

Cabral Resources Limited ACN 064 874 620 (Company)

Prospectus

For an offer of:

1. up to 17,200,000 Shares at an issue price of \$0.00001 each;
2. up to 99,500,000 Shares at an issue price of \$0.02 each;
3. up to 32,400,000 Listed Options at an issue price of \$0.00001 each; and
4. up to 17,600,000 Unlisted Options at an issue price of \$0.00001 each,

to raise up to \$1,990,672 (**Offer**).

The Offer is not underwritten and is subject to conditions.

Important Notice

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

This is a transaction-specific prospectus issued in accordance with section 713 of the Corporations Act.

This document is not for publication or distribution, directly or indirectly, in or into the United States of America (including its territories and possessions, any state of the US and the District of Columbia). This document is not an offer of securities for sale into the United States or to, or for the account or benefit of, US Persons. The securities referred to herein have not been and will not be registered under the US Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons. No public offering of securities is being made in the United States.

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Timetable for important dates

Lodgement of Prospectus with ASIC	3 February 2016
Offer Opening Date	3 February 2016
General Meeting to approve issue of New Securities	3 March 2016
Offer Closing Date	3 March 2016
Allotment Date	4 March 2016
Despatch of holding statements	8 March 2016
Anticipated date of reinstatement on ASX	15 March 2016

**The dates set out in the above table are subject to change and are indicative only. The Company reserves the right to alter this timetable at any time, subject to the Corporations Act and the Listing Rules, without notice. This may have a consequential effect on the other dates, including the date the New Securities are expected to commence trading on ASX.*

Offer statistics

Number of Shares currently on issue	31,237,898
Number of Options currently on issue	30,000,000
Number of New Shares to be issued under the Offer	116,700,000
Number of New Options to be issued under the Offer	50,000,000
Total number of Shares on issue at completion of the Offer	147,937,898
Total number of Options on issue at completion of the Offer	80,000,000

Important notice

This Prospectus is dated 3 February 2016 and was lodged with the ASIC on that date. Neither the ASIC nor the ASX, nor any of their officers, takes any responsibility as to the contents of this Prospectus. No securities will be issued on the basis of this Prospectus any later than 13 months after the date of issue of this Prospectus.

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

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. In particular, the Offer has not been, and will not be, registered under the U.S. Securities Act or the securities law of any state of the United States, and may not be offered or sold in the United States or to or for the account or benefit of any U.S. Persons, except in a transaction exempt from the registration requirements of the U.S. Securities Act and applicable United States of America state securities laws.

Investors should be aware that past Share price performance of the Company provides no guidance to its future Share price performance. Neither the Company, its Directors nor any other person warrants or guarantees the future performance of the New Shares or any return on any investment made pursuant to this Prospectus.

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The information provided in this Prospectus is not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. If you have any questions you should seek professional advice before deciding to invest. An investment in New Shares and New Options that are offered under this Prospectus should be considered speculative.

Please refer to Sections 5 for details relating to risks involved with an investment in the Company.

Disclaimer

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

Forward looking statements

Some of the information contained in this Prospectus constitutes forward-looking statements that are subject to various risks and uncertainties. Forward-looking statements include those containing such words as 'anticipate', 'estimate', 'should', 'will', 'expects', 'plans' or similar expressions. These statements discuss future objectives or expectations concerning results of operations or financial conditions or provide other forward-looking information. The Company's actual results, performance or achievements could be significantly different from the results or objectives expressed in, or implied by, those forward-looking statements. This Prospectus details some important factors that could cause the Company's actual results to differ from the forward-looking statements made in this Prospectus.

Foreign Shareholders

This document does not constitute an offer of New Securities in any jurisdiction in which it would be unlawful to make such an offer. New Securities may not be offered or sold in any country outside Australia or New Zealand except to the extent permitted below. 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.

New Zealand

In making this offer in New Zealand, the Company is relying on the *Securities Act (Overseas Companies) Exemption Notice 2002 (NZ)*, by virtue of which this Prospectus is not required to be registered in New Zealand.

United States

This document may not be released or distributed in the United States of America. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States of America. Any securities described in this document have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States of America except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

Other countries

The Company has not investigated the regulatory requirements that may prevail in any countries outside of Australia and New Zealand. The distribution of this Prospectus in jurisdictions outside of Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe those restrictions. Any failure to comply with restrictions might constitute a violation of applicable securities laws.

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Applications for New Securities

Shareholders should be aware that past Share price performance of the Company provides no guidance to its future Share price performance. Neither the Company nor any other person warrants or guarantee the future performance of the New Shares or any return on any investment made pursuant to this Prospectus. You should also have regard to other publicly available information about the Company, including ASX announcements.

An application for New Shares and/or New Options can be made by completing and returning the relevant Application Form which accompanies this Prospectus.

This Prospectus is available in electronic form on the internet at www.cabralresources.com.au. Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be a resident of Australia or New Zealand resident and must only access the Prospectus from within Australia or New Zealand. If you wish to obtain a free copy of this Prospectus, please contact the Company Secretary on +61 8 9481 0389.

Not investment advice

The information provided in this Prospectus is not investment advice or financial product advice and has been prepared without taking into account your investment objectives, financial situation or particular needs. It is important that you read this Prospectus in full before deciding to apply for New Securities and consider all of the risk factors that could affect the performance of New Securities, including those set out in Section 5. You should carefully consider these risks and your investment objectives, financial situation and particular needs (including financial and taxation issues) and seek independent professional advice from your stockbroker, accountant or other professional advisor before deciding to invest in New Shares.

Enquiries

If you have any questions in relation to the Offer, please contact either your stockbroker or professional adviser or, alternatively, the Company Secretary on the number noted above.

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Chairman's letter

3 February 2016

Dear Investor

Investment in the Company

On behalf of the Directors, I am pleased to present this Prospectus to you.

On 1 October 2015, the Company held a General Meeting whereby Shareholders approved a number of resolutions to give effect to a Recapitalisation Proposal proposed by CPS. The Recapitalisation Proposal is intended restructure the Company's issued capital and provide working capital for the Company including through the issue of the New Shares and New Options under this Prospectus.

The Offer under this Prospectus is seeking to raise up to \$1,990,672. These funds will be used to pay various expenses associated with the Recapitalisation Proposal, to provide working capital to progress the Company's core business of mineral exploration in Brazil and to assist with the identification of new investment opportunities that will add value to the Company and increase Shareholder wealth. Further information on the Recapitalisation Proposal is contained at Section 3.

The Offer is scheduled to close at 5.00pm (WST time) on 3 March 2016. To participate, in the Offer your completed Acceptance Form (together with application monies) must be received by the Company prior to this time. For information on completing your Acceptance Form, refer to Section 2.2 and the instructions section on the Acceptance Form itself. The Offer is subject to various conditions, which are summarised in Section 1.9.

Investors should carefully read this Prospectus in its entirety. If you have any doubts or questions in relation to the Offer or this Prospectus, you should consult your stockbroker, accountant, solicitor or other independent professional advisor to evaluate whether or not to participate.

Details about the risks of an investment of this type are detailed at Section 5. It is recommended that investors carefully consider the terms and the associated risks of the Offer contained in this Prospectus.

On behalf of all the Directors, I welcome you to consider the terms of the Offer and look forward to welcoming you as a Security holder of the Company.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Eddie King', with a stylized flourish at the end.

Eddie King

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1. Investment summary

The information set out in this Section is not intended to be comprehensive and should be read in conjunction with the full text of this Prospectus.

1.1 Offer

This Prospectus has been prepared to facilitate the Offer, being an offer of:

- (a) up to 17,200,000 Shares at an issue price of \$0.00001 each;
- (b) up to 99,500,000 Shares at an issue price of \$0.02 each;
- (c) up to 32,400,000 Listed Options at an issue price of \$0.00001 each; and
- (d) up to 17,600,000 Unlisted Options at an issue price of \$0.00001 each,

to raise up to \$1,990,672.

1.2 Placement

This Prospectus has also been prepared to remove any trading restrictions on the sale of the Securities previously issued by the Company pursuant to the Placement, being the issue of:

- (a) 2,800,000 Shares at an issue price of \$0.00001 each;
- (a) 25,500,000 Shares at an issue price of \$0.02 each;
- (b) 17,600,000 Listed Options at an issue price of \$0.00001 each; and
- (c) 12,400,000 Unlisted Options at an issue price of \$0.00001 each,

to CPS and to various Sophisticated and Professional Investors who were clients of CPS to raise a total of \$510,328.

1.3 Purpose of the Offer and the Placement

The purpose of the Offer and the Placement is to:

- (a) meet the expenses associated with the Recapitalisation Proposal (including the amounts paid to the Administrators under the DOCA and the Asset Agreement);
- (b) allow the Company to evaluate and develop its existing iron ore assets;
- (c) allow the Company to acquire and develop such other assets as may be identified by the Company from time to time; and
- (d) provide general working capital.

1.4 Minimum Subscription

The minimum subscription pursuant to the Offer is \$1,400,000 and the maximum subscription is \$1,990,672. No New Shares or New Options will be allotted or issued until the Minimum Subscription has been received.

1.5 Offer not underwritten

The Offer under this Prospectus is not underwritten.

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1.6 Use of funds

It is proposed that the total funds raised under the Offer (together with the funds raised under the Placement) will be allocated in the following manner:

	Minimum raising \$	Maximum raising \$
Funds raised under the Offer	1,400,000	1,990,672
Funds raised under the Placement	510,328	510,328
Total funds raised	1,910,328	2,501,000
Use of funds		
Expenses associated with the Recapitalisation Proposal (including cost of the Offer and the Placement)	315,000	350,000
Payments made under the DOCA	450,000	450,000
Payments made under the Asset Agreement	40,001	40,001
Evaluation and development of existing iron ore assets	550,000	850,000
Evaluation and acquisition of new assets	300,000	450,000
General working capital	255,327	360,999
Total funds utilised	1,910,328	2,501,000

Notwithstanding the allocations set out above, in the event that circumstances change or other beneficial opportunities arise, the Directors reserve the right to vary the proposed use of funds to maximise the benefit to Shareholders. The Company will provide details of its actual expenditure in its periodic reports or as otherwise required by the ASX Listing Rules.

1.7 Terms of New Securities

The New Shares to be issued pursuant to the Offer will rank equally with all Shares currently on issue. A summary of the rights attaching to the New Shares is set out in Section 6.5. The New Options to be issued pursuant to the Offer will rank equally with all Options currently on issue (being the Listed Options and the Unlisted Options respectively). A summary of the rights attaching to the New Options is set out in Section 6.6.

1.8 Suspension from quotation

Quotation of the Company's Shares on ASX was suspended on 1 December 2014 following the appointment of the Administrators to the Company. The Company's Shares are still suspended from quotation however the Company remains on the Official List and the Company's Shares are classified as ED Securities.

The Company is in the process of completing the Recapitalisation Proposal. On completion of the Offer, the Company will apply to ASX for re-instatement of its Securities (including the New Shares and Listed Options issued as part of the Offer and the Placement) to Official Quotation. Re-instatement of the Company's Securities is at the discretion of ASX and will be subject to compliance with ASX and Corporations Act regulatory requirements. There is no guarantee that ASX will grant the reinstatement.

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1.9 Conditions attaching to Offer

The Offer under this Prospectus is conditional upon:

- (a) Shareholders approving the issue of the Shares and Options pursuant to this Prospectus at a general meeting to be held on 3 March 2016;
- (b) the Minimum Subscription being achieved; and
- (c) the Shares and Listed Options to be issued pursuant to this Prospectus being admitted to Official Quotation on ASX.

If the conditions to the Offer are not satisfied within 3 months after the date of this Prospectus, no New Securities will be issued. Application monies will be refunded in full without interest in accordance with the Corporations Act.

The Company has received conditional approval from ASX for the reinstatement of its Securities to Official Quotation after completion of the Recapitalisation Proposal. The Company expects it will be able to comply with these conditions on or shortly after completion of the Offer.

1.10 Risk factors

Investing in the Company involves risk. There are factors, both specific to the Company and of a general nature, which may affect the future operating and financial performance of the Company. Some of these factors can be mitigated by appropriate commercial action. However, many are outside the control of the Company, dependent on the policies adopted and approaches taken by regulatory authorities, or cannot otherwise be mitigated. If you are unsure about subscribing for New Securities, you should first seek advice from your stockbroker, accountant, financial or other professional adviser.

A summary of some of the key risks relevant to the Company and its operations is set out in Section 5.

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2. Details of the Offer

2.1 Opening and Closing Dates

The Offer will open for receipt of acceptances at 9.00am on 3 February 2016 and will close at 5.00pm WST on 3 March 2016, or such other time and date as the Directors, in their absolute discretion, may determine.

2.2 Applications for New Securities

Applications under the Offer must be for a minimum of 25,000 Shares at \$0.02 each and thereafter in multiples of 5,000 Shares at \$0.02 each and can only be made by completing the Application Form attached to or accompanying this Prospectus. Cheques should be in Australian currency and made payable to "Cabral Resources Limited" and crossed "Not negotiable".

Completed Application Forms must be accompanied by the application monies and lodged in person or by post at the following addresses:

By Hand Delivery: Cabral Resources Limited Offer
c/- Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138
(Please do not use this address for mailing purposes)

By Post: Cabral Resources Limited Offer
c/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235

Application Forms must be completed in accordance with the instructions set out on the back of the Application Form.

Applications must be received by 5.00 pm WST on 3 March 2016 (subject to the right of the Directors to close the Offer earlier or to extend this date without notice).

If an Application Form is not completed correctly or if the accompanying payment is for the wrong amount, it may still be accepted. Any decision of the Directors as to whether to accept an Application Form, and how to construe, amend or complete it shall be final. An Application Form will not however, be treated as having offered to subscribe for more Shares than is indicated by the amount of the accompanying cheque.

No brokerage, stamp duty or other costs are payable by applicants in respect of an Application for New Securities under this Prospectus.

2.3 Offer not underwritten

The Offer under this Prospectus is not underwritten.

2.4 Lead manager

CPS has been appointed the lead manager to the Offer.

The Company will pay CPS a fee of 6% (plus GST) of the total amount subscribed (and accepted by the Company) pursuant the Offer. CPS will be responsible for paying any fee (out of its own funds) to other brokers or securities licensees that successfully place New Securities pursuant to the Offer.

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2.5 Minimum Subscription

The Offer is subject to the Company receiving the Minimum Subscription. If the Minimum Subscription is not achieved within 3 months after the date of issue of this Prospectus, the Company will either repay the Application monies to the Applicants or issue a supplementary or replacement prospectus and allow Applicants one month to withdraw their Application and be repaid their Application monies.

2.6 Allotment and allocation policy

The allottees of the New Securities under the Offer will be determined at the sole discretion of the Directors. Where the number of New Shares and New Options granted is less than the number applied for, or where no allotment is made, surplus Application monies will be refunded without any interest to the Applicant as soon as practicable after the Closing Date.

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

The Company will proceed to allocate New Securities as soon as possible after the Closing Date and receiving ASX permission for Official Quotation of the New Securities.

Successful Applicants will be notified in writing of the number of New Securities allocated to them as soon as possible following the allocation being made.

It is the responsibility of Applicants to confirm the number of New Securities allocated to them prior to trading in New Securities. Applicants who sell New Securities before they receive notice of the number of New Securities allocated to them do so at their own risk.

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

2.7 Secondary trading restrictions

The purpose of this Prospectus is to:

- (a) facilitate the issue of New Shares and New Options under the Offer; and
- (b) remove any trading restrictions on the sale of any Shares and Options issued by the Company pursuant to the Placement.

Section 708A(11) of the Corporations Act provides that a sale offer of securities does not need disclosure to investors if:

- (a) the relevant securities are in a class of securities that are quoted securities of the body; and
- (b) either:
 - (1) a prospectus is lodged with ASIC on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
 - (2) a prospectus is lodged with ASIC before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and

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- (c) the prospectus is for an offer of securities issued by the body that are in the same class of securities as the relevant securities.

The Shares and Option issued pursuant the Placement were issued between 30 October 2015 and 2 November 2015.

2.8 Quotation of New Securities

The Company will make application to ASX within 7 days following the date of this Prospectus for Official Quotation of the Shares and the Listed Options to be issued pursuant to this Prospectus.

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

A decision by ASX to grant Official Quotation of the Shares and Listed Options to be issued pursuant to this Prospectus 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 and New Options offered for subscription.

The Company does not intend to seek Official Quotation of the Unlisted Options.

2.9 CHESS

The Company will apply to the ASX Settlement and Transfer Corporation Pty Ltd (**ASTC**) for the New Securities to participate in the Securities Clearing House Electronic Subregister System known as CHESS. After allotment of the New Securities, those who are issuer sponsored holders will receive an issuer sponsored statement and those who are CHESS holders will receive an allotment advice.

The CHESS statements, which are similar in style to bank account statements, will set out the number of New Securities allotted to each successful applicant pursuant to this Prospectus. The statement will also advise holders of their Holder Identification Number (HIN). Further statements will be provided to holders which reflect any changes in their holding in the Company during a particular month.

2.10 Electronic prospectus

An electronic version of this Prospectus is available from the Company's website at www.cabralresources.com.au

Pursuant to Class Order 00/44, ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

The Acceptance Form may only be distributed together with a complete and unaltered copy of the Prospectus. The Company will not accept a completed Acceptance Form if it has reason to believe that the investor has not received a complete paper copy or electronic copy of the Prospectus or if it has reason to believe that the Acceptance Form or electronic copy of the Prospectus has been altered or tampered with in any way.

The Offer contemplated by this Prospectus is only available in electronic form to persons receiving an electronic version of this Prospectus within Australia.

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2.11 Overseas investors

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia and New Zealand 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 law. No action has been taken to register or qualify these Securities or otherwise permit a public offering of the Securities the subject of this Prospectus in any jurisdiction outside Australia and New Zealand.

It is the responsibility of Applicants outside Australia and New Zealand to obtain all necessary approvals for the allotment and issue of Shares and Options pursuant to this Prospectus. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by the Applicant that all relevant approvals have been obtained.

Notwithstanding the above, the Company may (in its absolute discretion) extend the Offer to certain institutional Shareholders and other parties who have registered addresses outside Australia and New Zealand (but not in the United States) in accordance with applicable law.

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3. Company Information

3.1 Introduction

The Company was incorporated on 6 July 1994 as Auschina Corp Limited. Since incorporation, the Company has had a number of name changes, the most recent of which is Cabral Resources Limited.

The principal activities of the Company consist of mineral exploration in Bahia State, Brazil, predominately for iron ore.

3.2 Deed of Company Arrangement

On 1 December 2014, the former directors of the Company appointed Joseph Hayes and Barry Kogan of McGrathNicol as the joint and several Administrators of the Company under section 436A of the Corporations Act. The Company's securities were suspended from trading on ASX on that day and remain suspended.

On 5 March 2015, the Administrators and CPS executed a term sheet pursuant to which CPS agreed to recapitalise the Company in accordance with the terms of the Recapitalisation Proposal set out in Section 3.3 below. Amongst other things, the Recapitalisation Proposal provided for contributions totalling \$450,000 to be paid to the Administrators by CPS for the benefit of the Company's creditors.

At a meeting of the Company's creditors held on 19 March 2015, creditors voted in favour of the Company entering into a DOCA and a Creditors Trust Deed to give effect to the Recapitalisation Proposal and on 13 April 2015 a DOCA and Creditor Trust Deed were executed by the Company, the Administrators and CPS. The Administrators were the Deed Administrators under the DOCA and are the Trustees under the Creditors Trust Deed.

Shortly after their appointment, and in parallel with the Recapitalisation Proposal, the Administrators commenced a sale process for the exploration assets of the Company. The sale assets included the Company's interest in its Brazilian iron ore tenements known as the Sincora Area.

On 10 July 2015, the Administrators and CPS executed the Asset Agreement which provided for the Company's subsidiaries, Northern Yeelirrie Pty Ltd and Cabral Metais Ltda (including that subsidiary's interests in the Brazilian iron ore tenements noted above), to be retained by the Company on termination of the DOCA. The consideration payable to the Administrators pursuant to this agreement was \$40,001 was is conditional upon completion of the DOCA.

CPS has been funding many of the direct expenses of the Company during the DOCA period including payments made under the DOCA and the Asset Agreement. CPS has received Shares and Options under the Placement in satisfaction of these payments made on behalf of the Company.

3.3 Recapitalisation Proposal

The principal features of the Recapitalisation Proposal are as follows:

- (a) consolidation of the Company's existing issued capital on a 1 for 100 basis;
- (b) the issue of:
 - (1) up to 145,000,000 Shares;
 - (2) up to 50,000,000 Listed Options; and
 - (3) up to 30,000,000 Unlisted Options,

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to raise up to \$2,501,000;

- (c) the appointment of three new directors to the Company, being Eddie King, Gregory D'Arcy and Steven Formica;
- (d) the payment of \$450,000 to the Administrators pursuant to the DOCA for the benefit of the Company's creditors; and
- (e) the Company's Securities being reinstated to Official Quotation on ASX.

At the date of this Prospectus, only items 3.3(b) and (e) remain outstanding.

3.4 Shareholder meeting

On 1 October 2015, the Shareholders of the Company approved a series of resolutions to give effect to the Recapitalisation Proposal, including the issue of the Shares and Options referred to in section 3.3(b). Shareholders also approved two Directors of the Company, Messrs Eddie King and Gregory D'Arcy, participating in that issue.

3.5 Termination of Deed of Company Arrangement

On 13 October 2015, CPS paid the balance of the amounts due under the DOCA and the Asset Agreement to the Administrators, at which time the DOCA terminated and control of the Company passed to the Directors. CPS has paid a total of \$450,000 to the Administrators pursuant to the DOCA and \$40,001 pursuant to the Asset Agreement. CPS has received Shares and Options under the Placement in satisfaction of these payments made on behalf of the Company.

3.6 Placement

On 30 October 2015 and 2 November 2015 the Company issued 28,300,000 Shares, 17,600,000 Listed Options and 12,400,000 Unlisted Options to CPS and to various Sophisticated and Professional Investors to raise a total of \$510,328 pursuant to the Shareholder approvals obtained on 1 October 2015. However, the Company was unable to issue the balance of the Shares and Options within the 3 month time limit provided under the ASX Listing Rules. Accordingly, the Company is seeking a further Shareholder approval to complete the Offer at a general meeting to be held on 3 March 2015. The issue of the New Shares and New Options under this Prospectus is conditional upon this Shareholder approval being obtained.

3.7 Business plan and strategy

After completion of the Offer and the Recapitalisation Proposal, the Company intends to progress its core business activities of mineral exploration in Bahia State, Brazil.

As noted above, the Company has entered into an agreement with the Administrators to retain the Company's current interest in the Brazilian iron ore tenements known as the Sincora Area and the Recapitalisation Proposal will provide funding for the Company to undertake a review and due diligence in respect of those tenements. A list of the tenements which have been retained by the Company is set out in Schedule 1.

The review and due diligence process is expected to take up to 3 months. Upon satisfactory completion of the review and due diligence process, the Company intends to advance the tenements. Should the due diligence not meet expectations, the Company will assess its options regarding the tenements with the goal of extracting maximum Shareholder value.

In parallel to the due diligence and review process, the Company also intends to assess and seek new business or investment opportunities. The Company is not limiting itself to the

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exploration and resource sector, and as such, may enter into other industries or sectors that it is not currently in.

3.8 Cabral Brazil

The Company's Australian subsidiary, Cabral Brazil, is in liquidation.

Cabral Brazil is the holder of various iron ore tenements in Bahia State, Brazil known as the Brumado Complex. These tenements have been retained by Cabral Brazil for the benefit of its creditors.

The Brumado Complex tenements have been previously been ascribed nil value in the Company's financial statements. Accordingly, the Directors do not believe that the retention of these tenements by Cabral Brazil will have a significant impact on the prospects of the Company after completion of the Recapitalisation Proposal.

3.9 Directors

The names and details of the Directors in office at the date of this Prospectus are as follows:

(a) Mr Eddie King

Mr King is a qualified Mining Engineer. Mr King holds a Bachelor of Commerce and Bachelor of Engineering from The University of Western Australia. Mr King is currently a Representative for CPS. Mr King's past experience includes being Manager for an investment banking firm, where he specialised in the technical and financial requirements of bulk commodity and other resource projects. Mr King is also a director of ASX listed company Lindian Resources Limited (ASX:LIN).

(b) Mr Gregory D'Arcy

Mr D'Arcy holds a Bachelor of Commerce from Murdoch University and a Post Graduate Diploma of Applied Geology from Curtin University. Since 2008, Mr D'Arcy has been the Managing Director of Report Card Pty Ltd which owns and operates the Australian stock market forum known as HotCopper (hotcopper.com.au). As the sole director of this company he has been responsible for expanding the business, budgeting, making critical decisions, setting timelines and managing staff. Prior to this role, Mr D'Arcy worked in commercial real estate in both Perth and Melbourne.

(c) Mr Steven Formica

Mr Formica is a successful businessman with over 30 years' experience. Mr Formica has been involved in multiple successful business ventures either as a founding shareholder, operational Managing Director or as a Non-Executive Director. Mr Formica is currently a director of both FPG Projects and Viridian Property Group, both successful property developers and is a Non-Executive director of ASX listed company Lindian Resources Limited (ASX:LIN).

3.10 Management

The Company does not have any employees as at the date of this Prospectus and does not currently have any intention to employ staff in the immediate future. The Company intends to utilise the experience of industry consultants to assist the Directors to implement the Company's business plan.

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3.11 ASIC Regulatory Guide 228

The following information is provided pursuant to ASIC Regulatory Guide 228.113.

Eddie King and Steven Formica were directors of Bundok Resources Pty Ltd ACN 141 401 710 (**Bundok**), a wholly owned subsidiary of Lindian Resources Limited. On 11 March 2015, voluntary administrators were appointed to Bundok and at the second meeting of the company's creditors held on 23 April 2015, a special resolution was passed to wind up the company.

Steven Formica was, and still is, the sole director of Byford Central Pty Ltd ACN 107 147 955 (**Byford**). On 5 January 2012, St George Bank Limited appointed receivers to Byford. The receivers retired on 9 October 2014.

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4. Effect of the Offer

4.1 Principal effect

The principal effects of the Offer will be to:

- (a) increase cash reserves and equity by up to \$1,661,000 after the costs of the Recapitalisation Proposal have been met;
- (b) increase the total number of Shares on issue from 31,237,898 Shares to up to 147,937,898 Shares; and
- (c) increase the total number of Options on issue from 30,000,000 Options to up to 80,000,000 Options.

4.2 Financial position

Set out below is a summary of the consolidated statement of financial position for the Company as at 30 June 2015 (as extracted from the Company's audited financial reports prepared by Nexia Court & Co.) and a pro-forma statement of financial position as at the same date. The pro-forma statement of financial position incorporates the effects of the Offer for both the minimum and maximum raisings.

	Note	Audited as at 30 June 2015 \$'000	Unaudited Pro forma - Minimum Raising \$'000	Unaudited Pro forma - Maximum Raising \$'000
Current Assets				
Cash assets	1,2,3	202	1,105	1,661
Receivables	1	33	-	-
Non-current assets held for sale		2,896	-	-
Total Current Assets		3,131	1,105	1,661
Non-Current Assets				
Fixed assets		-	-	-
Receivable in respect of Joint Venture		-	-	-
Exploration assets		-	2,896	2,896
Total Non-Current Assets		-	2,896	2,896
Total Assets		-	4,001	4,557
Current Liabilities				
Payables	1	481	-	-
Provisions	1	654	-	-
Borrowings	4	2,896	2,896	2,896
Total Current Liabilities		4,031	2,896	2,896
Total Liabilities		4,031	2,896	2,896
Net Assets/(Liabilities)		(900)	1,105	1,661

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		Audited as at 30 June 2015	Unaudited Pro forma - Minimum Raising	Unaudited Pro forma - Maximum Raising
Equity				
Contributed equity	2,3	39,938	41,443	41,999
Retained losses		(40,838)	(40,338)	(40,338)
Total Equity		(900)	1,105	1,661

Notes to pro forma consolidated statements of financial position and post balance date transactions

The above pro forma statement of financial position was prepared assuming completion of the following transactions (and the statement should be read in conjunction with these notes):

1. Effectuation of the DOCA and creation of the Creditors' Trust resulting in certain assets of the Company being transferred to the Creditors' Trust and creditors' claims against the Company being extinguished.
2. Issue of up to 145,000,000 Shares and up to 80,000,000 Options for a total amount of \$2,501,000 (in the case of the maximum raising) and \$1,910,328 (in the case of the minimum raising). These amounts include the amount of \$510,328 raised pursuant to the Placement.
3. A provision of up to \$350,000 has been made for the costs of the Recapitalisation Proposal, comprising legal, accounting and other professional costs of \$200,000 and placement fees of up to \$150,000 based on the promotion of the Recapitalisation Proposal by CPS as lead manager. The difference in contributed equity is \$2,501,000 equity raised less provision for the costs of the Recapitalisation Proposal of \$350,000 (in the case of the maximum raising) and \$1,910,328 equity raised less provision for the costs of the Recapitalisation Proposal of \$315,000 (in the case of the minimum raising).
4. An amount of BRL 6,940,494 (approximately AUD 2,895,574 at 30 June 2015) is payable by Cabral Metais Ltda (a wholly owned subsidiary of the Company) to Cabral Mineracao Ltda (a wholly owned subsidiary of Cabral Brazil). Due to Cabral Brazil (a wholly owned subsidiary of the Company) being in liquidation and deemed for accounting purposes to have exited the consolidated group, this borrowings amount cannot be eliminated upon consolidation, despite both Cabral Metais Ltda and Cabral Mineracao Ltda having the same ultimate parent.

Basis of preparation

The consolidated statements of financial position have been prepared as an abridged version for the purposes of the Prospectus and do not include all the disclosures required under Australian accounting standards as required for annual financial statements or a half year report.

The consolidated statements of financial position are based on the accounting policies of the Company as included in the 30 June 2015 audited financial report.

The basis of preparation includes the historical cost basis and, except for the calculation of the fair value of the options to be issued and where elsewhere stated, do not take into account changing money values or fair values of non-current assets.

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The financial statements have also been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the ordinary course of business. Whilst the Directors believe sufficient funds are held for commitments over the next 12 months, including for exploration purposes, the ability of the consolidated entity beyond that period or for exploration and operations purposes, to maintain continuity of normal business activities and to pay its debts as and when they fall due, is dependent on the ability of the consolidated entity to successfully raise additional funding and/or the successful exploration and subsequent exploitation of areas of interest.

The pro-forma consolidated statements of financial position have been prepared based on unaudited consolidated management accounts as at 31 December 2014, adjusted for the effects of the Offer. There were no other post 31 December 2014 transactions that were considered significant that required inclusion in the pro-forma.

4.3 Capital Structure

The capital structure of the Company after completion of the Offer will be as follows, assuming the Offer is fully subscribed:

	Shares	Options
Securities on currently issue	31,237,898	30,000,000
New Securities issued under the Offer	116,700,000	50,000,000
Totals	147,937,898	80,000,000

Note: If only the Minimum Subscription is raised, the total number of Securities on issue will be approximately 113,310,685 Shares and 65,164,000 Options.

4.4 Effect on control

Section 606 of the Corporations Act restricts a person from acquiring a relevant interest in shares in a listed company if that person's voting power in the company increases:

- (a) from 20% or below to more than 20%; or
- (b) from a starting point that is above 20% and below 90%.

The Directors have determined that no party will be allotted New Shares or New Options such that they would, by virtue of the allotment of such New Shares or New Options, acquire a relevant interest in voting Shares exceeding 20% or increase the relevant interest in voting shares from a starting point that is above 20%.

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5. Risk factors

5.1 Introduction

The New Securities offered by this Prospectus should be considered speculative. The Directors strongly recommend that you examine the contents of this Prospectus and consult your professional advisors before deciding whether to invest in the Company's Shares.

An investment in the Company will be exposed to a number of key risks related to its specific business operations. Key risks are risks that the Directors and senior management of the Company focus on when managing the business and which would have the potential, upon occurrence, to significantly affect the Company and the value of investments in the Company. An overview of these key risks is provided in Section 5.2.

An investment in the Company is also subject to general risks that are common to all investments in shares and are not specific to the business model and operations of the Company. These include, for example, the volatility of the share prices as a result of economic conditions. An overview of these general risks is provided in Section 5.2(a).

Some of the risks may be mitigated by the Company using safeguards and appropriate systems and taking certain actions. Some of the risks may be outside the control of the Company and not capable of mitigation. The following risk factors are not exhaustive but represent some of the major risk factors that may affect the future operating and financial performance of the Company and the value of an investment in it.

5.2 Key risks specific to an investment in the Company

Investors should be aware of the key risks specific to an investment in the Company as described below.

(a) Re-quotation of Securities on ASX

The Company's Securities are currently suspended from quotation on ASX. There is a risk that the Company may not be able to meet the requirements of ASX for re-quotation of its Securities on the ASX. Should this occur, any New Securities issued pursuant to this Prospectus will not be able to be traded on the ASX until such time as those requirements can be met, if at all.

(b) Exploration and mining

Mining exploration is an inherently speculative endeavour and associated with various risks. There can be no assurance that exploration of the tenements held by the Company will result in the discovery of recoverable resources. Even if resources are identified, there is no guarantee that those resources can be economically exploited. Other factors such as adverse weather conditions, operational and technical difficulties, geological conditions, lack of sufficient water or power sources, industrial and environmental accidents, occupational health or safety issues, labour disputes, lack of access to key infrastructure such as railway and port facilities or ability to access such infrastructure on favourable commercial terms, adverse changes in government policy or legislation or a lack of access to sufficient funding may mean that any resources discovered are not economically recoverable or may otherwise preclude the Company from successfully mining and exploiting those resources.

(c) Iron ore price volatility

If the Company achieves success leading to mineral production, a significant proportion of the Company's revenues and cash flows are likely to be derived from the sale of iron ore. In this event, it is likely that the financial performance of the Company will be sensitive to iron ore prices.

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Iron ore prices are affected by numerous factors and events that are beyond the control of the Company. These factors and events include general economic activity, demand for the commodity, and forward selling and costs of production by other iron ore producers. Commodity prices are also affected by macroeconomic factors such as expectations regarding inflation, interest rates, currency exchange rates (particularly the strength of the US dollar) as well as general global economic conditions and political trends. If iron ore prices should fall below or remain below the Company's costs of production for any sustained period due to these or other factors and events, the Company's exploration and production could be delayed or even abandoned.

A delay in exploration or production or the abandonment of one or more of the Company's projects may require the Company to revise downwards its iron ore reserves and will have a material adverse effect on the Company's financial position.

It is difficult to predict accurately future demand and iron ore price movements and how such movements may adversely impact the Company's profitability, financial position and performance, prospects, future development and any future production.

(d) Resources and reserves estimates

Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates that were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, Resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans that may, in turn, adversely affect the Company's operations.

There can be no guarantee that the Company will be able to convert the results from previous or proposed exploration into classification under the JORC Code. The inclusion of Resource estimates should not be regarded as a representation that these amounts can be economically exploited and investors are cautioned not to place undue reliance on Resource estimates.

(e) Asset carrying values

Under AASB 6 "Exploration for and Evaluation of Mineral Resources" the Company must periodically critically consider and review its Balance Sheet carrying values for exploration and evaluation of mineral resources. In particular, relevance to the question of whether the carrying value needs to be assessed for impairment is AASB paragraph 20(b) which stipulates that if "substantive expenditure on further exploration for the evaluation of mineral resources in the specific area is neither budgeted nor planned" is a key determinant. The Company has been in external administration since 1 December 2014 and has not advanced its iron ore tenements since that date. On completion of the Recapitalisation Proposal, the Directors of the Company intend to conduct a further review of these tenements before deciding whether to advance them. Accordingly, there is no guarantee that there will be any further exploration for the evaluation of mineral resources in relation to those tenements.

As at the date of this Prospectus no decision has been formally taken by the Directors of the Company in relation to the carrying value of the Company's portfolio of iron ore tenements and whether any impairment of the carrying value of those assets needs to be made in the Company's financial statements.

(f) Economic risk and external market factors

Factors, such as, but not limited to, political movements, stock market trends, changing customer preferences, interest rates, inflation levels, commodity prices, industrial

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disruption, environmental impacts, international competition, taxation changes and legislative or regulatory changes, may all have an adverse impact on the Company's operating activities, costs, profit margins and share price. These factors are beyond the control of the Company and the Company cannot, to any degree of certainty, predict how they will impact on the Company.

(g) Operational risk

The operations of the Company may be affected by various factors, including failure to locate or identify sufficient mineral resources or economic mineral deposits, failure to achieve predicted grades or other contaminant levels in iron ore exploration and mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated problems which may affect extraction costs, lack of access to key infrastructure such as railway and port facilities or ability to access such infrastructure on favourable commercial terms, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

(h) Exploration costs

The Company's proposed exploration costs are based on assumptions with respect to the method and timing of exploration. Accordingly, these estimates and assumptions are subject to significant uncertainties and the actual costs may materially differ from these estimates and assumptions.

(i) Regulatory issues and changes in law

The current and any proposed exploration activities and operations of the Company require government approvals in the form of the grant of mineral exploration tenements, Guia De Utilização (or trial mining) licenses, mining leases, miscellaneous licences, landowner agreements and environmental approvals. There is a risk that onerous conditions may be attached to these approvals, licenses and/or agreements or that the grant of such approvals, licenses and/or agreements may be delayed or not occur at all.

It is also possible that government action, policy change and new legislation in Australia, Brazil and other jurisdictions may have a material adverse effect on the Company's current and future business, operations and financial performance. For example, current laws may be amended or new laws established to address concerns relating to the use, mining and transportation of mineral resources, the treatment of lands and infrastructure, the production of carbon dioxide, the remediation of mines, tax, royalty and environmental conservation.

(j) Exchange rate risk

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of iron ore exposes the potential income of the Company to commodity price and exchange rate risks. Revenue of iron ore sold in Brazil may be received in Brazilian real, whereas the income and expenditure of the Company are and will be taken into account in Australian currency.

Furthermore, international prices of various commodities are denominated in US dollars, which means that international sales of iron ore are likely to be denominated in US dollars. These factors expose the Company to the fluctuations and volatility of the rate of exchange between the US dollar and the Australian dollar as determined in international markets.

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Exchange rates are affected by a number of factors that are beyond the control of the Company. These factors include economic conditions, interest rates, inflation and other macroeconomic factors. These factors may have a positive or negative effect on the Company's exploration, project development and production plans and activities as well as the Company's ability to fund those plans and activities.

(k) Environmental risk

Exploration activities and mining operations have inherent risks and liabilities associated with pollution of the environment and disposal of waste products. the Company's activities in Brazil will be subject to various laws and regulations regarding environmental matters and the discharge of hazardous waste and materials.

Development of any iron ore resources will be dependent on the project meeting environmental guidelines and gaining approvals from the relevant government authorities. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. Despite the Company's best intentions and best efforts to conduct its activities in an environmentally responsible manner, there remains a risk that environmental and/or community incidents may occur that may negatively impact on the Company's reputation or licence or permits to operate or conduct its intended activities.

(l) Reliance on key personnel

The Company's success depends on the continued services of its key personnel. Due to management's experience and the important role they have taken in overseeing the day-to-day operations and the strategic management of the Company, the Company could be adversely affected if any of them ceased to actively participate in the management of the Company or left the Company entirely. As there may be a limited number of persons with the requisite experience and skills to serve in the Company's senior management positions if existing management leave the Company, the Company may not be able to locate or employ qualified executives on acceptable terms. If the Company cannot attract, train and retain qualified managers, the Company may be unable to successfully manage its growth plans.

(m) Future capital requirements

No assurance can be given that any financing required from time to time will be available on terms favourable to the Company. In such circumstances, if the Company is unable to secure financing on favourable terms, this may have a material adverse effect on the Company. Any additional equity financing may be dilutive to Shareholders, and may possibly be undertaken at lower prices than the current market price.

(n) Litigation and disputes

Legal and other disputes may arise from time to time in the ordinary course of operations. Any such dispute may impact on earnings or affect the value of the Company's assets.

(o) Insurance risk

The Company's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures and natural phenomena such as inclement weather conditions (including cyclones), floods and earthquakes.

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Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to the Company's properties and the properties of others, delays in development or mining, monetary losses and possible legal liability.

Although the Company maintains insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all of the potential risks associated with its operations. The Company may also be unable to maintain insurance to cover those risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. Losses from any of these events may cause the Company to incur significant costs that could have a material adverse effect on its financial performance and results of operations.

(p) Other external factors

Other external factors may impact the Company's performance, including changes or disruptions to political, regulatory, legal or economic conditions or to the national and international markets. Natural phenomenon such as fire, earthquake, flood or cyclone may occur and some of the assets of the Company may not be insured for such an event. Events of this nature can affect a party's ability to perform its contractual obligations.

War or terrorist attacks anywhere in the world could result in a decline in economic conditions worldwide or in a particular region. There could also be a resultant material adverse effect on the business, financial condition and financial performance of the Company.

In addition, there are a number of general risks that are common to all investments in shares and are not specific to the business model and operations of the Company. Further details regarding risks which may affect the Company in the future are set out in Section 5.

The New Securities offered under this Prospectus carry no guarantee of profitability, dividends, return of capital or the price at which they may trade on ASX. The past performance of the Company should not necessarily be considered a guide to their future performance.

5.3 General Risks

(a) Share market conditions

The value of securities quoted on ASX will be subject to varied and often unpredictable influences on the market for equities and particularly for speculative stocks such as the Company's. It is important to recognise that security prices may fall as well as rise, and the New Securities issued pursuant to this Prospectus may trade below or above their issue price. The price of the Company's Securities, when quoted on the ASX, will be influenced by international and domestic factors as well as general equity market fluctuations. Should these produce a negative effect on the price of the Company's Securities, this may also affect the Company's ability to raise development capital.

(b) Dividends

There is no guarantee as to future earnings of the Company or that the Company will be profitable and there is no guarantee that the Company will be in a financial position to pay dividends.

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At the time of issue of this Prospectus, the Directors do not anticipate that any dividend will be declared in respect of the current financial year and no dividends are anticipated to be declared for the foreseeable future.

(c) Dilution risk

The Company may require further financing in addition to amounts raised under the Offer in the future. If any additional funds are raised through the issue of further securities, Shareholders voting and relevant interest in the Company may be diluted if they do not participate in the Offer.

(d) Liquidity

As with all securities listed on ASX, there can be no guarantee that an active market in the Company's Securities will develop over and above its current levels. There may be relatively few or many potential buyers or sellers of the Company's Securities on ASX at any given time. This may increase the volatility of the market price of the Securities. It may also affect the prevailing market price at which Security holders are able to sell their Securities. This may result in Security holders receiving a market price for their Securities which is less than the price they paid for those Securities.

(e) General economic conditions

Factors such as inflation, currency fluctuations, interest rates, supply and demand, industrial disruption, government policy and legislation have an impact on operating costs, commodity prices, and the parameters in which the Company operates. Factors that may be beyond the control of the Company include:

- (1) general economic conditions in Australia and the United States and their trading partners and, in particular, inflation rates, interest rates, exchange rates, commodity supply and demand factors;
- (2) financial failure or default by a participant in any of the joint ventures or other contractual relationship to which the Company is, or may become, a party;
- (3) insolvency or other managerial failure by any of the contractors used by the Company in its activities; and
- (4) industrial disputes.

These as well as other conditions can affect the Company's future revenues and profitability and the price of its securities.

(f) Changes in government policies and laws

Changes in government laws, regulations, policies and administrative regimes, particularly those affecting ownership of mineral interests, taxation, royalties, land access, labour relations, environmental pollution and mining and exploration activities, may adversely affect the financial performance or the current and proposed operations generally of the Company. These changes may increase operating costs and may have a material adverse effect on the Company.

(g) Industrial risk

Industrial disruptions, work stoppages and accidents in the course of the Company's operations could result in losses and delays, which may adversely affect profitability.

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(h) Management actions

The Directors will, to the best of their knowledge, experience and ability (in conjunction with management) endeavour to anticipate, identify and manage the risks inherent in the activities of the Company, but without assuming any personal liability for same, with the aim of eliminating, avoiding and mitigating the impact of risks on the performance of the Company and its Securities.

5.4 Speculative nature of investment

The above list of risk factors is not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. Whether or not income will result from projects undergoing exploration, development and production programs is dependent on the successful establishment of exploration operations. Factors including costs, equipment availability, oil prices affect successful project development as does the design and construction of efficient exploration facilities, competent operation and management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced consultants. In particular, changes in global economic conditions (including changes in interest rates, inflation, foreign exchange rates and labour costs) as well as general trends in the Australian and overseas equity markets may affect the Company's operations and particularly the trading price of the New Shares on the ASX.

The New Securities offered under this Prospectus should be considered speculative in nature and investors should be aware that they may lose some or all of the value of their investment.

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6. Additional information

6.1 Transaction specific prospectus

This Prospectus is issued under the special prospectus content rules for continuously quoted securities (and options to acquire continuously quoted securities) in section 713 of the Corporations Act. This enables listed disclosing entities, such as the Company, to issue a prospectus for continuously quoted securities with modified disclosure requirements if they satisfy certain requirements. The information in this Prospectus principally concerns the terms and conditions of the Offer and the information reasonably necessary to make an informed assessment of:

- (a) the effect of the Offer on the Company; and
- (b) the rights and liabilities attaching to the New Securities.

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

6.2 Continuous reporting and disclosure obligations

The Company is listed on ASX and its Shares are quoted on ASX under the ticker code "CBS". The Company is a disclosing entity for the purposes of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations, which require it to disclose to ASX any information of which it is or becomes aware concerning the Company and which a reasonable person would expect to have a material effect on the price or value of securities.

Copies of the documents lodged by the Company with ASIC may be obtained from, or inspected at, an office of ASIC.

The Company will provide a copy of any of the following documents, free of charge, to any Shareholder who asks for a copy of the document before the Closing Date:

- (a) the annual report for the Company for the year ended 30 June 2015;
- (b) any other financial statements lodged in relation to the Company with ASIC and any continuous disclosure notices given to ASX, in the period since the release of the last annual report on 15 December 2015, being the following documents:

Announcement	Date
Notice of General Meeting	01/02/2016
Results of Annual General Meeting	01/02/2016
ASIC relief under s 741(1)(b)	21/01/2016
Notice of Annual General Meeting	23/12/2015
Appendix 4G	15/12/2015
Annual Report to Shareholders	15/12/2015

6.3 Market Share Price

The Company's Shares are currently suspended from trading on ASX and, as such, no market prices are available. There are no listed options currently on issue.

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6.4 Constitution

The Constitution is in a form common to public companies in Australia. The Company will provide a copy of the Constitution to any Shareholder upon request, free of charge.

6.5 Rights and liabilities attaching to New Shares

The rights attaching to ownership of the New Shares are set out in the Company's Constitution, a copy of which is available for inspection at the registered office of the Company during business hours. The following is a summary of the principal rights of holders of the New Shares, subject to any special rights attaching to any class of share at a future time. This summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities of the Company's Shareholders.

(a) Voting

At a general meeting of the Company on a show of hands, every member present in person, or by proxy, attorney or representative has one vote and upon a poll, every member present in person, or by proxy, attorney or representative has one vote for every Share held by them.

(b) Dividends

The New Shares will rank equally with all other issued shares in the capital of the Company and will participate in dividend out of profits earned by the Company from time to time. Subject to the rights of holders of shares with any special preferential or qualified rights attaching to them, the profits of the Company are divisible amongst the holders of Shares paid proportionately to the amounts paid on the Shares. The Directors may from time to time pay to Shareholders such interim dividends as in their judgment the position of the Company justifies.

(c) Transfer of the Shares

(1) Uncertificated System

Transfer of Shares may be effected by an instrument of transfer in accordance with any system recognised by the ASX Listing Rules and effected in accordance with the Securities Clearing House Business Rules approved under the Corporations Act or by an instrument of transfer in any usual form or by another form approved by the Directors or recognised by the Corporations Act or the ASX Listing Rules.

(2) Certificated System

Subject to the Constitution and the Corporations Act, a Shareholder's Share may be transferred by instrument in writing in any form authorised by the Corporations Act and the ASX Listing Rules or in any other form authorised by the Corporations Act and the ASX Listing Rules or in any other form that the Directors approve. No fee shall be charged by the Company on the transfer of any Shares.

(3) Acceptance of transfer

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

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(d) Winding up

Shareholders will have no further liability to make payments to the Company in the event of the Company being wound up pursuant to the provisions of the Corporations Act.

(e) Future increases in Capital

The allotment and issue of any new shares is under the control of the Directors. Subject to the Listing Rules, the Company's Constitution and the Corporations Act, the Directors may allot or otherwise dispose of new shares on such terms and conditions as they see fit.

(f) Variation of Rights

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

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of 75% of the holders of the issued shares of that class, or if authorised by a ordinary resolution passed at a separate meeting of the holders of the shares of that class.

(g) General Meeting

Each holder of Shares will be entitled to receive notice of and to attend and vote at general meetings of the Company and to receive notices, accounts and other documents required to be furnished to Shareholders under the Company's Constitution, the Corporations Act and the Listing Rules.

For more particular details of the rights attaching to ordinary shares in the Company, investors should refer to the Constitution of the Company.

6.6 Rights and liabilities attaching to New Options

The rights and liabilities attaching to the New Options will be as follows:

(a) Exercise Price

The exercise price of each Unlisted Option will be \$0.02 and the exercise price of each Listed Option will be \$0.04.

(b) Expiry Date

The New Options will expire on 2 November 2019, being 4 years from the date of issue of the Options under the Placement.

(c) Entitlement to Shares

Subject to and conditional upon any adjustment in accordance with the conditions set out below, each New Option entitles the holder to subscribe for one fully paid share upon payment of the exercise price prior to the expiry date.

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(d) Terms of exercise

The New Options may be exercised at any time wholly or in part by delivering a duly completed form of notice of exercise together with a cheque for the exercise price per New Option to the Company at any time on or after the date of issue and allotment of the New Options, on or before the expiry date.

(e) Terms of Shares

On the valid exercise of the New Options and payment of the exercise price, the Company will issue Shares ranking pari passu with the then issued Shares.

(f) Transferability

The New Options are transferable.

(g) Rights to participate in new issues etc.

New Option holders do not have any right to participate in new issues of securities in the Company made to Shareholders generally. The Company will, where required pursuant to the ASX Listing Rules, provide New Option holders with notice prior to the books record date (to determine entitlements to any new issue of securities made to shareholders generally) to exercise the New Options, in accordance with the requirements of the ASX Listing Rules.

New Option holders do not participate in any dividends unless the New Options have been exercised and the resultant Shares are issued prior to the record date to determine entitlements to the dividend.

(h) Reconstructions

In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company:

- (1) the number of New Options, the exercise price, or both will be reconstructed (as appropriate) in a manner consistent with the ASX Listing Rules as applicable at the time of reconstruction, but with the intention that such reconstruction will not result in any benefits being conferred on the holders of the New Options which are not conferred on shareholders; and
- (2) subject to the provisions with respect to rounding of entitlements as sanctioned by a meeting of Shareholders approving a reconstruction of capital, in all other respects the terms for the exercise of the New Options will remain unchanged.

(i) Pro rata issues

The New Option holder will be permitted to participate in any pro-rata issue of securities of the Company on prior exercise of the New Options, in which case the New Option Holder will be afforded a period of at least seven (7) business days prior to and inclusive of the record date to determine entitlements to the issue to exercise the New Options.

(j) Bonus issues

If there is a bonus issue to the holders of Shares in the Company, the number of Shares over which a New Options is exercisable may be increased by the number of Shares which the New Option holder would have received if the New Option had been exercised before the record date for the bonus issue.

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(k) Change in terms

The terms of the New Options may only be changed if holders (whose votes are not to be disregarded) of Shares in the Company approve of such a change. However, the terms of the New Options must not be changed to reduce the Exercise Price, increase the number of New Options or change any period for exercise of the New Options.

(l) Quotation

The Company will make an application to ASX for quotation of the Listed Options but will not make an application to ASX for quotation of the Unlisted Options.

The Company will make an application to ASX for quotation of any Shares issued upon exercise of the New Options.

6.7 Directors' interests

The nature and extent of the interest (if any) that any of the Directors of the Company holds, or held at any time during the last 2 years in:

- (a) the formation or promotion of the Company;
- (b) property acquired or to be acquired by the company in connection with:
 - (1) its formation or promotion; or
 - (2) the Offer; or
- (c) the Offer,

is set out below or elsewhere in this Prospectus.

Other than as set out below or elsewhere in this Prospectus, no one has paid or agreed to pay any amount, and no one has given or agreed to give any benefit to any director or proposed director:

- (a) to induce them to become, or to qualify as, a Director of the Company; or
- (b) for services provided by a director in connection with:
 - (1) the formation or promotion of the Company; or
 - (2) the Offer.

6.8 Interest in Securities

The Directors of the Company hold a relevant interest in the following Securities at the date of this Prospectus.

Director	Shares	Listed Options	Unlisted Options	% Shareholding
Eddie King	2,000,000	10,000,000	5,000,000	6.4
Gregory D'Arcy	500,000	1,600,000	1,400,000	1.6
Steven Formica	Nil	Nil	Nil	Nil
Totals	2,500,000	11,600,000	6,400,000	12.8

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Note: Mr King has a relevant interest in 27.8% of total capital of the Company on a fully diluted basis and Mr D'Arcy has a relevant interest in 5.7% of total capital of the Company on a fully diluted basis.

The Directors of the Company will not participate in the Offer.

6.9 Directors' fees

The following table shows the total annual remuneration for the previous 2 financial years and the current financial year to date paid to both executive and non-executive directors who are Directors as at the date of this Prospectus.

Director	Financial Year ending 30 June 2014	Financial Year ending 30 June 2015	To be paid this Financial Year
Eddie King	Nil	Nil	\$45,000
Gregory D'Arcy	Nil	Nil	\$18,000
Steven Formica	Nil	Nil	\$18,000

Note: The above disclosure relates only to current Directors and does not include directors who resigned during the periods shown. Current year's fees commenced upon effectuation of the DOCA in October 2015.

6.10 Related party transactions

From time to time the Company may be party to transactions with related parties including:

- (a) employment and service arrangements;
- (b) rental agreements; and
- (c) payment of directors fees.

The Company believes that it has made appropriate disclosure of past related party transactions and other than any further disclosure specifically set out below or made elsewhere in this Prospectus does not intend to make any further disclosure of such transactions which transactions will have either proceeded on an "arms length" basis or reasonable remuneration basis.

6.11 Interests of experts and advisers

This section applies to persons named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus, promoters of the Company and stockbrokers or arrangers to the Offer (collectively **Prescribed Persons**).

Other than as set out below or elsewhere in this Prospectus, no Prescribed Person has, or has had in the last two (2) years, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired in connection with the formation or promotion of the Company or the Offer; or
- (c) the offer of New Securities under this Prospectus.

Other than that as set out below or elsewhere in this Prospectus, no benefit has been given or agreed to be given to any Prescribed Person for services provided by a Prescribed Person in connection with:

Prospectus

- (a) the formation or promotion of the Company; or
- (b) the offer of New Securities under this Prospectus.

HopgoodGanim Lawyers have been appointed as the solicitors to the Offer and have performed work in relation to the Prospectus. In doing so, HopgoodGanim Lawyers have placed reasonable reliance upon information provided to them by the Company. HopgoodGanim Lawyers do not make any statement in this Prospectus. In respect of this work, the Company estimates that it will pay approximately \$40,000 (excluding disbursements and GST) to HopgoodGanim Lawyers. HopgoodGanim Lawyers may also be engaged from time to time by the Company on a variety of other legal matters. Further amounts may be paid to HopgoodGanim Lawyers in accordance with their normal time based charges.

CPS has been appointed as lead manager to the Company pursuant to this Prospectus and will be paid a fee of 6% (plus GST) of the total amounts raised under the Offer.

Link Market Services Limited has been appointed to conduct the Company's share registry functions and to provide administrative services in respect to the processing of Acceptances received pursuant to this Prospectus. Link Market Services Limited will be paid for these services on standard industry terms and conditions.

6.12 Expenses of the Offer

The expenses which are payable by the Company in respect of preparing and distributing this Prospectus and in respect of the Offer are estimated to be as follows:

Item	\$
ASIC fees	2,320
ASX quotation fees	9,045
Placement fees	150,000
Legal fees	40,000
Printing and despatch	8,000
Miscellaneous	7,000
Total	216,365

6.13 Consents and disclaimers

- (a) Each of the parties referred to in this Section:
 - (1) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
 - (2) to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.
- (b) CPS has given its written consent to being named as the lead manager to the Company in this Prospectus. CPS has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC

Prospectus

- (c) HopgoodGanim Lawyers have given their written consent to being named as the solicitors to the Company in this Prospectus. HopgoodGanim have not withdrawn their consent prior to the lodgement of this Prospectus with the ASIC.
- (d) Link Market Services Limited has given its written consent to being named as the share registry to the Company in this Prospectus. Link Market Services Limited has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.
- (e) Nexia Court & Co has given its written consent to being named as the auditors to the Company in this Prospectus. Nexia Court & Co has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

6.14 Subsequent events

There has not arisen, as at the date of this Prospectus, any item, transaction or event of a material or unusual nature not already disclosed in this Prospectus which is likely, in the opinion of the Directors of the Company to affect substantially:

- (a) the operations of the Company,
- (b) the results of those operations; or
- (c) the state of affairs of the Company.

6.15 Privacy

By submitting an Application Form for shares you are providing to the Company personal information about yourself. If you do not provide complete and accurate personal information, your application may not be able to be processed.

The Company maintains the register of members of the Company through Link Market Services Limited, an external service provider. The Company requires Link Market Services Limited to comply with the National Privacy Principles with performing these services. The Company's register is required under the Corporations Act to contain certain personal information about you such as your name and address and number of shares and options held. In addition the Company collects personal information from members such as, but not limited to, contact details, bank accounts and membership details and tax file numbers.

This information is used to carry out registry functions such as payment of dividends, sending annual and half yearly reports, notices of meetings, newsletters and notifications to the Australian Taxation Office. In addition, contact information will be used from time to time to inform members of new initiatives concerning the Company.

The Company understands how important it is to keep your personal information private. The Company will only disclose personal information we have about you:

- (a) when you agree to the disclosure;
- (b) when used for the purposes for which it was collected;
- (c) when disclosure is required or authorised by law;
- (d) to other members in the Company's group of companies;
- (e) to your broker;
- (f) to external service suppliers who supply services in connection with the administration of the Company's register such as mailing houses and printers, Australia Post and financial institutions.

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You have the right to access, update and correct your personal information held by the Company and Link Market Services Limited, except in limited circumstances. If you wish to access, update or correct your personal information held by Link Market Services Limited or by the Company please contact our respective offices.

If you have any questions concerning how the Company handles your personal information please contact the Company.

Prospectus

7. Directors' statement

This Prospectus is dated 3 February 2016 and is issued by the Company.

The Directors have made all reasonable enquires 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 this Prospectus by persons other than Directors, the Directors have made reasonable enquires 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 ASIC.

This Prospectus is prepared on the basis that certain matters may reasonably be expected to be known to investors or their professional advisors. Each of the Directors has consented to the lodgement of this Prospectus in accordance with Section 720 of the Corporations Act and has not withdrawn that consent.

Signed on the date of this Prospectus on behalf of the Company by:

A handwritten signature in black ink, appearing to read 'Eddie King', is written over a light blue horizontal line.

Eddie King
Director

Prospectus

8. Definitions

Terms and abbreviations used in this Prospectus have the following meaning:

Administrators mean Joseph Hayes and Barry Kogan of McGrathNicol as the joint and several Administrators of the Company.

Applicant means a person who submits an Application Form.

Application Form means the application form accompanying this Prospectus and **Application** has corresponding meanings.

ASIC means Australian Securities & Investments Commission.

Asset Agreement means the agreement between the Administrators and the Company dated 10 July 2015 relating to the sale and purchase Northern Yeelirrie Pty Ltd and Cabral Metais Ltda, being the agreement referred to in Section 3.2 of this Prospectus.

ASX means ASX Limited ACN 008 624 691.

ASX Listing Rules mean the listing rules of the ASX.

AUD means Australian dollars.

BRL means Brazilian real.

Board means the board of directors of the Company.

Business Day means day, other than a Saturday, Sunday or public holiday, on which banks are open for general banking business in Perth, Western Australia.

Closing Date means the date by which valid acceptances must be received by the Share Registry being 3 March 2016 or such other date determined by the Board.

Cabral Brazil means Cabral Brazil Pty Limited ACN 144 001 043 (in Liquidation)

Company or Cabral means Cabral Resources Limited ACN 064 874 620

Constitution means the constitution of the Company.

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

CPS means CPS Capital Group Pty Ltd ACN 088 055 636.

Creditors Trust Deed the creditors trust deed entered into by the Company on 13 April 2015 to give effect to the Recapitalisation Proposal.

Deed Administrators means Joseph Hayes and Barry Kogan of McGrathNicol, in their capacity as Deed Administrators of the DOCA.

Deed of Company Arrangement and **DOCA** mean the deed of company arrangement entered into by the Company on 13 April 2015, following the approval of the Recapitalisation Proposal by the Company's creditors.

Director means a director of the Company and **Directors** has a corresponding meaning

ED Securities has the meaning in section 111AD of the Corporations Act.

Prospectus

Listed Options mean the listed Options to be offered under this Prospectus, the terms of which are set out in Section 6.6.

New Options mean the Options to be issued under this Prospectus, being the Unlisted Options and the Listed Options.

New Securities means the New Shares and the New Options.

New Shares mean the Shares to be offered under this Prospectus.

Offer means the offer of New Securities referred to in Section 1.1 of this Prospectus.

Official List means the official list of ASX.

Official Quotation means quotation of securities on the Official List.

Opening Date means 3 February 2016.

Option means an option to subscribe for a Share.

Placement means the placement of Shares and Option to Sophisticated and Professional Investors referred to in Section 1.2 of this Prospectus.

Prospectus means this prospectus dated 3 February 2016 as modified or varied by any supplementary prospectus made by the Company and lodged with the ASIC from time to time and any electronic copy of this prospectus and supplementary prospectus.

Recapitalisation Proposal means the recapitalisation proposal for the Company proposed by CPS and approved by the creditors of the Company on 19 March 2015, the terms of which are summarised in 3.3 Section of this Prospectus.

Security means a Share or an Option.

Security holder means a holder of a Share or an Option.

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

Shareholder means a holder of a Share.

Share Registry means Link Market Services Limited

Sophisticated and Professional Investors mean investors who satisfy the requirements of sections 708(8), 708(10) or 708(11) of the Corporations Act.

Retail Investors means investors other than a Sophisticated and Professional Investors.

Unlisted Options mean the unlisted Options to be offered under this Prospectus, the terms of which are set out in Section 6.6.

U.S. Securities Act means the *U.S. Securities Act 1933*

WST means Western standard time, as observed in Perth, Western Australia.

Prospectus

9. Corporate Directory

Directors

Eddie King	Non-executive Chairman
Gregory D'Arcy	Non-executive Director
Steven Formica	Non-executive Director

Company Secretary

Stephen Brockhurst

Principal Office

c/- Mining Corporate
Level 11 London House,
216 St George's Terrace
Perth, Western Australia 6000

Telephone +61 8 9481 0389
Facsimile +61 8 9463 6103
Website: www.miningcorporate.com.au

Lead Manager

CPS Capital Group Pty Ltd
Level 45
108 St George's Terrace
Perth WA 6000

Telephone: +61 8 9223 2222
Facsimile: +61 8 9223 2211
Website: www.cpscapital.com.au

Share Registry

Link Market Services Limited
Level 12
680 George Street
Sydney NSW 2000

Telephone: +61 1300 554 474
Facsimile: +61 2 9287 0303
Website: www.linkmarketservices.com.au

Stock Exchange Listing

ASX Limited
Home Branch – Perth
Level 40, Central Park
152-158 George's Terrace
Perth WA 6000

ASX Code

CBS (currently suspended)

Company website

www.cabralresources.com.au

Solicitors to the Company

HopgoodGanim Lawyers
Level 27, Allendale Square
77 St Georges Terrace
Perth WA 6000

Telephone: + 61 8 9211 8111
Facsimile: +61 8 9221 9100
Website: www.hopgoodganim.com.au

Auditors to the Company

Nexia Court & Co
Level 16, 1 Market Street
Sydney NSW 2000

Telephone: +61 2 9251 4600
Facsimile: +61 2 9251 7138
Website: www.nexia.com.au

Prospectus

Schedule 1 – Tenements retained by the Company

Tenement Number	Tenement Status	Tenement Location	Cabral Interest Held
872.495/2013 ¹	Granted	Bahia State, Brazil	100%
872.494/2013 ¹	Granted	Bahia State, Brazil	100%
872.247/2013 ¹	Granted	Bahia State, Brazil	100%
872.089/2013 ¹	Granted	Bahia State, Brazil	100%
871.402/2013	Application	Bahia State, Brazil	100%
871.028/2013	Granted	Bahia State, Brazil	100%
870.986/2013	Application	Bahia State, Brazil	100%
870.985/2013 ¹	Granted	Bahia State, Brazil	100%
870.984/2013	Application	Bahia State, Brazil	100%
870.926/2013	Application	Bahia State, Brazil	100%
870.925/2013	Application	Bahia State, Brazil	100%
870.837/2013	Granted	Bahia State, Brazil	100%
870.836/2013	Granted	Bahia State, Brazil	100%
870.835/2013	Granted	Bahia State, Brazil	100%
870.834/2013	Application	Bahia State, Brazil	100%
870.833/2013 ¹	Granted	Bahia State, Brazil	100%
870.832/2013 ¹	Granted	Bahia State, Brazil	100%
870.613/2013	Granted	Bahia State, Brazil	100%
870.612/2013	Granted	Bahia State, Brazil	100%
870.611/2013	Granted	Bahia State, Brazil	100%
870.610/2013	Granted	Bahia State, Brazil	100%
870.547/2013	Granted	Bahia State, Brazil	100%
870.448/2013	Granted	Bahia State, Brazil	100%
870.447/2013	Granted	Bahia State, Brazil	100%
870.446/2013	Granted	Bahia State, Brazil	100%
870.445/2013	Granted	Bahia State, Brazil	100%

Prospectus

Tenement Number	Tenement Status	Tenement Location	Cabral Interest Held
870.444/2013	Granted	Bahia State, Brazil	100%
870.443/2013	Granted	Bahia State, Brazil	100%
870.442/2013	Granted	Bahia State, Brazil	100%
870.439/2013	Granted	Bahia State, Brazil	100%
870.438/2013	Granted	Bahia State, Brazil	100%
870.406/2013 ²	Granted	Bahia State, Brazil	100%
870.405/2013	Granted	Bahia State, Brazil	100%
870.404/2013	Granted	Bahia State, Brazil	100%
870.403/2013	Granted	Bahia State, Brazil	100%
870.402/2013	Granted	Bahia State, Brazil	100%
870.401/2013	Granted	Bahia State, Brazil	100%
870.400/2013	Granted	Bahia State, Brazil	100%
870.399/2013	Granted	Bahia State, Brazil	100%
870.398/2013	Granted	Bahia State, Brazil	100%
870.397/2013	Granted	Bahia State, Brazil	100%
870.396/2013	Granted	Bahia State, Brazil	100%
870.395/2013	Granted	Bahia State, Brazil	100%
870.394/2013	Granted	Bahia State, Brazil	100%
870.393/2013	Granted	Bahia State, Brazil	100%
870.392/2013	Granted	Bahia State, Brazil	100%
870.391/2013	Granted	Bahia State, Brazil	100%
870.390/2013	Granted	Bahia State, Brazil	100%
870.389/2013	Granted	Bahia State, Brazil	100%
870.388/2013	Granted	Bahia State, Brazil	100%
870.387/2013	Granted	Bahia State, Brazil	100%
870.386/2013	Granted	Bahia State, Brazil	100%
870.385/2013	Granted	Bahia State, Brazil	100%

Prospectus

Tenement Number	Tenement Status	Tenement Location	Cabral Interest Held
870.384/2013 ¹	Granted	Bahia State, Brazil	100%
870.383/2013	Granted	Bahia State, Brazil	100%
870.382/2013	Granted	Bahia State, Brazil	100%
870.381/2013	Granted	Bahia State, Brazil	100%
870.371/2013 ¹	Granted	Bahia State, Brazil	100%
870.369/2013 ¹	Granted	Bahia State, Brazil	100%
870.349/2013 ¹	Granted	Bahia State, Brazil	100%
870.352/2013 ¹	Granted	Bahia State, Brazil	100%
870.350/2013 ¹	Granted	Bahia State, Brazil	100%
870.347/2013 ¹	Granted	Bahia State, Brazil	100%
870.441/2013 ¹	Granted	Bahia State, Brazil	100%
870.440/2013 ¹	Granted	Bahia State, Brazil	100%
870.370/2013 ¹	Granted	Bahia State, Brazil	100%
870.368/2013 ¹	Granted	Bahia State, Brazil	100%
870.351/2013 ¹	Granted	Bahia State, Brazil	100%
870.348/2013 ¹	Granted	Bahia State, Brazil	100%
870.346/2013 ¹	Granted	Bahia State, Brazil	100%
870.345/2013 ¹	Granted	Bahia State, Brazil	100%
870.589/2014 ^{1,3}	Granted	Bahia State, Brazil	100%
870.588/2014 ^{1,3}	Granted	Bahia State, Brazil	100%
870.587/2014 ^{1,3}	Granted	Bahia State, Brazil	100%
870.586/2014 ^{1,3}	Granted	Bahia State, Brazil	100%
870.458/2014 ^{1,3}	Granted	Bahia State, Brazil	100%
870.457/2014 ^{1,3}	Granted	Bahia State, Brazil	100%

Notes:

1. 2015 annual hectare tax has not been paid in relation to these mineral titles. Cabral will determine whether to pay the outstanding tax after completion of its due diligence enquiries.
2. Part of an ongoing administrative proceeding for its annulment or cancellation.

Prospectus

3. *Expired in 2015 and no application for an extension of the mineral title has been made by Cabral. Consequently, the National Department of Mineral Production may, through administrative proceedings, cancel the mineral titles. Cabral will determine whether to make an application to extend the mineral title after completion of its due diligence enquiries.*

Your Guide to the Application Form

Please complete all relevant white sections of the Application Form in BLOCK LETTERS, using black or blue ink. These instructions are cross-referenced to each section of the form.

The Shares to which this Application Form relates are Cabral Resources Limited ("Abbreviated Company Name") Shares. Further details about the shares are contained in the Prospectus dated [Prospectus Date] issued by Cabral Resources Limited. The Prospectus will expire on [Prospectus Expiry Date]. While the Prospectus is current, Cabral Resources Limited will send paper copies of the Prospectus, any supplementary document and the Application Form, free of charge on request.

The Australian Securities and Investments Commission requires that a person who provides access to an electronic application form must provide access, by the same means and at the same time, to the relevant Prospectus. This Application Form is included in the Prospectus.

The Prospectus contains important information about investing in the Shares. You should read the Prospectus before applying for Shares.

- A** Insert the number of Shares you wish to apply for. The Application must be for a minimum of [Minimum] Shares and thereafter in multiples of [Multiples]. You may be issued all of the Shares applied for or a lesser number.
- B** Insert the relevant amount of Application Monies. To calculate your Application Monies, multiply the number of Shares applied for by the issue price. Amounts should be in Australian dollars. Please make sure the amount of your cheque or bank draft equals this amount.
- C** Write the full name you wish to appear on the register of Shares. This must be either your own name or the name of a company. Up to three joint Applicants may register. You should refer to the table below for the correct registrable title.
- D** Enter your Tax File Number (TFN) or exemption category. Business enterprises may alternatively quote their Australian Business Number (ABN). Where applicable, please enter the TFN or ABN for each joint Applicant. Collection of TFN(s) and ABN(s) is authorised by taxation laws. Quotation of TFN(s) and ABN(s) is not compulsory and will not affect your Application. However, if these are not provided, Cabral Resources Limited will be required to deduct tax at the highest marginal rate of tax (including the Medicare Levy) from payments.
- E** Please enter your postal address for all correspondence. All communications to you from Cabral Resources Limited and the Share Registry will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.
- F** If you are already a CHES participant or sponsored by a CHES participant, write your Holder Identification Number (HIN) here. If the name or address recorded on CHES for this HIN is different to the details given on this form, your Shares will be issued to Cabral Resources Limited's issuer sponsored subregister.
- G** Please enter your telephone number(s), area code and contact name in case we need to contact you in relation to your Application.
- H** Please complete the details of your cheque or bank draft in this section. The total amount of your cheque or bank draft should agree with the amount shown in section B.
Make your cheque or bank draft payable to "**Cabral Resources Limited A/C**" in Australian currency and cross it "Not Negotiable". Your cheque or bank draft must be drawn on an Australian bank. Sufficient cleared funds should be held in your account, as cheques returned unpaid are likely to result in your Application being rejected.
If you receive a firm allocation of Shares from your Broker make your cheque payable to your Broker in accordance with their instructions.

LODGEMENT INSTRUCTIONS

This Application Form and your cheque or bank draft must be mailed or delivered so that it is received before 5.00pm (AEST) on [Closing Date] at:

Mailing Address

Cabral Resources Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235

Hand Delivery

Cabral Resources Limited
C/- Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138

(do not use this address for mailing purposes)

PERSONAL INFORMATION COLLECTION NOTIFICATION STATEMENT

Personal information about you is held on the public register in accordance with Chapter 2C of the *Corporations Act 2001*. For details about Link Group's personal information handling practices including collection, use and disclosure, how you may access and correct your personal information and raise privacy concerns, visit our website at www.linkmarketservices.com.au for a copy of the Link Group condensed privacy statement, or contact us by phone on +61 1800 502 355 (free call within Australia) 9am–5pm (Sydney time) Monday to Friday (excluding public holidays) to request a copy of our complete privacy policy.

CORRECT FORMS OF REGISTRABLE NAMES

Note that ONLY legal entities are allowed to hold Shares. Applications must be in the name(s) of natural persons or companies. At least one full given name and the surname is required for each natural person. The name of the beneficiary or any other non-registrable name may be included by way of an account designation if completed exactly as described in the examples of correct forms below.

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Individual Use given names in full, not initials	Mrs Katherine Clare Edwards	K C Edwards
Company Use Company's full title, not abbreviations	Liz Biz Pty Ltd	Liz Biz P/L or Liz Biz Co.
Joint Holdings Use full and complete names	Mr Peter Paul Tranche & Ms Mary Orlando Tranche	Peter Paul & Mary Tranche
Trusts Use the trustee(s) personal name(s)	Mrs Alessandra Herbert Smith <Alessandra Smith A/C>	Alessandra Smith Family Trust
Deceased Estates Use the executor(s) personal name(s)	Ms Sophia Garnet Post & Mr Alexander Traverse Post <Est Harold Post A/C>	Estate of late Harold Post or Harold Post Deceased
Minor (a person under the age of 18 years) Use the name of a responsible adult with an appropriate designation	Mrs Sally Hamilton <Henry Hamilton>	Master Henry Hamilton
Partnerships Use the partners' personal names	Mr Frederick Samuel Smith & Mr Samuel Lawrence Smith <Fred Smith & Son A/C>	Fred Smith & Son
Long Names	Mr Hugh Adrian John Smith-Jones	Mr Hugh A J Smith Jones
Clubs/Unincorporated Bodies/Business Names Use office bearer(s) personal name(s)	Mr Alistair Edward Lilley <Vintage Wine Club A/C>	Vintage Wine Club
Superannuation Funds Use the name of the trustee of the fund	XYZ Pty Ltd <Super Fund A/C>	XYZ Pty Ltd Superannuation Fund

Put the name(s) of any joint Applicant(s) and/or account description using < > as indicated above in designated spaces at section C on the Application Form.