



METMINCO LIMITED
ACN 119 759 349

PROSPECTUS

This Prospectus is being issued for the following offers:

- a renounceable pro rata offer to Eligible Shareholders of 2 New Shares for every 5 Shares held on the Record Date, at an issue price of \$0.003 per New Share (**Rights Issue**);
- any shortfall under the Rights Issue at an issue price of \$0.003 per New Share (**Shortfall Offer**); and
- an offer of up to 45,000,000 Placement Options to subscribers under the Placement, on the basis of 1 free-attaching Quoted Option for every 3 Shares subscribed for and issued under the Placement (**Placement Options Offer**).

Patersons Securities Limited is acting as Lead Manager to the Offers. The Rights Issue is partially underwritten by Director Kevin Wilson.

The Rights Issue closes at 5:00pm (AEDT) on Friday, 14 December 2018.*

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

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

AN INVESTMENT IN THE SECURITIES OFFERED IN CONNECTION WITH THIS PROSPECTUS SHOULD BE CONSIDERED OF A SPECULATIVE NATURE.

* The Company reserves the right, subject to the Corporations Act and Listing Rules to extend the Closing Date.

IMPORTANT INFORMATION

This Prospectus is dated 20 November 2018 and was lodged with ASIC on that date with the consent of all Directors. Neither ASIC, ASX, nor any of their respective officers take any responsibility for the contents of this Prospectus.

No Securities will be issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus). The Company will apply for Official Quotation by ASX of the New Shares and Quoted Options offered by this Prospectus.

A copy of this Prospectus is available for inspection at the registered office of the Company C/- Accosec & Associates, Suite 3, Level 2, 470 Collins Street, Melbourne, Victoria during normal business hours. The Prospectus will also be made available in electronic form. Persons having received a copy of this Prospectus in its electronic form may obtain an additional paper copy of this Prospectus (free of charge) from the Company's registered office by contacting the Company. The Offers contemplated by this Prospectus are only available in electronic form to persons receiving an electronic version of this Prospectus within Australia, New Zealand or Singapore. Applications for Securities will only be accepted on an Application Form attached to or provided by the Company with a copy of this Prospectus either in paper or electronic form. The Corporations Act prohibits any person from passing on to another person an Application Form unless it is accompanied by a complete and unaltered copy of this Prospectus.

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

No action has been taken to permit the offer of Securities under this Prospectus in any jurisdiction other than Australia (or subject to the restrictions in Section 1.14, New Zealand, or Singapore). The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws. This Prospectus does not constitute an offer of Securities in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

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

This Prospectus includes forward-looking statements that have been based on current expectations about future acts, events and circumstances. These forward-looking statements are, however, subject to risks, uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in the forward-looking statements.

Definitions of certain terms used in this Prospectus are contained in Section 7. All references to currency are to Australian dollars and all references to time are to AEDT unless otherwise indicated. Revenues and expenditures disclosed in this Prospectus are recognised exclusive of the amount of goods and services tax, unless otherwise disclosed.

CORPORATE DIRECTORY

Directors

Mr Kevin Wilson Executive Chairman
Mr Glenister Lamont Non-Executive Director
Mr Roger Higgins Non-Executive Director

Joint Company Secretaries

Mr Geoffrey Widmer
Mr Andrew Metcalfe

Registered Office & Principal Place of Business

C/- Accosec & Associates
Suite 3, Level 2
470 Collins Street
MELBOURNE VIC 3000

Telephone: +61 3 9867 7199
Facsimile: +61 3 9867 8587
Email: info@metminco.com.au
Website: www.metminco.com.au

ASX Codes

Shares: MNC
Quoted Options: MNCOA

Australian Share Registry*

Link Market Services
Level 12, 680 George Street
SYDNEY NSW 2000

Telephone: 1300 554 474
Facsimile: +61 2 9287 0303
Email: registrars@linkmarketservices.com.au

Auditors*

Grant Thornton
Collins Square, Tower 1
727 Collins Street
MELBOURNE VIC 3008

Solicitors

Bellanhouse Lawyers
Level 19, Alluvion
58 Mounts Bay Road
PERTH WA 6000

Lead Manager

Patersons Securities Limited
AFSL 239052
Level 23, 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.

PROPOSED TIMETABLE FOR RIGHTS ISSUE

Event	Date
Lodgement of Prospectus and Appendix 3B with ASX Option holders notified of Offers Notice of Rights Issue sent to Shareholders	Pre-market open on Wednesday, 21 November 2018
Securities quoted on an "Ex" basis and rights trading commences	Thursday, 29 November 2018
Record Date for determining Entitlements	Friday, 30 November 2018
Prospectus and Application Form despatched to Eligible Shareholders	Wednesday, 5 December 2018
Rights trading ends	Friday, 7 December 2018
Securities quoted on a deferred settlement basis	Monday, 10 December 2018
Last day to extend the Closing Date of Rights Issue	Tuesday, 11 December 2018
Closing Date of Rights Issue	Friday, 14 December 2018
Notification of Shortfall	Monday, 17 December 2018
Issue date of Securities Deferred settlement trading ends	Tuesday, 18 December 2018
Commencement of Securities trading on ordinary settlement basis	Wednesday, 19 December 2018
Anticipated date of General Meeting	Monday, 24 December 2018

All dates (other than the date of the Prospectus, the date of lodgement of the Prospectus with ASIC and ASX) are indicative only. The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. As such the date the Securities issued under the Rights Issue are expected to commence trading on ASX may vary. The Company reserves the right, subject to the Corporations Act and Listing Rules and other applicable laws, to vary any other date of the Offers, including accepting late applications, either generally or in particular cases, without notice.

LETTER FROM THE CHAIRMAN

Dear Shareholder

Metminco Limited (**Company**) is pleased to announce a renounceable 2-for-5 rights issue to Eligible Shareholders of Shares at an issue price of \$0.003 each to raise a total of approximately \$1.25 million before costs (**Rights Issue**).

The Rights Issue will only be made to Eligible Shareholders registered at the Record Date who will be sent an Entitlement and Acceptance Form which will be accompanied by this Prospectus. To accept your Entitlement under the Rights Issue, you will need to complete the Entitlement and Acceptance Form in accordance with the instructions on the form and as outlined in this Prospectus.

Funds raised pursuant to the Capital Raising will be used for advancing the Company's Quinchia Gold Project in Colombia and working capital. For further details on the proposed use of funds please see Section 1.5 of this Prospectus.

The Directors presently intend to take up all of their respective Entitlements under the Rights Issue. I have also agreed to partially underwrite the Rights Issue up to a total of \$100,000 worth of Shares. See Section 1.7 for further details.

Patersons Securities Limited has been appointed as lead manager to the Offers.

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

On behalf of the Board, I encourage you to consider this investment opportunity and thank you for your ongoing support.

Yours faithfully



Kevin Wilson
Chairman

INVESTMENT OVERVIEW

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

Key Information	Further Information
<p>Transaction specific prospectus</p> <p>This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.</p>	Section 5.5
<p>Risk factors</p> <p>Potential investors should be aware that subscribing for Securities in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 4, including (but not limited to) risks in respect of:</p> <ul style="list-style-type: none"> • Exploration risk: Mineral exploration is a high-risk undertaking. There can be no assurance that further exploration on the Company's projects will result in the discovery of an economic mineral deposit. • Future capital needs: Further funding will be required by the Company to support its ongoing activities and operations. There can be no assurance that such funding will be available on satisfactory terms or at all. • Jurisdictional risks: The Company is subject to the risks of operating a company in Australia with additional risks through operating projects in Colombia and Chile, which may include legislative and administrative regime changes, government policy changes, exploration licensing, regulatory consents and authorisations, rates of exchange, and potential economic, social and/or political instability, and break down in law and order. 	Section 4
<p>Rights Issue</p> <p>This Prospectus is for a renounceable rights issue of 2 New Shares for every 5 existing Shares held by Eligible Shareholders on the Record Date at an issue price of \$0.003 per New Share to raise approximately \$1.25 million (before costs).</p>	Section 1.2
<p>Eligible Shareholders</p> <p>The Rights Issue is made to Eligible Shareholders only. Eligible Shareholders are those persons who are the registered holder of Shares as at 5.00pm (AEDT) on the Record Date and who have a registered address in Australia or, subject to the offer restrictions in Section 1.14, New Zealand or Singapore.</p>	Sections 1.2 and 1.14

Key Information	Further Information
<p>Underwriting</p> <p>The Rights Issue is partially underwritten by Director Kevin Wilson, up to \$100,000, being a maximum of 33,333,334 Shares. Mr Wilson is a related party of the Company by virtue of being a Director of the Company. The Directors (excluding Mr Wilson), for the reasons outlined in Section 1.7, believe that the Underwriting Agreement was negotiated at arm's length and have therefore not sought Shareholder approval.</p>	Section 1.7
<p>Shortfall Offer</p> <p>Any New Shares not taken up pursuant to the Rights Issue will form the Shortfall Offer.</p> <p>Eligible Shareholders may apply for Shares under the Shortfall Offer subject to such applications being received by the Closing Date. The issue price for each New Share to be issued under the Shortfall Offer shall be \$0.003, being the price at which New Shares are being offered under the Rights Issue.</p> <p>The allocation policy for the Shortfall Offer is outlined in Section 1.4. There is no guarantee that Applicants will receive Shares applied for under the Shortfall Offer.</p> <p>Any Shortfall Shares will be allocated firstly to any Eligible Shareholders who were participants in the Placement, then to other Eligible Shareholders who apply for Shortfall Shares. Any remaining Shortfall Shares will then be allocated to any third parties unrelated to the Company, then to Mr Wilson in accordance with the Underwriting Agreement.</p>	Section 1.4
<p>Use of funds</p> <p>Funds raised under the Rights Issue and Shortfall Offer are intended to be used primarily to advance the Company's Quinchia Gold Project in Colombia, and for working capital.</p>	Section 1.5
<p>Placement Options Offer</p> <p>Subject to the receipt of Shareholder approvals at a general meeting to be convened shortly, this Prospectus is also for the offer of up to 45,000,000 Placement Options to participants in the Placement, on the basis of 1 free-attaching Quoted Options for every 3 Shares subscribed for and issued under the Placement completed 3 October 2018 (Placement Options Offer).</p> <p>The Placement Options will be issued on the same terms as existing Quoted Options.</p>	Sections 1.3
<p>Effect on control of the Company</p> <p>Shareholders should note that if they do not participate in the Rights Issue, their holdings will be diluted. No investor or existing Shareholder will hold a voting power greater than 20% as a result of the Offers.</p> <p>In the unlikely event that no Entitlements are taken up, with the exception of Mr Wilson's Entitlement, no other Shortfall Shares are issued, and Mr Wilson is required to subscribe for all of the Underwritten Shares, the maximum voting power of Mr Wilson and his associates will be approximately 3.40% (on an undiluted basis).</p>	Section 3.3

Key Information	Further Information												
<p>Indicative capital structure and pro-forma balance sheet</p> <p>Subject to rounding and assuming that the necessary Shareholder approvals are received at the General Meeting, the indicative capital structure upon completion of the Offers is set out below:</p> <table border="1" data-bbox="194 436 1193 741"> <thead> <tr> <th></th> <th>Shares</th> <th>Quoted Options</th> </tr> </thead> <tbody> <tr> <td>Balance at the date of this Prospectus</td> <td>1,047,548,977</td> <td>502,369,372</td> </tr> <tr> <td>To be issued pursuant to the Offers</td> <td>419,019,591</td> <td>45,000,000</td> </tr> <tr> <td>TOTAL</td> <td>1,466,568,568</td> <td>547,369,372</td> </tr> </tbody> </table> <p>The Company also has 53,491,278 unquoted Options and 58,000,000 Performance Rights on issue.</p> <p>The pro-forma balance sheet showing the indicative effect of the Offers is in Section 3.2.</p>		Shares	Quoted Options	Balance at the date of this Prospectus	1,047,548,977	502,369,372	To be issued pursuant to the Offers	419,019,591	45,000,000	TOTAL	1,466,568,568	547,369,372	<p>Sections 3.1 and 3.2</p>
	Shares	Quoted Options											
Balance at the date of this Prospectus	1,047,548,977	502,369,372											
To be issued pursuant to the Offers	419,019,591	45,000,000											
TOTAL	1,466,568,568	547,369,372											
<p>Directors' interests in Shares and Entitlements</p> <p>The relevant interest of each of the Directors in Shares as at the date of this Prospectus, together with their respective Entitlement is set out in the table below:</p> <table border="1" data-bbox="194 1108 1193 1379"> <thead> <tr> <th>Name</th> <th>Existing Shares</th> <th>Entitlement to New Shares</th> </tr> </thead> <tbody> <tr> <td>Kevin Wilson</td> <td>2,551,312</td> <td>1,020,525</td> </tr> <tr> <td>Glenister Lamont</td> <td>1,875,000</td> <td>750,000</td> </tr> <tr> <td>Roger Higgins</td> <td>1,516,676</td> <td>606,671</td> </tr> </tbody> </table> <p>The Directors also have further existing interests in Options and Performance Rights as set out in Section 5.10(b).</p> <p>Each of the Directors have indicated their intention to subscribe for their full Entitlement under the Rights Issue.</p> <p>In addition, Mr Wilson has agreed to partially underwrite the Rights Issue up to \$100,000 worth of Shares. See Section 1.7 for further details.</p>	Name	Existing Shares	Entitlement to New Shares	Kevin Wilson	2,551,312	1,020,525	Glenister Lamont	1,875,000	750,000	Roger Higgins	1,516,676	606,671	<p>Sections 5.10(b) and 1.7</p>
Name	Existing Shares	Entitlement to New Shares											
Kevin Wilson	2,551,312	1,020,525											
Glenister Lamont	1,875,000	750,000											
Roger Higgins	1,516,676	606,671											
<p>Forward looking statements</p> <p>This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are considered reasonable.</p> <p>Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the management. The Directors cannot and do not give</p>	<p>Important Information and Section 4</p>												

Key Information	Further Information
<p>any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.</p> <p>The Directors have no intention to update or revise forward-looking statements in this Prospectus, 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 4.</p>	

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1. Details of the Offers

1.1 The Offers

This Prospectus is primarily being issued for the offer of New Shares under the Rights Issue and the Shortfall Offer. This Prospectus is also being issued for the offer of Quoted Options under the Placement Options Offer.

All New Shares issued under this Prospectus will be issued as fully paid ordinary shares and will rank equally in all respects with existing Shares on issue. Further details on the rights and liabilities attaching to the New Shares proposed to be issued are contained in Section 5.1.

All Quoted Options issued under this Prospectus will be issued on the same terms and conditions as existing Quoted Options as set out in Section 5.2, and all Shares issued on conversion of the Options will rank equally with the then Shares of the Company.

1.2 Rights Issue

The Company is making a renounceable pro rata offer to Eligible Shareholders of New Shares at an issue price of \$0.003 each, on the basis of 2 New Shares for every 5 Shares held at 5:00pm (AEDT) on the Record Date (**Rights Issue**).

As at the date of this Prospectus, the Company has on issue 1,047,548,977 Shares, 502,369,372 Quoted Options, 53,491,278 Unquoted Options and 58,000,000 Performance Rights.

The market price of Shares at the date of this Prospectus is such that it is considered unlikely by the Directors that any of the existing Options will be exercised or any of the Performance Rights will vest before the Record Date. On the basis that no existing Options or Performance Rights are converted to Shares prior to the Record Date, the Rights Issue is for a maximum of 419,019,591 New Shares to raise up to approximately \$1,257,059 (before costs).

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

1.3 Placement and Placement Options Offer

As announced on 3 October 2018, the Company issued a total of 135,000,000 Shares at \$0.004 per Share to institutional and sophisticated investors, none of whom is a related party of the Company (**Placement Subscribers**), to raise \$540,000 (before costs) (**Placement**). As the issue of the Shares under the Placement occurred prior to the Record Date for the Rights Issue, the Placement Subscribers who are Eligible Shareholders are entitled to participate in the Rights Issue.

The Placement Subscribers are entitled to be issued 1 free-attaching Quoted Option for every 3 Shares subscribed for and issued under the Placement (**Placement Options**), subject to Shareholder approval. The offer of up to 45,000,000 Placement Options to the Placement Subscribers is made pursuant to this Prospectus (**Placement Options Offer**) and is subject to the receipt of relevant Shareholder approval at the General Meeting. The Company intends to issue the Placement Options following receipt of Shareholder approval at the General Meeting.

1.4 Shortfall Offer

Any New Shares not taken up pursuant to the Rights Issue will become Shortfall Shares. The Shortfall Offer is a separate offer of the Shortfall Shares made pursuant to this Prospectus and will remain open for up to 3 months following the Closing Date.

Each of the Shortfall Shares to be granted under the Shortfall Offer shall be granted on the same terms and conditions as the New Shares being offered under the Rights Issue (including the issue price). Shortfall Shares will only be issued if the Rights Issue is undersubscribed and will only be issued to the extent necessary to make up any shortfall in subscriptions.

The allocation policy for the issuance of Shortfall Shares will be as follows:

- (a) Eligible Shareholders who are not related parties of the Company may apply for any Shortfall Shares under the Shortfall Offer in excess of their Entitlement by completing the appropriate section on their Entitlement and Acceptance Form or by making payment for such Shortfall Shares using BPAY® (refer to Section 2.7);
- (b) third parties who are not related parties of the Company may also apply for Shortfall Shares under the Shortfall Offer by completing the relevant Application Form provided by the Company with a copy of this Prospectus;
- (c) the Shortfall Shares will be allocated in the following order of priority:
 - (i) firstly, to any Placement Subscribers (refer to Section 1.3) in priority to the allocation of any Shortfall Shares applied for by other Eligible Shareholders pursuant to this Prospectus;
 - (ii) secondly, to any other Eligible Shareholders who are not related parties of the Company;
 - (iii) thirdly, to any third parties unrelated to the Company who apply for Shortfall Shares prior to the Closing Date; and
 - (iv) lastly, any remaining Shortfall Shares will be subscribed for by Mr Kevin Wilson pursuant to the Underwriting Agreement, to a maximum of the Underwritten Amount;
- (d) if any Shortfall Shares are remaining after the applications made in accordance with Section 1.4(c) above are satisfied, the Company, in conjunction with Patersons, will place any such remaining Shortfall Shares within 3 months after the close of the Rights Issue; and
- (e) notwithstanding the above, no Shortfall Shares will be allocated or issued to any related party of the Company (including Directors and their associates (unless pursuant to the Underwriting Agreement)) or to any person to the extent that the Company is aware that to do so would result in a breach of the Corporations Act, the Listing Rules or any other relevant legislation or law, including without limitation, a breach of section 606 of the Corporations Act.

Subject to the above, the Shortfall Shares are to be issued at the discretion of the Company (in consultation with Patersons) and as such there is no guarantee that any Shortfall Shares will be issued to Eligible Shareholders or other third parties. Excess Application Monies for the Shortfall Offer will be refunded without interest.

It is a term of the Shortfall Offer that, should the Company scale back applications for Shortfall Shares, the Applicant will be bound to accept such lesser number allocated to them.

As announced on 3 October 2018, the Company issued 135 million Shares to Placement Subscribers under the Placement at an issue price of \$0.004 per Share (i.e. at a premium to the issue price under the Rights Issue). Funds raised by the Placement were to be used, inter alia, in connection with the Company's proposed acquisition and exploration of a nickel project in the Solomon Islands. As announced on 30 October 2018, the Company has since withdrawn from that proposed acquisition and is now proposing that any Shortfall Shares are first offered to any Eligible Shareholders who were Placement Subscribers in priority to other Applicants.

1.5 Purpose of the Offers and use of funds

Assuming no Options or Performance Rights are exercised into Shares prior to the Record Date, completion of the Offers will result in an increase in cash at hand of up to approximately \$1.25 million (before costs). The following indicative table sets out the proposed use of funds raised under the Offers:

Item of expenditure	Amount (\$'000)	%
Advancement of the Quinchia Gold Project	780	62
Corporate costs and working capital ¹	372	30
Expenses of the Offers ²	105	8
TOTAL	1,257	100

Notes:

1. Includes the general costs associated with the management and operation of the Company's businesses including administration expenses, Director and employee fees, creditor expenses, and other associated costs.
2. See Section 5.13 for further details relating to the estimated expenses of the Offers.

The above is a statement of current intentions at the date of this Prospectus. Intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied, including market conditions, the development of new opportunities and/or any number of other factors. The Board reserves the right to alter the way the funds are applied on this basis.

The Placement Options are being issued with disclosure under this Prospectus in order to:

- (a) remove any secondary sale restrictions that may otherwise attach to such Options; and
- (b) ensure a disclosure exception is available for the issue of Shares on the exercise of such Options and any on-sale of those Shares in the 12 months from the date of issue, pursuant to ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/08.

1.6 Opening and Closing Dates

For the Rights Issue, the Company will accept Entitlement and Acceptance Forms from the opening date of the Offer until 5:00pm AEDT on 14 December 2018 or such other date as the Directors in their absolute discretion shall determine, subject to the requirements of the Listing Rules (**Closing Date**).

The Shortfall Offer and Placement Options Offer will remain open after the Closing Date, however Eligible Shareholders who wish to participate in the Shortfall Offer should submit their Applications to the Company by no later than the Closing Date. The issue of the Placement Options is conditional on Shareholder approval at the General Meeting.

1.7 Lead Manager and Partial Underwriting

Patersons has been appointed as the lead manager to the Offers. A summary of the terms of the appointment of Patersons is in Section 5.3.

Mr Kevin Wilson has been appointed as a partial underwriter of the Rights Issue. A conditional formal Underwriting Agreement has been agreed between Mr Wilson and the Company which requires Mr Wilson to partially underwrite the Rights Issue up to a total of \$100,000 (**Underwritten Amount**), being 33,333,334 Shares (**Underwritten Shares**). A summary of the Underwriting Agreement is contained in Section 5.4.

Please refer to Section 1.4 for details regarding the allocation policy of the Shortfall Offer.

Mr Wilson is a related party of the Company by virtue of being a Director. The Company has not sought Shareholder approval for the execution of the Underwriting Agreement with Mr Wilson on the basis that it has been negotiated at arm's length and contains standard commercial terms and therefore falls within the exception in section 210 of the Corporations Act.

In support of this, the Company advises that:

- (a) Mr Wilson has been excluded from any discussions by the Board in relation to the Underwriting Agreement;
- (b) Mr Wilson will not benefit from the proposed use of capital, other than as a holder of Securities; and
- (c) it is the view of the Directors (other than Mr Wilson) that the period of the Offers gives Shareholders and other investors reasonable opportunity to accept the Offers.

1.8 Minimum subscription

There is no minimum subscription for the Offers.

1.9 Rights trading

The Entitlements under the Rights Issue are renounceable. Accordingly, there will be trading of Entitlements on ASX and you may dispose of your Entitlements to subscribe for Securities to any other party. If you do not take up your Entitlement to Shares under the Rights Issue by the Closing Date, the Rights Issue to you will lapse. Trading of Entitlements on ASX is expected to occur in accordance with the timetable.

1.10 Issue Date and dispatch

All New Shares under the Rights Issue are expected to be issued on or before the date specified in the proposed timetable in this Prospectus. Subject to the Corporations Act and the Listing Rules, the Company intends to issue the Quoted Options under the Placement Options Offer and the Shortfall Shares under the Shortfall Offer as soon as practicable after the General Meeting.

Security holder statements will be dispatched at the end of the calendar month following the issue of the Securities under the Offers. It is the responsibility of Applicants to determine their allocation prior to trading in the Securities. Applicants who sell Securities before they receive their holding statements do so at their own risk.

1.11 Application Monies held on trust

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

1.12 ASX quotation

Application has been or will be made for the Official Quotation of the New Shares and Quoted Options offered by this Prospectus. If permission is not granted by ASX for the Official Quotation of the Securities offered by this Prospectus within 3 months after the date of this Prospectus (or such period as the ASX allows), the Company will repay, as soon as practicable, without interest, all Application Monies received pursuant to this Prospectus.

1.13 CHESS

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

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of Shares and Quoted Options. If you are broker sponsored, ASX Settlement Pty Limited will send you a CHESS statement. The CHESS statement will specify the number of Shares and Quoted Options issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the Shares and Quoted Options, including a notice to exercise the Quoted Options.

If you are registered on the Issuer Sponsored sub-register, your statement will be despatched by the Share Registry and will contain the number of Securities issued to you under this Prospectus and your securityholder reference number.

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

1.14 Residents outside Australia

(a) General

This Prospectus, and any accompanying Application Form do not, and are not intended to, constitute an offer of Securities in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus or the Securities under the Offers.

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

Shareholders and potential investors with a registered address outside Australia should consult their professional advisers as to whether any governmental or other consents are required, or other formalities need to be observed to enable them to accept or deal with their Entitlement or an Offer. The return of a completed Application Form from a Shareholder or potential investor with a registered address outside Australia will be taken by the Company to constitute a representation and warranty by that Shareholder or potential investor that all relevant approvals have been obtained and that the Company may legally issue the Securities to that Shareholder or potential investor.

(b) New Zealand offer restrictions

The Securities are not being offered or sold to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand at the Record Date. This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority. This Prospectus is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

(c) Singapore offer restrictions

This document and any other materials relating to the Securities under the Offers have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Securities under the Offers may not be issued, circulated or distributed, nor may these securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (SFA), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are an existing holder of the Company's Shares. In the event that you are not such a Shareholder, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the Securities under the Offers being subsequently offered for sale to any other party. There are on-sale

restrictions in Singapore that may be applicable to investors who acquire Securities under the Offers. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

(d) Ineligible Foreign Shareholders and Investors

No Offers will be made to Ineligible Foreign Shareholders and Investors. The Company believes that it is unreasonable to extend the Offers to Ineligible Foreign Shareholders and Investors. The Company has formed this view having considered:

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

Accordingly, Ineligible Foreign Shareholders and Investors will not be entitled to participate in the Offers.

Patersons has been appointed to arrange for the sale of the Entitlements that would have been given to Ineligible Foreign Shareholders and to account for them for the net proceeds of the sale (see Section 1.14(e) for further details).

(e) Sale of Ineligible Foreign Shareholders' rights

Pursuant to section 615 of the Corporations Act and Listing Rule 7.7, Patersons has been appointed to sell the rights that would otherwise be held by Ineligible Foreign Shareholders.

Pursuant to the arrangement, the Company will place the Entitlements that would otherwise be issued to Ineligible Foreign Shareholders under a local securityholder reference number and then Patersons will then sell those Entitlements and provide the proceeds of those sales (net of expenses) back to the Company (or the Share Registry). The Company will then distribute to each of those Ineligible Foreign Shareholders their proportion of the proceeds of the sale net of expenses.

The Company will pay Patersons a single fee of \$500 for its services in relation to the sale of Ineligible Foreign Shareholders' Entitlements.

Patersons will have the absolute and sole discretion to determine the timing and price at which the Entitlements will be sold and the manner of any such sale. Patersons will not and will not be required to individually correspond on any matter with any of the Company's Ineligible Foreign Shareholders. Neither the Company nor Patersons will be subject to any liability for failure to sell the Entitlements or to sell them at a particular price. If, in the reasonable opinion of Patersons, there is no viable market for the Entitlements of the Ineligible Foreign Shareholders, or a surplus over the expenses of the sale cannot be obtained from the sale of the Entitlements that would have been offered to the Ineligible Foreign Shareholders, then those Entitlements will be allowed to lapse.

(f) Notice to nominees and custodians

Nominees and custodians that hold Shares should note that the Rights Issue is available only to Eligible Shareholders and that nominees and custodians may

not distribute this Prospectus, and may not permit any beneficial Shareholder to participate in the Offers, in any country outside Australia, New Zealand and Singapore except, with the consent of the Company, to beneficial Shareholders resident in certain other countries where the Company may determine it is lawful and practical to make the Offers.

The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of Shares. If any nominee or custodian is acting on behalf of a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Rights Issue is compatible with applicable foreign laws.

1.15 Risk factors

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

1.16 Taxation implications

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

1.17 Major activities and financial information

A summary of the activities and financial information relating to the Company for the financial year ended 31 December 2017 and the half year ended 30 June 2018 can be found in the Company's 2017 Annual Financial Report and the Half Yearly Report for the six-month period to 30 June 2018 lodged with ASX. The Company's continuous disclosure notices (i.e. ASX announcements) since the lodgement of its Annual Financial Report on 1 May 2018 are listed in Section 5.6.

Copies of these documents are available free of charge from the Company and on its website at www.metminco.com.au. The Directors strongly recommend that Applicants review these and all other announcements prior to deciding whether or not to participate in the Offers.

1.18 Privacy

If you complete an Application Form, you will be providing personal information to the Company (directly or by Share Registry). The Company collects, holds and will use that information to assess the Application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder, and carry out administration. The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your Securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Share Registry.

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 herein and may disclose it for those purposes to the Share Registry, the Company's related bodies corporate, agents, contractors and third party service providers,

including mailing houses and professional advisers, and to ASX and regulatory authorities.

If you do not provide the information required on the Application Form, the Company may not be able to accept or process your Application. An Applicant has a right to gain access to, correct and update the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

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.

1.19 Enquiries concerning Prospectus

All enquiries concerning Application Forms and the Prospectus should be directed to the Company on +61 3 9867 7199.

For general shareholder enquiries, please contact Link Market Services Limited on 1300 554 474 (within Australia) or +61 1300 554 474 (outside Australia).

2. Action required by Shareholders

2.1 What Eligible Shareholders may do

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

The number of New Shares to which Eligible Shareholders are entitled are shown on the accompanying personalised Entitlement and Acceptance Form. Eligible Shareholders may:

- (a) accept all of your Entitlement under the Rights Issue (refer to Section 2.2);
- (b) sell all or part of your Entitlement under the Rights Issue on the ASX (refer to Section 2.3);
- (c) accept only part of your Entitlement under the Rights Issue and sell your remaining Entitlement on the ASX (refer to Section 2.4);
- (d) accept only part of your Entitlement under the Rights Issue and allow the remaining Entitlement to lapse (refer to Section 2.5);
- (e) sell all or part of your Entitlement under the Rights Issue other than on the ASX (refer to Section 2.6);
- (f) apply for Shortfall Shares (refer to Section 2.7); or
- (g) allow all or part of your Entitlement to lapse (refer to Section 2.8).

2.2 If you wish to accept all of your Entitlement under the Rights Issue

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

Please complete the Entitlement and Acceptance Form by filling in the details in the spaces provided and attach a cheque for the amount indicated on the Entitlement and Acceptance Form.

Completed Entitlement and Acceptance Forms must be accompanied by a cheque in Australian dollars, crossed "Not Negotiable" and made payable to "Metminco Limited" and lodged at any time after the issue of this Prospectus and on or before the Closing Date with the Share Registry (by delivery or by post) at:

By Post	By Hand
Metminco Limited C/- Link Market Services Limited GPO Box 3560 Sydney NSW 2001	Metminco Limited C/- Link Market Services Limited 1A Homebush Bay Drive Rhodes NSW 2138

If paying via BPAY, Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and it is the responsibility of the Applicant to ensure that funds are submitted through BPAY by the

Closing Date. If you elect to pay via BPAY, you must follow the instructions for BPAY set out in the Entitlement and Acceptance Form and you will not need to return the Entitlement and Acceptance Form.

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

Applicants are encouraged to pay by BPAY.

2.3 If you wish to sell all or part of your Entitlement under the Rights Issue on the ASX

Should you wish to sell all or part of your Entitlement under the Rights Issue on the ASX you must provide instructions to your stockbroker regarding the Entitlement you wish to sell on the ASX. Trading of Entitlements will commence on the ASX on 29 November 2018 and will cease on 7 December 2018.

The Company does not guarantee that an Eligible Shareholder will be able to sell all or any part of their Entitlement on the ASX or that any particular price will be paid for the Entitlements sold on the ASX.

2.4 If you wish to accept only part of your Entitlement under the Rights Issue and sell the remaining Entitlement on the ASX

Should you wish to accept part of your Entitlement under the Rights Issue and sell the remaining Entitlement on the ASX, follow the instructions in Section 2.2 in relation to the part of the Entitlement that you wish to accept, and follow the instructions in Section 2.3 in relation to the part of the Entitlement that you wish to sell on the ASX.

2.5 If you wish to accept only part of your Entitlement under the Rights Issue and allow the remaining Entitlement to lapse

Follow the instructions in Section 2.2 in relation to the Entitlement under the Rights Issue that you wish to accept. If you do not wish to accept part of your Entitlement, you are not obliged to do anything. The part of the Rights Issue that you do not accept will lapse by the Closing Date. However, you should be aware that as your Entitlement is renounceable, the Entitlement may have value should you choose to sell or trade your Entitlement on the ASX. The number of Shares you hold and the rights attached to those Shares will not be affected should you choose not to accept any of your Entitlement.

2.6 If you wish to sell all or part of your Entitlement under the Rights Issue other than on the ASX

Should you wish to sell part of your Entitlement under the Rights Issue other than on the ASX, and the purchaser of your Entitlement is an Ineligible Foreign Shareholder or a person that would be an Ineligible Foreign Shareholder if they were a registered holder of Shares, that purchaser will not be able to accept the Entitlement that they have purchased.

If you are a Shareholder on the issuer sponsored subregister and you wish to transfer all or a proportion of your Entitlement to another person other than on the ASX, please complete the standard renunciation and transfer form (obtainable from the Share Registry) by filling in the details in the spaces provided and attach a cheque for the amount indicated on standard renunciation and transfer form.

Completed standard renunciation and transfer forms must be accompanied by a cheque in Australian dollars, crossed "Not Negotiable" and made payable to "Metminco Limited" and lodged at any time after the issue of this Prospectus and on or before the Closing Date with the Share Registry (by delivery or by post) at the address indicated at Section 2.2 above.

Should you wish to transfer all or a proportion of your Entitlement to or from another person on the CHESS subregister you must engage your CHESS controlling participant (usually your stockbroker). If the transferee wants to exercise some or all of the Entitlement, you should follow your stockbroker's instructions as to the most appropriate way to take up the Entitlement on their behalf. The Application Monies for New Shares the transferee of the Entitlement wants to acquire must be received by the Share Registry in accordance with Section 2.2.

2.7 If you wish to apply for Shortfall Shares

If you are an Eligible Shareholder and you wish to apply for New Shares in excess of your Entitlement under the Rights Issue by applying for Shortfall Shares, you may do so by completing the relevant separate section of the Entitlement and Acceptance Form relating to the Shortfall Offer and which accompanies this Prospectus, in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form. Any Shares applied for in excess of your Entitlement will be applied for under the Shortfall Offer and will be issued in accordance with the allocation policy described in Section 1.4.

Completed Entitlement and Acceptance Forms must be accompanied by a cheque in Australian dollars, crossed "Not Negotiable" and made payable to "Metminco Limited" and lodged at any time after the issue of this Prospectus and on or before the Closing Date with the Share Registry (by delivery or by post) at the address indicated at Section 2.2.

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

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

The Company may also provide Application Forms to other investors who are invited to subscribe for Shortfall Shares in accordance with the allocation policy described in Section 1.4.

2.8 Entitlements not taken up

If you do not wish to accept any or part of your Entitlement, you are not obliged to do anything for those particular Entitlements. However, you should be aware that as your Entitlement is renounceable, the Entitlement may have value should you choose to sell or trade all or some of your Entitlement on the ASX. The Rights Issue will lapse by the Closing Date. The number of Shares you hold and the rights attached to those Shares will not be affected should you choose not to accept any of your Entitlement.

2.9 Placement Options Offer

Separate Application Forms will be provided with a copy of this Prospectus to the Placement Subscribers for completion and return in accordance with the instructions set out in the relevant Application Form and this Prospectus in respect of the Placement Options Offer.

2.10 Application Forms

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

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

By completing and returning your Entitlement and Acceptance Form with the requisite Application Monies, or making a payment via BPAY, you will be deemed to have represented that you are an Eligible Shareholder.

In addition, Applications will also be deemed to have represented and warranted on behalf of themselves or each person on whose account you are acting that the law in their place of residence and/or where they have been given the Prospectus, does not prohibit them from being given the Prospectus and that they:

- (a) agree to be bound by the terms of the relevant Offer;
- (b) declare that all details and statements in the Application Form are complete and accurate;
- (c) declare that they are over 18 years of age and have full legal capacity and power to perform all their rights and obligations under the Application Form;
- (d) declare that they have a registered address in Australia or subject to the offer restrictions in Section 1.14, New Zealand or Singapore;
- (e) authorise the Company and its respective officers or agents, to do anything on their behalf necessary for the Securities to be issued to them, including to act on instructions of the Share Registry upon using the contact details set out in the Application Form;
- (f) acknowledge that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that Securities are suitable for them given their investment objectives, financial situation or particular needs; and
- (g) acknowledge that the Securities have not, and will not be, registered under the securities laws in any other jurisdictions outside Australia.

2.11 Enquiries concerning your Entitlement

For all enquiries concerning your Entitlement, Application Forms and the Prospectus, please contact the Company on +61 3 9867 7199.

For general shareholder enquiries, please contact the Share Registry on 1300 554 474 (within Australia) or +61 1300 554 474 (outside Australia).

3. Effect of the Offers

3.1 Capital structure on completion of the Offers

	Shares	Quoted Options ¹	Unquoted Options ²	Performance Rights ³
Balance at the date of this Prospectus	1,047,548,977	502,369,372	53,491,278	58,000,000
To be issued under the Rights Issue and Shortfall Offer ⁴	419,019,591	-	-	-
To be issued under the Placement Options Offer ⁵	-	45,000,000	-	-
TOTAL⁶	1,466,568,568	547,369,372	53,491,278	58,000,000

Notes:

1. Quoted Options are exercisable at \$0.011 each on or before 1 June 2020. Full terms and conditions are set out at Section 5.2.
2. The Unquoted Options on issue at the date of this Prospectus consist of:
 - (a) 12,345,639 Options exercisable at \$0.08 each on or before 17 May 2019;
 - (b) 12,345,639 Options exercisable at \$0.08 each on or before 25 May 2019;
 - (c) 9,600,000 Options granted under the Company's Long Term Incentive Plan, exercisable at \$0.012 each on or before 31 December 2018, vesting on the 30 day VWAP of Shares equalling or exceeding \$0.012 per Share before 31 December 2018;
 - (d) 9,600,000 Options granted under the Company's Long Term Incentive Plan, exercisable at \$0.016 each on or before 31 December 2019, vesting on the 30 day VWAP of Shares equalling or exceeding \$0.016 per Share before 31 December 2019; and
 - (e) 9,600,000 Options granted under the Company's Long Term Incentive Plan, exercisable at \$0.024 each on or before 31 December 2020, vesting on the 30 day VWAP of Shares equalling or exceeding \$0.024 per Share before 31 December 2020.
3. The Performance Rights on issue at the date of this Prospectus have been granted under the Company's Long Term Incentive Plan on the terms and conditions set out in the Company's notice of annual general meeting released to the ASX on 26 April 2018, and consist of:
 - (a) 11,600,000 Tranche 1 Performance Rights vesting on the 30 day VWAP of Shares equalling or exceeding \$0.012 per Share before 31 December 2018;
 - (b) 11,600,000 Tranche 2 Performance Rights vesting on the 30 day VWAP of Shares equalling or exceeding \$0.016 per Share before 31 December 2019;
 - (c) 11,600,000 Tranche 3 Performance Rights vesting on delivery of a resource of at least 1 million ounces of gold at the Tesorito Project before 31 December 2019;
 - (d) 11,600,000 Tranche 4 Performance Rights vesting on the 30 day VWAP of Shares equalling or exceeding \$0.024 per Share before 31 December 2020; and
 - (e) 11,600,000 Tranche 5 Performance Rights vesting on delivery of a resource of at least 1 million ounces of gold at the Chuscal Project before 31 December 2020.

The Company also intends to issue up to a further 29 million Performance Rights shortly under the Long Term Incentive Plan to Director of Exploration, Mr Nicholas Winer.

4. Assumes that all New Shares offered under the Rights Issue and Shortfall Offer will be issued, either under the Rights Issue itself or under the Shortfall Offer, and that no Securities will be issued or exercised prior to the Record Date. This number is also subject to rounding.
5. The number of free-attaching Placement Options to be issued to the Placement Subscribers is 1 Quoted Option for every 3 Shares subscribed for and issued to each Placement Subscriber under the Placement. The issue of the Placement Options is subject to the receipt of Shareholder approval to be sought at the General Meeting.
6. Assumes no further Securities are issued by the Company and no Options or Performance Rights are converted to Shares.

3.2 Pro forma consolidated statement of financial position

Set out below is:

- (a) the reviewed consolidated statement of financial position of the Company as at 30 June 2018 (**Balance Date**);
- (b) the unaudited significant changes since the Balance Date;
- (c) the unaudited effects of the Offers; and
- (d) the unaudited pro forma statement of financial position of the Company at the Balance Date adjusted to reflect paragraphs 3.2(b) and (c), assuming the Offers are fully subscribed.

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

	Reviewed Balance Sheet as at 30/06/18 (\$'000)	Significant changes since 30/06/18 (\$'000)	Effect of Offers (\$'000)	Unaudited Pro Forma Balance Sheet Post Offers (\$'000)
Current Assets				
Cash & cash equivalents	1,706	(1,361)	1,152	1,497
Trade receivables	99	-	-	99
Asset held for sale	2,727	-	-	2,727
Other assets	152	-	-	152
Non Current Assets				
Plant & equipment	741	-	-	741
Exploration & evaluation expenditure	10,352	1,100	-	11,452
TOTAL ASSETS	15,777	(261)	1,152	16,668

	Reviewed Balance Sheet as at 30/06/18 (\$'000)	Significant changes since 30/06/18 (\$'000)	Effect of Offers (\$'000)	Unaudited Pro Forma Balance Sheet Post Offers (\$'000)
Current Liabilities				
Trade & other payables	3,907	-	-	3,907
Provisions	214	-	-	214
Non Current Liabilities				
Trade & other payables	1,715	-	-	1,715
TOTAL LIABILITIES	5,836	-	-	5,836
NET ASSETS	9,941	(261)	1,152	10,832
EQUITY				
Issued capital	338,730	540	1,257	340,527
Capital raising costs	-	(40)	(105)	(145)
Reserves	(28,686)	-	-	(28,686)
Accumulated Losses	(300,103)	(761)	-	(300,864)
TOTAL EQUITY	9,941	(261)	1,152	10,832

Assumptions for Unaudited Pro Forma Consolidated Statement of Financial Position

The unaudited pro forma consolidated statement of financial position set out above represents the consolidated statement of financial position as at 30 June 2018 adjusted for the following transactions:

- (a) significant changes since 30 June 2018:
- (i) payment of \$50,000 to Sunshine Minerals Limited as a non-refundable deposit for the acquisition of an interest in the Jejevo Nickel Project. As announced on 30 October 2018, the Company has since withdrawn from the proposed acquisition;
 - (ii) funding ongoing gold exploration operations in Colombia of approximately \$1,100,000;
 - (iii) the placement of 135,000,000 Shares at \$0.004 each to raise a total of \$540,000 on 3 October 2018 (**Placement**);
 - (iv) the payment of estimated cash costs in relation to the Placement of \$40,000; and
 - (v) movements in working capital from transactions and expenditures incurred in the normal course of business including corporate costs of \$711,000; and
- (b) the effect of the Offers:
- (i) the issue of 419,019,591 New Shares at an issue price of \$0.003 each to raise a total of approximately \$1,257,059 in accordance with the Rights Issue and Shortfall Offer under this Prospectus; and

- (ii) the payment of estimated cash costs in relation to the Offers of \$105,000.

The Quoted Options to be issued under the Placement Options Offer are not reflected in the pro forma balance sheet because they are free-attaching Quoted Options to the Shares issued under the Placement and will be issued for nil cash consideration.

3.3 Effect of the Offers on control of the Company

(a) Summary

The maximum total number of New Shares proposed to be issued under the Rights Issue is 419,019,591 which will constitute 28.6% of the Shares on issue following completion of the Offers (assuming no other Shares are issued or Securities exercised or converted to Shares).

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

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

(b) Rights Issue and Shortfall Offer

One of the exceptions to section 606(1) is where that increase occurs as a result of taking up entitlements under a 'rights issue'. The Company intends that the Rights Issue will fall within this exception.

However, an increase in voting power that occurs as a result of acquiring Shares under the Shortfall Offer will not fall within the above exception. Accordingly, no Shares will be issued under the Shortfall Offer if their issue would contravene the takeover prohibition in section 606 of the Corporations Act. This may result in the Company scaling back applications from Eligible Shareholders to ensure that no breach of section 606 of the Corporations Act occurs.

Notwithstanding the above, if you wish to apply for Shortfall Shares, it is your responsibility to ensure that if you are issued with Shares under the Shortfall Offer you will not be in breach of section 606(1) of the Corporations Act. If you are in any doubt as to the consequences of applying for Shares under the Shortfall Offer, you should seek independent legal advice. Further, there is no exception applicable to the acquisition of Shares on the exercise of Options.

As the Rights Issue is renounceable, the Company has appointed Patersons to arrange for the sale of Entitlements that would have been given to Ineligible Foreign Shareholders and to account to them for the proceeds of the sale. See Section 1.14(e) for further details.

(c) Underwriting arrangements

Mr Wilson has agreed to partially underwrite the Rights Issue for up to \$100,000 and is a related party of the Company for the purpose of the Corporations Act by virtue of being a Director.

As noted above in Section 1.4, the Underwritten Shares will only be allocated after the allocation of all other Shortfall Shares applied for under the Shortfall Offer prior to the Closing Date.

As at the date of this Prospectus, Mr Wilson has a relevant interest in Securities as set out in Section 5.10(b) and has notified the Company that his present intention is not to exercise the Options or Performance Rights in which he has an interest prior to the Rights Issue, but to otherwise take up his full Entitlements.

In the event that Mr Wilson takes up all of his Entitlements and all of the Shortfall Shares pursuant to the Underwriting Agreement (and no convertible Securities are exercised into Shares), he and his associates could potentially hold up to 36,905,171 Shares with voting power of up to 3.40% (on an undiluted basis) or up to 99,922,275 Shares with voting power of up to 8.71% (in the unlikely event that only Mr Wilson exercises his Options and Performance Rights). The figures given are post-completion of the Offers, and assume no other Shares are issued or Securities are converted into Shares. However, Mr Wilson's voting power will reduce by a corresponding amount for the amount of Entitlements taken up by Eligible Shareholders and Shortfall Shares taken up by Eligible Shareholders and other investors.

3.4 Potential dilution

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

	Shareholding as at Record Date	% at Record Date	Entitlement to New Shares	Shareholding if Entitlements not taken up	% post Offer
Shareholder 1	55,000,000	5.25%	22,000,000	55,000,000	3.75%
Shareholder 2	28,000,000	2.67%	11,200,000	28,000,000	1.91%
Shareholder 3	14,000,000	1.34%	5,600,000	14,000,000	0.95%
Shareholder 4	7,000,000	0.67%	2,800,000	7,000,000	0.48%
Shareholder 5	3,500,000	0.33%	1,400,000	3,500,000	0.24%

Note: The dilution effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted are placed under the Shortfall Offer. The table does not take into consideration the dilution effect that the exercise of any Options or Performance Rights would have on the Shareholders.

3.5 Market price of Shares

The highest and lowest market closing prices of the Shares on ASX during the 3 months immediately preceding the date of lodgement of this Prospectus with ASIC and the respective dates of those sales were:

Lowest: \$0.003 per Share on 26 September, 14, 17, 18, 24 & 31 October and 1, 4-8, 11-13 & 18 November 2018

Highest: \$0.006 per Share on 20, 22 & 31 August and 3 & 4 September 2018

The latest available market closing sale price of the Shares on ASX prior to the date of lodgement of this Prospectus with ASIC was \$0.003 per Share on 19 November 2018.

3.6 Dividend Policy

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

4. Risk Factors

4.1 Risk Factors

The Offers should be considered speculative because of the nature of, amongst other things, the Company's business activities. Consequently, the Company strongly recommends that you consider the risk factors set out in this Section 4.1, together with information contained elsewhere in this Prospectus, and that you consult your stockbroker, solicitor, accountant or other professional adviser before deciding whether to take up your Entitlement or invest in Securities.

Set out below are a number of specific risks which relate directly to the Company, as well as certain industry and general risks, many of which are largely beyond the control of the Company or its Directors. The Company considers that the risks set out in this Section 4.1 may have a material impact on the financial performance of the Company and, specifically, the market price of the Securities.

The following is a summary of material risks. The list is not exhaustive and you should read it in conjunction with specific matters referred to in previous Company announcements and reports.

(a) **Risks specific to the Offers**

(i) **Risks relating to New Shares**

As at the date of this Prospectus, the Company is listed on the ASX. You should note that if the New Shares and Quoted Options are granted Official Quotation, they will be listed securities for the purposes of the Listing Rules and Corporations Act. Consequently, share market conditions may affect the price of the New Shares and Quoted Options regardless of operating performance. Specifically, local and international stock markets, movements in commodity prices, interest rates, economic conditions and investor sentiment generally may affect the price of the New Shares and Quoted Options.

(ii) **Potential for dilution**

Upon completion of the Offers, assuming all Entitlements are accepted and no Options are exercised prior to the Record Date, the number of Shares in the Company will increase from 1,047,548,977 to 1,466,568,568. This increase equates to approximately 28.6% of all the issued Shares in the Company following completion of the Offers.

This means that each Share will represent a lower proportion of the ownership of the Company. It is not possible to predict what the value of the Company or a Share will be following the completion of the Offers and the Directors do not make any representation to such matters.

Shareholders should note that if they do not participate in the Offers and assuming the Offers are fully subscribed, their holdings are likely to be diluted by approximately 28.6% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus). Please refer to Section 3.4 of this Prospectus for examples of how the potential dilutionary effect of the Offers may impact Shareholders.

(iii) **Underwriting risk**

The Company has entered into the Underwriting Agreement with Mr Wilson who has agreed to partially underwrite the Rights Issue, subject to certain terms and conditions. Mr Wilson may terminate the Underwriting Agreement if certain conditions are not satisfied or certain events occur, including events that may not be within the Company's control.

If the Underwriting Agreement is terminated and the Offers do not proceed or do not raise the funds required for the Company to meet its stated objectives, the Company would need to find alternative financing to meet its funding requirements. There is no guarantee that alternative funding could be sourced, either at all or on satisfactory terms and conditions. Termination of the Underwriting Agreement could materially adversely affect the Company's business, cash flow and financial position.

(b) **Company specific risks**

(i) **Foreign governments and legal systems**

The Colombian and Chilean jurisdictions, where the Company's current operating assets reside, differ from the legal system found in Australia. This could lead to exposure to any or all of the following risks:

- (A) lack of guidance or interpretation of the applicable rules and regulations; and
- (B) delays in redress or greater discretion on the part of governmental authorities.

The Company cannot guarantee that joint ventures, licences, licence applications or other legal arrangements will not be adversely affected or even forfeited as a result of the actions of government authorities or others, and the effectiveness of and enforcement of such arrangements in these jurisdictions cannot be certain. In addition, political instability and changes in foreign law, including taxation law, may affect the Company's ability to operate successfully, profitably or optimally in foreign jurisdictions.

(ii) **Financial risks**

The Company may have difficulty in obtaining future equity or debt funding to support exploration programs, evaluation and development of its tenements.

The Company's ability to raise further equity or debt, or to divest part of its interest in a tenement, and the terms of such transactions will vary according to a number of factors, including the success of exploration results and the future development of the tenements, stock market conditions and prices for commodities.

Should it subsequently be established that a mining production operation is technically, environmentally and economically viable, the Company will require substantial additional financing to establish mining operations and production facilities. The Company may not be

able to raise the additional finances that may be required for future activities. Commodity prices, environmental regulations, environmental rehabilitation or restitution obligations, revenues, taxes, transportation costs, capital expenditures, operating expenses and technical aspects are all factors which will impact on the amount of additional capital that may be required.

Additional financing may not be available on terms acceptable to the Company, or at all. Significantly, any additional equity financing or the exercising of Options, may dilute your existing shareholdings; and debt financing, if available, may restrict financing and future activities. If the Company fails to obtain additional financing, as needed, it may have to reduce the scope of its operations or anticipated expansion, forfeit its interest in some or all of its tenements, incur financial penalties and/ or reduce or terminate its operations.

(iii) Financial Liquidity Risk

The Consolidated Group made a loss for the six months ended 30 June 2018 of \$5,598,767 after providing for income tax. The Company is an exploration company currently without an operating cash inflow and the net cash position of the Group will continue to decrease until such time as the Group has an operating cash inflow. The net cash outflow used in operating activities for the six months ended 30 June 2018 (including payments for exploration) was \$2,559,922. The unaudited cash balance at 30 June 2018 was \$1,705,998. These conditions give rise, in the view of the Company's auditor and as disclosed in the Company's half year financial report to 30 June 2018, to a material uncertainty that may cast significant doubt upon the Group's ability to continue as a going concern.

Notwithstanding the material uncertainty, the Directors are of the opinion, having made considered and careful enquiry, that there are reasonable grounds to form the view that the Company will, taking into account the successfully completed Placement and the Rights Issue, have sufficient working capital for its present requirements and be able to maintain access to capital markets as and when needed.

In forming this view the Directors have considered in detail a number of potential scenarios including cash raised from the Placement, potential funds raised pursuant to the Rights Issue and asset sales and the restructure of the Company's operations. In addition, funds raised pursuant to the exercise of Options may provide further funding.

(iv) Claim in respect of historical matters

The Company was incorporated on 18 May 2006 and has been involved in numerous different negotiations, projects, companies and joint ventures during its history. The Company is therefore subject to the risk of any claims being brought against the Company in respect of such historical activities.

The Company is aware that a former director and chief executive officer of one of the Company's subsidiaries (Miraflores Compania Minera SAS (previously Minera Seafield SAS)) previously lodged a claim with the Labour Court in Medellin (Juzgado Laboral del Circuito de

Medellin) seeking termination payments, unpaid bonus payments and damages in the amount of approximately US\$2 million. The Directors are of the opinion that the claim can be successfully defended and believe that the risk of the Company facing an unfavourable judgement is remote. The next court hearing is expected to occur in November 2019. The Company intends to defend the proceeding and will keep the market informed of developments as they transpire.

(v) **Loss of key management personnel**

The Company's success largely depends upon key management personnel for the management of the Company as well as upon other management and technical personnel for the daily operation of the Company. Consequently, there is a possibility that the Company will be adversely affected, particularly in respect of the rate at which its exploration programs and tenements are developed or prioritised, if one or more of the key management personnel cease their employment.

(vi) **Insurance risks**

Insurance against all risks associated with mining exploration and production is not always available and, where available, the costs can be prohibitive. In certain circumstances, the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a materially adverse effect on the Company's business, financial condition and results.

(vii) **Transactional Risks**

The Company intends to divest its non-core assets. This can be impacted by many risks beyond the control of the Company including market risks which itself is impacted by business cycles, political, government and regulatory risks amongst others. There is no guarantee that the Company will be able to divest its assets, or achieve reasonable prices for these assets, or complete these transactions in any timeframe.

(c) **Mining industry risks**

(i) **Exploration costs**

The exploration costs of the Company are premised upon a number of assumptions and estimates as regards the method and timing of exploration. These assumptions and estimates are, by their nature, speculative and subject to a number of uncertainties. Consequently, the Company does not give any assurance that the cost estimates and the underlying assumptions will be realised in practice, which may adversely affect the Company's viability.

(ii) **Exploration success**

There is a significant risk that the Company's proposed exploration programs will not result in exploration success. Mineral exploration is, by its nature, a high-risk endeavour. The Company's exploration programs, or any other projects that it may acquire in the future,

may not result in the discovery of a commercially viable economic mineral deposit.

The success of the Company's exploration programs is dependent on many factors such as:

- (A) the discovery and/or acquisition of economically recoverable ore reserves;
- (B) successful conclusions to bankable feasibility studies;
- (C) access to adequate capital for project development;
- (D) the design and construction of efficient mining and processing facilities within capital expenditure budgets;
- (E) securing and maintaining title to tenements;
- (F) access to markets for saleable products;
- (G) obtaining consents and approvals necessary for the conduct of exploration and mining;
- (H) obtaining the social licence needed to explore, develop and operate a project;
- (I) access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees;
- (J) adverse weather conditions can adversely affect exploration and mining operations and the timing of revenues; and
- (K) other risk factors including costs, nature and disposition of actual mineralisation, consistency and reliability of ore grades and commodity prices may affect successful project development and mining operations.

(iii) **Ability to exploit successful discoveries**

Even if an apparently viable deposit is identified, there is no guarantee that the Company can economically exploit it. That is, it may not always be possible for the Company to participate in the exploitation of successful discoveries made in any areas in which it has an interest because such exploitation may require further intensive capital input as well as further licences, mining concessions and clearances from relevant authorities. The Company notes that it may or may not be possible for such conditions to be satisfied.

(iv) **Title and tenure**

The Company's exploration and development activities are contingent on obtaining and maintaining necessary licences and permits under the applicable jurisdiction. Renewal of licences and permitting for exploration and mining activities may be subject to objections from various parties including local or regional community groups and surface or native title holders as well as local, state and federal

government and non-government agencies. If renewal and/or permitting for whatever reason is delayed or not granted, or granted with onerous conditions, or subsequently revoked, the Company may suffer a loss of the opportunity to develop and/or further explore affected projects.

(v) **Social Licence**

In order to explore, develop or operate in communities, the general acceptance of certain stakeholder populations may be required. This may include formal agreements that can require extended negotiations with large numbers of stakeholders, for example indigenous communities and groups with native title rights. There can be no guarantee these negotiations will be concluded successfully or not be protracted and cause significant delay to the Company's plans.

(vi) **Environmental**

Mining and exploration has become subject to increasing environmental responsibility and liability in Australia, Colombia and Chile. The potential for liability is an "ever present" risk. The use and disposal of chemicals in the mining industry is under constant legislative scrutiny and regulation. Consistent with this, the Company may be required, in some cases, to undertake baseline environmental studies prior to certain exploration or mining activities, so that the environmental impact can be monitored and, as far as possible, minimised. The discovery of any endangered species of fauna and flora may impact upon the Company's ability to freely explore or develop its tenements.

There is no guarantee that nature reserves or parks will not be decreed by government agencies in the areas in which the Company works. These could constrain the Company's ability to operate on its existing or future licences.

(vii) **Commodity prices**

Commodity prices are influenced by physical and investment demand for those commodities. Fluctuations in commodity prices may influence individual projects in which the Company has an interest as well as the Company's ability to raise capital.

(viii) **Competition risk**

The industry in which the Company is involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, it will have no influence or control over the activities or actions of its competitors, which activities or actions may positively or negatively affect the operating and financial performance of the Company's business.

(ix) **Litigation**

All industries, including the minerals exploration industry, are subject to legal claims, with and without merit. Defence and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the

litigation process, the resolution of any particular legal proceeding to which the Company is or may become subject could have a material effect on its financial position, results of operations or the Company's activities. Refer to Section 4.1(b)(iv) for details of the current litigation claim the Company is involved in.

(d) **General Risks**

(i) **Share market and commodity price volatility**

Share market conditions may affect listed securities regardless of operating performance. Share market conditions are affected by many factors such as:

- (A) general economic outlook;
 - (B) movements in, or outlook on, interest rates and inflation rates;
 - (C) currency fluctuations;
 - (D) commodity prices;
 - (E) changes in investor sentiment towards particular market sectors; and
- the demand for, and supply of, capital.

Such factors may impact the price of the Shares currently on issue as well as the New Shares and Quoted Options.

(ii) **Economic factors**

Factors such as inflation, currency fluctuation, interest rates, supply and demand, business cycles and industrial disruption have an impact on operating costs, commodity prices and stock market processes. The Company's future possible revenues and Share price can be affected by these factors, which are beyond the control of the Company and its Directors.

(iii) **Government**

Changes in government, monetary policies, taxation, regulation and other laws or the breakdown of law and order can have a significant influence on the outlook for companies and the returns to investors. These factors are beyond the control of the Company and its Directors.

(iv) **Taxation**

The acquisition and disposal of Shares and Options may have tax consequences which are contingent upon the circumstances of individual Shareholders. To the maximum extent permitted by law, the Company, its officers and advisers accept no liability and responsibility with respect to the taxation consequences of subscribing for the New Shares or Quoted Options.

4.2 Speculative Investment

The above list of risk factors should not to be taken as an exhaustive list of the risks faced by the Company or you as an investor in the Company. The above factors, and others not specifically referred to above, may materially affect the Company's future financial performance and the value of the New Shares and Quoted Options. Therefore, the New Shares and Quoted Options carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those securities.

You should consider an investment in the Company as speculative and should consult your professional advisers before deciding whether to apply for your Entitlement or any Securities under the Offers.

5. Additional information

5.1 Rights and liabilities attaching to Shares

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

(a) General meetings

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

The Directors may convene a general meeting whenever they think fit. The Constitution does not permit Shareholders to call a general meeting, although Shareholders may call a general meeting in accordance with the provisions of the Corporations Act.

A notice of general meeting must be given in accordance with the Corporations Act and must specify the place, date and time of the meeting, the general nature of the business to be transacted at the meeting, information regarding a Shareholder's right to appoint a proxy, and if a special resolution is to be proposed at the meeting, set out an intention to propose the special resolution and the text of the special resolution.

The quorum for a meeting of the Shareholders is two Shareholders and the quorum must be present at all times during the meeting.

(b) Voting

Subject to any rights or restrictions for the time being attached to any class of Shares whether by the terms of their issue, the Constitution, the Corporations Act or the Listing Rules, at a general meeting every Shareholder present in person or by a representative has one vote on a show of hands and every Shareholder present in person or by a representative, proxy or attorney has one vote per Share on a poll. Where there are two or more joint Shareholders and more than one of them is present at a meeting and tenders a vote in respect of the Share (whether in person or by proxy or attorney), the Company will count only the vote cast by the Shareholder whose name appears before the other(s) in the Company's register.

(c) Alteration of Capital

Subject to the Constitution, Corporations Act and the Listing Rules, the Company in general meeting may increase, divide, consolidate or reduce its share capital if it complies with the Constitution, Corporations Act and the Listing Rules.

(d) **Variation of rights**

Subject to the Constitution, Corporations Act and Listing Rules, if at any time the share capital is divided into different classes of shares, the rights attached to the shares in any class may be altered only by special resolution passed at a separate meeting of the holders of the issued shares of the affected class, or with the written consent of the holders of at least three quarters of the issued shares of the affected class.

(e) **Transfer of Shares**

Subject to the Constitution, the Corporations Act and the Listing Rules, Shares are freely transferable.

The Shares may be transferred by a proper transfer effected in accordance with ASX Settlement Rules, by any other method of transferring or dealing introduced by ASX and as otherwise permitted by the Corporations Act or by a written instrument of transfer in any usual form or in any other form approved by the Directors or the ASX.

The Company must not prevent, delay or in any way interfere with the registration of a proper ASX Settlement transfer. However, the Company may decline to register a transfer of Shares in the circumstances described in the Constitution and where permitted to do so under the Listing Rules. If the Company declines to register a transfer, the Company must, within five business days after the transfer is lodged with the Company, give the lodging party written notice of the refusal and the reasons for refusal. The Directors must decline to register a transfer of Shares when required by law, the Constitution, the Listing Rules or the ASX Settlement Rules.

(f) **Dividends**

The Directors, subject to the Constitution, the Corporations Act and the Listing Rules, may determine that a dividend is payable and fix the amount, the time for payment, and the method of payment. The Directors may, before declaring any dividend, set aside out of the profits of the Company, such sums as they think proper as reserves, which may be used in the business of the Company or be invested in such investments as the Directors think fit.

5.2 **Terms and conditions of Quoted Options**

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

- (a) the Company will, in accordance with Listing Rule 2.8, make an application to have the Options listed for Official Quotation on the ASX;
- (b) each Option will have an exercise price of \$0.011;
- (c) each Option will automatically lapse if not exercised on or before 1 June 2020;
- (d) each Option shall entitle the holder to subscribe for and be allotted one ordinary share in the capital of the Company upon exercise of the Option and payment to the Company of the Exercise Price;

- (e) an Option may be exercised by the option holder at any time during the Exercise Period by sending a completed and signed notice of exercise, together with the payment of the Exercise Price to the Company;
- (f) a notice of exercise is only effective when the Company has received the full amount of the Exercise Price in cash or cleared funds;
- (g) subject to any restrictions in the Listing Rules, within 10 business days of receipt of a properly executed notice of exercise and the required exercise moneys, the number of Shares specified in the notice will be allotted;
- (h) Shares allotted pursuant to the exercise of the Options will rank equally with the then issued ordinary shares of the Company;
- (i) the Company undertakes to apply for Official Quotation of all Shares allotted pursuant to the exercise of any Options, within 10 business days of the date of allotment of those Shares;
- (j) there will be no participating entitlements inherent in the Options to participate in new issues of capital which may be offered to Shareholders during the currency of the Options. Prior to any new pro rata issue of securities to Shareholders, holders of Options will be notified by the Company and will be afforded seven (7) business days before the relevant record date (to determine entitlements to the issue), to exercise the Options;
- (k) in the event of any reorganisation (including consolidation, subdivision, reduction, cancellation or return) of the issued capital of the Company before the expiry of any Options, all rights of the Option holder will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of reorganisation;
- (l) if from time to time before the expiry of the Options the Company makes an issue of Shares to Shareholders by way of a bonus issue, other than in lieu of a dividend payment, then upon exercise of an Option the Option holder will be entitled to have issued to it (in addition to the Shares which it is otherwise entitled to have issued to it upon such exercise) additional Shares in the Company. The number of additional Shares is the number of Shares which would have been issued to the option holder if the New Options had been exercised before the record date for the bonus issue; and
- (m) the Options do not confer the right to a change in the Exercise Price, or a change to the number of underlying securities over which it can be exercised, other than under Sections 5.2(k) and 5.2(l) above.

5.3 Lead Manager Mandate

Patersons has been appointed as Lead Manager for the Offers pursuant to a mandate letter dated 19 November 2018 (**Lead Manager Mandate**).

Pursuant to the Lead Manager Mandate, the Company has agreed to pay Patersons with the following on completion of the Offers:

- (a) (**issue management fee**): an issue management fee of 2% on the total amount raised by the Rights Issue;
- (b) (**selling fee**): a selling fee of 4% on the gross amount raised by the Shortfall Offer, excluding the Underwritten Amount; and

- (c) **(corporate advisory fee):** a retainer of \$5,000 per month for a period of 6 months following completion of the Rights Issue for corporate advisory services.

The Company has agreed not to offer, sell or market, contract to sell, otherwise dispose of or announce the sale, directly or indirectly, of any Shares or other Securities, and to use its best endeavours to ensure that no Director or their associates will sell, dispose or transfer any Securities held by them as at the date of this Prospectus without the prior written consent of Patersons for a period of 6 months commencing on the closing date of the Rights Issue. In addition, the Company has agreed to grant Patersons a role to manage or participate in any future equity or quasi equity capital raisings conducted within 12 months of the Lead Manager Mandate.

The Company has agreed to indemnify Patersons and its officers, employees, agents and advisers jointly and severally and hold them harmless from and against all prosecutions, losses, penalties, actions, suits, claims, expenses, costs (including legal costs and disbursements on a full indemnity basis), liabilities, charges, outgoings, payments, demands and proceedings suffered, incurred, paid or liable to be paid directly or indirectly in connection with the Rights Issue or the Lead Manager Mandate. This is limited to losses other than losses caused from the wilful default, fraud, negligence or breach of contract of Patersons or an indemnified party.

The Lead Manager Mandate contains various representations and warranties made by Patersons and the Company which are customary in such agreements.

5.4 Underwriting Agreement

Mr Wilson has agreed to partially underwrite the Rights Issue pursuant to the terms of the Underwriting Agreement up to the Underwritten Amount.

Mr Wilson will not be paid any underwriting fee but will be reimbursed an amount equivalent to all costs and expenses reasonably incurred by Mr Wilson in relation to the Rights Issue. Such costs and expenses are not to exceed \$2,000 without prior approval of the Company.

The Underwriting Agreement is subject to customary termination events, where Mr Wilson may terminate the Underwriting Agreement by the provision of written notice on the occurrence of certain events set out in the Underwriting Agreement, including (but not limited to those set out below):

- (a) **Adverse change:** any adverse change occurs which materially impacts or is likely to impact the assets, operational or financial position of the Company or a related corporation (including but not limited to an administrator, receiver, receiver and manager, trustee or similar official being appointed over any of the assets or undertaking of the Company or a related corporation);
- (b) **Alteration of capital structure or constitution:** the Company alters its capital structure or its constitution without the prior written consent of Mr Wilson;
- (c) **Banking facilities:** the Company's bankers terminate or issue any demand or penalty notice or amend the terms of any existing facility or claim repayment or accelerated repayment of any facility or require additional security for any existing facility;
- (d) **Default:** the Company is in default of any of the terms and conditions of the Underwriting Agreement or breaches any warranty or covenant given or made by it under the Underwriting Agreement; or

- (e) **Due diligence:** there is a material omission from the results of the due diligence investigation performed in respect of the Offers or the results of the investigation or the verification material are false or misleading.

The Underwriting Agreement contains a number of indemnities, representations and warranties from the Company to Mr Wilson and additional provisions, considered standard for underwriting agreements of this nature.

5.5 Company is a disclosing entity

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

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

5.6 Copies of documents

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

- (a) the Annual Financial Report for the period ending 31 December 2017 and the Half Yearly Report for the period ending 30 June 2018, being the last two financial statements of the Company lodged with ASIC before the issue of this Prospectus; and
- (b) the following continuous disclosure notices given by the Company to notify ASX of information relating to the Company during the period from the date of lodgement of the Annual Financial Report until the date of this Prospectus:

Date lodged	Subject of Announcement
31/10/2018	Revised Sept 2018 Quarterly Cashflow Report
31/10/2018	Sept 2018 Quarterly Activities & App5B Cashflow Report
30/10/2018	Update on proposed acquisition of Jejevo Nickel Project
26/10/2018	Ceasing to be a substantial holder
17/10/2018	Cancellation of AIM listing
9/10/2018	Change in substantial holding

Date lodged	Subject of Announcement
4/10/2018	AIM Delisting and Registry Transfer update
3/10/2018	Placement completed and Nickel project acquisition update
3/10/2018	Cleansing Statement for issue of shares
3/10/2018	Appendix 3B
19/09/2018	Reinstatement to Official Quotation
19/09/2018	Presentation - DSO Nickel Laterite Project and Financing
19/09/2018	Acquisition of DSO Nickel Laterite Project and Financing
17/09/2018	Correction to previous announcement - Regarding Suspension
17/09/2018	Suspension Request
17/09/2018	Suspension
14/09/2018	Results of Meeting
13/09/2018	Half Yearly Report and Accounts
13/09/2018	Trading Halt
30/08/2018	Tesorito Drilling Results
13/08/2018	Notice of Extraordinary General Meeting/Proxy Form
2/08/2018	Appointment of Exploration Director- Colombia
31/07/2018	Quarterly Cashflow Report
31/07/2018	Quarterly Activities Report
19/06/2018	Appointment of Broker
5/06/2018	Progress Report
5/06/2018	Details of Company Address
29/05/2018	Appendix 3B
29/05/2018	Final Director's Interest Notice
29/05/2018	Change of Director's Interest Notice
29/05/2018	Change of Director's Interest Notice
29/05/2018	Initial Director's Interest Notice
28/05/2018	Appointment/Resignation Company Secretaries
28/05/2018	Results of Meeting

Date lodged	Subject of Announcement
28/05/2018	Presentation - AGM
22/05/2018	Capital Placement Announcement
22/05/2018	Appendix 3B
22/05/2018	Cleansing Statement
17/05/2018	Presentation - London 121 Conference
17/05/2018	Becoming a substantial holder
9/05/2018	Ceasing to be a substantial holder
4/05/2018	Ceasing to be a substantial holder
1/05/2018	Appendix 3B - Issue of shares & options
1/05/2018	Cleansing Notice
1/05/2018	Appendix 4G
1/05/2018	Corporate Governance Statement
1/05/2018	2017 Annual Report
1/05/2018	March 2018 Quarterly Report with App 5B

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

- (a) this Prospectus;
- (b) the Constitution; and
- (c) the consents referred to in Section 5.14 and the consents provided by the Directors to the issue of this Prospectus.

5.7 Information excluded from continuous disclosure notices

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

The Company advises that it has been in discussions with third parties unrelated to the Company regarding a potential divestment of some of the Company's non-core assets in Chile, however discussions are ongoing and incomplete in all cases.

5.8 Determination by ASIC

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

5.9 Substantial Shareholders

Based on available information as at the date of this Prospectus, there are no persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue.

5.10 Interests of Directors

(a) Information disclosed in this Prospectus

Except as disclosed in this Prospectus, no Director and no firm in which a Director or proposed director is a partner:

- (i) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the Securities offered under this Prospectus or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Securities offered under this Prospectus; or
- (ii) has been paid or given or will be paid or given any amount or benefit to induce him or her to become, or to qualify as, a Director, or otherwise for services rendered by him or her in connection with the formation or promotion of the Company or the Securities offered under this Prospectus.

(b) Security holdings

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

Director	Shares	%	Quoted Options ¹	Unquoted Options ²	Performance Rights ³
Kevin Wilson	2,551,312	0.24	5,017,104	-	58,000,000
Glenister Lamont	1,875,000	0.18	625,000	14,400,000	-
Roger Higgins	1,516,676	0.14	417,636	14,400,000	-

Notes:

1. Quoted Options are exercisable at \$0.011 each on or before 1 June 2020. Full terms and conditions are set out at Section 5.2.
2. Each of Messrs Lamont and Higgins holds an interest in the following Unquoted Options granted under the Company's Long Term Incentive Plan:
 - (a) 4,800,000 Options exercisable at \$0.012 each on or before 31 December 2018, vesting on the 30 day VWAP of Shares equalling or exceeding \$0.012 per Share before 31 December 2018;
 - (b) 4,800,000 Options exercisable at \$0.016 each on or before 31 December 2019, vesting on the 30 day VWAP of Shares equalling or exceeding \$0.016 per Share before 31 December 2019; and
 - (c) 4,800,000 Options exercisable at \$0.024 each on or before 31 December 2020, vesting on the 30 day VWAP of Shares equalling or exceeding \$0.024 per Share before 31 December 2020.
3. Mr Wilson holds an interest in the following Performance Rights granted under the Company's Long Term Incentive Plan:

- (a) 11,600,000 Tranche 1 Performance Rights vesting on the 30 day VWAP of Shares equalling or exceeding \$0.012 per Share before 31 December 2018;
- (b) 11,600,000 Tranche 2 Performance Rights vesting on the 30 day VWAP of Shares equalling or exceeding \$0.016 per Share before 31 December 2019;
- (c) 11,600,000 Tranche 3 Performance Rights vesting on delivery of a resource of at least 1 million ounces of gold at the Tesorito Project before 31 December 2019;
- (d) 11,600,000 Tranche 4 Performance Rights vesting on the 30 day VWAP of Shares equalling or exceeding \$0.024 per Share before 31 December 2020; and
- (e) 11,600,000 Tranche 5 Performance Rights vesting on delivery of a resource of at least 1 million ounces of gold at the Chuscal Project before 31 December 2020.

It is the present intention of the Directors to take up all of their respective Entitlements under the Rights Issue. The Entitlements of each of the Directors under the Rights Issue are set out below:

Director	Entitlement to New Shares
Kevin Wilson	1,020,525
Glenister Lamont	750,000
Roger Higgins	606,671

In addition, Mr Wilson may take up the Underwritten Shares on the terms and conditions of the Underwriting Agreement as summarised in Section 5.4. The potential effects of the Underwritten Shares on the control of the Company are set out in Section 3.3(c).

(c) Remuneration

The Constitution provides that the Non-Executive Directors may be paid for their services as Directors a sum not exceeding such fixed sum per annum as may be determined by the Shareholders in general meetings, to be divided among the Directors on an equal basis having regard to the proportion of the relevant year for which each Director has held office, or as otherwise determined by the Board.

A Director may also 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 out of pocket expenses incurred as a result of their directorship.

The Company currently has one Executive Director, Mr Kevin Wilson, the Company's Executive Chairman. Mr Wilson's base executive remuneration is \$200,000 per annum (including statutory superannuation) and he is entitled to annual bonuses based on his performance in meeting targets and goals as determined by the Board.

Directors received the following remuneration for the preceding two financial years:

Director	FY	Salary, fees & leave (\$)	Super-annuation (\$)	TOTAL (\$)
Kevin Wilson ¹	2017	-	-	-
	2016	-	-	-
Glenister Lamont ²	2017	-	-	-
	2016	-	-	-
Roger Higgins ³	2017	37,500	-	37,500
	2016	37,500	-	37,500
William Howe ⁴	2017	225,000	-	225,000
	2016	207,498	17,502	225,000
Philip Wing ⁵	2017	58,333	-	58,333
	2016	63,540	-	63,540
Francesco Vergara-Irarrazaval ⁶	2017	37,500	-	37,500
	2016	37,500	-	37,500
Ram Venkat ⁷	2017	143,743	-	143,743
	2016	-	-	-
Tim Read ⁸	2017	-	-	-
	2016	36,456	-	36,456
Stephen Tainton ⁹	2017	17,667	11,276	28,943
	2016	177,004	35,000	212,004

Notes:

1. Mr Wilson was appointed as Executive Chairman on 23 March 2018 and will be paid \$200,000 per annum (including statutory superannuation) plus annual bonuses based on performance as determined by the Board. Mr Wilson has also been granted Performance Rights under the Company's Long Term Incentive Plan as set out in Section 5.10(b) above.
2. Mr Lamont was elected as a Non-Executive Director on 28 May 2018 and will be paid a directors' fee of \$50,000 per annum (including statutory superannuation). Mr Lamont has also been granted Unquoted Options under the Company's Long Term Incentive Plan as set out in Section 5.10(b) above.
3. Mr Higgins has also been granted Unquoted Options under the Company's Long Term Incentive Plan as set out in Section 5.10(b) above.
4. Mr Howe resigned as Managing Director on 23 March 2018.
5. Dr Wing resigned as a Non-Executive Chairman on 3 August 2017.

6. Mr Vergara-Irarrazaval resigned as a Non-Executive Director on 28 May 2018. At the time of the 2017 Annual Report, the Company had accrued \$18,750 in fees to Mr Vergara-Irarrazaval for the year ended 31 December 2017.
7. Mr Venkat was appointed as a Non-Executive Director on 20 March 2017 and resigned on 19 March 2018.
8. Mr Read resigned as a Non-Executive Chairman on 27 July 2016.
9. Mr Tainton resigned as an Executive Director on 6 September 2016, but remained with the Company as Project Manager until his resignation on 15 September 2017.

5.11 Related party transactions

Other than the Underwriting Agreement as set out in Section 5.4 of this Prospectus, there are no related party transactions involved in the Offers. As detailed in Section 1.7, Shareholder approval has not been obtained for the Underwriting Agreement as the Company considers that the transaction contains terms that are considered more favourable to the Company than those available from a third party dealing at arm's length.

The Company's policy in respect of related party arrangements is:

- (a) a Director with a material personal interest in a matter is required to give notice to the other Directors before such a matter is considered by the Board; and
- (b) for the Board to consider such a matter, the Director who has a material personal interest is not present while the matter is being considered at the meeting and does not vote on the matter.

5.12 Interests of other persons

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

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

Patersons has been appointed by the Company as Lead Manager in relation to the Offers. The Company is to pay Patersons the fees described in Section 5.3.

Mr Kevin Wilson has been appointed by the Company to partially underwrite the Rights Issue. Mr Wilson is not entitled to be paid any fees in connection with the Underwriting Agreement.

Bellanhouse Lawyers will be paid approximately \$20,000 (plus GST) in fees for legal services in connection with the Offers.

Link Market Services Limited has been appointed to conduct the Company's Australian share registry functions and to provide administrative services in respect to the

processing of Applications received pursuant to this Prospectus, and will be paid for these services on standard industry terms and conditions.

5.13 Expenses of Offers

The estimated expenses of the Offers are as follows:

Estimated expenses of the Offers	\$
ASIC lodgment fees	3,200
ASX quotation fee	10,400
Legal, jurisdiction and preparation expenses	30,000
Lead Manager fees ¹	45,000
Printing, mailing and other expenses	16,400
TOTAL	105,000

Note:

1. Lead manager fees estimated at \$45,000 are payable in accordance with the Lead Manager Mandate (see Section 5.3 for further details).

5.14 Consents

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

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

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

Patersons Securities Limited has given its written consent to being named as Lead Manager in this Prospectus. Patersons Securities Limited has not withdrawn its consent prior to the lodgment of this Prospectus with ASIC.

Mr Kevin Wilson has given his written consent to being named as a partial underwriter to the Rights Issue in this Prospectus. Mr Wilson has not withdrawn his consent prior to the lodgment of this Prospectus with ASIC.

Link Market Services Limited has given its written consent to being named as the Australian share registry to the Company in this Prospectus. Link Market Services Limited has not withdrawn its consent prior to the lodgment of this Prospectus with ASIC.

6. Directors' Statement and Consent

This Prospectus is authorised by each of the Directors of the Company.

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

A handwritten signature in black ink, appearing to read 'Kevin Wilson', written in a cursive style.

Kevin Wilson

Chairman

Dated: 20 November 2018

7. Definitions

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

\$ means Australian dollars.

AEDT means Australian Eastern Daylight Time, being the time in Sydney, New South Wales.

Applicant means an applicant for Shares offered under this Prospectus.

Application means a valid application for Securities made on an Application Form.

Application Form means the relevant application form for an Offer provided by the Company with a copy of this Prospectus, including an Entitlement and Acceptance Form.

Application Monies means the amount of money in dollars and cents payable for New Shares at \$0.003 per Share pursuant to the Rights Issue and the Shortfall Offer.

ASIC means Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

Board means the Directors meeting as a board.

Business Day means Monday to Friday inclusive, other than a day that ASX declares is not a business day.

CHESS means ASX Clearing House Electronic Subregister System.

Closing Date has the meaning given to it in Section 1.6.

Company means Metminco Limited (ACN 119 759 349).

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

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

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

Eligible Shareholder means a person registered as the holder of Shares on the Record Date whose registered address is in Australia, New Zealand or Singapore.

Entitlement means the number of Shares for which an Eligible Shareholder is entitled to subscribe under the Rights Issue, being 2 New Shares for every existing 5 Shares held on the Record Date.

Entitlement and Acceptance Form means the entitlement and acceptance form provided by the Company with a copy of this Prospectus that sets out the Entitlement of Shareholders to subscribe for New Shares pursuant to the Rights Issue.

General Meeting means the general meeting of Shareholders to be convened shortly to approve the issue of the Placement Options, amongst other things.

Ineligible Foreign Shareholder or Investor means:

- (a) a person registered as the holder of Shares as at 5:00pm (AEDT) on the Record Date whose registered address is not in Australia, New Zealand or Singapore; or
- (b) an investor whose residential address is not in Australia, New Zealand or Singapore.

Issuer Sponsored means Shares issued by an issuer that are held in uncertified form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHESS.

Lead Manager Mandate means the letter agreement between the Company and Patersons dated 19 November 2018.

Listing Rules means the official listing rules of ASX and any other rules of ASX which are applicable while any Securities are admitted to the Official List, each as amended or replaced from time to time, except to the extent of any express written waiver by ASX.

Long Term Incentive Plan means the Company's Long Term Incentive Plan as approved by Shareholders at the 2017 annual general meeting.

New Share means a Share issued pursuant to the Rights Issue or the Shortfall Offer.

Offers means the Rights Issue, the Shortfall Offer, and/or the Placement Options Offer, as applicable.

Official List means the official list of ASX.

Official Quotation means quotation of Securities on the Official List.

Option means an option to acquire a Share.

Patersons means Patersons Securities Limited (ACN 008 896 311) (AFSL 239052).

Placement means the placement of 135,000,000 Shares at \$0.004 each to sophisticated and institutional investors completed by the Company on 3 October 2018 to raise \$540,000 (before costs).

Placement Options means the Quoted Options to be issued to the Placement Subscribers under the Placement Options Offer.

Placement Options Offer means the offer under this Prospectus of up to 45,000,000 Placement Options to Placement Subscribers on the basis of 1 free-attaching Placement Option for every 3 Shares subscribed for and issued under the Placement.

Placement Subscribers means each applicant who subscribed for and was issued Shares under the Placement.

Prospectus means this prospectus dated 20 November 2018.

Quoted Option means an Option admitted to Official Quotation, exercisable at \$0.011 on or before 1 June 2020 and otherwise issued on the terms and conditions set out in Section 5.2.

Record Date means 5:00pm (AEDT) on the date identified in the proposed timetable.

Rights Issue means the offer under this Prospectus of New Shares to Eligible Shareholders in accordance with their Entitlements.

Section means a section of this Prospectus.

Securities mean any securities, including Shares, Options and Performance Rights, issued or granted by the Company.

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

Share Registry means Link Market Services Limited (ACN 083 214 537).

Shareholder means a holder of Shares.

Shortfall Offer means the offer of the Shortfall Shares under this Prospectus.

Shortfall Shares means New Shares not subscribed for under the Rights Issue.

Underwriting Agreement means the underwriting agreement between the Company and Mr Kevin Wilson dated 19 November 2018.

Underwritten Amount has the meaning given in Section 1.7.

Underwritten Shares has the meaning given in Section 1.7.

Unquoted Option means an Option that is not and will not be quoted on the Official List.

VWAP means volume weighted average price.