



ASX Announcement | Date 3 September 2018

Non-Renounceable Entitlement Offer of New Options to raise up to approximately \$231,250 on issue, and up to \$9.25 million on exercise

- **Eligible shareholders are able to subscribe for options to acquire shares priced at \$0.01 each and exercisable at \$0.40 on or before 15 December 2018 ("New Options")**
- **On exercise of a New Option, each holder will receive a share and a free attaching option exercisable at \$0.80 on or before 15 December 2019 ("Piggy Back Option"), subject to shareholder approval**

Eagle Mountain Mining Limited (ASX:EM2) ("**Eagle Mountain**") is pleased to announce a non-renounceable entitlement offer of New Options to raise approximately \$231,250 on issue (before costs) and up to \$9.25 million on exercise (before costs).

Summary of the offer

Eagle Mountain confirms that it has today lodged with ASIC a prospectus ("**Prospectus**") for a non-renounceable entitlement offer of 23,125,000 New Options at an issue price of \$0.01 per New Option to registered shareholders with an address in Australia, New Zealand, Switzerland or Singapore at 5:00pm (WST) on 7 September 2018 ("**Record Date**"), on the basis of 1 New Option for every 4 shares held at the Record Date, to raise up to approximately \$231,250 (before costs) ("**the Entitlement Offer**").

The New Options will be unlisted. If all New Options are exercised, Eagle Mountain will raise up to \$9.25 million (before costs).

Shares issued upon exercise of the New Options will be fully paid and will rank equally in all respects with the existing shares on issue. Further details of the Entitlement Offer including the proposed timetable, the key risks and how to accept the Entitlement Offer, are set out in the Prospectus.

Any New Options not subscribed for under the Entitlement Offer will form the shortfall, and will be offered to eligible shareholders and other persons nominated by the lead manager to the Entitlement Offer pursuant to a separate offer under the Prospectus ("**Shortfall Offer**").

EAGLE MOUNTAIN MINING LIMITED | ACN 621 541 204

Ground Floor, 22 Stirling Hwy, Nedlands WA 6009 | PO Box 3365 Nedlands WA 6009
info@eaglemountain.com.au | eaglemountain.com.au



ASX Announcement | Date 3 September 2018

In addition to the Entitlement Offer and the Shortfall Offer, the Company also makes an offer of Piggy Back Options to all persons who subscribe for New Options under either the Entitlement Offer or the Shortfall Offer, on the basis of one Piggy Back Option issued for every one New Option exercised ("**Piggy Back Option Offer**"). The Piggy Back Options issued upon the exercise of New Options will be exercisable at \$0.80 each on or before 15 December 2019. The issue of Piggy Back Options under the Piggy Back Options Offer is conditional upon shareholder approval.

Use of funds

The Company is about to commence its highly anticipated 6,000 metre diamond drilling program at the Silver Mountain copper-gold project in Arizona. Since listing on the ASX in March, the drill program has now doubled in size following successful exploration campaigns and will mark the first time a modern comprehensive drilling campaign has been conducted over the project area.

Drilling will target the four unique styles of mineralisation found within the Silver Mountain Project, which lies on the same geological setting that hosts world-class porphyry copper mines such as Bagdad and Miami and also BHP/Rio's Resolution project (one of the largest undeveloped copper deposits in the world). They also lie on the southern extension of the metallogenic belt that hosts United Verde and Iron King mines.

Funds raised from the Entitlement Offer and Shortfall Offer will contribute to costs of the offers and working capital. The exercise of New Options will provide additional funding to allow Eagle Mountain to continue with its drilling program at the Silver Mountain Project in the event of successful drill results in the initial stages of the program. The ability to continue drilling will save time and cost by avoiding the need to demobilise the drilling rigs and infrastructure and then remobilise at a later date.

Lead Manager

The Company has engaged Peloton Capital Pty Ltd as Lead Manager. The Lead Manager will be entitled to receive:

- a management fee of \$23,125 (plus GST) in relation to the Entitlement Offer; and
- a capital raising fee of 4% (plus GST) of the total amount of shortfall arranged and placed by the Lead Manager under the Shortfall Offer.

EAGLE MOUNTAIN MINING LIMITED | ACN 621 541 204

Ground Floor, 22 Stirling Hwy, Nedlands WA 6009 | PO Box 3365 Nedlands WA 6009
info@eaglemountain.com.au | eaglemountain.com.au



EAGLE MOUNTAIN MINING

ASX Announcement | Date 3 September 2018

Proposed timetable

Eagle Mountain expects to despatch the Prospectus on 11 September 2018 in accordance with the timetable outlined below.

Event	Date*
Announcement of Entitlement Offer	3 September 2018
Lodgement of Appendix 3B with ASX	3 September 2018
Prospectus lodged at ASIC and ASX	3 September 2018
Notice of Entitlement Offer sent to Shareholders	5 September 2018
"Ex" Date (date Shares are quoted ex-rights)	6 September 2018
Record Date to determine Entitlements	7 September 2018
Prospectus (together with Entitlement and Acceptance Form) despatched to Shareholders	11 September 2018
Opening Date	11 September 2018
Closing Date**	2 October 2018
Shares quoted on a deferred settlement basis	10 September 2018
Notification to ASX of under subscriptions	5 October 2018
New Options issued	9 October 2018

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

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

EAGLE MOUNTAIN MINING LIMITED | ACN 621 541 204

Ground Floor, 22 Stirling Hwy, Nedlands WA 6009 | PO Box 3365 Nedlands WA 6009
info@eaglemountain.com.au | eaglemountain.com.au



EAGLE MOUNTAIN MINING

ASX Announcement | Date 3 September 2018

Attached for immediate release are the Prospectus and an Appendix 3b.

For further information please contact:

Charles Bass
BSc, MSc, FAusIMM, FAIG, FAICD
Managing Director & CEO
charlie@eaglemountain.com.au

Mark Pitts
B.Bus, FCA, GAICD
Company Secretary
mark@eaglemountain.com.au

EAGLE MOUNTAIN MINING LIMITED

Eagle Mountain is a copper-gold explorer focused on the strategic exploration and development of the highly-prospective Silver Mountain Project located just outside of Phoenix, Arizona.

Arizona is at the heart of America's mining industry and home to some of the world's largest copper discoveries. Silver Mountain, which comprises three prospects, Pacific Horizon, Scarlett and Red Mule, lies on the same geological setting that hosts world-class porphyry copper mines such as Bagdad, Miami and Resolution, one of the largest undeveloped copper deposits in the world. It also lies on the southern extension of the metallogenic belt that hosts United Verde and Iron King.

The Company is laying the groundwork for an aggressive exploration drilling program in the first half of FY19.

Eagle Mountain is led by founder and Managing Director Charles Bass. Mr Bass has a proven track record in mining, having previously co-founded both Eagle Mining Corporation, a highly successful gold miner, and Aquila Resources, which was acquired by Baosteel and Aurizon Holdings for \$1.4 billion in 2014.

EAGLE MOUNTAIN MINING LIMITED | ACN 621 541 204

Ground Floor, 22 Stirling Hwy, Nedlands WA 6009 | PO Box 3365 Nedlands WA 6009
info@eaglemountain.com.au | eaglemountain.com.au



Eagle Mountain Mining Limited

ACN 621 541 204

Rights Issue Prospectus

Offers of New Options

For a non-renounceable pro rata offer to Eligible Shareholders of 1 New Option exercisable at \$0.40 each on or before 15 December 2018 for every 4 Shares held by the Eligible Shareholder on the Record Date at an issue price of \$0.01 per New Option, and for the offer of the Shortfall to the Rights Offer under the Shortfall Offer.

Piggy Back Options Offer

The Company also makes an offer of Piggy Back Options to all Applicants who subscribe for New Options under the Rights Offer or Shortfall Offer, on the basis of 1 Piggy Back Option issued, exercisable at \$0.80 on or before 15 December 2019, for every 1 New Option exercised, at an issue price of nil. Exercise of New Options will constitute an application for Piggy Back Options.

The Rights Offer and Shortfall Offer open on 11 September 2018 and close at 5.00pm (WST) on 2 October 2018 (unless extended).

This Prospectus, as well as the accompanying Application Forms, contains important information about the Offers. Each document should be read in its entirety. Please read the instructions in this document and the accompanying Entitlement and Acceptance Form regarding your Entitlement before making an Application. If you have any questions about the Offers or this Prospectus, you should speak to your professional adviser. The Securities offered by this Prospectus should be considered speculative.

Important Information

Prospectus

This Prospectus is dated 3 September 2018 and was lodged with ASIC on that date. Neither ASIC, ASX nor their officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

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

Securities will not be issued on the basis of this Prospectus later than 13 months after the Prospectus Date.

Electronic prospectus

This Prospectus may be viewed in electronic form at eaglemountain.com.au by Australian and New Zealand investors only. The electronic version of this Prospectus is provided for information purposes only. A paper copy of the Prospectus may be obtained free of charge on request during the Offer Period by contacting the Company. The information on the Company's website does not form part of this Prospectus.

Risk factors

Investors should be aware that subscribing for Securities in the Company involves a number of risks. The key risk factors are set out in Sections 1.4 and 6 of this Prospectus. These risks together with other general risks applicable to all investments in Securities not specifically referred to, may affect the value of the Company's Securities in the future. An investment in the Company should be considered speculative. Investors should consider these risk factors in light of their personal circumstances and should consider consulting their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

Overseas Applicants

This Prospectus is not, and is not intended to constitute, an offer, invitation or issue in any place in which, or to any person to whom, it would be unlawful to make such an offer, invitation or issue. By applying for Securities under this Prospectus, including by submitting the Entitlement and Acceptance Form or making a payment using BPay®, you represent and warrant that there has been no breach of such laws.

The distribution of this Prospectus and accompanying Entitlement and Acceptance Form (including electronic copies) outside Australia and New Zealand may be restricted by laws and persons who come into possession of it should observe any such restrictions. Any failure to comply with such restrictions may contravene applicable securities laws. The Company disclaims all liability to such persons.

No action has been taken to register or qualify this Prospectus, the Securities offered pursuant to this Prospectus or the Offers, or otherwise to permit a public offering of the Securities, in any jurisdiction outside Australia and New Zealand. Refer to Sections 2.6 and 2.10 for further information.

Publicly available information

Information about the Company is publicly available and can be obtained from ASIC and ASX (including ASX's website www.asx.com.au). The contents of any website or

ASIC or ASX filing by the Company are not incorporated into this Prospectus and do not constitute part of the Offers. This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest in the Company or subscribe for Securities offered pursuant to this Prospectus.

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

Forward-looking statements

This Prospectus contains forward-looking statements that have been based on current expectations about future acts, events and circumstances, such as 'intends', 'may', 'could', 'believes', 'estimates', 'targets' or 'expects'. These forward-looking statements are subject to risks, uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in such forward-looking statements.

Accordingly, the Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur. Further, except during the Offer Period and otherwise as required by law, the Company may not update or revise any forward-looking statement if events subsequently occur or information subsequently becomes available that affects the original forward-looking statement.

Applications

Applications for Securities offered under this Prospectus may only be made on an Application Form accompanying this Prospectus.

In relation to the Rights Offer, the Entitlement and Acceptance Form sets out the Entitlement of an Eligible Shareholder to participate in the Rights Offer. Please read the instructions in this Prospectus and on the accompanying Entitlement and Acceptance Form regarding the acceptance of your Entitlement.

Applications for New Options under the Shortfall Offer must be made on the Entitlement and Acceptance Form if you are an Eligible Shareholder, or on a Shortfall Application Form by arrangement with the Lead Manager if you are a new investor in the Company.

By returning an Application Form, lodging an Application Form with a stockbroker or otherwise arranging for payment of Securities offered under this Prospectus in accordance with the instructions on an Application Form, you acknowledge that you have received and read this Prospectus, you have acted in accordance with the terms of the Offers detailed in this Prospectus and you agree to all of the terms and conditions as detailed in this Prospectus.

Defined terms

Certain capitalised terms and other terms used in this Prospectus are defined in the Glossary in Section 10.

Currency

All references in this Prospectus to "\$", "AUD" or "dollar" are references to Australian currency unless otherwise indicated.

Reference to time

All references in this document to time relate to Australian Western Standard Time in Perth, Western Australia.

Contents

Important Information	ii
Contents	iii
Corporate Directory	v
1. Investment Overview	1
2. Details of the Offers	4
3. Applications for New Options.....	11
4. Effect of the Offers	16
5. Terms of Securities.....	23
6. Risk Factors.....	28
7. Continuous Disclosure Documents	35
8. Additional Information.....	37
9. Directors' Statement.....	42
10. Glossary of Terms	43

Key Offer Information – Rights Offer and Shortfall Offer

Indicative timetable for the Rights Offer and Shortfall Offer

Event	Target Date
Announcement of Offers (Appendix 3B lodged with ASX)	Monday, 3 September 2018
Prospectus lodged with ASIC and ASX	Monday, 3 September 2018
Notice of Rights Offer sent to holders of Existing Options	Monday, 3 September 2018
Notice of Rights Offer sent to Shareholders	Wednesday, 5 September 2018
Ex-date (date from which Shares begin trading without the right to participate in the Rights Offer)	Thursday, 6 September 2018
Record Date (to identify Shareholders entitled to participate in the Rights Offer)	Friday, 7 September 2018
Prospectus and Entitlement and Acceptance Forms sent to Eligible Shareholders	Tuesday, 11 September 2018
Opening Date of Rights Offer and Shortfall Offer	Tuesday, 11 September 2018
Last day to extend the Closing Date of the Rights Offer and Shortfall Offer	Thursday, 27 September 2018
Closing Date of the Rights Offer and Shortfall Offer	Tuesday, 2 October 2018
Notice to ASX of Shortfall	Friday, 5 October 2018
New Options issued under the Rights Offer and Shortfall Offer	Tuesday, 9 October 2018

Note: The above dates are indicative only and may be subject to change. The Directors may vary these dates subject to any applicable requirements of the Corporations Act or the Listing Rules. The Directors may extend the Closing Date by giving at least three Business Days notice to ASX before the Closing Date.

Key details of the New Options

Offers	Details
Price per New Option	\$0.01
Number of New Options offered	23,125,000
Exercise price of New Options	\$0.40
Expiry date of New Options	15 December 2018

Note: Refer to Section 2 for further details of the Offers and Section 5.1 for the terms of the New Options.

Corporate Directory

Directors

Charles Bennett Bass
(Managing Director and Chief Executive Officer)

Rick Wayne Crabb
(Non-Executive Chairman)

Roger Maitland Port
(Non-Executive Director)

Brett Anthony Rowe
(Alternate Director for Charles Bass)

Company Secretary

Mark Edward Pitts

Registered and Principal Office

Ground Floor, 22 Stirling Highway
Nedlands, Western Australia, 6009

Share Registry

Computershare Investor Services Pty Limited
GPO Box 505
Melbourne VIC 3001

Telephone:
Within Australia: 1300 850 505
Outside Australia: +61 3 9415 4000

ASX Code

EM2

Auditors

William Buck Audit (WA) Pty Ltd
Level 3, 15 Labouchere Road
South Perth WA 6151

Solicitors to the Offers

Jackson McDonald
Level 17, 225 St Georges Terrace
Perth WA 6000

Lead Manager

Peloton Capital Pty Ltd
Level 5, 56 Pitt Street
Sydney NSW 2000

1. Investment Overview

1.1 Introduction

Eagle Mountain is an Australian public copper-gold exploration company listed on ASX, which is focused on the strategic exploration and development of the highly-prospective Silver Mountain Project located just outside of Phoenix, Arizona.

The accelerated pace of exploration since its ASX listing in March 2018, supported by state-of-the-art geophysical technologies, has significantly improved the Company's understanding of its flagship Silver Mountain Project.

The Company is now laying the groundwork for an aggressive exploration program in the first half of its 2018/2019 financial year.

1.2 Purpose of the Rights Offer and Shortfall Offer

The purpose of the Rights Offer and Shortfall Offer is to offer New Options to raise up to approximately \$231,250 (before costs) on the issue of New Options, and up to \$9,250,000 (before costs) upon the exercise of New Options. The exercise of New Options will provide additional funding to allow Eagle Mountain to continue with its drilling program at the Silver Mountain Project in the event of successful drill results in the initial stages of the program. The ability to continue drilling will save time and cost by avoiding the need to demobilise the drilling rigs and infrastructure and then remobilise at a later date.

The drilling program, which will begin in September 2018, has doubled in size since Eagle Mountain listed on the ASX in March of this year, and will mark the first time a modern comprehensive drilling campaign has been conducted over the Silver Mountain Project area.

Drilling will target the four unique styles of mineralisation found within the Silver Mountain Project, which lies on the same geological setting that hosts world-class porphyry copper mines such as Bagdad and Miami and also BHP/Rio's Resolution project (one of the largest undeveloped copper deposits in the world). They also lie on the southern extension of the metallogenic belt that hosts United Verde and Iron King mines.

Refer to Section 2.4 for further details.

1.3 Company's assets

The Company's primary asset is the Silver Mountain Project which is owned by Eagle Mountain through its wholly owned subsidiary Silver Mountain LLC.

The Silver Mountain Project currently comprises four prospects, being the Pacific Horizon, Scarlett, Red Mule and Rhyolite prospects.

Details of the Company's assets and current activities are set out in the announcements made to ASX and are available on the ASX website, www.asx.com.au, using the Company's ASX code 'EM2', or the Company's website at eaglemountain.com.au.

1.4 Key investment risks

The risks set out below have been identified as being key risks specific to an investment in the Securities offered by the Company pursuant to this Prospectus. These risks may adversely affect the Company's financial position, prospects and price of its Securities.

- (a) **New Options are short-dated with an exercise price above the current market price for Shares:** The New Options are exercisable at \$0.40 each and expire on 15 December 2018. As at 31 August 2018 the closing market price of Shares quoted on ASX was \$0.32 (refer to Section 8.8 for further information about the historical market price of Shares). There is a risk that the Company's Share price may remain below the New Option exercise price of \$0.40 and the New Options may never become 'in the money' before their expiry date.
- (b) **Exploration, geological and development risks:** The success of Eagle Mountain depends on the delineation of economically mineable reserves and resources, access

to required development capital, movement in the price of commodities, maintaining title to Eagle Mountain's Mining Claims and obtaining all consents and approvals necessary for the conduct of its exploration activities. The actual costs of exploration may materially differ from Eagle Mountain estimates. Eagle Mountain cannot give any assurance that cost estimates and their underlying assumptions will be realised in practice. This may materially and adversely affect Eagle Mountain's viability.

- (c) **Future capital requirements:** Eagle Mountain's ongoing activities are likely to require substantial further financing in the future, in addition to amounts raised pursuant to the Offers. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the Offer Price or may involve restrictive covenants which may limit Eagle Mountain's operations and business strategy. Although the Directors believe that additional capital can be obtained, there cannot be any assurance that appropriate capital or funding, if and when needed, will be available on terms favourable to Eagle Mountain or at all.
- (d) **Reliance on key personnel:** Recruiting and retaining qualified personnel is important to Eagle Mountain's success. Eagle Mountain has a small number of employees and may be adversely impacted by employees ceasing their employment with Eagle Mountain.
- (e) **Commodity price fluctuations:** In the event of exploration and development success, any future revenue derived from the future sale of copper and gold will expose Eagle Mountain to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by numerous factors beyond the control of Eagle Mountain. These factors include world demand for commodities, forward selling by producers and the level of production costs. Moreover, prices are also affected by macroeconomic factors such as expectations regarding inflation, interest rates and global and regional demand for, and supply of, these commodities.

Refer to Section 6 for further details of the key risks relevant to an investment in the Company.

1.5 The Board

The Board presently comprises three Directors and one Alternate Director.

Biographies of the Directors are detailed below.

The Board considers that Rick Crabb and Roger Port are independent Directors because they are free from any business or other relationship with the Company that could materially interfere with, or reasonably be perceived to materially interfere with, the independent exercise of their judgement as Directors.

Charles Bennett Bass – Managing Director and Chief Executive Officer

B.Sc. Geology, M.Sc. Mining Engineering/Mineral Processing, FAICD, FAusIMM, FAIG

Charles Bass completed his B.Sc. in Geology at Michigan Technological University, followed by a M.Sc in Mining Engineering & Mineral Processing at Queen's University, Canada. Between his degrees Charles worked as a geologist and then Plant Metallurgist at a copper-gold mine in northern Quebec.

Charles joined AMAX Inc, an American mining company in their Head Office in 1976 and came to Perth in 1978. Between 1980 to 1981, AMAX had him work in Tuscon, Arizona at the Twin Buttes copper mine. Charles returned to Australia and established his first company, Metech Pty Ltd in late 1981.

Charles established Eagle Mining Corporation in 1992 with Tony Poli and was responsible for the deal that led to the discovery of the very successful Nimary Gold Mine. Eagle Mining Corporation won both Explorer of the Year and then Developer of the Year at Diggers and Dealers conference and was subject to a hostile takeover in 1997.

Charles then co-founded Aquila Resources Ltd with Tony Poli in 2000 and helped transition it from a gold explorer to iron ore and coal before it too was subject to a hostile \$1.4 billion

takeover in 2014 at the hands of a joint bid between Baosteel and ASX listed Aurizon.

Today, Charles is very active in philanthropy and is the founder and Chairman of the Centre of Entrepreneurial Research and Innovation, a charitable organisation working with post-graduate researchers in fostering a start-up culture for high knowledge and high value industry in WA.

Rick Wayne Crabb – Non-Executive Chairman

B. Juris (Hons), LLB, MBA, FAICD

Rick Crabb holds degrees of Bachelor of Jurisprudence (Honours), Bachelor of Laws and Master of Business Administration from the University of Western Australia. He practised as a solicitor from 1980 to 2004 with Robinson Cox (now Clayton Utz) and Blakiston & Crabb (now Gilbert + Tobin) specialising in mining, corporate and commercial law, advised in relation to numerous project developments in Australia and Africa.

Rick has since focused on his public company directorships and investments. He has been involved as a director and strategic shareholder in a number of successful public companies including Gasgoyne Gold Mines Ltd and Otto Energy Ltd. He is currently also a director of Thundelarra Ltd and Chairman of Paladin Energy Limited. Paladin was placed into administration on 3 July 2017 and became subject to a deed of company arrangement with its creditors. The deed of company arrangement and resultant restructure was effected on 1 February 2018.

Rick was a councillor on the Western Australian Division of the Australian Institute of Company Directors from 2008 to 2017.

Roger Maitland Port – Non-Executive Director

BA, FCA, SF, Fin, FAICD

Roger Port was a partner of PricewaterhouseCoopers from 1997 to 2016. He has 30 years experience in financial analysis, company and business valuations, transaction due diligence and mergers and acquisitions and led the PricewaterhouseCoopers Perth Deals team from 2009 to 2016. He has had significant experience in the resources sector in his career and jointly led the PwC Australia Deals Energy & Mining industry group for five years.

Roger is a graduate of Macquarie University and gained a Graduate Diploma in Applied Finance and Investment from the Securities Institute of Australia. He is a Fellow of Chartered Accountants Australia and New Zealand, a Senior Fellow of the Financial Services Institute of Australasia and a Fellow of the Australian Institute of Company Directors.

Roger is a board member of the Harry Perkins Institute of Medical Research, Guildford Grammar School and Guildford Grammar School Foundation.

Brett Anthony Rowe – Alternate Director (for Charles Bass)

BComm, MAcc, GAICD

Brett Rowe has over 20 years experience in the financial services industry and is a graduate of the Australian Institute of Company Directors. He holds a Bachelor of Commerce degree and a Masters of Accounting.

Brett is a director and the chief executive officer of The Bass Group, as well as a director of The Bass Family Foundation and Silver Mountain Mining Pty Ltd. Brett is responsible for managing the global financial interests of the Bass Family, as well as The Foundation's ongoing support of education and health in disadvantaged children and youth in regional Western Australia.

Brett is also a director of the Centre for Entrepreneurial Research and Innovation Limited (CERI). CERI aims to assist the growth of WA's non-mining industry through a strong innovation base where high-knowledge start-up company formation can be accelerated. This is achieved through the co-creation of a WA-based venture capital industry.

2. Details of the Offers

2.1 Rights Offer

(a) Offer

This Prospectus invites Eligible Shareholders to participate in the Rights Offer, being a non-renounceable pro-rata offer of up to 23,125,000 New Options at an issue price of \$0.01 per New Option, to raise up to approximately \$231,250 (before costs) on the issue of New Options.

Each New Option issued pursuant to the Rights Offer when exercised will entitle the holder to be issued one Share.

Shares issued upon the exercise of New Options will be fully paid and will rank equally in all respects with the Existing Shares on issue. Further details of the rights attaching to Shares are set out in Section 5.2.

The Company will not apply for quotation of the New Options offered under this Prospectus. Refer to Section 3.10 for further details.

Persons who subscribe for New Options issued under the Rights Offer are also offered Piggy Back Options under the Piggy Back Options Offer, as described in Section 2.3.

Eligible Shareholders may participate in the Rights Offer but are not required to do so.

Refer to Section 3 for details of how to accept an Entitlement and apply for New Options under the Rights Offer.

(b) Entitlements and eligibility to participate

The Rights Offer is made to Eligible Shareholders only.

Eligibility will be determined as at **5:00pm (WST) on Friday, 7 September 2018 (Record Date)**.

Eligible Shareholders are those holders of Shares with a registered address in Australia, New Zealand, Singapore or Switzerland at the Record Date. The Rights Offer is not extended to Shareholders who do not meet these criteria.

Each Eligible Shareholder will be entitled to subscribe for New Options under the Rights Offer on the basis of 1 New Option for every 4 Shares held by that Eligible Shareholder at the Record Date.

The number of New Options to which you are entitled is shown on your Entitlement and Acceptance Form accompanying this Prospectus.

Where the determination of the Entitlement of any Eligible Shareholder results in a fraction of a New Option, such fractions will be rounded to the nearest whole New Option, except where the entitlement is to exactly half a New Option, in which case fractions will be rounded down.

The Company reserves the right (in its sole discretion) to:

- (i) reject any Application that it believes comes from a person who is not an Eligible Shareholder; and
- (ii) reduce the number of New Options allocated to Eligible Shareholders, or persons claiming to be Eligible Shareholders, if their claim to be entitled to participate in the Rights Offer proves to be false, exaggerated or unsubstantiated.

(c) **Timetable**

The Rights Offer will open for receipt of Applications on Tuesday, 11 September 2018 (**Opening Date**) and will close at 5.00pm (WST) on Tuesday, 2 October 2018 (**Closing Date**). The Company reserves the right to close the Rights Offer early or to extend the Closing Date, subject to the requirements of the Listing Rules.

Refer to the Timetable in the Key Offer Information section for further details of the indicative timetable for the Rights Offer.

(d) **Non-renounceable offer**

The Rights Offer is non-renounceable. This means that Eligible Shareholders cannot transfer their right to subscribe for New Options under the Rights Offer to any other person. Any New Options that are not subscribed for by the Closing Date will automatically lapse and will form part of the Shortfall (refer to Section 2.2 for further details).

(e) **Existing Option holders**

Holders of Existing Options may participate in the Rights Offer if they are resident in Australia, New Zealand, Singapore or Switzerland and exercise their Existing Options and become the registered holders of Shares before the Record Date.

(f) **No minimum subscription**

The Rights Offer is not subject to a minimum subscription requirement.

(g) **Underwriting**

The Rights Offer is not underwritten.

(h) **Withdrawal**

The Company reserves the right to withdraw the Rights Offer at any time before New Options are issued pursuant to it. In that event, relevant Application Moneys will be refunded without interest in accordance with the Corporations Act.

2.2 Shortfall Offer

(a) **Offer**

Any New Options not subscribed for under the Rights Offer by Eligible Shareholders pursuant to their Entitlement will form the Shortfall.

The Shortfall Offer is a separate offer under this Prospectus of the New Options which comprise the Shortfall, at an issue price of \$0.01 per New Option (i.e. the same Offer Price as the Rights Offer).

Eligible Shareholders and other persons nominated by the Lead Manager may apply under the Shortfall Offer, provided that they are eligible under all applicable securities laws to receive the Shortfall Offer.

Each New Option issued pursuant to the Shortfall Offer when exercised will entitle the holder to be issued one Share.

Shares issued upon the exercise of New Options will be fully paid and will rank equally in all respects with the Existing Shares on issue. Further details of the rights attaching to Shares are set out in Section 5.2.

Persons who subscribe for New Options issued under the Shortfall Offer are also offered Piggy Back Options under the Piggy Back Options Offer, as described in Section 2.3.

The Shortfall Offer is not underwritten and is not subject to a minimum subscription requirement.

The Company reserves the right to withdraw the Shortfall Offer at any time before New Options are issued pursuant to it. In that event, relevant Application Moneys will be refunded without interest in accordance with the Corporations Act.

Refer to Section 3.7 for details of how to apply for New Options under the Shortfall Offer.

(b) Offer conditional

The issue of New Options under the Shortfall Offer to Related Parties of the Company (e.g. Directors or entities controlled by Directors) is conditional upon Shareholder approval being obtained at a general meeting of the Company. If such Shareholder approval is required, the Company proposes to seek such approval at its annual general meeting to be held on or before 30 November 2018 (**General Meeting**) and in any event within 3 months of the Prospectus Date.

(c) Allocation

The Directors, in consultation with the Lead Manager, will have discretion as to how to allocate the Shortfall. Preference will not be conferred on Eligible Shareholders. New Options will be allocated in a manner considered to be appropriate to Applicants under the Shortfall Offer.

The Company cannot guarantee that Applicants to the Shortfall Offer will receive the number of New Options applied for or any at all. If an Applicant does not receive any or all of the New Options applied for under the Shortfall Offer, the excess Application Moneys will be returned to the Applicant without interest.

The Company will not allocate New Options under the Shortfall Offer to the extent that the Applicant's voting power in the Company would, upon exercise of the New Options and together with the Applicant's Associates, exceed the takeover thresholds in the Corporations Act (i.e. acquiring a controlling interest in 20% or more of the issued Shares, or increasing an existing controlling interest of more than 20%, subject to certain exceptions permitted by law).

(d) Placement of balance

If, after close of the Shortfall Offer, any Shortfall has not been subscribed for, the Directors reserve the right to place some or all of those New Options within 3 months after the close of the Shortfall Offer.

2.3 Piggy Back Options Offer

Holders of New Options issued under the Rights Offer or the Shortfall Offer are also offered Piggy Back Options, to be issued by the Company on the basis of 1 Piggy Back Option for every 1 New Option exercised. Piggy Back Options will be granted for nil additional cash consideration if and when New Options are exercised. Exercise of the New Options will constitute an Application for Piggy Back Options.

Piggy Back Options issued upon the exercise of New Options will be exercisable at \$0.80 each on or before 15 December 2019. Further details of the terms of the Piggy Back Options are set out in Section 5.3.

Each Piggy Back Option issued pursuant to the Piggy Back Options Offer when exercised will entitle the holder to be issued one Share.

The Piggy Back Options Offer is not subject to a minimum subscription requirement. The Company will not apply for quotation of the Piggy Back Options offered under this Prospectus.

The Piggy Back Options Offer will open on the same date as the Rights Offer and Shortfall Offer, being Tuesday, 11 September 2018, and will close at 5:00pm (WST) on Saturday, 15 December 2018.

The issue of Piggy Back Options under the Piggy Back Options Offer is conditional upon Shareholder approval being obtained at the General Meeting for the issue of the Piggy Back Options, for the purposes of Listing Rule 7.1. If such Shareholder approval is not obtained, the Piggy Back Options Offer will not proceed.

A prospectus for the issue of Piggy Back Options, and the offer of Shares that may be issued upon the exercise of Piggy Back Options, will be sent to holders of New Options at the time that New Options are issued in order to facilitate the quotation of Shares issued upon the exercise of Piggy Back Options.

2.4 Proposed use of funds

The purpose of the Offers of New Options is to raise funds for the Company's ongoing exploration of the Silver Mountain Project.

The Company will raise up to approximately \$231,250 (before costs) from the issue of New Options, if the Rights Offer and Shortfall Offer are fully subscribed.

If all New Options offered under this Prospectus are subscribed for, the Company will raise approximately an additional \$4,625,000 (before costs) assuming 50% of the New Options are exercised, and an additional \$9,250,000 (before costs) assuming 100% of the New Options are exercised.

The table below shows how the Company intends to apply the funds raised in each of the three scenarios:

Use of funds	Full Subscription (Rights Offer and Shortfall Offer)	Full Subscription and 50% of New Options Exercised	Full Subscription and 100% of New Options Exercised
Cash on hand (as at 30 June 2018)	\$6,795,421	\$6,795,421	\$6,795,421
Funds raised	\$231,250	\$4,856,250	\$9,481,250
Total funds available	\$7,026,671	\$11,651,671	\$16,276,671
Use of funds			
Drilling and assaying	\$3,472,000	\$6,672,000	\$10,397,000
Geology, geophysics and geochemistry	\$2,286,000	\$3,086,000	\$3,586,000
Costs of the Offers	\$48,831	\$62,550	\$75,156
Working capital	\$1,219,840	\$1,831,121	\$2,218,515
Total	\$7,026,671	\$11,651,671	\$16,276,671

Notes:

1. The table shows the Company's proposed use of funds assuming the Rights Offer and Shortfall Offer close fully subscribed, and assuming 50% of the New Options are exercised, and 100% of the New Options are exercised. These are illustrative examples only, and there can be no guarantee that the Rights Offer and Shortfall Offer will close fully subscribed, nor that any of the New Options will be exercised.
2. The Company has prepared a one year exploration budget and considers that the amounts specified in the table above will be sufficient to carry out its exploration activities over this period, in respect of each scenario listed.
3. Costs of the Offers include the other costs identified in Section 8.5.

4. Working capital includes corporate administration and operating costs and may be applied to directors' fees, ASX and share registry fees, legal, tax and audit fees, insurance and travel costs.
5. If funds raised are less than full subscription, the Company will allocate those funds first towards the costs of the Offers, and then to working capital.

The information set out in the above table is a statement of present intention as at the Prospectus Date. The exact amount of funds spent by the Company will depend on many factors that cannot be ascertained as at the Prospectus Date. Accordingly, the Directors reserve the right to alter how the funds raised will be applied.

On completion of the Offers, the Board considers that the Company will have sufficient funds to carry out the objectives stated in the above table. If the Rights Offer and Shortfall Offer do not close fully subscribed, there will be no material adverse effect on the Company's ability to continue as a going concern or its debt levels, as the Company has cash reserves as at 30 June 2018 of \$6,795,421.

Details of the Company's current activities are set out in the announcements made to ASX and are available on the ASX website, www.asx.com.au, using the Company's ASX code 'EM2', or the Company's website at eaglemountain.com.au.

2.5 Lead Manager

The Company has engaged the Lead Manager (Peloton Capital) to manage the Rights Offer.

The Lead Manager is not a related party of the Company.

As consideration for managing the Rights Offer, the Lead Manager will be entitled to receive:

- (a) a management fee of \$23,125 (plus GST); and
- (b) a capital raising fee of 4% (plus GST) of the total amount arranged and placed by the Lead Manager under the Shortfall Offer.

Refer to Section 8.1 for a summary of the terms under which the Lead Manager has been engaged by the Company.

2.6 New Zealand resident Shareholders

The Rights Offer is made to Eligible Shareholders with an address in New Zealand, in reliance on the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2016* (New Zealand). The New Options under the Rights Offer are not being offered or sold to the public within New Zealand other than to such Eligible Shareholders.

This Prospectus has been prepared in accordance with Australian law. Neither this Prospectus nor the Offers have been registered, filed with or approved by any New Zealand regulatory authority. This Prospectus is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

2.7 Singapore resident Shareholders

This Prospectus has not been registered with the Monetary Authority of Singapore. This Prospectus and any other materials in connection with the offer or sale, solicitation or invitation for subscription, or purchase of Options offered under this Prospectus may not be circulated or distributed, nor may the offered Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore, other than to the following (each an **Exempt Investor**):

- (a) to an 'institutional investor' under section 274 of the Securities and Futures Act, Chapter 289 of Singapore (**SFA**);

- (b) to a 'relevant person' pursuant to section 275(1) of the SFA, or any person pursuant to section 275(1A) of the SFA, and, in each case, in accordance with the conditions specified in section 275 of the SFA; or
- (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Options offered under this Prospectus are subscribed for or purchased, and if you are an Exempt Investor, you are subject to restrictions on transferability and re-sale. The offered Securities may not be transferred or re-sold in Singapore, except as permitted under the SFA. By accepting this Prospectus, you agree to be bound by the disclaimers, limitations and restrictions described herein.

This Prospectus is distributed in connection with an offer of Securities in Singapore that will not be issued to any person other than a person to whom this Prospectus is sent with the consent of the Company. A person receiving a copy of this document in Singapore may not treat the same as constituting an invitation to that person unless such an invitation could lawfully be made to them without compliance with any registration or legal requirements, or where such registration or legal requirements have been complied with.

2.8 Switzerland resident Shareholders

The Entitlements and New Options may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange (**SIX**) or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for the issuing of a prospectus under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland.

This document may not be publicly distributed or otherwise made publicly available in Switzerland and has not been and will not be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of Securities under it, will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA). This document is personal to the recipient only and not for general circulation in Switzerland.

2.9 Excluded Shareholders

The Rights Offer is not made to Shareholders who on the Record Date have a registered address outside Australia, New Zealand, Singapore or Switzerland (**Excluded Shareholders**).

Neither the Prospectus, the Entitlement and Acceptance Form or any Application Form constitutes an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation.

In making the decision to not extend the Rights Offer to Excluded Shareholders, the Company has taken into account:

- the small number of Shareholders outside Australia, New Zealand, Singapore and Switzerland;
- the number and value of New Options that would be offered to Shareholders outside Australia, New Zealand, Singapore and Switzerland; and
- the cost of complying with the legal requirements and requirements of regulatory authorities in the overseas jurisdictions.

The Rights Offer is made to all Eligible Shareholders. The Company is not required to determine whether or not any registered Eligible Shareholder holds Shares on behalf of persons who are resident outside Australia, New Zealand, Singapore or Switzerland (including nominees, custodians and trustees) or the identity or residence of any beneficial owners of Shares.

Any Eligible Shareholders who hold Shares on behalf of persons who are resident outside Australia, New Zealand, Singapore or Switzerland, are responsible for ensuring that any dealing with New Options issued under the Rights Offer do not breach the laws and regulations in the relevant overseas jurisdiction, and should seek independent professional advice and observe any applicable restrictions relating to the taking up of Entitlement or the distribution of this Prospectus or the Entitlement and Acceptance Form.

The distribution of this Prospectus and accompanying Application Forms (including electronic copies) outside Australia, New Zealand, Singapore or Switzerland may be restricted by law and therefore persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

2.10 Applicants from outside of Australia and New Zealand

This Prospectus does not constitute an offer of Securities in any jurisdiction where, or to any person to whom, it would not be lawful to issue the Prospectus or make the Offers.

It is the responsibility of any Applicant who is resident outside of Australia or New Zealand to ensure compliance with all laws of any country relevant to their Application, and any such Applicant should consult their professional adviser as to whether any government or other consents are required, or whether any formalities need to be observed to enable them to apply for and be issued offered Securities. Return of a duly completed Application Form will constitute a representation and warranty by an Applicant that there has not been any breach of such regulations.

The Company has not taken any action to register or qualify the Securities offered pursuant to this Prospectus, or the Offers, or otherwise to permit a public offering of the Securities offered, in any jurisdiction outside Australia.

3. Applications for New Options

3.1 Options available to Eligible Shareholders under the Rights Offer and Shortfall Offer

The number of New Options to which you are entitled is shown on the personalised Entitlement and Acceptance Form accompanying this Prospectus. If you are an Eligible Shareholder you may:

- (a) accept your Entitlement in full;
- (b) accept your Entitlement in full and apply for additional New Options under the Shortfall;
- (c) accept part of your Entitlement and allow the balance to lapse; or
- (d) allow all of your Entitlement to lapse.

3.2 Accepting your Entitlement in full or in part

If you wish to accept your Entitlement in full or in part, either:

- (a) complete the Entitlement and Acceptance Form for the number of New Options you wish to apply for in accordance with the instructions on the form. Return your completed form together with a cheque for the Application Moneys to the Company's Share Registry – refer to Section 3.5; or
- (b) make a payment through the BPay® facility for the number of New Options you wish to apply for in accordance with the instructions on the Entitlement and Acceptance Form – refer to Section 3.6.

Your Entitlement and Acceptance Form or BPay® payment must be received by no later than **5.00pm (WST) on the Closing Date**.

If you do not accept all of your Entitlement then the balance of your Entitlement will lapse and the New Options that are not subscribed for will form part of the Shortfall.

3.3 Accepting your Entitlement in full and applying for additional New Options under the Shortfall Offer

If you wish to accept your Entitlement in full and apply for New Options under the Shortfall Offer, either:

- (a) complete the Entitlement and Acceptance Form for all of your Entitlement **and** specify the number of additional New Options you wish to apply for in accordance with the instructions on the form. Return your completed form together with a cheque for the Application Moneys to the Company's Share Registry – refer to Section 3.5; or
- (b) make a payment through the BPay® facility for all of your Entitlement **and** the number of additional New Options you wish to apply for in accordance with the instructions on the Entitlement and Acceptance Form.

Your Entitlement and Acceptance Form or BPay® payment must be received by no later than **5.00pm (WST) on the Closing Date**.

The allocation and issue of New Options under the Shortfall Offer will be determined by the Directors in their discretion, in consultation with the Lead Manager. The allocation policy in relation to the Shortfall Offer is set out in Section 2.2(c).

3.4 Allowing your Entitlement to lapse

If you do not wish to accept any of your Entitlement, you are not required to take any action. If you do nothing then:

- (a) your Entitlement will lapse and the New Options not subscribed for will form part of the Shortfall; and
- (b) your percentage shareholding in the Company may be diluted and reduce, if the New Options are subsequently exercised.

3.5 Lodging your Entitlement and Acceptance Form

Unless you are making payment by BPay®, completed Entitlement and Acceptance Forms and accompanying cheques for Application Moneys must be mailed to:

Eagle Mountain Mining Limited

c/- Computershare Investor Services Pty Limited

GPO Box 505

Melbourne, Victoria, 3001, Australia

All cheques must be drawn on an Australian bank or bank draft made payable in Australian dollars to “**Eagle Mountain Mining Limited**” and crossed “Not Negotiable”.

You must ensure that your completed Entitlement and Acceptance Form (or payment by BPay® - refer to Section 3.6 below) is received by **5.00pm (WST) on the Closing Date**.

The Entitlement and Acceptance Form does not need to be signed to be a binding acceptance of your Entitlement New Options. If the Entitlement and Acceptance Form is not completed correctly it may still be treated as valid. The Company's decision as to whether to treat the acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

3.6 Payment by BPay®

Payment by BPay® should be made according to the instructions set out on the Entitlement and Acceptance Form using the BPay® Biller Code and Customer Reference Number shown on the form. You can only make a payment via BPay® if you are the holder of an account with an Australian financial institution that supports BPay® transactions.

The reference number shown on each Entitlement and Acceptance Form (**Reference Number**) is used to identify your holding. If you have multiple holdings you will have multiple Reference Numbers. You must use the Reference Number to pay for each holding separately. Failure to do so may result in an underpayment. If you pay by BPay® and do not pay for your full Entitlement, the remaining Entitlement will form part of the Shortfall.

If you pay by BPay®:

- (a) you do not need to return the Entitlement and Acceptance Form but are taken to have made the declarations on that form; and
- (b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of New Options which is covered by your Application Moneys.

Your financial institution may implement cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. You are responsible for ensuring that your BPay® payment is received by the Company before **5.00pm (WST) on the Closing Date**. The Company is not responsible for any postal or delivery delays or delay in the receipt of a BPay® payment.

3.7 Applications for Shortfall through the Lead Manager

Persons who receive a firm allocation or other offer of New Options under the Shortfall Offer from the Lead Manager (either directly or via their stockbroker) may apply for New Options by arrangement with the Lead Manager.

Each such Applicant must submit a completed Shortfall Application Form together with the relevant Application Money in accordance with the Lead Manager's directions.

By making an Application to the Lead Manager, an Applicant will be taken to have confirmed that they have received a copy of the Prospectus together with the Shortfall Application Form.

3.8 Application Moneys to be held on trust

Application Money will be held by the Company on trust in accordance with the requirements of the Corporations Act until the New Options to which the Application Money pertains are issued under an Offer, or a refund of Application Money occurs in the circumstances described in this Prospectus.

The Company will retain any interest earned on Application Money, including in the event of any refund of Application Money.

Applications and Application Moneys may not be withdrawn by an Applicant once they have been received by the Company.

3.9 Allotment and issue of New Options

New Options under the Rights Offer and Shortfall Offer are expected to be issued and Holding Statements despatched as soon as practicable after the Closing Date, in accordance with the ASX Listing Rules and the timetable set out in the Key Offer Information section. New Options under the Shortfall Offer will be issued on a progressive basis.

It is the responsibility of Applicants to determine their allocation prior to trading New Options. Applicants who sell New Options before they receive their Holding Statements do so at their own risk.

3.10 ASX quotation of New Options

The Company will not apply for quotation of the New Options offered under this Prospectus. The New Options will remain a class of unquoted Options.

Upon exercise of a New Option, a holder will receive one Share. The Company will apply for quotation of the Shares issued upon exercise of the New Options.

3.11 No brokerage

Brokerage or transfer/stamp duty is not payable in relation to an Offer.

3.12 CHESS

The Company participates in the Clearing House Electronic Sub-register System (**CHESS**). ASX Settlement, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and the ASX Settlement Rules. The Company operates an electronic issuer-sponsored sub-register and an electronic CHESS sub-register. The two sub-registers together make up the Company's principal register of Securities.

Under CHESS, the Company will not issue certificates to successful Applicants. Instead, the Company will provide Applicants with a Holding Statement (similar to a bank account statement) that sets out the number of New Options allotted to them under this Prospectus.

This statement also advises Shareholders of either their Holder Identification Number (**HIN**) in the case of a holding on the CHESS sub-register or Security Holder Reference Number (**SRN**) in the case of a holding on the issuer sponsored sub-register.

If you are registered on the issuer sponsored sub-register, your statement will be dispatched by the Company's Share Registry and will contain the number of New Options issued to you under this Prospectus and your security holder reference number.

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

3.13 Privacy

The Company collects information about each Applicant from all Application Forms for the purpose of processing the Applications and, if the Applicant is successful, to administer their security holding in the Company.

By submitting an Application Form, you agree that the Company may use the information in the form for the purposes set out in this privacy disclosure statement.

The Company and the Share Registry may disclose your personal information for purposes related to your investment to their agents and service providers including but not limited to those listed below or as otherwise authorised under the Privacy Act (if and as applicable):

- the Share Registry for ongoing administration of the Company's register;
- the Lead Manager for the purposes of managing the Offers and determining any shortfall in New Options; and
- the printers and the mailing house for the purposes of the preparation and distribution of Holding Statements and for the handling of mail.

If an Applicant becomes a security holder of the Company, the Corporations Act requires the Company to include information about the security holder (name, address and details of the securities held) in its public register. This information must remain in the Company's register even if that person ceases to be a security holder of the Company. Information contained in the Company's register is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its security holders) and compliance by the Company with legal and regulatory requirements.

If an Applicant does not provide the information required on an Application Form, the Company may not be able to accept or process their Application.

Under the Privacy Act, a person may request access to that person's personal information held by (or on behalf of) the Company or the Share Registry. An Applicant can request access to their personal information by writing to the Company through the Share Registry.

3.14 Taxation implications

The taxation obligations and the effects of participating in an Offer can vary depending on the circumstances of each individual Applicant. Applicants who are in doubt as to their taxation position should seek professional advice. It is the sole responsibility of Applicants to inform themselves of their taxation position resulting from participation in an Offer.

The Directors do not consider that it is appropriate to give potential Applicants advice regarding the taxation consequences of applying for New Options, as it is not possible to provide a comprehensive summary of the possible taxation positions of potential Applicants.

Neither the Company nor any of its officers, employees or advisers accepts any responsibility or liability for any taxation consequences to Applicants in relation to an Offer.

4. Effect of the Offers

4.1 Principal effect of the Rights Offer and the Shortfall Offer on the Company

The principal effects of the Rights Offer and the Shortfall Offer, assuming these Offers close fully subscribed, will be to:

- (a) increase the number of Options on issue from 16,000,000 Options as at the Prospectus Date to 39,125,000 Options;
- (b) increase the Company's cash reserves by up to approximately \$231,250 immediately after completion of the Offers and prior to payment of the costs and expenses set out in Section 8.5; and
- (c) if the Rights Offer and Shortfall Offer close fully subscribed, and New Options are exercised, increase the number of Shares on issue from 92,500,001 at the Prospectus Date, to:
 - (i) 104,062,501 Shares (assuming 50% of the New Options are exercised, none of the Existing Options are exercised and none of the existing Performance Rights are converted) representing a dilution of approximately 12.5%; and
 - (ii) 115,625,001 Shares (assuming 100% of the New Options are exercised, none of the Existing Options are exercised and none of the existing Performance Rights are converted) representing a dilution of approximately 25%.

4.2 Effect of issue of New Options on capital structure

The capital structure of the Company following completion of the Rights Offer and the Shortfall Offer (assuming these Offers close fully subscribed) is set out below:

Securities	Full Subscription
Shares	
Existing Shares on issue at the Prospectus Date	92,500,001
Shares to be issued under the Rights Offer and Shortfall Offer	Nil
Total Shares on issue at completion of the Rights Offer and Shortfall Offer	92,500,001
Options	
Existing Options on issue at the Prospectus Date	16,000,000
New Options to be issued under the Rights Offer and Shortfall Offer	23,125,000
Total Options on issue at completion of the Rights Offer and Shortfall Offer	39,125,000
Performance Rights	
Performance Rights on issue at the Prospectus Date	180,000
Performance Rights issued under the Offers	Nil
Total Performance Rights on issue at completion of the Rights Offer and Shortfall Offer	180,000

Notes:

1. The figures in the table above assume that other Shares are not issued (including on the exercise of Options (other than in the circumstances described in the table) or conversion of Performance Rights) prior to the close of the Offers.
2. The Existing Options include:

- 4,500,000 Options exercisable at \$0.30 each on or before 7 December 2020;
 - 7,000,000 Options exercisable at \$0.20 each on or before 15 January 2023; and
 - 4,500,000 Options exercisable at \$0.30 each on or before 6 March 2021.
3. The terms and conditions of the Existing Options and Performance Rights are set out in section 9 of the Company's prospectus dated 23 January 2018 which was announced to ASX on 14 March 2018, a copy of which is available free of charge on the ASX announcements platform (at www.asx.com.au under the code 'EM2').
 4. The Existing Performance Rights are unquoted and in two classes. The first class vest in three equal tranches on 1 December 2018, 1 December 2019 and 1 December 2020 and the second class vest in three equal tranches on 1 July 2019, 1 July 2020 and 1 July 2021.
 5. Refer to Section 4.6 regarding the potential dilutive effect on Shareholders' interests of the exercise of New Options and issue of Shares, assuming various subscription scenarios.

4.3 Effect of exercise of New Options and issue of Piggy Back Options on capital structure

The capital structure of the Company following the exercise of all New Options and the issue of all Piggy Back Options (assuming the Offers close fully subscribed and all New Options are exercised) is set out below:

Securities	Full Subscription
Shares	
Existing Shares on issue at the Prospectus Date	92,500,001
Shares to be issued on exercise of New Options	23,125,000
Total Shares on issue following exercise of New Options	115,625,001
Options	
Existing Options on issue at the Prospectus Date	16,000,000
Piggy Back Options on issue on exercise of New Options	23,125,000
Total Options on issue following exercise of New Options	39,125,000
Performance Rights	
Existing Performance Rights on issue at the Prospectus Date	180,000
Performance Rights issued under the Offers	Nil
Total Performance Rights on issue following exercise of New Options	180,000

Note: The figures in the table above assume that other Shares are not issued (including on the exercise of Options (other than in the circumstances described in the table) or conversion of Performance Rights) prior to the close of the Offers.

4.4 Pro forma statement of financial position

Set out below is:

- (a) the audited consolidated statement of financial position of the Company as at 30 June 2018; and
- (b) the unaudited pro forma consolidated statement of financial position of the Company as at 30 June 2018 incorporating the effect of the Offers at full subscription.

The unaudited pro forma consolidated statement of financial position has been derived from the financial statements of the Company and adjusted to reflect pro forma assets and liabilities of the Company as if completion of the Rights Offer and Shortfall Offer had occurred by 30 June 2018. The consolidated statement of financial position is to be read in conjunction with the notes to the financial statements as published in the Company's Financial Report for the year ended 30 June 2018 available on the Company's website, eaglemountain.com.au

and the ASX announcements platform, www.asx.com.au, using the Company's ASX code 'EM2'.

The historical and pro-forma information is presented in an abbreviated form. It does not include all of the disclosures required by the Australian Accounting Standards applicable to annual financial statements.

The pro forma statement of financial position has been prepared on the basis that there are no material movements in the assets and liabilities of the Company between 30 June 2018 and the completion of the Offers except for:

- at full subscription, the issue of 23,125,000 New Options at \$0.01 each, thereby raising up to \$231,250 of capital pursuant to this Prospectus; and
- the Company incurring costs of the Offers of approximately \$48,831 (costs as estimated relate only to the issue of New Options).

No allowance has been made for expenditure incurred in the normal course of business from 30 June 2018 to the Closing Date.

	Notes	Consolidated (audited)	Full subscription	
		30 June 2018	Pro-forma Adjustments	Pro-forma After Issue
		\$		
CURRENT ASSETS				
Cash and cash equivalents	1	6,795,421	182,419	6,977,840
Trade and other receivables		59,719	-	59,719
TOTAL CURRENT ASSETS		6,855,140	182,419	7,037,559
NON-CURRENT ASSETS				
Exploration and evaluation expenditure		1,104,495	-	1,104,495
Property, plant & equipment		463,576	-	463,576
TOTAL NON-CURRENT ASSETS		1,568,071	-	1,568,071
TOTAL ASSETS		8,423,211	182,419	8,605,630
CURRENT LIABILITIES				
Trade and other payables		54,818	-	54,818
Borrowings		10,331	-	10,331
TOTAL CURRENT LIABILITIES		65,149	-	65,149
NON-CURRENT LIABILITIES				
Borrowings		34,531	-	34,531
TOTAL NON-CURRENT LIABILITIES		34,531	-	34,531
TOTAL LIABILITIES		99,680	-	99,680

NET ASSETS		8,323,531	182,419	8,505,950
EQUITY				
Contributed equity	2	11,957,082	182,419	12,139,501
Reserves		(1,951,651)	-	(1,951,651)
Accumulated losses		(1,681,900)	-	(1,681,900)
TOTAL EQUITY		8,323,531	182,419	8,505,950

Notes:

1. The movement in cash incorporates the funds raised from the Offers assuming full subscription less costs of the Offers. If the Rights Offer is fully subscribed, and the New Options are all exercised prior to their expiry, an additional \$9,250,000 (before costs) will be raised by the Company prior to the end of calendar year 2018 which will enable the Company to continue with its planned aggressive exploration program in respect of the Silver Mountain Project. Refer to Section 2.4 for further details of how the Company proposes to apply these funds.
2. The movement in contributed equity reflects the issue of New Options under the Rights Offer net of costs.

4.5 Details of substantial Shareholders

A "substantial holding" is defined under section 9 of the Corporations Act to mean a relevant interest in 5% or more of the voting shares of a company.

The table below sets out the Shareholders with a substantial holding as at the Prospectus Date.

Substantial Shareholder	Number of Existing Shares held	% of total Shares on issue
Silver Mountain Mining Nominee Pty Ltd ATF The Silver Mountain Mining Trust	36,650,001	39.62%

Notes:

1. The party in the table above is an Existing Shareholder.
2. Mr Charles Bass, the Managing Director and Chief Executive Officer of the Company, has an indirect interest in all Existing Shares held by Silver Mountain Nominee ATF The Silver Mountain Mining Trust, as Silver Mountain Nominee is an entity controlled by Mr Bass' spouse, and the beneficiaries of the Silver Mountain Trust include children of Mr Bass.
3. The table above does not include interests pursuant to Options, nor the potential holdings if Shares are issued on the exercise of Options.

Silver Mountain Mining Nominee Pty Ltd ATF The Silver Mountain Mining Trust (**Silver Mountain**) is entitled to participate in the Rights Offer and subscribe for its Entitlement, provided that it is an Eligible Shareholder at the Record Date. However, its ability to exercise its New Options will be subject to the takeover thresholds in the Corporations Act, as to do so would increase its existing controlling interest of greater than 20%.

If Silver Mountain subscribes for New Options, it may only exercise its New Options and acquire Shares in the following circumstances:

- (a) where such acquisition results in Silver Mountain increasing its shareholding interest in the Company by no more than 3% every six months; or
- (b) where the Company obtains Shareholder approval for Silver Mountain to acquire a relevant interest that would otherwise contravene the 20% takeover threshold (i.e. where Silver Mountain proposes to acquire an interest that is more than 3% greater than its shareholding interest held on the date six months prior).

Assuming Silver Mountain's shareholding interest does not change prior to the Record Date and no other Shares are issued, Silver Mountain's Entitlement under the Rights Offer will be 9,162,500 New Options.

The following table shows Silver Mountain's estimated shareholding interest following close of the Rights Offer and Shortfall Offer and exercise of its New Options (assuming it subscribes for its full Entitlement), and whether such exercise is possible without the Company obtaining Shareholder approval.

Scenario	Shares on issue at Prospectus Date	Shares issued on exercise of New Options	Total Shares held by Silver Mountain	Total Shares on issue	Silver Mountain's % of total Shares on issue
Rights Offer and Shortfall Offer close fully subscribed and all participants exercise their New Options	92,500,001	23,125,000	45,812,501	115,625,001	39.62% - Exercise of New Options possible as holding increases by less than 3%
Rights Offer and Shortfall Offer close fully subscribed and 75% of participants exercise their New Options	92,500,001	17,343,750	45,812,501	109,843,751	41.71% - Exercise of New Options possible as holding increases by less than 3%
Rights Offer and Shortfall Offer close fully subscribed and 50% of participants exercise their New Options	92,500,001	11,562,500	45,812,501	104,062,501	44.02% - Exercise of New Options not possible unless Shareholder approval is obtained prior to exercise of New Options
Rights Offer and Shortfall Offer close fully subscribed and only Silver Mountain exercises its New Options	92,500,001	9,162,500	45,812,501	101,662,501	45.06% Exercise of New Options not possible unless Shareholder approval is obtained prior to exercise of New Options

The Directors consider that, as the New Options are short-dated Options which expire on 15 December 2018, if the New Options become 'in the money' (i.e. the market price of Shares becomes greater than the New Option exercise price of \$0.40), it is likely that all New Option holders will elect to exercise their New Options, and assuming Silver Mountain acquires all of its Entitlement to New Options and does not transfer its New Options to a non-associated third party, it will be entitled to exercise all of its New Options as its shareholding interest will increase by less than 3% as outlined in the table.

Alternatively, if Silver Mountain subscribes for its full Entitlement and no other New Options are exercised, Silver Mountain will only be entitled to exercise the number of New Options

that will not result in its shareholding interest increasing by more than 3%. The remaining New Options will only be able to be exercised if the Company obtains Shareholder approval for Silver Mountain to do so in a general meeting (as otherwise the resulting acquisition of Shares will breach the takeover threshold). As at the Prospectus Date, the Directors are not proposing to seek such Shareholder approval, but may determine to do so in the future.

It is possible that if Silver Mountain acquires New Options, it may elect to transfer some or all of these New Options to a person or persons who are not associates of Silver Mountain, who may then exercise the New Options and acquire Shares.

4.6 Effect of the Rights Offer and Shortfall Offer on Existing Shareholders' interests

As at the Prospectus Date, the Company has 92,500,001 Existing Shares and 16,000,000 Existing Options on issue.

If all Eligible Shareholders subscribe for their Entitlements in full, each Eligible Shareholder's percentage shareholding should remain substantially the same as at the Record Date, save for adjustments as a result of Excluded Shareholders not being able to subscribe under the Rights Offer. In such instance, the Offers should not have a material effect on control of the Company.

The table below sets out the estimated dilutive effect of the Rights Offer and Shortfall Offer on Existing Shareholders, assuming various subscription scenarios and that other Shares are not issued (including on the exercise of Options or conversion of Performance Rights) prior to the close of the Offers.

Scenario	Shares to Eligible Shareholders following exercise of New Options issued under Rights Offer	Shares to Applicants following exercise of New Options issued under Shortfall Offer	Dilution to Existing Shareholders
100% subscription under Rights Offer	23,125,000	Nil	0%
75% subscription under Rights Offer	17,343,750	5,781,250	5%
50% subscription under Rights Offer	11,562,500	11,562,500	10%
25% subscription under Rights Offer	5,781,250	17,343,750	15%
0% subscription under Rights Offer	Nil	23,125,000	20%

Note: The percentage dilution stated in the table above represents the percentage of Shares that will be issued to the Applicants under the Shortfall Offer upon the exercise of New Options. Applicants under the Shortfall Offer may be Eligible Shareholders.

4.7 Potential dilutive effect of convertible securities

The table below sets out the potential dilutive effect on the Existing Shares on issue if Shares are issued upon the exercise of all Existing Options, New Options and Piggy Back Options and the conversion of all Existing Performance Rights, assuming full subscription under each Offer.

Event	Cumulative number of Shares pre-issue	Shares issued	Cumulative number of Shares post-issue	Dilution
Shares issued on exercise of all New Options	92,500,001	23,125,000	115,625,001	25.00%
Shares issued on exercise of all Piggy Back Options	115,625,001	23,125,000	138,750,001	20.00%
Shares issued on exercise of Existing Options	138,750,001	16,000,000	154,750,001	11.53%
Shares issued on conversion of Existing Performance Rights	154,750,001	180,000	154,930,001	0.12%

Note:

The interests shown in the table above assume that:

1. the Existing Options and Existing Performance Rights do not lapse prior to exercise or conversion;
2. other Shares are not issued prior to the exercise of Options or conversion of Performance Rights; and
3. the events occur in the order listed in the table.

4.8 Effects of the Offers on activities of the Company

Refer to Section 2.4 for details of how the Company intends to apply the funds raised from the Rights Offer and Shortfall Offer, and the funds which will be raised if the New Options are exercised, assuming various New Option exercise scenarios.

5. Terms of Securities

5.1 Terms and conditions of New Options

The terms and conditions of the New Options offered under this Prospectus are set out below:

- (a) Each New Option entitles the holder (**Option Holder**) to subscribe for 1 fully paid ordinary Share in the Company.
- (b) The exercise price of each New Option is \$0.40 (**Exercise Price**) and will be payable in full upon exercise.
- (c) Each New Option may be exercised at any time before 5.00pm (WST) on 15 December 2018 (**Expiry Date**). New Options not exercised by the Expiry Date will automatically expire.
- (d) The Company must give the Option Holder a certificate or Holding Statement stating:
 - (i) the number of New Options issued to the Option Holder;
 - (ii) the Exercise Price of the New Options; and
 - (iii) the date of issue of the New Options.
- (e) The New Options may be transferred by an instrument in the form commonly used for transfer of Options at any time until the Expiry Date.
- (f) An instrument of transfer for a New Option must be:
 - (i) in writing;
 - (ii) in any usual form or in any other form approved by the Directors that is otherwise permitted by law;
 - (iii) subject to the Corporations Act, executed by or on behalf of the transferor, and if required by the Company, the transferee; and
 - (iv) delivered to the Company's Share Registry, at the place where the Company's register of Option Holders is kept, together with the certificate (if any) of the New Options to be transferred and any other evidence as the Directors require to prove the title of the transferor to that New Options, the right of the transferor to transfer those New Options and the proper execution of the instrument of transfer.
- (g) The Company will apply to ASX for official quotation of the Shares issued on exercise of New Options.
- (h) There will be no participating entitlements inherent in the New Options to participate in new issues of capital that may be offered to Shareholders during the currency of the New Option. Prior to any new pro-rata issue of securities to Shareholders, holders of New Options will be notified by the Company in accordance with the requirements of the Listing Rules.
- (i) In the event of a bonus issue of securities, the number of Shares over which the New Options are exercisable may be increased by the number of Shares that the Option holders would have received if the Options had been exercised before the record date for the bonus issue.
- (j) In the event of a reconstruction, including the consolidation, subdivision, reduction or return of issue capital of the Company prior to the Expiry Date, all rights of an Option Holder are to be changed in a manner consistent with the Listing Rules.

- (k) There is no right to a change in the Exercise Price of the New Options or to the number of Shares over which the New Options are exercisable in the event of a new issue of capital (other than a bonus issue or a pro rata issue) during the currency of the New Options.
- (l) New Options are exercisable by the delivery to the registered office of the Company of a notice in writing stating the intention of the Option Holder to exercise all or a specified number of the New Options held by the Option Holder accompanied by an Option certificate and a cheque made payable to the Company for the subscription price for the exercise of the specified New Options. An exercise of only some of the New Options will not affect the rights of the Option Holder to the balance of the New Options held.
- (m) New Options will be deemed to have been exercised on the later of the date the exercise notice is lodged with the Company and the date the Company receives full payment of the Exercise Price.
- (n) Within 10 Business Days after receiving an application for exercise of New Options and payment by the Option Holder of the Exercise Price, the Company must issue the Option Holder the number of Shares specified in the application.
- (o) Shares issued pursuant to an exercise of New Options will rank, from the date of allotment, in all respects equally with existing fully paid ordinary Shares of the Company.
- (p) These terms and the rights and obligations of the Option Holder are governed by the laws of Western Australia. The Option Holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Western Australia.
- (q) These terms and conditions of New Options may be amended as necessary by the Board in order to comply with the Listing Rules, or any directions of ASX regarding the terms and conditions of New Options, provided that, subject to compliance with the Listing Rules, the economic and other rights of the Option Holder are not diminished or terminated following such amendment.

5.2 Terms and conditions of Shares

The terms and conditions of Shares which will be issued to holders of New Options upon the exercise of New Options, are set out below. The following is a broad summary (though not necessarily an exhaustive or definitive statement) of the rights and liabilities attaching to Shares:

- (a) **Share capital:** All issued Shares rank equally in all respects.
- (b) **Voting rights:** At a general meeting of the Company, every holder of Shares present in person, by an attorney, representative or proxy has one vote on a show of hands and on a poll, one vote for each Share held, and for every contributing share (i.e. partly paid) held, a fraction of a vote equal to the proportion which the amount paid up bears to the total issue price of the contributing share. Where there is an equality of votes, the chairperson has a casting vote.
- (c) **Dividend rights:** Subject to the Corporations Act, the ASX Listing Rules and any rights of persons entitled to shares with special rights to dividends (at present there are none), all dividends as declared by the Directors are to be payable on all such shares in proportion to the amount of capital paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividends is paid, unless the share is issued on terms providing to the contrary.
- (d) **Payment of dividends:** Dividends are payable out of the assets of the Company in accordance with section 254T of the Corporations Act and as determined by the Directors, which shall be conclusive. The Directors may direct that payment of the dividend be made wholly or in part by the distribution of specific assets or other Securities of the Company.

- (e) **Rights on winding-up:** Subject to the Corporations Act, the ASX Listing Rules and any rights or restrictions attached to a class of Shares, the liquidator may on winding-up of the Company, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company and may for that purpose set such value as the liquidator considers fair upon any property to be so divided and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.
- (f) **Transfer of Shares:** Subject to the Constitution, Shares in the Company may be transferred by:
 - (i) a proper ASX Settlement transfer or any other method of transferring or dealing in Shares introduced by the ASX or operated in accordance with the ASX Settlement Rules or the ASX Listing Rules as recognised under the Corporations Act; or
 - (ii) an instrument in writing in any usual or common form or in any other form that the Directors, in their absolute discretion, approve from time to time.
- (g) **Refusal to transfer Shares:** The Directors may refuse to register a transfer of Shares (other than a proper ASX Settlement transfer) only where:
 - (i) the law permits it;
 - (ii) the law requires it; or
 - (iii) the transfer is a transfer of restricted securities (as defined in ASX Listing Rule 19.12) which is, or might be, in breach of the ASX Listing Rules or any escrow agreement entered into by the Company in respect of those restricted securities.
- (h) **Further increases in capital:** Subject to the Constitution, the Corporations Act and the ASX Listing Rules:
 - (i) Shares in the Company are under the control of the Directors, who may allot or dispose of all or any of the Shares to such persons, and on such terms, as the Directors determine; and
 - (ii) the Directors have the right to grant options to subscribe for Shares, to any person, for any consideration.
- (i) **Variation of rights attaching to shares:** The rights attaching to the shares of a class (unless otherwise provided by their terms of issue) may only be varied by a special resolution passed at a separate general meeting of the holders of those shares of that class, or in certain circumstances, with the written consent of the holders of at least seventy-five percent (75%) of the issued shares of that class.
- (j) **General meeting:** Each holder of Shares will be entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive notices, accounts and other documents required to be furnished to Shareholders under the Constitution, the Corporations Act and the ASX Listing Rules.

5.3 Terms and conditions of Piggy Back Options

The terms and conditions of the Piggy Back Options, which are offered to holders of New Options issued under the Offers for nil additional cash consideration, and will be issued if and when New Options are exercised, are set out below:

- (a) Each Piggy Back Option entitles the holder (**Option Holder**) to subscribe for 1 fully paid ordinary Share in the Company.
- (b) The exercise price of each Piggy Back Option is \$0.80 (**Exercise Price**) and will be payable in full on exercise.

- (c) Each Piggy Back Option may be exercised at any time before 5.00pm (WST) on 15 December 2019 (**Expiry Date**). Piggy Back Options not exercised by the Expiry Date will automatically expire.
- (d) The Company must give the Option Holder a certificate or Holding Statement stating:
 - (i) the number of Piggy Back Options issued to the Option Holder;
 - (ii) the Exercise Price of the Piggy Back Options; and
 - (iii) the date of issue of the Piggy Back Options.
- (e) The Piggy Back Options may be transferred by an instrument in the form commonly used for transfer of Options at any time until the Expiry Date.
- (f) An instrument of transfer for a Piggy Back Option must be:
 - (i) in writing;
 - (ii) in any usual form or in any other form approved by the Directors that is otherwise permitted by law;
 - (iii) subject to the Corporations Act, executed by or on behalf of the transferor, and if required by the Company, the transferee; and
 - (iv) delivered to the Company's Share Registry, at the place where the Company's register of Option Holders is kept, together with the certificate (if any) of the Piggy Back Options to be transferred and any other evidence as the Directors require to prove the title of the transferor to that Piggy Back Options, the right of the transferor to transfer those Piggy Back Options and the proper execution of the instrument of transfer.
- (g) The Company will apply to ASX for official quotation of the Shares issued on exercise of Piggy Back Options.
- (h) There will be no participating entitlements inherent in the Piggy Back Options to participate in new issues of capital that may be offered to Shareholders during the currency of the Piggy Back Option. Prior to any new pro-rata issue of securities to Shareholders, holders of Piggy Back Options will be notified by the Company in accordance with the requirements of the Listing Rules.
- (i) In the event of a bonus issue of securities, the number of Shares over which the Piggy Back Options are exercisable may be increased by the number of Shares that the Option holders would have received if the Options had been exercised before the record date for the bonus issue.
- (j) In the event of a reconstruction, including the consolidation, subdivision, reduction or return of issue capital of the Company prior to the Expiry Date, all rights of an Option Holder are to be changed in a manner consistent with the Listing Rules.
- (k) There is no right to a change in the Exercise Price of the Piggy Back Options or to the number of Shares over which the Piggy Back Options are exercisable in the event of a new issue of capital (other than a bonus issue or a pro rata issue) during the currency of the Piggy Back Options held.
- (l) Piggy Back Options are exercisable by the delivery to the registered office of the Company of a notice in writing stating the intention of the Option Holder to exercise all or a specified number of the Piggy Back Options held by the Option Holder accompanied by an Option certificate and a cheque made payable to the Company for the subscription price for the exercise of the specified Piggy Back Options. An exercise of only some of the Piggy Back Options will not affect the rights of the Option Holder to the balance of the Piggy Back Options.

- (m) Piggy Back Options will be deemed to have been exercised on the later of the date the exercise notice is lodged with the Company and the date the Company receives full payment of the Exercise Price.
- (n) Within 10 Business Days after receiving an application for exercise of Piggy Back Options and payment by the Option Holder of the Exercise Price, the Company must issue the Option Holder the number of Shares specified in the application.
- (o) Shares issued pursuant to an exercise of Piggy Back Options will rank, from the date of allotment, in all respects equally with existing fully paid ordinary Shares of the Company.
- (p) These terms and the rights and obligations of the Option Holder are governed by the laws of Western Australia. The Option Holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Western Australia.
- (q) These terms and conditions of Piggy Back Options may be amended as necessary by the Board in order to comply with the Listing Rules, or any directions of ASX regarding the terms and conditions of Piggy Back Options, provided that, subject to compliance with the Listing Rules, the economic and other rights of the Option Holder are not diminished or terminated following such amendment.

6. Risk Factors

6.1 Introduction

Activities in the Company and its controlled entities, as in any business, are subject to risks which may impact on the Company's future performance. There can be no guarantee that the Company will achieve its stated objectives.

Prior to deciding whether to apply for Securities offered under this Prospectus, Shareholders should read the entire Prospectus and review announcements made by the Company to ASX (at www.asx.com.au under the code 'EM2') in order to gain an appreciation of the Company, its activities, operations, financial position and prospects.

An investment in Securities offered by this Prospectus should be considered speculative. Such Securities carry no guarantee with respect to the payment of any dividends, returns of capital and will remain as unquoted Securities.

Investors should consider the risk factors set out in Section 1.4 above and in Sections 6.2 and 6.3 below which the Directors believe represent some of the key, specific and general risks that investors should be aware of when evaluating the Company and deciding whether to invest, or increase their investment in the Company. These risk factors are not intended to be an exhaustive list of all of the risk factors to which the Company is exposed.

6.2 Key Company specific risks

The following risks have been identified as being key risks specific to an investment in Eagle Mountain. These risks have the potential to have a significant adverse impact on Eagle Mountain and may affect Eagle Mountain's financial position, prospects and price of its listed securities.

(a) New Options are short-dated with an exercise price above the current market price for Shares

The New Options are exercisable at \$0.40 each and expire on 15 December 2018. As at 31 August 2018 the closing market price of Shares quoted on ASX was \$0.32 (refer to Section 8.8 for further information about the historical market price of Shares). There is a risk that the Company's Share price may remain below the New Option exercise price of \$0.40 and that the New Options may never become 'in the money' before their expiry date.

(b) Reliance on key personnel

Eagle Mountain's success depends to a significant extent upon its key management personnel, as well as other employees and technical personnel including sub-contractors. Eagle Mountain has a small management team. The loss of the services of Eagle Mountain's key personnel could have an adverse effect on Eagle Mountain at this early stage of development, particularly as finding an effective replacement may be difficult.

(c) Liquidity and volatility

Eagle Mountain is a small company in terms of its market capitalisation. Any investment in it should be regarded as speculative. As a consequence, there is a risk, particularly in times of share market turbulence or negative investor sentiment, that there will not be a highly liquid market for Eagle Mountain's Shares or that the price of Eagle Mountain's Shares may decrease considerably. There may be relatively few buyers or sellers of securities on ASX at any given time and the market price may be highly volatile. This may result in Shareholders wishing to sell their Shares in Eagle Mountain in circumstances where they may receive considerably less than the price paid under the Share Offer (where applicable).

(d) **Future capital requirements**

Eagle Mountain's ongoing activities are likely to require substantial further financing in the future, in addition to amounts raised pursuant to the Offers. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the Offer Price or may involve restrictive covenants which may limit Eagle Mountain's operations and business strategy.

Although the Directors believe that additional capital can be obtained, there cannot be any assurance that appropriate capital or funding, if and when needed, will be available on terms favourable to Eagle Mountain or at all. If Eagle Mountain is unable to obtain additional financing as needed, it may be required to reduce, delay or suspend its operations which may result in a material adverse effect on Eagle Mountain's activities and its ability to continue as a going concern.

(e) **No profit to date and limited operating history**

Eagle Mountain has incurred operating losses since its inception and does not have a significant history of business operations. It is therefore not possible to evaluate Eagle Mountain's prospects based on past performance. Since Eagle Mountain intends to conduct further exploration activities on the Silver Mountain Project, the Directors anticipate making further losses in the foreseeable future.

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

6.3 Industry specific risks

Mineral exploration, development and mining activities are high-risk undertakings and there can be no assurance that any exploration or development activity in regard to Eagle Mountain's current properties, or any properties that may be acquired in the future, will result in the discovery or exploitation of an economic resource.

Mineral exploration, development and mining may be hampered by circumstances beyond the control of Eagle Mountain and are speculative operations which by their nature are subject to a number of inherent risks, including the following:

(a) **Exploration, geological and development risks**

Mineral exploration and development is a speculative and high risk activity that requires large amounts of expenditure over extended periods of time and may be impeded by circumstances and factors beyond Eagle Mountain's control. Eagle Mountain's ability to succeed in this process involves (amongst other things):

- (i) discovery and proving-up, or acquiring, an economically recoverable mineral resource or reserve;
- (ii) access to adequate capital throughout the acquisition/discovery and project development phases of a mineral exploration project;
- (iii) maintaining title to the Silver Mountain Project area;
- (iv) obtaining required development consents and approvals necessary for the acquisition, exploration, development and production phases of the project; and
- (v) accessing the necessary experienced operational staff, the applicable financial management and recruiting skilled contractors, consultants and employees.

The exploration program determined by the Directors is based upon the Directors' best professional assessment and estimates which have been based on limited

geological information available in relation to the area of the Silver Mountain Project. There can be no assurance that the application of these funds on the forthcoming exploration program, or subsequent exploration program, will result in the realisation of Eagle Mountain's objectives such as the discovery of an economic mineral resource. Even if an apparently viable mineral resource is identified, there is no guarantee that it can be economically exploited. Conclusions drawn during mineral exploration are subject to the uncertainties associated with all sampling techniques and to the risk of incorrect interpretation of geological, geochemical, geophysical, drilling and other data.

By their nature, the estimates and assumptions on which Eagle Mountain's exploration program is based are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. No assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect Eagle Mountain's viability.

Eagle Mountain's exploration activities are subject to all the hazards and risks normally encountered in the exploration of minerals, including but not limited to:

- (i) geological and climatic conditions;
- (ii) operational and technical risks;
- (iii) changes in laws, regulations and government policy; and
- (iv) risks associated with operating in remote areas and other similar considerations.

Whether positive income-flows result from exploration and development expenditure incurred by Eagle Mountain is dependent on many factors including successful exploration, establishment of production facilities, cost control, commodity price movements, successful contract negotiations for production and stability in the local political environment.

In addition, significant expenditure may be required to establish necessary metallurgical and mining processes to develop and exploit any mineral reserves identified on the Silver Mountain Project or any other project area operated by Eagle Mountain in the future. There can be no assurance that Eagle Mountain will have sufficient working capital or resources available to do this.

(b) Operational and technical risks

The operations of Eagle Mountain may be affected by various factors, including but not limited to:

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

- (x) industrial disputes and labour shortages; and
- (xi) unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

(c) **Commodity price fluctuations**

Eagle Mountain's potential earnings will be largely derived from the sale of mineral commodities (including gold and base metals). Accordingly, Eagle Mountain's future revenues and cash flow will be impacted by fluctuations in the price and available markets of these commodities. Any future revenue derived through any future sales of valuable minerals exposes the potential income of Eagle Mountain to commodity price risks.

Commodity prices fluctuate and may be affected by numerous factors beyond the control of Eagle Mountain including:

- (i) current and expected future supply and demand for relevant commodities in the region and globally;
- (ii) forward-selling by producers;
- (iii) the level of production costs in major commodity-producing regions;
- (iv) macroeconomic factors such as expectations regarding inflation and interest rates; and
- (v) the development of new technologies including any substitute products in relation to the current uses of particular commodities.

Changes in commodity prices may have a positive or negative effect on Eagle Mountain's project development, plans and activities, including its ability to fund those activities. Eagle Mountain cannot provide any assurance as to the prices it will achieve for any mineral commodities it produces. Any substantial decline in the price of those commodities or in transport or distribution costs may have a material adverse effect on Eagle Mountain and the value of its Securities.

(d) **Exchange rate fluctuations**

Eagle Mountain's financial statements are expressed in Australian dollars. International prices of most commodities are denominated in United States dollars and some of the expenditure incurred by Eagle Mountain will also be denominated in United States dollars and Canadian dollars. This will expose Eagle Mountain to the fluctuations and volatility of the rate of exchange between the United States dollar, Canadian dollar and the Australian dollar, subject to any currency hedging Eagle Mountain may undertake. The exchange rate is affected by numerous factors beyond the control of Eagle Mountain, including international markets, interest rates, inflation and the general economic outlook.

(e) **Environmental risks**

The operations and proposed activities of Eagle Mountain are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, Eagle Mountain's proposed activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. Such impact can give rise to substantial costs for environmental rehabilitation, damage, control and losses.

The potential environmental impacts of Eagle Mountain's proposed activities could be expected to require statutory approvals to be obtained by Eagle Mountain. There is no guarantee that such approvals would be granted and failure to obtain any environmental approvals that may be required from relevant government or regulatory authorities may impede or prevent Eagle Mountain from undertaking its planned

activities. If there are environmental rehabilitation conditions attaching to the Mining Claims of Eagle Mountain, failure to meet such conditions could also lead to forfeiture of the Mining Claims (or any additional mining claims, permits or other interests held by Eagle Mountain in the future). Eagle Mountain will attempt to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

Eagle Mountain is unable to predict the impact of any changes to environmental laws, regulations or policies that may be adopted in the future. Eagle Mountain cannot guarantee that any new environmental laws, regulations or stricter enforcement policies, once implemented, will not result in significant increases in Eagle Mountain's expenses and could have a material adverse effect on Eagle Mountain and the value of its Securities.

(f) Tenure risks

Interests in exploration and mining claims and permits in Arizona are governed by the mining laws of Arizona and the United States and are evidenced by the granting of patented mining claims, unpatented mining claims and Arizona state exploration permits.

Each mining claim and permit is subject to various conditions which must be complied with, including an annual property tax in respect of patented mining claims, an annual rental payment in respect of unpatented mining claims, and a specific term of grant and annual expenditure conditions in respect of Arizona state exploration permits.

Eagle Mountain will follow the mandated processes under the relevant Arizona and United States legislation to ensure continuity of its mining tenure and planned activities. However, Eagle Mountain could lose title to, or its interest in, the Mining Claims (or any additional mining claims, permits or other interests acquired by Eagle Mountain in the future) if the conditions attaching to the claim or permit are not satisfied.

In addition, while patented and unpatented mining claims grant the holder the exclusive right to mine the claim area, Arizona state exploration permits may not provide exclusive access to the permit area as other co-existing permits or mineral leases may exist. If a commercial discovery is made on a conflicting permit or lease and the holder proposes to commence mining operations, this may result in part of Eagle Mountain's permit area being "cordoned off" which could potentially restrict the development rights of Eagle Mountain in order to accommodate the development of the other resource. Whilst no permits or leases have been granted which conflict with Eagle Mountain's permits at the Prospectus Date, there can be no assurance that conflicting permits or leases will not be granted in the future.

(g) Competition

The industry in which Eagle Mountain will be involved is subject to domestic and global competition. Some of the competing companies have greater financial and other resources than Eagle Mountain and, as a result, may be in a better position to compete for future business opportunities. While Eagle Mountain will undertake all reasonable due diligence in its business decisions and operations, Eagle Mountain will have no influence or control over the activities or actions of its competitors. As such, there can be no assurance that Eagle Mountain will be able to compete effectively with these companies.

6.4 General investment risks

The business activities of Eagle Mountain are subject to various general economic and investment risks that may impact on the future performance of Eagle Mountain. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of Eagle Mountain and cannot be mitigated. There are a number of general economic and investment risk factors that apply to companies generally

and may include economic, financial, market or regulatory conditions. These risk factors include, but are not limited to, the following:

(a) **General economic conditions**

Economic conditions, both domestic and global, may affect the performance of Eagle Mountain. Factors such as fluctuations in currencies, commodity prices, inflation, interest rates, supply and demand and industrial disruption may have an impact on operating costs and share market prices. Eagle Mountain's future possible revenues and Share price can be affected by these factors, all of which are beyond the control of Eagle Mountain and its Directors.

(b) **Equity market conditions**

Shares listed on the securities market, and in particular securities of small companies at any early stage of commercial development, can experience extreme price and volume fluctuations that are often unrelated to the operating performances of such companies. The market price of securities may fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general. These security market conditions may affect the value of Eagle Mountain's quoted Shares regardless of Eagle Mountain's operating performance.

General factors that may affect the market price of securities include economic conditions in both Australia and internationally, investor sentiment, local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

(c) **Changes in government policy and legislation**

Any material adverse changes in relevant government policies or legislation of Australia or internationally may affect the viability and profitability of Eagle Mountain, and consequent returns to investors.

(d) **Investment risk**

The New Options offered pursuant to this Prospectus should be considered speculative due to the nature of Eagle Mountain's business. There is no guarantee as to payment of dividends, return of capital or the market value of the Shares underlying the New Options. In particular, the price at which an investor may be able to trade Shares may be above or below the price paid for those Shares.

Prospective investors must make their own assessment of the likely risks and determine whether an investment in Eagle Mountain is appropriate having regard to their own particular circumstances.

(e) **Insurance**

Eagle Mountain intends to adequately insure its operations in accordance with industry practice. However, in certain circumstances, Eagle Mountain'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 only partially covered by insurance could have a material adverse effect on the business, financial condition and results of Eagle Mountain.

(f) **Other**

Other risk factors include those normally found in conducting business, including litigation resulting from the breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts,

loss of service of key management or operational personnel, non-insurable risks, delay in resumption of activities after reinstatement following the occurrence of an insurable risk and other matters that may interfere with the business or trade of Eagle Mountain.

7. Continuous Disclosure Documents

7.1 Continuous disclosure obligations

This is a prospectus for the offer of options to acquire continuously quoted securities (as defined in the Corporations Act) of the Company and is issued pursuant to section 713 of the Corporations Act as a transaction specific prospectus. Accordingly, this Prospectus does not contain the same level of disclosure as an initial public offering prospectus.

The Company is a “disclosing entity” for the purposes of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. As a listed company, the Company is subject to the Listing Rules which require it to immediately notify ASX of any information concerning the Company of which it is or becomes aware and which a reasonable person would expect to have a material effect on the price or value of Shares, subject to certain exceptions.

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

The Options to be issued under this Prospectus are options to acquire Securities that were quoted on the stock market of ASX at all times in the 3 months prior to the Prospectus Date (i.e. Shares).

7.2 Documents available for inspection

The Company has lodged the following announcements with ASX since the lodgement of the Company’s audited financial statements for the period ended 30 June 2018, which occurred on 24 August 2018:

Date	Description of ASX Announcement
28/08/2018	Exploration Update – Maiden Drill Program to Commence
29/08/2018	Appendix 3B – Issue of Performance Rights
03/09/2018	Water Driller Contracted

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

Copies of documents lodged with ASX in relation to the Company, including the Company’s corporate governance policies, may be obtained from the Company’s website at eaglemountain.com.au or at ASX’s website at www.asx.com.au using the Company’s ASX code ‘EM2’.

The Company will provide a copy of each of the following documents, free of charge, to any person on request from the Prospectus Date until the latest closing date of any Offer:

- (a) the annual financial report of the Company for the financial period ended 30 June 2018 (being the audited financial report for the Company for the period from incorporation on 6 September 2017 to 30 June 2018), being the financial report of the Company most recently lodged with ASIC before the issue of this Prospectus; and
- (b) any documents used to notify ASX of information relating to the Company in the period from lodgement of the annual financial report referred to in paragraph (a) above until the issue of the Prospectus in accordance with the Listing Rules as referred to in section 674(1) of the Corporations Act.

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

8. Additional Information

8.1 Lead Manager Mandate

The Company and the Lead Manager (Peloton Capital) have entered into a mandate agreement (**Lead Manager Mandate**) pursuant to which the Lead Manager has agreed to assist with management of the Rights Offer and the placement of any Shortfall.

Subject	Provision
Management of Offers	The Lead Manager will act as the sole and exclusive lead manager to the Rights Offer.
Fees and reimbursement	As consideration for managing the Rights Offer, the Lead Manager will be entitled to receive: • a management fee of \$23,125 (plus GST); • a capital raising fee of 4% (plus GST) of the total amount arranged and placed by the Lead Manager under the Shortfall Offer; and • reimbursement of the Lead Manager's reasonable costs, professional fees and expenses in relation, and incidental, to the Offers, provided that approval is obtained prior to incurring such expenses.
Termination of mandate	Either party may terminate the mandate by providing reasonable notice to the other party.
Entitlement to fees on termination of mandate	If the mandate is terminated by Eagle Mountain (other than for cause), the Lead Manager will be entitled to the fees described above.
Indemnity	Eagle Mountain agrees to indemnify the Lead Manager and to hold the Lead Manager harmless from and against: • all actions, claims, demands or proceedings which may be instituted against the Lead Manager; and • all liabilities, losses, damages, costs and expenses including reasonable legal costs and expenses which may be suffered or incurred by the Lead Manager, in connection with the mandate.

The Lead Manager Mandate otherwise contains terms and conditions considered standard for agreements of this nature.

8.2 Interests of Directors

Other than as set out below or elsewhere in this Prospectus, no Director nor any entity in which a Director is a partner or director, has or has had in the 12 months before the Prospectus Date, any interest in:

- (a) property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offers; or
- (b) the Offers,

and no amounts have been paid or agreed to be paid (in cash or Securities or otherwise) and no other benefit has been given or agreed to be given to any Director or proposed director or to any entity in which such a Director or proposed director is a partner or director, either to

induce him to become, or to qualify as, a Director or otherwise for services rendered by him or by the entity in connection with the formation or promotion of the Company or the Offers.

8.3 Security holding interests of Directors

The following table sets out the relevant interest of each Director in the Securities of Eagle Mountain as at the Prospectus Date.

Director	Shares	Options
Rick Crabb	580,000	1,500,000 Existing Options exercisable at \$0.20 each on or before 15 January 2023
Charles Bass	36,650,001	4,500,000 Existing Options exercisable at \$0.30 each on or before 7 December 2020 1,500,000 Existing Options exercisable at \$0.20 each on or before 15 January 2023
Roger Port	400,000	1,500,000 Existing Options exercisable at \$0.20 each on or before 15 January 2023
Brett Rowe (Alternate Director for Charles Bass)	500,000	1,000,000 Existing Options exercisable at \$0.20 each on or before 15 January 2023

Notes:

1. Mr Bass has an indirect interest in 36,650,001 Shares and 4,500,000 Existing Options held by Silver Mountain Nominee as trustee for the Silver Mountain Trust. Silver Mountain Nominee is an entity controlled by Mr Bass' spouse, and the beneficiaries of the Silver Mountain Trust include children of Mr Bass.
2. Mr Bass has a "substantial holding" for the purposes of the Corporations Act as he controls 5% or more of the voting Shares at the Prospectus Date.
3. Mr Bass has a "relevant interest" under the Corporations Act (i.e. an ability to effect control over voting shares) of more than 20% at the Prospectus Date. His ability to acquire or otherwise receive additional Shares on the exercise of New Options will be restricted by the takeovers provisions in Chapter 6 of the Corporations Act, subject to certain limited exceptions. Refer to Section 4.5 for further details.
4. Mr Port has an indirect interest in 400,000 Shares held by Leptiptidium Pty Ltd (ACN 609 615 143) as trustee for the Maitland No.2 Trust. Leptiptidium Pty Ltd is an entity controlled by Mr Port, and Mr Port is a beneficiary of the Maitland No.2 Trust.
5. Mr Rowe has an indirect interest in 500,000 Shares held by Mr Franco Del Borrello under a bare trust of which Mr Rowe is a beneficiary.
6. Directors and their associated entities may acquire New Options under the Rights Offer if they are an Existing Shareholder on the Record Date. Directors and their associates are not entitled to participate in the Shortfall Offer unless Shareholder approval for such participation is obtained.

8.4 Remuneration of Directors

The Constitution provides that the Directors may be paid for their services as Directors.

Non-executive Directors may collectively be paid, as remuneration for their services, a fixed sum not exceeding the aggregate maximum set by the Company in a general meeting. The aggregate maximum is presently set at \$300,000 per annum.

The Managing Director may receive such remuneration as the Directors determine.

A Director may be reimbursed for out of pocket expenses incurred as a result of their directorship. As at the Prospectus Date each Director is receiving annualised fees inclusive of statutory superannuation entitlements equivalent to \$50,000 per annum.

Details of remuneration provided to Directors for the period from incorporation on 6 September 2017 to 30 June 2018 is set out in the table below.

Director	Remuneration provided
Rick Crabb	\$80,333 (includes salary of \$19,026, superannuation of \$1,807, and share based payments of \$60,000)
Charles Bass	\$80,333 (includes salary of \$19,026, superannuation of \$1,807, and share based payments of \$60,000)
Roger Port	\$80,333 (includes salary of \$19,026, superannuation of \$1,807, and share based payments of \$60,000)
Brett Rowe (Alternate Director for Charles Bass)	\$40,000 (includes share based payments of \$40,000)

Note: As the Company was incorporated on 6 September 2017, and each Director was appointed on 6 September 2017, the remuneration outlined in the table above was provided to each Director during the period 6 September 2017 to 30 June 2018.

8.5 Expenses of the Offers

The estimated expenses payable in cash by the Company in respect of costs associated with this Prospectus and the Offers, including offer management, broking fees, legal, accounting, corporate advisory, printing, ASIC and ASX fees and other costs will be approximately \$48,831. This amount excludes the capital raising fee of 4% (plus GST) payable by the Company to the Lead Manager in respect of the total amount arranged and placed by the Lead Manager under the Shortfall Offer (refer to Section 8.1 for further details) and does not include costs associated with the exercise of the New Options or quotation of Shares issued upon exercise of New Options.

8.6 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, all other persons named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus do not have, and have not had in the period since incorporation to the Prospectus Date, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offers; or
- (c) the Offers, and

amounts have not been paid or agreed to be paid (whether in cash, Securities or otherwise), and other benefits have not been given or agreed to be given to any of those persons for services provided by those persons in connection with the formation or promotion of the Company or the Offers.

William Buck Audit (WA) Pty Ltd (**William Buck**) is the Company's auditor, and audited the financial statements of the Company from which the consolidated statement of financial position of the Company (as at 30 June 2018) set out in Section 4.4 of this Prospectus was extracted. William Buck has provided other accounting and auditing services to the Company in the period since the Company's incorporation (6 September 2017) to the Prospectus Date and has been paid, or is entitled to be paid, fees totalling approximately \$31,748 (excluding GST) for those other services.

The Lead Manager to the Offers will be paid a fee of \$23,125 (plus GST) for services related to this Prospectus, plus a capital raising fee of 4% (plus GST) of the total amount arranged and placed by the Lead Manager under the Shortfall Offer. In the period since incorporation of the Company to the Prospectus Date, the Lead Manager has been paid, or is entitled to be paid, fees totalling approximately \$568,242 (excluding GST) for corporate advisory and capital raising services provided to the Company.

Jackson McDonald has acted as solicitors to the Company in relation to the Offers and legal due diligence enquiries in respect of the Company and is entitled to be paid approximately \$20,000 (plus GST) in respect of these services. In the period since incorporation of the Company to the Prospectus Date, Jackson McDonald has been paid, or is entitled to be paid, fees totalling approximately \$179,156 (excluding GST and disbursements) for legal services provided to the Company.

The Company's Share Registry will be paid approximately \$5,000 including GST for services to be provided in relation to receiving and managing subscriptions under the Offers. In the period since incorporation of the Company to the Prospectus Date, the Share Registry has been paid, or is entitled to be paid, fees totalling approximately \$9,226 (excluding GST) for registry services provided to the Company.

8.7 Consents and liability statements

Jackson McDonald has given and has not, before lodgement of this Prospectus with ASIC, withdrawn its consent to be named in this Prospectus as solicitors to the Company and the Offers in the form and context in which it is named.

Peloton Capital Pty Ltd has given and has not, before lodgement of this Prospectus with ASIC, withdrawn its consent to be named in this Prospectus lead manager to the Offers in the form and context in which it is named.

William Buck Audit (WA) Pty Ltd has given and has not, before lodgement of this Prospectus with ASIC, withdrawn its consent to be named in this Prospectus as the Company's auditor in the form and context in which it is named, and the entity responsible for the audit of the financial statements of the Company for the period ended 30 June 2018.

Computershare Investor Services Pty Limited has given and has not, before lodgement of this Prospectus with ASIC, withdrawn its consent to be named in this Prospectus as the Share Registry in the form and context in which it is named.

Each of Jackson McDonald, Peloton Capital Pty Ltd, William Buck Audit (WA) Pty Ltd, and Computershare Investor Services Pty Limited:

- (a) did not authorise or cause the issue of this Prospectus;
- (b) does not make, or purport to make, any statement in this Prospectus nor is any statement in this Prospectus based on any statement by any of those parties other than as specified in this Section; and
- (c) to the maximum extent permitted by law, expressly disclaims any responsibility or liability for any part of this Prospectus other than a reference to its name and a statement contained in this Prospectus with consent of that party as specified in this Section.

8.8 Historical market prices of Shares on ASX

Information about the closing market price of Shares quoted on ASX during the 3 month period prior to the Prospectus Date is set out in the table below.

Information	Price	Date
Highest	\$0.42	29 June 2018 and 3 July 2018
Lowest	\$0.30	16 August 2018 and 21 August

Latest	\$0.32	31 August 2018
--------	--------	----------------

Note: Trading data prepared by ASX, who has not consented to its use in this Prospectus.

8.9 Litigation

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

9. Directors' Statement

The 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.

This Prospectus is signed for and on behalf of the Company pursuant to a resolution of the Board by:

A handwritten signature in black ink, appearing to be 'Rick Crabb', written in a cursive style.

Rick Crabb
Chairman

Dated: 3 September 2018

10. Glossary of Terms

Applicant	A person who applies for Options in accordance with this Prospectus.
Application	A valid application for Options offered under this Prospectus.
Application Form	An application form that accompanies this Prospectus, including an Entitlement and Acceptance Form and a Shortfall Offer Application Form.
Application Money	The amounts payable by Applicants under the Rights Offer and Shortfall Offer, being an amount in Australian dollars equal to the number of New Options for which the Applicant wishes to apply, multiplied by the Offer Price (i.e. \$0.01 per New Option).
ASIC	The Australian Securities & Investments Commission.
Associate	Has the meaning given to that term in the Listing Rules.
ASX	ASX Limited (ACN 008 624 691) trading as the 'Australian Securities Exchange'.
ASX Settlement	ASX Settlement Pty Ltd (ACN 008 504 532).
ASX Settlement Rules	The settlement rules of ASX Settlement.
Board	The board of Directors.
Business Day	A day: (a) that is a business day as defined in the Listing Rules; and (b) which is not a Saturday, Sunday, public holiday or bank holiday in Perth, Western Australia.
CHESS	Clearing House Electronic Sub-register System operated by ASX Settlement.
CHESS Statement or Holding Statement	A statement of shares registered in a CHESS account.
Closing Date	The closing date of the Rights Offer and the Shortfall Offer as set out in Section 2.1(c).
Company or Eagle Mountain	Eagle Mountain Mining Limited (ACN 621 541 204).
Consolidated Entity	The Company and its subsidiaries.
Constitution	The constitution of the Company.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Director	A director of the Company as at the Prospectus Date.
Eligible Jurisdictions	Australia, New Zealand, Singapore and Switzerland.
Eligible Shareholder	A Shareholder with a registered address in Australia, New Zealand, Singapore or Switzerland on the Record Date.
Entitlement	The number of New Options that an Eligible Shareholder is entitled to apply for under the Rights Offer, as determined by the number of Shares held by that Eligible Shareholder at the Record Date.
Entitlement and Acceptance Form	The entitlement and acceptance form accompanying this Prospectus.
Excluded Shareholder	A Shareholder as at the Record Date whose registered address is not situated in an Eligible Jurisdiction.
Existing Option	An Option issued before the Prospectus Date.

Existing Performance Right	A Performance Right issued before the Prospectus Date.
Existing Share	A Share issued before the Prospectus Date.
Existing Shareholder	A holder of an Existing Share.
General Meeting	The 2018 annual general meeting of the Company to be held on or before 30 November 2018.
GST	Goods and services tax.
Lead Manager	Peloton Capital.
Listing Rules	The listing rules of ASX.
Mining Claims	The patented mining claims, unpatented mining claims, and Arizona state exploration permits held by Silver Mountain LLC.
New Option	An Option offered under the Rights Offer or Shortfall Offer, exercisable at \$0.40 on or before 15 December 2018 and otherwise on the terms set out in Section 5.1.
Offer Period	In respect of the Rights Offer and Shortfall Offer, the period commencing on the Opening Date and ending on the Closing Date, and otherwise the period during which an Application may be made for Options offered under this Prospectus.
Offer Price	The price at which a New Option is offered to Applicants under an Offer, being \$0.01 per New Option.
Offers	The Rights Offer, the Shortfall Offer and the Piggy Back Options Offer or any one of those offers as the case may be.
Opening Date	The opening date of the Rights Offer and Shortfall Offer as set out in Section 2.1(c).
Option	An option to subscribe for a Share.
Option Holder	The holder of an Option.
Peloton Capital	Peloton Capital Pty Ltd (ACN 149 540 018).
Performance Right	A right to acquire a Share on the satisfaction of certain performance based milestones in the capital of the Company.
Piggy Back Options	An Option offered under the Piggy Back Options Offer, exercisable at \$0.80 on or before 15 December 2019 and otherwise on the terms set out in Section 5.3
Piggy Back Options Offer	The Offer made under this Prospectus, to participants under the Rights Offer or Shortfall Offer, of Piggy Back Options on the basis of 1 Piggy Back Option for every New Option exercised.
Privacy Act	<i>Privacy Act 1988</i> (Cth).
Prospectus	This prospectus and any supplementary or replacement prospectus.
Prospectus Date	The date of this Prospectus, being the date that this Prospectus is lodged with ASIC.
Record Date	5.00pm (WST) on 7 September 2018 or such other date as may be determined by the Directors, subject to the Listing Rules.
Rights Offer	The offer to Eligible Shareholders to participate in a renounceable pro-rata offer of up to 23,125,000 New Options at an issue price of \$0.01 per New Option, to raise up to approximately \$231,250 (before costs), on the basis of 1 New Option for every Share held by an Eligible Shareholder at the Record Date.

Section	A section of this Prospectus.
Securities	Has the meaning given to that term in section 92(4) of the Corporations Act, and includes a Share and an Option.
Share	A fully paid ordinary share in the capital of the Company.
Share Registry	The Company's securities registry, Computershare Investor Services Pty Limited.
Shareholder	The holder of a Share.
Shortfall	The number of New Options offered under this Prospectus for which valid Applications have not been received from Eligible Shareholders before the Closing Date.
Shortfall Offer	The offer under this Prospectus to subscribe for the New Options which comprise the Shortfall at an issue price of \$0.01 per New Option.
Shortfall Offer Application Form	The Shortfall Application Form attached to or accompanying this Prospectus.
Silver Mountain	Silver Mountain Nominee ATF The Silver Mountain Trust.
Silver Mountain LLC	Silver Mountain Mining LLC, a limited liability company incorporated in Arizona, USA.
Silver Mountain Nominee	Silver Mountain Mining Nominee Pty Ltd (ACN 163 993 762).
Silver Mountain Project	The portfolio of prospective copper and gold metal exploration assets located in the Yavapai County of central Arizona, USA held by Silver Mountain LLC.
Silver Mountain Trust	The Silver Mountain Mining Trust.
WST	Western Standard Time, being the time in Perth, Western Australia.

Appendix 3B

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

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

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Eagle Mountain Mining Limited

ABN

34 621 541 204

We (the entity) give ASX the following information.

Part 1 - All issues

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

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | Unlisted Options – proposed to be issued under a non-renounceable pro rata rights offer (Rights Offer) and shortfall offer (Shortfall Offer) |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 23,125,000 |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Unlisted Options at \$0.01, exercisable by payment of \$0.40 on or before 15 December 2018. |

+ See chapter 19 for defined terms.

4	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: - the date from which they do - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	No When options are exercised the fully paid ordinary shares issued will rank equally with the existing fully paid ordinary shares of the Company from the date of issue.
5	Issue price or consideration	\$0.01
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	To provide additional funding to allow the Company to continue with its drilling program at the Silver Mountain Project in the event of successful drill results in the initial stages of the program. Refer section 1.2 of the Company's Prospectus dated 3 September 2018 for further details.
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i>, and comply with section 6i	No
6b	The date the security holder resolution under rule 7.1A was passed	N/a
6c	Number of +securities issued without security holder approval under rule 7.1	N/a
6d	Number of +securities issued with security holder approval under rule 7.1A	N/a

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/a	
6f	Number of +securities issued under an exception in rule 7.2	N/a	
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/a	
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/a	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	LR 7.1: 13,770,000 LR7.1A: Nil	
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	The options are proposed to be issued on 9 October 2018.	
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Number 68,570,775	+Class Ordinary fully paid shares (EM2)

	Number	+Class
9	6,435,000	Ordinary fully paid shares (escrow to 12 December 2018)
	17,494,226	Ordinary fully paid shares (escrow to 16 March 2020)
	4,500,000	Options exercisable at 30 cents each expiring 7 December 2020
	7,000,000	Options exercisable at 30 cents each expiring 6 March 2021
	4,500,000	Options exercisable at 20 cents each expiring 15 January 2023
	25,000	Performance rights expiring 1 December 2025
	25,000	Performance rights expiring 1 December 2026
	25,000	Performance rights expiring 1 December 2027
	35,000	Performance rights expiring 1 July 2026
	35,000	Performance rights expiring 1 July 2027
	35,000	Performance rights expiring 1 July 2028
	23,125,000	Options exercisable at 40 cents each expiring 15 December 2018
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	
	N/a	

Part 2 - Pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non renounceable
13	Ratio in which the +securities will be offered	1 New Option for every 4 shares held at the record date
14	+Class of +securities to which the offer relates	Unlisted Options

15	+Record date to determine entitlements	5pm (WST) 7 September 2018
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No
17	Policy for deciding entitlements in relation to fractions	Fractional entitlements will be rounded down
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	Ireland, United Kingdom, United States of America
19	Closing date for receipt of acceptances or renunciations	2 October 2018
20	Names of any underwriters	N/a
21	Amount of any underwriting fee or commission	N/a
22	Names of any brokers to the issue	Peloton Capital Pty Ltd
23	Fee or commission payable to the broker to the issue	\$23,125, and 4% on shortfall funds placed
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/a
25	If the issue is contingent on security holders' approval, the date of the meeting	N/a
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	11 September 2018
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	3 September 2018
28	Date rights trading will begin (if applicable)	N/a

+ See chapter 19 for defined terms.

- | | | |
|----|---|----------------|
| 29 | Date rights trading will end (if applicable) | N/a |
| 30 | How do security holders sell their entitlements <i>in full</i> through a broker? | N/a |
| 31 | How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | N/a |
| 32 | How do security holders dispose of their entitlements (except by sale through a broker)? | N/a |
| 33 | +Issue date | 9 October 2018 |

Part 3 - Quotation of securities

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

- 34 Type of +securities
(tick one)

(a) ☐ +Securities described in Part 1

(b) ☐ All other +securities

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

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
- 1 - 1,000
 - 1,001 - 5,000
 - 5,001 - 10,000
 - 10,001 - 100,000
 - 100,001 and over
- 37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought					
39	+Class of +securities for which quotation is sought					
40	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: - the date from which they do - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment					
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another +security, clearly identify that other +security)					
42	Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	<table border="1"> <thead> <tr> <th>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> </tr> </tbody> </table>	Number	+Class		
Number	+Class					

+ See chapter 19 for defined terms.

Quotation agreement

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

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

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

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

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

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



Sign here:
Company secretary

3/9/2018
Date:

Print name: Mark Pitts

== == == == ==

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	92,500,001
Add the following: - Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 - Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval - Number of partly paid +ordinary securities that became fully paid in that 12 month period Note: - Include only ordinary securities here – other classes of equity securities cannot be added - Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed - It may be useful to set out issues of securities on different dates as separate line items	0
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	0
“A”	92,500,001

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	13,875,000
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
Insert number of ⁺ equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued: • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 Note: • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i>	105,000 performance rights – 29 August 2019
“C”	105,000
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	13,875,000
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	105,000
Total [“A” x 0.15] – “C”	13,770,000 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	N/A
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i>	N/A
“E”	N/A

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A

“A” x 0.10

N/A

Note: number must be same as shown in Step 2

Subtract “E”

N/A

Note: number must be same as shown in Step 3

Total [“A” x 0.10] – “E”

N/A

Note: this is the remaining placement capacity under rule 7.1A