

PEEL MINING LIMITED
ACN 119 343 734

ENTITLEMENT ISSUE PROSPECTUS

For a non-renounceable entitlement issue of one (1) Share for every eight (8) Shares held by those Shareholders registered at the Record Date at an issue price of \$0.175 per Share to raise up to \$6,643,079 (based on the number of Shares on issue as at the date of this Prospectus) (**Offer**).

The Offer is fully underwritten by Canaccord Genuity (Australia) Limited (ACN 075 071 466) (AFSL 234 666) (**Underwriter**). Refer to Section 8.4 for details regarding the terms of the underwriting.

IMPORTANT NOTICE

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

The Shares offered by this Prospectus should be considered as speculative.

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1. CORPORATE DIRECTORY

Directors

Rob Tyson
Managing Director

James Simpson
Executive Director

Simon Hadfield
Non-Executive Chairman

Graham Hardie
Non-Executive Director

Company Secretary

Ryan Woodhouse

Registered Office

Unit 1
34 Kings Park Road
WEST PERTH WA 6005

Telephone: + 61 8 9382 3955

Email: info@peelmining.com.au

Website: www.peelmining.com.au

Share Registry*

Link Market Services Limited
Level 4
152 St Georges Terrace
PERTH WA 6000

Telephone: +61 1300 554 474 (within
Australia)

Auditor*

PricewaterhouseCoopers
Level 15
125 St Georges Terrace
PERTH WA 6000

Solicitors

Steinepreis Paganin
Lawyers and Consultants
Level 4
The Read Buildings
16 Milligan Street
PERTH WA 6000

Underwriter

Canaccord Genuity (Australia) Limited
AFSL 234 666
Level 15
333 Collins Street
MELBOURNE VIC 3000

*These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus.

2. TIMETABLE

Issue of the Placement Shares	Prior to the commencement of trading on Monday, 3 August 2020
Lodgement of Prospectus with the ASIC	
Lodgement of Prospectus & Appendix 3B with ASX	
Ex-date	Wednesday, 5 August 2020
Record Date for determining Entitlements	Thursday, 6 August 2020
Offer opening date, Prospectus sent out to Shareholders and Company announces this has been completed	Tuesday, 11 August 2020
Last day to extend the Closing Date	Monday, 17 August 2020
Closing Date as at 5:00pm*	Thursday, 20 August 2020
Securities quoted on a deferred settlement basis	Friday, 21 August 2020
ASX and Underwriter/Sub-Underwriter notified of under subscriptions	Tuesday, 25 August 2020
Underwriter applies for Shortfall Shares under terms of Underwriting Agreement	Thursday, 27 August 2020
Issue date and lodgement of Appendix 2A with ASX applying for quotation of the Shares	Thursday, 27 August 2020
Quotation of Shares issued under the Offer**	Friday, 28 August 2020

*The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. As such the date the Shares are expected to commence trading on ASX may vary.

3. IMPORTANT NOTES

This Prospectus is dated 3 August 2020 and was lodged with the ASIC on that date. The ASIC, the ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

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

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

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Shares the subject of this Prospectus should be considered highly speculative.

Applications for Shares offered pursuant to this Prospectus can only be submitted on an original Entitlement and Acceptance Form or Shortfall Application Form.

The Entitlement and Acceptance Form, together with a copy of this Prospectus can also be accessed at <https://events.miraqle.com/PEX-offer>. If you wish to access the online application system, you will need to provide your Securityholder Reference Number (SRN) or Holder Identification Number (HIN) and postcode and follow the instructions provided including making payment by BPAY®.

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

3.1 Risk factors

Potential investors should be aware that subscribing for Shares in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 7 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

3.2 Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and our management.

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 and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 7 of this Prospectus.

4. DETAILS OF THE OFFER

4.1 Background to the Placement and the Entitlement Offer

As announced on 27 July 2020, the Company is undertaking a capital raising to a maximum of \$17,143,079 (before costs) comprising:

- (a) a placement to institutional, sophisticated and professional investors which has raised \$10,500,000 (before costs) (**Placement**); and
- (b) a pro-rata non-renounceable entitlement offer of one (1) Share for every eight Shares held by Shareholders registered at the Record Date at \$0.175 per Share to raise up to an additional \$6,643,079 (before costs).

The Company completed the Placement on 3 August 2020, by issuing an aggregate of 60,000,000 Shares (**Placement Shares**), comprising the issue of:

- (a) 36,552,541 Shares issued pursuant to the Company's placement capacity under Listing Rule 7.1; and
- (b) 23,447,459 Shares issued pursuant to the Company's placement capacity under Listing Rule 7.1A.

Canaccord Genuity (Australia) Limited (ACN 075 071 466) (AFSL 234 666) (**Canaccord**) was appointed as lead manager to the Placement. In consideration for the services provided, the Company agreed to pay Canaccord:

- (a) a capital raising fee of 4.0% of the gross proceeds raised under the Placement (excluding any proceeds raised through the Chairman's list); and
- (b) a management fee of 2.0% of the gross proceeds raised under the Placement.

The Company also agreed to reimburse Canaccord for all reasonable out-of-pocket expenses incurred by Canaccord in connection with the Placement including legal fees (up to a maximum of \$10,000), marketing and communication costs, and travel and accommodation expenses.

4.2 The Offer

The Offer is being made as a non-renounceable entitlement issue of one (1) Share for every eight Shares held by Shareholders registered at the Record Date at an issue price of \$0.175 per Share. Fractional entitlements will be rounded down to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus, approximately 37,960,451 Shares will be issued pursuant to this Offer to raise up to approximately \$6,643,079.

As at the date of this Prospectus, the Company has 12,512,500 Options on issue, of which 10,487,500 have vested and may be exercised prior to the Record Date in order to participate in the Offer. Please refer to Section 5.4 of this Prospectus for information on the exercise price and expiry date of the Options on issue.

All of the Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 6 for further information regarding the rights and liabilities attaching to the Shares.

The purpose of the Offer and the intended use of funds raised are set out in Section 5.1 of this Prospectus.

4.3 What Eligible Shareholders may do

The number of Shares to which Eligible Shareholders are entitled is shown on the personalised Entitlement and Acceptance Form accompanying this Prospectus.

The Entitlement and Acceptance Form, together with a copy of this Prospectus can also be accessed at <https://events.miraqle.com/PEX-offer>. If you wish to access the online application system, you will need to provide your Securityholder Reference Number (SRN) or Holder Identification Number (HIN) and postcode and follow the instructions provided including making payment by BPAY®.

Eligible Shareholders may choose any of the options set out in the table below.

Option	Key Considerations	For more information
Take up all of your Entitlement	- Should you wish to accept all of your Entitlement, then your application for Shares under this Prospectus must be made by following the instructions on the personalised Entitlement and Acceptance Form which accompanies this Prospectus. Please read the instructions carefully. - Payment can be made by the methods set out in Section 4.4. As set out in Section 4.4, if you pay by BPAY, you do not need to return the Entitlement and Acceptance Form.	Section 4.4 and Section 4.5
Take up all of your Entitlement and also apply for Shortfall Shares	- Should you wish to accept all of your Entitlement and apply for Shortfall Shares, then your application for your Entitlement and additional Shortfall Shares under this Prospectus must be made by following the instructions on your personalised Entitlement and Acceptance Form which accompanies this Prospectus. Please read the instructions carefully. - Payment can be made by the methods set out in Section 4.4. Payment should be made for your Entitlement and the amount of the Shortfall for which you are applying. - If you apply for Shortfall Shares beyond your Entitlement you are deemed to have accepted your Entitlement in full. You should note that the allocation of Shortfall Shares is at the discretion of the Board in conjunction with the Underwriter as per the allocation policy set out in Section 4.10. Accordingly, your application for additional Shortfall Shares may be scaled-back.	Section 4.4, 4.5 and 4.10

Option	Key Considerations	For more information
	The Company's decision on the number of Shortfall Shares to be allocated to you will be final.	
Take up a proportion of your Entitlement and allow the balance to lapse	If you wish to take up only part of your Entitlement and allow the balance to lapse, your application must be made by completing the personalised Entitlement and Acceptance Form which accompanies this Prospectus for the number of Shares you wish to take up and making payment using the methods set out in Section 4.4 below. As set out in Section 4.4, if you pay by BPAY, you do not need to return the Entitlement and Acceptance Form.	Section 4.4 and Section 4.5
Allow all or part of your Entitlement to lapse	If you do not wish to accept any part of your Entitlement, you are not obliged to do anything. If you do not take up your Entitlement or dispose of your Entitlement by the Closing Date, the Offer to you will lapse.	N/A

The Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

4.4 Payment options

(a) By BPAY®

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance 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. Please note that should you choose to pay by BPAY®:

- (i) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form; and
- (ii) 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 Shares which is covered in full by your application monies.

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. **It is your responsibility to ensure that funds submitted through BPAY® are received by 5:00pm (WST) on the Closing Date. The Company shall not be responsible for any delay in the receipt of the BPAY® payment.**

Guidance where you have more than one CRN (Shareholding of Shares)

If you have more than one shareholding of Shares and consequently receive more than one Entitlement and Acceptance Form, when taking

up your Entitlement in respect of one of those Shareholdings only use the CRN specific to that Shareholding as set out in the applicable Entitlement and Acceptance Form. **Do not use the same CRN for more than one of your Shareholdings.** This can result in your Application monies being applied to your Entitlement in respect of only one of your Shareholdings (with the result that any Application in respect of your remaining Shareholdings will not be valid).

(b) **By Cheque**

All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to "Peel Mining Limited – Entitlement Issue Account" and crossed "Not Negotiable".

Your completed Entitlement and Acceptance Form and cheque must reach the Company's share registry no later than 5:00 pm WST on the Closing Date.

4.5 Implications of an acceptance

Returning a completed Entitlement and Acceptance Form or paying any application monies by BPAY® will be taken to constitute a representation by you that:

- (a) you have received a copy of this Prospectus and the accompanying Entitlement and Acceptance Form, and read them both in their entirety; and
- (b) you acknowledge that once the Entitlement and Acceptance Form is returned or a BPAY® payment instruction is given in relation to any application monies, the application may not be varied or withdrawn except as required by law.

4.6 Minimum subscription

There is no minimum subscription in respect of the Offer.

4.7 Underwriting and sub-underwriting

The Offer is fully underwritten by Canaccord Genuity (Australia) Limited (ACN 075 071 466) (AFSL 234 666) (**Canaccord** or the **Underwriter**). Refer to Section 8.4 for details of the terms of the underwriting.

The Underwriter has entered into a number of sub-underwriting agreements in respect of the Shortfall Shares, including sub-underwriting agreements with Executive Director, James Simpson, whereby Mr Simpson has agreed to:

- (a) priority sub-underwrite \$500,000 (2,857,143 Shares); and
- (b) general sub-underwrite up to \$250,000 (1,428,572 Shares).

No sub-underwriter will increase their Shareholding to above 19.99% as a direct result of the issue of Shares under the Offer.

Refer to Section 8.5 for further detail of the sub-underwriting agreements.

4.8 Effect on control of the Company

The Underwriter is presently not a shareholder of the Company and is not a related party of the Company for the purpose of the Corporations Act. The issue of Shares under this Prospectus to the Underwriter may increase its interest in the Company and dilute the shareholding of other Shareholders to the extent they elect not to participate in the Offer or are ineligible to participate in the Offer.

In accordance with the terms of the Underwriting Agreement, the Underwriter will allocate the Shortfall to its sub-underwriters and/or clients and people who have otherwise agreed to assist with the completion of the Offer such that neither the Underwriter, the sub-underwriters nor any of the Underwriter's clients, individually, will have a voting power in the Company in excess of 19.9% after the issue of the Shortfall.

The Company, in consultation with the Underwriter, will ensure that the Offer complies with the provisions of Chapter 6 of the Corporations Act 2001 (Cth) and is otherwise consistent with the policy guidelines contained in ASIC Regulatory Guide 6 and Takeovers Panel Guidance Note 17.

4.9 Potential dilution on non-participating Shareholders

Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 11.1% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).

For illustrative purposes, the table below shows how the dilution may impact the holdings of Shareholders:

Holder	Holding as at Record date	% at Record Date	Entitlements under the Offer	Holdings if Offer not taken Up	% post Offer
Shareholder 1	10,000,000	3.29%	1,250,000	10,000,000	2.93%
Shareholder 2	5,000,000	1.65%	625,000	5,000,000	1.46%
Shareholder 3	1,500,000	0.49%	187,500	1,500,000	0.44%
Shareholder 4	400,000	0.13%	50,000	400,000	0.12%
Shareholder 5	50,000	0.02%	6,250	50,000	0.01%
Total	500,000,000				

Notes:

1. This is based on a share capital of 303,683,611 Shares as at the date of the Prospectus and assumes no Options currently on issue are exercised.
2. The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted by Eligible Shareholders are placed under the Underwriting.

4.10 Shortfall Offer

Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer. The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three months following the Closing Date. The issue price for each Share to be issued under the Shortfall Offer (**Shortfall Shares**) shall be \$0.175 being the price at which Shares have been offered under the Offer.

If you do not wish to take up any part of your Entitlement you are not required to take any action. That part of your Entitlement not taken up will form part of the Shortfall Offer. The Shortfall Offer will only be available where there is a Shortfall between applications received from Eligible Shareholders and the number of Shares proposed to be issued under the Offer.

The Company has received firm commitment letters from existing Shareholders (the **Committed Shareholders**) who have agreed to take up a minimum of \$1,137,806 (**Firm Commitment Funds**) worth of their Entitlements under the Offer (representing 6,501,750 Shares), comprising of:

- (a) commitments by unrelated Shareholders who have agreed to take up a minimum of \$1,106, 849 (representing 6,324,854 Shares); and
- (b) a commitment by Mr Jonathon Tyson & Mr Chris Tyson & Mr Robert Tyson <Tyson Titan S/F A/C>, who has agreed to take up a minimum of \$30,957 worth of their Entitlement under the Offer (representing 176,896 Shares).

Accordingly, the Shortfall Offer is expected to comprise of up to a maximum of 31,458,701 Shares.

Eligible Shareholders who wish to subscribe for Securities above their Entitlement are invited to apply for Shortfall Shares under the Shortfall Offer by completing the appropriate section on their Entitlement and Acceptance Form or by making payment for such Shortfall Shares in accordance with Sections 4.3 and 4.4.

Allocation of the Shortfall Shares will be at the discretion of the Underwriter and will otherwise be subject to the terms of the Underwriting Agreement, details of which are set out in Section 8.4. Accordingly, there is no guarantee that applicants will receive Securities applied for under the Shortfall Offer.

In accordance with the priority sub-underwriting agreement (details of which are set out in Section 8.5), Director Jim Simpson has agreed to priority sub-underwrite \$500,000 (2,857,143 Shares). Accordingly, Mr Simpson will be allocated up to 2,857,143 Shares under the Shortfall Offer, prior to the allocation of Shortfall to other sub-underwriters and Eligible Shareholders who apply for Shortfall.

Following satisfaction of the Priority Sub-Underwriting Commitment, the Underwriter reserves the right to issue Shortfall Shares, including to Eligible Shareholders and sub-underwriters, at its absolute discretion. Any issue to sub-underwriters (including Mr Simpson) will be on a pro rata basis. Mr Simpson has entered into a general sub-underwriting agreement to underwrite up to \$250,000 of the Shortfall (representing 1,428,572 Shares).

The Underwriter notes that no Shares will be issued to an applicant under this Prospectus or via the Shortfall Offer if the issue of Shares would contravene the takeover prohibition in section 606 of the Corporations Act. Similarly, no Shares will be issued via the Shortfall Offer to any related parties of the Company other than Mr James Simpson in accordance with the arrangements set out in Section 4.7.

The Underwriter in consultation with the Company reserves the right to not issue Shortfall Shares to any parties where it reasonably believes that doing so may infringe on Australia's foreign investment laws.

4.11 ASX listing

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made in accordance with the timetable set out at the commencement of

this Prospectus. If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.

4.12 Issue of Shares

Shares issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus.

Shares issued pursuant to the Shortfall Offer will be issued on a progressive basis. Where the number of Shares issued is less than the number applied for, or where no issue is made surplus application monies will be refunded without any interest to the Applicant as soon as practicable after the closing date of the Shortfall Offer.

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

Holding statements for Shares issued under the Offer will be mailed in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus and for Shortfall Shares issued under the Shortfall Offer as soon as practicable after their issue.

4.13 Overseas shareholders

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Shares will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

New Zealand

The Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (New Zealand).

This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and

is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

Nominees and custodians

Nominees and custodians may not submit an Entitlement and Acceptance Form on behalf of any Shareholder resident outside Australia and New Zealand without the prior consent of the Company, taking into account relevant securities law restrictions. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

4.14 Enquiries

Any questions concerning the Offer should be directed to Ryan Woodhouse, Company Secretary, on +61 8 9382 3955.

5. PURPOSE AND EFFECT OF THE OFFER

5.1 Purpose of the Offer

The purpose of the Offer is to raise up to approximately \$6,643,079.

The funds raised from the Offer are planned to be used in accordance with the table set out below:

Proceeds of the Offer	Full Subscription (\$)	%
Continued exploration and evaluation of Wagga Tank-Southern Nights including drilling, geophysics and scoping studies.	\$1,995,000	30.03%
Ongoing exploration at Mallee Bull and the May Day deposit.	\$2,065,000	31.08%
Ongoing commitments as part of the Cobar Superbasin Joint Venture.	\$775,000	11.67%
Unallocated working capital	\$1,424,902	21.45%
Expenses of the Offer ^{1,2}	\$383,177	5.77%
Total	\$6,643,079	100%

Notes:

1. Refer to Section 8.9 of this Prospectus for further details relating to the estimated expenses of the Offer.
2. The calculation of the fees payable to the Underwriter (as set out in the table above) includes:
 - (a) a 2% management fee which is payable on Total Proceeds (being \$6,643,079); and
 - (b) a 4% underwriting fee which is payable on the Total Proceeds less the excluded proceeds as summarised in Section 8.4. The estimation of the underwriting fee payable excludes the funds raised from the Committed Shareholders and the Priority Sub-Underwriting Commitment. As set out in Section 8.4, the underwriting fee payable will be further reduced if certain parties take up their Entitlements and if Mr Simpson is allocated any Shortfall in respect of the General Sub-Underwriting Commitment.
3. If the fees payable to the Underwriter are less than \$333,072, the Company will allocate the difference to working capital.

On completion of the Offer, the Board believes the Company will have sufficient working capital to achieve its stated objectives.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events (including exploration success or failure) and new circumstances have the potential to affect the manner in which the funds are ultimately applied. In addition, it should be noted that the Company's budgets and forecasts will be subject to modification on an ongoing basis depending on the results achieved from its business activities and operations. The Board reserves the right to alter the way funds are applied on this basis.

5.2 Effect of the Offer

The principal effect of the Offer, assuming 37,960,451 Shares are issued under the Offer, and no Options are exercised prior to the Record Date, will be to:

- (a) increase the cash reserves by \$6,259,902 (after deducting the estimated expenses of the Offer) immediately after completion of the Offer; and
- (b) increase the number of Shares on issue from 303,683,611 Shares as at the date of this Prospectus to 341,644,062 Shares.

5.3 Pro-forma balance sheet

The unaudited balance sheet as at 30 June 2020 and the unaudited pro-forma balance sheet as at 30 June 2020 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming 37,960,451 Shares are issued under the Offer, no Options are exercised prior to the Record Date and including expenses of the Offer.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	UNAUDITED 30 June 2020	PROFORMA 30 June 2020
CURRENT ASSETS		
Cash ¹	\$8,199,091	\$24,489,993
Other current assets	\$2,983,166	\$2,983,166
TOTAL CURRENT ASSETS	\$11,182,257	\$27,473,158
NON-CURRENT ASSETS		
Exploration ¹	\$41,896,334	\$41,896,334
Other non-current assets	\$1,768,388	\$1,768,388
TOTAL NON-CURRENT ASSETS	\$43,664,722	\$43,664,722
TOTAL ASSETS	\$54,846,978	\$71,137,880
CURRENT LIABILITIES		
Creditors and borrowings	\$512,392	\$512,392
TOTAL CURRENT LIABILITIES	\$512,392	\$512,392
NON-CURRENT LIABILITIES		
Deferred Liabilities	\$7,363,461	\$7,363,461

	UNAUDITED 30 June 2020	PROFORMA 30 June 2020
TOTAL NON-CURRENT LIABILITIES	\$7,363,461	\$7,363,461
TOTAL LIABILITIES	\$7,875,852	\$7,875,852
NET ASSETS (LIABILITIES)	\$46,971,126	\$63,262,028
EQUITY		
Share capital	\$48,968,074	\$65,258,975
Options Reserve	\$3,992,203	\$3,992,203
Retained loss	\$(7,049,150)	\$(7,049,150)
Other Reserves	\$1,060,000	\$1,060,000
TOTAL EQUITY	\$46,971,126	\$63,262,028

Notes:

1. Proforma cash includes:

- (a) net proceeds of the Placement (being \$10,500,000 raised through the issue of 60,000,000 Shares at an issue price of \$0.175 per Share less estimated costs of \$469,000); and
- (b) net proceeds of the Offer (being \$6,643,079 less estimated costs of \$383,177).

5.4 Effect on capital structure

The effect of the Offer on the capital structure of the Company, assuming all Entitlements are accepted, and no Options are exercised prior to the Record Date, is set out below.

Shares

	Number
Shares currently on issue	303,683,611
Shares offered pursuant to the Offer	37,960,451
Total Shares on issue after completion of the Offer	341,644,062

Options

	Number
Options currently on issue:	
Unquoted Options exercisable at \$0.260 each on or before 15 August 2020	900,000
Unquoted Options exercisable at \$0.783 each on or before 30 November 2020	2,000,000
Unquoted Options exercisable at \$0.641 each on or before 7 December 2021	2,000,000
Unquoted exercisable at \$0.57 each on or before 7 December	1,562,500

	Number
2021	
Unquoted Options exercisable at \$0.32 each on or before 29 November 2022	2,000,000
Unquoted Options exercisable at \$0.31 each on or before 9 September 2022 ¹	2,000,000
Unquoted Options exercisable at \$0.275 each on or before 12 July 2023 ²	2,050,000
Options offered pursuant to the Offer	Nil
Total Options on issue after completion of the Offer	12,512,500

Notes:

- 1,000,000 of these Options have vested, the remaining 1,000,000 of these Options will vest on 28 November 2020.
- 1,025,000 of these Options have vested, the remaining 1,025,000 of these Options will vest on 13 July 2021.

The capital structure on a fully diluted basis as at the date of this Prospectus would be 316,196,111 Shares and on completion of the Offer (assuming 37,960,451 Shares are issued under the Offer and no Options are exercised prior to the Record Date) would be 354,156,562 Shares.

No Shares or Options on issue are subject to escrow restrictions, either voluntary or ASX imposed, however the Company notes that 2,025,000 of the Options remain subject to vesting conditions.

5.5 Details of substantial holders

Based on publicly available information as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
St Barbara Limited	39,093,750	12.87%
Hampton Hill Mining NL and Associates	36,402,572	11.99%
William Hodgson and his associated entities	18,361,111	6.05%
Point Nominees Pty Ltd and Associates	16,500,890	5.43%

Notes:

- Other than the effect of dilution caused by the issue of the Placement Shares, this table assumes no changes in Shareholdings of these parties since their last Substantial Shareholder Notices or Change in Director's Holding Notices were lodged with ASX.

6. RIGHTS AND LIABILITIES ATTACHING TO SHARES

The following is a summary of the more significant rights and liabilities attaching to Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

6.1 General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

6.2 Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (a) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (c) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

6.3 Dividend rights

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms

and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

6.4 Winding-up

If the Company is wound up, the liquidator may, 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 he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

6.5 Shareholder liability

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

6.6 Transfer of shares

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

6.7 Future increase in capital

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of Securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

6.8 Variation of rights

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

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

6.9 Alteration of constitution

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

7. RISK FACTORS

7.1 Introduction

The Shares offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

7.2 Company specific

(a) Potential for significant dilution

Upon implementation of the Offer, assuming all Entitlements are accepted and no Options are exercised prior to the Record Date the number of Shares in the Company will increase from 303,683,611 currently on issue to approximately 341,644,062. This means that each Share will represent a significantly lower proportion of the ownership of the Company.

It is not possible to predict what the value of the Company or a Share will be following the completion of the Offer being implemented and the Directors do not make any representation as to such matters.

The last trading price of Shares on ASX prior to this Prospectus being lodged of \$0.23 is not a reliable indicator as to the potential trading price of Shares after implementation of the Offer.

(b) Acquisition of Mallee Bull JV Interest

The Company currently holds a 50% interest in the Mallee Bull Joint Venture, which consists of two tenements, being EL7461 and ML1361. The remaining 50% interest is held by CBH Resources Limited (**CBH**).

As announced on 27 July 2020, the Company has received an Initial Transfer Notice from CBH, which stated that a third party had made an unconditional cash offer to acquire CBH's 50% interest in the Mallee Bull Joint Venture for the sum of A\$17,000,000 (**Third-Party Offer**).

In accordance with the joint venture agreement between CBH and the Company (**Joint Venture Agreement**), the Company has a pre-emptive right to acquire CBH's joint venture interest on the same terms as the Third-Party Offer. As announced on 3 August 2020, the Company has exercised this pre-emptive right by submitting an offer to acquire CBH's 50% joint venture interest.

The acquisition of the joint venture interest is conditional on the any required third-party consents (including the consent of the relevant Minister under the Mining Act) (**Condition**). There is a risk that these consents may not be granted, however the Company considers this risk to be low.

Completion of the sale of CBH's joint venture interest to the Company will occur five Business Days after satisfaction of the Condition (**Completion Date**). If the Completion Date does not occur on or before 3 August 2021, then either the Company or CBH may terminate the agreement to sell the joint venture interest by notice in writing to the other party.

If CBH fails to comply with its obligations under the Joint Venture Agreement, it may be necessary for the Company to approach a court to seek a legal remedy. Legal action can be costly and there can be no guarantee that a legal remedy will be ultimately granted on the appropriate terms.

(c) **Additional requirements for capital**

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Offer. In particular, if the acquisition of CBH's 50% joint venture interest is completed, the Company will be required to fund exploration activities at the Mallee Bull Project, in addition to the funding of its other assets.

Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

(d) **Climate change risks**

There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:

- (i) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and
- (ii) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events

such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

(e) **Exploration success**

The future profitability of the Company and the value of its securities are directly related to the results of exploration. The tenements held by the Company are at various stages of exploration and development, and potential investors should understand that mineral exploration and development are high-risk undertakings.

There can be no assurance that exploration of the Company's tenements, or any other tenements that may be acquired in the future, will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited. In addition, the resources may become depleted, resulting in a reduction of the value of those tenements.

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

(f) **New projects and acquisitions**

The Company has to date and will continue to actively pursue and assess other new business opportunities. These new business opportunities may take the form of direct project acquisitions, joint ventures, farm-ins, acquisition of tenements/permits, or direct equity participation.

The acquisition of projects or other assets (whether completed or not) may require the payment of monies (as a deposit and/or exclusivity fee) after only limited due diligence and prior to the completion of comprehensive due diligence. There can be no guarantee that any proposed acquisition will be completed or successful. If the proposed acquisition is not completed, monies already advanced may not be recoverable, which may have a material adverse effect on the Company.

If an acquisition is completed, the Directors will need to reassess, at that time, the funding allocated to current projects and new projects or assets, which may result in the Company reallocating funds from other projects and/or the raising of additional capital (if available). Furthermore, notwithstanding that an acquisition may proceed upon the completion of due diligence, the usual risks associated with the new project/business activities will remain.

Furthermore, if a new investment or acquisition by the Company is completed, ASX may require the Company to seek Shareholder approval and to meet the admission requirements under Chapters 1 and 2 of the ASX Listing Rules as if the Company were a new listing. There would be

costs associated in re-complying with the admission requirements. The Company may be required to incur these costs in any event, were it to proceed to seek to acquire a new project which is considered to result in a significant change to the nature or scale of its existing operations.

If a new investment or acquisition is not completed, then the Company may not be in a position to comply with the ongoing ASX Listing Rules, which includes but is not limited to, maintaining a sufficient level of operations and financial position. Given the nature of resource exploration, this may also occur if the Company abandons and/or relinquishes a project which is no longer considered viable.

Any new project or business acquisition may change the risk profile of the Company, particularly if the new project is located in another jurisdiction, involving a new commodity and/or changes to the Company's capital/funding requirements. Should the Company propose or complete the acquisition of a new project or business activity, investors should re-assess their investment in the Company in light of the new project/business activity.

(g) **Joint Venture Risk**

The Company is subject to the risk that changes in the status of any of the Company's joint ventures (including changes caused by financial failure or default by a participant in the joint venture) may adversely affect the operations and performance of the Company.

Specifically, the Company has joint venture agreements with CBH Resources Limited in respect of the Mallee Bull Project and Japan Oil, Gas and Metals National Corporation (**JOGMEC**) in respect of the Wirlong Copper discovery.

Where a joint venture partner does not act in the best commercial interest of the joint venture or otherwise fails to comply with its contractual joint venture obligations, it could have a material adverse effect on the interests of the Company.

(h) **Tenement applications and license renewal**

The Company cannot guarantee additional applications for tenements made by the Company will ultimately be granted, in whole or in part. Further the Company cannot guarantee that renewals of valid tenements will be granted on a timely basis, or at all. The Company has yet to receive regulatory and environmental approval to convert all of its exploration licences into mining licences. There is a risk that these approvals may not be obtained.

(i) **Access Risk**

The Company's access to the tenements may be affected by landholder and pastoralist approvals, native title rights and/or the terms of native title agreements. While the Company intends to do those things necessary to minimise these risks, it cannot guarantee that the access it has to tenements in which it has an interest will remain unfettered in the future.

(j) **Environmental risks**

Exploration programmes impact on the environment. These impacts are minimised by the Company's application of best practice principles. The Company will be subject to environmental laws and regulations in connection with activities and operations it may pursue. The Company intends to conduct its activities in an environmentally responsible manner and in accordance with all applicable laws. However, the Company may be the subject of accidents or unforeseen circumstances that could subject it to extensive liability.

Approval may be required from the relevant authorities before the Company can undertake activities that are likely to impact the environment. Failure to obtain such approvals will prevent the Company from undertaking its desired activities. The Company is unable to predict the effect of additional environmental laws and regulations that may be adopted in the future, including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations in any area.

(k) **Further risks specific to the Company**

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

- (i) geological conditions;
- (ii) alteration to exploration and production programmes and budgets;
- (iii) unanticipated operational and technical difficulties;
- (iv) mechanical failure of operating plant and equipment, adverse weather conditions, industrial and environmental accidents, industrial disputes and other force majeure events;
- (v) unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment;
- (vi) prevention or restriction of access due to inability to obtain consents or approvals (including access agreements entered into with Native Title claimants); and
- (vii) uninsured losses or liabilities.

7.3 Industry specific

(a) **Commodity price risk**

Changes in commodity prices of base and precious metals, which in the past have fluctuated widely, will affect the profitability of the Company's operations and its financial condition in the future, if and when the Company enters production. The Company's revenues, profitability and viability would depend on the market price of base metals produced from the Company's projects. The market prices of base and precious metals is set in the world market and is affected by numerous industry factors beyond the Company's control including the demand,

expectations with respect to the rate of inflation, interest rates, currency exchange rates, the demand for base and precious metals and industrial products containing metals, base and precious metals production levels, inventories, cost of substitutes, changes in global or regional investment or consumption patterns, and sales by central banks and other holders, speculators and procedures of base and precious metals in response to any of the above factors, and global and regional political and economic factors.

Should the Company eventually enter a production phase, a decline in the market price of base and precious metals below the Company's production costs for any sustained period would have a material adverse impact on the profit, cash flow and results of operations of the Company's projects and anticipated future operations. Such a decline also could have a material adverse impact on the ability of the Company to finance the exploration and development of its existing and future mineral projects. A decline in the market price of base and precious metals may also require the Company to write-down its material reserves which would have a material adverse effect on the value of the Company's securities. Further, if future revenue from any future base and precious metals sales decline, the Company may experience liquidity difficulties. The Company will also have to assess the economic impact of any sustained lower prices on recoverability and therefore, on cut-off grades and the level of any future mineral reserves and resources.

(b) **Mineral Resources Estimate**

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

(c) **Native title and Aboriginal Heritage**

In relation to tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected.

(d) **Operations**

The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents,

industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

7.4 General risks

(a) Coronavirus (COVID-19)

The outbreak of the coronavirus disease (**COVID-19**) is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.

As announced on 3 April 2020, the Company has implemented a wide range of strategies to mitigate the risks posed by COVID-19. The Company began implementing specific COVID-19 OHS policies in early March to ensure that risk around COVID-19 is minimised for all employees and contractors. These measures include restrictions on non-essential travel and changes to site based rosters, ensuring ongoing site activities in the near to medium term. The Company's head office staff moved to a work-from-home basis for a period of 6 weeks from early April until mid-May, when the office was re-opened.

The Company also retrenched a number of casual staff, a voluntary reduction in the pay of remaining staff and management was agreed and the Non-Executive Directors agreed to waive their fees for the period from 26 March to 30 June 2020. The full remuneration of staff and management and the payment of fees to Non-Executive Directors has recommenced effective 1 July 2020.

The Directors are monitoring the changing situation closely and have considered the impact of COVID-19 on the Company's business and financial performance. However, due to the continually evolving situation, the consequences are inevitably uncertain. In compliance with its continuous disclosure obligations, the Company will continue to update the market in regard to the impact of COVID-19 on its operations and any adverse impact on the Company. If any of these impacts appear material prior to close of the Offer, the Company will notify investors under a supplementary prospectus.

(b) Economic

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

(c) **Market conditions**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(d) **Dividends**

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

(e) **Taxation**

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.

(f) **Reliance on key personnel**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

7.5 Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others

not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus.

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

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

8. ADDITIONAL INFORMATION

8.1 Litigation

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

8.2 Continuous disclosure obligations

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

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 and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. 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.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;

- (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
- (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

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

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Description of Announcement
2/08/2020	Cleansing Notice and Appendix 2A
2/08/2020	Non-Renounceable Entitlement Offer
2/08/2020	Peel Exercises Pre-Emptive Right to Acquire Mallee Bull
31/07/2020	Quarterly Cashflow Report
31/07/2020	Quarterly Activities Report
27/07/2020	Peel Mining Limited Investor Presentation July 2020
27/07/2020	Proposed issue of Securities – PEX
27/07/2020	Peel Raises to Regain Control of Mallee Bull
21/07/2020	Trading Halt
21/07/2020	Pause in trading
17/07/2020	Drilling at Siegals Underway
16/07/2020	Noosa Mining Investor Presentation
15/07/2020	Proposed issue of Securities – PEX
10/06/2020	Ceasing to be a substantial holder for STN
10/06/2020	Sale of Saturn Metals Limited Holding
9/06/2020	Trading Halt
9/06/2020	Pause in Trading
6/05/2020	Omission in Quarterly Activities Report
5/05/2020	Change in substantial holding for STN
30/04/2020	Quarterly Cashflow Report
30/04/2020	Quarterly Activities Report
3/04/2020	Wirlong Drill Results and COVID-19 Update
26/03/2020	Substantial Resource Upgrade for Southern Nights
27/02/2020	Half Yearly Report and Accounts

Date	Description of Announcement
19/02/2020	RIU Explorers Conference Investor Presentation
31/01/2020	Quarterly Cashflow Report
31/01/2020	Quarterly Activities Report
31/01/2020	TSC: Binding MOU to leverage Perseus Project in NSW
28/01/2020	Change in substantial holding
23/01/2020	High-Grade Gold At New Southern Nights Zone
19/12/2019	Infill Drilling Completed with New High-Grade Zone Confirmed
5/12/2019	Change of Director's Interest Notice's (x4)
4/12/2019	Appendix 3B
29/11/2019	Constitution
29/11/2019	2019 Annual General Meeting Results
29/11/2019	2019 Annual General Meeting Presentation
28/11/2019	New High-Grade Zone Identified At Southern Nights
12/11/2019	Investor Presentation - November 2019
4/11/2019	Change of Director's Interest Notice
4/11/2019	Appendix 3B
31/10/2019	Quarterly Cashflow Report
31/10/2019	Quarterly Activities Report
28/10/2019	Notice of Annual General Meeting/Proxy Form
22/10/2019	Appendix 3B
21/10/2019	Exciting New Intercepts Boost Wagga Tank Potential
24/09/2019	2019 Appendix 4G
24/09/2019	2019 Annual Report

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website www.peelmining.com.au.

8.3 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

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

Highest	\$0.28	29 July 2020
Lowest	\$0.145	17 June 2020
Last	\$0.23	31 July 2020

8.4 Underwriting Agreement

The Company has entered into an underwriting agreement (**Underwriting Agreement**) with the Underwriter, pursuant to which the Underwriter has agreed act as the lead manager to the Offer and to fully underwrite the Offer.

The Underwriter may appoint sub-underwriters to sub-underwrite the Offer. The appointment of any sub-underwriter and the allocation of any Underwritten Securities is at the sole discretion of the Underwriter.

The material terms and conditions of the Underwriting Agreement are summarised below:

Fees	On Completion, the Company must pay (in aggregate) to the Underwriter in cleared funds: (a) a management fee of 2% of the Total Proceeds; and (b) an underwriting fee of 4% of the Total Proceeds, less: (i) the Firm Commitment Funds; (ii) the funds raised from the Directors and parties on the Chairman's List taking up their Entitlements; (iii) the funds raised under the Priority Sub-Underwriting Commitment; and (iv) the funds raised under the General Sub-Underwriting Commitment. The Company has also agreed to reimburse the Underwriter for all reasonable out-of-pocket expenses (including GST) incurred by the Underwriter in connection with the Offer including reasonable legal expenses of the Underwriter up to a maximum of \$10,000 (provided that the Underwriter must seek the approval of the Company before incurring any single item of expense of an amount in excess of \$2,000 (before GST)).
Termination Events	The Underwriter may at any time by notice given to the Company immediately, without cost or liability to itself, terminate the Underwriting Agreement so that it is relieved of all its obligations under the Underwriting Agreement if any of the following events occurs before all of the Shares offered under the Offer (Offer Shares) have been issued: (a) (delisting) ASX advises the Company that it will be removed from the Official List or that its Shares will be delisted or suspended from Official Quotation by ASX for any reason (excluding any suspensions in place in connection with the Offer);

- (b) **(quotation)** ASX does not, or states that it will not, agree to grant Official Quotation to any or all of the Offer Shares on an unconditional basis (or on a conditional basis provided such condition would not, in the opinion of the Underwriter (acting reasonably) have a material adverse effect on the Offer) by the Settlement Date or if permission for the Official Quotation of the Offer Shares is granted before the date of allotment and issue of those Offer Shares, the approval is subsequently withdrawn, qualified (other than by way of customary conditions) or withheld;
- (c) **(Share price)** the Shares of the Company that trade on the ASX under the ASX code "PEX" close on four consecutive days less than \$0.175;
- (d) **(index fall - S&P/ASX 200)** the S&P/ASX 200 Index published by ASX is at any time more than 10% below its level as at the close of trading on 31 July 2020;
- (e) **(index fall - ASX/S&P 300 Metals and Mining):** the ASX/S&P 300 Metals and Mining Index or the ASX S&P/ASX Small Resources Index closes at any time more than 10% below its level as at the close of trading on 31 July 2020;
- (f) **(Material Adverse Effect)** there is a Material Adverse Effect, or any development involving a prospective Material Adverse Effect, on any Group Member from that described in this Prospectus;
- (g) **(ASIC action)** ASIC:
 - (i) makes an order or interim order under section 739 of the Corporations Act concerning this Prospectus;
 - (ii) applies for an order under Part 9.5 in relation to the Offer or any Offer Document; or
 - (iii) holds, or gives notice of intention to hold, a hearing or investigation in relation to the Offer or any Offer Document under the Corporations Act or the *Australian Securities and Investments Commission Act 2001* (Cth); or
 - (iv) prosecutes or gives notice of an intention to prosecute or commences proceedings against, or gives notice of an intention to commence proceedings against the Company or any of its officers, employees or agents in relation to the Offer or any Offer Document;
- (h) **(Takeovers Panel)** the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Part 6.10 of the Corporations Act, or an application for such a declaration is made to the Takeovers Panel;
- (i) **(withdrawal of consent)**
 - (i) any person whose consent to the issue of this Prospectus is required by section 720 of

	the Corporations Act and who has previously consented to the issue of this Prospectus withdraws such consent;
	(ii) any person gives a notice under section 733(3) of the Corporations Act; or
	(iii) any person (other than the Underwriter) who has previously consented to the inclusion of their name or any statement in this Prospectus withdraws that consent;
(j)	(withdrawal of Prospectus) the Company withdraws this Prospectus or the Offer;
(k)	(offer of refund to investors) any circumstance arises after lodgement of this Prospectus that results in the Company either repaying the money received from persons who have applied for Offer Shares or offering persons who have applied for Offer Shares an opportunity to withdraw their application for Offer Shares and be repaid their application money;
(l)	(ASIC and ASX Waivers) any of the ASIC Modifications or ASX Waivers which are necessary to enable the Offer to proceed are withdrawn, revoked or amended without the prior written approval of the Underwriter;
(m)	(Offer Documents) the Underwriter forms the view (acting reasonably) that: (i) there is an omission from the Prospectus of material required by the Corporations Act to be included; (ii) an Offer Document contains a statement which is untrue, inaccurate, misleading or deceptive or likely to mislead or deceive (whether by inclusion or omission); or (iii) an Offer Document does not contain all information required to comply with all applicable laws;
(n)	(section 730 notice) a person gives a notice to the Company under section 730 of the Corporations Act;
(o)	(Directors and senior management) a change in the Directors or senior management of the Company or the Directors occurs (other than in a manner described in the Prospectus), or a Director or any member of the senior management of the Company dies or becomes permanently incapacitated;
(p)	(Insolvency) any Group Member becomes insolvent, or an act occurs or an omission is made which may result in a Group Member becoming insolvent;
(q)	(Authorisation) any Authorisation which is material to anything referred to in the Prospectus is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to the Underwriter;

- (r) **(Timetable)** any event specified in the Timetable is delayed for more than one Business Day without the prior written approval of the Underwriter;
- (s) **(debt facilities)**
 - (i) a Group Member breaches, or defaults under, any provision, undertaking, covenant or ratio of a material debt or financing arrangement or any related documentation to which that entity is a party which has, or may have, a Material Adverse Effect on the Group; or
 - (ii) there occurs:
 - (A) an event of default;
 - (B) a review event which gives a lender or financier the right to accelerate or require repayment of the debt or financing; or
 - (C) any other similar event, under or with respect to any such debt or financing arrangement or related documentation of a Group Member;
- (t) **(Directors and senior management)**
 - (i) a Director or any member of the senior management of the Company is charged with a criminal offence relating to any financial or corporate matter;
 - (ii) any Government Agency commences any public action against the Company, any of the Directors or any member of the senior management of the Company, or announces that it intends to take any such action; or
 - (iii) any Director or the Chief Executive Officer of the Company is disqualified under the Corporations Act from managing a corporation.

The Underwriter may at any time by notice given to the Company immediately, without cost or liability to itself, terminate the Underwriting Agreement so that it is relieved of all its obligations under the Underwriting Agreement if any of the following events occurs before Completion and:

- (a) has had or is likely to have a Material Adverse Effect; or
- (b) has given or is likely to give rise to:
 - (i) a contravention by the Underwriter of, or the Underwriter being involved in a contravention of, the Corporations Act or any other applicable law; or
 - (ii) a liability for the Underwriter.

These termination events are as follows:

- (a) **(Supplementary Prospectus)**
 - (i) the Company lodges a supplementary prospectus; or
 - (ii) the Underwriter forms the view (acting reasonably) that a supplementary prospectus must be lodged with ASIC under the Corporations Act;
- (b) **(breach)** the Company fails to comply with any of its obligations under the Underwriting Agreement, or any representation or warranty by the Company in the Underwriting Agreement is or becomes incorrect;
- (c) **(hostilities)** in respect of any one or more of Australia, the United States of America, any member state of the European Union, Indonesia, Japan, Russia, the People's Republic of China, North Korea, South Korea or the Middle East:
 - (i) hostilities not presently existing commence (whether or not war has been declared);
 - (ii) a major escalation in existing hostilities occurs (whether or not war has been declared); or
 - (iii) a terrorist act is perpetrated in any of those countries or a diplomatic, military, commercial or political establishment of any of those countries elsewhere in the world;
- (d) **(change in law)** there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of the Commonwealth of Australia or any State or Territory of Australia a new law, or the Government of Australia, or any State or Territory of Australia, the Reserve Bank of Australia, or any Minister or other Government Agency of Australia or any State or Territory of Australia, adopts or announces a proposal to adopt a new policy (other than a law or policy which has been announced before the date of this Agreement);
- (e) **(material adverse change in financial markets)** any of the following occurs:
 - (i) any material adverse change or disruption to the political conditions or financial markets of Australia, Japan, the United Kingdom, the United States of America or the international financial markets or any change or development involving a prospective change in national or international political, financial or economic conditions,
 - (ii) a general moratorium on commercial banking activities in Australia, the United States of America, Japan or the United Kingdom is declared by the relevant central banking authority in any of those countries,

	or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries; or
	(iii) trading in all securities quoted or listed on ASX, the London Stock Exchange or the New York Stock Exchange is suspended or limited in a material respect for one day on which that exchange is open for trading;
(f)	(Certificate) a statement in a certificate signed on behalf of the Company in accordance with the terms of the Underwriting Agreement is untrue, incorrect or misleading or deceptive in a material respect;
(g)	(error in Due Diligence Results) it transpires that any of the results of the due diligence investigations undertaken in connection with the lodgement of the Prospectus or any part of the verification materials was false, misleading or deceptive or that there was an omission from them, notwithstanding the fact that the Underwriter (or a representative of the Underwriter) signed off on the DDC Report;
(h)	(COVID-19): the Underwriter believes (acting reasonably) that a Material Adverse Change has occurred as a direct or indirect result of the coronavirus disease 2019 (COVID-19) or the transmission of the severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) . This includes, without limitation, a Material Adverse Change as a direct or indirect result of an outbreak of COVID-19 or the transmission of SARS-CoV-2 at any of the Group's mine sites, or the temporary, complete or partial closure of or disruption to any of those mine sites due to an outbreak of COVID-19, a transmission of SARS-CoV-2, or otherwise;
(i)	(Contravention of constitution or applicable law) a contravention by a Group Member of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX.
(j)	(litigation): litigation, arbitration, administrative or industrial proceedings are after the date of this Agreement commenced against any Group Member, other than any claims foreshadowed in the Prospectus;
(k)	(investigation): any person is appointed under any legislation in respect of companies to investigate the affairs of a Group Member;
(l)	(material contracts) any contract, deed or other agreement which is material to the making of an informed investment decision in relation to the Offer Shares is: (i) terminated, rescinded, altered or amended without the prior written consent of the

	Underwriter (such consent not to be unreasonably withheld); or
	(ii) found to be void or voidable; or
(m)	(unauthorised alterations) without the prior written consent of the Underwriter (such consent not to be unreasonably withheld), the Company alters its share capital or the Constitution.

The Underwriting Agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties, indemnities and confidentiality provisions).

8.5 Sub-Underwriting Agreements

The Underwriter has entered into sub-underwriting agreements (**Sub-Underwriting Agreements**) with Director, James Simpson, pursuant to which Mr Simpson has agreed to:

- (a) priority sub-underwrite \$500,000 (2,857,143 Shares) (**Priority Sub-Underwriting Commitment**); and
- (b) general sub-underwriting up to \$250,000 (1,428,572 Shares) (**General Sub-Underwriting Commitment**).

The Sub-Underwriting Agreements shall terminate if the Underwriter's obligations under the Underwriting Agreement cease or are terminated.

The Sub-Underwriting Agreements are otherwise made on terms and conditions considered standard for agreements of this nature.

8.6 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (ii) the Offer.

Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus, together with their respective Entitlement, is set out in the table below.

Director	Shares	Options	Entitlement	\$
Mr Simon Hadfield	4,312,564 ¹	1,500,000 ²	539,070	\$94,337.25
Mr Graham Hardie	16,500,890 ³	1,500,000 ⁴	2,062,611	\$360,956.93
Mr Robert Tyson	7,245,000 ⁵	4,000,000 ⁶	905,625	\$158,484.38
Mr James Simpson	Nil	2,000,000 ⁷	-	-

Notes:

- 867,004 Shares held indirectly by Salamar Pty Ltd (an entity of which Mr Hadfield is a director and shareholder) (Salamar) 1,250,000 Shares held directly by Mr Hadfield and 2,195,560 Shares held jointly by Mr Hadfield and his spouse.
- 1,500,000 Options held indirectly by Salamar, comprising of 500,000 Options exercisable at \$0.783 each on or before 30 November 2020 (2020 Director Options), 500,000 Options exercisable at \$0.641 each on or before 7 December 2021 (2021 Director Options) and 500,000 Options exercisable at \$0.32 each on or before 29 November 2022 (2022 Director Options).
- 15,422,890 Shares held by Point Nominees Pty Ltd <Jackson Super Fund> (an entity of which Mr Hardie is a director, shareholder), 1,000,000 Shares held by Point Nominees Pty Ltd and 78,000 Shares held by Mr Hardie's spouse.
- 1,500,000 Options held indirectly by Point Nominees Pty Ltd, comprising of 500,000 2020 Director Options, 500,000 2021 Director Options and 500,000 2022 Director Options.
- 3,550,000 Shares held directly by Mr Tyson, 2,070,000 Shares held by Jonathon Tyson & Chris Tyson & Robert Tyson <Tyson Titan Funds S/F A/C>, 500,000 Shares held by Jordan Tyson & Flynn Tyson (Mr Tyson's children) and 1,125,000 Shares held by Ms Bianca Pope (Mr Tyson's spouse).
- 3,000,000 Options held indirectly by Ms Bianca Pope, comprising of 1,000,000 2020 Director Options, 1,000,000 2021 Director Options and 1,000,000 2022 Director Options.
- 2,000,000 Options held indirectly by Keronga Developments Pty Ltd (an entity of which Mr Simpson is a director and shareholder).
- Subject to exercise of the Options held by Mr Simpson, Mr Simpson is not entitled to participate in the Offer by virtue of holding no Shares. The Company notes that 1,000,000 of the Options held by Mr Simpson have vested, with the remaining 1,000,000 Options to vest on 9 September 2020.

As outlined in Section 8.5, James Simpson has entered into:

- a priority sub-underwriting agreement with the Underwriter to priority sub-underwrite \$500,000 (2,857,143 Shares); and
- a general sub-underwriting agreement with the Underwriter to sub-underwrite up to \$250,000 (1,428,572 Shares).

Upon completion of the Offer this represents a maximum potential Shareholding of 1.25% for Mr Simpson. Refer to Section 8.5 for details regarding the terms of the Sub-Underwriting Agreements.

As noted in Section 4.10, the Company has received a firm commitment letter from Mr Jonathon Tyson & Mr Chris Tyson & Mr Robert Tyson <Tyson Titan S/F A/C>, who has agreed to take up a minimum of \$30,957 worth of their Entitlement under the Offer (representing 176,896 Shares). The Board recommends all Shareholders

take up their Entitlement to the best of their ability and with regards to their own personal circumstances. The Directors intend to take up their Entitlements to the best of their ability.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$300,000 per annum.

A Director may be paid fees or other amounts (ie non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive Directors as disclosed in the Company's Annual Report for the financial year ended 30 June 2019.

Director	Proposed Remuneration for Financial Year ending 30 June 2021	Remuneration for Financial Year ended 30 June 2020	Remuneration for Financial Year ended 30 June 2019
Mr Simon Hadfield	\$50,004	\$41,670 ²	\$50,004 ²
Mr Graham Hardie	\$50,004	\$41,670	\$50,004
Mr Robert Tyson	\$230,000	\$224,537	\$230,000
Mr James Simpson ³	\$140,000	\$71,400	Nil

Notes:

1. These amounts do not include superannuation, long-service leave and share based payments.
2. In addition, the Company paid to Resource Information Unit Pty Ltd (an entity controlled by Mr Hadfield) an amount of \$75,456 for FY2020 and \$84,965 for FY2019, for costs associated with renting an office space and payment for a conference for which Mr Hadfield is a part owner.
3. Mr Simpson was appointed as a Director on 9 September 2019.

8.7 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;

- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (f) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offer.

Canaccord has acted as the lead manager and underwriter of the Offer. The Company estimates it will pay Canaccord \$333,072 (excluding GST and disbursements) for these services. Further details of fees payable to Canaccord are set out in Section 8.4. During the 24 months preceding lodgement of this Prospectus with the ASIC, Canaccord has received fees totalling \$1,733,658 from the Company.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$20,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has received fees totalling \$171,748 from the Company.

8.8 Consents

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

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and

- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

Canaccord has given its written consent to being named as underwriter to the Offer in this Prospectus, in the form and context in which it is named. Canaccord (including its related entities) is not a Shareholder of the Company and currently has no relevant interest in any of the Company's securities.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

8.9 Expenses of the Offer

In the event that all Entitlements are accepted, the total expenses of the Offer are estimated to be approximately \$383,177 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	3,206
ASX fees	17,253
Underwriting fees ¹	333,072
Legal fees	20,000
Miscellaneous	9,646
Total	383,177

Notes:

- The calculation of the fees payable to the Underwriter (as set out in the table above) includes:
 - a 2% management fee which is payable on Total Proceeds (being \$6,643,079); and
 - a 4% underwriting fee which is payable on the Total Proceeds less the excluded proceeds as summarised in Section 8.4. The estimation of the underwriting fee payable excludes the funds raised from the Committed Shareholders and the Priority Sub-Underwriting Commitment. As set out in Section 8.4, the underwriting fee payable will be further reduced if certain parties take up their Entitlements and if Mr Simpson is allocated any Shortfall in respect of the General Sub-Underwriting Commitment.
- If the fees payable to the Underwriter are less than \$333,072, the Company will allocate the difference to working capital.

8.10 Electronic prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Forms. If you have not, please phone the Company on +61 8 9382 3955 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at www.peelmining.com.au or at <https://events.miraqle.com/PEX-offer>.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and

any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

8.11 Financial forecasts

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

8.12 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will not be issuing share certificates. The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

8.13 Privacy Act

If you complete an application for Shares, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a holder of equity securities in the Company, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Shares, the Company may not be able to accept or process your application.

9. DIRECTORS' AUTHORISATION

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

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

Mr Simon Hadfield
Chairman
For and on behalf of
PEEL MINING LIMITED

GLOSSARY

\$ means the lawful currency of the Commonwealth of Australia.

Applicant means a Shareholder who applies for Shares pursuant to the Offer or a Shareholder or other party who applies for Shortfall Shares pursuant to the Shortfall Offer.

Application Form means an Entitlement and Acceptance Form or Shortfall Application Form as the context requires.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

Authorisation means:

- (a) an authorisation, consent, concession, licence, permit, declaration, approval, exemption, notarisation or waiver, however it is described; and
- (b) in relation to anything that could be prohibited or restricted by law if a Government Agency acts in any way within a specified period, the expiry of that period without that action being taken,

including any renewal or amendment of any of the above.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Closing Date means the date specified in the timetable set out at the commencement of this Prospectus (unless extended).

Company means Peel Mining Limited (ACN 119 343 734).

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

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

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

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form either attached to or accompanying this Prospectus.

Government Agency includes:

- (a) ASIC;

- (b) any government in any jurisdiction, whether federal, state, territorial or local;
- (c) any governmental, semi-governmental, administrative, judicial or quasi-judicial body, minister, department, office, commission, delegate, instrumentality, agency, board, authority, tribunal, agency or other organisation or entity; and
- (d) any non-government regulatory authority, including ASX.

Group means the Company and its related bodies corporate and each of them is a **Group Member**.

Material Adverse Effect means a material adverse change or effect in or affecting:

- (a) the general affairs, business, operations, assets, liabilities, financial position or performance, profits, losses, prospects, earnings position, shareholder's equity, or results of operations of the Group or otherwise (taken as a whole) from the position fairly disclosed by the Company to ASX before the date of the Underwriting Agreement; or
- (b) the success, marketing or settlement of the Offer.

Offer means the non-renounceable entitlement issue the subject of this Prospectus.

Offer Documents means any documents issued or published by or on behalf of the Company in respect of the Offer, including this Prospectus, the Application Forms, any supplementary prospectus, any written materials that are presented or provided to prospective investors (including any roadshow presentations) and any advertising or publicity documents, notices or reports.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out at the commencement of this Prospectus.

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

Shareholder means a holder of a Share.

Shortfall means the Shares not applied for under the Offer (if any).

Shortfall Application Form means the shortfall application form either attached to or accompanying this Prospectus.

Shortfall Offer means the offer of the Shortfall on the terms and conditions set out in Section 4.10 of this Prospectus.

Shortfall Shares means those Shares issued pursuant to the Shortfall.

Total Proceeds means \$6,643,079.

WST means Western Standard Time as observed in Perth, Western Australia.