# ALCASTON MINING N. L.

ABN 39 006 710 774

30 October 2006

Companies Announcement Office
Australian Stock Exchange Limited
20 Bridge Street
SYDNET NSW 2000

***By e-lodgement***

Dear Sir/Madam

**PROSPECTUS LODGEMENT AND AMENDED APPENDIX 3B**

Please find attached a copy of the Prospectus dated 30 October 2006 for the renounceable Rights Issue of shares as announced previously to the ASX on 19 October 2006. The Prospectus has been lodged at the Australian Securities and Investment Commission today. The amended Appendix 3B relating to the Rights Issue is also attached showing the time table applicable. The original Appendix 3B was lodged with the ASX on 19 October 2006.

Please do not hesitate to contact this office, if any further information is required.

Yours faithfully
**ALCASTON MINING NL**

**GILBERT RODGERS**
***Company Secretary***

Level 2, 10 Outram Street, West Perth, WA 6005, Australia
PO Box 378, West Perth, WA 6872, Australia
Telephone: +61 8 9481 5758 Facsimile: +61 8 9481 5759
Email: ppg@highway1.com.au

# ALCASTON MINING NL

**ACN 006 710 774**

**TO BE RENAMED**

# GOLDEN RIM RESOURCES LTD

# PROSPECTUS

**For the pro-rata renounceable rights issue to Existing Shareholders of 21,067,102 fully paid ordinary New Shares in Alcaston Mining NL on the basis of two (2) New Shares for every five (5) Shares held on the record date of 9 November 2006, at an issue price of 8 cents per New Share, for the purpose of raising $1,685,368.**

**LEAD MANAGER AND UNDERWRITER: PATERSONS SECURITIES LIMITED.**

**THE RIGHTS ISSUE CLOSES AT 5.00 PM WST ON 29 NOVEMBER 2006.**

**This document is important and requires your immediate attention. It should be read in its entirety. If you do not understand its contents, or are in doubt as to the course you should follow, you should consult your stockbroker or professional adviser.**

## CORPORATE DIRECTORY

| | |
|---|---|
| **DIRECTORS** | Rick Crabb (Chairman)<br>Gilbert Rodgers (Executive Director)<br>Craig Mackay (Exploration Director) |
| **SECRETARY** | Gilbert Rodgers |
| **REGISTERED AND PRINCIPAL OFFICE** | Level 2, 10 Outram Street<br>WEST PERTH WA 6005<br>AUSTRALIA<br>Telephone: +61 8 9481 5758<br>Facsimile: + 61 8 9481 5759<br>Email: ppg@highway1.com.au |
| **LEAD MANAGER AND UNDERWRITER** | Paterson Securities Limited<br>Level 23, Exchange Plaza<br>2 The Esplanade<br>PERTH WA 6000<br>Telephone: (08) 9263 1111<br>Facsimile: (08) 9325 5123<br>Email: corporate.finance@psl.com.au<br>www.psl.com.au |
| **AUDITORS** | Stantons International<br>Level 1, 1 Havelock Street<br>WEST PERTH WA 6005 |
| **SOLICITORS** | Blakiston & Crabb<br>1202 Hay Street<br>WEST PERTH WA 6005 |
| **SHARE REGISTRY** | Security Transfer Registrars Pty Ltd*<br>770 Canning Highway<br>APPLECROSS WA 6153<br>Telephone: (08) 9315 2333<br>Facsimile: (08) 9315 2233<br>Email: registrar@securitytransfer.com.au<br><br>Postal Address:<br>PO Box 535<br>APPLECROSS WA 6953 |

| | |
|---|---|
| **ASX CODE:** | AMG<br>AMGO |

* Appears for information purposes only

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**Important Notes and Statements**

This Prospectus is dated 30 October 2006. A copy of this Prospectus was lodged with the ASIC on 30 October 2006. Neither the ASIC nor the ASX take any responsibility for the contents of this Prospectus. No New Shares will be issued on the basis of this Prospectus later than 13 months after the date of issue of this Prospectus. New Shares pursuant to this Prospectus will be issued on the terms and conditions set out in this Prospectus.

The Company will apply for the New Shares offered pursuant to this Prospectus to be listed on ASX. An application for the New Shares will only be accepted on the Entitlement and Acceptance Form accompanying this Prospectus.

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

**Summary of Important Dates***

| | |
|---|---|
| Announcement of Rights Issue | 19 October 2006 |
| Prospectus Lodged at ASIC and ASX | 30 October 2006 |
| Notice sent to shareholders containing information required by Appendix 3B | 1 November 2006 |
| "Ex" Date (date Shares are quoted ex-rights) | 2 November 2006 |
| Rights trading commences | 2 November 2006 |
| Record Date to determine Entitlements pursuant to the Rights Issue | 9 November 2006 |
| Prospectus with Entitlement and Acceptance Form Despatched | 15 November 2006 |
| Rights trading ends | 22 November 2006 |
| Closing Date for acceptance and receipt of applications under the Rights Issue | 29 November 2006 |
| Closing Date for acceptance and receipt of applications for the Shortfall by Underwriter or Sub-Underwriters | 4 December 2006 |
| Despatch of holding statements | 7 December 2006 |

*These dates are indicative only. The Directors reserve the right to vary the key dates without prior notice.

**Key Definitions**

Throughout this Prospectus, for ease of reading, various words and phrases have been defined rather than used in full on each occasion and are set out in Section 7 of this Prospectus.

## CHAIRMAN'S LETTER

Dear Shareholder

You will recall that in May this year, the Company made a rights issue to the existing shareholders to raise $2.1 million to fund drilling at the Webe Creek project in Vanuatu and conduct an airborne aeromagnetic survey of the Sabeto project in Fiji. The issue was fully underwritten by Patersons Securities Limited.

Most of the funds have been applied to drilling at the Webe Creek project in Vanuatu commenced in May/June 2006. There was undue delay to the Company's drilling program due to the unseasonal heavy rainfall experienced on the Island of Espiritu Santo. Nevertheless, drilling continues and the Company expects to receive the assay results over the next few weeks. The airborne aeromagnetic survey conducted on the Sabeto project in Fiji was also completed in July of this year and the encouraging results from this exercise has enabled the Company to identify the drill targets more accurately. We expect drilling at these new identified targets to commence mid-November 2006 (weather conditions permitting).

The Directors are encouraged by the level of support received from the shareholders through the fundraising for these exploration programmes and thank you accordingly.

The Directors are now seeking further support from shareholders to fund the Sabeto drilling programme, ongoing evaluation of other targets at Webe Creek and Sabeto and working capital. This new rights issue now underway is appropriately discounted for shareholders and I encourage you to participate wholly or in part. The issue is **renounceable**, meaning that shareholders who do not wish to take up new shares may **sell their rights** through trading on the stock exchange. You should discuss these alternatives with your broker or other qualified advisor.

It is pleasing that Patersons Securities Limited, a well established and respected broking firm is again fully underwriting this issue.

I urge shareholders to act promptly to take up their share entitlement and look forward to an active and ongoing programme of gold and copper exploration in Vanuatu and Fiji. Your Directors will also continue to appraise new opportunities.

Yours faithfully

Rick Crabb
Chairman

## Section 1 DETAILS OF THE RIGHTS ISSUE

### 1.1 Rights Issue

This Prospectus invites Existing Shareholders to participate in a pro-rata renounceable Rights Issue of 21,067,102 New Shares in the Company on the basis of two (2) New Shares for every five (5) Shares held on the Record Date, at an issue price of 8 cents per New Share, for the purpose of raising $1,685,368.

Any fractional entitlements to New Shares will be rounded up to the nearest whole number in calculating each Existing Shareholder's entitlement to New Shares.

As at the date of this Prospectus, 52,667,757 Shares are on issue. There are currently 29,040,505 Options on issue (*which are out of the money*) – see capital structure in Section 2.3. Existing Optionholders will not be entitled to participate in the Rights Issue without first exercising their Options.

### 1.2 Rights Trading

Entitlements to Shares pursuant to the Rights Issue are renounceable. This enables Shareholders who do not wish to subscribe for some or all of the Shares under this Issue to sell their respective Rights and also enables Shareholders to purchase additional Rights if they wish.

The Rights will be quoted on the ASX. Trading of Rights will commence on the ASX on 2 November 2006 and will cease at the close of trading on 22 November 2006.

### 1.3 Opening and Closing Dates

The Rights Issue will open for receipt of acceptances at 9.00am WST on 15 November 2006 and will close at 5.00pm WST on 29 November 2006, or such later date as the Directors, in their absolute discretion and subject to compliance with the Listing Rules, may determine and provided that the Company gives ASX notice of the change at least 6 Business Days prior to the Closing Date.

### 1.4 Underwriting

The Rights Issue is underwritten by Patersons Securities Limited (refer to Section 5.10 for full details). Pursuant to the Underwriting Agreement, the Company will pay Patersons Securities Limited a corporate advisory fee of $40,000, an underwriting commission equal to 4% of the aggregate funds raised under the Rights Issue plus a management fee equal to 1% of the aggregate funds raised under the Rights Issue. A summary of the material terms of the Underwriting Agreement, including rights of termination, are set out in Section 5.10.

No brokerage or stamp duty will be payable by investors.

### 1.5 Entitlements and Acceptance

The number of Shares to which you are entitled ("**Entitlement**" or "**Rights**") is shown in the accompanying Entitlement and Acceptance Form.

In determining entitlements, any fractional entitlement will be rounded up to the nearest whole number.

*Acceptance of Entitlement in Full*

If you wish to take up **all** of your Entitlement under the Rights Issue, please complete the relevant Entitlement and Acceptance Form in accordance with the instructions set out on the reverse of that form in the section marked "***IN FULL***". Applications must not exceed your Entitlement as shown on the Entitlement and Acceptance Form. Applications exceeding your Entitlement will be deemed to be for your maximum Entitlement and any surplus subscription funds will be returned, without interest. Please ensure the completed Entitlement and Acceptance Form, together with your cheque, is received by the Company's share registry:

**Delivered to:**

Security Transfer Registrars Pty Ltd
770 Canning Highway
APPLECROSS WA 6153

**Or by post to:**

Security Transfer Registrars Pty Ltd
PO Box 535
APPLECROSS WA 6953

**not later than 5.00pm WST on 29 November 2006** or such later date as the Directors advise. Cheques should be made payable to "**Alcaston Mining NL – Share Account**" and crossed "Not Negotiable".

*Partial Acceptance of Entitlement*

If you wish to take up **part** of your Entitlement and sell the balance on the ASX, please follow the instructions on the back of the accompanying Entitlement and Acceptance Form under the section marked "***IN PART AND SALE OF THE BALANCE OF YOUR ENTITLEMENT***" and then liaise accordingly with your stockbroker.

Rights trading commences on 2 November 2006. You must deal with that part of your Entitlement which you do not intend to accept by close of trading on the ASX on 22 November 2006, when Rights trading ceases.

To take up the balance of your Entitlement, your stockbroker will need to ensure that the completed Entitlement and Acceptance Form and your cheque is received by the Company's share registry at:

**Delivered to:**

Security Transfer Registrars Pty Ltd
770 Canning Highway

APPLECROSS WA 6153
**Or by post to:**

Security Transfer Registrars Pty Ltd
PO Box 535
APPLECROSS WA 6953

**not later than 5.00pm WST on 29 November 2006** or such later date as the Directors advise. Cheques should be made payable to "**Alcaston Mining NL – Share Account**" and crossed "Not Negotiable".

***Sale of all of your Entitlement on ASX***

If you wish to sell all of your Entitlement on the ASX, please follow the instructions on the back of the accompanying Entitlement and Acceptance Form under the section marked "***SALE OF YOUR ENTITLEMENT IN FULL BY YOUR STOCKBROKER***" and then liaise accordingly with your stockbroker.

Rights trading commences on 2 November 2006. You must deal with your Entitlement by close of trading on the ASX on 22 November 2006, when Rights trading ceases.

***Transfer of Entitlement other than on market using ASX***

If you wish to transfer all or part of your Entitlement to another person other than on market using the ASX, then forward the following:

- a completed standard renunciation form (obtainable from your stockbroker or the Company's share registry);
- Entitlement and Acceptance Form completed by the transferee; and
- transferee's cheque for the amount due in respect of the Shares,

to the Company's share registry at:

**Delivered to:**

Security Transfer Registrars Pty Ltd
770 Canning Highway
APPLECROSS WA 6153

**Or by post to:**

Security Transfer Registrars Pty Ltd
PO Box 535
APPLECROSS WA 6953

**not later than 5.00pm WST on 29 November 2006** or such later date as the Directors advise. Cheques should be made payable to "**Alcaston Mining NL – Share Account**" and crossed "Not Negotiable".

*Acceptance of Terms*

All applications for Shares must be made on the Entitlement and Acceptance Form. Any application will be treated as an offer from the applicant to acquire Shares on the terms and conditions set out in the Prospectus. The Directors reserve the right to reject any applications for Shares.

*Taxation Implications*

Shareholders should obtain independent advice on the taxation implications arising out of their participation in the Rights Issue.

*Inquiries*

If you have any queries regarding your Entitlement, please contact Security Transfer Registrars Pty Ltd by telephone on **+61 8 9315 2333** or your stockbroker or professional adviser.

**PLEASE NOTE IF YOU DO NOT ACCEPT OR SELL YOUR ENTITLEMENT IN ACCORDANCE WITH THE INSTRUCTIONS SET OUT ABOVE, ANY ENTITLEMENT NOT ACCEPTED OR SOLD WILL FORM PART OF THE SHORTFALL.**

### 1.6 Shortfall

If you decide not to accept all or part of your Entitlement pursuant to the Rights Issue, you are not required to take any action. The New Shares not accepted will form part of the Shortfall and will be dealt with in accordance with the Underwriting Agreement. In these circumstances, you will receive no benefit. Accordingly, it is important that you take action to either accept or renounce your Entitlement in accordance with the above instructions.

### 1.7 Allotment of New Shares

The New Shares are expected to be allotted by no later than 7 December 2006. Until allotment of the New Shares under this Prospectus, the application monies will be held in trust in a separate bank account opened and maintained for that purpose only. Any interest earned on the application money will be for the benefit of the Company and will be retained by it irrespective of whether allotment of the New Shares takes place.

### 1.8 ASX Listing

The Company will make application to ASX within 7 days following the date of this Prospectus for Official Quotation of the New Shares.

If approval is not granted by ASX within 3 months after the date of this Prospectus, the Company will not allot any New Shares and will repay all application monies (where applicable) as soon as practicable, without interest.

A decision by ASX to grant Official Quotation of the New Shares is not to be taken in any way as an indication of ASX's view as to the merits of the Company, or the New Shares now offered for subscription.

## 1.9 No Issue of Shares after 13 months

No Shares will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

## 1.10 Overseas Investors

The Company is of the view that it is unreasonable to make an offer under this Prospectus to shareholders outside of Australia and New Zealand ("**Excluded Shareholders**") having regard to:

(a) the number of shareholders outside of Australia and New Zealand;

(b) the number and value of the securities to be offered to shareholders outside of Australia and New Zealand; and

(c) the cost of complying with the legal requirements and requirements of regulatory authorities in the overseas jurisdictions.

Accordingly, the Company is not required to make offers under the Prospectus to shareholders outside of Australia and New Zealand.

The Company has appointed the Underwriter, on normal commercial terms, as nominee for the Excluded Shareholders to arrange for the sale of the Rights which would have been offered to the Excluded Shareholders. The Company will transfer the Rights of the Excluded Shareholders to the nominee who will account to those Excluded Shareholders for the net proceeds of the sale of the Rights (if any). The nominee will have the absolute and sole discretion to determine the timing and the price at which Rights may be sold and the manner of any such sale. Neither the Company nor the nominee will be subject to any liability for failure to sell the Rights or to sell them at a particular price.

## 1.11 Purpose of the Rights Issue

The purpose of the Rights Issue is to raise funds for the following:

(a) continued mineral exploration activities on the Company's Fijian and Vanuatu gold projects;

(b) administration of the Company;

(c) repayment of liabilities, including the repayment of director's loan;

(d) working capital; and

(e) continued investigation of and due diligence upon new opportunities in respect of mining production assets.

The application of funds raised from the Rights Issue is summarised below:

| Description | Use of Funds ($) |
|---|---|
| Funds to be raised under the | 1,685,368 |

| | |
|---|---|
| Rights Issue | |
| Less:<br>Webe Creek Project (Vanuatu) | (250,000) |
| Sabeto Project (Fiji) | (600,000) |
| Administration and working capital | (450,000) |
| Repayment of Liabilities (Director's Loan) | (200,000) |
| Costs of Rights Issue | (160,000) |
| Investigation of New opportunities | (25,368) |
| **TOTAL** | **$(1,685,368)** |

It is anticipated that these funds will be applied over the next 12 months.

## Section 2 EFFECT OF THE RIGHTS ISSUE ON THE COMPANY

### 2.1 Principal Effects

The principal effects on the Company of the Rights Issue are as follows:

(a) the Company will issue 21,067,102 New Shares and the total number of Shares on issue will increase to 73,734,859 Shares;

(b) following the issue of the New Shares, the cash reserves of the Company will increase by approximately $1,685,368 (less the expenses of the Rights Issue); and

(c) the equity of Existing Shareholders who do not participate in the Rights Issue will be diluted, as is evidenced from the figures set out above.

### 2.2 Consolidated Balance Sheet and Capital Structure

Set out as follows is an audited balance sheet of the Company and its controlled entities as at 30 June 2006 and the proposed capital structure of the Company after the Rights Issue (assuming 21,067,102 Shares are issued):

**Consolidated Balance Sheet**
**Pro-forma Reflecting Proposed Rights Issue**

| | **Actual 30 June 2006 ($) (audited)** | **Pro-forma 30 June 2006 ($) reflecting Rights Issue** |
|---|---|---|
| **CURRENT ASSETS** | | |
| Cash and cash equivalents | 1,038,874 | 1,625,671 |
| Trade and other receivables | 34,099 | 34,099 |
| Other financial assets | 240,000 | 240,000 |
| | | |
| **TOTAL CURRENT ASSETS** | **1,312,973** | **1,899,770** |
| | | |
| **NON CURRENT ASSETS** | | |
| Plant & Equipment | 18,238 | 18,238 |
| Other financial assets | 13,000 | 13,000 |
| **TOTAL NON-CURRENT ASSETS** | **31,238** | **31,238** |
| | | |
| **TOTAL ASSETS** | **1,344,211** | **1,931,008** |
| | | |
| | | |
| **CURRENT LIABILITIES** | | |
| Trade and other payables | 291,140 | - |
| Interest Bearing Liabilities | 64,537 | 50,000 |
| **TOTAL CURRENT LIABILITIES** | **355,677** | **50,000** |
| | | |

| | | |
|---|---|---|
| **TOTAL LIABILITIES** | **355,677** | **50,000** |
| | | |
| **NET ASSETS** | **988,534** | **1,881,008** |
| | | |
| **EQUITY** | | |
| **Parent entity interest** | | |
| Issued capital | 14,211,522 | 15,736,890 |
| Reserves | 2,188,830 | 2,188,830 |
| Accumulated Losses | (15,411,818) | (16,044,712) |
| **TOTAL EQUITY** | **988,534** | **1,881,008** |

The above proforma reflects the audited figures at 30 June 2006, adjusted for the payment of outstanding liabilities as at 30 June 2006 totalling $355,677, the proposed capital raising amount of $1,685,368 less the Rights Issue costs of $160,000 and also expenditure incurred by the Company from 1 July 2006 to 27 October 2006 totalling $632,894. On 19 October 2006, the Company entered into a letter agreement with the Chairman whereby the Chairman has agreed to provide an unsecured loan facility to the Company at commercial rates, of up to $200,000. $50,000 of this facility has been drawn as at the date of this Prospectus.

## 2.3 Capital Structure of the Company

The pro-forma capital structure of the Company following the Rights Issue pursuant to this Prospectus is set out below:

| **Issued Capital** | **Number** |
|---|---|
| Existing Shares | 52,667,757 |
| Maximum No. of New Shares to be issued pursuant to this Prospectus (assuming no Options are exercised) | 21,067,102 |
| | |
| **Total Shares on issue after the Rights Issue** | **73,734,859** |
| Existing Options on issue (expiring on 30 September 2007 and exercisable at $1.05 per share)<br>Existing Options on issue (expiring 30 June 2010 and exercisable at $0.35)<br>Existing Options on issue (expiring 30 June 2010 and exercisable at $0.40) | 12,540,505<br>8,750,000<br>7,750,000 |

## Section 3 COMPANY PROJECTS

Alcaston has been highly selective in the selection of project areas. The overriding strategy has been to secure gold projects in poorly explored regions of the world capable of producing very large (+10 million ounce) gold deposits.

The Directors believe this strategy of securing projects has been successful. Alcaston has put together a prospective package of projects covering over 195 square kilometres on the Pacific Rim of Fire (Fiji and Vanuatu).

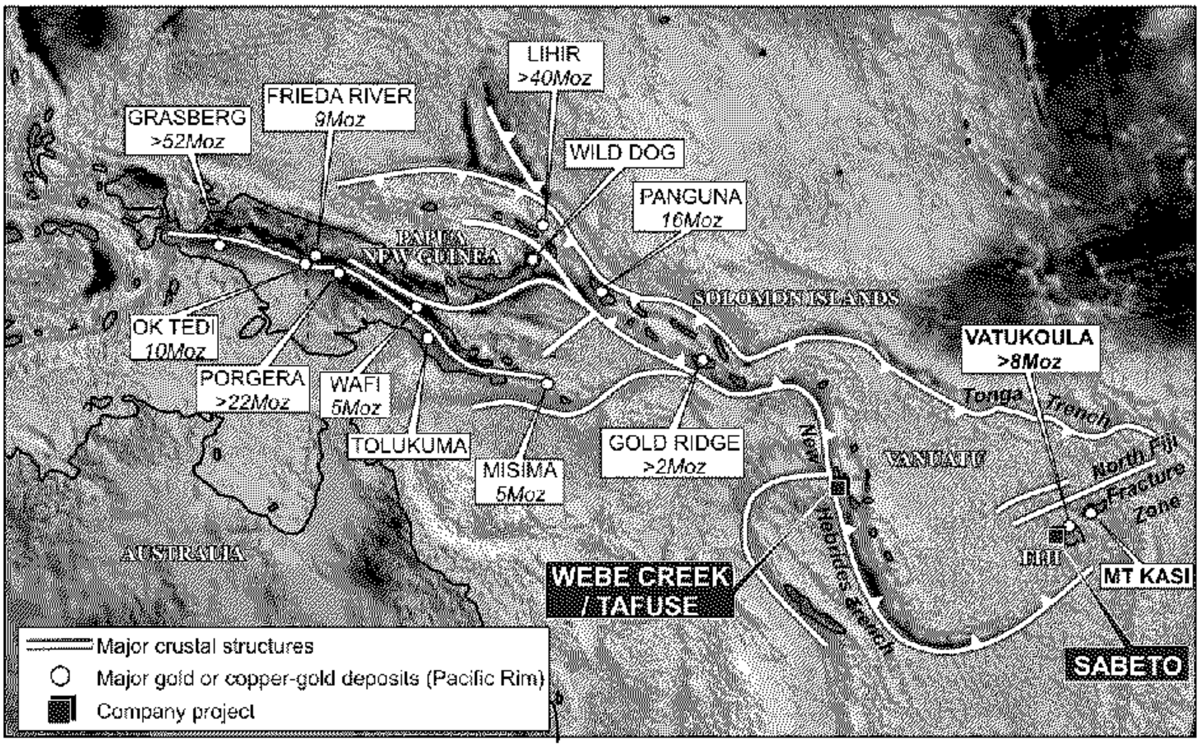


*Figure 1 Alcaston's Pacific Rim Projects*

### 3.1 Webe Creek and Tafuse – Vanuatu (Gold)

The ***Webe Creek*** and ***Tafuse*** properties lie on the Pacific Rim of Fire on the island of Espiritu Santo ("Santo") in Vanuatu and along with Alcaston's Sabeto gold project in Fiji are subject to a farm-in agreement between Alcaston and the tenement owner, a listed Australian company. Funds of approximately A$1 million have been spent exploring the properties in Vanuatu and a number of exciting drill targets have been identified, including gold-in-soil anomalies, mineralised veins (with rock chip samples up to 13.2 g/t gold, 270 g/t silver) and geophysical anomalies in an area of thick jungle.

The Directors consider the area of gold anomalism and hydrothermal alteration at Webe Creek, lies on a major fault and covers an area of approximately 4 km x 0.3 km, and the Directors consider that this suggests the mineralising system has the potential to be very large. Given the Pacific Rim setting, the Directors believe the project has the potential for epithermal/porphyry gold mineralization similar to the Porgera gold deposit (+14 million ounces) or the Lihir gold deposit (+40 million ounces).

The Tafuse Licence adjoins Webe Creek to the north. Five (5) gold targets have been identified, comprising epithermal alteration zones with gold mineralisation on surface. The most advanced prospect at Tafuse North consists of a series of explosive breccia bodies aligned over 700 m along an elongated northwest trending zone with a coincident gold (generally greater than 0.5 g/t), arsenic, copper, lead and zinc soil anomaly. Exotic siliceous clasts in the breccia have assayed up to 10 g/t gold and 860 g/t silver.

Diamond drilling is continuing at the Laonasmata prospect and is now progressing steadily following a number of lengthy delays due to unseasonal wet weather. Two holes were completed to test the copper soil anomaly in the southern portion of the prospect area. Both holes failed to intercept any significant mineralisation. Drilling is currently underway (6 holes) on the gold target areas to the north and the program should be completed during November, weather conditions permitting.

Further mapping and rock chip sampling (13 samples) at Webe Creek has returned encouraging results. The La Fete epithermal quartz vein has now been mapped over a strike length of 300 m, with widths up to 2 m. New rock chip results include 0.95 g/t gold and 271 g/t silver (8.7 oz/t). Previous sampling has returned gold assays of up to 13.2 g/t gold. The La Fete vein is being tested in the current drilling program.

Alcaston's exploration effort in Vanuatu continues to receive strong support from the Vanuatu government. On the 11th October 2006 a site visit was conducted with Prime Minister The Honourable Ham Lini.

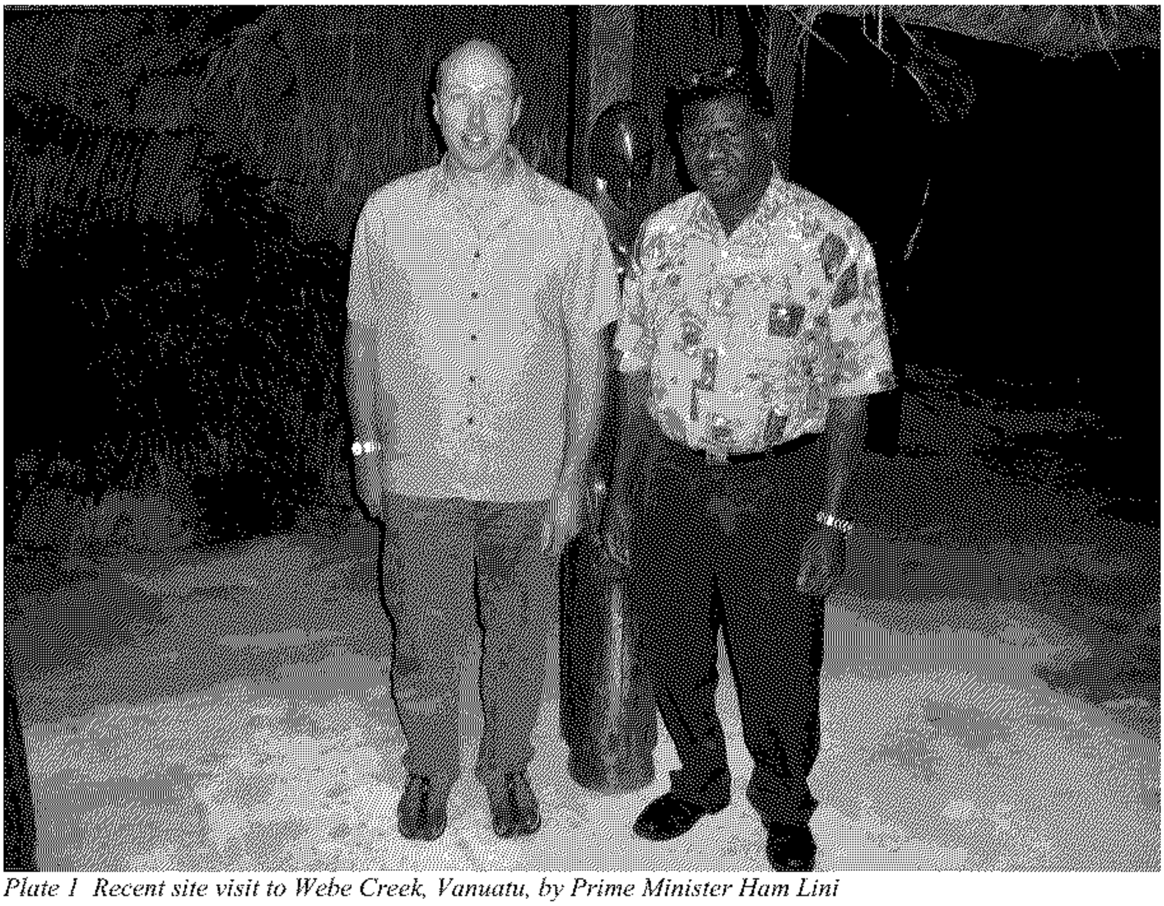

*Plate 1 Recent site visit to Webe Creek, Vanuatu, by Prime Minister Ham Lini*

*Plate 2 Alcaston drilling at Webe Creek in Vanuatu*

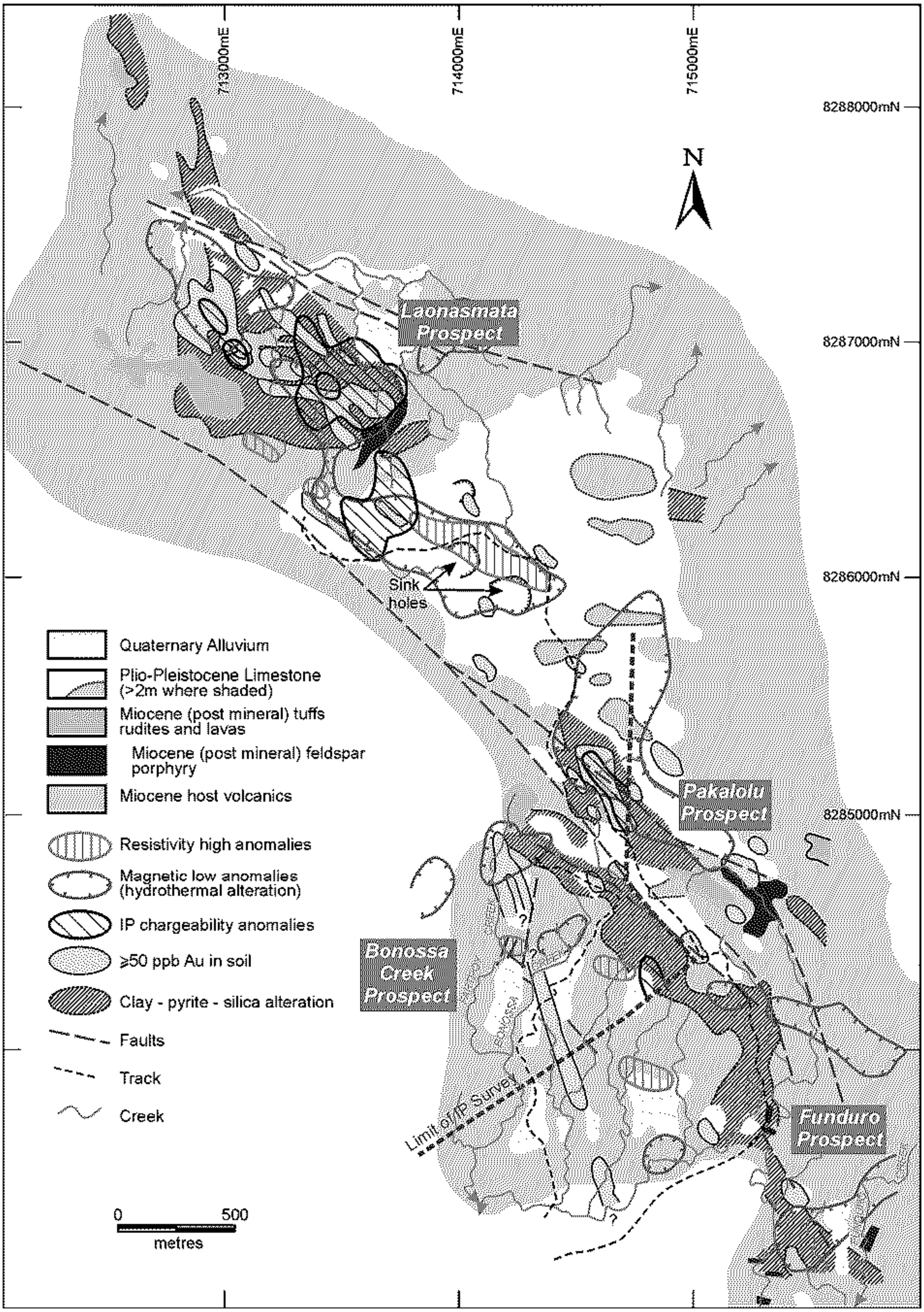


*Figure 2 Webe Creek Prospect Summary*

3.2 **Sabeto - Fiji (Gold)**

Alcaston controls the majority of the under-explored Navilawa Caldera (or Navilawa goldfield) in Fiji. The adjacent volcanic centre, the Tavua Caldera, located 35 km to the north east hosts the giant Vatukoula gold deposit (greater than 10 million ounces of gold), currently operating as a multi-shaft operation with production of some 120,000 ounces of gold per annum. For the reasons noted below, Alcaston considers the Navilawa Caldera to be just as prospective as the Tavua Caldera.

The Sabeto licence is also prospective for bonanza grade epithermal veining of similar style to the nearby Tuvatu gold deposit (1.64 million tonnes @ 8.5 grams per tonne (g/t) for approximately 450,000 ounces of gold).

Recently data was received for a detailed 1,999 line km helicopter-borne magnetic and radiometric survey completed by Alcaston at Sabeto in July. The geophysical survey has outlined several new target areas, including a major potassium radiometric anomaly ("Tuvatu North") which extends north directly along strike from Emperor Mines' Tuvatu gold deposit (450,000 ounces grading 8.5 g/t gold) into Alcaston's ground. The Directors believe that the potassium anomaly may be related to hydrothermal alteration associated with mineralisation. Coincident with the radiometric anomaly is a magnetic low anomaly which is also thought to be related to alteration. Within Alcaston's ground, the potassium anomaly has dimensions of 1.2 km x 0.9 km. Very little previous exploration has been conducted in the anomalous area. A line of soil samples collected by a previous explorer in the southern portion of the area returned highly anomalous assay results of 8.5 g/t, 1.59 g/t and 0.54 g/t gold. These significant results have not been subject to any detailed follow-up exploration.

Potassium radiometric anomalies are also found associated with all previously known gold and gold/copper prospects at Sabeto, confirming the importance of this geophysical technique for targeting mineralisation. There is a strong anomaly associated with the Banana Creek prospect which hosts many gold-bearing epithermal quartz veins. Two additional significant potassium radiometric anomalies were outlined to the east of the Banana Creek prospect, in an area which has seen little previous exploration, providing new gold target areas.

Follow-up detailed mapping and rock chip sampling (169 samples) was recently completed at Kingston Mine, Golden Ridge, Blasting Rock, and Nasiti Ridge prospects at Sabeto. Encouraging results were received from several areas. Additional significant copper and gold mineralisation associated with intrusive dykes were discovered at Kingston Mine. New rock chip results include 4.5 m @ 2.1 g/t gold, 0.4% copper; 4.8 m @ 2.9 g/t gold, 0.63% copper; and 1.5 m @ 2.0 g/t gold, 0.5% copper. At Nasiti Ridge (500 m east of Kingston Mine), historically known for copper mineralisation, random grab rock chip samples taken over an area of 100 m x 150 m, returned results up to 6.2 g/t gold, 5.5 g/t silver, 2.1% copper; and 9.3 g/t gold, 14.4 g/t silver and 4.25% copper. At Blasting Rock (which lies at the northern end of the Tuvatu North potassium anomaly) a grab rock chip sample returned 9.2 g/t gold, 17.7 g/t silver and 4.9% copper from the portal of an old adit. Hydrothermal-altered carbonate float at the headwaters of the Nasarangga Creek, 400 m north along strike from the Kingston Mine prospect, returned 9.9 g/t gold in a grab sample.

Tuvatu North has become Alcaston's priority target area at Sabeto and currently a 3,000 m diamond drilling program is being organised to test the new potassium anomaly and to test the potential bulk tonnage copper-gold targets at Kingston Mine. The drilling is planned to commence in mid-November. There is excellent all-weather gravel road access to both target areas so drilling can continue into the wet season.

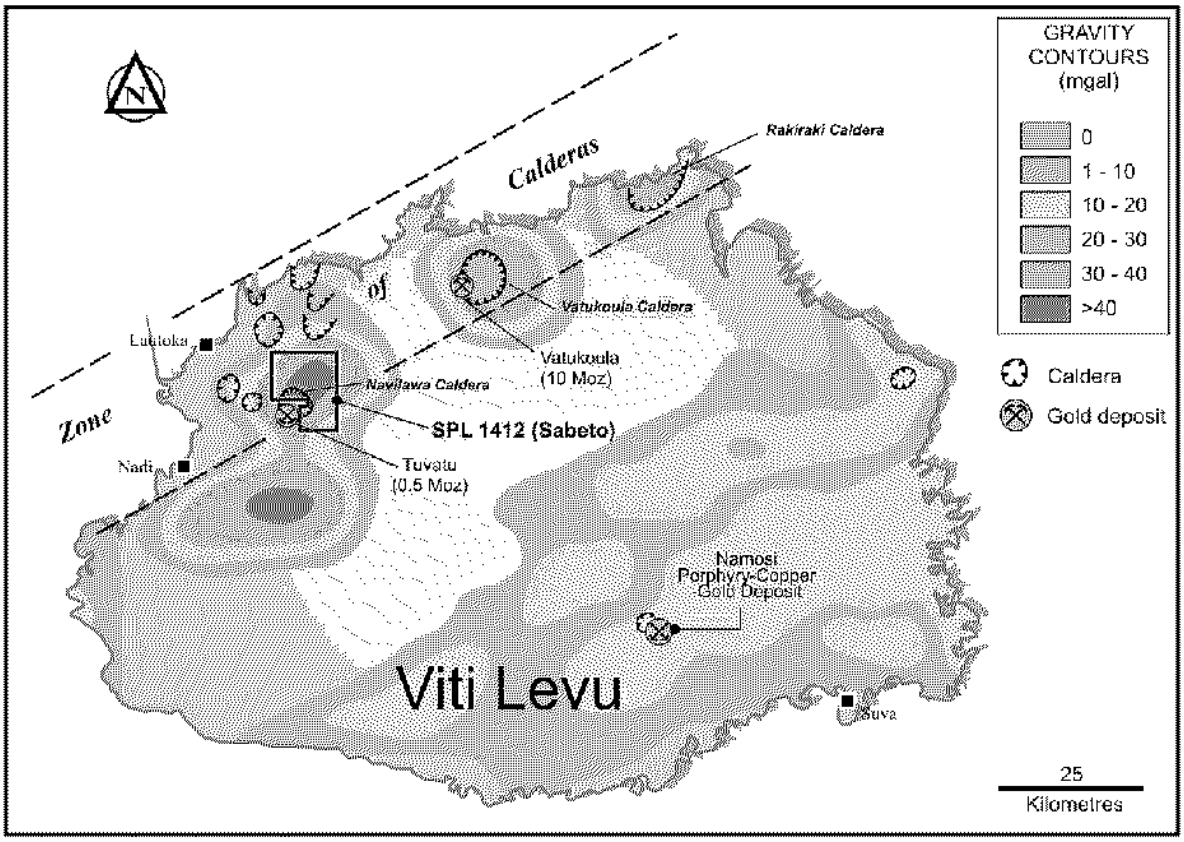


*Figure 3 Fiji Project Locations*

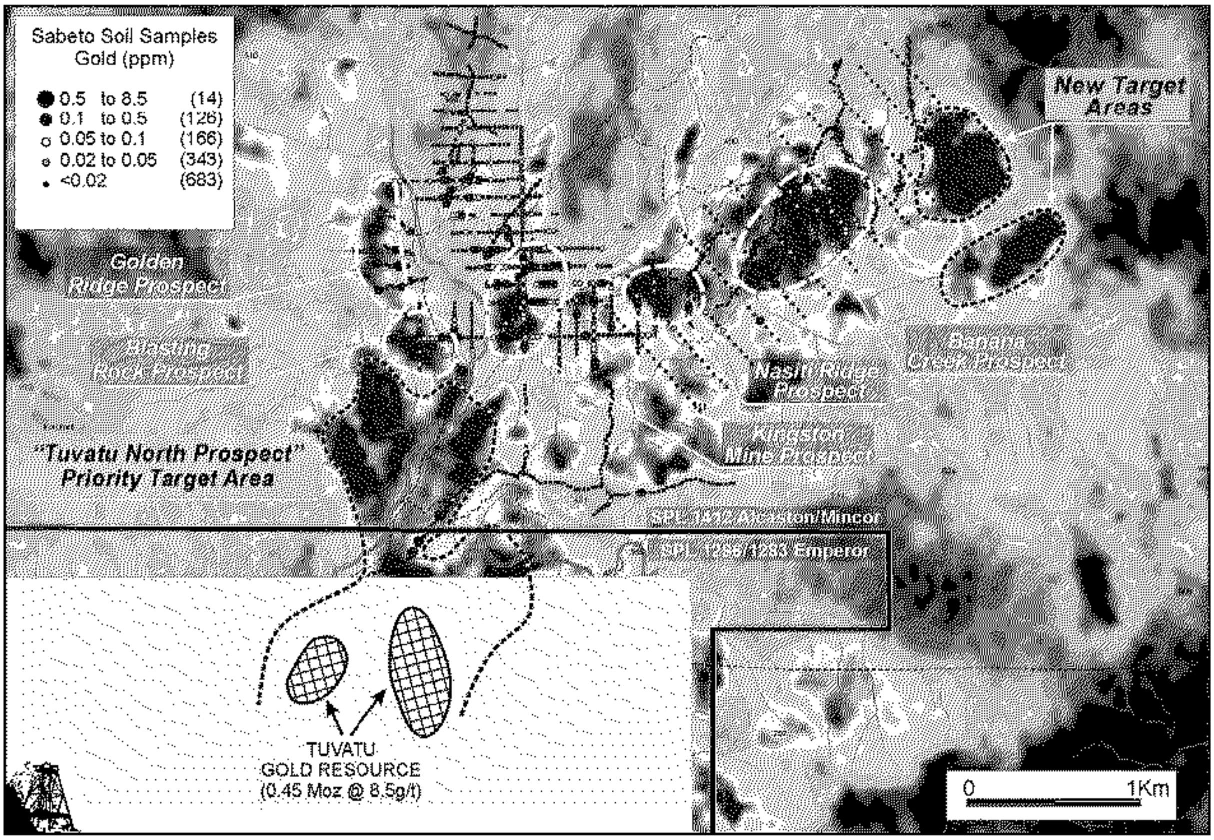


*Figure 4 Sabeto Prospect Locations*

The information in this Prospectus, insofar as it relates to resource estimation and exploration results, is based on information compiled by Mr Craig Mackay. Mr Mackay is a member of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Mackay consults to the Company. The information in section 3 of the Prospectus accurately reflects the information compiled by Mr Mackay and Mr Mackay consents to the inclusion in the Prospectus of the matters based on his information in the form and context in which it appears.

## Section 4 RISK FACTORS

The New Shares offered under this Prospectus are considered highly speculative. The Directors strongly recommend investors examine the contents of this Prospectus and consult their professional advisers before deciding whether to apply for New Shares pursuant to this Prospectus. In addition, investors should be aware there are risks associated with investment in the Company. There are certain general risks and certain specific risks which relate directly to the Company's business and are largely beyond the control of the Company and its directors because of the nature of the business of the Company.

The following summary, which is not exhaustive, represents some of the major risk factors which potential investors need to be aware of:

- **Share Market Conditions**

  As the Company is a company listed on ASX, its Share price is subject to the numerous influences which may affect both the trend in the share market and the share prices of individual companies.

- **Economic Conditions**

  Economic conditions, both domestic and global, may affect the performance of the Company. Factors such as currency fluctuation, inflation, interest rates, supply and demand and industrial disruption have an impact on operating costs, commodity prices, including gold prices, and share market prices. The Company's future possible revenue and share price can be affected by these factors all of which are beyond the control of the Company and the Directors. In addition, the Company's ability to raise additional capital, should it be required, may be affected.

- **Exploration and Operational Risk**

  By its nature, the business of exploration, mineral development and production which the Directors intend the Company to undertake, contains risks. Prosperity depends on the successful exploration and/or acquisition of reserves, design and construction of efficient processing facilities, competent operation and management and efficient financial management. For its part, exploration (particularly for gold) is a speculative endeavour, while mining operations can be hampered by force majeure circumstances, adverse weather conditions and cost overruns for unforeseen events.

- **Native Title**

  In both Vanuatu and Fiji compensation agreements are required with custom landowners to gain access to their land for exploration. On 19 March 2006 the Company signed a Special Lease Agreement with custom landowners to allow mineral exploration activities that will disturb the land in a 315.3 hectare area in the Webe Creek gold property. The Special Lease Agreement has a 12 month term and is then renewable annually under the same conditions.

- **Environmental Risks**

  Exploration programmes impact on the environment. These impacts are minimised by the Company's application of best practice principles.

- **Government Policy**

  Industry profitability can be affected by changes in government policy relating to mineral exploration and production which are beyond the control of the Company.

- **Commodity Prices**

  The prices that the Company may obtain for mineral commodities (particularly gold) may fluctuate due to market conditions.

- **Sovereign Risk**

  The Company has interests in two developing countries, namely Fiji and Vanuatu.

  Both of these countries are located in a region which has been, or continues to be, subject to significant political uncertainty, civil strife, acts of war and insurrection. These countries have also experienced substantial economic uncertainty.

  There can be no assurance that the political and economic condition in these countries and their neighbouring countries will continue as they are at present time. Changes in political or economic conditions in these may have an adverse effect on the Company's business and its results of operations.

- **Weather Condition Risk**

  Vanuatu's cyclone season runs from November to April. Such weather events have the potential to disrupt the Company's operations and damage plant and equipment.

  There was undue delay to the Company's drilling program due to the unseasonal heavy rainfall experienced on the Island of Espiritu Santo. There can be no assurance such weather conditions will not in the future cause further delays in the Company's operations.

- **Insurance**

  Insurance against all risks associated with mining exploration and development is not always available and the cost can be excessive.

- **Investment Speculative**

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

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

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

## Section 5 ADDITIONAL INFORMATION

### 5.1 Legal Framework of this Prospectus

The Company is a "disclosing entity" under the Corporations Act and is subject to the regime of continuous disclosure and periodic reporting requirements. Specifically as a listed company, the Company is subject to the Listing Rules which require continuous disclosure to the market of any information possessed by the Company which a reasonable person would expect to have a material effect on the price or value of its shares.

### 5.2 Applicability of Corporations Act

As a "disclosing entity", the Company has issued this Prospectus in accordance with section 713 of the Corporations Act applicable to prospectuses for an offer of securities which are quoted enhanced disclosure ("**ED**") securities and the securities are in a class of securities that were quoted ED securities at all times in the 12 months before the issue of this Prospectus.

Having taken such precautions and having made such enquiries as are reasonable, the Company believes that it has complied with the provisions of the Listing Rules as in force from time to time which apply to disclosing entities, and which require the Company to notify ASIC of information available to the stock market conducted by ASX, throughout the 12 months before the issue of this Prospectus.

The ASX maintains files containing publicly disclosed information about all listed companies. The Company's file is available for inspection at ASX in Perth during normal working hours. In addition, copies of documents lodged by, or in relation to, the Company with ASIC may be obtained from, or inspected at, any regional office of ASIC.

The New Shares to be issued under this Prospectus are in a class of shares that were quoted on the stock market of ASX at all times in the 12 months before the issue of this Prospectus.

### 5.3 Information Available to Shareholders

The Company will provide a copy of each of the following documents, free of charge, to any investor who so requests during the application period under this Prospectus:

(a) the Annual Financial Report for the Company for the year ending 30 June 2006; and

(b) the following documents used to notify ASX of information relating to the Company during the period after lodgement of the Annual Financial Report of the Company for the period ending 30 June 2006 and before the issue of this Prospectus:

| | **Description of ASX Announcement** |
|---|---|
| 30/10/06 | Amended Appendix 3B |

| | |
|---|---|
| 26/10/06 | First Quarter Activities & Cash Flow Reports |
| 24/10/06 | Notice of Annual General Meeting |
| 24/10/06 | Annual Report |
| 24/10/06 | Results of Meeting & New Constitution |
| 19/10/06 | Renounceable Rights Issue & Drilling Program & Appendix 3B |
| 19/10/06 | Appendix 3B |
| 18/10/06 | Response to ASX Query |

## 5.4 Rights Attaching to Shares

The New Shares to be issued pursuant to this Prospectus will rank equally in all respects with existing Shares in the Company. Full details of the rights attaching to the Company's Shares are set out in its Constitution, a copy of which can be inspected at the Company's registered office.

The following is a summary of the rights that attach to the Company's existing Shares:

**Voting Rights:** At a general meeting every ordinary shareholder present in person or by representative has one vote on a show of hands. On a poll, every ordinary shareholder present in person or by proxy or attorney has one vote per share. Shareholders holding partly paid Shares have such number of votes on a poll equivalent to the proportion that the amount paid up thereon (excluding amounts credited) bears to the issue price of such share.

**Dividend Rights:** The Directors may authorise the payment by the Company to the shareholder of an interim dividend to be paid out of the profits of the Company provided that the Company in general meeting may only declare a dividend if the Directors have recommended a dividend. The dividend cannot exceed the amount recommended by the Directors.

**Rights on Winding Up:** If the Company is wound up, the liquidator may, with the sanction of a special resolution, divide among the shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the shareholders or different classes of shareholders, subject to any right or restrictions for the time being attached to any class or classes of shares (at present there are none), at meetings of shareholders. Upon a distribution of assets to shareholders, holders of restricted securities at the time of commencement of the winding up shall rank behind the holders of all other share capital.

**Transfer of Shares:** Subject to the Constitution, the Corporations Act and the Listing Rules, shares in the Company are freely tradeable. The Directors must decline to register any transfer where the Listing Rules require the Company to do so.

**Issue of Further Shares**: The allotment and issue of any additional shares is under the control of the Directors, subject to any restrictions on the allotment of Shares imposed by the Constitution, the Corporations Act or the Listing Rules.

**Variation of rights:** At present, the Company only has fully paid ordinary Shares on issue; it has not issued partly paid ordinary Shares or any other class of Shares. The rights and privileges attaching to ordinary Shares can be altered by special resolution of the shareholders. A special resolution is a resolution passed by a majority of not less than 75% of those present and voting. Where the necessary majority for a special resolution is not obtained at a meeting, consent in writing if obtained from the holders of three-fourths of the shares concerned within two months of the meeting shall be as valid and effectual as a special resolution carried at the meeting.

The Company is currently in the process of changing its status from a no liability company to a public company limited by shares. Shareholder approval for the change of company type, adoption of a new Constitution and change of name to "Golden Rim Resources Limited" was obtained on 24 October 2006, however, the changes will not take effect until the ASIC has undertaken its required administrative processes to effect the change of company type and confirms the same to the Company. The Company does not envisage the change of company type will occur prior to the Closing Date, however, in the event it does, the Company's proposed new Constitution will take effect.

The proposed Constitution effects the following main changes from the current Constitution:

***General Review***

The proposed Constitution generally updates the provisions of the current Constitution to ensure that it is consistent with the Corporations Act and the Listing Rules.

***Voting Rights***

Each member present in person or by proxy, representative or attorney has one vote on a show of hands and on a poll one vote for each fully paid share held in the capital of the Company. Members holding partly paid shares have such number of votes on a poll as bears the same proportion to the total of such shares registered in a member's name as the amount of the issue price thereof paid up bears to the total issued price. Each member is entitled to notice of, and to attend and vote at, general meetings.

In the event of a breach of any escrow agreement entered into by the Company under the Listing Rules in relation to any shares which are classified under the Listing Rules or by ASX as vendor securities, the member holding the shares in question shall cease to be entitled to any voting rights in respect of those shares for so long as the breach subsists.

***Forfeiture of Shares***

Under the Corporations Act, a no liability company has no contractual right under its constitution to recover calls made on its shares from a shareholder who fails to pay them. Similarly, the Listing Rules provide different timetables for calls and instalments in relation to no liability companies and other entities. Consequently, the provisions in the Company's current Constitution dealing with notices of calls and the forfeiture of shares in respect of which calls remain unpaid, are inappropriate upon the Company ceasing to be a public no liability company and becoming a public company limited by shares. The proposed Constitution provides a mechanism whereby Directors may make calls upon a shareholder in respect of any money unpaid on partly paid shares. Each shareholder is liable to pay any amount called on the shares and the Company has a contractual right under its constitution to recover calls made on its shares from a shareholder who fails to pay calls, which shares will become liable for forfeiture.

As the shares under the Prospectus are fully paid shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

***Dividend Rights***

The profits of the Company which the Directors from time to time determine to distribute by way of dividends are divisible amongst the members in proportion to the number of shares held by them on the amount paid or payable on the shares.

In the event of a breach of any escrow agreement entered into by the Company under the Listing Rules in relation to any shares which are classified under the Listing Rules or by ASX as vendor securities, the member holding the shares in question shall cease to be entitled to any dividends in respect of those shares for so long as the breach subsists.

***Rights on Winding Up***

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

The liquidator may with the authority of a special resolution vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no member is compelled to accept any shares or other securities in respect of which there is any liability. Subject to the rights of the members (if any) entitled to shares with special rights in a winding up, all moneys that are to be distributed among members on a winding up shall be so distributed in proportion to the shares held by them respectively irrespective of the amount paid up or credited as paid up on the shares.

A copy of the Company's proposed Constitution is available for perusal by shareholders at the Company's registered office.

## 5.5 Profiles of Directors

***Rick W CRABB***
*BJuris(Hons); LLB; MBA; MAusIMM; FAICD*
*(Chairman)*

Mr Rick Crabb practiced as a resource and corporate lawyer for 23 years and now focuses on his position as non-executive director of a number of ASX listed companies. He holds the degrees of Bachelor of Jurisprudence (Honours), Bachelor of Laws and Master of Business Administration, is an Associate of the Australian Institute of Mining and Metallurgy and a Fellow of the Institute of Company Directors in Australia. His other public listed company directorships are Ashburton Minerals Limited, Otto Energy Limited, Paladin Resources Limited (also listed on the Toronto Stock Exchange), Port Bouvard Limited, Royal Resources Limited and Thundelarra Exploration Limited.

***Gilbert C RODGERS***
*BBus; CA(Aust); FCPA; FAICD*
*(Executive Director)*

Mr Gilbert Rodgers is a chartered accountant and company secretary and holds the degree of Bachelor of Business and is a Fellow of the Institute of Company Directors in Australia. He has served as a director of ASX listed resource companies including Pilbara Mines NL and Africwest Gold NL. He is the current Executive Director and Company Secretary of Alcaston Mining NL. He is also the Executive Director and Company Secretary of another ASX Listed Company, Chester Mining Limited. He has been involved in the Mining Industry for more than 24 years.

***Craig R MACKAY***
*B.App. Sc- App.Geol; B.Sc (Hons); M.Sc; MAusIMM*
*(Exploration Director)*

Mr Craig Mackay is a geologist with 17 years experience and holds Bachelor of Applied Science – Applied Geology, Bachelor of Science (Honours) and Master of Science degrees. He is also a Member of the Australian Institute of Mining and Metallurgy ("**AusIMM**"). Craig has held positions with a number of major resource companies, including Shell, Acacia Resources and AngloGold. For AngloGold he was the Senior Geologist responsible for project generation and exploration property management in the eastern states of Australia. He is the Exploration director for Alcaston and is responsible for managing the Company's gold interests and reviewing new minerals project opportunities.

Craig has been involved in a series of major gold discoveries including Mount Todd and Union Reefs in Australia, which were both taken into production.

## 5.6 Interest of Directors

(a) At the date of this Prospectus the relevant interest of each of the Directors in the securities of the Company are as follows:

| Director | Associates | No of Shares | | No of Options* | |
|---|---|---|---|---|---|
| | | Direct | Indirect | Direct | Indirect |
| Rick Crabb | - | 856,427 | - | 17,857 | - |
| | Westessa Holdings Pty Ltd | - | 4,445,905 | - | - |
| | Rick Crabb and Carol Crabb as trustees for the Intermax Trust | - | 128,571 | - | 3,657,703 |
| Gilbert Rodgers | - | 3,142 | - | 3,501,071 | - |
| | Silkform Pty Ltd | - | 212,927 | - | 9,285 |
| Craig Mackay | - | - | - | - | - |
| | Sharyn Mackay | - | 230,477 | - | 154,762 |
| | Earth Science Solutions Pty Ltd as trustee for Mackay Family Trust | - | 125,713 | - | 3,557,142 |

| | | | | | |
|---|---|---|---|---|---|
| | Craig Mackay and Sharyn Mackay as trustee for Warrego Superannuation Fund | - | 142,857 | - | - |

* Each Director or their nominee holds unlisted 1,750,000 Class A options exercisable @ 35 cents on or before 30 June 2010 and unlisted 1,750,000 Class B options exercisable @ 40 cents on or before 30 June 2010. The remaining listed options held by Directors and/or associates are exercisable at $1.05 each on or before 30 September 2007.

**Note 1**: Rick Crabb is a director of and he and an associate hold 100% of the shares in Westessa Holdings Pty Ltd. Carol Crabb is the spouse of Rick Crabb.

**Note 2**: Gilbert Rodgers is the sole director, secretary and shareholder of Silkform Pty Ltd.

**Note 3**: Craig Mackay is the spouse of Sharyn Mackay. Craig Mackay is also the sole director, secretary and shareholder of Earth Science Solutions Pty Ltd

(b) Except as disclosed in this Prospectus, no Director (whether individually or in consequence of a Director's association with any company or firm or in any material contract entered into by the Company) has now, or has had, in the 2 year period ending on the date of this Prospectus, any interest in:

- the formation or promotion of the Company; or
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Rights Issue; or
- the Rights Issue.

Except as disclosed in this Prospectus, no amounts of any kind (whether in cash, Shares, options or otherwise) have been paid or agreed to be paid to any Director or to any company or firm with which a Director is associated to induce him to become, or to qualify as, a Director, or otherwise for services rendered by him or his company or firm with which the Director is associated in connection with the formation or promotion of the Company or the Rights Issue.

Since 1 February 2005, the Company has re-engaged Gilbert Rodgers under a service agreement pursuant to which Gilbert Rodgers has agreed to provide services to the Company and to serve as the Company's executive director. The fees rendered by Gilbert Rodgers for these services and past services have been charged at normal commercial charge out rates and constitutes reasonable remuneration. Since October 2004, Gilbert Rodgers has received or will receive $273,167 (which includes a provision for GST) from the Company.

Since 1 February 2005, the Company has re-engaged an entity controlled by Craig Mackay, Earth Science Solutions Pty Ltd, under a service agreement pursuant to which Craig Mackay has agreed to provide services to the Company and to serve as the Company's exploration director. The fees rendered by Craig Mackay for these services and past services have been charged at normal commercial charge out rates and constitutes reasonable remuneration. Since October 2004, Craig Mackay has received or will receive $361,834 (which includes a provision for GST) from the Company.

Mr Rick Crabb is a non-executive Chairman of the Company and receives a director's fee. Since October 2004, Mr Crabb has received or will receive $69,000 for director's fees. Mr Crabb's controlled entities have also loaned (unsecured) to the Company for working capital purpose, the sum of $535,000 to date, at the prevailing commercial rate of interest. $485,000 of this amount plus interest has been repaid to Mr Crabb and the remaining $50,000 will be repayable to Mr Crabb from this capital raising. Mr Crabb has provided a further facility of up to $150,000 to be drawn down as required by the Company.

***Sub-Underwriting***

Mr Crabb has agreed with Patersons Securities Limited to sub-underwrite $175,000 of the funds to be raised under the Rights Issue (2,187,500 New Shares) on the same terms and conditions as other sub-underwriters, except that Mr Crabb has waived all rights to receive sub-underwriting fees or other fees.

(c) The provisions of the Company's current Constitution relating to the remuneration of Directors are as follows:

**Article 80(1):** The Directors shall be paid out of the funds of the Company by way of remuneration for their services as Directors (excluding any remuneration payable to any executive Director under any service contract with the Company or a related corporation) such sum as may from time to time be determined by the Company in general meeting, to be divided among the Directors in such proportions as they shall from time to time agree by simple majority or in default of agreement equally. The Directors shall be entitled to be paid reasonable travelling, hotel and other expenses incurred by them for attendance at meetings of the Directors and otherwise in the execution of their duties as Directors. The remuneration of the Directors (excluding any remuneration payable to any executive Director under any service contract with the Company or a related corporation) shall not be increased except with the prior approval of members at a general meeting of the Company where details of the amount of the proposed increase and of the maximum sum that may be paid shall be given to the members in the notice convening the meeting. Fees payable to non-executive Directors shall be a fixed sum and not by a commission on or percentage of profits or operating revenue. Remuneration payable by the Company or any subsidiary to executive Directors shall not include a commission on or percentage of operating revenue.

**Article 80(2):** No payment or other valuable consideration or any other benefit shall be made or given to any Director or other prescribed person, (within the meaning of section 200C of the Corporations Act) by way of compensation for the loss by that Director or other prescribed person of, or for or in connection with the retirement of that Director or other prescribed person from, a prescribed office (within such meaning) relating to the Company unless particulars relating to the proposed payment or consideration (including the amount of the proposed payment or the money value of the proposed consideration) or the proposed other benefit and of all other relevant benefits (within such meaning) proposed to be given have been disclosed to the members and the making of the proposed payment or the giving of the proposed consideration or proposed other benefit has been approved in meeting. This provision shall not apply in relation to the making or giving by the Company of a payment or other valuable consideration or other benefit if that payment or other valuable consideration or other benefit is an exempt benefit (within the meaning of sections 200F, 200G and 200H of the Corporations Act). Subject to the foregoing exempt benefit provision, the Directors shall have the power to make contracts or arrangements with any one or more of their number or with a person about to become a Director in relation to that Director or person's retiring allowance on or after that Director or person ceases to hold office as Director, by reason of death or otherwise. The contracts or arrangements are for the payment of the retiring allowance to him or (in the case of his death) to his widow, dependents or legal personal representatives in such proportions as the Directors in their absolute discretion shall determine and payments shall be made pursuant to any such contract or arrangement. No payment pursuant to this Article shall without the sanction of the Company in meeting exceed in value or amount the total emoluments of the Director in the three years immediately preceding his retirement or death.

**Article 80(3):** If any Director being willing is called upon to perform extra services or to make any special exertions in going or residing abroad or otherwise for any of the Company's purposes, the Company shall remunerate that Director by a fixed sum to be determined by the Directors. Such remuneration may be either in addition to or in substitution for his share in the remuneration referred to in Article 80.1.

The Company has agreed to pay Directors' fees of up to a maximum of $130,000 per annum to be divided between non-executive Directors as they see fit, until such time as any different amount is approved by shareholders.

## 5.7 Interests of Named Persons

Except as disclosed in this Prospectus, no promoter or other person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of the Prospectus, holds, or during the last two years has held, any interest in:

- the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Rights Issue; or
- the Rights Issue,

and no amounts of any kind (whether in cash, Shares or otherwise) have been paid or agreed to be paid to a promoter or any person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of the Prospectus for services rendered by that person in connection with the formation or promotion of the Company or the Rights Issue.

Blakiston & Crabb have acted as solicitors to the Rights Issue. The Company will pay approximately $10,000 to Blakiston & Crabb for these services. Blakiston & Crabb have provided other professional services to the Company during the last two years for which the Company has paid or will pay fees totalling approximately $138,300.

Stantons International are the auditors to the Company and have provided audit services to the Company during the last two years for which the Company has paid or will pay fees totalling approximately $27,200. They have provided other professional services to the Company during the last two years for which the Company has paid or will pay fees totalling approximately $23,657.

Patersons Securities Limited has acted as Lead Manager and Underwriter for which it will, pursuant to the Underwriting Agreement, receive a corporate advisory fee of $40,000, an underwriting commission equal to 4% of the aggregate funds raised under the Rights Issue and a management fee equal to 1% of the aggregate funds raised under the Rights Issue. The Underwriting Agreement is summarised in Section 5.10. During the last two years, Patersons Securities Limited has acted as lead manager and underwriter to the rights issue pursuant to the prospectus dated 28 April 2006, for which Patersons Securities Limited received fees totalling $150,754.52 (inclusive of GST). It should be noted that the directors of Patersons Securities Limited have a relevant interest in 565,732 Shares.

Unless otherwise indicated, the amounts disclosed above are exclusive of any amount of goods and services tax payable by the Company in respect of those amounts.

### 5.6 Consents

Patersons Securities Limited has given, and at the time of lodgement of this Prospectus, has not withdrawn its consent to be named as Lead Manager and Underwriter to the offer of securities under this Prospectus, in the form and context in which it is named. Patersons Securities Limited was not involved in the preparation of any part of this Prospectus and did not authorise or cause the issue of this Prospectus. Patersons Securities Limited makes no express or implied representation or warranty in relation to the Company, this Prospectus or the Rights Issue and does not make any statement in this Prospectus, nor is any statement init based on any statement made by Patersons Securities Limited. To the maximum extent permitted by law, Patersons Securities Limited expressly disclaims and takes no responsibility for any material in, or omission from, this Prospectus other than the reference to its name.

Each of the parties referred to in this Section 5.6:

- does not make, or purport to make, any statement in this Prospectus or on which a statement made in the Prospectus is based other than as specified in this Section; and

- to the maximum extent permitted by law, expressly disclaims and takes 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.

Craig Mackay has given his written consent to the inclusion in this Prospectus of all statements made by him or attributed to or derived from those statements in the form and context in which they are included and has not withdrawn such consent before lodgement of this Prospectus with the ASIC.

Stantons International has given its written consent to being named as the Company's auditor in this Prospectus and to the use of the audited balance sheet as at 30 June 2006 for the purposes of preparing the pro forma balance sheet in the form and context in which that balance sheet is included and has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

Each of the following has consented to being named in the Prospectus in the capacity as noted below and have not withdrawn such consent prior to the lodgement of this Prospectus with the ASIC:

(a) Blakiston & Crabb as solicitors to the Company;

(b) Stantons International as auditors to the Company; and

(c) Patersons Securities Limited as Lead Manager and Underwriter.

There are a number of persons referred to elsewhere in this Prospectus who are not experts and who have not made statements included in this Prospectus nor are there any statements made in this Prospectus on the basis of any statements made by those persons. These persons did not consent to being named in the Prospectus and did not authorise or cause the issue of the Prospectus.

### 5.10 Underwriting Agreement

Pursuant to an Underwriting Agreement dated 30 October 2006 between the Company and the Underwriter, the Underwriter has agreed to underwrite all of the Rights Issue pursuant to this Prospectus.

Pursuant to the Underwriting Agreement, the Company will pay the Underwriter, for its role as lead manager and underwriter, a lead manager fee of $40,000, an underwriting commission equal to 4% of the aggregate funds raised under the Rights Issue and a management fee equal to 1% of the aggregate funds raised under the Rights Issue. In addition, the Company must pay, indemnify and keep indemnified the Underwriter for all costs incurred by the Underwriter in connection with the Rights Issue, including legal fees and disbursements and the reasonable costs of advertising, printing and distributing the Prospectus.

The Company has given warranties and covenants to the Underwriter which are usual in an agreement of this nature.

The Underwriting Agreement provides that the Underwriter may terminate the Underwriting Agreement and its obligations thereunder at any time without cost or liability to the Underwriter upon the occurrence of any one or more of the termination events ("**Termination Event**") including:

(a) (Indices fall): any of the S&P 200 Index or the S&P 200 Materials Index as published by ASX is at any time after the date of the Underwriting Agreement 10% or more below its respective level as at the close of business on the Business Day prior to the date of the Underwriting Agreement or the price of gold per ounce on the London Metals Exchange is at any time after the date of the Underwriting Agreement 10% or more below its price as at the close of business on the Business Day prior to the date of the Underwriting Agreement; or

(b) (Prospectus): the Company does not lodge the Prospectus on the lodgement date as specified in the Indicative Timetable or the Prospectus or the Rights Issue is withdrawn by the Company; or

(c) (No Official Quotation): Official Quotation has not been granted by the Shortfall Notice Deadline Date or, having been granted, is subsequently withdrawn, withheld or qualified; or

(d) (Supplementary prospectus):

(i) the Underwriter, having elected not to exercise its right to terminate its obligations under the Underwriting Agreement as a result of an occurrence as described in paragraph (p)(vi) below, form the view on reasonable grounds that a supplementary or replacement prospectus should be lodged with ASIC for any of the reasons referred to in section 719 of the Corporations Act and the Company fails to lodge a supplementary or replacement prospectus in such form and content and within such time as the Underwriter may reasonably require; or

(ii) the Company lodges a supplementary or replacement prospectus without the prior written agreement of the Underwriter; or

(e) (Non-compliance with disclosure requirements): it transpires that the Prospectus does not contain all the information that investors and their professional advisers would reasonably require to make an informed assessment of:

(i) the effect of the Rights Issue on the Company; and

(ii) the rights and liabilities attaching to the Rights Shares;

(f) (Misleading Prospectus): it transpires that there is a statement in the Prospectus that is misleading or deceptive or likely to mislead or deceive, or that there is an omission from the Prospectus (having regard to the provisions of sections 711, 713 and 716 of the Corporations Act) or if any statement in the Prospectus becomes or misleading or deceptive or likely to mislead or deceive or if the issue of the Prospectus is or becomes misleading or deceptive or likely to mislead or deceive;

(g) (Restriction on allotment): the Company is prevented from allotting the Rights Shares within the time required by this Agreement, the Corporations Act, the Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority;

(h) (Withdrawal of consent to Prospectus): any person (other than the Underwriter) who has previously consented to the inclusion of its, his or her name in the Prospectus or to be named in the Prospectus, withdraws that consent;

(i) (ASIC application): an application is made by ASIC for an order under section 1324B or any other provision of the Corporations Act in relation to the Prospectus, the Shortfall Notice Deadline Date (as specified in the Indicative Timetable) has arrived, and that application has not been dismissed or withdrawn;

(j) (ASIC hearing): ASIC gives notice of its intention to hold a hearing under section 739 of the Corporations Act in relation to the Prospectus to determine if it should make a stop order in relation to the Prospectus or the ASIC makes an interim or final stop order in relation to the Prospectus under section 739 of the Corporations Act;

(k) (Takeovers Panel): the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act, or an application for such a declaration is made to the Takeovers Panel;

(l) (Hostilities): there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of this agreement involving one or more of Australia, New Zealand, Indonesia, Japan, Russia, the United Kingdom, the United States of America, India, Pakistan, or the Peoples Republic of China, Israel or any member of the European Union, or a terrorist act is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries anywhere in the world;

(m) (Authorisation): any authorisation which is material to anything referred to in the Prospectus is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to the Underwriter;

(n) (Indictable offence): a director or senior manager of the Company (and any subsidiary) is charged with an indictable offence;

(o) (Sub-underwriters): any of the sub-underwriters that are introduced by the Company do not comply with their obligations under the sub-underwriting agreements or threaten to not comply with their respective obligations under the sub-underwriting agreements;

(p) (Termination Events): subject always to clause 13.2 of the Underwriting Agreement, any of the following events occurs:

   (i) (default): default or breach by the Company under the Underwriting Agreement of any terms, condition, covenant or undertaking; or

   (ii) (incorrect or untrue representation): any representation, warranty or undertaking given by the Company in the Underwriting Agreement is or becomes untrue or incorrect; or

(iii) (contravention of constitution or Corporations Act): a contravention by the Company (and any subsidiary) of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX; or

(iv) (adverse change): an event occurs which gives rise to a Material Adverse Effect or any adverse change or any development including a prospective adverse change after the date of the Underwriting Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of the Company (and any subsidiary) including, without limitation, if any forecast in this Prospectus becomes incapable of being met or in the Underwriter's reasonable opinion, unlikely to be met in the projected time; or

(v) (error in due diligence results): it transpires that any of the Due Diligence Results or any part of the Verification Material was materially false, misleading or deceptive or that there was a material omission from them; or

(vi) (significant change): a "new circumstance" as referred to in section 719(1) of the Corporations Act arises that is materially adverse from the point of view of an investor ;or

(vii) (public statements): without the prior approval of the Underwriter a public statement is made by the Company in relation to the Rights Issue, the Issue or this Prospectus; or

(viii) (misleading information): any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any aspect of the Rights Issue or the Issue or the affairs of the Company (or any subsidiary) is or becomes misleading or deceptive or likely to mislead or deceive; or

(ix) (Official Quotation qualified): the Official Quotation is qualified or conditional other than as set out in the definition of "Official Quotation" in the Underwriting Agreement; or

(x) (change in Act or policy): there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy;

(xi) (Prescribed Occurrence): a Prescribed Occurrence occurs, other than as disclosed in the Prospectus; or

(xii) (suspension of debt payments): the Company suspends payment of its debts generally; or

(xiii) (Event of Insolvency): an Event of Insolvency occurs in respect of the Company (or any subsidiary);or

(xiv) (judgment against Company or subsidiary): a judgment in an amount exceeding $25,000 is obtained against the Company (or any subsidiary) and is not set aside or satisfied within 7 days; or

(xv) (litigation): litigation, arbitration, administrative or industrial proceedings are after the date of the Underwriting Agreement commenced or threatened against the Company (or any subsidiary), other than any claims foreshadowed in the Prospectus; or

(xvi) (board and senior management composition): there is a change in the composition of the Board or a change in the senior management of the Company before the date on which allotment of the last of the Rights Shares occurs in accordance with the Prospectus, without the prior written consent of the Underwriter; or

(xvii) (change in shareholding): there is a material change in the major or controlling shareholdings of the Company (or any subsidiary) or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to the Company (or any subsidiary); or

(xviii) (Indicative Timetable): there is a delay in any specified date in Timetable which is greater than 3 Business Days; or

(xix) (Force Majeure): a Force Majeure affecting the Company's business or any obligation under the Underwriting Agreement lasting in excess of 7 days occurs; or

(xx) (certain resolutions passed): the Company (or any subsidiary) passes or takes any steps to pass a resolution under section 254N, section 257A or section 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of the Underwriter; or

(xxi) (capital structure): the Company (or any subsidiary) alters its capital structure in any manner not contemplated by this Prospectus; or

(xxii) (breach of material contracts): any of the material contracts as specified in this Prospectus is terminated or substantially modified; or

(xxiii) (investigation): any person is appointed under any legislation in respect of companies to investigate the affairs of a the Company (or any subsidiary); or

(xxiv) (market conditions): a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or other international financial markets.

Clause 13.2 of the Underwriting Agreement provides that the Underwriter may not exercise its rights under paragraph (p) unless, in the reasonable opinion of the Underwriter reached in good faith, the occurrence of a Termination Event has or is likely to have, or two or more Termination Events together have or are likely to have:

(a) a Material Adverse Effect; or

(b) could give rise to a liability of the Underwriter under the Corporations Act or otherwise.

The following terms used in this clause 5.10 respect to the Underwriting Agreement are defined in the Underwriting Agreement as follows:

"**Due Diligence Program**" means the legal, accounting, commercial and other investigations of the assets and liabilities, financial position and performance, profits and losses and prospects of the Company (or any subsidiary) (including its future business plans and financial forecasts) conducted in the period up until the date on which allotment of the last of the Rights Shares, as implemented by the planning memorandum adopted pursuant to a resolution of the Board;

"**Due Diligence Results**" means the results of the investigations which make up the Due Diligence Program, as maintained by the Company including but not limited to all due diligence reports and reports of the due diligence committee (established in connection with the Rights Issue), including all supporting documents and working papers to which the Due Diligence Program relates;

"**Event of Insolvency**" means:

(a) a receiver, manager, receiver and manager, trustee, administrator, controller or similar officer is appointed in respect of a person or any asset of a person;

(b) a liquidator or provisional liquidator is appointed in respect of a corporation;

(c) any application (not being an application withdrawn or dismissed within 7 days) is made to a court for an order, or an order is made, or a meeting is convened, or a resolution is passed, for the purpose of:

   (i) appointing a person referred to in paragraphs (a) or (b);

   (ii) winding up a corporation; or

   (iii) proposing or implementing a scheme of arrangement;

(d) any event or conduct occurs which would enable a court to grant a petition, or an order is made, for the bankruptcy of an individual or his estate under any Insolvency Provision;

(e) a moratorium of any debts of a person, or an official assignment, or a composition, or an arrangement (formal or informal) with a person's creditors, or any similar proceeding or arrangement by which the assets of a person are subjected conditionally or unconditionally to the control of that person's creditors or a trustee, is ordered, declared, or agreed to, or is applied for and the application is not withdrawn or dismissed within 7 days;

(f) a person becomes, or admits in writing that it is, is declared to be, or is deemed under any applicable legislation to be, insolvent or unable to pay its debts; or

(g) any writ of execution, garnishee order, mareva injunction or similar order, attachment, distress or other process is made, levied or issued against or in relation to any asset of a person;

"**Force Majeure**" means any act of God, war, revolution, or any other unlawful act against public order or authority, an industrial dispute, a governmental restraint, or any other event which is not within the control of the parties to the Underwriting Agreement;

"**Indicative Timetable**" means the timetable for the Rights Issue set out in the Underwriting Agreement as varied from time to time by written agreement of the Company and the Underwriter;

"**Insolvency Provision**" means any Act relating to insolvency, sequestration, liquidation or bankruptcy (including any Act relating to the avoidance of conveyances in fraud of creditors or of preferences, and any Act under which a liquidator or trustee in bankruptcy may set aside or avoid transactions), and any provision of any agreement, arrangement or scheme, formal or informal, relating to the administration of any of the assets of any person;

"**Material Adverse Effect**" means:

(a) a material adverse effect on the outcome of the Rights Issue or on the subsequent market for the Rights Shares (including, without limitation, matters likely to have a material adverse effect on a decision of an investor to invest in Rights Shares); or

(b) a material adverse effect on the assets, condition, trading or financial position, performance, profits and losses, results, prospects, business or operations of the Company and its subsidiaries either individually or taken as a whole; or

(c) the Underwriter's obligations under the Underwriting Agreement becoming materially more onerous than those which exist at the date of the Underwriting Agreement; or

(d) a material adverse effect on the tax position of either:

    (i) the Company and its subsidiaries either individually or taken as a whole; or

    (ii) an Australian resident shareholder in the Company;

"**Official Quotation**" means the grant by ASX of "Official Quotation" (as that term is used in the Listing Rules) of all the Rights Shares when allotted which if conditional may only be conditional on the allotment of the Rights Shares;

"**Prescribed Occurrence**" means:

(a) the Company (or any subsidiary) converting all or any of its shares into a larger or smaller number of shares;

(b) the Company (or any subsidiary) resolving to reduce its share capital in any way;

(c) the Company (or any subsidiary):

   (i) entering into a buy-back agreement or;

   (ii) resolving to approve the terms of a buy-back agreement under section 257C or 257D of the Corporations Act;

(d) the Company (or any subsidiary) making an issue of, or granting an option to subscribe for, any of its shares, or agreeing to make such an issue or grant such an option, other than an issue or agreement to issue in accordance with the Rights Issue or the terms of the Underwriting Agreement;

(e) the Company (or any subsidiary) issuing, or agreeing to issue, convertible notes;

(f) the Company (or any subsidiary) disposing, or agreeing to dispose, of the whole, or a substantial part, of its business or property;

(g) the Company (or any subsidiary) charging, agreeing to charge, the whole, or a substantial part, of its business or property;

(h) the Company (or any subsidiary) resolving that it be wound up;

(i) the appointment of a liquidator or provisional liquidator to the Company (or any subsidiary);

(j) the making of an order by a court for the winding up of the Company (or any subsidiary);

(k) an administrator of the Company (or any subsidiary), being appointed under section 436A, 436B or 436C of the Corporations Act;

(l) the Company (or any subsidiary) executing a deed of company arrangement; or

(m) the appointment of a receiver, or a receiver and manager, in relation to the whole, or a substantial part, of the property of the Company (or any subsidiary).

"**Rights Shares**" means 21,067,102 Shares to be issued on the terms and conditions set out in the Prospectus; and

"**Verification Material**" means the material maintained by the Company being the documents and information provided by the Company in verification of statements made in the Prospectus.

## 5.8 Market Prices of Shares on ASX

The highest and lowest closing market sale prices of Shares on ASX during the 3 months immediately preceding the date of this Prospectus and the respective dates of those sales were 20 cents on 30 October 2006 and 6 cents on 7 September 2006. The latest available closing market sale price of Shares on ASX immediately before the date of issue of this Prospectus was 20 cents on 30 October 2006.

## 5.9 Expenses of the Rights Issue

The total estimated costs of the Rights Issue, including legal fees incurred, registration fees, underwriting fees, fees for other advisers, Prospectus design, printing and advertising expenses and other miscellaneous expenses, will be approximately \$160,000 (exclusive of any goods and services tax which may be payable on that amount), which has been paid or is payable by the Company.

**Section 6 DIRECTORS' RESPONSIBILITY STATEMENT & CONSENT**

The Directors state that they have made all reasonable enquiries and on that basis have reasonable grounds to believe that any statements made by the Directors in this Prospectus are not misleading or deceptive and that in respect to any other statements made in the Prospectus by persons other than Directors, the Directors have made reasonable enquiries and on that basis have reasonable grounds to believe that persons making the statement or statements were competent to make such statements, those persons have given their consent to the statements being included in this Prospectus in the form and context in which they are included and have not withdrawn that consent before lodgement of this Prospectus with the ASIC, or to the Directors knowledge, before any issue of New Shares pursuant to this Prospectus.

The Prospectus is prepared on the basis that certain matters may be reasonably expected to be known to likely investors or their professional advisers.

Each Director has consented to the lodgement of this Prospectus with the ASIC and has not withdrawn that consent.

Dated: 30 October 2006

____________________________

Gilbert Rodgers
Director

## Section 7 DEFINED TERMS

"**A$ and $**" means Australian dollars, unless otherwise stated;

"**Application Form**" means the Entitlement and Acceptance Application Form accompanying this Prospectus;

"**ASIC**" means the Australian Securities & Investments Commission;

"**ASX**" means Australian Stock Exchange Limited;

"**Business Day**" means every day other than a Saturday, Sunday, New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day;

"**CHESS**" means ASX Clearing House Electronic Subregistry System;

"**Closing Date**" means 5.00pm WST on 29 November 2006;

"**Company**" means Alcaston Mining NL ACN 006 710 774 (to be renamed Golden Rim Resources Ltd);

"**Corporations Act**" means the Corporations Act 2001 (Cth);

"**Director**" means a director of the Company;

"**Entitlement**" means the entitlement of an Existing Shareholder to apply for New Shares pursuant to the Rights Issue;

"**Entitlement and Acceptance Form**" means the entitlement and acceptance form accompanying this Prospectus;

"**Existing Optionholders**" means those optionholders whose details appear on the Company's register of optionholders as at the Record Date as holders of Options;

"**Existing Shareholder**" means those shareholders of the Company whose details appear on the Company's register of shareholders as at the Record Date;

"**Listing Rules**" means the Listing Rules of ASX;

"**New Share**" means the Shares in the Company being offered pursuant to this Prospectus;

"**Official List**" means the Official List of the ASX;

"**Official Quotation**" means quotation of the Shares on ASX, as defined in the Listing Rules;

"**Option**" means an option that has already been granted by the Company over unissued Shares in the Company;

"**Prospectus**" means this prospectus dated 30 October 2006 for the pro-rata renounceable rights issue of 21,067,102 New Shares in the Company on the basis of two (2) New Shares for every five (5) Shares held on the Record Date, at an issue price of 8 cents per New Share, for the purpose of raising $1,685,368;

"**Record Date**" means 5.00pm WST on 9 November 2006;

"**Rights**" means the rights of Existing Shareholders to subscribe for Shares under the Rights Issue;

"**Rights Issue**" means the pro-rata renounceable rights issue of 21,067,102 New Shares in the Company on the basis of two (2) New Shares for every five (5) Shares held on the Record Date, at an issue price of 8 cents per New Share, for the purpose of raising $1,685,368;

"**Share**" means an ordinary fully paid share in the capital of the Company;

"**Shortfall**" means the New Shares forming Entitlements, or parts of Entitlements, not accepted by Existing Shareholders; and

"**WST**" means Australian Western Standard Time

*Rule 2.7, 3.10.3, 3.10.4, 3.10.5*

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

| |
|---|
| ALCASTON MINING NL |

ABN

| |
|---|
| 39 006 710 774 |

We (the entity) give ASX the following information.

## Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

| | | |
|---|---|---|
| 1 | +Class of +securities issued or to be issued | ORDINARY FULLY PAID SHARES |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 21,067,102 ordinary fully paid shares |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Ordinary fully paid shares |

+ See chapter 19 for defined terms.

| | | |
|---|---|---|
| 4 | Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?<br><br>If the additional securities do not rank equally, please state:<br>• the date from which they do<br>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment<br>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | The securities will rank equally in all respects with the existing class of quoted securities of the Company. |
| 5 | Issue price or consideration | 8 cents per share |
| 6 | Purpose of the issue<br>(If issued as consideration for the acquisition of assets, clearly identify those assets) | To fund the continued drill program in Vanuatu, a new drill program in Fiji, administration expenses including repayment of loan for working capital purposes from the Chairman and ongoing working capital needs of the Company. |
| 7 | Dates of entering +securities into uncertificated holdings or despatch of certificates | 7 December 2006 |

| | | Number | +Class |
|---|---|---|---|
| 8 | Number and +class of all +securities quoted on ASX (*including* the securities in clause 2 if applicable) | 73,734,859 | Fully paid ord shares |
| | | 12,540,505 | Options exercisable at $1.05 and expiring on 30/09/07 |
| | | 8,750,000 | Options exercisable at $0.35 and expiring on 30/06/10. |
| | | 7,750,000 | Options exercisable at $0.40 and expiring on 30/06/10. |

+ See chapter 19 for defined terms.

| | | Number | +Class |
|---|---|---|---|
| 9 | Number and +class of all +securities not quoted on ASX (*including* the securities in clause 2 if applicable) | Nil | |

| | | |
|---|---|---|
| 10 | Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) | N/A |

# Part 2 - Bonus issue or pro rata issue

| | | |
|---|---|---|
| 11 | Is security holder approval required? | No |
| 12 | Is the issue renounceable or non-renounceable? | Renounceable |
| 13 | Ratio in which the +securities will be offered | 2:5 |
| 14 | +Class of +securities to which the offer relates | Fully Paid Ordinary Shares |
| 15 | +Record date to determine entitlements | 9 November 2006 |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | N/A |
| 17 | Policy for deciding entitlements in relation to fractions | Fractions will be rounded up to nearest whole number. |
| 18 | Names of countries in which the entity has +security holders who will not be sent new issue documents<br>Note: Security holders must be told how their entitlements are to be dealt with.<br>Cross reference: rule 7.7. | Countries other than Australia and New Zealand. |
| 19 | Closing date for receipt of acceptances or renunciations | 29 November 2006 |

| | | |
|---|---|---|
| 20 | Names of any underwriters | Patersons Securities Limited |
| 21 | Amount of any underwriting fee or commission | Underwriting fee of 4%, Management fee of 1% and Corporate Advisory fee of $40,000. |
| 22 | Names of any brokers to the issue | N/A |
| 23 | Fee or commission payable to the broker to the issue | N/A |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders | N/A |
| 25 | If the issue is contingent on +security holders' approval, the date of the meeting | N/A |
| 26 | Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled | 15 November 2006 |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | N/A. ASX Waiver from Listing Rule 7.40 dated 30 October 2006 was obtained. No notice for conversion of options will be forwarded to option holders. |
| 28 | Date rights trading will begin (if applicable) | 2 November 2006 |
| 29 | Date rights trading will end (if applicable) | 22 November 2006 |
| 30 | How do +security holders sell their entitlements *in full* through a broker? | Refer to Prospectus dated 30 October 2006, Section 1. |
| 31 | How do +security holders sell *part* of their entitlements through a broker and accept for the balance? | Refer to Prospectus dated 30 October 2006, Section 1. |

+ See chapter 19 for defined terms.

| | | |
|---|---|---|
| 32 | How do +security holders dispose of their entitlements (except by sale through a broker)? | Refer to Prospectus dated 30 October 2006, Section 1. |
| 33 | +Despatch date | 7 December 2006 |

# Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of securities
(*tick one*)

(a) [X] Securities described in Part 1

(b) [ ] All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

## Entities that have ticked box 34(a)

### Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

35 [ ] If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 [ ] If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 [ ] A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

## Entities that have ticked box 34(b)

| | | |
|---|---|---|
| 38 | Number of securities for which +quotation is sought | |
| 39 | Class of +securities for which quotation is sought | |
| 40 | Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?<br><br>If the additional securities do not rank equally, please state:<br>• the date from which they do<br>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment<br>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | |
| 41 | Reason for request for quotation now<br>Example: In the case of restricted securities, end of restriction period<br><br>(if issued upon conversion of another security, clearly identify that other security) | |

| | | Number | +Class |
|---|---|---|---|
| 42 | Number and +class of all +securities quoted on ASX (*including* the securities in clause 38) | | |

## Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.

- There is no reason why those +securities should not be granted +quotation.

- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

  Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.

- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

+ See chapter 19 for defined terms.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: ............................................................ Date: 30 October 2006
(Director/Company secretary)

Print name: GILBERT RODGERS

== == == == ==

+ See chapter 19 for defined terms.