



(Subject to Deed of Company Arrangement)

PROSPECTUS

For the offer of 250,000,000 Shares at an issue price of \$0.01 per Share
to raise \$2,500,000

THE OFFER IS NOT UNDERWRITTEN

THE OFFER IS SUBJECT TO CONDITIONS

The Offer is conditional upon certain events occurring. Please refer to **Section 2** of this Prospectus for further details.

ADDITIONAL PURPOSE

In addition to raising \$2.5 million, this Prospectus is also being issued under section 708A(11) of the Corporations Act for the purpose of facilitating secondary trading of the Convertible Note Shares. Please refer to **Section 1.5** of this Prospectus for further details.

IMPORTANT NOTICE

This is an important document and investors should read the document in its entirety and are advised to consult with their professional advisers before deciding whether to apply for securities pursuant to this Prospectus.

Any investment in the Company under this Prospectus should be considered speculative in nature and prospective investors should be aware that they may lose some or all of their investment.

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IMPORTANT INFORMATION

This Prospectus is dated 31 January 2011 and was lodged with ASIC on that date. ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Shares will be issued pursuant to this Prospectus later than 13 months after the date of this Prospectus.

Persons wishing to apply for Shares pursuant to the Offer must do so using the Application Form attached to or accompanying this Prospectus. Before deciding to invest in the Company potential investors should carefully read the entire Prospectus and, in particular, in considering the prospects of the Company, investors should consider the risk factors that could affect the financial performance of the Company. Investors should carefully consider these factors in light of their own personal circumstances (including financial and taxation issues).

Refer to **Section 1.13** and **Section 7** of this Prospectus for details relating to risk factors. Investors should seek professional advice from an accountant, stockbroker, lawyer or other professional advisor before deciding to invest.

Any investment in the Company under this Prospectus should be considered speculative in nature and prospective investors should be aware that they may lose some or all of their investment. Applicants should read this document in its entirety. A copy of this Prospectus may be obtained free of charge from the Company.

No person is authorised to give any information or to make any representation in relation to the Offer described in this Prospectus that is not contained in this Prospectus. Any information or representation not so contained may not be relied upon as having been authorised by the Company or the Directors in relation to the Offer.

The offer of Shares made pursuant to this Prospectus is not made to persons or places to which, or in which, it would not be lawful to make such an offer of securities. No action has been taken to register the Offer or otherwise permit the Offer to be made in any jurisdiction outside Australia. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws.

This Prospectus will also be issued as an electronic prospectus. A copy of this Prospectus can be downloaded from the website of the Company at www.coziron.com. Any person accessing the electronic version of this Prospectus for the purposes of making an investment in the Company must be an Australian resident and must only access the Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person any of the Application Forms in connection with the Offer unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company.

A number of terms and abbreviations used in this Prospectus have defined meanings which appear in **Section 10** of this Prospectus. Photographs used in this Prospectus are for illustration only and should not be interpreted to mean that the assets or items shown in them are owned by the Company.

Exposure Period

In accordance with Chapter 6D of the Corporations Act, this Prospectus is subject to an Exposure Period of 7 days from the date of lodgment of the Prospectus with the ASIC. This period may be extended by the ASIC for a further period of 7 days. The purpose of the Exposure Period is to enable the Prospectus to be examined by market participants prior to the raising of the funds, which examination may result in the identification of deficiencies in this Prospectus. If this Prospectus is found to be deficient, Applications received during the Exposure Period will be dealt with in accordance with section 724 of the Corporations Act. Applications received during the Exposure Period will not be processed until the expiry of the Exposure Period. No preference will be conferred upon Applications received in the Exposure Period.

Risks

As with any share investment, there are risks associated with investing in the Company. The Shares on offer under this Prospectus should be considered speculative. Accordingly, prospective investors should read this Prospectus in its entirety and, in particular, before deciding to apply for Shares under this Prospectus, consider the risks set out in **Section 7** which include:

Specific Risks

- Financial Reporting Risks
- Exploration Risks
- Operational and Technical Risks
- Commercialisation Risks
- Insurance Risks
- No Profit to Date and Uncertainty of Future Profitability
- Acquisition Risks
- Dependence on Personnel
- Investment in Indonesia
- Effectuation of DOCA

General Risks

- Economic and Government Risk
- Future Capital Needs
- Investment Risk
- Share Market
- Foreign Exchange Rate Risk
- Competition Risk

CORPORATE DIRECTORY

DIRECTORS

Mr. Adam Sierakowski (Chairman)
Mr. Kwong Choon Soong (Non - Executive Director)
Mr. Stephen Lowe (Non-Executive Director)

COMPANY SECRETARY

Mr. Stephen Hewitt-Dutton

REGISTERED OFFICE

C/- Trident Management Services Pty Ltd
Level 24
44 St Georges Terrace
Perth WA 6000

SHARE REGISTRY

Security Transfer Registrars Pty Limited
770 Canning Highway
Applecross WA 6153
Telephone: (08) 9315 2333
Facsimile: (08) 9315 2233

CORPORATE ADVISOR

Trident Capital Pty Ltd
Level 24
44 St Georges Terrace
Perth WA 6000
Telephone: (08) 9221 7908
Facsimile: (08) 9218 8875

SOLICITORS

Price Sierakowski Corporate
Level 24
44 St Georges Terrace
Perth WA 6000
Telephone: (08) 9221 6733
Facsimile: (08) 9221 6744

INVESTIGATING ACCOUNTANT

BDO Corporate Finance (WA) Pty Ltd
38 Station Street
Subiaco WA 6008
Telephone: (08) 6382 4600
Facsimile: (08) 6382 4601

LETTER TO INVESTORS

Dear Investor

INVESTMENT IN THE COMPANY

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

At the Annual General Meeting held on 31 January 2011, Shareholders considered and passed a number of resolutions to give effect to the Recapitalisation Proposal. The Company has been suspended from trading on ASX since 5 August 2009 and the Recapitalisation Proposal will restructure the Company's issued capital and facilitate the Company's Shares being reinstated to official Quotation on ASX.

This Prospectus seeks to raise \$2.5 million. These funds will be used to:

- pay various costs associated with the Offer;
- review and evaluate the existing Agam Iron Sands Project in Sumatra;
- subject to the outcome of the review, potentially commence development of the Agam Iron Sands Project in Sumatra in the event of commercial viability of the project; and
- examine alternative and additional investment opportunities.

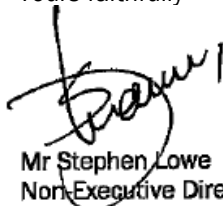
The Offer pursuant to this Prospectus is subject to various conditions, summarised in **Section 2**.

Further information regarding the Company's business and the Recapitalisation Proposal is contained in **Section 3** of this Prospectus.

Details about the risks of an investment of this type are contained in **Sections 1.13** and **7** of this Prospectus. Investors should obtain professional investment advice before deciding to invest. Please read this document carefully before making your investment decision.

It is recommended that you consider the terms of the Offer contained in this Prospectus. In doing so if you then choose to invest in the Company I welcome you as a security holder of the Company.

Yours faithfully

A handwritten signature in black ink, appearing to read "Stephen Lowe".

Mr Stephen Lowe
Non-Executive Director .

KEY DATES AND CAPITAL STRUCTURE

The anticipated date of quotation of the Shares on ASX is subject to ASX approval. The dates shown in the table below are indicative only and may vary. The Company reserves the right to vary the Opening Date and the Closing Date without prior notice, which may have a consequential effect on the other dates. **Applicants are therefore encouraged to lodge their Application Form as soon as possible after the Offer opens.** The Company also reserves the right not to continue with the Offer at any time before the allotment of Shares to successful Applicants.

Indicative Timetable	
Lodgment of this Prospectus with ASIC	31 January 2011
Opening Date of Offer	8 February 2011
Closing Date of Offer	22 February 2011
Allotment of Shares under Offer	25 February 2011
Commencement of trading of Shares on ASX	4 March 2011

* The allotment of Shares under the Offer and dispatch of holdings statements will occur as soon as practicable after the Prospectus closes. Refer to **Section 1** for further details.

Capital Structure	
Shares	
Existing Shares on issue	88,974,328
Post Capital Consolidation	
Post 1:2 Consolidation of Capital	44,487,164
Convertible Note Shares ¹	160,000,000
Maximum number of Shares offered pursuant to the Offer	250,000,000
Total Shares on issue at completion of the Offer	454,487,164

¹ Assumes all Convertible Notes are converted into Shares at the completion of the Offer under this Prospectus.

Options	
Existing Options (exercisable at \$0.10; expiry 30 September 2011)	577,500

The Company's Existing Options noted above are due to expire on 30 September 2011. The Company does not anticipate, at this stage, that any of the outstanding options will be exercised prior to their expiry. Consequently, the Company does not anticipate any funds will be raised from the outstanding options.

SECTION 1 DETAILS OF THE OFFER

1.1 THE OFFER

The Offer is for 250,000,000 Shares at an issue price of \$0.01 per Share to raise \$2,500,000 before expenses of the Offer.

If you wish to subscribe for Shares under the Offer, please complete the **APPLICATION FORM**.

The Shares to be issued pursuant to this Prospectus are of the same class and will rank equally in all respects with the Post Consolidation Shares in the Company. The rights attaching to the Shares are further described in **Section 8.2** of this Prospectus.

Applications under the Offer must be for a minimum of 200,000 Shares and thereafter in multiples of 100,000, and can only be made by completing the relevant Application Form attached to or accompanying this Prospectus. No brokerage, stamp duty or other costs are payable by applicants in respect of an Application for Shares under this Prospectus.

The Directors reserve the right to reject any Application or to allocate any Applicant fewer Shares than the number for which the Applicant has applied.

A maximum total of 250,000,000 Shares will be issued under the Offer. The Offer is subject to a Minimum Subscription level of 250,000,000 Shares. Applications for Shares must be made on the Application Form contained in **Section 11** of this Prospectus and received by the Company on or before the Closing Date.

1.2 CONDITIONAL OFFER

The Offer under this Prospectus is conditional upon a number of events occurring, including:

- Minimum Subscription under the Offer being achieved;
- the Company being satisfied of its ability to satisfy certain requirements of ASX for the Company to be reinstated to ASX; and
- the termination of the fully effectuated DOCA.

A detailed description of these conditions is set out in **Section 2** of this Prospectus.

If all of the conditions to the Offer are not satisfied within three (3) months after the date of this Prospectus, no Shares will be issued. Application Monies will be refunded in full without interest in accordance with the Corporations Act.

If you wish to participate in the Offer, you should complete the Application Form set out in **Section 11** of this Prospectus. Applicants may apply for a minimum parcel of 200,000 Shares, representing a minimum investment of \$2,000. Applicants seeking additional Shares must apply thereafter for Shares in multiples of 100,000 (equivalent to \$1,000). All Applications must be completed in accordance with the detailed instructions on how they are to be completed and be accompanied by a cheque or bank cheque drawn and payable on an Australian bank and must be made payable to "Coziron Resources Ltd – Subscription Account" ("Subscription Account") and should be crossed "Not Negotiable". No brokerage or stamp duty is payable. Completed Application Forms and accompanying cheques must be received by the Company before 5.00pm WST on the Closing Date by either being delivered to or mailed to the following address:

<p>Delivered to: Coziron Resources Ltd C/- Trident Capital Pty Ltd Level 24, St Martin's Tower 44 St Georges Terrace Perth WA 6000</p>	<p>Posted to: Coziron Resources Ltd C/- Trident Capital Pty Ltd PO Box Z5183 St Georges Terrace Perth WA 6831</p>
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All Application Monies received with duly completed Application Forms will be paid into the Subscription Account in accordance with the requirements set out in **Section 1.9** of this Prospectus.

The Company must, subject to the conditions set out in **Section 2** being met and the requirements set out in **Section 1.8** of this Prospectus, deal with the Application Monies held in the Subscription Account in accordance with the following instructions of the Directors:

- transfer all of the Application Monies received under this Prospectus and held in the Subscription Account to the Company; and
- allot and issue the Shares offered under this Prospectus.

An original, completed and lodged Application Form together with a cheque for the Application Monies constitutes a binding and irrevocable offer to subscribe for the number of Shares specified in each Application Form. The Application Form does not need to be signed to be valid. If the Application Form is not completed correctly or if the accompanying payment is for the wrong amount, it may be treated by the Company as valid. The Directors' decision as to whether to treat such an application as valid and how to construe, amend or complete the Application Form is final, however, an applicant will not be treated as having applied for more Shares than is indicated by the amount of the cheque for the Application Monies.

Applicants are encouraged to lodge their Application Forms as soon as possible, as the Offer may close early without notice.

1.3 MINIMUM SUBSCRIPTION

The minimum level of subscription pursuant to the Offer is \$2,500,000.

No Shares under the Offer will be allotted or issued by the Company until the Minimum Subscription has been achieved. If the Minimum Subscription has not been reached within three (3) months from the date of this Prospectus, all Applications and Application Monies will be dealt with in accordance with the requirements of the Corporations Act. The Minimum Subscription must be raised before the quotation of the securities on the ASX can occur.

No oversubscriptions will be accepted.

1.4 OFFER NOT UNDERWRITTEN

The Offer is not underwritten. The Offer does not have a sponsoring broker. The Company reserves the right to pay a fee of up to 6% of the value of the Shares to holders of an AFSL licence in respect of Shares placed to their clients.

1.5 PURPOSE OF THE OFFER

The principal purpose of the Offer is to:

- pay various costs associated with the Offer;
- review and evaluate the existing Agam Iron Sands Project in Sumatra;
- subject to the outcome of the review, potentially commence development of the Agam Iron Sands Project in Sumatra; and
- examine alternative and additional investment opportunities.

In addition, this Prospectus has also been issued to ensure that the on-sale of the Convertible Note Shares to be issued following approval by the Shareholders at the Annual General Meeting of the Company held on 31 January 2011 does not breach section 707(3) of the Corporations Act by relying on the exemption to the secondary trading provisions in section 708A(11) of the Corporations Act. The Convertible Notes Agreements were entered into, and the Convertible Note Shares are to be, issued without disclosure to investors under Part 6D.2 of the Corporations Act. This Prospectus will enable persons who are to be issued Convertible Note Shares to on-sell those securities within 12 months of their issue. The Company is not issuing the Convertible Note Shares with the purpose of those persons to whom they are to be issued selling or transferring their Shares, or granting, issuing or transferring interests in those Shares within 12 months of the issue, however, this Prospectus provides them with the ability to do so should they wish.

1.6 PROPOSED APPLICATION OF FUNDS RAISED

The Company proposes to raise \$2.5 million pursuant to this Prospectus. The Company intends to apply the funds raised from the Offer as follows:

Application of Funds	Minimum Subscription
Expenses of the Offer (refer Section 8.9)	\$340,000
Expenditure Budget (refer Section 3.5)	\$1,550,000
Additional Working Capital	\$610,000
Funds Raised by the Prospectus	\$2,500,000

The additional working capital will be used for ongoing administration expenses.

Whilst the Directors are satisfied that upon completion of the Offer, the Company will have sufficient working capital to meet its stated objectives, investors should be aware that the Company may use and expend its cash reserves more quickly than contemplated. This may or may not leave the Company in a negative cash flow situation which may ultimately affect the value of the Company's Shares.

Further, any future investments that may be contemplated by the Company may exceed the current or projected working capital of the Company. Accordingly, any such acquisition may need to be funded by debt and/or equity issues, as required (subject to Shareholder approvals if required).

1.7 CAPITAL STRUCTURE

Set out in the table below is a summary of the capital structure of the Company before and after completion of the Offer.

	Number of Shares	%
Post Consolidation Shares ¹	44,487,164	9.80%
Convertible Note Shares ²	160,000,000	35.20%
Offer	250,000,000	55.00%
Total Shares on issue at completion of the Offer	454,487,164	100%

¹ The capital consolidation was approved by Shareholders at the Annual General Meeting held on 31 January 2011.

² Assumes all Convertible Notes are converted into Shares at the completion of the Offer under this Prospectus.

In addition there are 577,500 Existing Options (exercisable at \$0.10, expiring on or before 30 September 2011). The Company does not anticipate, at this stage, that any of the outstanding options will be exercised prior to their expiry. Consequently, the Company does not anticipate any funds will be raised from the outstanding options.

1.8 ALLOCATION AND ALLOTMENT OF SHARES

The Directors reserve the right to reject any Application or to allot a lesser number of Shares than that applied for pursuant to the Offer. If the number of Shares allocated is less than that applied for, or no allotment is made, the Application Monies or the surplus Application Monies will be promptly refunded without interest.

Subject to the conditions of the Offer (see **Section 2**), the allotment of Shares will occur as soon as possible after the Closing Date. All Shares issued pursuant to the Offer will rank equally in all respects with the Post Consolidation Shares of the Company. Statements of shareholding will be dispatched as soon as possible after the Closing Date as required by ASX. It is the responsibility of the Applicant to determine their allocations prior to trading in the Shares.

Applicants who sell the Shares before they receive their statement of shareholding will do so at their own risk.

1.9 APPLICATION MONIES TO BE HELD IN TRUST

The Application Monies for Shares to be issued pursuant to the Offer will be held in the Subscription Account on behalf of Applicants until the Shares are allotted. If the Offer is not fully subscribed within a period of three (3) months from the date of this Prospectus, the Application Monies will be refunded in full without interest, and no Shares will be allotted pursuant to this Prospectus. All interest earned on Application Monies (including those which do not result in allotment of Shares) will be retained by the Company.

1.10 ASX REINSTATEMENT

The Company's shares were suspended from trading on the ASX on 5 August 2009.

Subject to, and in accordance with, the conditions (see **Section 2**), the Company will apply to the ASX no later than seven (7) days from the Closing Date of this Prospectus to have the Shares to be issued pursuant

to this Prospectus quoted on the Official List of the ASX.

If approval for quotation of the Shares on the Official List of ASX is not granted within 3 months after the date of this Prospectus the Company will not allot or issue any Shares, and Application Monies will be refunded in full without interest in accordance with the Corporations Act.

Neither the ASX nor ASIC, or any of their respective officers, take responsibility for the contents of this Prospectus. The fact that the ASX may grant official quotation to the Shares issued pursuant to this Prospectus is not to be taken in any way as an indication by the ASX as to the merits of the Company or the Shares.

1.11 SATISFACTION OF THE DOCA

The Offer is conditional upon all of the conditions of the DOCA being satisfied. As at the date of this Prospectus, the following DOCA conditions have been satisfied:

- the Company has paid the sum of \$215,000 to the Deed Administrators (“the Funds”); and
- the Directors have raised \$800,000 by way of convertible notes.

The Directors anticipate the remaining DOCA condition (the Deed Administrators applying the Funds towards the claims of the Creditors) to be satisfied by mid February 2011 at which time the DOCA will terminate fully effectuated and the Deed Administrators will resign.

Please refer to **Section 6** of this Prospectus for further details of the DOCA.

1.12 CHESS AND ISSUER SPONSORSHIP

The Company operates an electronic CHESS sub-register and an electronic issuer sponsored sub-register. These two sub-registers will make up the Company’s register of Shares.

The Company will not issue share certificates to shareholders. Rather, holding statements (similar to bank statements) will be dispatched to shareholders as soon as practicable after allotment under this Prospectus. Holding statements will be sent either by CHESS (for Shareholders who elect to hold Shares on the CHESS sub-register) or by the Company’s Share Registry (for Shareholders who elect to hold their Shares on the issuer sponsored sub-register). The statements will set out the number of Shares allotted under this Prospectus and provide details of a Shareholder’s Holder Identification Number (for Shareholders who elect to hold shares on the CHESS sub register) or Shareholder Reference Number (for Shareholders who elect to hold their shares on the issuer sponsored sub-register). Updated holding statements will also be sent to each Shareholder following the month in which the balance of their shareholding changes and as required by the Listing Rules and the Corporations Act.

1.13 RISKS

As with any share investment, there are risks associated with investing in the Company. The principal risks that could affect the performance of the Company are detailed in **Section 7** of this Prospectus. The Shares on offer under this Prospectus should be considered speculative. Accordingly, before deciding to invest in the Company, Applicants should read this Prospectus in its entirety and should consider all factors in light of their individual circumstances and seek appropriate professional advice. Investors may lose some or all of the investment.

Specific risks that investors should consider include the following:

- Financial Reporting – the Company was in breach of its financial reporting requirements under the Corporations Act as it did not lodge financial reports within the required time limit which may attract liability.
- Exploration – mineral exploration is of a speculative nature and is a high risk activity. There is no guarantee that exploration on the Company’s project will result in a commercially viable discovery.
- Operating and technical – a number of factors may affect the Company’s current and future

operations, including but not limited to geological conditions, the availability of plant and equipment and unexpected shortages or increases in the costs of plant and equipment.

- Commercialisation – even if commercial quantities of minerals are discovered, there is no guarantee that the Company will be able to achieve a commercial return.
- Insurance – the Company may not be able to adequately insure itself against various business risks.
- Profit Uncertainty – the Company has not previously made profits, and plans to continue to invest in exploration and development of the Agam Iron Sands project. The Company may not achieve or sustain profitability or positive cash flows from its operations.
- Acquisition – the Company may make a new investment in another industry which will bring with it the usual business risks associated with managing and operating a new business.
- Dependence on Personnel – the success of the Company will to an extent depend on the Directors' ability to successfully manage the Company and accordingly, the loss of service of the Directors could have an adverse effect on the proposed operations of the Company.
- Investment in Indonesia – the Company operates in Indonesia, whose economy is subject to many global and internal forces beyond the control of the Company. Indonesia has a degree of sovereign risk due to its economic, social and political volatility. Further, the Company's interest in its existing asset is of a contractual nature only.
- Effectuation of DOCA – as the Company is currently subject to a Deed of Company Arrangement, there is a risk that the terms and conditions of the DOCA cannot be satisfied then the Company may be placed into administration or proceed into liquidation.

General risks that investors should consider include the following:

- Economic and Government – the future viability is also dependent on a number of economic and governmental factors which may affect the performance of all industries.
- Future Capital Needs – the Company may require further funding at some stage in the future. There can be no assurances as to the availability of such funding on satisfactory terms, or at all.
- Investment Risk – shares issued pursuant to this Prospectus are considered speculative and carry no guarantee as to payment of dividends or return of capital.
- Share Market – a number of factors affect the performance of share market investments that could also affect the price at which the Shares trade on the ASX.
- Foreign Exchange Rate – international prices of most commodities are denominated in United States dollars while the Company's cost base will be in Australian dollars. Consequently, changes in the Australian dollar foreign exchange rate will impact on the earnings of the Company.
- Competition – the industry the Company is in will be subject to domestic and global competition which may positively or negatively affect the financial performance of the Company's project and business.

1.14 OVERSEAS INVESTORS

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or to extend such an invitation. No action has been taken to register this Prospectus or otherwise to permit a public offering of Shares in any jurisdiction outside Australia. It is the responsibility of any non-Australian resident investors to obtain all necessary approvals for the issue to them of Shares offered pursuant to this Prospectus.

1.15 PRIVACY DISCLOSURE

Persons who apply for Shares pursuant to this Prospectus are asked to provide personal information to the Company, either directly or through the Share Registry. The Company and the Share Registry collect, hold and use that personal information to assess Applications for Shares, to provide facilities and services to Shareholders, and to carry out various administrative functions. Access to the information collected may be provided to the Company's agents and service providers and to ASIC and other regulatory bodies on the basis that they deal with such information in accordance with the relevant privacy laws. If the information requested is not supplied, Applications for Shares will not be processed. In accordance with privacy laws, information collected in relation to specific Shareholders can be obtained by that Shareholder through contacting the Company or the Share Registry.

1.16 EXPOSURE PERIOD

In accordance with Chapter 6D of the Corporations Act, this Prospectus is subject to an exposure period of 7 days from the date of lodgement with ASIC. The exposure period may be extended by ASIC by a further period of up to 7 days. Unless extended by ASIC, the exposure period will end on 7 February 2011.

The purpose of the Exposure Period is to enable the Prospectus to be examined by market participants prior to the raising of funds. The examination may result in the identification of deficiencies in the Prospectus. If deficiencies are detected, any Application that has been received may need to be dealt with in accordance with section 724 of the Corporations Act. Applications received during the Exposure Period will not be processed until after expiration of the Exposure Period. No preference will be conferred on Applications received during the Exposure Period and all such Applications will be treated as if they were simultaneously received on the Opening Date.

1.17 FORECASTS

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

1.18 ELECTRONIC PROSPECTUS

In addition to issuing the Prospectus in printed form, a read-only version of the Prospectus is also available on the Company's website, www.coziron.com. There is no facility for online applications. Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian resident and must only access the Prospectus from within Australia. The Corporations Act prohibits any person from passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered electronic version of this Prospectus.

SECTION 2 CONDITIONS OF THE OFFER

2.1 CONDITIONS

The satisfaction of each of the conditions below is a requirement for the allotment of Shares under this Prospectus.

In the event that all of these conditions are not met within three (3) months of the date of this Prospectus, all Application Monies will be returned to Applicants without interest as soon as possible thereafter.

The Offer is conditional upon:

- (a) the Minimum Subscription under the Prospectus being achieved;
- (b) the Company being satisfied of its ability to satisfy the conditions required by the ASX for the Company to be reinstated to ASX; and
- (c) the termination of the fully effectuated DOCA.

2.2 MINIMUM SUBSCRIPTION

The minimum level of subscription pursuant to the Offer is 250,000,000 Shares to raise \$2.5 million.

No Shares under the Offer will be allotted by the Company until the Minimum Subscription has been achieved.

2.3 ASX APPROVALS

The Company has received conditional approval from the ASX to be reinstated to trading on the ASX, subject to satisfying the conditions required by the ASX.

As stated above, the Offer is conditional upon the Company being satisfied of its ability to satisfy the requirements of the ASX for the Company to be reinstated to ASX.

2.4 EFFECTUATION OF THE DOCA

The Offer is conditional upon all of the conditions of the DOCA being satisfied. As at the date of this Prospectus, the following DOCA conditions have been satisfied:

- the Company has paid the sum of \$215,000 to the Deed Administrators (“the Funds”); and
- the Directors have raised \$800,000 by way of convertible notes.

The Directors anticipate the remaining DOCA condition (the Deed Administrators applying the Funds towards the claims of the Creditors) to be satisfied by mid February 2011 at which time the DOCA will terminate fully effectuated and the Deed Administrators will resign.

Please refer to **Section 6** of this Prospectus for further details of the DOCA.

SECTION 3 BACKGROUND AND COMPANY OVERVIEW

3.1 BACKGROUND

The Company was admitted to the Official List of ASX on 25 August 2006, having raised \$3.5 million, for the exploration of various tenements which were regarded as highly prospective for iron ore, base metals and coal.

On 7 July 2010 the Administrators were appointed as the joint and several administrators of the Company pursuant to section 436A(1) of the Corporations Act.

At a meeting of the Company's creditors on 12 October 2010, the creditors resolved that the Company enter into a Deed of Company Arrangement, which was executed on 20 October 2010.

On 20 October 2010 the Administrators resigned and control of the Company reverted to the Directors. The Administrators remain as the Deed Administrators and will so until the DOCA terminates fully effectuated, which is anticipated to occur by mid February 2011.

Completion of the Recapitalisation Proposal will restructure the Company's issued capital, provide net working capital and allow the Company to continue its existing activities and to pursue new projects by way of acquisition or investment.

3.2 ANNUAL GENERAL MEETING

The Company issued a Notice of Annual General Meeting, convening a meeting of shareholders which was held on 31 January 2011. The Shareholders considered and passed resolutions in respect of the following matters:

- (a) Consolidation of Capital – consolidation of the Existing Shares on a 1 for 2 basis.
- (b) Reduction of Capital – the capital of the Company is reduced by applying an amount of accumulated losses of approximately \$6,588,164 against share capital which is considered permanently lost.
- (c) Issue of Convertible Note Shares – Issue of 80,000,000 Convertible Note Shares to the following Convertible Note holders, or their nominees, on conversion of the Convertible Notes:
 - (i) Mr Keong Ming Tee – 14,000,000 Convertible Note Shares;
 - (ii) Mr Thang Fong Leow – 14,000,000 Convertible Note Shares;
 - (iii) Mr Nyok Choo Wah – 12,000,000 Convertible Note Shares; and
 - (iv) Globeon Resources Limited – 40,000,000 Convertible Note Shares.
- (d) Issue of Convertible Note Shares – Issue of 80,000,000 Convertible Note Shares to Yandal Investments and Stephen Lowe on conversion of their Convertible Notes.
- (e) Issue of 250,000,000 Shares under this Prospectus with the Company having the right to issue:
 - (i) up to 97,143,000 Shares to Yandal Investments;
 - (ii) up to 2,857,000 Shares to Stephen Lowe;
 - (iii) up to 3,000,000 Shares to each of the Directors (i.e. up to 9,000,000.
- (f) The removal and appointment of auditors.

The Notice of Annual General Meeting set out the above matters as special business, and each of the resolutions were subject to the passing of the other resolutions. Shareholders passed all of the resolutions.

3.3 RETAINED ASSETS AND CONTINUING OPERATIONS

Following its admission to the Official List of ASX in 2006, the Company executed a heads of agreement to joint venture in 2008 with PT Galian Endapan Buana (“GEB”) to develop the Agam Iron Sand Project in West Sumara, Indonesia (“the Project”).

The Company subsequently entered into a formal cooperation agreement with GEB in September 2008 whereby the Company (through PT Coziron Copper Internation, see **Section 6.2**) was granted an 80% interest in the Project including the mining rights attached to the Project.

The Company undertook an initial exploration program to identify the mineralised iron sand layers at the Project.

The Company engaged an independent consultant to complete a geological assessment of the Project which found that further geological work would be required to identify the most prospective area of the Project.

In 2009, the Company put the further development of the Project on hold pending the Company raising funds, which it was in the process of negotiating with a third party. The fund raising was not able to be concluded on satisfactory terms and subsequently, the Company’s then Directors appointed Administrators.

The Company proposes to undertake a review and evaluation of the Project to determine the requirements for ongoing exploration and development.

The Company also intends to undertake an examination of alternative and additional investment opportunities.

3.4 INVESTMENT OPPORTUNITIES

Although the Company’s primary focus is to continue with the development of its existing interest in the Agam Iron Sands Project in Sumatra, a portion of the Company’s assets will be comprised of cash. As such, disclosure is required regarding the expertise of the current Directors and more specifically, how this level of expertise will assist the Company in making investment decisions.

As noted in **Section 3.3** above, the Directors intend to conduct an initial review and evaluation of the Agam Iron Sands Project in Sumatra. On the conclusion of this review and evaluation, and subject to the outcomes of such review and evaluation, the Company will then decide whether and how to further develop the Agam Iron Sands Project.

The funds to be raised through this Prospectus are planned to be utilised as follows:

- pay various costs associated with the Offer;
- review and evaluate the existing Agam Iron Sands Project in Sumatra;
- subject to the outcome of the review, potentially commence development of the Agam Iron Sands Project in Sumatra; and
- examine alternative and additional investment opportunities.

The Directors have a broad range of commercial and public company experience. The Directors also have broad experience in project development, finance and corporate transactions for various listed and non-listed entities, which will be relevant to the assessment of potential projects for the Company. The Directors consider that their contacts and relevant experience will provide assistance in attracting and securing new projects for investment and acquisition.

The Directors are committed to the highest standards of corporate governance and they will make themselves readily available to meet the requirements of the Company and its operations going forward. The Board will ensure that they devote sufficient time, attention and skill to the duties of this position and the Company’s business.

Other than the proposed expenditure budget detailed in **Section 3.5**, and the discussion of the review and development of the existing business in **Section 3.3** above, there is no specific investment plan currently in place regarding the Company’s future intentions. Investment strategies may be adopted as and when

suitable opportunities are identified by the Board. The Company may be subject to additional risks in the future relating to these investments that cannot be identified as at the date of this Prospectus.

3.5 EXPENDITURE BUDGET

In summary, the Company proposes to apply the funds raised from the Offer as set out below in relation to funding the review and evaluation of the Company's Agam Iron Sands Project, examining alternative and additional investment opportunities and the expenses of the Offer and the recapitalisation of the Company.

Minimum Subscription

Use of Funds – Expenditure Budget	Year 1	Year 2	Total
Review and evaluate the existing project	\$300,000	\$350,000	\$650,000
Exploration, feasibility study and preliminary development expenditure	-	\$500,000	\$500,000
Review and evaluation of new projects and opportunities	\$200,000	\$200,000	\$400,000
Expenses associated with the Offer	\$340,000	-	\$340,000
General working capital	\$360,000	\$250,000	\$610,000
Total Funds Utilised	\$1,200,000	\$1,300,000	\$2,500,000

On completion of the Offer the Directors believe the Company will have adequate working capital to meet its stated objectives.

The review and evaluation of the Company's Agam Iron Sands Project is yet to be conducted. The Directors allocation of the funds to be raised by the Prospectus set out above may change based on the outcome of that review.

SECTION 4 AGAM IRON SAND PROJECT

4.1 AGAM IRON SAND PROJECT

As set out in the Material Contracts Summary in **Section 6**, Coziron has an interest in the AGAM Iron Sand Project in West Sumatra, Indonesia (“Project”) through its relationship with PT Coziron Copper International as set out in **Section 6.2**. Coziron’s joint venture partner, PT Galian Endapan Buana (“GEB”) has two exploration licences on a tenement in Ulayat Nagari Tiku V Jorong & Agam, West Sumatra, with an area of 3960 hectares.

The two licences are located on the coastal plains within a few hundred metres of the shoreline. The northernmost tenement has been the Company’s focus for exploration of iron rich sands. The concentrations of heavy mineral sands, particularly magnetite occur as distinct bands of varying thickness within a sequence of silt, sand and gravel beds at depths of 1 to 2m below the surface.

The Company has conducted a mapping program followed by a second phase of digging 20 exploration test pits down to 4m below the surface in the main prospect area of the northern licence.

The Company engaged an independent geologist to complete a geological assessment of the Project which found that further geological work would be required to identify the most prospective area of the Project.

In early 2009, the Company put the further development of the Project on hold pending the Company raising funds, which it was in the process of negotiating with a third party. The fund raising was not able to be concluded on satisfactory terms and subsequently, the Company’s then Directors appointed Administrators.

There has been no further exploration or development of the Project since work ceased in early 2009.



COZIRON RESOURCES LIMITED
Investigating Accountant's Report

31 January 2011



Private & Confidential

The Directors
Coziron Resources Limited
Level 4/102 James Street
Northbridge WA 6005

31 January 2011

Dear Sirs

INVESTIGATING ACCOUNTANT'S REPORT

1. Introduction

We have prepared this Investigating Accountant's Report ("**Report**") on historical financial information of Coziron Resources Limited ("**Coziron**" or "**the Company**") for inclusion in the Prospectus. Broadly, the Prospectus will offer up to 250,000,000 shares at an issue price of \$0.01 per share to raise \$2,500,000 before costs ("**the Offer**"), subject to a minimum subscription of 250,000,000 shares.

2. Basis of Preparation

This Report has been prepared to provide investors with information on the Statement of Comprehensive Income, Statement of Changes in Equity and the Statement of Financial Position and the pro-forma Statement of Financial Position as noted in Appendices 1, 2 and 3.

This Report does not address the rights attaching to the shares to be issued in accordance with the Prospectus, nor the risks associated with the investment, and has been prepared based on the complete Offer being achieved. Neither BDO Corporate Finance (WA) Pty Ltd nor its related entities ("**BDO**") has not been requested to consider the prospects for the Company, the shares on offer and related pricing issues, nor the merits and risks associated with becoming a shareholder and accordingly has not done so, and does not purport to do so. BDO accordingly takes no responsibility for these matters or for any matter or omission in the Prospectus, other than responsibility for this Report. Risk factors are set out in the Prospectus.

Expressions defined in the Prospectus have the same meaning in this Report.

3. Background

On 5 August 2009 the securities for the Company were suspended from the Official List of the Australian Stock Exchange (“ASX”) at the request of the Company.

The Company’s securities remained suspended during negotiations with its joint venture partner for the Agam Iron Sands Project (“Agam Project”), PT Galian Endapan Buana (“GEB”), for the restructure of that joint venture. These negotiations were unsuccessful and consequently, arrangements for funding obtained by the Company pending the restructure of the Agam Project did not proceed.

On 7 July 2010, the Directors of the Company appointed Christopher Williams and David Hurt as joint and several administrators of the Company pursuant to Section 436A of the Corporations Act.

At a meeting of Creditors held pursuant to Section 439A(91) of the Corporations Act, the Creditors agreed to adjourn the meeting to 12 October 2010. At the adjourned meeting the Creditors resolved pursuant to Section 439C of the Corporations Act that the Company enter into a Deed of Company Arrangement (“DOCA”) in terms reflecting the proposal presented to Creditors.

On 20 October 2010 the Company, the Administrator and the Directors executed the DOCA and the Administrator became the administrator of that DOCA. Under the terms of the DOCA control of the Company reverted to the Directors at the date of the DOCA of 20 October 2010.

During October 2010 the Company raised \$400,000, with a further \$400,000 of commitments, by way of Convertible Notes. From these funds the Company has paid \$215,000 to the Deed Administrators in full satisfaction of the Company’s obligations under the DOCA. The final effectuation of the DOCA and retirement of the Deed Administrators will occur once the final dividend is declared and paid by the Deed Administrators to the Creditors in accordance with the terms of the DOCA.

4. Scope

You have requested BDO to prepare an Investigating Accountant's Report covering the following financial information:

- the historical (reviewed) Statement of Financial Position as at 31 December 2010, and the Statement of Comprehensive Income and Statement of Changes in Equity for the six month period ended on that date;
- the pro-forma Statement of Financial Position as at 31 December 2010, and the proforma Statement of Changes in Equity for the period ended on that date, reflecting the actual position as at that date, major transactions between that date and the date of our report and the proposed capital raising under the Prospectus; and
- the accounting policies applied by Coziron in preparing its financial statements.

The historical financial information set out in the appendices to this Report has been extracted from the financial statements of the Company for the period from 1 July 2010 to 31 December 2010.

The Directors are responsible for the preparation of the historical financial information including determination of the adjustments.

We have conducted our review of the historical financial information in accordance with the Australian Auditing and Assurance Standard ASRE 2405 “Review of Historical Financial Information Other than a Financial Report”. We made such inquiries and performed such

procedures as we, in our professional judgment, considered reasonable in the circumstances including:

- a review of work papers, accounting records and other documents pertaining to balances in existence at 31 December 2010;
- a review of the assumptions used to compile the pro-forma Statement of Financial Position;
- a review of the adjustments made to the pro-forma historical financial information;
- a comparison of consistency in application of the recognition and measurement principles in Accounting Standards and other mandatory professional reporting requirements in Australia, and the accounting policies adopted by the Company disclosed in the appendices to this Report; and
- enquiry of Directors and others.

These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Our review was limited primarily to an examination of the historical financial information, the pro-forma financial information, analytical review procedures and discussions with both management and directors. A review of this nature provides less assurance than an audit and, accordingly, this Report does not express an audit opinion on the historical information or pro-forma financial information included in this Report or elsewhere in the Prospectus.

In relation to the information presented in this Report:-

- support by another person, corporation or an unrelated entity has not been assumed;
- the amounts shown in respect of assets do not purport to be the amounts that would have been realised if the assets were sold at the date of this Report; and
- the going concern basis of accounting has been adopted.

5. Conclusion

Statement on Historical Financial Information

Based on our review, which was not an audit, nothing has come to our attention which would cause us to believe the historical financial information as set out in the Appendices to this report does not present fairly the financial performance for the six month period to 31 December 2010 or the financial position as at 31 December 2010 in accordance with the measurement and recognition requirements (but not all of the disclosure requirements) of applicable Accounting Standards and other mandatory professional reporting requirements in Australia.

Statement of Pro-forma Financial Information

Based on our review, which was not an audit, nothing has come to our attention which would cause us to believe the pro-forma financial information does not present fairly the financial position of the Company as at 31 December 2010, in accordance with the measurement and recognition requirements (but not all of the disclosure requirements) of applicable Accounting Standards and other mandatory professional reporting requirements in Australia as if the pro-forma transactions had occurred on that date.

6. Subsequent Events

Apart from the matters dealt with in this Report, and having regard to the scope of our Report, to the best of our knowledge and belief, no other material transactions or events outside of the ordinary business of the Company have come to our attention that would require comment on, or adjustment to, the information referred to in our Report or that would cause such information to be misleading or deceptive.

Significant events subsequent to 31 December 2010 and prior to the date of this report are as follows:

- Issue of Convertible Notes for a total face value of \$400,000 as part of the Convertible Note Deeds.

7. Assumptions Adopted in Compiling the Pro-forma Statement of Financial Position

The pro-forma Statement of Financial Position post issue is shown in Appendix 2. This has been prepared based on the reviewed financial statements as at 31 December 2010 and the transactions and events relating to the issue of shares under this Prospectus:

- Consolidation of Capital on a one-for-two basis;
- A reduction of capital by applying an amount of approximately \$6,588,164 being a portion of the accumulated losses of the Company against the share capital which is considered permanently lost;
- Issue of 160,000,000 shares at \$0.005 each on the conversion of the Convertible Notes to raise \$800,000;
- Issue of 250,000,000 shares at \$0.01 each pursuant to the Public Offer to raise \$2,500,000 under the Prospectus;
- Payment of \$340,000 associated with the preparation and issue of the Prospectus. These capital raising costs have been netted off against the share capital raised; and
- Reduction of cash balance for the amount in the hands of the Administrator of \$162,157.

8. Disclosures

BDO Corporate Finance (WA) Pty Ltd is the corporate advisory arm of BDO in Perth.

Neither BDO Corporate Finance (WA) Pty Ltd nor BDO, nor any director or executive or employee thereof, has any financial interest in the outcome of the proposed transaction except for the normal professional fee due for the preparation of this Report.

Consent to the inclusion of the Investigating Accountant's Report in the Prospectus in the form and context in which it appears, has been given. At the date of this Report, this consent has not been withdrawn.

Yours faithfully

BDO Corporate Finance (WA) Pty Ltd

A handwritten signature in black ink, appearing to read 'Sherif Andrawes', with a long horizontal flourish extending to the right.

Sherif Andrawes

Director

APPENDIX 1
COZIRON RESOURCES LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Reviewed For the period from 1-Jul-10 to 31-Dec-10 \$
Other income	1,448
Employee benefits expense	(540)
Compliance and professional fees	(320,827)
Depreciation expense	(10,391)
Impairment of fixed assets	(13,968)
Loss on sale of fixed assets	(35,648)
Occupancy costs	(38,388)
Other expenses	(101,897)
Loss from continuing activities before income tax expense	(520,211)
Income tax expense	-
Net Loss for the period	(520,211)
Other comprehensive income	-
Other comprehensive income for the period (net of tax)	-
Total comprehensive income for the period	(520,211)

The Statement of Comprehensive Income is to be read in conjunction with the notes to and forming part of the historical financial information set out in Appendix 4.

APPENDIX 2
COZIRON RESOURCES LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		Reviewed 31-Dec-10	Pro-forma Adjustments	Pro-forma After Issue
	Notes	\$	\$	\$
CURRENT ASSETS				
Cash and cash equivalents	2	168,125	2,397,843	2,565,968
Trade and other receivables		78,029	-	78,029
TOTAL CURRENT ASSETS		246,154	2,397,843	2,643,997
NON-CURRENT ASSETS				
Exploration assets		519,834	-	519,834
TOTAL NON-CURRENT ASSETS		519,834	-	519,834
TOTAL ASSETS		765,988	2,397,843	3,163,831
CURRENT LIABILITIES				
Trade and other payables	3	470,736	(109,157)	361,579
Unsecured loans	4	453,000	(453,000)	-
Provisions		14,000	-	14,000
TOTAL CURRENT LIABILITIES		937,736	(562,157)	375,579
TOTAL LIABILITIES		937,736	(562,157)	375,579
NET ASSETS / (LIABILITIES)		(171,748)	2,960,000	2,788,252
EQUITY				
Contributed equity	5	6,628,614	(3,628,164)	3,000,450
Accumulated losses	6	(6,800,362)	6,588,164	(212,198)
TOTAL EQUITY		(171,748)	2,960,000	2,788,252

The pro-forma Statement of Financial Position after Issue is as per the Statement of Financial Position before Issue adjusted for the transactions relating to the issue of shares pursuant to this Prospectus. The Statement of Financial Position is to be read in conjunction with the notes to and forming part of the historical financial information set out in Appendix 4

APPENDIX 3
COZIRON RESOURCES LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Reviewed 31-Dec-10 \$	Pro-forma Adjustments \$	Pro-forma After Issue \$
Balance at 1 July 2010	348,463	-	348,463
<i>Comprehensive income for the period</i>			
Profit/(Loss) for the period	(520,211)	-	(520,211)
<i>Other comprehensive income for the period</i>			
	-	-	-
Total comprehensive income for the period	(520,211)	-	(520,211)
<i>Transactions with equity holders in their capacity as equity holders:</i>			
Contributed equity, net of transactions costs	-	2,960,000	2,960,000
Total transactions with equity holders	-	2,960,000	2,960,000
Balance at 31 December 2010	(171,748)	2,960,000	2,788,252

The Statement of Changes in Equity is to be read in conjunction with the notes to and forming part of the historical financial information set out in Appendix 4.

APPENDIX 4
COZIRON RESOURCES LIMITED

NOTES TO AND FORMING PART OF THE HISTORICAL FINANCIAL INFORMATION

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of the historical financial information included in this Report have been set out below.

(a) Basis of preparation of historical financial information

The historical financial information has been prepared in accordance with the recognition and measurement, but not all the disclosure requirements of the Australian equivalents to International Financial Reporting Standards (“AIFRS”), other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Interpretations and the Corporations Act 2001.

The financial report has also been prepared on a historical cost basis.

Going concern

On 7 July 2010 the Directors of the Company appointed David Hurt and Chris Williamson of WA Insolvency Solutions Pty Ltd, as joint and several Administrators of the Company. At a meeting of the Company’s creditors on 12 October 2010, the creditors resolved to approve the execution of a Deed of Company Arrangement (DOCA) which was subsequently executed on 20 October 2010.

At a general meeting held on 31 January 2011 the Company shareholders approved the following:

- Consolidation of capital on a 1 for 2 basis;
- Appointment of Directors;
- Reduction of Capital by \$6,588,164 being a portion of accumulated losses of the Company against the share capital which is considered permanently lost;
- Issue of 160,000,000 ordinary shares at \$0.005 each to investors on conversion of the loan under the Convertible Loan Deeds;
- Issue of up to 250,000,000 ordinary shares at \$0.01 each offered pursuant to the Public Offer as part of the Prospectus;

During October 2010 the Company raised \$400,000, with a further \$400,000 raised in January 2011, by way of Convertible Loan Deeds. From these funds the Company paid \$215,000 to the Deed Administrator in full settlement of the Company’s obligations under the DOCA. The final effectuation of the DOCA will occur once the final dividend to creditors is declared and paid.

Accordingly, the accompanying financial statements have been prepared on a going concern basis. To the extent that the Company is not successful in raising the funds under the prospectus and gaining reinstatement to official quotation on the ASX there is a level of uncertainty as to whether the Company will be able to continue to operate as a going concern.

The financial statements of the consolidated entity do not include any adjustments relating to the recoverability or classification of recorded asset amounts, or to the amounts or classification of liabilities, which might be necessary should the Group not be able to continue as a going concern.

(b) Basis of Consolidation

Subsidiaries

The consolidated financial statements comprise the financial statements of Coziron Resources Limited and its subsidiaries at 31 December 2010 (“the Group”). Subsidiaries are entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. Potential voting rights that are currently exercisable or convertible are considered when assessing control. Consolidated financial statements include all subsidiaries from the date that control commences until the date that control ceases. The financial statements of subsidiaries are prepared for the same reporting period as the parent, using consistent accounting policies.

All intercompany balances and transactions, including unrealised profits arising from intragroup transactions have been eliminated. Unrealised losses are also eliminated unless costs cannot be recovered.

Minority interests in the results and equity of subsidiaries are shown separately in the consolidated income statement and balance sheet respectively.

Subsidiaries are accounted for in the parent entity’s financial statements at cost.

(c) Business Combinations

The purchase method of accounting is used to account for all business combinations. Cost is measured as the fair value of the assets given, shares issued or liabilities incurred or assumed at the date of exchange plus costs directly attributable to the acquisition. Where equity instruments are issued, the value of the equity instruments is their published market price as at the date of exchange unless, in rare circumstances it can be demonstrated that the published price at the date of exchange is an unreliable indicator of fair value and that other evidence and valuation methods provide a more reliable measure of fair value. Transaction costs arising on the issue of equity instruments are recognised directly in equity.

Identifiable assets acquired and liabilities and contingent liabilities assumed in business combinations are initially measured at their fair values at acquisition date. The excess of the cost of acquisition over the fair value of the Group’s share of identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the group’s share of the fair value of the net assets acquired, the difference is recognised in the income statement, but only after a reassessment of the identification and measurement of the net assets acquired.

Where settlement of any part of the cash consideration is deferred, the amounts payable in future are discounted to present value at the date of exchange using the entity’s incremental borrowing rate as the discount rate.

(d) Foreign Currency Translation

The functional and presentation currency of Coziron Resources Limited and its subsidiaries is Australian dollars (AUD).

Foreign currency transactions are translated into the functional currency using the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. Foreign exchange gains and losses resulting from settling foreign currency transactions, as well as from restating foreign currency denominated monetary assets and liabilities, are recognised in the income statement, except when they are deferred in equity as qualifying cash flow hedges or where they relate to differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value was determined.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

(e) Revenue Recognition

Revenue is recognised at the fair value of consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid. The following specific recognition criteria must also be met before revenue is recognised:

Interest

Revenue is recognised as interest accrues using the effective interest method. The effective interest method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset.

(f) Income Tax

The income tax expense for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for all temporary differences, between carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases, at the tax rates expected to apply when the assets are recovered or liabilities settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. Exceptions are made for certain temporary differences arising on initial recognition of an asset or a liability if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit.

Deferred tax assets are only recognised for deductible temporary differences and unused tax losses if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interests in joint ventures where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Current and deferred tax balances relating to amounts recognised directly in equity are also recognised directly in equity.

(g) Impairment of Assets

At each reporting date the Group assesses whether there is any indication that individual assets are impaired. Where impairment indicators exist, recoverable amount is determined and impairment losses are recognised in the income statement where the asset's carrying value exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Where it is not possible to estimate recoverable amount for an individual asset, recoverable amount is determined for the cash-generating unit to which the asset belongs.

(h) Cash and Cash Equivalents

For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

(i) Trade Receivables

Trade receivables are recognised at original invoice amounts less an allowance for uncollectible amounts and have repayment terms between 30 and 90 days. Collectability of trade receivables is assessed on an ongoing basis. Debts which are known to be uncollectible are written off. An allowance is made for doubtful debts where there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Group will not be able to collect all amounts due according to the original terms.

(j) Fair Values

Fair values may be used for financial asset and liability measurement and well as for sundry disclosures.

Fair values for financial instruments traded in active markets are based on quoted market prices at balance sheet date. The quoted market price for financial assets is the current bid price and the quoted market price.

The fair value of financial instruments that are not traded in an active market are determined using valuation techniques. Assumptions used are based on observable market prices and rates at balance date. The fair value of long-term debt instruments is determined using quoted market prices for similar instruments. Estimated discounted cash flows are used to determine fair value of the remaining financial instruments. The fair value of forward exchange contracts is determined using forward exchange market rates at balance sheet date.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the group for similar financial instruments.

(k) Exploration, Evaluation and Development Expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are carried forward only if they relate to an area of interest for which rights of tenure are current and in respect of which:

- (i) such costs are expected to be recouped through successful development and exploitation or from sale of the area; or
- (ii) exploration and evaluation activities in the area have not, at balance date, reached a stage which permit a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active operations in, or relating to, the area are continuing.

Accumulated costs in respect of areas of interest which are abandoned are written off in full against profit in the year in which the decision to abandon the area is made.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

The recoverability of the carrying amount of the exploration and evaluation assets is dependent on the successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

(l) Property, Plant and Equipment

All property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the reporting period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated on a straight-line basis over the estimated useful life of the asset as follows:

- Buildings	25 - 40 years
- Machinery	10 - 15 years
- Vehicles	3 - 5 years
- Furniture, fittings and equipment	3 - 8 years
- Leasehold improvements	10 years
- Leased plant and equipment	10 - 15 years

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note g).

Gains and losses on disposals are calculated as the difference between the net disposal proceeds and the asset's carrying amount and are included in the income statement in the year that the item is derecognised.

(m) Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the year end and which are unpaid. These amounts are unsecured and have 30-60 day payment terms.

(n) Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount can be reliably estimated. For service warranties, the likelihood that an outflow will be required to settle the obligation is determined by considering the class of obligations as a whole. Provisions are not recognised for future operating losses.

Where the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(o) Employee Benefit Provisions

Wages and Salaries, Annual Leave and Sick Leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave are recognised in respect of employees' services rendered up to balance sheet date and measured at amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when leave is taken and measured at the actual rates paid or payable. Liabilities for wages and salaries are included as part of Other Payables and liabilities for annual sick leave are included as part of Employee Benefit Provisions.

Long Service Leave

Liabilities for long service leave are recognised as part of the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees to the balance sheet date using the projected unit credit method. Consideration is given to expected future salaries and wages levels, experience of employee departures and periods of service. Expected future payments are discounted using national government bond rates at balance sheet date with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(p) Contributed Equity

Ordinary shares are classified as equity.

Costs directly attributable to the issue of new shares or options are shown as a deduction from the equity proceeds, net of any income tax benefit. Costs directly attributable to the issue of new shares or options associated with the acquisition of a business are included as part of the purchase consideration.

NOTE 2. CASH AND CASH EQUIVALENTS	Reviewed 31-Dec-10 \$	Pro-forma After Issue \$
Cash and cash equivalents	168,125	2,565,968
<i>Adjustments arising in the preparation of the pro-forma Cash and Cash Equivalents balance are summarised as follows:</i>		
Reviewed balance of Coziron as at 31 Dec 2010		168,125
<i>Subsequent events:</i>		
Issue of Convertible Notes converting to shares at \$0.005 each under the Convertible Notes Deeds		400,000
<i>Pro-forma adjustments:</i>		
Cash held by Administrator - paid to creditors		(162,157)
Issue of 250,000,000 shares at \$0.01 each pursuant to the Public Offer under the Prospectus		2,500,000
Capital raising costs relating to the Prospectus		(340,000)
Pro-forma Balance		2,565,968

NOTE 3. TRADE AND OTHER PAYABLES	Reviewed 31-Dec-10 \$	Pro-forma After Issue \$
Trade and other payables	470,736	361,579
<i>Adjustments arising in the preparation of the pro-forma Trade and Other Payables balance are summarised as follows:</i>		
Reviewed balance of Coziron as at 31 Dec 2010		470,736
<i>Pro-forma adjustments:</i>		
Elimination of creditors by Administrator		(109,157)
Pro-forma Balance		361,579

NOTE 4. UNSECURED LOANS	Reviewed 31-Dec-10 \$	Pro-forma After Issue \$
Unsecured loans	453,000	-
<i>Adjustments arising in the preparation of the pro-forma Unsecured Loans balance are summarised as follows:</i>		
Reviewed balance of Coziron as at 31 Dec 2010		453,000
<i>Subsequent events:</i>		
Issue of Convertible Notes converting to shares at \$0.005 each under the Convertible Notes Deeds		400,000
<i>Pro-forma adjustments:</i>		
Conversion of 160,000,000 Convertible Notes at \$0.005 each		(800,000)
Settlement of creditors by Administrator		(53,000)
Pro-forma Balance		-

NOTE 5. CONTRIBUTED EQUITY	Reviewed 31-Dec-10 \$	Number of Shares	Pro-forma After Issue \$
Contributed Equity	6,628,614		2,682,842
<i>Adjustments arising in the preparation of the pro-forma Contributed Equity balance are summarised as follows:</i>			
Ordinary Shares			
Reviewed balance of Coziron as at 31 Dec 2010		88,974,328	6,311,006
<i>Pro-forma adjustments:</i>			
Consolidation of capital on a 1 for 2 basis		(44,487,164)	-
Reduction of capital		-	(6,588,164)
Issue of 160,000,000 shares at \$0.005 each on conversion of the Convertible Notes		160,000,000	800,000
Issue of 250,000,000 shares at \$0.01 each pursuant to the Offer under the Prospectus		250,000,000	2,500,000
Capital raising costs relating to the Prospectus		-	(340,000)
Pro-forma Balance - Ordinary Shares		454,487,164	2,682,842

Options		
Reviewed balance of Coziron as at 31 Dec 2010	1,155,000	317,608
<i>Pro-forma adjustments:</i>		
Consolidation of capital on a 1 for 2 basis	(577,500)	-
Pro-forma Balance - Options	577,500	317,608
Pro-forma Balance - Contributed Equity		3,000,450

As at the date of the Prospectus, there are 577,500 options exercisable at \$0.10, expiring on or before 30 September 2011.

NOTE 6. ACCUMULATED LOSSES	Reviewed 31-Dec-10 \$	Pro-forma After Issue \$
Accumulated Losses	(6,800,362)	(212,198)
<i>Adjustments arising in the preparation of the pro-forma Accumulated Losses balance are summarised as follows:</i>		
Reviewed balance of Coziron as at 31 Dec 2010		(6,800,362)
<i>Pro-forma adjustments:</i>		
Reduction of capital		6,588,164
Pro-forma Balance		(212,198)

NOTE 7: RELATED PARTY DISCLOSURES

Transactions with Related Parties and Directors Interests are disclosed in the Prospectus.

NOTE 8: COMMITMENTS AND CONTINGENCIES

At the date of the report no material commitments or contingent liabilities exist that we are aware of, other than those disclosed in the prospectus.

SECTION 6 MATERIAL CONTRACTS

6.1 SUMMARY OF MATERIAL CONTRACTS

Set out below is a summary of the material contracts to which the Company is a party that may be material in terms of the Offer, for the operation of the business of the Company, or otherwise may be relevant to a potential investor in the Company (**Material Contracts**).

The whole of the provisions of the agreements are not repeated in this Prospectus and any intending Applicant who wishes to gain a full knowledge of the content of the Material Contracts should inspect the same at the registered office of the Company.

6.2 DECLARATION OF TRUST

In 2007 a declaration of trust between Lam Fatt Tan, Richard Teng Beng Tan, IR. Wisnu Hermawan and H. Djoni Darmawan (“the Trustees”) and Coziron Resources Limited (“the Beneficiary”) was formed.

The trust property consists of 250,000 fully paid ordinary shares in the share capital of PT Coziron Copper International (“Trust Property”), a foreign investment company incorporated in Indonesia (“PTCI”).

The Trustees hold the Trust Property upon trust for the Beneficiary absolutely.

The Trustees shall deal with the Trust Property and all such rights, privileges, benefits, income and proceeds in such manner as the Beneficiary may from time to time direct and not otherwise.

The Trustees shall exercise all rights attaching to the Trust Property in such manner as the Beneficiary may from time to time direct.

The Trustees shall on request by the Beneficiary execute and deliver any transfer, proxy, direction or other instrument relating to the Trust Property as the Beneficiary shall require.

6.3 COOPERATION AGREEMENT

On 9 September 2008, Coziron entered into a cooperation agreement with PT Coziron Copper International (“PTCI”) and PT Galian Endapan Buana (“GEB”) (both companies duly established and existing under the laws of the Republic of Indonesia).

GEB is the holder of the interest known as Decree of Bupati of AGAM No. 352 TAHUN 2008 (“Mining Interest”).

GEB offered to assign to PTCI the right to conduct the Mining Activities (which include the legal right to survey, explore, mine and sell iron sand from the concession area of the Mining Interest) and Coziron has agreed to procure that PTCI accepts such assignment.

PTCI shall, at its discretion, make such contributions to the local community as it considers appropriate for the advancement and welfare of the local community.

PTCI rights under the agreement (and therefore Coziron’s as a result of the Declaration of Trust set out in **Section 6.2** above) are as follows:

- to conduct the mining activities (which includes the legal right to survey, explore, mine and sell iron sand from the concession area of the Mining Interest) and to manage the project at its absolute discretion;
- to negotiate and arrange all sales contracts for all the iron sands mined by PCTI from the Mining Interest;
- negotiate, arrange and enter into contracts which Coziron considers necessary or desirable in connection with the project, including entering into contracts with third party contractors and subcontractors;
- preparing books and records for the project;

- preparing all necessary reports and data relating to the project for submission to government authority;
- making payments to third party contractors;
- maintaining an administration section to administer the needs of the project; and
- coordinating the management, mine planning and extraction by any appointed contractors and subcontractors.

Coziron's interest in the project (as a result of the Declaration of Trust set out in **Section 6.2** above) is 80% and GEB's interest is 20% (GEB's interest is a free carried interest).

On 30 July 2010, at the request of Coziron, the directors of GEB issued a letter confirming that the Cooperation Agreement summarised above is ongoing and in good standing.

6.4 DEED OF ASSIGNMENT OF RIGHTS

On 9 September 2008, PT Coziron Copper International ("PTCI") and PT Galian Endapan Buana ("GEB") (both companies duly established and existing under the laws of the Republic of Indonesia) entered into a deed of assignment of rights.

The deed formally assigns the mining rights contemplated in the Cooperation Agreement from GEB to PTCI in respect of the Mining Interest.

6.5 CONVERTIBLE NOTE AGREEMENTS

The Company entered into Convertible Note Agreements on 21 October 2010 and 1 November 2010 respectively with Yandal Investments and Globeon Resources Limited (each a "Noteholder") as excluded investors under section 708 of the Corporations Act ("Convertible Note Agreement") to procure the advance of up to \$400,000 ("Advance"). The Company has also entered into Convertible Note Agreements with each of Mr Keong Ming Tee, Mr Thang Fong Leow, Mr Nyok Choo Wah, Yandal Investments and Mr Stephen Lowe on 24 January 2011 to procure the advance of up to a further \$400,000, on the following terms and conditions:

- (a) subject to obtaining all necessary Shareholder approval under the Listing Rules and the Corporations Act, the notes are convertible at the Noteholder's election;
- (b) each Note will convert into New Shares at an issue price of \$0.005 per New Share;
- (c) New Shares issued upon conversion will rank equally in all respects with the shares on issue at that time;
- (d) the Notes will be redeemed in full (but without any interest) on the earlier of:
 - (i) that date that is 6 months after the date on which the Advance is received by the Company;
 - (ii) the termination of the Recapitalisation Proposal; and
 - (iii) Shareholders failing to approve the Resolutions to implements the Recapitalisation Proposal.

The Convertible Note Agreements otherwise contain additional provisions considered standard in a agreements of this type.

6.6 DEED OF COMPANY ARRANGEMENT

On 12 October 2010, pursuant to section 439A of the Corporations Act, a meeting of the Creditors was held at which it was resolved that the Company execute the DOCA. The Company entered into the DOCA with its Creditors on 20 October 2010.

The DOCA approved by Creditors provided the following:

- (a) that it is subject to the following conditions (collectively referred to as the “DOCA Conditions”):
 - (i) the Company pays the sum of \$215,000 to the Deed Administrators within 14 days of the date of DOCA (“Funds”);
 - (ii) the Directors use their best endeavours to implement the raising of \$800,000 by way of convertible note or notes as proposed by Trident Capital Pty Ltd;
 - (iii) the Deed Administrators applying the Funds toward the claims of the Creditors and otherwise in accordance with the DOCA;
 - (iv) should Completion of the DOCA not occur, then the Company may be wound up, or the Administrators may elect an alternative proponent to undertake the recapitalisation of the Company; and
- (b) that following satisfaction of the DOCA Conditions:
 - (i) the provable debts of the Company to Creditors are to be forgiven (“Forgiveness”);
 - (ii) the DOCA will terminate after all of the DOCA Conditions have been satisfied and the obligations under the DOCA performed;
 - (iii) if any of the DOCA Conditions are not satisfied, then the DOCA could terminate and the Company would then proceed into liquidation;

all costs incurred by the Administrators and Deed Administrators will be paid in accordance with the DOCA.

SECTION 7 RISK FACTORS

There are numerous risks associated with investing in any form of business and with investing in the share market generally. There are also a range of specific risks associated with the Company's business.

This section identifies areas the Directors regard as major risks associated with an investment in the Company. Investors should be aware that an investment in the Company involves many risks, which may be higher than the risks associated with an investment in other companies. Intending applicants should read the whole of this Prospectus in order to fully appreciate such matters and the manner in which the Company intends to operate before any decision is made to subscribe for Shares pursuant to this Prospectus.

Applicants should be aware that there are risks associated with any share investment. The value of the Shares may be above or below the issue price under this Prospectus. The Shares allotted under this Prospectus carry no guarantee in respect of profitability, dividends or return of capital.

The Shares offered under this Prospectus should be regarded as speculative and investors should be aware that they may lose some or all of their investment. Investors should consider whether the Shares offered under this Prospectus are a suitable investment having regard to their own individual investment objectives, financial circumstances and the risk factors set out below. This list is not exhaustive and, if in any doubt, investors should consult their professional advisers before deciding whether to apply for securities pursuant to this Prospectus.

Specific risks include:

7.1 FINANCIAL REPORTING RISKS

Trading in the Company's Shares was voluntarily suspended from the official list of ASX on 5 August 2009 and the Company was subsequently placed in administration on 7 July 2010. The Company did not comply with its financial reporting obligations immediately prior to, and during the period of, its administration. The Company has recently prepared the half-year financial report for 31 December 2009 and the full-year financial report for the years ending 30 June 2009 and 30 June 2010 and has lodged these with the ASX and ASIC. This failure to lodge the financial reports by their due date means that the Company was in breach of its financial reporting requirements under Chapter 2M of the Corporations Act. Shareholders should be aware that this breach may attract liability and/or affect the Company's operations going forward. The costs of preparing the accounts have been borne out the costs of the Recapitalisation Proposal. The Company has engaged BBO Corporate Finance (WA) Pty Ltd to provide an Investigating Accountants' Report (please refer to **Section 5**) which sets out the Company's proforma balance sheet as at 31 December 2010.

7.2 EXPLORATION RISK

Mineral exploration is a speculative and high risk activity that may be hampered by circumstances beyond the control of the Company. There is no guarantee that exploration on the tenements in which the Company has an interest will lead to a commercially viable discovery. Ultimate and continuous success of these activities is dependent on many factors such as:

- the discovery and/or acquisition of economically recoverable ore reserves;
- successful conclusions to bankable feasibility studies;
- access to adequate capital for project development;
- design and construction of efficient mining and processing facilities within capital expenditure budgets;
- securing and maintaining title to tenements;
- obtaining consents and approvals necessary for the conduct of exploration and mining; and
- access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants.

Adverse weather conditions over a prolonged period can adversely effect exploration and mining operations and the timing of revenues.

Any of these events may cause the Company to incur substantial losses and potential liabilities to

government departments and third parties. Such liabilities would reduce the funds available to the Company for further exploration and evaluation of the project.

7.3 OPERATIONAL AND TECHNICAL RISKS

The current and future operations of the Company, including exploration, appraisal and possible production activities may be affected by a range of factors, including:

- geological conditions;
- limitations on activities due to seasonal weather patterns and cyclone activity;
- alterations to joint venture programs and budgets;
- the availability of drilling rigs and other machinery necessary for the Company to undertake its activities;
- unanticipated operational and technical difficulties encountered in survey, drilling and production activities;
- mechanical failure of operating plant and equipment, adverse weather conditions, industrial and environmental accidents, industrial disputes and other force majeure events;
- unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment; and
- prevention or restriction of access by reason of political unrest, outbreak of hostilities, and inability to obtain consents or approvals.

7.4 COMMERCIALISATION RISKS

Even if the Company discovers commercial quantities of minerals, there is a risk the Company will not achieve a commercial return. The Company may not be able to transport the minerals at a reasonable cost or may not be able to sell the minerals to customers at a rate which would cover its operating and capital costs. The Company has to receive regulatory and environmental approval to convert its exploration permits into production concessions. There is a risk that these approvals may not be obtained.

7.5 INSURANCE RISKS

The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances, the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

Insurance of all risks associated with mineral exploration and production is not always available and where available the costs can be prohibitive.

7.6 NO PROFIT TO DATE AND UNCERTAINTY OF FUTURE PROFITABILITY

The Company has incurred losses since its inception and it is therefore not possible to evaluate its prospects based on past performance. Since the Company intends to continue investing in its exploration and development program the Directors anticipate making further losses in the foreseeable future.

While the Directors have confidence in the future revenue-earning potential of the Company, there can be no certainty that the Company will achieve or sustain profitability or achieve or sustain positive cash flow from its operating activities.

7.7 ACQUISITIONS

In addition to the risks identified in **Section 7.6** above, the Company has stated it will also review and consider other business opportunities. Consequently this strategy may result in the Company making acquisitions of, or significant investments in, complementary or alternative companies or assets. Any such transactions would be accompanied by the risks inherent in making acquisitions of companies and assets. For example, there may be liabilities in connection with such acquisitions which are not identified in the Company's due diligence or the acquisitions may not prove to be successful. Further, risks associated with such acquisitions will also arise from the Company's ability to execute the acquisition and then to correctly manage the business operations and growth strategies moving forward. In addition, any acquisition may be

subject to all or any shareholder and regulatory approvals, which may include re-compliance with Chapters 1 & 2 of the ASX Listing Rules.

7.8 DEPENDENCE ON PERSONNEL

The success of the Company will to an extent depend on the Directors' ability to successfully manage the Company's performance and exploit new opportunities. The loss of service of the Directors could have an adverse effect on the proposed operations of the Company.

7.9 INVESTMENT IN INDONESIA

The Company operates in Indonesia, whose economy is subject to many global and internal forces beyond the control of the Company, Indonesia has a degree of sovereign risk. Some of these risks are set out below:

- **COUNTRY RISKS**

Indonesia experiences economic, social and political volatility. As a result, the Company's operations in Indonesia may be impacted by currency fluctuations, political reforms, changes in Indonesian government policies and procedures, civil unrest, social and religious conflict and deteriorating economic conditions. The likelihood of any of these changes, and their possible effects, if any, cannot be determined by the Company with any clarity at the present time, but they may include disruption, increased costs and, in some cases, total inability to establish or to continue to operate mining exploration or development activities.

- **MINING LAW**

Changes to the mining law or to the other government legislation and regulations in Indonesia, or to the division of regulatory powers between the Central Government in Jakarta and local and provisional bodies, may materially impact on the ability of the Company to operate in Indonesia. In the event that an economic resource is identified in the Project there can be no assurance that all or any of the relevant approvals and permits necessary to conduct mining operations will be granted by the Indonesian government and other appropriate regulatory authorities.

Indonesia introduced the new Mineral and Coal Mining Law in January 2009, amending the mining regulatory regime. The regulations to implement this law have not been finalised and only some regulations have been put in place. The impact of this new regime on mining operations in Indonesia, including those conducted by the Company, has yet to be fully determined, particularly as not all the regulations have been finalised and implemented. The Company cannot guarantee that the current arrangements for operating in Indonesia will not be adversely affected by these new laws.

Parts of the Mineral and Coal Mining Law (2009) may be applied by regional Indonesian governments, not the central Indonesian government. As such, the division of authority and power in this area is unclear and may lead to uncertainty.

- **ENVIRONMENTAL LAWS**

The Project may be affected by relevant Indonesian environmental laws, including land remediation laws and hazardous material handling laws. There are risks associated with these laws with respect to penalties and liabilities applicable to the operators of the Project.

- **FORESTRY LAWS**

The Project may be subject to restrictions and liabilities under Indonesian forestry laws as mining operations are anticipated to take place in forest areas. Certain types of mining operations are prohibited in specified forest areas, such as open pit mining in protected forest areas. Any change in the operations of the Project requiring additional permits or authorisations from the Indonesian government may take extensive processing and cannot be guaranteed.

- **LAND ACCESS AND COMPENSATION**

In addition, the Company may find that is unable to negotiate suitable access or compensation arrangements with the local Indonesian community (e.g. land owners, local authorities, traditional

land users) which are required to be completed prior to the commencement of any mining activity.

- **TERRORISM**

As advised by the Australian Department of Foreign Affairs and Trade, Indonesian police have recently been engaged in operations to combat terrorist activity, particularly in North Sumatra, which is subject to civil and political unrest. The risk of terrorism activities in Indonesia and the resulting impact upon the Project is also a relevant risk factor.

- **CONTRACTUAL RIGHTS**

The Company's rights in relation to the Project in Indonesia are contractual in nature only. Accordingly, if the Cooperation Agreement or Assignment of Mining Rights or any associated agreements regulating the Company's interest in the Project were not enforceable in whole or in part, the Company would be adversely affected to the extent of any such unenforceability. In practical terms, the enforcement of contractual rights in Indonesian can be very difficult. Accordingly, if any party breaches its obligations under the Cooperation Agreement or the Assignment of Mining Rights or the other associated contracts it may be difficult for the Company to achieve specific performance or receive satisfactory compensation. Even if the Company is able to enforce its rights, it may only be able to do so over an extended period of time and at a potentially high cost.

- **DEVELOPMENT**

There are also added risks attaching to exploration and mining operations in developing country such as Indonesia which are not necessarily present in a developed country which can impact on a range of factors such as sovereign risk, safety, security, costs, ability to operate, country policy, fiscal provisions and laws and can lead to delay or even the suspension of operations. In comparison to Australia, Indonesia's legal and political systems are in the process of development. The Company's operations in Indonesia are therefore subject to these systems and the stability of such cannot be assured.

- **LAND TITLE CLAIMS**

It is not uncommon in Indonesia for land title claims to be made by local people in the relevant concession area or surrounding areas. Often, such land title claims are of limited (if any) validity and backed by NGOs. However, court proceedings commenced pursuant to such claims have potential to interrupt mining operations.

- **NOMINEE ARRANGEMENT**

It is not possible under Indonesian law for the Company to hold a direct shareholding in PT Coziron Copper International because PT Coziron Copper International has the status of a 100% Indonesian owned company, as opposed to a foreign investment company. Accordingly, the Company's interest in PT Coziron Copper International is through a nominee arrangement ("Arrangement"). This Arrangement is outlined in **Sections 6.2** and **6.3**.

As nominee arrangements are not specifically regulated in Indonesia, there is a risk that if a dispute arises, an Indonesian court will regard the Arrangement as an attempt to circumnavigate the Indonesian Foreign Investment Law by contractual arrangements, and is therefore void. As far as the Company is aware, there have been no court decisions to date relating to the validity of nominee arrangements.

Although structures may be put in place to give the Company (as foreign investor) management control, shareholder control legally remains with the nominee shareholder ("Nominee"). The Nominee may be in breach of contract with the Company if it fails to recognise the foreign investor's rights, but that does not mean that actions undertaken by the Nominee in those circumstances will be held by an Indonesian court to be invalid. The Nominee Arrangement is a trust relationship created under Australian law, not Indonesian law. As such, the Nominee may claim that Indonesian law does not recognise the concepts of "trust" in the terms of the Arrangement, and as legal owner of the shares, all rights attaching to the shares are for the benefit of the Nominee.

7.10 EFFECTUATION OF DOCA

As the Company is currently subject to a Deed of Company Arrangement, there is a risk that if the terms and conditions of the DOCA cannot be satisfied, then the Company may be placed into administration or proceed into liquidation. As at the date of this Prospectus, the only outstanding condition to be satisfied is the payment of the funds to creditors as set out in **Section 2.4**. The terms and conditions of the DOCA are summarised in **Section 6.6**.

General risks include:

7.11 ECONOMIC AND GOVERNMENT RISKS

The future viability of the Company is also dependent on a number of other factors which may affect the performance of all industries, including, but not limited to, the following:

- general economic conditions in Australia and its major trading partners;
- changes in Government policies, taxation and other laws;
- the strength of the equity and share markets in Australia and throughout the world;
- movement in, or outlook on, exchange rates, interest rates and inflation rates;
- natural disasters, social upheaval or war in Australia or overseas; and
- other factors beyond the control of the Company

7.12 FUTURE CAPITAL NEEDS

Further funding of projects and potential acquisitions may be required by the Company to support its ongoing activities and operations. There can be no assurance that such funding will be available on satisfactory terms or at all. Any inability to obtain funding will adversely affect the business and financial condition of the Company and, consequently, its performance.

7.13 INVESTMENT RISK

The Shares to be issued pursuant to this Prospectus should be considered speculative. They carry no guarantee as to payment of dividends, return of capital or the market value of the Shares. The prices at which an investor may be able to trade the Shares may be above or below the Offer price paid for the Shares. While the Directors commend the Offer, prospective investors must make their own assessment of the likely risks and determine whether an investment in the Company is appropriate to their own circumstances.

7.14 SHARE MARKET

A number of factors affect the performance of share market investments that could also affect the price at which the securities trade on the ASX. The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general. These factors may materially affect the market price of the Company's securities regardless of the Company's operational performance.

Share market conditions are affected by many factors including but not limited to the following:

- general economic outlook;
- interest rates and inflation rates;
- currency fluctuations;
- mineral price fluctuations;
- change in Government macro fiscal policies;
- changes in investor sentiment toward particular market sectors;

- the demand for, and supply of, capital;
- terrorism or other hostilities; and
- other factors beyond the control of the Company.

7.15 FOREIGN EXCHANGE RATE RISK

The international prices of most commodities are denominated in United States dollars while the Company cost base will be in Australian dollars. Consequently changes in the Australian dollar foreign exchange rate will impact on the earnings of the Company. The foreign exchange rate is affected by numerous factors beyond the control of the Company, including interest rates, inflation and the general economic outlook.

This is largely beyond the Company's control. There may be strategies implemented to hedge currency but this will be a decision taken by Directors after consultation with experts after the issue of the Prospectus.

7.16 COMPETITION RISK

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

SECTION 8 ADDITIONAL INFORMATION

8.1 COMPANY INFORMATION

The Company was incorporated on 9 February 2005 and was admitted to the Official List of ASX on 25 August 2006. The Company's Shares were suspended from trading on the ASX on 5 August 2009.

8.2 RIGHTS ATTACHING TO SHARES

Shares issued pursuant to the Offer will rank equally with all other fully paid ordinary shares on issue.

The rights attaching to the Shares are set out in the constitution of the Company. A broad summary (although not an exhaustive or definitive statement) of the rights attaching to the Shares are outlined below.

8.2.1 RANKING OF SHARES

At the date of this Prospectus, all Shares are of the same class and rank equally in all respects. Specifically, the Shares issued pursuant to this Prospectus will rank equally with Post Consolidation Shares.

8.2.2 VOTING RIGHTS

Subject to any special rights or restrictions (at present there are none), at any Shareholder meeting, each Shareholder present in person or by proxy has one vote on a show of hands, and on a poll has one vote for each share held.

8.2.3 DIVIDEND RIGHTS

Subject to any special rights (at present there are none), any dividends that may be declared by the Company are payable on all Shares in proportion to the amount paid up.

8.2.4 VARIATION OF RIGHTS

The rights attaching to the Shares may only be varied by the consent in writing of the holders of three-quarters of the Shares, or with the sanction of a special resolution passed at a general meeting.

8.2.5 TRANSFER OF SHARES

Subject to the constitution of the Company, the Corporations Act and other relevant laws, the Shares are freely transferable.

8.2.6 GENERAL MEETINGS

Each Shareholder is entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive all notices, accounts and other documents required to be furnished to Shareholders under the Company's constitution, the Corporations Act and any other laws.

8.2.7 RIGHTS ON WINDING UP

If the Company is wound up, the liquidator may, with the sanction of a special resolution:

- divide among the Shareholders the whole or any part of the Company's property; and
- decide how the division is to be carried out between the Shareholders.

Subject to any special rights (at present there are none), any surplus assets (following full satisfaction of all creditors debts) on a winding up are to be distributed to Shareholders in proportion to the number of Shares held by them irrespective of the amounts paid or credited as paid.

8.3 PROFILE OF THE DIRECTORS

Brief profiles of the Directors are set out below.

Mr Adam Sierakowski

Adam Sierakowski is a lawyer and director of the legal firm Price Sierakowski. He has over 15 years' experience in legal practice, much of which he has spent as a corporate lawyer consulting and advising on a range of transactions to a variety of large private and listed public entities. He is the co-founder and director of Perth based corporate advisory business, Trident Capital. Mr Sierakowski has held a number of board positions with ASX listed companies. He is a member of the Australian Institute of Company Directors and the Association of Mining and Exploration Companies.

Mr Kwong Choon Soong

Mr Soong was previously General Manager of Malaysia Airlines based in Perth, Australia. He has worked with the airline for over 25 years as a senior manager, and also as Director of Industrial Relations. His qualifications include a Bachelor of Arts Degree. Mr. Soong is currently a Director of 2 private limited companies involved in information technology.

Mr Stephen Lowe

Mr Stephen Lowe is a taxation specialist with over 15 years experience consulting to a wide range of corporate and private clients on a broad range of taxation issues including mining and international matters, GST and CGT. He is a former director of the Perth based specialist taxation firm MKT - Taxation Advisors as well as former non-executive director of Apex Minerals Ltd. He has been a director of several other public unlisted companies.

His qualifications include a Bachelor of Business, Post-Graduate Diploma in Advanced Taxation and a Master of Taxation from the University of New South Wales. Steve is a Fellow of the Taxation Institute of Australia and a Member of the Australian Institute of Company Directors.

Mr Lowe is currently the business manager for major shareholder Mark Creasy's business group.

8.4 CORPORATE GOVERNANCE

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs. To the extent they are applicable; the Company has adopted the Eight Essential Corporate Governance Principles and Best Practice Recommendations ("Recommendations") as published by ASX Corporate Governance Council.

The Company's Corporate Governance policy and its Share Trade Policy will be available on the Company's website. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance structures will be given further consideration.

Principle 1 – Lay solid foundations for management and oversight

The Board and management have agreed on their respective roles and responsibilities and the functions reserved to the Board and management. The Board has established and adopted a Board Charter for this purpose. The Board has also established a Nomination and Remuneration Committee Charter which, amongst other functions, guides the Board in its evaluation of the performance of senior executives and encourages an appropriate mix of skills, experience, expertise and diversity on the Board.

Principle 2 – Structure the Board to add value

The Board ultimately takes responsibility for corporate governance, and will be accountable to the Shareholders for the performance of the Company. The functions and responsibilities of the Board are set out in the Company's Constitution and the Corporations Act. The Company has adopted a Nomination and Remuneration Committee Charter which encourages a transparent Board selection process in searching for and selecting new directors to the Board and having regard to any gaps in the skills and experience of the directors of the Board and ensuring that a diverse range of candidates is considered.

The Board has a majority of independent directors. It is comprised of two independent directors and one non-independent director. The existing structure is considered appropriate given the small scale of the Company's enterprise and the associated economic restrictions this places on the Company. The existing structure is aimed at maximising the financial position of the Company by keeping its operating costs to a minimum.

A separate nomination committee has not been formed. The role of the nomination committee is carried out by the full Board in accordance with the Nomination and Remuneration Committee Charter. The Board considers that at this stage, no efficiencies or other benefits would be gained by establishing a separate committee.

Principle 3 – Promote ethical and responsible decision making

All Directors, managers and employees are expected to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the Company. The Board has established a Code of Conduct to guide the Directors, managers, employees and officers of the Company with respect to matters relevant to the Company's legal and ethical obligations. The Board has also established a Workplace Diversity Policy which affirms the Company's commitment to promoting a corporate culture that is supportive of diversity and outlines strategies that the Board can undertake to encourage and promote a diverse working environment.

Principle 4 – Safeguard integrity in financial reporting

The Directors require the Chief Executive Officer and external company auditors to state in writing to the Board that the Company's financial reports present a true and fair view, in all material respects, of the Company's financial condition and operational results and are in accordance with relevant accounting standards.

A separate audit committee has not been formed. However, the Company has adopted an Audit Committee Charter. The role of the audit committee is carried out by the full Board in accordance with the Audit Committee Charter. The Board considers that given its size, no efficiencies or other benefits would be gained by establishing a separate audit committee.

Principle 5 – Make timely and balanced disclosure

The Directors are committed to keeping the market fully informed of material developments to ensure compliance with the Listing Rules and the Corporations Act. The Directors have established a written policy and procedure to ensure compliance with the disclosure requirements of the Listing Rules.

Principle 6 – Respect the rights of Shareholders

The Directors have established a communications strategy to promote effective communication with Shareholders and encourage effective participation at general meetings. As well as ensuring timely and appropriate access to information for all investors via announcements to the ASX, the Company will ensure that all relevant documents are released on the Company's website.

Principle 7 – Recognise and manage risk

The Directors have established a Risk Management Policy regarding the oversight and management of material business risks.

Principle 8 – Remunerate fairly and responsibly

A separate remuneration committee has not been formed. However, the Company has adopted a Nomination and Remuneration Committee Charter. The role of the remuneration committee is carried out by the full Board in accordance with the Nomination and Remuneration Committee charter. The Board considers that at this stage, no efficiencies or other benefits would be gained by establishing a separate committee.

The Board has provided disclosure in relation to Directors' remuneration in **Section 8.6** of this Prospectus. Further disclosure will be given to investors annually in accordance with the Listing Rules and the Corporations Act.

Share Trade Policy

The Company has adopted a Trading Policy which sets out the following information:

- closed periods in which directors, employees and contractors of the Company must not deal in the Company's securities;
- trading in the Company's securities which is not subject to the Company's Trading Policy; and
- the procedures for obtaining written clearance for trading in exceptional circumstances.

The Company's Trading Policy will be available on its website.

8.5 CONTINUOUS DISCLOSURE AND MARKET PRICE OF SHARES

The Company is a "disclosing entity" for the purposes of Part 1.2A of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations which require it to disclose to the ASX any information which it is or becomes aware of concerning the Company and which a reasonable person would expect to have a material effect on the price or value of the securities of the Company. The Company's Shares are currently suspended and as such no market price is available.

8.6 INTERESTS OF DIRECTORS

Other than as set out below or elsewhere in this Prospectus, no Director has, or has had within two years before lodgement of this Prospectus with ASIC:

- any interest in the formation or promotion of the Company, or in any property acquired or proposed to be acquired by the Company in connection with its formation or promotion or in connection with the Offer; and
- no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any Director, either to induce him or her to become, or to qualify them as a Director, or otherwise, for services rendered by him or her in connection with the formation or promotion of the Company or the Offer.

8.6.1 SHAREHOLDING QUALIFICATIONS

Directors are not required to hold any Shares under the constitution of the Company.

8.6.2 DIRECTORS' SECURITY HOLDINGS

Set out in the table below are details of the Directors' relevant interests in the Shares and Options of the Company as at the date of this Prospectus.

Directors and their Associates	Number Of Shares	Number of Options
Mr Adam Sierakowski	Nil	Nil
Mr Kwong Choon Soong	Nil	Nil
Mr Stephen Lowe	2,286,000 ¹	Nil
TOTAL	2,286,000	Nil

¹ Mr Lowe entered into a Convertible Note Agreement with the Company on 24 January 2011 under which he will be issued with 2,286,000 Convertible Note Shares, which was approved by Shareholders at the Annual General Meeting held on 31 January 2011.

In addition, each of the Directors is entitled to apply for up to 3,000,000 New Shares each under the Offer, which was approved by Shareholders at the Annual General Meeting held on 31 January 2011. In addition, Mr Lowe is entitled to apply for a further 2,857,000 New Shares under the Offer, which was approved by Shareholders at the Annual General Meeting held on 31 January 2011. Pursuant to the Directors' proposed subscriptions under this Prospectus, the interests of the Directors in the Company at the close of the Offer are anticipated to be as follows:

Directors and their Associates	Number Of Shares	Number Of Options
Mr Adam Sierakowski	up to 3,000,000	Nil
Mr Kwong Choon Soong	up to 3,000,000	Nil
Mr Stephen Lowe	up to 8,143,000	Nil
TOTAL	up to 14,143,000	Nil

8.6.3 DIRECTORS' REMUNERATION

The Constitution provides that each Director is entitled to such remuneration from the Company as the Directors decide, but the total amount provided to all non-executive Directors must not exceed in aggregate the amount fixed by the Company in a general meeting or, prior to an amount being fixed in general meeting, an amount determined by the Directors. The current aggregate remuneration for all non-executive Directors (as set by the Company in general meeting) will be not more than \$150,000 per annum (allowing for the appointment of future Directors) to be apportioned among the non-executive Directors in such a manner as they determine. At this stage no amounts have been paid or agreed to be paid to the Directors.

8.7 INTERESTS AND FEES OF PROFESSIONALS

Other than as set out below or elsewhere in the Prospectus, no expert, promoter, or any other person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with has or has, within two years before lodgement of the Prospectus with ASIC:

- had any interest in the formation or promotion of the Company or in any property acquired or proposed to be acquired by the Company in connection with its formation or promotion or in connection with the Offer; and

- not recorded any amounts or benefits or has not agreed to be paid benefits for services rendered by such persons in connection with the formation or promotion of the Company or the Offer.

Price Sierakowski has acted as Solicitors to the Offer. In addition, Price Sierakowski has performed other legal work in relation to the reconstruction of the Company over the last 6 months, including the preparation of the Notice of Meeting. Fees payable to Price Sierakowski in relation to this Prospectus are estimated at \$85,000. Price Sierakowski has been paid fees of \$72,426 in relation to expenses associated with the reconstruction of the Company. Fees payable to Price Sierakowski have been charged in accordance with their normal rates.

Trident Capital has acted as corporate advisers to the Company. Trident Capital has also performed other work in relation to the reconstruction of the Company over the last 6 months including management of the recapitalisation process and preparation of documentation. Fees payable to Trident Capital in relation to this Prospectus are \$80,000. Trident Capital and its associates have been paid fees of \$95,750 in respect of corporate advice and accounting services associated with the recapitalisation of the Company. Fees payable to Trident Capital have been charged in accordance with their normal rates.

BDO Corporate Finance (WA) Pty Ltd has acted as Investigating Accountant to the Offer. Fees payable to BDO Corporate Finance (WA) Pty Ltd for work done in relation to the Investigating Accountants Report is approximately \$7,000. BDO Corporate Finance (WA) Pty Ltd has performed no other work in relation to the reconstruction of the Company. Fees payable to BDO Corporate Finance (WA) Pty Ltd have been charged in accordance with their normal hourly rates.

BDO Audit (WA) Pty Ltd ("BDO Audit") have consented to act as the Company's auditors and will assume that office as approved by Shareholders at the AGM held on 31 January 2011. BDO Audit have commenced the audit review of the financial report for the 6 months ended 31 December 2010. Fees payable to BDO Audit for work done in relation to the review is estimated to be approximately \$8,000. BDO Audit has performed no other work in relation to the reconstruction of the Company. Fees payable to BDO Audit have been charged in accordance with their normal hourly rates.

Security Transfer Registrars remains the Company's Share Registry and will be paid for these services on normal commercial rates.

8.8 CONSENTS

Each of the parties referred to in this **Section 8**:

- does not make, or purport to make, any statement in this Prospectus or on which a statement made in the Prospectus is based, other than as specified in this **Section 8**; and
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this **Section 8**.

Price Sierakowski has given, and has not before lodgement of this Prospectus withdrawn its written consent to being named in this Prospectus as Solicitors to the Issue in the form and context in which it is named, together with all references to it in this Prospectus. Price Sierakowski has not authorised or caused the issue of this Prospectus and takes no responsibility for any part of this Prospectus other than the references to it.

Trident Capital has given, and has not before lodgement of this Prospectus withdrawn, its written consent to be named in this Prospectus as corporate advisor to the Issue in the form and context in which it is named, together with all references to it in this Prospectus. Trident Capital has not authorised or caused the issue of this Prospectus and takes no responsibility for any part of this Prospectus other than the references to it.

Security Transfer Registrars has given, and has not before lodgement of this Prospectus withdrawn, its written consent to be named in this Prospectus as the Share Registry in the form and context in which it is named, together with all references to it in this Prospectus. Security Transfer Registrars has had no involvement in the preparation of any part of this Prospectus other than being named as Share Registry. Security Transfer Registrars has not authorised or caused the issue of this Prospectus and takes no responsibility for any part of this Prospectus other than the references to it.

BDO Corporate Finance (WA) Pty Ltd has given, and has not before lodgement of this Prospectus withdrawn

its consent to be named in this Prospectus as Investigating Accountant and to the inclusion of the Investigating Accountants Report in **Section 5** of this Prospectus. BDO Corporate Finance (WA) Pty Ltd has not authorised or caused the issue of this Prospectus and takes no responsibility for any part of this Prospectus other than its report and references to it.

BDO Audit has given, and has not before lodgement of this Prospectus withdrawn, its written consent to be named in this Prospectus as the auditor in the form and context in which it is named, together with all references to it in this Prospectus. BDO Audit has had no involvement in the preparation of any part of this Prospectus other than being named as auditor. BDO Audit has not authorised or caused the issue of this Prospectus and takes no responsibility for any part of this Prospectus other than the references to it.

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

8.9 EXPENSES

The expenses of the Offer are expected to comprise the following estimated costs and are exclusive of any GST payable by the Company.

Expenses Of The Offer	Minimum Subscription \$
Corporate Advisory fees	\$80,000
Legal fees	\$85,000
Investigating Accountant's fees	\$7,000
ASIC and ASX fees	\$10,000
Other Costs	\$8,000
Commissions associated with Capital Raising @ 6%	\$150,000
Total Estimated Expenses	\$340,000

8.10 LITIGATION

There is currently no past, present or pending litigation of which the Company is aware against either Company or the Company's Directors.

8.11 TAXATION

It is the responsibility of all persons to satisfy themselves of the particular taxation treatment that applies to them in relation to the Offer, by consulting their own professional tax advisers. Neither the Company nor any of the Directors accept any liability or responsibility in respect of the taxation consequences of the matters referred to above.

8.12 ELECTRONIC PROSPECTUS

Pursuant to Class Order 00/44, ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus on the basis of a paper prospectus lodged with ASIC and the issue of shares in response to an electronic application form subject to compliance with certain provisions. If you have received this Prospectus as an electronic Prospectus please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please contact the Company and it will send you free of charge either a hard copy or a further electronic copy of the Prospectus or both. The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered. In such a case, the Application Monies shall be dealt with in accordance with section 722 of the Corporations Act.

SECTION 9 DIRECTORS' AUTHORISATION

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

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

Signed for and on behalf of the Company.

A handwritten signature in black ink, appearing to read "Stephen Lowe", written over a circular stamp or seal.

Mr Stephen Lowe
Non-Executive Director

31 January 2011

SECTION 10 DEFINITIONS

Definitions used in this Prospectus are as follows:

Administrators	means Mr David Ashley Norman Hurt and Mr Christopher Michael Williamson of WA Insolvency Solutions Pty Ltd jointly and severally, in their capacity as deed administrators of the DOCA.
AUD \$	means Australian dollars. All amounts in this Prospectus are in Australian dollars unless stated otherwise.
Annual General Meeting or AGM	means the meeting of shareholders held on 31 January 2011, where the matters set out in the Notice of Annual General Meeting dated 13 December 2010 were considered and all proposed resolutions were passed.
Applicant	means a person who submits an Application.
Application	means a valid application to subscribe for Shares under this Prospectus.
Application Monies	means the amount of money in dollars and cents payable for Shares pursuant to this Prospectus.
Application Form	means the Offer Application Form attached to, and forming part of this Prospectus.
Associates	has the meaning given in the Corporations Act.
ASIC	means Australian Securities and Investments Commission.
ASX	means ASX Limited (ACN 008 624 691).
Business Day	means a day on which trading banks are open for business in Perth, Western Australia except a Saturday, Sunday or public holiday.
Board	means the Board of Directors of the Company.
CHESS	means ASX Clearing House Electronic Sub-register System.
Claim	means a debt payable by, or a claim against, the Company (present, future, certain or contingent, ascertained or sounding only in damages) being debts or claims the circumstances giving rise to which occurred before the Appointment Date that would be admissible to proof against the Company in accordance with Division 6 of Part 5.6 of the Corporations Act, if the Company had been wound up and the winding up is taken to have commenced on the appointment date.
Closing Date	means an indicative date only of 22 February 2011 or other such date and time as the Company may determine.
Company	means Coziron Resources Ltd (ACN 112 866 869) (Subject to Deed of Company Arrangement).
Consolidation	means the 1 for 2 consolidation of the Company's issued capital as approved at the Annual General Meeting.
Convertible Note Agreements	means the convertible note agreement dated 21 October 2010 between the Company and Yandal Investments Pty Ltd, the convertible note agreement dated 1 November 2010 between the Company and Globeon Resources Limited and the convertible note agreements dated 24 January 2011 entered into between the Company and Mr Keong Ming Tee, Mr Thang Fong Leow, Mr Nyok Choo Wah, Yandal Investments Pty Ltd and Mr Stephen Lowe.
Convertible Note Shares	means the issue of 160,000,000 Shares to the following parties pursuant to their respective Convertible Note Agreements: <ul style="list-style-type: none"> • 14,000,000 to Mr Keong Ming Tee (and/or his nominee); • 14,000,000 to Mr Thang Fong Leow (and/or his nominee); • 12,000,000 to Mr Nyok Choo Wah (and/or his nominee);

- 40,000,000 to Globeon Resources Limited (and/or its nominee);
- 77,714,000 to Yandal Investments (and/or its nominee); and
- 2,286,000 to Mr Stephen Lowe (and/or his nominee).

Corporations Act	means the Corporations Act 2001 (Cth).
Creditor(s)	means any person having a Claim against the Company.
Deed Administrators	has the same meaning as Administrators.
Directors	means the directors of the Company being Messrs Adam Sierakowski, Stephen Lowe and Kwong Choon Soong.
DOCA	means the Deed of Company Arrangement executed on 20 October 2010 between the Company, the Administrators, Mr Kwong Choon Soong and Mr Sin Hin Lim.
Existing Options	means the 577,500 Options in the Company on issue at the date of this Prospectus, shown on a post consolidation basis.
Existing Shares	means the 88,974,328 Shares in the Company on issue at the date of this Prospectus.
Existing Shareholder	means the holder of an Existing Share.
Exposure Period	means the period of seven (7) days after the date of lodgment of the Prospectus, which period may be extended by ASIC by not more than seven (7) days pursuant to section 727(3) of the Corporations Act 2001.
Issue	means the issue of Shares in accordance with the Offer.
Listing Rules	means the listing rules of ASX.
Minimum Subscription	means the raising of \$2.5 million by the issue of 250,000,000 Shares pursuant to this Prospectus.
Notice of Annual General Meeting	means the notice convening the Annual General Meeting.
Offer	means the offer pursuant to this Prospectus of 250,000,000 Shares at an issue price of \$0.01 each to raise \$2,500,000 as set out in Section 1 of this Prospectus.
Official List	means the official list of ASX.
Opening Date	means the first date for receipt of completed Application Forms which is 9:00am WST on 8 February 2011 or other such date and time as the Company may determine.
Option	means an option to acquire a Share.
Post Consolidation Shares	means the 44,487,164 Shares in the Company on issue following the one for two capital consolidation approved by the Existing Shareholders at the AGM.
Prospectus	means the prospectus dated 31 January 2011.
Quotation	means official quotation as defined in the Listing Rules.
Recapitalisation Proposal	means the proposal for the recapitalisation of the Company to be implemented in accordance with the resolutions approved by Shareholders at the AGM as described in Section 3.2 of this Prospectus.
Share(s)	means a fully paid ordinary share or shares in the capital of the Company.
Shareholder	means the holders of Shares registered in the Company's share registry.
Share Registry	means Security Transfer Registrars Pty Ltd (ACN 008 894 488)
Subscription Account	means the bank account that will be established by the Company for the purpose of depositing all the Application Monies until such time as they are eligible for withdrawal.
WST	means Perth, Western Australian local time.
Yandal Investments	means Yandal Investments Pty Ltd (ACN 070 684 810).

Guide to the Offer Application Form

This Offer Application Form relates to the Offer of Shares in Coziron Resources Ltd. The expiry date of the Prospectus is the date which is 13 months after the date of the Prospectus dated 31 January 2011. The Prospectus contains information about investing in the Shares of the Company and it is advisable to read this document before applying for Shares. A person who gives another person access to this Offer Application Form must at the same time and by the same means give the other person access to the Prospectus, and any supplementary prospectus (if applicable), and an Offer Application Form on request and without charge.

Please complete the all relevant sections of the Offer Application Form using BLOCK LETTERS. These instructions are cross referenced to each section of the Offer Application Form. Further particulars in the correct forms of resistible titles to use on the Application Form are contained in the table below.

- A Insert the number of Shares you wish to apply for. The Application must be for a minimum of 200,000 Shares and thereafter in multiples of 100,000 Shares.
- B Insert the relevant account Application Monies. To calculate your Application Monies, add the number of Shares applied for multiplied by 1c.
- C Write the full name you wish to appear on the statement of shareholdings. This must be either your own name or the name of the Company. Up to three joint Applicants may register. You should refer to the table below for the correct forms of registrable title. Applicants using the wrong form of title may be rejected. Clearing House Electronic Sub-Register System (CHES) participants should complete their name and address in the same format as that presently registered in the CHES system.
- D Enter your Tax File Number (TFN) or exemption category. Where applicable please enter the TFN for each joint Applicant. Collection of TFNs is authorized by taxation laws. Quotation for your TFN is not compulsory and will not affect your Application.
- E Please enter your postal address for all correspondence. All communications to you from the Shares Registry will be mailed to the person(s) and address as shown. For Joint Applicants, only one address can be entered.
- F Please enter your telephone number(s), area code, email address and contact name in case we need to contact you regarding your Application.
- G Coziron Resources Ltd will apply to the ASX to participate in CHES, operated by ASX Settlement Pty Limited, a wholly owned subsidiary of ASX Limited. In CHES, the Company will operate an electronic CHES sub register of securities holdings and an electronic issuer sponsored sub register of securities holdings. Together the two sub registers will make up the Company's principal register of securities. The Company will not be issuing certificates to applicants in respect of securities allotted.

If you are CHES participant (or are sponsored by a CHES participant) and you wish to hold securities allotted to you under this Application in uncertified form on the CHES sub register, complete Section G or forward your Application Form to your sponsoring participant for completion of this section prior to lodgement. Otherwise, leave Section G blank and on allotment, you will be sponsored by the Company and an SRN will be allocated to you. For Further information refer to the relevant section of the Prospectus.

- H Please complete cheque details as requested.

Make your cheque payable to "Coziron Resources Ltd - Subscription Account" in Australian currency and cross it "Not Negotiable" Your cheque must be drawn on an Australian Bank.

The amount should agree with the amount shown in section B.

Sufficient cleared funds should be held in your account, as cheques returned unpaid are likely to result in your Application being rejected.

- I Before completing the Offer Application Form the Applicant(s) should read the Prospectus to which the Application relates. By lodging the Offer Application Form, the Applicant(s) agrees that this Application is for shares in Coziron Resources Ltd upon and subject to the terms of this Prospectus, and agrees to take any number of Shares equal to or less than the number of Shares indicated in Section A that may be allotted to the Applicant(s) pursuant to the Prospectus and declares that all details and statements made are complete and accurate. It is not necessary to sign the Offer Application Form.

Lodgement of Applications

Return your completed Offer Application Form with cheque(s) attached to:

In Person to: Coziron Resources Ltd C/- Trident Capital Pty Ltd Level 24, St Martin's Tower 44 St Georges Terrace Perth WA 6000	OR	By Post to: Coziron Resources Ltd C/- Trident Capital Pty Ltd PO Box Z5183 St Georges Terrace Perth WA 6831
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Application Forms must be received no later than 22 February 2011 which may be changed immediately after the Opening Date at any time at the discretion of the Company

Correct form of Registrable Title

Only legal entities are allowed to hold Shares. Applications must be in the name(s) of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and the surname are required for each natural person. The name of the beneficiary or any other non-registrable title may be included by way of an account designation if completed exactly as described in the examples below:

Type of Investor	Correct form of Registrable Title	Incorrect form of Registra Title
Individual Use Names in full, no initials	Mr John Alfred Smith	JA Smith
Minor (a person under the age of 18). Use the name of a responsible adult, do not use the name of a minor.	John Alfred Smith <Peter Smith>	Peter Smith
Company - Use Company title, not abbreviations	ABC Pty Ltd	ABC P/L; ABC Co
Trusts - Use trustee(s) personal name(s), do not use the name of the trust	Mrs Sue Smith <Sue Smith Family A/C>	Sue Smith Family Trust
Deceased Estates - Use executor(s) person name(s), do not use the name of the deceased	Ms Jane Smith <Est John Smith A/C>	Estate of Late John Smith
Partnerships - Use partners personal names, do not use the name of the partnership	Mr John Smith and Mr Michael Smith <John Smith and Son A/C>	John Smith and Son