. It was described as an eluvial accumulation adjacent to “fine to medium biotite-muscovite granite” (CR1982-0256).

Exodus Minerals

In 1997, Exodus Minerals (reporting as Anthappi Pty Ltd), entered into farmin to Normandy Gold EL9277, in the area between the eastern end of Wangala Granite and Reynolds Range, principally targeting gold in the Lander Formation (CR1997-0304). Vacuum drilling on alluvial plains found only granite. There were no analyses for Li or REE. The nature of the bedrock here is unknown.

In 1998 Exodus Minerals farmed into EL8420 held by Normandy Gold as the Beantree Project (CR1998-0770. That tenement partly intersects the Wangala tenement. Exodus undertook gold exploration within the Lander Formation along the northern and northeastern margin of the Wangala pluton, involving aeromagnetics, 153 soil samples, 25 lag samples and 69 RAB holes. RAB holes were drilled on pastoral tracks and fence lines. It analysed for gold and basemetals, but not pegmatite elements or REE. No drill anomalies worthy of follow-up targets were identified. Data for collars, lithology and analyses are available in analogue (not digital) format on open-file.

Deep Yellow

In the period 2008 - 2011 Deep Yellow undertook paleochannel uranium exploration on old EL23923, in area between Mt Treachery and the alluvial flats at the confluence of Crown Creek and Lander River. This occurs near the northeastern margin of Wangala pluton, but the nature of basement rocks is unclear. It drilled 24 AC holes some of which occur on Oceana's blocks (CR2009-0509). Analyses were for uranium only.

Callabonna Resources

In the period 2010 – 11, Callabona (CR2011-1050 and 1028) had old EL 27181 that covered much of the Wangala Granite, as far south as Quartz Hill. It used MMI to explore for uranium under alluvial-colluvial plains associated with the north-draining rivers. It encountered slightly elevated uranium values (14ppm U) in thin weathered crusts on exposed or shallowly buried bedrock faces of the Wangala Granite. The company also undertook hand-held gamma-ray spectrometer traverses across granite outcrops, which identified what it termed the Platform Prospect at 208423mE, 7545348mN. Fresh-rock sampling with a small hand-held diamond rig delivered 150 ppm U and visible carnotite. Clearances for deeper drilling were not obtained.

Arafura Resources

Arafura held granted EL28547 covering the Crown Creek alluvial flats and the eastern part of the Mau Hills (CR2103-0807). It covered only the eastern half of the Wangala Granite in the Mau Hills, as well as colluvial-alluvial plains of Crown Creek to the south. It did not cover the Wangala Hills. The tenement was specifically pegged to test for REE based on experience at its Nolan REE deposit, and the recorded presence of allanite, monazite and possibly xenotime in the Wangala Granite. A GIS of previous work was produced and is now available on open-file associated with the first-year annual report (CR2012-0771). Field investigations consisted of an eight-day sampling program, during which 32 stream sediment samples of minus 2mm were collected, and six minus 2mm mini-bulk samples from trap sites were pan-concentrated in the field. All stream sediment samples were assayed for REEs along with a suite of other relevant elements, but no anomalism detected. Three of the heavy-mineral concentrates had elevated REE and QEMSCAN (Quantitative Evaluation of Minerals by Scanning Electron Microscopy) identified the REE-bearing minerals monazite, xenotime and zircon. The best heavy-mineral concentrate contained 4.76% total REO, mostly of light REE. Using the initial weight of the mini-bulk sample, Arafura calculated a total REE content of 179ppm for the raw alluvium. Two rock-chip samples were taken from exposed granite at 217140mE, 7552078mN which showed alteration. They recorded elevated lithium – 251ppm and 347ppm. Arafura was not encouraged by these reconnaissance results and relinquished the tenement after two years.

Rareus Ltd

In the period 2010 – 2013, Rareus Ltd held tenure on old EL27927 on the eastern termination of the Wangala Granite (CR2013-1233). This area lies in the alluvial – colluvial covered plains of the Western-Crown-Star creeks of the upper Lander River. The underlying basement is undefined, but is likely to be complex terrains of older orthogneiss, Reynolds Range Group, younger granites including the eastern margin of the Wangala Granite. The old EL 27927 covers some of the eastern blocks of the Oceana holding. Analysis of radiometric feature was the main approach to exploration, based on the association of REE with thorium and uranium. Some radiometric anomalies were identified, but no geochemical work or drilling was undertaken. The consultant report by Core Geophysics appropriately

concluded that radiometric approaches to REE exploration in areas of covered alluvium was of limited value.

Wuhua Mining Corporation

In the period 2013 – 16, Wuhua Mining Corporation explored the Mt Treachery - Matthews Knoll area on old EL29202. This straddles the northern margin of Wangala Granite, which intersects the northern blocks of Ceara Minerals. This was part of a search for paleochannel uranium on the piedmont plains around hills of high-heat producing granites. The final report (CR2016 – 0496) has a comprehensive review of previous exploration, making special note of the Corrigan Anomaly discovered by Yuendumu Mining Company (8.5%Sn, 0.78% W). Wuhua endeavoured to identify paleochannels by integrating SEM, AEM Aster NTIR and Landsat 7TM, but in the absence of any drilling was not able to prove any paleochannels. Soil geochemistry was done along sections of Western Creek which gave a best result of 176 Cu, 49 Pb, 70 Zn, at a point 3.8km north of the Wangala EL. Analyses for Li and REE were done on these soil samples, but no anomalism detected.

Trek Resources

In 2018 Trek Resources Ltd (CR2018-0662) acquired tenements comprising the Arunta Project (including EL 31566) held by ELM Resources Pty Ltd. The acquisition was made on the concept of Wangala Granite being fertile for lithium. However the company was notified by National Native Title Tribunal of an application by the Ngalyia Aboriginal Corporation RNTBC to vary clauses within the initial grant. No work was undertaken, and the tenements were surrendered.

Comment on Previous Exploration

Historically the region within and proximal to the Crown Creek Project has been explored for uranium, tin, tungsten, tantalum and gold. There has been no focussed exploration for lithium, and no inclusion of lithium in the geochemical suites. There has been only one focussed REE exploration program which was of short duration and limited extent. Tin anomalism over a 14km stretch along the northern margin of the Wangala pluton has not been followed up.

Open-file exploration drill holes that have close proximity to, or overlap the tenement blocks of Wangala, drawn from the NTGS STRIKE platform, are plotted in Figure 3. In total there are 266 drill holes that average 6.5m in depth. These are all shallow geochemical drill holes, without bed-rock lithological information. All are for orogenic gold in the Lander Formation, and for paleochannel uranium. Despite an array of many mineral occurrences, there has been no targeted drilling of a contemporary nature.

It is evident that neither the internal phases of the Wangala Granite, nor its contact zones – whether they be intrusive or structural – have been effectively located and sampled by drilling. This omission especially applies to the poorly-exposed muscovite-rich Pgx4 phase, which is reported to have abundant pegmatite bodies with tourmaline and fluorite.

5. ENNUGAN PROJECT AREA

5.1 Geomorphology

The Ennugan Mountains are comprised of two granite inselbergs rising above extensive alluvial plains between the upper tributaries of the major north-draining Lander and Hanson Rivers. Isolated low domes and whalebacks of granite also protrude from the alluvial plains indicating a greater extent of the underlying granite pluton.

5.2 Ennugan Granite

Information on the granites of the Ennugan Mountains comes from regional mapping on NAPPERBY (Stewart 1982), Mt PEAKE (Donellan 2005) and the petrological studies on limited samples by Beyers (2017). ELA32841 covers virtually all of the interpreted outline of the Ennugan pluton. Mapping and aeromagnetics indicates it is irregularly ovate in shape, elongated northwest, measuring 45km long and 20km wide. It appears to intrude Anningie Orthogneiss of "Stafford" age to the west, and Lander Formation on the east, although all contacts are totally obscured by alluvial plains. Aeromagnetic imagery (Clifton 2016) indicates the granite has two components, as summarized in Table 5.

NTGS Map symbol	Lithology	Age	Mineral occurrences
Pg5	Even-grained biotite-hornblende granite, strongly magnetic, with quartz dyke swarms and pegmatite.	Chewings?	Sn – Li?
Pgp	Porphyritic hornblende-biotite, non-magnetic granite with monazite and allanite	1622 GA post-Yambah	U, Th, REE

Table 5: Main features of Ennugan Granite.

The main body of the Ennugan Granite (Pgp) is an I-type met-aluminous biotite monzogranite with minor hornblende (Beyer 2017), implying lower crustal derivation. Donellan indicates 10-15% biotite, 3-5% hornblende and 0.5% allanite. It is enriched in U, Th, Nb and Ta. It is classified as a high heat-producing granite on account of high values of radiogenic uranium- and thorium-bearing accessory minerals such allanite (REE epidote), monazite and xenotime. It has an emplacement age of 1622 Ga (Beyer 2017), which is significantly younger than the Wangala Granite, and may be a precursor to the Chewings Event. It contains zones of biotite schist up to 2m wide with accessory apatite, allanite, monazite and xenotime, which are generally included within the biotite. Beyer (2017) reports biotite with elevated F (1.1%), U (71ppm), Th (332 ppm), and total REE (2900 ppm). As with the Wangala Granite, the biotite schists are interpreted to be a late magmatic metasomatic event.

Analysis	Granite (7)	biotite schist
SiO2	69.56	50.84
TiO2	0.42	1.24
Al2O3	12.96	15.99
Fe2O3	6.42	18.68
MnO	0.09	0.28
MgO	0.44	1.62
CaO	0.73	0.46
Na2O	2.07	0.07
K2O	5.82	7.26
P2O5	0.18	0.63
LOI	1.23	1.91
Total	99.93	99.00

Trace elements ppm		
Be	7	6
F	4967	10864
Rb	848	2216
Y	227	631
Zr	554	1498
Nb	150	441
Sn	47	166
Cs	79	288
La	200	530
Ce	439	1155
Pr	55	148
Nd	200	543
Dy	42	116
Yb	21	62
Ta	14	44
Th	118	332
U	28	71

Table 6: Average of six analyses of main phase (Pgp) of Ennugan Granite from Beyer (2017)

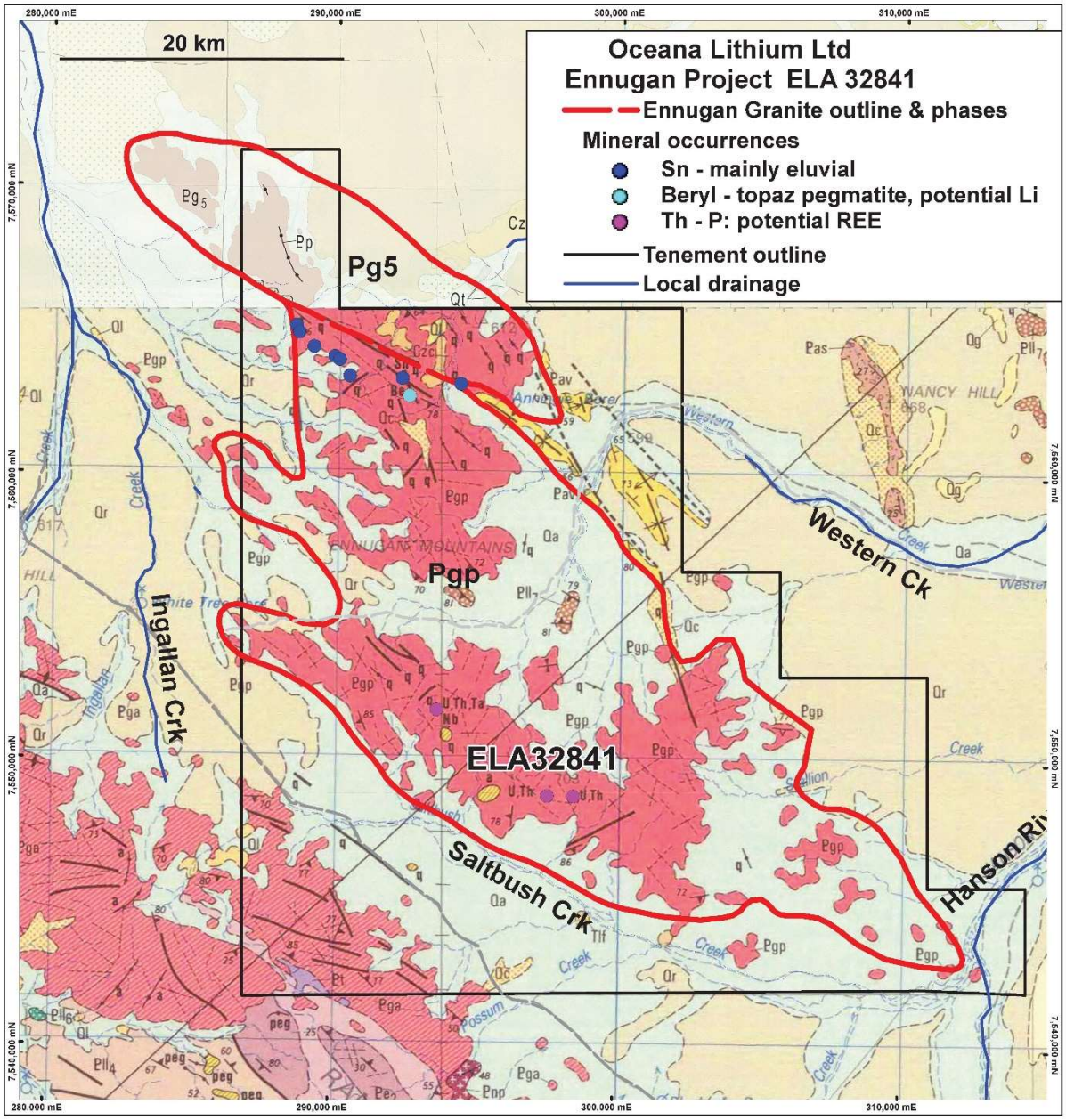

Figure 5: Interpreted outline and phases of Ennugan Granite, with mineral occurrences and main watercourses

The northern part of the pluton is an even-grained moderately magnetic phase, which Donellan (2008) notes lacks hornblende and allanite. It lies in sharp suture-like contact with the non-magnetic southern part. The 1:250K geological map of Stewart (1982) shows a swarm of quartz veins along this suture. There is no lithogeochemistry of the magnetic phase.

5.3 Mineral Occurrences and Previous Exploration

Only three mineral occurrences are recorded in MODAT and these derive mainly from the NAPPERBY 1:250k geological map of Stewart (1982) who seems to have visited but not sampled the localities. Best information comes from two industry exploration programs of the 1970s and 1980s.

Tanganyika Holdings

Tanganyika Holdings (CR1973-005, 1973-0068, 1973-0153) explored the plains of the Ingallan drainage on the western side of Ennugan pluton, and found elevated uranium values of 802ppb in Nintrabrinna Bore on Blackhill Creek, compared to a background of 40ppb in other bores. Blackhill Creek drains granite country to the west of Ennugan Granite. Fifteen shallow boreholes failed to find anomalous uranium in the drainage sediments, but the drilling had technical difficulties and did not reach the base of the transported sediments. Tanganyika also found cassiterite in pan concentrates from streams flowing west off the northern inselberg.

Otter Exploration

In 1978 Otter Exploration held EL 1447 primarily for channel and calcrete uranium. It flew a regional spectrometer survey to the north, which covered the hills and plains of Western Creek (not the Western Creek in Wangala project area) which separates the northern and southern inselbergs and flows into the major Hanson River. Otter sampled the bedrock for uranium over spectrometer anomalies (CR1979-0090). This report presents the best information on mineral occurrences in Ennugan EL. Three samples from biotite-rich 'shears' in granite in the southern inselberg. MCB2 (293715mE, 7551833mN) returned a range of 140-320ppm U and 740-820ppm Th. The REE-bearing mineral xenotime was also noted in these biotite lenses, but no REE analyses were done. Otter also took two samples of pegmatite at localities designated as P6.2 and P6.6 in the southern inselberg. These recorded 3000ppm Sn with >10000ppm Ta, and 1000ppm Sn with 1000ppm Ta. These correspond with the locality in MODAT at 293672mE, 7551812mN.

In a follow-up of the Tanganyika cassiterite occurrence, reconnaissance stream sediment sampling on the western side of the northern inselberg returned 2340ppm Sn. A petrological examination showed euhedral crystals of cassiterite 0.1 – 0.6mm in size, together with topaz and beryl, the latter with adhered muscovite, suggestive of pegmatite.

In 1979, (CR1980-0057) Otter followed with a stream sediment program over the northern inselberg. This revealed eight locations (Table 7) of >440ppm Sn with a maximum of 3701ppm Sn in the sediment sample. Analyses were done by ACS Laboratories in Unley, South Australia and copies of laboratory certificates are appended to CR1980-0057. These encouraging results define a coherent linear northwest-striking corridor 7 km in length. This trend is spatially associated with prominent parallel-running quartz veins, and the magnetically inferred suture with the northern magnetic phase. These features, together with associated muscovite, beryl and topaz led Otter geologist Chris Kojan to speculate the proximity of a greisenised roof zone, but this was not substantiated on the ground.

There is no record of any pegmatite or micaceous schist along this cassiterite corridor, but it is relevant to note there has been no detailed geological mapping in the area.

Site Name	Easting	Northing	Mineral / analysis	Source	Comment
E9	288598	7565190	2340 ppm Sn	Otter CR1980-0057	West flowing stream sediment
E11	289222	7564451	2601 ppm Sn	Otter CR1980-0057	West flowing stream sediment
E10	288697	7564951	690 ppm Sn	Otter CR1980-0057	West flowing stream sediment
E13	289952	7564118	3701 ppm Sn	Otter CR1980-0057	West flowing stream sediment
E17	290124	7564009	1180 ppm Sn	Otter CR1980-0057	West flowing stream sediment
E21	290485	7563442	440 ppm Sn	Otter CR1980-0057	West flowing stream sediment
N4-6	292338	7563384	1500 ppm Sn	Otter CR1980-0057	metasedimentary raft
N3-3	294398	7563200	700 ppm Sn	Otter CR1980-0057	East flowing stream sediment
N4-1234	292595	7562777	beryl, topaz, fluorite	Otter CR1980-0057	beryl, topaz, fluorite
MCB2	298515	7548830	320 ppm U, 740ppm Th	Otter CR1980-0057	Rock chip with xenotime
MODAT 243	297594	7548844	U Th	Stewart Map	not validated
P6.2 &P6.6	293672	7551812	U- Th-Ta-Nb	Otter CR1979-0090	MODAT 1300

Table 7: Significant mineral occurrences and anomalies in Ennugan ELA

Comment on previous exploration

Ennugan project area has received no exploration since 1980, despite some strong structurally controlled stream sediment tin results, and some potential REE-bearing hydrothermally introduced pegmatite minerals. Moreover, there has been no sampling of pegmatites and no analyses for lithium.

In terms of prospectivity of the extensive alluvial sands that are proximal to the granite, analogy can be made with the Charley Creek REE deposit, which is located in similar outwash plains on the northern side of the Macdonald Ranges about 120 km west of Alice Springs. Crossland Resources, now known as Enova Mining (ASX:ENV) has identified a large low-grade JORC 2012 compliant Indicated Mineral Resource of 387 Mt 300ppm total REE (CUX:ASX, 15 Apr 2013). The REE bearing alluvium has been sourced from the radiogenic Teapot Granite of the Warumpi Geological Province that abuts the southern margin of the Aileron Province. Although low in grade, concentrate of up to 40% total REE are achievable by standard wet concentration methods. Similar alluvial accumulations of the REE-bearing minerals apatite, monazite, xenotime and allanite could be expected in the outwash material of the Ennugan Mountains.

6. PROPOSED EXPLORATION PROGRAM AND BUDGET

Oceana has proposed a staged program of exploration for the two projects in the Northern Territory, over two-year periods following grant of the tenements. The Independent Geologist considers the work program is well conceived, is adequate in quantum to effectively test the immediate targets and to generate new targets. The Independent Geologist has reviewed the exploration budgets proposed by Oceana which are summarised in Table 8. The amounts proposed exceed the minimum expenditure obligations of the tenements with respect to the statutory commitments by the Northern Territory Department of Primary Industry and Resources.

It is understood that the proposed exploration programs may change in the second year after grant from that currently stated, and will be dependent upon the results from the first year, but they represent a realistic two-year program.

Project	Activity	Year 1	Year 2
Wangala EL32836	Data review	5,000	
	Permitting	8,000	
	GIS Construct	8,000	
	Field Mapping and sampling	100,000	100,000
	AM, AEM, Radiometrics, Aster surveys		200,000
	AC transect drilling paleochannels		170,000
	Geological management and field support		100,000
	Total	**121,000**	**570,000**
Ennugan EL32841	Data review	2,000	
	Permitting	12,000	
	GIS Construct	5,000	
	Field Mapping and sampling	50,000	
	Stream sediment sampling		
	AM, AEM, Radiometrics, Aster surveys		
	AC transect of paleochannels		
	Geological management and field support		
	Total	**69,000**	

Table 8: Proposed exploration program and budget, following grant

Dr Dennis Gee
BSc, PhD, MAIG
27 March 2022

Glossary of Technical Terms

Aeromagnetic	A geophysical survey method undertaken by fixed-wing, helicopter or drone for recording magnetic characteristics of rocks by measuring deviations of the Earth's magnetic field.
Allanite	Calcium-aluminium-iron-hydroxy silicate mineral of the epidote group, that contains significant U, Th, Be, P and REE; accessory mineral in some granites.
Alluvium	Accumulations of clay, silt, sand and gravel in defined water courses.
Amphibolite	Metamorphic rock composed mostly of amphibole mineral, generally derived by metamorphism of mafic rocks such as basalt and gabbro.
Anomaly	Feature where exploration has revealed results higher than background levels of geophysical or geochemical parameters.
Apatite	Calcium-hydroxy phosphate mineral which can contain significant amounts of F, Cl, Sc, Y and REE.
Arsenopyrite	Sulphide mineral of iron and arsenic, FeAs2
Assay	Testing and quantification metals of interest within a representative sample.
Autunite	Calcium-uranyl-hydroxy phosphate mineral formed by oxidation of primary uranium minerals, found in hydrothermal veins and pegmatite.
Basalt	Fine-grained mafic (magnesium and iron rich) volcanic rock.
Base metal	Usually refers to copper, lead and zinc.
Basin	Extensive thick pile of predominantly sedimentary rocks accumulated in a downwarp of the crust.
Batholith	Large Intrusive body of granite, extending over a large area.
Bedding	Primary layering in sedimentary rocks signifying sequential deposition.
Bedrock	Fresh rock underlying regolith.
Carbonate	Calcium and/or ferrous and/or magnesium carbonate: Ca.Fe.$MgCO_3$
Calcrete	Cemented aggregates of calcium and magnesium carbonates in the upper regolith, formed during evaporation of near-surface groundwater.
Calc-silicate	Collective term for metamorphosed carbonate and siliceous sedimentary rocks
Colluvium	Unconsolidated surficial sheet of soil, mineral grains and rock fragments accumulating on lower slopes.
Cassiterite	Mineral of tin oxide SnO_2
Costean	Surface trench dug to examine and sample shallow sub-surface material.
Craton	Large, ancient, stable mass of continental crust.
Diamond drilling	Using a diamond impregnated bit for retrieving a core of rock.
Dyke	Narrow sheet of intrusive rock filling discrete planar fractures at high angle to stratification or foliation.
Eluvial	**L**oose regolith material in close proximity to its point of formation, not in a defined water course.
Erosion	Physical and chemical processes by which rock material is loosened or dissolved and removed from its original position.
Fault	Planar or curvi-planar fracture in rock along which there has been displacement.

Feldspar	Group of rock-forming minerals compring Ca, K and Na aluminous silicates; major component of granite; most abundant mineral group in continental crust.
Felsic	Rock predominantly composed of feldspar and quartz, with minimal mafic components.
Ferruginous	Applied to weathered Fe-rich rocks, containing abundant goethite.
Foliation	Planar fabric in a deformed metamorphic rock expressed by alignment of constituent minerals.
Geochronology	Sub-discipline of geoscience relating to quantitative measurement of mineral and rock ages based on decay of radiometric elements.
GDA94	Geocentric Datum of Australia, adopted in 1994 to define geodetic coordinates.
Gneiss	Coarse grained metamorphic rock with banded tectonic fabric.
Granite	General term for coarse-grained felsic intrusive igneous rocks consisting mainly of feldspar, quartz and mica; can be used synonymously with granitoid.
Greisen	Late-stage hydrothermally altered granitic rock characterised by abundant mica and alkali feldspar.
Greywacke	Poorly sorted, rapidly deposited “dirty” sandstone containing clasts of sedimentary and volcanic rocks.
Hydrothermal	Pertaining to hot aqueous fluids, driven by magmatic heat which transport metals and minerals as complex ligands in solution.
Inselberg	Isolated small mountain that arises prominently from surrounding flat plains, synonymous with monadnock.
Insitu	Referring to a rock or boulder that is “in-place” and not removed from outcrop.
Intrusion	Body of coarse-grained igneous rock resulting from emplacement of molten magma into host rocks below the surface of the earth.
JORC	Enduring acronym for Joint Ore Reserves Committee of AIMM, MCA and AIG. An industry code for reporting exploration results, mineral resources and ore reserves.
Lag	Residual gravel resulting from erosion of lateritic duricrust.
Lateritic duricrust	Naturally cemented residuum of weathering, generally with high iron-oxide and alumina content.
Ma	Abbreviation for mega-year; applied to radiometrically dated rocks – thus 1800 Ga means 2,800 million years before present.
Mafic	Rock rich in magnesium and iron silicates – for example basalt, dolerite and gabbro.
Malachite	Blue-coloured copper carbonate produces at the weathering surface form copper sulphide minerals
Metallogeny	Characteristics of distribution and genesis of mineral deposits in relation to tectonic evolution of a region.
Metamorphism	Change in rock fabrics and mineral assemblages as a result of high temperature and pressure associated with tectonic events.
Metasomatism	Process whereby a pre-existing rock undergoes compositional and mineralogical transformations associated with chemical reactions triggered by introduction of high-temperature fluids.
Mineral resource	Specific term defined by JORC as a natural concentration of minerals in sufficient grade and quantity for which there is reasonable expectation of eventual economic extraction.

MODAT	Mineral occurrence database maintained on-line by the Northern Territory Geological Survey
Monazite	Thorium phosphate mineral $ThPO_4$, in which REE can substitute into the Th site; common accessory mineral in granite and granitic weathering products.
Monzonite	Type of granite composed of equal amounts of plagioclase and potash feldspar.
Muscovite	White mica with high potassium.
NTIR	Night-time thermal infrared remote sensing, aimed at detecting sub-surface water-bearing alluvium in water courses.
Orogen	Tectonic belt of deformed rocks, usually comprising metamorphic and intrusive igneous rocks, mostly occurring in collision zones within and between cratons.
Orogeny	Event of crustal deformation and metamorphism that creates an orogen.
Orthogneiss	Gneissic rock derived by metamorphism and deformation of a granitic rock.
Outcrop	Surface expression of underlying rocks.
Paleochannel	Old preserved, inactive water course, in-filled with partially consolidated fluvial sediments, generally with underflow of groundwater.
Pegmatite	Igneous rock composed mainly of large crystals of quartz, feldspar and muscovite, marking the final stage of crystallization of a granitic melt, contains diagnostic minerals rich in elements that are incompatible with the crystallizing rock.
Pelite	Metamorphosed sandstone and shale, characterised by high content of Fe and Al silicate minerals.
Playa lake	Broad shallow ephemeral lake with surficial accumulations of evaporative salts, characteristic of arid areas with occasional rainfall; synonymous with salt lake.
Pluton	Medium-size intrusive body of granite generally ovoid shaped in plan.
Porphyritic	Texture in granite or other igneous rock characterised by single large crystals within a finer-grained groundmass.
Pyrite	Sulphide mineral of iron – FeS_2.
Pyrrhotite	Sulphide Mineral of iron – FeS.
Quartz	SiO_2; after feldspar the second most abundant rock-forming mineral in continental crust.
RAB drilling	Rotary-air-blast drilling method in which cuttings are brought to the surface on the outside of the drill hole, thus risking mixing and contamination of drill sample.
RC drilling	Reverse circulation drilling method in which rock cuttings from the face of the bit are brought to the surface inside the drill rods, thereby avoiding contamination.
Rapakivi	Distinctive orbicular texture in granite where small sodic feldspar crystals form rims around large crystal aggregates of potash feldspar.
REE	Abbreviation for rare earth element, a group of elements between lanthanum and lutecium in the periodic table.
Regolith	Layer of unconsolidated material which overlies and covers *in situ* basement rock; includes weathered basement rock, transported alluvium and colluvium, and chemical cements and soil.
Residual	Pertaining to regolith, that component remaining in place without significant lateral movement, expressed by lateritic scarps and uplands.

Sedimentary rock	Stratified rock deposited in layers and consisting of clastic particles and chemical precipitates.
Schist	Medium-grained metamorphic rock, derived from sedimentary or volcanic rocks, notable for the preponderance of micaceous minerals.
Shale	Fine-grained laminated clastic sedimentary rock composed of quartz, mica and clay minerals.
Shear zone	Planar zone of strong deformation surrounded by rocks with a lower state of strain.
SHRIMP	
Soil geochemistry	Chemical analysis of soil samples collected in the field on a regular grid pattern, to identify anomalously high areas of chemical elements.
Spodumene	Lithium-aluminium silicate mineral, occurring in lithium-rich pegmatite.
Stockwork	Array of quartz veins of several orientations that forms a distinct cluster.
Topaz	Aluminium fluoro-silicate mineral occurring as well-formed crystals in pegmatite
Tourmaline	Aluminium-boron silicate mineral in which a variety of alkali and alkali-earth elements can substitute for aluminium; found in pegmatite and metamorphic rocks.
Stratigraphic	Describing the position of a sedimentary or volcanic rock unit in a progressive sequence of deposition.
Subduction	Down-going movement of a tectonic plate at convergent plate-tectonic boundary.
Tantalite	Tantalum oxide mineral Ta_2O_6, in which iron and manganese can substitute, commonly associated with cassiterite.
Tectonic	Relating to stresses and displacements over large areas, related to crustal plate movements.
Unconformity	Surface recording a period of erosion and non-deposition after a tectonic event.
Vacuum drilling	Form of mobile rotary drilling where cuttings are recovered by suction.
Vein	Fracture filled with mineral material, most commonly hydrothermal quartz.
Wolframite	Iron-manganese tungstate mineral $(Fe,Mn)WO_4$; commonly associated with cassiterite in pegmatite, and is the principle ore of tungsten.
Xenolith	In regard to granite, a visible inclusion of country rock encased by the magma and preserved in the crystalline granite.
Xenotime	Yttrium phosphate mineral YPO_4, into which Th and REEs can be incorporated; occurs in granite, pegmatite and metamorphic rocks.
Zircon	Zirconium silicate mineral $ZrSiO_4$, occurs as small zoned crystals in granite and metamorphic rocks, with included radiogenic uranium.

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9. APPENDIX 1 JORC TABLE 1

Section 1 Sampling Techniques and Data

Criteria	Explanation
Sampling techniques	No new sampling Has been done in the preparation of this report **Stream sediment:** Methods of historical sampling on Oceana's tenements are given in referenced company reports. **Vacuum drilling:** Was used for historical geochemical sampling the base of the regolith, as referenced in company reports. **Rock Chips**: ***S***ome historical rock chip analyses used in this report are taken from company reports referenced in this report.
Drilling techniques	No new drilling was undertaken in the preparation of this report. **RAB drilling**: Some historical RAB drilling has taken place on Oceana's tenements by previous exploreres, as referenced in this report. **RC drilling**: No historical RC drilling has taken place on n Oceana's tenements **Core drilling**: No Core is referred to in the previous exploration
Drill sample recovery	Not applicable.
Logging	Lithological log codes are available for most open-file historic drill programs.
Sub-sampling techniques and sample preparation	Statutory reports circa 2000 and later are in digital form and provide details on sample collection, and preparation. Earlier historic reports give little or no details of sample collection and preparation.
Quality of assay data and laboratory tests	Assays recorded in this report are drawn entirely from historical exploration reports. Some early reports of 1970s and 1980s give only tabulations in text, and do not present certificates of analyses, or give analytical procedures. Recent reports give certificates and codes of analyses. Analyses have been done for previous explorers by a variety of commercial laboratories, who use internal standards. QA/QC procedures are recorded in digital assay files for more recent analyses.
Verification of sampling and assaying	No verification of historical assays has been attempted. No adjustments of any historic analyses have been made.
Location of data points	Samples points are drawn from figures and tables in statutory digital reports to NTGS. and are on GDA94 Zone 53S.
Data spacing and distribution	Stream-sediment sample spacings are given in the statutory company reports.
Location of data points	In regard to analogue data, sample location points have been compiled into GIS format by digitizing maps and plans. In regard to digital company reports, sample points are taken from digital files.
Orientation of data in relation to geological structure	Not applicable
Sample security	Unknown
Audits or reviews	Audit of sampling techniques of previous exploration is not possible.

Section 2 Reporting of Exploration Results

Criteria	
Mineral tenement and land tenure status	Tenements subject of this IGR are shown on the NT DPIR public spatial data sets. Both tenements are in application stage, and will need liaison with the Central Land Council of the NT. There are no contested overlaps.
Exploration done by other parties	All open-file Company Reports relating to the Napperby Tenements have been assesse and those directly relevant are summarised in the Report.
Geology	Oceana's projects lie in Aileron Province on the southern margin of the North Australian Craton. They cover radiogenic, high-heat generating granite related to Yambah Orogeny.

Drill hole Information	Historic drilling on the Wangala ELA is for geochemical sampling of shallow regolith, and not classified as target drilling. To provide regional context some intersections from target drilling outside Oceana's tenements have been taken from historic ASX releases.
Data aggregation methods	Not applicable
Relationship between mineralisation widths and intercept lengths	Not applicable
Diagrams	Appropriate figures are included in the IG Report.
Balanced reporting	All historical data that is relevant to lithium, rare-earths, and pegmatite minerals is included in the IG Report.
Other substantive exploration data	All available exploration data, including aeromagnetics, previous geological mapping and geochemical sampling has been considered in the production of this IG Report.
Further work	Further work will be as detailed in the Work Program and Budget of this Prospectus.

TENEMENENT TITLE REPORTS

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Solicitor's Tenement Report – Oceana Lithium Ltd

This Report has been prepared for inclusion in a prospectus to be issued by Oceana Lithium Limited and its wholly owned subsidiaries (together the **Company**) for an initial public offering comprising the issue of up to 30 million shares at $0.20 per share to raise up to $6 million (before costs) (**Prospectus**).

This report (**Report**) relates to the following applications for exploration tenements in the Northern Territory of Australia:

- EL 32836; and
- EL 32841. (together the **Tenements**).

This Report considers the standing of the Tenements, the requirements for the Company to carry out its proposed exploration programs on the Tenements as well as providing commentary on the operation of the *Mineral Titles Act 2010* (NT) (**Act**), *Mining Management Act 2001* (NT) (**MMA**), *Native Title 1993* (Cth) (**NTA**), *The Northern Territory Aboriginal Sacred Sites Act 1989* (NT) (**SSA**) and the *Aboriginal Land Rights (Northern Territory) Act* (Cth) (**ALRA**)l, in the Territory.

The searches we have undertaken (**Searches**) as well as the scope, qualifications and assumptions in this Report are set out in section 12 below.

Rights of holder of an EL

The holder of a 'mineral exploration licence' or 'EL' obtains a right to explore for minerals in the area of the EL.
An EL does not authorise mining. An EL allows the extraction and removal of samples for evaluation purposes.

If during the term of the EL, the holder discovers "an ore body or anomalous zone of possible economic potential" which the holder believes is not then commercially viable, he may apply for a mineral exploration licence in retention (**ELR**) over that area.

A mineral lease or 'ML' is required before mining of non-extractive minerals may occur and the MMA controls how exploration and mining activities are conducted.

1. Ownership

We confirm that:

- EL 32836 is an application held by Consolidate Lithium Trading Pty Ltd.(**CLT**)
- EL 32841 is an application held by CLT.

Our instructions in preparing this Report is that the Company is contracting to purchase all of the issued shares of CLT. The Act does not require any governmental approval for this acquisition however details of the acquisition will have to be provided as the contact details contained in the application will need updating.
A summary of the title searches for each of the ELs are in Schedule 1 to this Report.

2. Mortgages, caveats and associated agreements

The Searches do not reveal any mortgages, caveats or associated agreements registered against the Tenements.

3. Term and renewal of ELs

The Act provides that "the Minister may grant an EL for a term not exceeding 6 years". The grant is at the discretion of the Minister. It is unusual for the Minister to refuse an application and from our experience, such a refusal would normally relate to the proposed work programs. We have been provided with copies of the applications and they appear to comply with the Act.

Further, as EL 32841 is on Aboriginal land, Part IV of ALRA requires the applicant, with the consent of the Minister, to enter into an Exploration Agreement with the Central Land Council (**CLC**) before the Minister can grant the application.

The Act further provides that if an application for renewal is made before the end of the term of the EL, "the Minister may renew the EL for a term not exceeding 2 years". The EL may be renewed more than once.

4. Relinquishment

ELs are subject to rules regarding relinquishment of the area to which they apply on a periodic basis. In practical terms this means that the area of an EL will be reduced over its initial term and subsequent renewals.

Under section 29 of the Act an EL must be reduced by 50% 2 years after grant and every 2 years thereafter however the Minister has a discretion to waive a reduction or allow a lesser reduction.

5. Access to Land

The holder of an EL does not automatically obtain access to all of the land the subject of the EL for exploration. Access to the land to undertake activities that will involve substantial disturbance as authorised by an EL must be by way of an Authorisation granted by the Minister under the MMA. Upon the grant of an EL, the holder or a person authorised by holder to be the operator may submit a mining management plan and apply for the Authorisation. No mining activities (including exploration) can be carried out without an Authorisation.

6. Restricted land

The Act imposes restrictions on where exploration can be conducted on Pastoral lease land – not within 200m of a building not enclosed by a fence or within 50 m of a fence not enclosing a building. These restrictions can be waived by agreement of the pastoralist.

7. Compensation

The Act provides that compensation is payable by the holder of the EL for (a) damage to the land and/or improvements on the land; and (b) any loss suffered as a result of that damage. Compensation can be agreed or failing agreement, by application to the Civil and Administrative Tribunal.

8. Environmental authorities (NT)

In the Territory, any exploration under an EL must in accordance with the Authorisation issued under the MMA. The MMA sets out the environmental obligations imposed on the owner of an EL and the penalties imposed for breaches of those obligations. There is a general obligation “to take care of the environment” so as to “prevent environmental harm”.

As there have been no Authorisations issued it is impossible to contemplate what breaches may occur.

9. Commonwealth approvals

The *Environment Protection and Biodiversity Conservation Act 1999* (Cth) is the principal Commonwealth law regulating the impact of ‘actions’ on matters of national environmental significance.

To the extent the EPBC Act applies, and approval would be required, it would be in addition to what may be imposed under an Authorisation under the MMA. One could envisage that the EPBC Act would most likely relate to matters involving "prescribed substances" under the Atomic Energy Act where these substances remain the property of the Commonwealth. We are unaware as to whether prescribed substances are being sought in these applications

10. Native title and Aboriginal Land

Schedule 2 sets out the native title status of the Tenements from the Searches.
Under the *Native Title Act 1993* (Cth) (**NTA**), the grant of an EL is required to comply with the NTA where the EL covers land where native title exists. The National Native Title Tribunal (**NNTT**) is charged with overseeing activities under the NTA.

Native title can exist by itself or co-exist with private interests notwithstanding that it has not been formally recognised by the Federal Court. Compliance with the NTA is important as non-compliance with the NTA may mean the grant is invalid.

As mentioned, the grant of an EL over Aboriginal Land requires the entering into an Exploration Agreement under Part IV of ALRA. We have been advised that pursuant to Section 62(2) of the Act, consent to negotiate with the CLC was given by the Minister on 7 December 2021. Pursuant to Section 41 of ALRA, the CLC requested a submission be submitted by CLT within 3 months of that consent. We are further advised that CLT provided a submission on 2 March 2022 and that no response from the CLC has been received as at the date of this Report. This is not unusual in the circumstances.

11. Aboriginal cultural heritage

In the Territory, the Aboriginal Areas Protection Authority (**AAPA**) is charged with the identification, registration and protection of sites of cultural heritage under the. *NT Aboriginal Sacred Sites Act 1989* (**SSA**)

The results of our searches of the AAPA database are contained in Schedule 1. It should be recognised that the fact some sacred sites are identified does not mean that all sites have been identified.

12. Searches, qualifications and assumptions

Unless expressly stated, this Report has been prepared solely on the following searches (**Searches**):

- Department of Industry, Tourism and Trade EL searches of 5 January 2022 and updated on 17 February 2022;

- Searches of the National Native Title Register, Register of Native Title Claims, Register of Indigenous Land Use Agreements maintained by the National Native Title Tribunal (**NNTT**) dated 10 January 2022;

- Searches of the AAPA database on 20 January 2022;

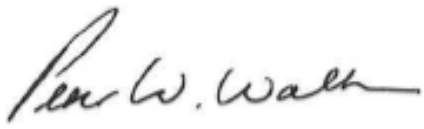
Except as stated elsewhere in this Report, the scope of this Report is set out below including the assumptions and qualifications on which it has been prepared.

Compliance. The Applications have been advertised which Indicates that government believes they are acceptable.

Assumptions. We have assumed that the information in the Searches is both current and accurate. We have not independently verified the results of the Searches.

Currency. This Report has been prepared based upon information provided by government departments at the date of the Searches. We relied upon the information in the Searches being accurate complete and up to date. The Report does not cover any changes after the date of the Searches.

Yours faithfully
Bowden McCormack



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Mining Law | *Environmental Law* | *Tax Law* | *Dispute Resolution* | *Criminal Law*

Legal Opinion No. 32/2022

Interested party: Ceará Lítio Mineração EIRELI

Legal Opinion No. 32/2022

Interested party: Ceará Lítio Mineração EIRELI

Topic: Title Opinion| Final report

Dear Sirs,

1. We have been asked to provide an opinion on the legal standing in terms of mining and environmental law of the mining tenements listed in Appendix 1, currently owned by Ceará Lítio Mineração EIRELI ("Ceará Lítio"). The report is for inclusion in a prospectus to be lodged by Oceana Lithium Limited for a public offer and listing on the Australian Securities Exchange.

2. Ceará Lítio is the holder of the Exploration Permits granted in the mining tenements no. 800.238/2018, 800.240/2016, 800.241/2016, 800.247/2016, 800.474/2016, 800.475/2016, 800.476/2016 and 800.477/2016 ("Explorations Permits"). All tenements are in course before the regional unit of the National Mining Agency ("ANM") located in Ceará, Brazil.

3. We used the following documents to elaborate this Legal Opinion:

3.1 Copies provided by Ceará Lítio of the following tenements: 800.238/2018 (pages 01 to 348 and eletronic files); 800.240/2016 (pages 01 to 187 and eletronic files); 800.241/2016 (pages 01 to 196 and eletronic files); 800.247/2016 (pages 01 to 196 and eletronic files); 800.474/2016 (pages 01 to 64 and eletronic files); 800.475/2016 (pages 01 to 57 and eletronic files); 800.476/2016 (pages 01 to 63 and eletronic files); 800.477/2016 (pages 01 to 57 and eletronic files).

3.2 Information directly provided by Ceará Lítio via e-mail.

3.3 Public information made availabe on the ANM website.

4. We are assuming that all the information that was provided to us is true, validly issued by the competent authorities and complete.

5. This report does not include an analysis on the technical or tax aspects regarding the Exploration Permits.

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I. Opinion

I.1. Introduction: The Brazilian legal system for obtaining mining rights and access to mineralized real estate properties

6. The Brazilian legal system for obtaining and maintaining mining rights and access to mineralized real estate properties is regulated by the Federal Constitution (article 176), by the Mining Code (Decree-Law no. 227/1967), by the regulation of the Mining Code (Decree No. 9.406/2018) and by ANM legislation.

7. The legislation indicated above contains the main rules that regulate mining activity in Brazil, from the filing of the exploration applications to obtaining Mining Permits.

8. Briefly, such rules establish that:

8.1 Only companies organized under Brazilian laws, which have their main place of business and management located in Brazil, may conduct mining activities in Brazil. There is no restriction on foreign capital in the corporate structure, except in case of mining in the border strip, which does not apply to the Exploration Permits[1].

8.2 The mineral resources, regardless of whether they are located underground or have emerged therefrom, are a property different from that of the soil and belong to the Federal Government.

8.3 Exploration and mining depend on the Federal Government's consent.

8.4 The Federal Government has exclusive jurisdiction to legislate on deposits, mines, other mineral resources and metallurgy.

8.5 The Federal Constitution ensures the miner the product of the mining.

8.6 The Priority Right is the right to obtain the mining right by those that request a free area in a priority manner and with the documents indicated in article 16 of the Mining Code. If, for example, the exploration application is for an area already fully encumbered by another mining tenement, the ANM will reject the application. If, on the other hand, the application is for an area only partially encumbered by another mining tenement, the ANM will grant the Exploration Permit in the non-overlapping area.

[1] The one-hundred-and-fifty-kilometer-wide (150 km-wide) internal strip, parallel to the national territory land dividing line, is considered an indispensable area for National Security, and will, in this document, be referred to as the Border Strip.

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8.7 The exploration permit will always be valid for a determined period, which may be extended as long as the requirements established in the applicable legislation are met[2]. As a rule, the legislation provides for the possibility of a single extension. The exploration permit holder may explore any mineral substance that may be within the area of their exploration permit. If a different mineral substance from that included in the exploration permit is found, the legislation only establishes the necessity to immediately inform the ANM of such a discovery.

8.7.1 Article 9 of Decree nº 9.406/2018 (the regulation of the Brazilian Mining Code) presents a list of what should be considered mineral exploration according to Brazilian legislation. The list, which is not exhaustive, includes (i) geophysical and geochemical surveys; (ii) openings of trenches; (iii) drilling; (iv) physical and chemical analysis of samples and drill cores, etc.

8.8 During the exploration phase, the following obligations have been established as a condition for maintaining the good standing of the exploration permit: (i) to communicate the start of the exploration within the legal term; (ii) to pay the Annual Fee per hectare as established and within the period established in the applicable legislation; (iii) to present the Final Exploration Report within the period established in the applicable legislation or, alternatively, to present a Partial Exploration Report and request an extension of the period of the exploration permit as legally required.

8.9 The mining permit is valid until the exhaustion of the mine.

8.10 The assignment, lease or encumbrance of the mining tenements depend on prior consent from the ANM.

8.11 Mining activity is allowed on public or private lands. The applicable legislation does not require that the mining right holder to be the owner of the real estate properties interfering with the mining project. On the contrary, it establishes instruments such as Mineral Easement[3] and the Judicial Appraisal of Income[4] and Damage in order to ensure the possession of such areas for the mining activity, which is considered of public interest (article 5, f, of Decree-Law No. 3.365/1941) and exercised in the national interest (article 176, Federal Constitution).

[2] The requirements for requesting renewal are: (i) to present the Partial Exploration Report at least 60 days prior the expiry of the term of the Exploration Permit; (ii) to present a technical justification for the continuity of the exploration; (iii) to pay the renewal fee.
[3]Regulated by articles 59 et al of the Mining Code.
[4]Regulated by article 27 of the Mining Code.

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8.12 The landowner is entitled to receive a percentage in the mining results, as per the rule stablished by article 11, b, of the Mining Code. This percentage has to be at least half of the amount that the mining permit holder has to pay the Federal Government as CFEM[5].

8.13 Mining activity on indigenous lands must still be regulated.

8.14 Mining activity cannot be conducted in Full Protection Conservation Units or in other areas of additional sensitivity, as defined by law.

8.15 According to the ANM, there is no impediment to the granting of mining tenements in areas that were the object of ownership by *quilombola* communities, since they, according to the ANM, are not included in the concept of tribal people set forth in article 1 of OIT Convention No. 169. Though the ANM's current understanding is along these lines, there is a movement within the ANM to regulate this issue in the future, with the possible application of the rules of Convention 169 as a condition for the granting of mining tenements that may interfere with such communities.

8.16 In accordance with the ANM's current understanding, there is no automatic incompatibility between mining activities and the rural settlements created by the INCRA[6]. The coexistence of the activities must be made compatible, to the extent possible, as both are considered of public interest. INCRA issued on December 22, 2021, its Normative Instruction # 112 (Instrução Normativa 112), which came into force on January 3, 2022. It provides for the requirements and procedure for the issue of INCRA´s consent for the use of land in areas designated for land reform settlement program in the case of mining, energy and infrastructure projects. The text in Portuguese can be accessed here. It is our opinion that the rules stablished by the aforementioned Normative Instruction will be applied to processes 800.247/2016, 800.476/2016, 800.477/2016, since their polygonal partially interferes with the boundaries of the Encanto settlement project. Additional details on the subject can be consulted in topics I.2.4, I.2.6 and I.2.7 of this report.

[5] CFEM is a royalty paid to the Federal Government for the economic use of the mineral resources and currently regulated by Federal Laws No 7.990/1990 and 8.001/1990. CFEM is levied on gross sale, deducting the taxes levied (ICMS, PIS, Cofins, ISSQN) in the case of the sale of raw and processed ore, or on the intermediate production cost, when the mineral product is consumed or transformed in an industrial process. The CFEM´s rate is between 1% and 3% (2% for lithium).

[6] Basically, a rural settlement is a set of agricultural units independent among themselves, established by the National Institute for Rural Settlement and Land Reform - INCRA, where there was originally a rural property that belonged to a specific owner. Each unit is delivered by the INCRA to a family lacking the economic resources to acquire and maintain a rural property through other means.

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8.17 Non-compliance with the obligations set forth in the Mining Code or in its regulations subjects the mining right holder to the following sanctions: warning, fines and forfeiture of the mining tenement.

8.18 Article 42 of the Mining Code establishes that "the authorization will be refused if the mining is considered harmful to the public good or if it compromises interests that overcome the public interest of the industrial exploitation, at the discretion of the Government". This provision is regulated by PROGE Opinion No. 500/2008, which was drafted to solve the conflict that usually exists between mining undertakings and energy generators and established that article 42 may only be applied if: (i) the activities are actually incompatible; (ii) it is demonstrated that the public interest will be better served from the prevalence of the energy undertaking to the detriment of the mining undertaking.

9. The analysis conducted by the firm sought, based on the information indicated in paragraph 3, to verify the adherence of the Exploration Permits to the rules listed above.

I.2. Analysis of the Exploration Permits

I.2.1 Tenement 800.238/2016

10. The mining tenement (Exploration Permit No. 9.676/2016[7]) is active and in good standing and authorizes Ceará Lítio to explore niobium, tantalum, lithium and tin ores in an area of 755.68 hectares in the municipality of Solonópole, Ceará. In addition, the mineral tenement is in force, as per Appendix 2.

11. According to information made available by the ANM on the closing date of this Opinion, no interferences by the tenement's polygonal with easement areas, gas pipelines, oil pipelines, hydroelectric plants, rural settlements, transmission lines, wind farms, petrochemical complexes, military areas, *quilombola* lands, indigenous lands, or environmental conservation units were identified.

12. It should also be noted that upon analysis of the information referred to in item 3 above: (i) no administrative proceeding has been identified with a claim for cancelattion, nullitication or forfeiture of the exploration permit; (ii) no encumbrances have been identified.

[7] It was renewed on 11/08/2019 for a period of 3 years.

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I.2.2 Tenement 800.240/2016

13. The mining tenement (Exploration Permit No. 9.678/2016[8]) is active and in good standing and authorizes Ceará Lítio to explore lithium and tin ores in an area of 1,245.57 hectares in the municipalities of Milhã and Solonópole, Ceará. In addition, the mineral tenement is in force, as per Appendix 2.

14. According to information made available by the ANM on the closing date of this Opinion, no interferences by the tenement's polygonal with easement areas, gas pipelines, oil pipelines, hydroelectric plants, rural settlements, transmission lines, wind farms, petrochemical complexes, military areas, *quilombola* lands, indigenous lands, or environmental conservation units were identified.

15. It should also be noted that upon analysis of the information referred to in item 3 above: (i) no administrative proceeding has been identified with a claim for cancelattion, nullitication or forfeiture of the exploration permit; (ii) no encumbrances have been identified.

I.2.3 Tenement 800.241/2016

16. The mining tenement (Exploration Permit No. 9.679/2016[9]) is active and in good standing and authorizes Ceará Lítio to explore lithium and tin ores in an area of 1,718.44 hectares in the municipality of Solonópole, Ceará. In addition, the mineral tenement is in force, as per Appendix 2.

17. According to information made available by the ANM on the closing date of this Opinion, no interferences by the tenement's polygonal with easement areas, gas pipelines, oil pipelines, hydroelectric plants, rural settlements, transmission lines, wind farms, petrochemical complexes, military areas, *quilombola* lands, indigenous lands, or environmental conservation units were identified.

18. It should also be noted that upon analysis of the information referred to in item 3 above: (i) no administrative proceeding has been identified with a claim for cancelattion, nullitication or forfeiture of the exploration permit; (ii) no encumbrances have been identified.

[8] It was renewed on 11/08/2019 for a period of 3 years.
[9] It was renewed on 11/08/2019 for a period of 3 years.

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I.2.4 Tenement 800.247/2016

19. The mining tenement (Exploration Permit No. 9.617/2016[10]) is active and in good standing and authorizes Ceará Lítio to explore lithium and tin ores in an area of 1,398.91 hectares in the municipality of Solonópole, Ceará. In addition, the mineral tenement is in force, as per Appendix 2.

20. It should also be noted that upon analysis of the information referred to in item 3 above: (i) no administrative proceeding has been identified with a claim for cancelattion, nullitication or forfeiture of the exploration permit; (ii) no encumbrances have been identified.

21. According to information made available by the ANM on the closing date of this Opinion, no interferences by the tenement's polygonal with easement areas, gas pipelines, oil pipelines, hydroelectric plants, transmission lines, wind farms, petrochemical complexes, military areas, *quilombola* lands, indigenous lands, or environmental conservation units were identified.

22. Despite what was mentioned in the previous item, the polygonal of the tenement 800.247/2016 partially overlaps a rural settlement named PA Encanto, as per demonstrated by Appendix 3.

23. As mentioned in item 8.16, INCRA issued on December 22, 2021, its Normative Instruction # 112 (Instrução Normativa 112), which came into force on January 3, 2022. It provides for the requirements and procedures for the issue of INCRA´s consent for the use of land in areas designated for land reform settlement program in the case of mining, energy and infrastructure projects.

24. It is our opinion that the continuity of the exploration activities in the part of the exploration permit that overlaps with the rural settlement area must be preceded by express authorization from INCRA.

25. The request shall be submitted before the INCRA´s regional office responsible for the specific settlement area in question and the documents to be provided are the following:

(i) a standard application form;

(ii) Ceará Lítio´ s bylaws;

[10] It was renewed on 11/08/2019 for a period of 3 years.

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(iii) a detailed exploration plan describing the budget, the scheduled foreseen and its direct and indirect area of influence to the settlement area, as well as the area that will be effectively used;

(iv) a justification for the use of the land considering the activity to be performed;

(v) plants and description of the area, which shall include preservation areas;

(vi) a matrix of all the impacts of the project to the land settlement program along with obligations to be assumed by the company;

(vii) copy of the exploration permit granted by the ANM;

(viii) copy of the environmental license, if applicable[11];

(ix) copy of environmental control reports and plans[12];

(x) copy of the plan of restoration of degraded areas, if applicable[13];

(xi) a risk assessment of the environmental authority, if applicable[14].

26. In the review of the request for consent, INCRA shall consider, among other aspects, the possibility of coexistence of the mineral activities and the land settlement program, (article 12, §2, of INCRA Normative Instruction 112). We are of the opinion that, once coexistence has been demonstrated, the request to use the area could not be denied by INCRA.

27. The Normative Instruction also establishes the following obligations as conditions to allow the use of the area affected by the settlement project: (i) pay INCRA for the use of the land; (ii) pay damages to the land occupiers; (iii) assumption of other obligations that may prove necessary to make the mineral activity compatible with the settlement project. These latter obligations will be defined on a case-by-case basis, but the Normative Instruction has already presented the following examples:

(i) resettlement or relocation of affected families;

[11] As detailed below, the mineral exploration activity in the State of Ceará does not, *a priori*, require environmental licensing.
[12] Environmental control reports and plans will be part of the environmental licensing process for the mining activity and are not required in the exploration phase.
[13] The plan of restoration of degraded areas (PRAD) is always required of the miner when the activity starts, but in the environmental licensing process.
[14] The risk assessment is carried out in the environmental licensing process, especially when analyzing the environmental studies that will be part of the process. This analysis is carried out in the previous licensing phase and is not applicable in mineral exploration activity.

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(ii) implementation, improvement or maintenance of infrastructure in favor of the settlement project;

(iii) support in the environmental regularization of the settlement project area and its surroundings.

28. The application will be analyzed by a public servant or by a working group to be designated by the Regional INCRA Superintendent, who will be responsible for formulating any other requirements and clarifications that may be necessary. The period for analysis is 90 days[15], which may be extended for an equal period upon justification and at the discretion of the Regional Superintendent of the Director of Development and Consolidation of Settlement Projects.

29. Once the application is analyzed, the public servant or the working group must prepare an opinion recommending it´s approval or suggesting the refusal to use the settlement project area. The final decision rests with the President of INCRA, authorized by the Board of Directors. In case of rejection, it is possible to submit a request for reconsideration, within 30 days, which will be considered by the Board of Directors, with prior technical analysis by the Board of Development and Consolidation of Settlement Projects and legal manifestation of the Specialized Federal Attorney's Office.

I.2.5 Tenement 800.474/2016

30. The mining tenement (Exploration Permit No. 6.349/2017[16]) is active and in good standing and authorizes Ceará Lítio to explore lithium and tin ores in an area of 1,415.57 hectares in the municipality of Solonópole, Ceará. In addition, the mineral tenement is in force, as per Appendix 2.

31. According to information made available by the ANM on the closing date of this Opinion, no interferences by the tenement's polygonal with easement areas, gas pipelines, oil pipelines, hydroelectric plants, rural settlements, transmission lines, wind farms, petrochemical complexes, military areas, *quilombola* lands, indigenous lands, or environmental conservation units were identified.

[15] In scenarios of repeated idleness by public authorities and considering that it is a federal administrative procedure, it would be possible to accelerate it through lawsuits aiming at ordering INCRA to render a decision on the request. Those lawsuits are common against other government authorities, but it is important to map the risk of (i) the government agency, after the judicialization of any matter related to the procedure stagnating the processing until a court order is issued determining the establishment of deadline for the decision or (ii) the judicialization causing some internal discomfort with the authority, thus jeopardizing the company´s requests.
[16] It was renewed on 02/22/2022 for a period of 3 years.

32. It should also be noted that upon analysis of the information referred to in item 3 above: (i) no administrative proceeding has been identified with a claim for cancelattion, nullitication or forfeiture of the exploration permit; (ii) no encumbrances have been identified.

I.2.6 Tenement 800.475/2016

33. The mining tenement (Exploration Permit No. 6.350/2017) is active and in good standing and authorizes Ceará Lítio to explore lithium and tin ores in an area of 1,180.49 hectares in the municipality of Solonópole, Ceará. In addition, the mineral tenement is in force[17], as per Appendix 2.

34. According to information made available by the ANM on the closing date of this Opinion, no interferences by the tenement's polygonal with easement areas, gas pipelines, oil pipelines, hydroelectric plants, rural settlements, transmission lines, wind farms, petrochemical complexes, military areas, *quilombola* lands, indigenous lands, or environmental conservation units were identified.

35. It should also be noted that upon analysis of the information referred to in item 3 above: (i) no administrative proceeding has been identified with a claim for cancelattion, nullitication or forfeiture of the exploration permit; (ii) no encumbrances have been identified.

I.2.7 Tenement 800.476/2016

36. The mining tenement (Exploration Permit No. 6.351/2017[18]) is active and in good standing and authorizes Ceará Lítio to explore lithium and tin ores in an area of 1,999.96 hectares in the municipalities of Solonópole and Banabuiú, Ceará. In addition, the mineral tenement is in force, as per Appendix 2.

37. It should also be noted that upon analysis of the information referred to in item 3 above: (i) no administrative proceeding has been identified with a claim for cancelattion, nullitication or forfeiture of the exploration permit; (ii) no encumbrances have been identified.

38. According to information made available by the ANM on the closing date of this Opinion, no interferences by the tenement's polygonal with easement areas, gas pipelines, oil pipelines, hydroelectric plants, transmission lines, wind farms, petrochemical complexes, military areas, *quilombola* lands, indigenous lands, or environmental conservation units were identified.

[17] It was renewed on 02/22/2022 for a period of 3 years.
[18] It was renewed on 02/22/2022 for a period of 3 years.

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39. Despite what was mentioned in the previous item, the polygonal of the tenement 800.476/2016 also partially overlaps the rural settlement PA Encanto, as per demonstrated by Appendix 4. Therefore, the remarks we have made in paragraphs 23 to 29 also apply here.

I.2.8 Tenement 800.477/2016

40. The mining tenement (Exploration Permit No. 6.352/2017[19]) is active and in good standing and authorizes Ceará Lítio to explore lithium and tin ores in an area of 1,762.29 hectares in the municipality of Solonópole, Ceará. In addition, the mineral tenement is in force, as per Appendix 2.

41. It should also be noted that upon analysis of the information referred to in item 3 above: (i) no administrative proceeding has been identified with a claim for cancelattion, nullitication or forfeiture of the exploration permit; (ii) no encumbrances have been identified.

42. According to information made available by the ANM on the closing date of this Opinion, no interferences by the tenement's polygonal with easement areas, gas pipelines, oil pipelines, hydroelectric plants, transmission lines, wind farms, petrochemical complexes, military areas, *quilombola* lands, indigenous lands, or environmental conservation units were identified.

43. Despite what was mentioned in the previous item, the polygonal of the tenement 800.477/2016 also partially overlaps the rural settlement PA Encanto, as per demonstrated by Appendix 5. Therefore, the remarks we have made in paragraphs 23 to 29 also apply here.

I.3. Procedures for future environmental licensing

44. In Brazilian environmental legal system, the main authorization is the environmental permit. The states have the authority to define the need for a prior environmental permit to carry out mining exploration. The federal legislation, in its turn, requires that a prior environmental permit be obtained in order to carry out mining activity throughout Brazil. State laws establish procedures for issuing environmental permits for mining activity.

45. Environmental licensing procedures also occur in stages or phases, which are separate, but correlated.

[19] It was renewed on 02/22/2022 for a period of 3 years.

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46. In most cases, environmental licensing procedures are divided into three subsequent stages: (i) in the first, the location and environmental feasibility of the planned enterprise is assessed, with a Preliminary Permit issued upon completion of this stage; (ii) after reviewing the location and environmental feasibility, the authorization application stage starts for the implementation of the proposed undertaking, when an Installation Permit is issued; (iii) the operation stage will commence only upon implementation of the project and issuance of the Operation Permit, which will authorize the beginning of the activities.

47. The Operation Permit may possibly result in a list of environmental obligations that the mining title holder must observe and comply with during the regulated period and operation of the enterprise.

48. In addition to the environmental permit, the following authorizations may be required by the relevant environmental agencies, depending on the provisions of state laws and the characteristics of the activities carried out: (i) authorization for environmental intervention and/or land clearance; (ii) authorization to collect, exploit and/or use water resources; (iii) report to relevant authorities any possible social and environmental impacts of the project on Conservation Units and indigenous, quilombola or traditional communities close to the exploitation site.

49. Mining activities (exploration or exploitation) in areas of social and environmental sensitivity may be prohibited by federal or state legislation. In this case, a social/environmental assessment is suggested for the places where the activity is intended to be carried out in order to identify the existence of any such sensitivity.

50. In the State of Ceará, the environmental licensing procedure is currently regulated by State Law No. 231/2021 and administrative acts, such as Instrução Normativa SEMACE n. 01/2010 and Resolução COEMA n. 02/2019, which require the issuance of an environmental permit for the activities listed on its appendix 1.

51. Permits (LP, LI and LO) may be issued separately, successively or concurrently, and the officer of the state environmental agency will define, as per type of enterprise or activity, the relevant procedure.

52. The validity terms of the permits will also depend on the determined procedure, as well as on the schedule for the preparation of plans, programs and projects relating to the activity, which may vary from three (3) to ten (10) years, with renewal in all cases.

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53. Both the environmental licensing procedure and the environmental documents and studies, that will be required from the miner are subject to previous classification of the intended activity into classes 1 to 6. This classification takes into consideration a combination of criteria, such as the size of the enterprise (smaller than micro, micro, small, medium, large or exceptional), which, in the case of mining activities, is measured according to the intended gross production (tonnes/year), and the potential pollution or environmental degradation (small, medium or high), which, in the case of mining activities, is considered medium in most cases.

54. In conjunction with the request for an environmental license to carry out the activity, the mining title holder may request that the agency: (i) grant the right to use water resources, in the event there is a need to collect water from a watercourse or exploit underground water to carry out the activity; (ii) authorization for land clearance; (iii) authorization for the collection, capture, rescue and management of wild fauna for the stage in which studies involving the production of primary fauna data are performed; and (iv) consent of the management of the conservation unit, in the event the development affects a specific conservation unit or its buffer zone.

55. In addition to the application for an environmental permit to carry out the activity, the mining title holder may submit an application to the agency for the following : (i) Forest Exploitation Permit, for the clear-cutting of vegetation, removal of native vegetation in permanent preservation areas and selective not-for-profit cutting of trees; (ii) Ruling for the Right to Use Water Resources, which gives the enterprising the right to use water resources; (iii) Prior Consent, which authorizes the execution of drilling works to extract underground water; (iv) Authorization for the Transport of Dangerous Goods, for the transportation of chemicals or other substances harmful to the environment.[20]

56. In the case of the Exploration Permits, the applicable legislation does not establish a specific procedure that must be followed in order to conduct exploration activities. As a rule, it is only necessary to proceed with the environmental licensing when there is a correspondence between the activity to be developed and the typology in the foreseen legislation.

[20] As informed by e-mail dated 01/31/2022 there was no need to remove vegetation or use of water resources to proceed the mineral exploration activity.

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57. However, annex I of the Coema Resolution n. 02/2019, in the code listing 08 (mining activities), presents a generic framework code under the number 8.15. This code describes the following activity "other activities not previously specified" which, in accordance with art. 8-A[21], suggests a consultation with the environmental agency on the need for licensing the mineral exploration activity.

58. It is also important to point out that there is provision for environmental authorization for secondary activities, aimed at the finalistic achievement of the environmental license, which is also a possibility for the regularization of mineral exploration[22].

59. Therefore, it would be a precautionary measure if the environmental agency were consulted prior to the mineral exploration, in order to consolidate the position regarding the need for any authorization act. In the event that the issuance of a license or environmental authorization is deemed necessary, mineral exploration would be regulated by this instrument.

60. However, considering that the mineral exploration activity is already taking place, without the need for environmental interventions, such as the removal of vegetation or the use of water, in addition to the fact that, as mentioned, there is no express provision for licensing for the activity, the risk of non-compliance is considered low.

[21] Article 8-A establishes that "For the work or activity not covered by §1, but also not included in the Annexes of this resolution, if necessary, the issuance of document attesting the exemption, the entrepreneur must request the Declaration of Exemption from Environmental Licensing."
[22] The fifth paragraph of article 4 of COEMA Resolution n. 02/2019 establishes that "For the exercise of ancillary activity, aimed at the finalistic achievement of the environmental license, pre-operational tests, as well as for the temporary activity, or for one that, by its very nature, is exhaustive, SEMACE may grant, at the request of the interested party, an Environmental Authorization (AA), which must have its term established in the operational schedule, not exceeding the period of 02 (two) years.

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II. Closure

61. This opinion, which is final, has 15 pages and 5 attachments.

62. This opinion is given under and with respect only to the laws of Brazil as in force on the date hereof and we do not express any opinion under or with respect to the law of any other jurisdiction.

63. We also note that this Opinion is restricted to examining the regular legal status (in accordance with Brazilian mineral and environmental legislation currently in effect) of the Exploration Permits and it does not cover any technical, operational, commercial or financial aspects related to them.

Belo Horizonte, March, 17, 2022.

Marcelo Azevedo

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Appendix 1

Mining Tenement	Stage	Area (hectare)	Mineral substances	Holder
800.238/2016	Exploration Permit	755.68	Niobium, Tantalum Tin and Lithium ores	Ceará Lítio
800.240/2016		1,245.57	Tin and lithium ores	
800.241/2016		1,718.44		
800.247/2016		1,398.91		
800.474/2016		1,415.57		
800.475/2016		1,180.49		
800.476/2016		1,999.96		
800.477/2016		1,762.29		

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Appendix 2

Mining Tenement	Holder	Exploration Permit renewal date	Expiry date	Expiry date considering automatic extension[23]
800.238/2016	Ceará Lítio	11/08/2019	11/08/2022	05/20/2024
800.240/2016		11/08/2019	11/08/2022	05/20/2024
800.241/2016		11/08/2019	11/08/2022	05/20/2024
800.247/2016		11/08/2019	11/08/2022	05/20/2024
800.474/2016		02/22/2022	02/22/2025	N/A
800.475/2016		02/22/2022	02/22/2025	N/A
800.476/2016		02/22/2022	02/22/2025	N/A
800.477/2016		02/22/2022	02/22/2025	N/A

[23] In response to the effects of the COVID 19 pandemic, the ANM published some resolutions automatically extending the validity period of some mining rights and, among them, those of the Exploration Permits.

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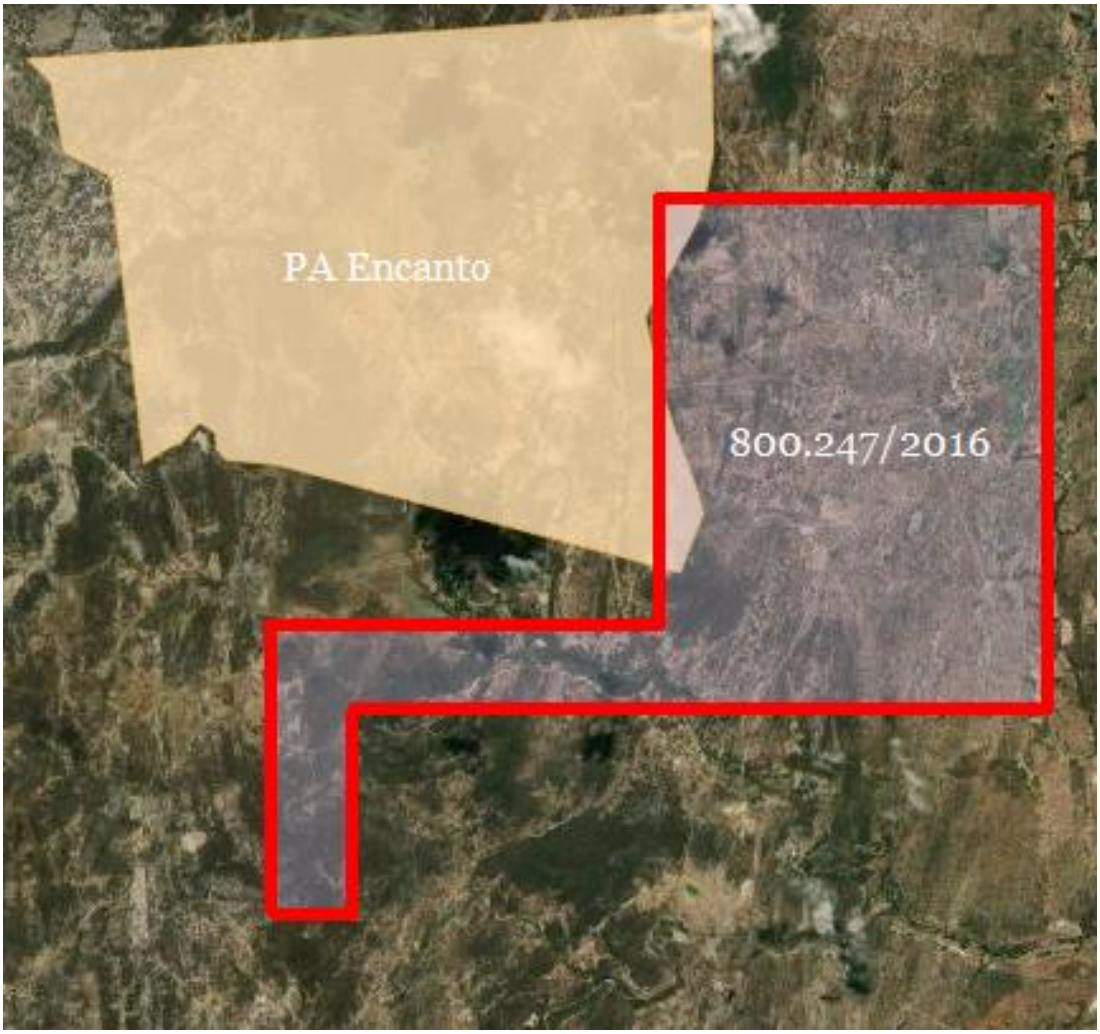
Appendix 3
Interference between ANM 800.247/2016 (in red) and PA Encanto (in beige)



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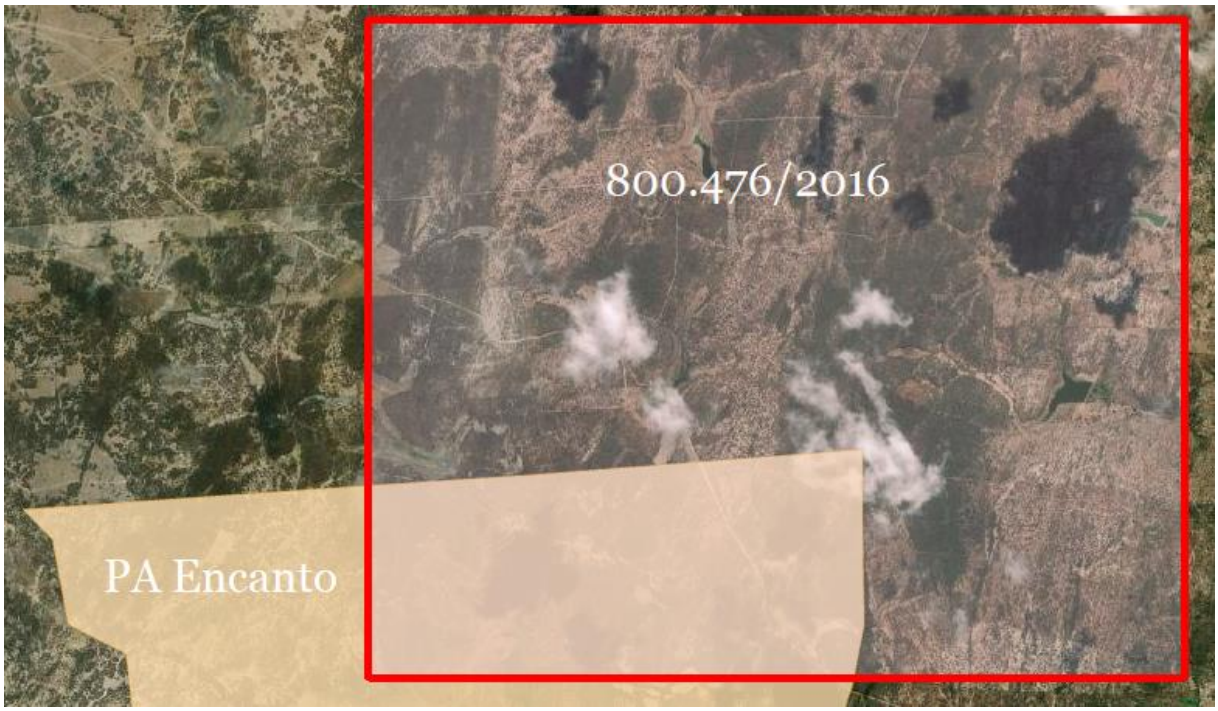
Appendix 4
Interference between ANM 800.476/2016 (in red) and PA Encanto (in beige)



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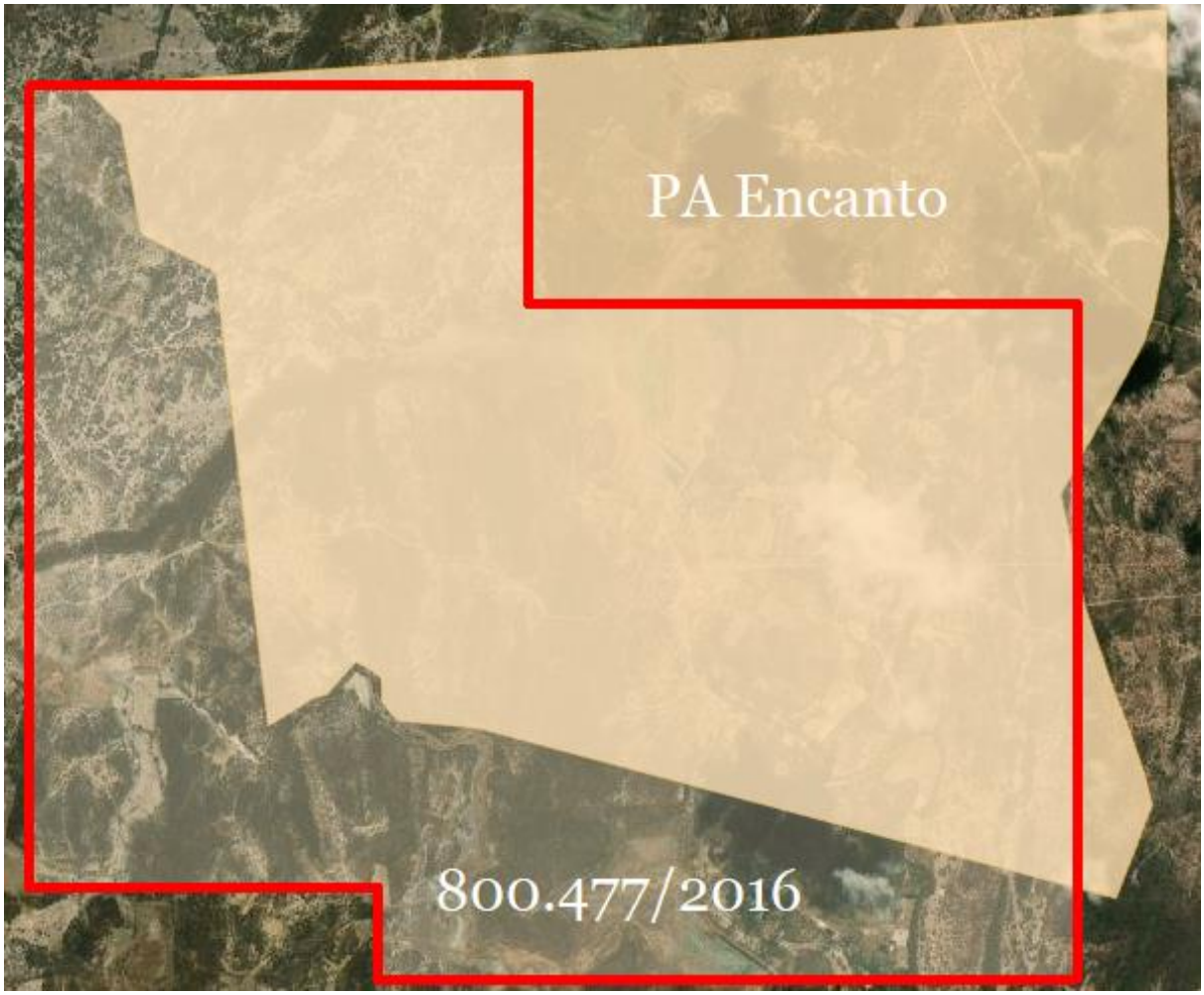
Appendix 5
Interference between ANM 800.477/2016 (in red) and PA Encanto (in beige)



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10 FINANCIAL INFORMATION FOR THE GROUP

10.1 Introduction

(a) Financial Information

The financial information in this Section includes:

- Notional Historical Financial Information, being the:
  - Notional Historical Consolidated Statements of Profit or Loss and Other Comprehensive Income of Oceana for the years ended 31 December 2020 and 31 December 2021;
  - Notional Historical Consolidated Statements of Cashflows of Oceana for the years ended 31 December 2020 and 31 December 2021; and
  - Notional Historical Consolidated Statement of Financial Position of Oceana as at 31 December 2021.
- Pro Forma Historical Financial Information, being the:
  - Pro forma Historical Consolidated Statement of Financial Position of Oceana as at 31 December 2021.

The Notional Historical Financial Information and the Pro Forma Historical Financial Information are collectively referred to as the Financial Information.

No forecast financial information has been provided for the Company.

Also summarised in this Section are;

- the basis of preparation and presentation of the Financial Information (see section 10.2);
- the pro forma adjustments to the Notional Historical Consolidated Statement of Financial Position as at 31 December 2021 and reconciliations to the Notional Historical Consolidated Statement of Financial Position as at 31 December 2021 (see section 10.3(e) to 10.3(l)); and
- Management's discussion and analysis in respect of the Pro Forma Historical Financial Information (see section 10.4).

The Financial Information has been reviewed and reported on by Moore Australia Corporate Finance (WA) Pty Ltd, whose Independent Limited Assurance Report is contained in section 11. The Independent Limited Assurance Report has been prepared in accordance with the Australian Standard on Assurance Engagements ASAE 3450 Assurance Engagement Involving Fundraising and/or Prospective Financial Information. Investors should note the scope and limitations of the Investigating Accountant's Report.

The information in this Section should also be read in conjunction with other information contained in this Prospectus including;

(i) Management's discussion and analysis set out in this section;

(ii) The risk factors described in section 6;

(iii) Significant accounting policies and critical areas of accounting judgements and estimates set out in section 10.5;

(iv) The Independent Limited Assurance Report on the historical and pro forma financial information set out in section 11; and

(v) Other information contained in the Prospectus.

Investors should also note that historical results are not a guarantee of future performance.

All amounts disclosed in the tables are presented in Australian dollars ("$") unless otherwise stated.

(b) Foreign Exchange Rates Applied to the Notional Historical and Pro Forma Historical Financial Information

Oceana's functional and presentation currency is Australian dollars ("$AUD").

For each table within the financial information section of this Prospectus, the relevant information has been stated in Australian dollars ($AUD). The following conversion rates, based on the Reserve Bank of Australia's (RBA) published foreign exchange rate tables, have been used:

Foreign Currency Conversion Rates		
Exchange rate	31 December 2021	31 December 2020
Year-end exchange rate used in translating the pro forma adjustments occurring in Brazilian Real (BRL) to $AUD	0.2469	0.2577
Average exchange rate used in translating the Statement of Profit or Loss & Other Comprehensive Income occurring in Brazilian Real (BRL) to $AUD	0.2472	0.2805

(c) Forecast Financial Information

There are significant uncertainties associated with forecasting future revenues and expenses of Oceana. Given uncertainty as to timing and outcome of Oceana's growth strategies and the nature of the industry in which Oceana operates, as well as uncertain macro market and economic conditions, Oceana's performance in any future period cannot be reliably estimated. Given this and after consideration of ASIC Regulatory Guide 170, the Directors do not believe they have a reasonable basis to reliably forecast future earnings and accordingly forecast results have not been included in the Prospectus.

10.2 Basis of Preparation and Presentation of the Financial Information

(a) Overview

The Directors are responsible for the preparation and presentation of the Financial Information.

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

The Notional Historical Financial Information has been prepared in accordance with all applicable International Financial Reporting Standards ("IFRSs"), which collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards ("IAS") and related Interpretations, promulgated by the International Accounting Standards Board ("IASB"). Compliance with IFRS has ensured compliance with Australian Accounting Standards.

The Company has applied all the new and revised IFRSs which are effective for the Company's accounting period beginning on 1 January 2019 consistently throughout the years/period presented to the extent required or allowed by transitional provisions in the IFRSs.

The impact of new and revised IFRS, which have been adopted during the years/period presented and effective as at the current date, to the results for each year/period presented is not significant.

The Pro Forma Historical Financial Information has been prepared in accordance with the recognition and measurement requirements of Australian Accounting Standards (AAS), other than that the Pro Forma Historical Consolidated Statement of Financial Position of Oceana includes certain adjustments which have been prepared in a manner consistent with AAS, which reflect the impact of certain transactions which are planned to or have taken place subsequent to 31 December 2021, as if they had occurred on or before 31 December 2021.

The Pro Forma Historical Consolidated Statement of Financial Position of Oceana does not reflect the actual statement of financial position of Oceana as at 31 December 2021. Oceana believes that it provides useful information as it illustrates the financial position of the Company as at 31 December 2021 on the basis that the proposed Capital Raising and other related pro forma transactions were completed as at that date.

The Financial Information is presented in an abbreviated form and does not include all of the disclosures, statements or comparative information required by AAS applicable to annual financial reports prepared in accordance with the Corporations Act.

Accounting policies have been consistently applied throughout the periods presented. Significant accounting policies of Oceana, relevant to the Financial Information, are set out in section 10.5.

(b) Preparation of Historical and Pro Forma Financial Information

The Notional Historical Financial Information for Oceana has been derived from the audited special purpose financial reports of Oceana for the years ended 31 December 2020 and 31 December 2021.

Although Oceana was only incorporated on 18 October 2021 and its acquisition of Ceara Litio Mineracao Eireli EPP ("Ceara Litio") is yet to complete (subject to satisfying agreed conditions), the Notional Historical Financial Information reflects the notional consolidation of Oceana and its proposed Brazilian subsidiary company for the entire financial years ended 31 December 2020 and 2021, so as to demonstrate their

combined financial position as at 31 December 2021 and combined results for the financial years ended 31 December 2020 and 2021.

The Notional Historical Financial Information has been extracted from the audited special purpose financial statements of Oceana for the period 18 October 2021 to 31 December 2021 and the audited special purpose financial statements of Ceara Litio for the years ended 31 December 2020 and 31 December 2021.

The financial reports of Oceana and Ceara Litio were audited by Moore Australia Audit (WA), who issued unmodified audit opinions for each of the years specified. For each of the years noted above Moore Australia audit (WA) raised an emphasis of matter in respect of material uncertainty related to going concern.

The Pro Forma Historical Financial Information has been prepared for the purposes of inclusion in this Prospectus. The Pro Forma Historical Financial Information has been derived from the Notional Historical Statement of Financial Position as at 31 December 2021, adjusted to reflect proposed transactions as set out in section 10.3(e).

The Pro forma Historical Financial Information presented in this Prospectus has been reviewed by Moore Australia Corporate Finance (WA) Pty Ltd, whose Independent Limited Assurance Report is contained in section 11. Investors should note the scope and limitations of that report.

10.3 Notional Historical Financial Information

(a) Notional Historical Consolidated Statements of Profit or Loss and Other Comprehensive Income

The table below sets out the Historical Consolidated Statements of Profit or Loss and Other Comprehensive Income for the years ended 31 December 2020 and 31 December 2021.

	Ref	Audited 31 December 2021 $	Audited 31 December 2020 $
Revenue		1	-
Administration expenses		(46,791)	(2,285)
Exploration and Evaluation expenses		-	(12,518)
Taxes and fees		-	-
Loss before income tax		(46,790)	(14,803)
Income tax expense		-	-
Loss for the year after tax		(46,790)	(14,803)
Other comprehensive income			

Foreign exchange translation		20,574	62,605
Total comprehensive (loss)/income for the year		(26,216)	47,802
Loss for the year attributable to owners of the Company		(46,790)	(14,803)
Total comprehensive (loss)/income attributable to owners of the Company		(26,216)	47,802

(b) Notional Historical Consolidated Statements of Cash Flows

The table below sets out the Notional Historical Consolidated Statements of Cash Flows for the years ended 31 December 2020 and 31 December 2021.

	Audited 31 December 2021 $	Audited 31 December 2020 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts	1	-
Payments	(50,649)	(25,447)
Net cash flows used in operating activities	(50,648)	(25,447)
CASH FLOWS FROM INVESTING ACTIVITIES		
Option fee paid	(75,000)	-
Net cash flows used in investing activities	(75,000)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Issued ordinary shares	268,000	-
Shareholder loans received	-	-
Net cash flows provided by financing activities	268,000	-
Net increase in cash and cash equivalents	142,352	(25,447)
Cash and cash equivalents at beginning of the	(700)	25,913

financial year		
Effect of Forex Rate Changes	10,766	(1,166)
Cash and cash equivalents at the end of the financial year	152,418	(700)

(c) Notional Historical Consolidated Statement of Financial Position

The table below sets out the Notional Historical Consolidated Statement of Financial Position of Oceana as at 31 December 2021.

	Ref	Audited 31 December 2021 $
Assets		
Current assets		
Cash and cash equivalents	10.3(f)	152,418
Other receivables		3,854
Total current assets		156,272
Non-current assets		
Intangible assets		75,000
Exploration and evaluation assets	10.3(g)	-
Total non-current assets		75,000
Total assets		231,272
Liabilities		
Current liabilities		
Trade and other payables		96
Amount due to shareholders	10.3(h)	225,468
Other liabilities	10.3(i)	-
Total current liabilities		225,564
Non-current liabilities		

Total non-current liabilities		-
Total liabilities		225,564
Net assets		**5,708**
Shareholders' equity		
Share capital	10.3(j)	291,139
Foreign exchange reserve		93,171
Accumulated losses	10.3(k)	(378,602)
Total shareholders' equity		**5,708**

(d) Pro Forma Historical Consolidated Statement of Financial Position

The table below set out the Pro Forma Historical Consolidated Statement of Financial Position of the Company as at 31 December 2021. The Pro Forma Historical Consolidated Statement of Financial Position is provided for illustrative purposes only and is not represented as being necessarily indicative of the Company's view of its future financial position.

			Full Subscription (unaudited)		Oversubscriptions (unaudited)	
	Ref	Audited 31 December 2021 $	Pro-forma adjustments $	Pro-forma $	Pro-forma adjustments $	Pro-forma $
Assets						
Current assets						
Cash and cash equivalents	10.3(f)	152,418	5,336,580	5,488,998	5,801,091	5,953,509
Other receivables		3,854	-	3,854	-	3,854
Total current assets		156,272	5,336,580	5,492,852	5,801,091	5,957,363
Non-current assets						
Intangible assets		75,000	(75,000)	-	(75,000)	-
Exploration and evaluation assets	10.3(g)	-	1,250,000	1,250,000	1,250,000	1,250,000
Total non-current assets		75,000	1,175,000	1,250,000	1,175,000	1,250,000
Total assets		231,272	6,511,580	6,742,852	6,976,091	7,207,363
Liabilities						
Current liabilities						
Trade and other payables		96	(96)	-	(96)	-

Amount due to shareholders	10.3(h)	225,468	(225,468)	-	(225,468)	-
Other liabilities	10.3(i)	-	62,500	62,500	62,500	62,500
Total current liabilities		225,564	(163,064)	62,500	(163,064)	62,500
Non-current liabilities						
Total non-current liabilities		-	-	-	-	-
Total liabilities		225,564	(163,064)	62,500	(163,064)	62,500
Net assets		**5,708**	**6,674,644**	**6,680,352**	**7,139,155**	**7,144,863**
Shareholders' equity						
Share capital	10.3(j)	291,139	6,365,700	6,656,839	6,656,839	7,126,839
Foreign exchange reserve		93,171	-	93,171	-	93,171
Share based payment reserve	10.3(k)	-	1,051,930	1,051,930	1,051,930	1,051,930
Accumulated losses	10.3(c)	(378,602)	(742,986)	(1,121,588)	(748,475)	(1,127,077)
Total shareholders' equity		5,708	6,674,644	6,680,352	7,139,155	7,144,863

(e) Notes on the Pro Forma Historical Consolidated Statement of Financial Position

The Pro forma Historical Consolidated Statement of Financial Position of Oceana as at 31 December 2021 is based on the Notional Historical Consolidated Statement of Financial Position of Oceana as at 31 December 2021 incorporating the following adjustments which have either taken place subsequent to 31 December 2021 or are expected to take place on or around the time the Company lists on ASX:

- The raising of seed capital of $2,250 through the issue of 2,250,000 Shares in the Company at a price of $0.001 per Share;
- The raising of seed capital of $20,000 through the issue of 1,000,000 Shares in the Company at a price of $0.02 per Share;
- The raising of $425,000 Pre IPO capital raising through the issue of 4,250,000 Shares in the Company at a price of $0.10 per Share;
- The acquisition of Ceara Litio settled as follows:
  - the issue of 4,000,000 Shares in the Company at $0.20 per Share and the capitalisation of this consideration paid of $800,000 as exploration and evaluation assets;
  - the recognition of $62,500 deferred consideration payment payable on the extension of certain licenses in other liabilities; and
  - the reimbursement of $112,500 exploration expenses and the capitalisation of this expense as exploration and evaluation assets.
- The reclassification of the Ceara Litio option payment paid prior to 31 December 2021 from intangible assets to exploration and evaluation assets;
- The acquisition of Consolidate Lithium Trading Pty Ltd ("Consolidate Lithium"), applicant of the Napperby Lithium project, settled through the issue of 1,000,000 Shares in the Company at $0.20 per Share and the capitalisation of the consideration paid of $200,000 as exploration and evaluation assets;
- The forgiveness of shareholder loans of $225,468 and trade creditors of $96 (both owing by Ceara Litio);
- A capital raising pursuant to the Prospectus of $5,500,000, being 27,500,000 Shares at $0.20 each, with oversubscriptions of up to $500,000 for a maximum of $6,000,000, being 30,000,000 Shares at $0.20 each (the "Public Offer");
- Direct expenses of the Public Offer totaling $330,000 and $360,000 (assuming oversubscriptions) under the maximum capital raising, which have been deducted from cash and debited to share capital;
- The issue of 3,500,000 Broker Options exercisable at $0.30 per Option over three years from the grant date and the recognition of the expense of $251,550 as a deduction from equity;
- The issue of 9,250,000 Advisor and Director Options exercisable at $0.30 per Option over four years from the grant date and the recognition of the expense of $800,380 in accumulated losses; and
- The payment out of cash of estimated other IPO costs of between $168,170

and $173,659 associated with the IPO for the minimum and maximum capital raising respectively, and the expensing of this amount to accumulated losses.

(f) Pro Forma Cash Reconciliation

The table below details the reconciliation of the pro forma cash balance of Oceana as 31 December 2021, reflecting the actual cash at bank at that date and reflecting the impact of the pro forma adjustments as set out in section 10.3(e):

	Full subscription $	Over Subscription $
Oceana cash at 31 December 2021	152,418	152,418
Seed capital raising	22,250	22,250
Pre IPO capital raising	425,000	425,000
Capital raising at IPO	5,500,000	6,000,000
Costs capital raising	(330,000)	(360,000)
Costs of listing	(168,170)	(173,659)
Reimbursement of exploration expenses	(112,500)	(112,500)
Pro forma cash balance	5,488,998	5,953,509

(g) Pro forma Exploration and Evaluation Assets

The table below details the reconciliation of the pro forma exploration and evaluation assets balance of Oceana as at 31 December 2021, reflecting the actual balance at that date and reflecting the impact of the pro forma adjustments as set out in Section 10.3(e):

	Full subscription $	Over subscription $
Oceana cost as at 31 December 2021	-	-
Acquisition of Ceara Litio equity consideration	800,000	800,000
Acquisition of Ceara Litio deferred consideration	62,500	62,500
Reimbursement of Ceara Litio exploration expenses	112,500	112,500
Reclassification of option fee paid from intangible assets	75,000	75,000

Acquisition of Consolidate Lithium	200,000	200,000
Pro forma exploration and evaluation assets balance	1,250,000	1,250,000

(h) Pro forma Shareholder loans

The table below details the reconciliation of the pro forma shareholder loans balance of Oceana as at 31 December 2021, reflecting the actual shareholder loans balance at that date and reflecting the impact of the pro forma adjustments as set out in section 10.3(e):

	Ref	Full subscription $	Over subscription $
Oceana as at 31 December 2021 (current)		225,468	225,468
Shareholder loans forgiven		(225,468)	(225,468)
Pro forma shareholder loans balance		-	-

(i) Pro forma Other liabilities

The table below details the reconciliation of the pro forma other liabilities as at 31 December 2021, reflecting the actual balance at that date and reflecting the impact of the pro forma adjustments as set out in section 10.3(e):

	Ref	Full subscription $	Over subscription $
Oceana as at 31 December 2021		-	-
Deferred consideration payable re for the Ceara Litio acquisition		62,500	62,500
Pro forma amounts due to shareholders balance		62,500	62,500

(j) Pro Forma Share Capital Reconciliation

The table below details the reconciliation of the pro forma share capital balance of Oceana as at 31 December 2021, reflecting the actual share capital balance at that date and reflecting the impact of the pro forma adjustments set out in section 10.3(e):

	Full # of Shares	Full $	Over # of Shares	Over $
Ordinary issued and paid up share capital				
Actual Balance as at 31 December 2021	21,000,000	291,139	21,000,000	291,139
Seed capital	3,250,000	22,250	3,250,000	22,250
Pre IPO Capital Raising	4,250,000	425,000	4,250,000	425,000
Vendor shares – Ceara Litio	4,000,000	800,000	4,000,000	800,000
Vendor shares – Consolidate Lithium	1,000,000	200,000	1,000,000	200,000
Shares issued pursuant to current prospectus	27,500,000	5,500,000	30,000,000	6,000,000
Transaction costs of issue	-	(581,550)	-	(611,550)
Pro forma share capital balance	61,000,000	6,656,839	63,500,000	7,126,839

The table below details the reconciliation of the pro forma options balance of Oceana as at 31 December 2021, reflecting the actual options balance at that date and reflecting the impact of the pro forma adjustments as set out in section 10.3(e):

	Full # of Options	Full $	Over # of Options	Over $
Ordinary issued and paid-up share options				
Actual Balance as at 31 December 2021	-	-	-	-
Broker options	3,500,000	251,550	3,500,000	251,550
Director option	2,000,000	173,055	2,000,000	173,500
Advisor options	7,250,000	627,325	7,250,000	627,325
Pro forma options balance	12,750,000	1,051,930	12,750,000	1,051,930

(k) Share Based Payments Reserve

	Ref	Full $	Over $
Actual Balance at 31 December 2021		-	-
Broker options		251,550	251,550
Director option		173,055	173,055
Advisor options		627,325	627,325
Pro forma balance at 31 December 2021		1,051,930	1,051,930

(l) Accumulated Losses

	Ref	Full $	Over $
Actual balance as at 31 December 2021		(378,602)	(378,602)
Shareholder loans/trade creditors forgiven		225,564	225,564
Estimated IPO costs to be expensed		(168,170)	(173,659)
Director option expense		(173,055)	(173,055)
Advisor option expense		(627,325)	(627,325)
Pro forma balance as at 31 December 2021		(1,121,588)	(1,127,077)

(m) Subsequent Events

To the best of our knowledge and belief, there have been no other material items, transactions or events subsequent to 31 December 2021 not otherwise disclosed in this report or the Prospectus that have come to our attention during the course of our review which would cause the information included in this report to be misleading.

10.4 Management Discussion and Analysis of The Historical Financial Information

(a) General Overview

The section below is a discussion of Oceana's operating and financial performance during the period of the statutory historical financial information, and which may impact on future operating and financial performance.

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

The information in this section should also be read in conjunction with the risk factors set out in section 6. and the other information set out in this Prospectus.

(b) Revenue

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

(c) Expenses

The fluctuations in Administration expenses and Exploration and evaluation expenses during the periods presented are primarily driven by activity and exploration activity conducted in early 2020 as compared to later periods where there was no exploration activity.

The exploration activity to date has been minimal and has been carried out in Ceara Litio.

Administration expenses largely comprise corporate overheads and associated costs incurred as the Company has prepared for its initial public offering ("IPO").

(d) Tax

Oceana has incurred tax losses today, although these are minimal. Oceana has not recognised a deferred tax asset as at 31 December 2021.

(e) Key Factors Affecting Oceana's Historical Statement of Cashflows

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

(f) Working Capital

Subsequent to the proposed capital raising, as illustrated in the pro forma historical statement of financial position, the pro forma net current assets of Oceana as at 31 December 2021 would be approximately $6.5 million, based on a capital raising of $5.5 million, or $6.9 million, based on a capital raising of $6.0 million

(g) Funding

Oceana is aiming to raise between $5.5 million and $6 million from the IPO in order to fund its exploration activities, its overheads and to provide working capital over the next two years.

10.5 Significant Accounting Policies

The principal accounting policies adopted in the preparation of the Financial Information are set out below. These policies have been consistently applied during the years presented, unless otherwise stated.

(a) General

The financial information includes that attributable to Oceana and Ceara Litio Mineracao Eireli EPP ("Ceara Litio").

Oceana Lithium Limited (the "Company") is incorporated and domiciled in Australia.

The financial information is presented in Australian dollars ("$AUD"), which is the functional currency of the Company.

Going concern

The notional consolidated Financial Information has been prepared on the basis of accounting principles applicable to a going concern, which assumes that Oceana will continue in operation for the foreseeable future and will be able to realise its assets and discharge its liabilities in the normal course of operations. The Company continues to incur operating losses, has limited financial resources, a limited source of operating cash flow, and no assurances that sufficient funding, including adequate financing, will be available to enable it to continue its operations. These material uncertainties may cast a significant doubt on the validity of the going concern assumption.

The Company's ability to continue as a going concern is dependent upon its ability to obtain the funding or financing necessary, from either shareholders or new investors, including pursuant to the proposed capital raising via this Prospectus, to continue operations.

If the going concern assumption was to no longer be appropriate then adjustments may be necessary to the carrying values of assets, liabilities, reported income and expenses and the statement of financial position classifications adopted in this Financial Information. Such adjustments could be material.

(b) Basis of Preparation

Statement of Compliance

The notional consolidated Financial Information has been prepared in accordance with Australia Accounting Standards ("AAS"), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.The financial information also complies with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC"). They have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at their fair value. In addition, this consolidated Financial Information has been prepared using the accrual basis of accounting, except for cash flow information.

Notional Consolidation

Although Oceana was only incorporated on 18 October 2021 and its acquisition of Ceara Litio is yet to complete (subject to satisfying agreed conditions), the Historical Financial Information reflects the notional consolidation of Oceana and its proposed Brazilian subsidiary company for the entire financial years ended 31 December 2020 and 2021, so as to demonstrate their combined financial position as at 31 December 2021 and combined results for the financial years ended 31 December 2020 and 2021.

The Historical Financial Information has been extracted from the audited special purpose financial statements of Oceana for the period 18 October 2021 to 31 December 2021 and the audited special purpose financial statements of Ceara Litio for the years ended 31 December 2020 and 31 December 2021.

(c) Significant Accounting Policies

(i) Income tax

The income tax expense (income) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income for the current period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss or arising from a business combination.

A deferred tax liability shall be recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from:

(A) the initial recognition of goodwill; or

(B) the initial recognition of an asset or liability in a transaction which:

1. is not a business combination; and
2. at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability. With respect to non-depreciable items of property, plant and equipment measured at fair value and items of investment property measured at fair value, the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of the asset will be recovered entirely through sale. When an investment property that is depreciable is held by the entity in a business model whose objective is to consume substantially all of the economic benefits embodied in the property through use over time (rather than through sale), the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of such property will be recovered entirely through use.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation

and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where:

(A) a legally enforceable right of set-off exists; and

(B) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(ii) Fair Value of Assets and Liabilities

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

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

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

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

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

(iii) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the financial instrument. For financial assets, this is the date that the entity commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss" in which case transaction costs are recognised as expenses in profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less repayments made and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

Financial assets

Financial assets are subsequently measured at:

– amortised cost;

– fair value through other comprehensive income; or

– fair value through profit or loss.

Measurement is on the basis of two primary criteria:

– the contractual cash flow characteristics of the financial asset; and

– the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

– the financial asset is managed solely to collect contractual cash flows; and

– the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:

– the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates;

– the business model for managing the financial assets comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The Company initially designates a financial instrument as measured at fair value through profit or loss if:

– it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as “accounting mismatch”) that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;

– it is in accordance with the documented risk management or investment strategy, and information about the groupings was documented appropriately, so that the performance of the financial liability that was part of a Company of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis;

Financial liabilities

Financial instruments are subsequently measured at:

– amortised cost; or

– fair value through profit or loss.

A financial liability is measured at fair value through profit and loss if the financial liability is:

– a contingent consideration of an acquirer in a business combination to which AASB 3: Business Combinations applies;

– held for trading; or

– initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

Impairment

The Company recognises a loss allowance for expected credit losses on:

– financial assets that are measured at amortised cost or fair value through other comprehensive income;

– contract assets;

– loan commitments that are not measured at fair value through profit or loss; and

– financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

– financial assets measured at fair value through profit or loss; or

– equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The Company uses the following approaches to impairment, as applicable under AASB 9: Financial Instruments:

– the general approach

– the simplified approach

– the purchased or originated credit impaired approach; and

– low credit risk operational simplification.

General approach

Under the general approach, at each reporting period, the Company assesses whether the financial instruments are credit-impaired, and if:

– the credit risk of the financial instrument has increased significantly since initial recognition, the Company measures the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; or

– there is no significant increase in credit risk since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

Simplified approach

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times. This approach is applicable to:

– trade receivables or contract assets that result from transactions within the scope of AASB 15: Revenue from Contracts with Customers and which do not contain a significant financing component; and

– lease receivables.

Derecognition

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of financial asset:

– the right to receive cash flows from the asset has expired or been transferred;

– all risk and rewards of ownership of the asset have been substantially transferred; and

– the Company no longer controls the asset (i.e. the Company has no practical ability to make a unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which was elected to be classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

(iv) Impairment of Assets

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information including dividends received from subsidiaries, associates or joint ventures deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset’s fair value less costs of disposal and value in use, to the asset’s carrying amount. Any excess of the asset’s carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116: Property, Plant and Equipment). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable

amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116: Property, Plant and Equipment). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(v) Employee Benefits

Short-term employee benefits

Provision is made for the Company's (including the parent's) obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position. The Company's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures. Upon the remeasurement of obligations due to changes in assumptions for other long-term employee benefits, the net change in the

obligation is recognised in profit or loss as part of employee benefits expense in the periods in which the changes occur.

The Company's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

(vi) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred for more than one year is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Dividend revenue is recognised when the right to receive a dividend has been established.

All revenue is stated net of the amount of goods and services tax.

(vii) Cash and Cash Equivalents

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

(viii) Mineral Exploration and Evaluation Expenditure

The Company has adopted a policy of writing off exploration and evaluation expenditure as incurred, unless a mineral resource has been estimated for the area of interest. Exploration and Evaluation assets acquired by way of acquisitions are capitalized as an asset. The Directors believe that this policy results in the carrying value of exploration expenditure more appropriately reflecting the definition of an asset. The ultimate recoupment of costs carried forward for exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas of interest. All costs carried forward are in respect of areas of interest in the exploration and evaluation phases and accordingly, production has not commenced. Exploration and evaluation assets shall be assessed for

impairment when facts and circumstances suggest that the carrying amount may exceed its recoverable amount, in particular when the mineral resource in the specific area has not led to the discovery of commercially viable quantities of mineral resources and the company has decided to discontinue such activities in the specific area.

(ix) Trade and Other Receivables

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

(x) Trade and Other Payables

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

(xi) Goods and Services Tax (GST)

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

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

(xii) Principles of Consolidation

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended. Where controlled entities have entered (left) the Consolidated Group during the year, their operating results have been included (excluded) from the date control was obtained (ceased).

- Business combinations – Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control exists when the Group is exposed to variable returns from another entity and has the ability to affect those returns through its power over the entity.
- Subsidiaries - Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interests in a

subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

- Loss of control - Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, than such interest is measured at fair value at the date control is lost. Subsequently it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.
- Transactions eliminated on consolidation - All intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements
- Common control – for acquisitions occurring while under the Common control of the Company and for consolidation purposes, the assets and liabilities continue to reflect the carrying values in the accounting records of the consolidated group prior to the business combination occurring.

(xiii) Critical Accounting Estimates and Judgements

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

Key estimates

i) Impairment

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

(xiv) New Accounting Standards for Application in Future Periods

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

(xv) Basis of consolidation and principle of consolidation

i. Subsidiaries

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

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

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

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

The Group applies the acquisition method to account for business combinations when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether an integrated set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process that together significantly contribute to the ability to create output. A business can exist without including all of the inputs and processes needed to create output. The Group has an option to apply a 'fair value concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The concentration test can be applied on a transaction-by-transaction basis. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. If the test is met, the set of activities and assets is determined not to be a business and no further assessment is needed. If the test is not met, or if the Group elects not to apply the test, a detailed assessment must be performed applying the normal requirements in FRS 103.

The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration

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

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

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

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

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

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

When the Group loses control of a subsidiary, it:

- derecognises the assets (including any goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- derecognises the carrying amount of any non-controlling interest (including any components of other comprehensive income attributable to them);
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained in the former subsidiary at its fair value;

- re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate; and
- recognises any resulting difference as a gain or loss in profit or loss.

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

(xvi) Share based compensation

The Group operates an equity-settled share-based plan. The fair value of the employee services received in exchange for the grant of shares is recognised as an expense with a corresponding increase in the share capital.

The total amount to be recognised is determined by reference to the fair value of the shares granted on the date of the grant. These shares are vested immediately upon issue.

(xvii) Functional and presentation currency

The individual financial statements of each entity in the Group are presented in the currency of the primary economic environment in which the entity operates (its functional currency).

For the purpose of the consolidated financial statements, the results and financial position of each entity in the Group are expressed in United States Dollar ("US$"), which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

i. Transactions and balances

In preparing the financial statements of each individual entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in profit or loss. Monetary items include primarily financial assets (other than equity investments), contract assets and financial liabilities. However, in the consolidated financial statements, currency translation difference arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, are recognised in the other comprehensive income and accumulated in the exchange translation reserve.

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the

accumulated currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non- monetary items that are measured in term of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the net investment.

ii. Translation of Group entities' financial statements

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing exchange rates at the reporting date;
- income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transactions dates, in which the case income and expenses are translating using the exchange rates at the dates of the transactions); and
- all resulting currency translation differences are recognised in other comprehensive income and accumulated in the exchange translation reserve.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed

to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates that do not result in the Group losing significant influence), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

INVESTIGATING ACCOUNTANT'S REPORT

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4 April 2022

The Directors
Oceana Lithium Limited
33 Richardson Street
WEST PERTH WA 6005

Dear Directors

Independent Limited Assurance Report

1. Introduction

This report has been prepared at the request of the Directors of Oceana Lithium Limited (the "Company" or "Oceana") for inclusion in a prospectus to be issued by the Company ("Prospectus") in respect of the proposed public offering of fully paid ordinary shares in the Company ("Capital Raising" or "the Offer") and the listing of the Company on the Australian Securities Exchange Limited ("ASX").

Expressions defined in the Prospectus have the same meaning in this report.

The report does not address the rights attaching to the shares to be issued in accordance with the Offer, nor the risks associated with accepting the Offer. Moore Australia Corporate Finance (WA) Pty Ltd has not been requested to consider the prospects for Oceana, nor the merits and risks associated with becoming a shareholder and accordingly has not done so, nor purports to do so.

Consequently, Moore Australia Corporate Finance (WA) Pty Ltd has not made and will not make any recommendation, through the issue of this report, to potential investors of the Company, as to the merits of the Offer and takes no responsibility for any matter or omission in the Prospectus other than responsibility for this report.

2. Scope of Report

The Directors of the Company have requested Moore Australia Corporate Finance (WA) Pty Ltd prepare an Independent Limited Assurance Report on:

Notional Historical Financial Information

The Directors have requested that Moore Australia Corporate Finance (WA) Pty Ltd review:

- The Notional Historical Consolidated Statements of Profit or Loss and Other Comprehensive Income of Oceana for the years ended 31 December 2020 and 31 December 2021;
- The Notional Historical Consolidated Statements of Cash flows of Oceana for the years ended 31 December 2020 and 31 December 2021; and
- The Notional Historical Consolidated Statement of Financial Position of Oceana as at 31 December 2021.

which is collectively termed the "Notional Historical Financial Information".

The Notional Historical Financial Information is presented in an abbreviated form insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to financial reports in accordance with the *Corporations Act 2001*.

Notional Historical Financial Information (continued)

Although Oceana was only incorporated on 18 October 2021 and its acquisition of Ceara Litio Mineracao Eireli EPP is yet to complete (subject to satisfying agreed conditions), the Notional Historical Financial Information reflects the notional consolidation of Oceana and its proposed Brazilian subsidiary company for the entire financial years ended 31 December 2020 and 2021, so as to demonstrate their combined financial position as at 31 December 2021 and combined results for the financial years ended 31 December 2020 and 2021.

The Notional Historical Financial Information has been extracted from the audited special purpose financial statements of Oceana for the period 18 October 2021 to 31 December 2021 and the audited special purpose financial statements of Ceara Litio Mineracao Eireli EPP for the years ended 31 December 2020 and 31 December 2021.

The financial reports of Oceana and Ceara Litio Mineracao Eireli EPP were audited by Moore Australia Audit (WA), who issued unmodified audit opinions for each of the years specified. For each of the years noted above Moore Australia Audit (WA) raised an emphasis of matter in respect of material uncertainty related to going concern.

The Notional Historical Consolidated Statements of Profit or Loss and Other Comprehensive Income of Oceana for the years ended 31 December 2020 and 31 December 2021 are included at section 10.3.(a) of the Prospectus and are presented without adjustment.

The Notional Historical Consolidated Statements of Cash flows of Oceana for years ended 31 December 2020 and 31 December 2021 are included at section 10.3.(b) of the Prospectus and are presented without adjustment.

The Notional Historical Consolidated Statement of Financial Position as at 31 December 2021 of Oceana is included in section 10.3.(c) of the Prospectus and is presented without adjustment.

Pro Forma Historical Financial Information

The Directors have requested that Moore Australia Corporate Finance (WA) Pty Ltd review:

- The Pro Forma Historical Consolidated Statement of Financial Position of Oceana as at 31 December 2021 as presented at section 10.3 (d), adjusted to include funds to be raised pursuant to the Prospectus and the completion of certain other transactions as disclosed in section 10.3.(e) of the Prospectus, as if those events and transactions occurred as at 31 December 2021.

which is collectively termed the “Pro Forma Historical Financial Information”.

The Pro Forma Historical Consolidated Statement of Financial Position is derived from the Historical Statement of Financial Position of the Company as at 31 December 2021, adjusted on the basis of the completion of the proposed Capital Raising and the completion of certain other transactions as disclosed in section 10.3.(e) of the Prospectus, as if those events and transactions occurred as at 31 December 2021. The Pro Forma Statement of Financial Position is provided for illustrative purposes only and is not represented as being necessarily indicative of Oceana’s future financial position.

3. Scope of Review

Directors’ Responsibilities

The Directors of Oceana are responsible for the preparation and presentation of the Historical and Pro Forma Historical financial information, including the determination of the pro forma transactions. The Directors are also responsible for the information contained within the Prospectus.

This responsibility includes for the operation of such internal controls as the Directors determine are necessary to enable the preparation of the Financial Information presented in the Prospectus that is free from material misstatement whether due to fraud or error.

MOORE

Our Responsibilities

We have conducted our engagement in accordance with Australian Auditing Standard ASRE 2405 *Review of Historical Financial Information Other than a Financial Report*. We have also considered and complied with the requirements of ASAE 3420 *Assurance Engagements to Report on the Compilation of Pro Forma Historical Financial Information included in a Prospectus or other Document* and ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

For the purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any Historical Financial Information used to compile the Pro forma Historical Financial Information, nor have we, in the course of this engagement, performed an audit of the financial information used in compiling the Pro Forma Historical Financial Information, or the Pro Forma Historical Financial Information itself.

The purpose of the compilation of the Pro Forma Historical Financial Information is solely to illustrate the impact of the proposed Capital Raising, related transactions and accounting policies on unadjusted financial information of the Company as if the event or application of accounting policies had occurred at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the proposed Capital Raising, related transactions and accounting policies would be as presented.

We made such inquiries and performed such procedures as we, in our professional judgement, considered reasonable in the circumstances including:

- a review of contractual arrangements;
- a review of financial statements, management accounts, work papers, accounting records and other documents, to the extent considered necessary;
- analytical procedures, to the extent considered necessary;
- a review of the audited financial statements of Oceana and its controlled entities, including a review of the auditor's work papers and making enquiries of the auditor, to the extent considered necessary;
- a comparison of consistency in application of the recognition and measurement principles in Accounting Standards and other mandatory professional reporting requirements in Australia, with the accounting policies adopted by the Company;
- a review of the assumptions and pro forma adjustments used to compile the Pro Forma Historical Financial Information; and
- enquiry of Directors, management and advisors of Oceana.

These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than that given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

These procedures have been undertaken to form a limited assurance conclusion as to whether we have become aware of any matters that indicate the Historical and Pro Forma Historical Financial Information, set out in section 10 of the Prospectus, does not present fairly, in all material respects, in accordance with Australian Accounting Standards and the accounting policies adopted by the Company. This view is consistent with our understanding of the financial position of the Company as at 31 December 2021, the pro forma financial position as at 31 December 2021, and of its financial results and cash flows for the years ended 31 December 2020 and 31 December 2021.

MOORE

4. Valuation of Interests in Exploration and Evaluation Assets

The principal assets of Oceana, post ASX listing, in addition to cash and cash equivalents, will be its interests in exploration and evaluation assets. The interests in exploration and evaluation assets have been included at cost of $1,250,000 in the pro forma Statement of Financial Position as at 31 December 2021, which is in accordance with the accounting policy adopted for such assets by the Company. We have not performed our own valuations of the exploration and evaluation assets and do not express a view on whether the carrying values of the exploration and evaluation assets reflect current market values. The value of the exploration and evaluation assets may rise or fall depending on future exploration results and world commodity prices.

5. Conclusions

Based on our review, which is not an audit:

- Nothing has come to our attention which causes us to believe that the Notional Historical Consolidated Statements of Profit or Loss and other comprehensive income of Oceana for the years ended 31 December 31 December 2020 and 31 December 2021, as set out in section 10.3.(a) of the Prospectus, do not present fairly the results of the Company for the periods then ended in accordance with the accounting methodologies required by Australian Accounting Standards and adopted by the Company.

- Nothing has come to our attention which causes us to believe that the Notional Historical Consolidated Statements of Cash Flows of Oceana for the years ended 31 December 2020 and 31 December 2021, as set out in section 10.3.(b) of the Prospectus, do not present fairly the cash flows of the Company for the periods then ended in accordance with the accounting methodologies required by Australian Accounting Standards and adopted by the Company.

- Nothing has come to our attention which causes us to believe that the Notional Historical Statement of Financial Position of the Company, as set out in section 10.3.(c) of the Prospectus, does not present fairly the assets and liabilities of the Company as at 31 December 2021 in accordance with the accounting methodologies required by Australian Accounting Standards and adopted by the Company.

- Nothing has come to our attention which causes us to believe that the Pro Forma Historical Statement of Financial Position of the Company, as set out in section 10.3.(d) of the Prospectus, does not present fairly the assets and liabilities of the Company, as at 31 December 2021 in accordance with the accounting methodologies required by Australian Accounting Standards and adopted by the Company, and on the basis of assumptions and transactions set out in section 10.3.(e) of the Prospectus.

Emphasis of Matter – Uncertainty relating to going concern

In forming our conclusions on the financial information, which is not modified, we have considered the adequacy of the disclosure as set out in section 10.5 (a) of the Prospectus, concerning the Company's ability to continue as a going concern. As disclosed in section 10.5 (a), the Company is dependent on various funding initiatives in order to fund working capital and discharge its liabilities in the ordinary course of business. The financial information does not include any adjustments that may be required if the Company was unable to continue as a going concern. In our opinion, based on the Company's proposed use of funds and business plans as set out in the Prospectus, completion of the proposed Capital Raising pursuant to the Prospectus is expected to be sufficient to enable the Company to continue operating as a going concern.

6. Subsequent Events

To the best of our knowledge and belief, there have been no other material items, transactions or events subsequent to 31 December 2021 not otherwise disclosed in this report or the Prospectus that have come to our attention during the course of our review which would cause the information included in this report to be misleading.

7. Other Matters

Moore Australia Corporate Finance (WA) Pty Ltd does not have any pecuniary interest that could reasonably be regarded as being capable of affecting our ability to give an unbiased opinion.

Oceana and Litio Mineracao Eireli EPP are audited by Moore Australia Audit (WA),an affiliated firm of Moore Australia Corporate Finance (WA) Pty Ltd.

Moore Australia Corporate Finance (WA) Pty Ltd will receive a professional fee for the preparation of this Independent Limited Assurance Report.

Moore Australia Corporate Finance (WA) Pty Ltd was not involved in the preparation of any other part of the Prospectus and accordingly makes no representations or warranties as to the completeness and accuracy of any information contained in any other part of the Prospectus.

Moore Australia Corporate Finance (WA) Pty Ltd consents to the inclusion of this report in the Prospectus in the form and context in which it is included and at the date of this report has not withdrawn this consent.

Yours faithfully

Neil Pace
Director
Moore Australia Corporate Finance (WA) Pty Ltd

MOORE AUSTRALIA CORPORATE FINANCE (WA) PTY LTD

Australian Financial Services Licence No. 240773

FINANCIAL SERVICES GUIDE

This Financial Services Guide is issued in relation to our Independent Limited Assurance Report for Oceana Lithium Limited ("Oceana"). Our report has been prepared at the request of the Directors of Oceana for inclusion in the Prospectus to be dated on or about 4 April 2022 in respect of the initial public offering of fully paid ordinary shares in Oceana and listing of Oceana on the Australian Securities Exchange Limited.

Moore Australia Corporate Finance (WA) Pty Ltd

Moore Australia Corporate Finance (WA) Pty Ltd ("MACF") has been engaged by the directors of Oceana to prepare an Independent Limited Assurance Report in respect of the initial public offering of fully paid ordinary shares in Oceana and listing of Oceana on the Australian Securities Exchange Limited.

MACF holds an Australian Financial Services Licence – Licence No 240773.

Financial Services Guide

As a result of our report being provided to you we are required to issue to you, as a retail client, a Financial Services Guide ("FSG"). The FSG includes information on the use of general financial product advice and is issued so as to comply with our obligations as holder of an Australian Financial Services Licence.

Financial Services we are licensed to provide

MACF holds an Australian Financial Services Licence which authorises us to provide reports for the purposes of acting for and on behalf of clients in relation to proposed or actual mergers, acquisitions, takeovers, corporate restructures or share issues, and to carry on a financial services business to provide general financial product advice for securities to retail and wholesale clients.

We provide financial product advice by virtue of an engagement to issue a report in connection with the issue of securities of a company or other entities.

Our report includes a description of the circumstances of our engagement and identifies the party who has engaged us. You have not engaged us directly but will be provided with a copy of our report as a retail client because of your connection with the matters on which our report has been issued. We do not accept instructions from retail clients and do not receive remuneration from retail clients for financial services.

Our report is provided on our own behalf as an Australian Financial Services Licensee authorised to provide the financial product advice contained in this report.

General Financial Product Advice

Our report provides general financial product advice only, and does not provide personal financial product advice, because it has been prepared without taking into account your particular personal circumstances or objectives either financial or otherwise, your financial position or your needs.

Some individuals may place a different emphasis on various aspects of potential investments.

An individual's decision in relation to the proposed transaction may be influenced by their particular circumstances and, therefore, individuals should seek independent advice.

Benefits that we may receive

We will charge fees for providing our report. The basis on which our fees will be determined has been agreed with, and will be paid by, the person who engaged us to provide the report. Our fees have been agreed on either a fixed fee or time cost basis. We estimate that our fees for the preparation of this report will be approximately $15,000 plus GST.

Remuneration or other benefits received by our employees

All our employees receive a salary. Employees may be eligible for bonuses based on overall productivity and contribution to the operation of MACF or related entities but any bonuses are not directly in connection with any assignment and in particular are not directly related to the engagement for which our report was provided.

Referrals

We do not pay commissions or provide any other benefits to any parties or person for referring customers to us in connection with the reports that we are licensed to provide.

Associations and relationships

MACF is the licensed corporate advisory arm of Moore Australia (WA) Pty Ltd, Chartered Accountants. The directors of MACF may also be partners in Moore Australia (WA) Pty Ltd Chartered, Accountants.

Moore Australia (WA) Pty Ltd, Chartered Accountants is comprised of a number of related entities that provide audit, accounting, tax, and financial advisory services to a wide range of clients.

MACF's contact details are set out on our letterhead.

Complaints resolution

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints must be in writing, addressed to The Complaints Officer, Moore Australia (WA) Pty Ltd, PO Box 5785, St George's Terrace, Perth WA 6830.

On receipt of a written complaint we will record the complaint, acknowledge receipt of the complaint and seek to resolve the complaint as soon as practical.

If we cannot reach a satisfactory resolution, you can raise your concerns with Australian Financial Complaints Authority Limited ("AFCA"). AFCA is an independent body established to provide advice and assistance in helping resolve complaints relating to the financial services industry. MACF is a member of AFCA. AFCA may be contacted directly via the details set out below.

Australian Financial Complaints Authority Limited
GPO Box 3
Melbourne VIC 3001
Toll free: 1800 930 678
Email: info@afca.org.au

12 MATERIAL CONTRACTS

Set out below is a brief summary or direction to other parts of this Prospectus for a brief summary of certain contracts to which the Company is a party and which the Directors have identified as material to the Company or are of such a nature that an investor may wish to have details of particulars of them when making an assessment of whether to apply for Shares.

To fully understand all rights and obligations of a material contract, it would be necessary to review it in full and these summaries should be read in this light.

12.1 Option agreement in relation to Solonopole Lithium project

On 8 November 2021 the Company entered into an option agreement to purchase the Ceara Litio Mineracao Eireli, (**Ceara Litio**) a Brazilian incorporated company that holds the licences that together form the Solonopole Lithium Project in Ceara State, Brazil.

The seller is Erminia Da Silva Nicholls who holds all of the issued shares in Ceara Litio as bare trustee for (75%) MMH Capital Limited (an entity incorporated in UAE) and (25%) Savvy Capital Management Pty Ltd.

The material terms of the option agreement are as follows:

(a) The Company will pay:

  (i) Upon signing, an option fee of $75,000 to MMH Capital (this has been paid);

  (ii) at completion, to be shared 75%/25% between MMH Capital and Savvy Capital Management:

    (A) 4,000,000 Shares;

    (B) $112,500 in reimbursement of exploration expenses, and

  (iii) a further $62,500 to MMH Capital upon certain licenses been extended.

(b) Completion is conditional upon the following being satisfied by no later than 7 June 2022 (with the Company having the right to extend for up to 6 months upon paying an extension fee to the seller):

  (i) The Company completing due diligence on Ceara Litio to its satisfaction.

  (ii) The Company receiving valid applications and application moneys for a minimum of $5,000,000 under an initial public offer (Public Offer) made in conjunction with a listing on ASX.

  (iii) The Buyer receiving written confirmation from ASX that the Buyer will be admitted to the Official List of ASX, subject only to conditions acceptable to the Buyer (acting reasonably).

(c) The agreement includes warranties typical for a transaction of this nature, including that at completion Ceara Litio will have no assets or liabilities other than the licenses.

12.2 Sale and purchase agreement in relation to the Napperby Lithium project

The Company has entered into an agreement to acquire all of the issued shares of Consolidate Lithium Trading Pty Ltd (**Consolidate Trading**), which owns granted licence EL32836 and has applied for ELA32841 in the Northern Territory, known as the Napperby Lithium project.

Consolidate Lithium is fully owned by Woodsouth Asset Management Pty Limited, an entity controlled by Dr Qingtao Zeng.

The material terms of the acquisition are as follows:

(a) Completion is subject to the Company being listed on ASX, raising a minimum of $5.5 million under an initial public offer and due diligence to the Company's satisfaction.

(b) In consideration for all of Consolidate Trading's issued shares, the Company will issue Consolidate Trading's shareholder (or nominee) 1 million Shares and a 2.5% royalty over concentrate product sold from the Napperby Lithium project.

(c) The seller gives warranties typical for a transaction of this nature, including that at completion Consolidate Trading will have no assets or liabilities other than EL 32836 and tenement application ElA32841.

12.3 Consulting agreement with R-Tek Group

The Company has entered into an exploration project management agreement with R-Tek Group Pty Ltd, a consultancy company controlled by Mr Brian Talbot, to provide technical services and advice with respect to its exploration assets in both Australia and Brazil. R-Tek will provide its services for fees of $10,000 per month and has received 3 million Advisor Options ($0.30 expiring 4 years from issue).

The agreement is for a 12 month term commencing on 15 March 2022, and may be terminated by either party without cause on one week's notice. In the event the Company is not listed on ASX by 30 June 2022 the agreement will terminate on that date.

12.4 Executive Service Agreement with Sebastian Kneer

See section 7.6 for a summary of the terms.

12.5 Ya Hua International Investment and Development Co., Limited subscription agreement

Ya Hua has agreed to subscribe for 5,000,000 Shares under the Offer. The agreement is conditional upon the Company listing on ASX by 30 June 2022, or such other date as the parties agree.

12.6 Broker Mandate

The Company and Westar Capital Ltd are parties to a broker mandate, the material terms of which are as follows:

(a) Westar Capital will act as lead manager for the Offer, and facilitate part of the Offer on a best endeavours basis.

(b) The Company will pay Westar Capital:

  (i) a management fee of 2% on all amounts raised under the Offer;

  (ii) an equity raising fee of 4% on all amounts raised under the Offer, other than from investors introduced by the Company (including Ya Hua);

  (iii) 3,500,000 Broker Options to Westar Capital (or its nominees); and

  (iv) certain disbursements incurred by Westar Capital.

(c) Subject to the Offer successfully closing, the Company grants Westar Capital the right to act as lead manager (if desired by Westar Capital) in relation to all equity capital raisings, for the period of 12 months following the Offer.

(d) The mandate includes warranties and indemnities customarily found in an agreement of this nature.

12.7 Minerva Corporate Services Agreement

The Company entered into a services agreement with Minerva Corporate Pty Ltd on 6 December 2021 pursuant to which Minerva agreed to provide the Company with pre-IPO compliance manager services and post-IPO financial services (**Services Agreement**).

Pursuant to the Services Agreement, the Company has agreed to pay Minerva Corporate the following fees:

(a) $35,000 (excluding GST) and issue 750,000 Advisor Options to Minerva Corporate (or its nominees); and

(b) $8,000 (excluding GST) per month for the provision of company secretarial, accounting and administration support from the date the Company is admitted to the Official List of the ASX.

The Services Agreement otherwise contains terms and conditions that are considered standard for agreements of this nature.

13 DETAILS OF THE PUBLIC OFFER

13.1 Shares offered for subscription under the Offer

By this Prospectus the Company offers 27,500,000 Shares at an issue price of $0.20 to raise $5.5 million. Oversubscriptions of up to a further 2,500,000 Shares to raise up to a further $500,000 may be accepted in over-subscriptions.

All Shares offered under this Prospectus will rank equally with existing Shares. The rights and liabilities of the Shares offered under this Prospectus are summarised at section 14.1.

The details of how to apply for Shares under the Offer are set out at section 13.4.

13.2 Conditions of the Offer, including Minimum Subscription

(a) The Offer is conditional upon the Company:

(b) complying with the admission requirements for admission to ASX; and

(c) raising the Full Subscription of $5.5 million.

The Company will not issue any Shares pursuant to the Offer until these conditions are satisfied.

Should the above conditions not be reached within 4 months from the date of this Prospectus, the Company will either repay the application moneys to the Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Applications and be repaid their application moneys. No interest will be paid on these moneys.

13.3 Opening and Closing Dates

The Opening Date of the Offer will be 12 April 2022 and the Closing Date will be 22 April 2022. The Directors reserve the right to close the Offer early or to extend the Closing Date (as the case may be), should it be considered by them necessary to do so.

13.4 Application for Shares

(a) Online Application Form with **BPAY®**

Applicants in Australia may apply for Shares by applying online by following the instructions at **https://oceanaipooffer.thereachagency.com** and completing a **BPAY®** payment. If payment is not made via **BPAY®**, the Application will be incomplete and will not be accepted. The online Application Form and **BPAY®** payment must be completed and received by no later than the Closing Date.

For online applications, investors can apply online with payment made electronically via **BPAY®**. Investors applying online will be directed to use an online Application Form and make payment by **BPAY®**.

An Applicant must comply with the instructions on the website. An Applicant will be given a **BPAY®** biller code and a customer reference number (CRN) or the payment instructions unique to the online Application once the online Application Form has been completed.

BPAY® payments must be made from an Australian dollar account of an Australian financial institution. Using these **BPAY®** details, you must:

(i) access your participating **BPAY®** financial institution either through telephone or internet banking;

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

(iii) enter the supplied biller code and unique customer reference number;

(iv) enter the total amount to be paid which corresponds to the value of Shares you wish to apply for under each Application;

(v) select which account you would like your payment to come from;

(vi) schedule your payment to occur on the same day that you complete your online Application Form. Applications without payment will not be accepted; and

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

You should be aware that your own financial institution may implement earlier cut-off times with regard to **BPAY®** or other electronic payments and you should therefore take this into consideration when making payment. It is your responsibility to ensure that funds submitted through **BPAY®** or other electronic payments are received by 5.00pm (WST) on the Closing Date.

Applications for Shares must be for a minimum of 10,000 Shares and thereafter in multiples of 2,500 Shares and payment for the Shares must be made in full at the issue price of $0.20 per Share.

If you require assistance in completing an online Application Form, please contact the Share Registry.

(b) Paper Application

Complete the hard copy of the Application Form accompanying the hard copy of this Prospectus and mail the completed Application Form with cheque or bank draft to the Share Registry at the relevant address shown on the Application Form so it is received before 5.00pm (WST) on the Closing Date.

By post to:

C/- Computershare Investor Services Pty Limited
GPO Box 52
Melbourne Vic 3001

An original, completed and lodged Application Form, whether online or in hard copy, together with payment for the Application Monies, constitutes a binding and irrevocable offer to subscribe for the number of Shares specified in the Application Form. The Application Form does not need to be signed to be valid.

If the Application Form is not completed correctly or if the accompanying payment is for the wrong amount, it may be treated by the Company as valid. The Directors' decision as to whether to treat such an Application as valid and how to construe amend or complete the Application Form is final. If your cheque, **BPAY®** payment for the Application Money is different to the amount specified in your Application Form then the Company may accept your Application for the amount of Application Money provided.

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

No brokerage or stamp duty is payable by Applicants in respect of Applications for Shares under this Prospectus.

13.5 Applicants outside Australia

The distribution of the Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons who come into possession of the Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities law. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed to enable them to acquire Shares.

The return of a duly completed Application Form will be taken to constitute a representation and warranty that there has been no breach of such laws and that all necessary approvals and consents have been obtained.

13.6 Foreign selling restrictions

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

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should observe any of these restrictions, including those outlined below. In particular, this Prospectus may not be distributed in the United States or elsewhere outside Australia. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by you that you have complied with these restrictions.

13.7 Application money held in trust

All application moneys will be deposited into a separate bank account of the Company and held in trust for Applicants until the Shares are issued or application moneys returned. Any interest that accrues will be retained by the Company and will not be paid to Applicants.

13.8 Allocation and allotment of Shares

The Company reserves the right to reject any Application or to allocate to any Applicant fewer Shares than the number applied for. The Company also reserves the right to reject or aggregate multiple applications in determining final allocations.

In the event an Application is not accepted or accepted in part only, the relevant portion of the application moneys will be returned to Applicants, without interest.

The Company reserves the right not to proceed with the Offer or any part of it at any time before the allocation of the Shares to Applicants. If the Offer or any part of it is cancelled, all application moneys, or the relevant application moneys will be refunded.

The Company also reserves the right to close the Offer or any part of it early, or extend the Offer or any part of it, or accept late Applications Forms either generally or in particular cases.

The allotment of Shares to Applicants will occur as soon as practicable after Application Forms and application moneys have been received for the minimum subscription of Shares being offered and all other conditions satisfied, following which statements of shareholding will be dispatched. It is the responsibility of Applicants to determine their allocation prior to trading in the Shares. Applicants who sell Shares before they receive their statement of shareholding will do so at their own risk.

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

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

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with statements (similar to a bank account statement) that set out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

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

13.10 Restricted securities

The ASX may classify certain securities as being subject to the restricted securities provisions of the Listing Rules. In particular, Directors, other related parties and promoters may receive escrow on securities held by them for up to 24 months from the date of quotation of the Company's Shares on ASX.

None of the Shares offered under the Offer will be treated as restricted securities and will be freely transferable from their date of allotment.

13.11 Commissions payable

The Company reserves the right to pay a commission of up to 6% (exclusive of goods and services tax) of amounts subscribed through any licensed securities dealers or Australian financial services licensee in respect of any valid applications lodged and accepted by the Company and bearing the stamp of the licensed securities dealer or Australian financial services licensee. Payments will be subject to the receipt of a proper tax invoice from the licensed securities dealer or Australian financial services licensee.

The Lead Manager will be responsible for paying all commissions that they and the Company agree with any other licensed securities dealers or Australian financial services licensees out of the fees paid by the Company to the Lead Manager under the Lead Manager Mandate.

14 RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

14.1 Shares

The Shares to be issued under this Prospectus will rank equally in all respects with existing Shares in the Company.

Full details of the rights attaching to the Company's Shares are set out in its Constitution, a copy of which can be inspected at the Company's registered office.

The following is a summary of the principal rights which attach to the Company's Shares:

(a) Voting

Every holder of Shares present in person or by proxy, attorney or representative at a meeting of Shareholders has one vote on a vote taken by a show of hands, and, on a poll every holder of Shares who is present in person or by proxy, attorney or representative has one vote for every Share held by him or her.

A poll may be demanded by the chairman of the meeting, by any five Shareholders entitled to vote on the particular resolution present in person or by proxy, attorney or representative, or by any one or more Shareholders who are together entitled to not less than 5% of the total voting rights of the Shares of all those Shareholders having the right to vote on the resolution.

(b) Dividends

Dividends are payable out of the Company's profits and are declared by the Directors.

Shareholders are entitled to dividends as a result of ownership of their Shares in accordance with the Constitution.

(c) Transfer of Shares

A Shareholder may transfer Shares by a market transfer in accordance with any computerised or electronic system established or recognised by the Listing Rules or the Corporations Act for the purpose of facilitating dealings in Shares or by an instrument in writing in a form approved by ASX or in any other usual form or in any form approved by the Directors.

The Directors of the Company may refuse to register any transfer of Shares, (other than a market transfer) where the Company is permitted or required to do so by the Listing Rules or the ASX Settlement Operating Rules. The Company must not prevent, delay or interfere with the generation of a proper market transfer in a manner which is contrary to the provisions of any of the Listing Rules or the ASX Settlement Operating Rules.

(d) Meetings and notice

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

(e) Liquidation rights

The Company has only issued one class of shares, which all rank equally in the event of liquidation. Once all the liabilities of the Company are satisfied, a liquidator may, with

the authority of a special resolution of Shareholders divide among the Shareholders the whole or any part of the remaining assets of the Company. The liquidator can with the sanction of a special resolution of the Company's Shareholders vest the whole or any part of the assets in trust for the benefit of shareholders as the liquidator thinks fit, but no shareholder of the Company can be compelled to accept any shares or other securities in respect of which there is any liability.

(f) Shareholder liability

As the New Shares offered under the Prospectus are fully paid shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(g) Alteration to the Constitution

The Constitution can only be amended by a special resolution passed by at least three quarters of shareholders present and voting at the general meeting. At least 28 days' written notice, specifying the intention to propose the resolution as a special resolution must be given.

(h) Listing Rules

If the Company is admitted to the Official List, then despite anything in the Constitution, if the Listing Rules prohibit an act being done, the act must not be done. Nothing in the Constitution prevents an act being done that the Listing Rules require to be done. If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If the Listing Rules require the Constitution to contain a provision or not to contain a provision the Constitution is deemed to contain that provision or not to contain that provision (as the case may be). If a provision of the Constitution is or becomes inconsistent with the Listing Rules, the Constitution is deemed not to contain that provision to the extent of the inconsistency.

14.2 Terms and Conditions of the Broker Options

(a) Each Broker Option entitles the holder to, upon exercise, be issued one Share.

(b) The exercise price of the Options is $0.30 each.

(c) The expiry date of a Broker Option is 36 months from issue.

(d) The Broker Options may be exercised at any time prior to the expiry date, in whole or in part, upon payment of the exercise price per Broker Option.

(e) The Broker Options are freely transferable subject to any restriction or escrow arrangements imposed by the Corporations Act and the ASX Listing Rules.

(f) The holder of a Broker Option may not exercise less than 1,667 Broker Options at any one time unless the holder has less than 1,667 Options in which event the Holder must exercise all of the Broker Options together.

(g) The Company will provide to each Broker Option holder a notice that is to be completed when exercising the Broker Options (Notice of Exercise). Broker Options may be exercised by the Broker Option holder in whole or in part by completing the Notice of Exercise and forwarding the same to the Share Registry to be received prior to the expiry date. The Notice of Exercise must state the number of Broker Options exercised, the consequent number of Shares to be issued and the identity of the

proposed subscribers. The Notice of Exercise by a Broker Option holder must be accompanied by payment in full for the relevant number of Broker Options being exercised, being an amount of the exercise price per Broker Option.

(h) All Shares issued upon the exercise of the Broker Options will rank equally in all respects with the Company's then issued Shares. The Company must apply to the ASX in accordance with the Listing Rules for all Shares pursuant to the exercise of Broker Options to be admitted to quotation.

(i) There are no participating rights or entitlements inherent in the Broker Options and the holders will not be entitled to participate in new issues or pro-rata issues of capital to Shareholders during the term of the Broker Options. Thereby, the Option holder has no rights to a change in:

(i) the exercise price of the Broker Option; or

(ii) period of exercise of the Broker Option; or

(iii) except in the event of a Bonus Issue (defined below), a change to the number of underlying securities over which the Broker Option can be exercised.

(j) The Company will ensure, for the purposes of determining entitlements to any issue, that Broker Option holder will be notified of a proposed issue after the issue is announced. This will give Broker Option holders the opportunity to exercise their Broker Options prior to the date for determining entitlements to participate in such issues.

(k) If from time to time on or prior to the Expiry Date the Company makes a bonus issue of securities to holders of Shares in the Company (Bonus Issue), then upon exercise of his or her Broker Options a holder will be entitled to have issued to him or her (in addition to the Shares which he or she is otherwise entitled to have issued to him or her upon such exercise) the number of securities which would have been issued to him or her under that Bonus Issue if the Broker Options had been exercised before the record date for the Bonus Issue.

(l) In the event of any reconstruction (including consolidation, subdivisions, reduction or return) of the authorised or issued capital of the Company, all rights of the Broker Option holder shall be reconstructed (as appropriate) in accordance with the ASX Listing Rules.

14.3 Terms and Conditions of the Director and Advisor Options

(a) Each Option entitles the holder to, upon exercise, be issued one Share.

(b) The exercise price of the Options is $0.30 each.

(c) The expiry date of an Option is 48 months from issue.

(d) The Options may be exercised at any time prior to the expiry date, in whole or in part, upon payment of the exercise price per Option.

(e) The Options are freely transferable subject to any restriction or escrow arrangements imposed by the Corporations Act and the ASX Listing Rules.

(f) The holder of an Option may not exercise less than 1,667 Options at any one time unless the holder has less than 1,667 Options in which event the Holder must exercise all of the Options together.

(g) The Company will provide to each Option holder a notice that is to be completed when exercising the Options (Notice of Exercise). Options may be exercised by the Option holder in whole or in part by completing the Notice of Exercise and forwarding the same to the Share Registry to be received prior to the expiry date. The Notice of Exercise must state the number of Options exercised, the consequent number of Shares to be issued and the identity of the proposed subscribers. The Notice of Exercise by an Option holder must be accompanied by payment in full for the relevant number of Shares being subscribed, being an amount of the exercise price per Share.

(h) All Shares issued upon the exercise of the Options will rank equally in all respects with the Company's then issued Shares. The Company must apply to the ASX in accordance with the Listing Rules for all Shares pursuant to the exercise of Options to be admitted to quotation.

(i) There are no participating rights or entitlements inherent in the Options and the holders will not be entitled to participate in new issues or pro-rata issues of capital to Shareholders during the term of the Options. Thereby, the Option holder has no rights to a change in:

(i) the exercise price of the Option; or

(ii) period of exercise of the Option; or

(iii) except in the event of a Bonus Issue (defined below), a change to the number of underlying securities over which the Option can be exercised.

(j) The Company will ensure, for the purposes of determining entitlements to any issue, that Option holder will be notified of a proposed issue after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in such issues.

(k) If from time to time on or prior to the Expiry Date the Company makes a bonus issue of securities to holders of Shares in the Company (Bonus Issue), then upon exercise of his or her Options a holder will be entitled to have issued to him or her (in addition to the Shares which he or she is otherwise entitled to have issued to him or her upon such exercise) the number of securities which would have been issued to him or her under that Bonus Issue if the Options had been exercised before the record date for the Bonus Issue.

(l) In the event of any reconstruction (including consolidation, subdivisions, reduction or return) of the authorised or issued capital of the Company, all rights of the Option holder shall be reconstructed (as appropriate) in accordance with the ASX Listing Rules.

(m) Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) applies to the Options.

(n) Cashless exercise

In lieu of paying the aggregate Exercise Price under (b), an Optionholder may elect to receive, without payment of cash or other consideration, upon surrender of the applicable portion of exercisable Incentive Options to the Company, a number of Shares determined in accordance with the following formula (a **Cashless Exercise**):

$$A = \frac{B\ x\ (C - D)}{C}$$

where:

A = the number of Shares (rounded down to the nearest whole number) to be issued to the Optionholder pursuant to this paragraph (n);

B = the number of Shares otherwise issuable upon the exercise of the Option or portion of the Incentive Options being exercised;

C = the Market Value of one Share determined as of the date of delivery to the Company Secretary of the Notice of Exercise; and

D = the Exercise Price.

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

14.4 Performance Rights

(a) Definitions

Words with capitalized letters in this section have the following meaning, unless the context requires otherwise:

Holder means a holder of a Performance Right.
20 Day VWAP means the volume weighted average price of Buyer's Shares on the ASX market and the Chi-X calculated over the 20 trading days on which trades of Shares were recorded immediately before the Conversion Event, in each case excluding block trades, large portfolio trades, permitted trades during the pre-trading hours period, permitted trades during the post-trading hours period, out of hours trades and exchange traded option exercises.
Shares means fully paid ordinary shares in the capital of the Company.
Class A Performance Hurdle means the Company announcing a JORC Compliant Resource of >5Mt @ +1% Li2O from either the Solonopole Lithium Project or the Napperby Project.
Class B Performance Hurdle means a 20 Day VWAP share price of more than $0.40.
Class C Performance Hurdle means a 20 Day VWAP share price of more than $0.50
Conversion Event means: (i) the achievement of a Performance Hurdle detailed in section 14.4(c)(i); or (ii) the happening of any of the events detailed in section 14.4(c)(v).
Deal means to sell, transfer, assign, novate, vary, mortgage, encumber, create any equitable interest, share any rights, otherwise deal with any right, title or interest, or agreement to do any of those actions.

Expiry Date means the date which is 5 years from quotation of the Company's Shares on ASX.
Issue Price of Performance Rights means $0.0001 per Performance Right
Performance Hurdle means a Class A Performance Hurdle, Class B Performance Hurdle and/or Class C Performance Hurdle, as the case may be.
Performance Right means a right to be issued a Share upon achievement of the relevant Performance Hurdle, issued at the Issue Price and on the terms and conditions detailed in these Terms.
Shareholder means a holder of Shares.
Terms means these terms of issue which apply to Performance Rights.

(b) Performance Rights

(i) The Performance Rights are issued subject to the Terms.

(ii) Where lawful, these Terms prevail to the extent of any inconsistency with the Constitution.

(iii) Once a Conversion Event occurs in respect of Performance Rights and subject to section 14.4(c)(vi), that number of Performance Rights that are subject to the Conversion Event will be converted to Shares on the basis of one Share for each converting Performance Right, with the Shares ranking equally with all other Shares then on issue.

(c) Conversion

(i) Subject to sections 14.4(c)(iv) and 14.4(c)(vi), the Company shall procure that:

(A) 1,320,000 Performance Rights shall convert to 1,320,000 Shares upon achievement of the Class A Performance Hurdle before (and including) the Expiry Date on the basis of one Share for each Performance Right, failing which these Performance Rights will lapse.

(B) 974,000 Performance Rights shall convert to 974,000 Shares upon achievement of the Class B Performance Hurdle before (and including) the relevant Expiry Date on the basis of one Share for each Performance Right, failing which these Performance Rights will lapse.

(C) 974,000 Performance Rights shall convert to 974,000 Shares upon achievement of the Class C Performance Hurdle before (and including) the Expiry Date on the basis of one Share for each Performance Right, failing which these Performance Rights will lapse.

(ii) For the purposes of determining whether a specific Performance Hurdle is achieved, the Company's Directors who do not have any personal interest in the determination will cause the Company to obtain an opinion from a suitably qualified independent expert on whether a specific Performance Hurdle is achieved.

(iii) Conversion into Shares will occur as soon as possible after achievement of the relevant Performance Hurdle but in any event within ten (10) business days after confirmation from the independent expert appointed under section 14.4(c)(ii) that the Performance Hurdle has been achieved.

(iv) The Performance Hurdles must be met before the relevant Expiry Date, failing which the relevant class of Performance Rights the subject of the Expiry Date will automatically lapse.

(v) All Performance Rights on issue will automatically convert into Shares up to a maximum number that is equal to 10% of the Company's issued share capital (as at the date of conversion) upon any of the following events occurring:

(A) an offeror (who at the date the Performance Rights are issued does not control the Company) under a takeover offer for all Shares announcing that it has achieved acceptances in respect of more than 50.1% of Shares and that the takeover bid has become unconditional; or

(B) an arrangement (other than one under which a person who controls the Company at the date the Performance Rights are issued increases their control) under which all of the Company's Shares are to be either cancelled, transferred to a third party, or a Court by order approves the proposed scheme of arrangement.

(vi) The Company will at the request of the Holder and if there are reasonable grounds to believe that a Performance Hurdle will be satisfied and conversion will result in a breach of section 606 of the Corporations Act, seek shareholder approval under section 611. If approval is not obtained, the conversion of that number of Performance Rights will be delayed until conversion can occur without any breach of section 606.

(d) Voting rights

Each Holder has the right to receive notice of and attend but has no right to vote, except as required by law.

(e) Dividends

The Performance Rights do not have any right to receive dividends (whether cash or non-cash) from the profits of the Company at any time.

(f) Dealings

A Holder must not Deal with Performance Rights.

(g) Access to documents and information

A Holder has the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to Shareholders, and a right to attend Shareholder meetings.

(h) Other terms and conditions

(i) A Holder will not be entitled to a return on capital, whether in a winding upon, upon reduction of capital or otherwise.

(ii) A Holder will not be entitled to participate in the surplus profit or assets of the Company on winding up

(iii) There are no participating rights or entitlements inherent in the Performance Rights and Holders will not be entitled to participate in new issues (such as bonus issues) or pro-rata issues of capital to Shareholders.

(iv) The Company will issue each Holder with a new holding statement for Shares upon conversion of Performance Rights as soon as practicable following the conversion of Performance Rights.

(v) The Performance Rights will not be quoted on ASX and are not transferable.

(vi) All Shares issued upon conversion will rank equally in all respects with the then-issued Shares. the Company must, within the time frame required by the Listing Rules, apply to ASX for quotation of the Shares on ASX.

(vii) A Performance Right does not give the Holder any rights other than those expressly provided by these Terms and those provided at law where such rights cannot be excluded.

(viii) The Terms may, subject to the Corporations Act, be amended as necessary by the Directors to comply with the Listing Rules or any directions of ASX regarding the Terms, it being understood that the Company shall use best endeavours to ensure that the Terms are amended only to the extent necessary to comply with the Listing Rules or any reasonable directions of ASX regarding the Terms, and provide both copies of all correspondence with ASX and the Holder a reasonable opportunity to make submissions to ASX.

15 ADDITIONAL INFORMATION

15.1 No prospective financial forecasts

The Directors have considered the matters outlined in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings because the proposed future operations of the Company do not have an operating history from which reliable forecasts can be made. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

Notwithstanding the above, this Prospectus includes, or may include, forward looking statements including, without limitation, forward looking statements regarding the Company's financial position, business strategy, and plans and objectives for its business and future operations (including development plans and objectives), which have been based on the Company's current expectations. These forward-looking statements are, however, subject to known and unknown risks, uncertainties and assumptions that could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward looking statements are based on numerous assumptions regarding the Company's present and future business strategies and environment in which the Company will operate in the future.

Matters not yet known to the Company or not currently considered material to the Company may impact on these forward looking statements. These statements reflect views held only as at the date of this Prospectus. In light of these risks, uncertainties and assumptions, the forward-looking statements in this Prospectus might not occur. Investors are therefore cautioned not to place undue reliance on these statements.

15.2 Privacy

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

By submitting an Application Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Application 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 body corporates, agents, contractors and third party service providers, including mailing houses and professional advisors, and to ASX and regulatory authorities.

An applicant has an entitlement to gain access to the information 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.

If you do not provide the information required on the Application Form, the Company may not be able to accept or process your Application.

15.3 Taxation

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All prospective investors in the Company are urged to take independent financial advice about the taxation and any other consequences of investing in the Company.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability or responsibility with respect to taxation and any other consequences of investing in the Company.

15.4 Interests of experts and advisors

Except as disclosed in this Prospectus, no expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with, has now, or has had, in the 2 year period ending on the date of this Prospectus, any interest in:

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

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

(c) the Offer.

GE21 Consultoria Mineral has prepared the independent technical report relating to the Solonopole Lithium project for inclusion in prospectus. The Company will pay GE21 Consultoria Mineral $23,000 for these services. GE21 Consultoria Mineral has not received any other fees for services to the Company in the 2 years prior to the date of this Prospectus.

Geomin Services Pty Limited has prepared the independent technical report relating to the Napperby Lithium project for inclusion in prospectus. The Company will pay Geomin Services Pty Limited $18,000 (excluding GST) for these services. Geomin Services Pty Limited has not received any other fees for services to the Company in the 2 years prior to the date of this Prospectus.

Atkinson Corporate Lawyers has acted as legal adviser to the Company in connection with this prospectus, material contracts and listing on ASX. The Company will pay Atkinson Corporate Lawyers approximately $60,000 (excluding GST) for these services. Atkinson Corporate Lawyers has not received any other fees for services to the Company in the 2 years prior to the date of this Prospectus.

William Freire Advogados Associados has prepared a Solicitor's Tenement Report relating to the Solonopole Lithium project for inclusion in this Prospectus. The Company will pay William Freire Advogados Associados approximately $13,000 excluding GST) for these services. William Freire Advogados Associados has not received any other fees for services to the Company in the 2 years prior to the date of this Prospectus.

Bowden McCormack Lawyers and Advisers has prepared a Solicitor's Tenement Report relating to the Napperby Lithium project for inclusion in this Prospectus. The Company will pay Bowden McCormack approximately $5,000 (excluding GST) for these services. Bowden McCormack has not received any other fees for services to the Company in the 2 years prior to the date of this Prospectus.

Moore Australia Corporate Finance (WA) Pty Ltd has prepared the Investigating Accountant's Report in this Prospectus. The Company will pay Moore Australia Corporate Finance approximately $16,500 (excluding GST) for these services. Moore Australia Audit (WA) will be paid $12,000 (excluding GST) for providing services to the Company for the 2 years prior to the date of this Prospectus.

Westar Capital Ltd has acted as Lead Manager to the Offer. The Company estimates it will pay

Westar Capital up to $310,000 (excluding GST) based on the amount raised under the Offer and 3,500,000 Broker Options. During the 24 months preceding lodgement of this Prospectus with the ASIC, Westar Capital Ltd has not received any fees for services provided to the Company.

15.5 Consents

Each of the persons referred to in this section:

(a) has given and has not, before the date of lodgment of this Prospectus with ASIC withdrawn their written consent:

(i) to be named in the Prospectus in the form and context which it is named; and

(ii) where applicable, to the inclusion in this Prospectus of the statement(s) and/or reports (if any) by that person in the form and context in which it appears in this Prospectus;

(b) has not caused or authorised the issue of this Prospectus;

(c) has not made any statement in this Prospectus or any statement on which a statement in this Prospectus is based, other than specified below; and

(d) to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding, and takes no responsibility for, any part of this Prospectus, other than the references to their name and the statement(s) and/or report(s) (if any) specified below and included in this Prospectus with the consent of that person.

Name	Role	Statement/Report
Moore Australia Corporate Finance (WA) Pty Ltd	Investigating Accountant	Investigating Accountants' Report, section 11
Moore Australia Audit (WA)	Auditor	
Atkinson Corporate Lawyers	Solicitors to the Offer	Nil
GE21 Consultoria Mineral	Independent Technical Consultant – Solonopole Lithium project	Independent Technical Report, section 8
Geomin Services Pty Limited	Independent Technical Consultant – Napperby Lithium project	Independent Technical Report, section 8
William Freire Advogados Associados	Tenement title report	Tenement title report, section 9

Name	Role	Statement/Report
Bowden McCormack Lawyers and Advisers	Tenement title report	Tenement title report, section 9
Westar Capital Ltd	Lead Manager	Nil
Computershare Investor Services Pty Limited	Share Registry	Nil

15.6 Expenses of the Offer

The total estimated expenses of this Prospectus are estimated to be between approximately $551,000 and $581,000, consisting of the following:

Cost ($)	Full Subscription	Over Subscription
Independent Technical Consultants	40,000	40,000
Investigating accountants	15,000	15,000
Legal fees (including tenement title reports)	70,000	70,000
ASIC lodgement fees	3,206	3,206
ASX quotation fees	86,858	87,421
Brokers' and other selling fees[1]	280,000	310,000
Printing Postage and administration costs	3,000	8,000
Total	**498,064**	**533,627**

These expenses have or will be paid by the Company.

[1] This is the maximum amount to be paid to the Lead Manager, and assumes that the Lead Manager places, and is entitled to a placement fee, on the fully amount raised under the Offer.

16 DIRECTORS' RESPONSIBILITY AND CONSENT

The Directors state that they have made all reasonable enquiries and on that basis have reasonable grounds to believe that any statements made by the Directors in this Prospectus are not misleading or deceptive. In respect to any other statements made in the Prospectus by persons other than Directors, the Directors have made reasonable enquiries and on that basis have reasonable grounds to believe that persons making the statement or statements were competent to make such statements, and those persons have given their consent to the statements being included in this Prospectus in the form and context in which they are included and have not withdrawn that consent before lodgment of this Prospectus with the ASIC, or to the Directors knowledge, before any issue of the Shares pursuant to this Prospectus.

Each Director has consented to the lodgment of this Prospectus with the ASIC and has not withdrawn that consent.

Dated: 4 April 2022

Signed for and on behalf of
Oceana Lithium Limited by

Jerome (Gino) Vitale
Non-Executive Chairman

17 GLOSSARY

Where the following terms are used in this Prospectus they have the following meanings:

$ or A$	Australian dollars unless otherwise stated.
Acquisition Agreements	the Solonopole Acquisition Agreement and the Napperby Acquisition Agreement.
Advisor Option	means an Option with an exercise price of $0.30 and expiring 4 years from issue and otherwise on the terms in section 14.3.
AEDT	Australian Eastern Daylight-Saving Time.
Applicant	a person who submits a valid Application Form pursuant to this Prospectus.
Application	a valid application made on an Application Form to subscribe for Shares pursuant to this Prospectus.
Application Form	the application form attached to this Prospectus.
ASIC	the Australian Securities & Investments Commission.
ASX	ASX Limited or the Australia Securities Exchange (as the context requires)
Board	the Board of Directors of the Company.
Broker Option	means an Option with an exercise price of $0.30 and expiring 3 years from issue and otherwise on the terms in section 14.2.
Chairman	the Chairman of the Company.
Closing Date	the closing date for receipt of Application Forms under this Prospectus, estimated to be 5.00pm AEDT on 22 April 2022 or an amended time as set by the Board.
Company or **Oceana Lithium**	Oceana Lithium Limited ACN 654 593 290
Corporations Act	the *Corporations Act 2001* (Cth).
Director	a director of the Company.
Director Option	means an Option with an exercise price of $0.30 and expiring 4 years from issue and otherwise on the terms in section 14.3.
Full Subscription	$5.5 million.
Independent Limited	the investigating accountant's report prepared by Moore Australia Corporate Finance (WA) which includes information derived from

Assurance Report	the audit reviewed financial report of the Company for the half-year ended 31 December 2021, a copy of which is included in section 11 of the Prospectus.
Listing Rules	the listing rules of ASX.
Napperby Acquisition Agreement.	means the agreement to acquire the Napperby lithium project on the terms summarised in section 12.1.
Offer	the offer under this Prospectus of 27,500,000 Shares at an issue price of $0.20 per Share, with the ability to raise up to a further 2,500,000 Shares to raise up to $6,000,000 in total.
Official List	the official list of the ASX.
Opening Date	12 April 2022.
Option	an option to be issued a Share.
Over Subscription	An additional $500,000 to raise a total of $6 million.
Performance Right	means a right to be issued a Share on the terms in section 14.3(a).
Prospectus	this prospectus and includes the electronic prospectus.
Share	a fully paid ordinary share in the capital of the Company.
Share Registry	Computershare Investor Services Pty Limited.
Shareholder	a registered holder of Shares in the Company.
Solonopole Acquisition Agreement	means the agreement to acquire the Solonopole lithium project on the terms summarised in section 12.1.
Tenement Title Report	means the reports prepared by William Freire Advogados Associados and Bowden McCormack contained at section 9.
Tenements	For the Solonopole lithium project Brazil, tenements issued in the state of Ceara: 800.238/2016, 800.240/2016, 800.241/2016, 800.247/2016, 800.474/2016, 800.475/2016, 800.476/2016, 800.477/2016; For the Napperby lithium project in Northern Territory: EL32836 and ELA32841, Being the subject of the independent technical reports at section 8.

OCEANA LITHIUM LIMITED

ACN: 654 593 290

PROSPECTUS 2022