

**MOHO RESOURCES LIMITED**  
**ACN 156 217 971**

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**ENTITLEMENT ISSUE PROSPECTUS – LOYALTY OPTIONS**

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For a non-renounceable entitlement issue of 1 Loyalty Option for every 3 Shares held by those Shareholders registered at the Record Date at an issue price of \$0.005 per Loyalty Option to raise up to \$70,808 (**Offer**).

**IMPORTANT NOTICE**

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

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

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## 1. CORPORATE DIRECTORY

### Directors

Terry Streeter  
*Non-Executive Director*

Shane Sadleir  
*Managing Director*

Ralph Winter  
*Commercial Director*

Adrian Larking  
*Non-Executive Director*

### Registered Office

Level 11  
216 St Georges Terrace  
Perth WA 6000

Telephone: + 61 8 9481 0389  
Facsimile: +61 8 9463 6103

Website: [www.mohoresources.com.au](http://www.mohoresources.com.au)

### Joint Company Secretaries

Ralph Winter

David McEntaggart

### Share Registry\*

Advanced Share Registry  
110 Stirling Highway  
Nedlands WA 6009

Telephone: 1300 113 258

### Solicitors

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

### Auditor\*

RSM Australia Partners  
Level 32, Exchange Tower  
2 The Esplanade  
Perth WA 6000

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

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## 2. TIMETABLE

|   |               |
|---|---------------|
| Lodgement of Prospectus with the ASIC   | 5 March 2019  |
| Lodgement of Prospectus & Appendix 3B with ASX  | 5 March 2019  |
| Notice sent to Optionholders  | 6 March 2019  |
| Notice sent to Shareholders   | 7 March 2019  |
| Ex date   | 8 March 2019  |
| Record Date for determining Entitlements  | 11 March 2019 |
| Prospectus despatched to Shareholders & Company announces despatch has been completed | 14 March 2019 |
| Closing Date*   | 25 March 2019 |
| ASX notified of under subscriptions   | 28 March 2019 |
| Despatch of holding statements  | 1 April 2019  |
| Loyalty Options issued under the Offer*   | 1 April 2019  |

\* The Directors may extend the Closing Date by giving at least 6 Business Days notice to ASX prior to the Closing Date.

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### **3. IMPORTANT NOTES**

This Prospectus is dated 5 March 2019 and was lodged with the ASIC on that date. The ASIC, ASX and their responsible officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

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

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

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Options the subject of this Prospectus should be considered highly speculative.

Applications for Options offered pursuant to this Prospectus can only be submitted on an original Entitlement and Acceptance Form or Shortfall Application Form.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

#### **3.1 Risk factors**

Potential investors should be aware that subscribing for Options in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in section 7 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Options in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Options pursuant to this Prospectus.

#### **3.2 Forward-looking statements**

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

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

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

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

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

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in section 7 of this Prospectus.

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## **4. DETAILS OF THE OFFER**

### **4.1 The Offer**

The purpose of the Offer is to recognise the invaluable support the Company has received from its Shareholders. The Offer is an opportunity for Shareholders to participate in the development of the Company.

The Offer is being made as a non-renounceable entitlement issue of 1 Loyalty Option for every 3 Shares held by Shareholders registered at the Record Date at an issue price of \$0.005 per Loyalty Option. Fractional entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus, a maximum of 14,161,531 Loyalty Options will be issued pursuant to this Offer to raise up to approximately \$70,808. If all Loyalty Options issued under the Offer are exercised (exercisable at \$0.25 on or before 9 July 2023), the Company will receive approximately \$3,540,383.

As at the date of this Prospectus the Company has 24,708,709 Options on issue which may be exercised prior to the Record Date in order to participate in the Offer. Please refer to section 5.4 of this Prospectus for information on the exercise price and expiry date of the Options on issue.

All of the Options offered under this Prospectus will be issued on the terms and conditions set out in section 6.1 of this Prospectus.

All of the Shares issued upon the future exercise of the Options offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to section 6.2 for further information regarding the rights and liabilities attaching to the Shares.

The purpose of the Offer and the intended use of funds raised are set out in section 5.1 of this Prospectus.

### **4.2 Minimum subscription**

There is no minimum subscription.

### **4.3 Acceptance**

Your acceptance of the Offer must be made on the Entitlement and Acceptance Form accompanying this Prospectus. Your acceptance must not exceed your Entitlement as shown on that form. If it does, your acceptance will be deemed to be for the maximum Entitlement.

You may participate in the Offer as follows:

- (a) if you wish to accept your **full** Entitlement:
  - (i) complete the Entitlement and Acceptance Form; and
  - (ii) attach your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the amount indicated on the Entitlement and Acceptance Form; or
- (b) if you do not wish to accept all of your Entitlement, you are not obliged to do anything.

#### 4.4 Payment by cheque/bank draft

All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to "Moho Resources Limited" and crossed "Not Negotiable".

Your completed Entitlement and Acceptance Form and cheque must reach the Company's share registry no later than 5:00 pm WST on the Closing Date.

#### 4.5 Payment by BPAY®

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

- (a) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form; and
- (b) you must take up, as a minimum, your Entitlement in full.

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

Any application monies received for more than your final allocation of Loyalty Options (only where the amount is \$1.00 or greater) will be refunded. No interest will be paid on any application monies received or refunded.

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

#### 4.6 Underwriting

The Offer is not underwritten.

#### 4.7 Dilutionary effect

In addition, Shareholders should note that if they do not participate in the Offer, their holdings, upon the future exercise of the Options offered under the Offer (provided no existing Options are exercised), are likely to be diluted by approximately 25% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus). Examples of how the dilution may impact Shareholders is set out in the table below:

| Holder        | Holding as at Record date | % Record at Date | Entitlements under the Offer | Holdings if Offer not taken Up | % post Offer |
|---------------|---------------------------|------------------|------------------------------|--------------------------------|--------------|
| Shareholder 1 | 7,000,000                 | 16.48%           | 2,333,333                    | 7,000,000                      | 12.36%       |
| Shareholder 2 | 3,000,000                 | 7.06%            | 1,000,000                    | 3,000,000                      | 5.30%        |
| Shareholder 3 | 1,000,000                 | 2.35%            | 333,333                      | 1,000,000                      | 1.77%        |
| Shareholder 4 | 500,000                   | 1.18%            | 166,667                      | 500,000                        | 0.88%        |
| Shareholder 5 | 200,000                   | 0.47%            | 66,667                       | 200,000                        | 0.35%        |



**Notes:**

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

**4.8 Shortfall Offer**

Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer.

The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three months following the Closing Date. The issue price for each Loyalty Option to be issued under the Shortfall Offer shall be \$0.005 being the price at which Loyalty Options have been offered under the Offer.

The Directors reserve the right to issue Shortfall Options at their absolute discretion. Accordingly, do not apply for Shortfall Options unless instructed to do so by the Directors.

**4.9 ASX listing**

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

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

The Company notes that it will also make an application for quotation of a total of 13,508,709 Options already on issue, which have the same terms as the Options to be issued pursuant to the Offer (refer to Section 6.1 for full terms and conditions attaching to these Options).

**4.10 Issue**

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

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

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

Holding statements for Options issued under the Offer will be mailed in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus and for Shortfall Options issued under the Shortfall Offer as soon as practicable after their issue.

#### **4.11 Overseas shareholders**

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

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

##### ***New Zealand***

The Options are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (New Zealand).

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

##### ***Nominees and custodians***

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

#### **4.12 Enquiries**

Any questions concerning the Offer should be directed to Mr David McEntaggart, Joint Company Secretary, on +61 8 9481 0389.

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## 5. PURPOSE AND EFFECT OF THE OFFER

### 5.1 Purpose of the Offer

The purpose of the Offer is to reward the loyalty of Company shareholders and will result in the raising of up to \$70,808.

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

| Item | Proceeds of the Offer              | Full Subscription (\$) | %           |
|------|------------------------------------|------------------------|-------------|
| 1.   | Expenses of the Offer <sup>1</sup> | 32,611                 | 46%         |
| 2.   | Working capital                    | 38,197                 | 54%         |
|      | <b>Total</b>                       | <b>70,808</b>          | <b>100%</b> |

#### Notes:

1. Refer to section 8.7 of this Prospectus for further details relating to the estimated expenses of the Offer.

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

### 5.2 Effect of the Offer

The principal effect of the Offer, assuming all Options offered under the Prospectus are issued, will be to:

- (a) increase the cash reserves by \$38,197 after deducting the estimated expenses of the Offer immediately after completion of the Offer; and
- (b) increase the number of Options on issue from 24,708,709 as at the date of this Prospectus to 38,870,240 Options.

### 5.3 Pro-forma balance sheet

The unaudited balance sheet as at 31 December 2018 and the unaudited pro-forma balance sheet as at 31 December 2018 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming all Options offered under the Prospectus are issued.

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

|   | Moho Resources Ltd<br>(Unaudited)<br>31/12/2018<br>\$ | Pro forma balance<br>sheet (Consolidated)<br>(Unaudited)<br>31/12/2018<br>\$ |
|---|---|--|
| <b>ASSETS</b>                             |   |  |
| <b>CURRENT ASSETS</b>                     |   |  |
| Cash and cash equivalents <sup>1</sup>    | 3,676,651   | 3,714,848  |
| Trade and other receivables               | 235,482   | 235,482  |
| <b>TOTAL CURRENT ASSETS</b>               | <b>3,912,133</b>                                      | <b>3,950,330</b>   |
| <b>NON-CURRENT ASSETS</b>                 |   |  |
| Property, Plant & Equipment               | 15,377  | 15,377   |
| Exploration and evaluation<br>expenditure | 1,530,845   | 1,530,845  |
| <b>TOTAL NON-CURRENT ASSETS</b>           | <b>1,546,222</b>                                      | <b>1,546,222</b>   |
| <b>TOTAL ASSETS</b>                       | <b>5,458,355</b>                                      | <b>5,496,552</b>   |
| <b>LIABILITIES</b>                        |   |  |
| <b>CURRENT LIABILITIES</b>                |   |  |
| Trade and other payables                  | 809,553   | 809,553  |
| Provisions                                | 8,567   | 8,567  |
| <b>TOTAL CURRENT LIABILITIES</b>          | <b>818,120</b>  | <b>818,120</b>   |
| <b>TOTAL LIABILITIES</b>                  | <b>818,120</b>  | <b>818,120</b>   |
| <b>NET ASSETS</b>                         | <b>4,640,235</b>                                      | <b>4,678,432</b>   |
| <b>EQUITY</b>                             |   |  |
| Issued capital <sup>1</sup>               | 5,900,414   | 5,938,611  |
| Reserve                                   | 658,613   | 658,613  |
| Accumulated losses                        | (1,918,792)   | (1,918,792)  |
| <b>TOTAL EQUITY</b>                       | <b>4,640,235</b>                                      | <b>4,678,432</b>   |

#### Notes

1 Funds raised pursuant to the offer of \$70,808 less expenses of the offer of \$32,611.

#### 5.4 Effect on capital structure

The effect of the Offer on the capital structure of the Company, assuming all Options offered under the Prospectus are issued, is set out below.

#### Shares

|  | Number            |
|--|-------------------|
| Shares currently on issue                                  | 42,484,592        |
| Shares offered pursuant to the Offer                       | Nil               |
| <b>Total Shares on issue after completion of the Offer</b> | <b>42,484,592</b> |

## Options

|   | Number            |
|---|-------------------|
| Options currently on issue <sup>1</sup>                     | 24,708,709        |
| Loyalty Options offered pursuant to the Offer <sup>2</sup>  | 14,161,531        |
| <b>Total Options on issue after completion of the Offer</b> | <b>38,870,240</b> |

### Notes:

- 1 Comprising:
  - a. 13,508,709 Options exercisable at \$0.25 on or before 9 July 2023. The Company intends to apply for quotation of these Options;
  - b. 3,000,000 Options exercisable at \$0.25 on or before 17 July 2023 and vesting upon the Company's Shares reaching a 20-day volume weighted average price (**VWAP**) of \$0.25 and 5,000 metres of drilling being completed on the tenements in which the Company has an interest;
  - c. 2,100,000 Options exercisable at \$0.35 on or before 17 July 2023 and vesting upon the Company's Shares reaching a 20-day VWAP of \$0.35 and 10,000 metres of drilling being completed on the tenements in which the Company has an interest;
  - d. 2,100,000 Options exercisable at \$0.50 on or before 17 July 2023 and vesting upon the Company's Shares reaching a 20-day VWAP of \$0.50 and 15,000 metres of drilling being completed on the tenements in which the Company has an interest; and
  - e. 4,000,000 Options exercisable at \$0.25 on or before 29 October 2023.
- 2 Exercisable at \$0.25 on or before 9 July 2023. The full terms and conditions of the Loyalty Options are set out in Section 6.1 and the Company intends to apply for Official Quotation of these Options.

The capital structure on a fully diluted basis as at the date of this Prospectus would be 67,193,301 Shares (assuming all Options are exercised) and on completion of the Offer (assuming all Entitlements are accepted) would be 81,354,832 Shares.

## 5.5 Details of substantial holders

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

| Shareholder   | Shares    | %     |
|---------------|-----------|-------|
| Shane Sadleir | 2,828,597 | 6.66% |

The Offer will have no effect on the quantity of Shares held by these substantial shareholders as only Options are being issued.

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## 6. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

### 6.1 Loyalty Options

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.25 (**Exercise Price**)

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 9 July 2023 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

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

(e) **Notice of Exercise**

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

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

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

Within 15 business days after the later of the following:

- (i) the Exercise Date; and
- (ii) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

but in any case no later than 20 business days after the Exercise Date, the Company will:

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

- (iv) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (v) if admitted to the Official List of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

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

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

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

(j) **Participation in new issues**

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

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

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

## 6.2 Shares

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

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

(a) **General meetings**

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

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

(b) **Voting rights**

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

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

(c) **Dividend rights**

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

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

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either



pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

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

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

(e) **Transfer of Shares**

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

(f) **Variation of rights**

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

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

(g) **Alteration of 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. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

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## **7. RISK FACTORS**

### **7.1 Introduction**

The Options offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Options pursuant to this Prospectus.

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

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

### **7.2 Company specific**

#### **(a) Potential for significant dilution**

Upon implementation of the Offer, assuming all Entitlements are accepted the number of Options will increase from 24,708,709 currently on issue to 38,870,240 and this has the potential to increase the number of Shares on issue from 42,484,592 to 56,646,123 (assuming the exercise of all Options under the Offer). This means that each Share will represent a significantly lower proportion of the ownership of the Company.

It is not possible to predict how many Options may be exercised and at that time what the value of the Company or a Share will be following the completion of the Offer being implemented and the Directors do not make any representation as to such matters.

The last trading price of Shares on ASX prior to the prospectus being lodged of \$0.155 is not a reliable indicator as to the potential trading price of Shares after implementation of the Offer.

#### **(b) Exploration and development**

Mineral exploration and development is a speculative and high-risk undertaking 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 mineral exploration projects;
- (iv) obtaining required development consents and approvals necessary for the acquisition, mineral exploration, development and production phases; and

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

As the Company is an early stage exploration company, there can be no assurance that exploration on 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 mineral resource is identified, there is no guarantee that it can be economically exploited.

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.

(c) **Joint Venture Risk**

The Company is earning interests in six tenements pertaining to the Empress Springs (EPM25/208, EPM25/209 and EPM25/210), Silver Swan North (E27/0345 and M27/0263) and Burracoppin (E70/4688) Projects.

The Company is not the registered owner of those tenements and therefore the Company's ability to achieve its objectives in respect of the tenements is dependent upon it and the registered holder of the tenements complying with their obligations under the relevant earn-in agreements giving rise to the Company's interest, and on the registered holder complying with the terms and conditions of the tenements and any other applicable legislation. Any failure to comply with these obligations may result in the Company losing its interest in those tenements, which may have a material adverse effect on the Company's operations and the performance and value of the Options. The Company has no current reason to believe that the registered owners of those tenements will not meet and satisfy their respective obligations under the relevant agreements, the tenement conditions and other applicable legislation.

There is also a risk of financial failure or default under the joint venture arrangements by a participant in any joint venture to which the Company is, or may become, a party. Any withdrawal by a joint venture party or any issues with their ability to perform the obligations due under the joint venture arrangements could have a material adverse impact on the financial position of the Company. There is also the risk of disputes arising with the Company's joint venture partners, the resolution of which could lead to delays in the Company's proposed development activities or financial loss.

(d) **Tenure, access and grant of applications**

**Applications**

The Company's tenements are at various stages of application and grant. There can be no assurance that the tenement applications that are currently pending will be granted. There can also be no assurance that when a tenement is granted, it will be granted in its entirety. Some of the tenement areas applied for may be excluded.

The Company is unaware of any circumstances that would prevent the tenement applications from being granted.

### **Renewal**

Mining and exploration tenements are subject to periodic renewal. There is no guarantee that current or future tenements and/or applications for tenements will be approved.

The renewal of the term of a granted tenement is also subject to the discretion of the relevant Minister. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising the Projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

The Company considers the likelihood of tenure forfeiture to be low given the laws and regulations governing exploration in Western Australia and Queensland and the ongoing expenditure budgeted for by the Company. However, the consequence of forfeiture or involuntary surrender of a granted tenement for reasons beyond the control of the Company could be significant.

### **Access**

A number of the Western Australian tenements overlap certain pastoral, historical or general leases. The Company is not aware of any improvements and other features on the land the subject of the pastoral, historical or general leases which overlaps the Western Australian tenements which would require the Company to obtain the consent of the occupier or lease holder or prevent the Company from undertaking its proposed activities on the Western Australian tenements.

Upon commencing mining operations on any of the Western Australian tenements, the Company may need to consider entering into a compensation and access agreement with the lease holders to ensure the requirements of the *Mining Act 1978 (WA)* are satisfied and to avoid any disputes arising. In the absence of an agreement, the Warden's Court of Western Australia determines compensation payable.

Further, a number of the Queensland tenements overlap certain pastoral or land leases. The Company is required to provide a notice of intention to enter such land and depending on the level of impact of the exploration activity, to enter into a conduct and compensation agreement (**CCA**) with each owner and occupier of such land.

The requirement to enter into a CCA relates to any activities which are likely to have more than a minimal impact on the land or the owner's or occupier's business operations. These are known as advanced activities. Most ground disturbing works will fall into this category, including clearing access tracks or drill pads, drilling, bulk sampling and geophysical surveys.

(e) **Operational Risks**

The operations of the Company may be affected by various factors, including:

- (i) failure to locate or identify mineral deposits;
- (ii) failure to achieve predicted grades in exploration and mining;
- (iii) operational and technical difficulties encountered in mining;
- (iv) insufficient or unreliable infrastructure, such as power, water and transport;
- (v) difficulties in commissioning and operating plant and equipment;
- (vi) mechanical failure or plant breakdown;
- (vii) unanticipated metallurgical problems which may affect extraction costs; and
- (viii) adverse weather conditions.

In the event that any of these potential risks eventuate, the Company's operational and financial performance may be adversely affected.

(f) **Native title and Aboriginal heritage**

In relation to tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Company to gain access to the tenements, or any future tenements in which it acquires an interest (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations, may be adversely affected.

The Company's tenements overlap the following native title claims and determinations:

- (i) E70/4688 and E70/5154 are subject to the active registered native title claim by the Ballardong people (WC2000/007). This claim is one of six registered native title claims that together form the South West Native Title Settlement (**SW Settlement**) between the native title claimants and the State of Western Australia. It is anticipated that native title will be extinguished in the area of the SW Settlement following registration of indigenous land use agreements entered into between the State and the native title claimants and the satisfaction of associated conditions precedent. The State has recently announced that its current expectation is that this will occur in early 2019.

E70/4688 and E70/5154 are each also overlapped by the Marlinyu Ghoorlie (WC2017/007) and Single Noongar Claim (Area 1) (WC2003/006) unregistered native title claims; and

- (ii) E27/345, E27/528, E27/613, P27/2232, P27/2390 and M27/263 are subject to an active registered native title claim by the Maduwongga people (WC2017/001); and
- (iii) each of the Queensland tenements (EPM25208, EPM25209 and EPM25210) fall within the Tagalaka People #2 determined native title claim (QCD2012/013).

Further, there is one registered area of Aboriginal heritage existing on the EPM25208. The Company has a reasonable basis to believe that its current plans for exploration will not be likely to breach its legislative obligations regarding Aboriginal heritage this area. To the extent this current view changes once the Company's exploration programme commences, the Company intends to seek clearance to drill on the relevant parts of this area by consulting with local custodians and by undertaking further Aboriginal heritage and archaeological clearance surveys and if required other official processes.

The Directors will closely monitor the potential effect of any native title claims or Aboriginal heritage matters involving tenements in which the Company has or may have an interest.

(g) **Grant of Future Authorisations to Explore and Mine**

If the Company discovers an economically viable mineral deposit that it then intends to develop, it will, among other things, require various approvals, licences and permits before it will be able to mine the deposit. There is no guarantee that the Company will be able to obtain all required approvals, licences and permits. To the extent that required authorisations are not obtained or are delayed, the Company's operational and financial performance may be materially adversely affected.

(h) **Acquisitions**

The Company may make acquisitions of, or significant investments in, companies or assets that are complementary to its business. Any such future transactions are accompanied by the risks commonly encountered in making acquisitions of companies or assets, such as integrating cultures and systems of operation, relocation of operations, short term strain on working capital requirements, achieving mineral exploration success and retaining key staff.

(i) **Litigation**

The Company may in the ordinary course of business become involved in litigation and disputes, for example with agents, contractors or third parties in respect of land access to its tenements. Any such litigation or dispute could involve significant economic costs and damage to relationships with agents, contractors other stakeholders. Such outcomes may have an adverse impact on the Company's business, reputation and financial performance.

(j) **Results of Studies**

Subject to the results of exploration and testing programs to be undertaken, the Company may progressively undertake a number of studies in respect to the Projects. These studies may include scoping, pre-feasibility, definitive feasibility and bankable feasibility studies.

These studies will be completed within parameters designed to determine the economic feasibility of the Projects within certain limits. There can be no guarantee that any of the studies will confirm the economic viability of the Projects or the results of other studies undertaken by the Company (e.g. the results of a feasibility study may materially differ to the results of a scoping study).

Even if a study confirms the economic viability of the Projects, there can be no guarantee that the project will be successfully brought into production as assumed or within the estimated parameters in the feasibility study (e.g. operational costs and commodity prices) once production commences. Further, the ability of the Company to complete a study may be dependent on the Company's ability to raise further funds to complete the study if required.

(k) **Future Funding**

Further funding may be required by the Company in the event costs exceed estimates or revenues do not meet estimates, to support its ongoing operations and implement its strategies. For example, funding may be needed undertake further exploration activities, or acquire complementary assets.

Accordingly, the Company may need to engage in equity or debt financings to secure additional funds. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the current share price or may involve restrictive covenants that limit the Company's operations be business strategy.

There can be no assurance that such funding will be available on satisfactory terms or at all at the relevant time. Any inability to obtain sufficient financing for the Company's activities and future projects may result in the delay or cancellation of certain activities or projects, which would likely adversely affect the potential growth of the Company.

(l) **Reliance on key management**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

### **7.3 Industry specific**

(a) **Exploration costs**

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these

estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

(b) **Resource and reserves and exploration targets**

The Company has identified a number of exploration targets based on geological interpretations and limited geophysical data, geochemical sampling and historical drilling. Insufficient data however, exists to provide certainty over the extent of the mineralisation. Whilst the Company intends to undertake additional exploratory work with the aim of defining a resource, no assurances can be given that additional exploration will result in the determination of a resource on any of the exploration targets identified. Even if a resource is identified no assurance can be provided that this can be economically extracted.

Reserve and resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when initially calculated may alter significantly when new information or techniques become available. In addition, by their very nature resource and reserve estimates are imprecise and depend to some extent on interpretations which may prove to be inaccurate.

(c) **Contamination Risks**

The Company's operations may use hazardous materials and produce hazardous waste which may have an adverse impact on the environment or cause exposure to hazardous materials. Despite efforts to conduct its activities in an environmentally responsible manner and in accordance with all applicable laws, the Company may be subject to claims for toxic torts, natural resources damages and other damages. In addition the Company may be subject to the investigation and clean-up of contaminated soil, surface water and groundwater. This may delay the timetable of the Projects and may subject the Company to substantial penalties including fines, damages, clean-up costs or other penalties. The Company is also subject to environmental protection legislation, which may affect the Company's access to certain areas of its properties and could result in unforeseen expenses and areas of moratorium.

(d) **Metallurgy Risk**

When compared with many industrial and commercial operations, mining exploration projects are high risk. Each ore body is unique and the nature of the mineralisation, the occurrence and grade of the ore, as well as its behaviour during mining can never be wholly predicted. Estimations of a mineral deposit are not precise calculations but are based on interpretation and on samples from drilling which represent a very small sample of the entire ore body. Reconciliation of past production and reserves, where available, can confirm the reasonableness of past estimates, but cannot categorically confirm accuracy of future projections.

The applications of metallurgical test work results and conclusions to the process design, recoveries and throughput depend on the accuracy of the test work and assumption that the sample tests are representative of the ore body as a whole. There is a risk associated with the scale-up of



laboratory and pilot plant results to a commercial scale and with the subsequent design and construction of any plant.

(e) **Environmental Risks**

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

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

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

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

(f) **Rehabilitation of Tenement**

In relation to the Company's proposed operations, issues could arise from time to time with respect to abandonment costs, consequential clean-up costs, environmental concerns and other liabilities. In these instances, the Company could become subject to liability if, for example, there is environmental pollution or damage from the Company's exploration activities and there are consequential clean-up costs at a later point in time.

(g) **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 that 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.

(h) **Safety**

Safety is a fundamental risk for any exploration and production company in regards to personal injury, damage to property and equipment and other losses. The occurrence of any of these risks could result in legal proceedings against the Company and substantial losses to the Company due to injury or loss of life, damage or destruction of property, regulatory investigation, and penalties or suspension of operations. Damage occurring to third parties as a result of such risks may give rise to claims against the Company.

**7.4 General risks**

(a) **Economic**

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

(b) **Commodity Price and Exchange Rate Risks**

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

Furthermore, prices of various commodities and services may be denominated in United States dollars, whereas the reporting currency of the Company is in Australian dollars, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

(c) **Market conditions**

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

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

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

Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market, and in particular securities of exploration companies experience extreme price and volume fluctuations that have often been unrelated to the operating performance of such companies.

(d) **Taxation**

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

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

(e) **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.

## **7.5 Speculative investment**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Options offered under this Prospectus

Therefore, the Options to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Options.

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

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## **8. ADDITIONAL INFORMATION**

### **8.1 Litigation**

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

### **8.2 Continuous disclosure obligations**

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

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

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

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

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

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

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

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

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

Details of documents lodged by the Company with ASX since the date of the Company being admitted to the Official List of the ASX are set out in the table below.

| <b>Date</b> | <b>Description of Announcement</b>                          |
|-------------|---|
| 01/03/2019  | Change of Director's Interest Notice                        |
| 26/02/2019  | Roadshow Presentation                                       |
| 22/02/2019  | Restricted Securities to be Released from Escrow            |
| 21/02/2019  | Investor Presentation                                       |
| 21/02/2019  | Nickel Sulphide Drilling to Commence at Silver Swan North   |
| 20/02/2019  | Empress Springs Strategic Land Acquisition                  |
| 19/02/2019  | Bonus Issue Update  |
| 18/02/2019  | Proposed Loyalty Option Entitlement Issue                   |
| 07/02/2019  | Virgin Gold & Base Metal Discovery at Empress Springs       |
| 05/02/2019  | Trading Halt  |
| 31/01/2019  | Quarterly Cashflow Report                                   |
| 31/01/2019  | Quarterly Activities Report                                 |
| 18/01/2019  | Nickel Sulphide Exploration at Silver Swan North            |
| 15/01/2019  | Appendix 3B – Securities Released from Escrow               |
| 07/01/2019  | Details of Company Address                                  |
| 28/12/2018  | Restricted Securities to be Released from Escrow            |
| 19/12/2018  | High Grade One Metre Gold Assays at Silver Swan North       |
| 07/12/2018  | EIS Drilling Grant for Silver Swan North                    |
| 06/12/2018  | Exploration Update for Burracoppin Project                  |
| 03/12/2018  | Joint Company Secretary Appointment                         |
| 26/11/2018  | Results of Meeting  |
| 26/11/2018  | Moho AGM Presentation                                       |
| 26/11/2018  | Major Exploration Program Underway at Empress Springs       |
| 21/11/2018  | Major Nickel Sulphide Exploration Underway, Silver Swan Nth |
| 16/11/2018  | Encouraging Gold Assays at Silver Swan North                |

|            |   |
|------------|---|
| 14/11/2018 | Initial Director's Interest Notice Ralph Winter   |
| 14/11/2018 | Initial Director's Interest Notice Shane Sadleir  |
| 14/11/2018 | Initial Director's Interest Notice                |
| 14/11/2018 | Initial Director's Interest Notice Adrian Larking |
| 14/11/2018 | Becoming a substantial holder                     |
| 12/11/2018 | ODM: Moho Earn in Agreement                       |
| 12/11/2018 | Confirmation of Silver Swan North Earn-in         |
| 08/11/2018 | Trading Halt Request                              |
| 08/11/2018 | Trading Halt                                      |
| 08/11/2018 | Notice of General Meeting / Proxy Form            |
| 08/11/2018 | Pause in Trading                                  |
| 08/11/2018 | Exploration Update Silver Swan North              |
| 05/11/2018 | Pre-Quotation Disclosure                          |
| 05/11/2018 | Incentive Option Plan                             |
| 05/11/2018 | Trading Policy                                    |
| 05/11/2018 | Corporate Governance Statement                    |
| 05/11/2018 | Accounts – 30 June 2018                           |
| 05/11/2018 | Accounts – 31 December 2017                       |
| 05/11/2018 | Accounts – 30 June 2017                           |
| 05/11/2018 | Accounts – 30 June 2016                           |
| 05/11/2018 | Constitution                                      |
| 05/11/2018 | Prospectus  |
| 05/11/2018 | Appendix 1A and Information Form and Checklists   |
| 05/11/2018 | Distribution Schedule and Top 20 Holders          |
| 05/11/2018 | ASX Notice – Admission to Official List           |

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

The announcements are also available through the Company's website [www.mohoresources.com.au](http://www.mohoresources.com.au)

### **8.3 Market price of shares**

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

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

|         | (\$)  | Date            |
|---------|-------|-----------------|
| Highest | 0.18  | 1 March 2019    |
| Lowest  | 0.10  | 17 January 2019 |
| Last    | 0.155 | 4 March 2019    |

#### 8.4 Interests of Directors

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

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

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

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

#### **Security holdings**

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

| Director       | Shares    | Options   | Loyalty Option Entitlement | Value of Entitlement |
|----------------|-----------|-----------|----------------------------|----------------------|
| Terry Streeter | 1,981,250 | 1,000,000 | 660,417                    | \$3,302              |
| Shane Sadleir  | 2,828,597 | 6,642,894 | 942,866                    | \$4,714              |
| Ralph Winter   | 516,668   | 3,175,004 | 172,223                    | \$861                |
| Adrian Larking | 637,903   | 3,356,855 | 212,634                    | \$1,063              |

The Board recommends all Shareholders take up their Entitlement and advises that all Directors intend to take up their respective Entitlements.

## Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$300,000 per annum.

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

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive directors.

|                             | Financial Year 2019<br>(\$)<br>(Proposed) <sup>1,2</sup> | Financial Year<br>2018 (\$)<br>(Actual) <sup>1</sup> |
|-----------------------------|--|--|
| Terry Streeter <sup>3</sup> | 85,555   | N/A  |
| Shane Sadleir               | 141,000  | 80,000   |
| Ralph Winter                | 139,333  | 15,000   |
| Adrian Larking              | 51,467   | -  |

**Notes:**

- 1 Exclusive of superannuation.
- 2 Includes \$20,000 listing bonus for each Director as disclosed in the Company's IPO Prospectus.
- 3 Terry Streeter was appointed a Director on 6 July 2018.

## 8.5 Interests of experts and advisers

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

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

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

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



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

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

- (a) the formation or promotion of the Company; or
- (b) the Offer.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$10,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$139,792 (excluding GST and disbursements) for legal services provided to the Company.

## **8.6 Consents**

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

Each of the parties referred to in this section:

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

## **8.7 Expenses of the offer**

In the event that all Entitlements are accepted, the total expenses of the Offer are estimated to be approximately \$32,611 (excluding GST) and are expected to be applied towards the items set out in the table below:

|                           |               |
|---------------------------|---------------|
|                           | \$            |
| ASIC fees                 | 3,206         |
| ASX fees                  | 11,905        |
| Legal fees                | 10,000        |
| Printing and distribution | 5,000         |
| Miscellaneous             | 2,500         |
| <b>Total</b>              | <b>32,611</b> |

## 8.8 Electronic prospectus

Pursuant to Regulatory Guide 107, ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic Prospectus on the basis of a paper Prospectus lodged with ASIC and the issue of Options in response to an electronic Application Form, subject to compliance with certain provisions. If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Forms. If you have not, please phone the Company on +61 8 9481 0389 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at [www.mohoresources.com.au](http://www.mohoresources.com.au).

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered. In such a case, the application monies received will be dealt with in accordance with section 722 of the Corporations Act.

## 8.9 Financial forecasts

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

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

The Company will not be issuing option certificates. The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Options allotted to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

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.

## 8.11 Privacy Act

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

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

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

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

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**9. DIRECTORS' AUTHORISATION**

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

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



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**Ralph Winter**  
**Director**  
**For and on behalf of**  
**MOHO RESOURCES LTD**

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## 10. GLOSSARY

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

**Applicant** means a Shareholder who applies for Options pursuant to the Offer or a Shareholder or other party who applies for Shortfall Options pursuant to the Shortfall Offer.

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

**ASIC** means the Australian Securities and Investments Commission.

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

**ASX Listing Rules** means the listing rules of the ASX.

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

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

**Burracoppin Project** means E70/4688 and E70/5154.

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

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

**Company** means Moho Resources Limited (ACN 156 217 971).

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

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

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

**Empress Springs Project** means EPM2528, EPM25209 and EPM25210.

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

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

**Loyalty Option** means an option to acquire a Share on the terms and conditions set out in section 6.1 of this Prospectus

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

**Official Quotation** means official quotation on ASX.

**Option** means an option to acquire a Share, including a Loyalty Option as the context requires.

**Optionholder** means a holder of an Option.

**Projects** means the Empress Springs Project, Silver Swan North Project and Burracoppin Project.

**Prospectus** means this prospectus.

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

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

**Shareholder** means a holder of a Share.

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

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

**Shortfall Offer** means the offer of the Shortfall on the terms and conditions set out in section 4.8 of this Prospectus.

**Shortfall Options** means those Options issued pursuant to the Shortfall.

**Silver Swan North Project** means M27/263, E27/345, E27/528, P27/2232, PLA27/2390 and ELA27/613.

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