

AUGUSTUS MINERALS LIMITED
ACN 651 349 638

SUPPLEMENTARY PROSPECTUS

IMPORTANT INFORMATION

This is a supplementary prospectus (**Supplementary Prospectus**) intended to be read with the prospectus dated 17 April 2023 (**Prospectus**) issued by Augustus Minerals Limited (ACN 651 349 638) (**Company**).

This Supplementary Prospectus is dated 22 May 2023 and was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date. The ASIC, the ASX and their respective officers take no responsibility for the contents of this Supplementary Prospectus.

This Supplementary Prospectus should be read together with the Prospectus. Other than as set out below, all details in relation to the Prospectus remain unchanged. Terms and abbreviations defined in the Prospectus have the same meaning in this Supplementary Prospectus. If there is a conflict between the Prospectus and this Supplementary Prospectus, this Supplementary Prospectus will prevail.

This Supplementary Prospectus will be issued with the Prospectus in hard copy or as an electronic copy and may be accessed on the Company's website at <http://www.augustusminerals.com.au/>.

This is an important document and should be read in its entirety. If you do not understand it, you should consult your professional advisers without delay.

1. BACKGROUND

As set out in Section 9.4.3 of the Prospectus, pursuant to the terms of the Option Agreement, Capricorn has a first right of refusal and buy back right in respect to the Royalty Deed.

On 19 May 2023, ASX advised the Company that Capricorn's right to make a cash payment under the Option Agreement to buy back 50% of the Gold Royalty and 50% of the Other Minerals Royalty is a contravention of ASX Listing Rule 1.1 Condition 11.

As a result of the above, the Company, Capricorn and Redland Plains have entered into a deed of variation (**Deed of Variation**) whereby the consideration payable by the Company on exercise of the option to purchase 50% of the Gold Royalty and 50% of the Other Minerals Product Royalty, will be satisfied through the issue of that number of Shares, when multiplied by the volume weighted average price of the Company's Shares on the ASX for the 20 trading days immediately prior to the date of the option exercise notice, equals \$1,250,000.

To progress the Company's admission to the Official List, the Company sought to vary the terms of the Option Agreement to ensure the terms of the Option Agreement comply with ASX policy.

This Supplementary Prospectus has been prepared to provide investors with updated information in respect to the material terms of the Option Agreement.

The amendments to the Prospectus outlined in section 3 below should be read in conjunction with the Prospectus.

2. NO INVESTOR ACTION REQUIRED

As the content of this Supplementary Prospectus is not considered by the Company to be materially adverse to investors, no action needs to be taken by investors who have already subscribed under the Prospectus to the date of this Supplementary Prospectus.

3. AMENDMENTS TO THE PROSPECTUS

The Prospectus is amended as set out below.

- (a) The reference to the Option Agreement in Item E of Section 3 of the Prospectus is amended as follows:

*“In accordance with the terms of an option agreement entered into with Redland Plains a company controlled by Brian Rodan, the terms of which are summarised in Section 9.4.3 (**Option Agreement**), at any time prior to 14 April 2028, Capricorn has the right to buy back 50% of the gold royalty and 50% of the other minerals product royalty by the Company issuing that number of Shares, when multiplied by the volume weighted average price of the Company’s Shares on the ASX for the 20 trading days immediately prior to the date of the option exercise notice, equals \$1,250,000, to Redland Plains.”*

- (b) The prelude to the summary of the Option Agreement included in Section 9.4.3 of the Prospectus is deleted and replaced with the following:

*“The Company and Capricorn have entered into an option agreement with Redland Plains (**Option Agreement**), pursuant to which Capricorn has a first right of refusal and buy back right in respect to the Royalty Deed.*

The material terms and conditions of the Option Agreement are summarised below:”

- (c) The summary of the Buy-Back within the Option Agreement included in Section 9.4.3 of the Prospectus is deleted and replaced with the following:

Buy-Back

The Royalty Holder has granted the Tenement Holder an exclusive option to purchase, at any time prior to 14 April 2028, 50% of the Gold Royalty and 50% of the Other Minerals Product Royalty by the Company issuing to the Royalty Holder that number of Shares, when multiplied by the volume weighted average price of the Company’s Shares on the ASX for the 20 trading days immediately prior to the date of the option exercise notice, equals \$1,250,000. The Company will obtain any necessary Shareholder approval associated with exercise of the option as a condition to its exercise.

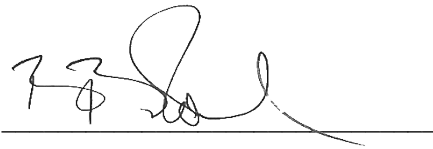
4. CONSENTS

The Company confirms that, as at the date of this Supplementary Prospectus, each of the parties that have been named as having consented to being named in the Prospectus have not withdrawn that consent.

5. DIRECTORS' AUTHORISATION

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

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

A handwritten signature in black ink, appearing to read 'BR Rodan', is written over a horizontal line.

Brian Rodan
Executive Chairman
For and on behalf of Augustus Minerals Limited