



CERVANTES CORPORATION LIMITED

ACN 097 982 235

Pro-rata Non-renounceable Rights Issue and Shortfall Offer Prospectus

This Prospectus is being issued for a pro rata non-renounceable entitlement issue of approximately 268,004,155 Shares at an issue price of \$0.008 per Share to Eligible Shareholders on the basis of one (1) Share for every two (2) Shares held as at the Record Date, together with one (1) free unlisted new Option for each two (2) new Shares issued exercisable at \$0.015 on or before 28 February 2023 (**Offer**).

The Offer will raise up to approximately \$2,144,033 (assuming maximum subscription based on the total number of Shares on issue as at the date of this Prospectus and assuming no Options are exercised prior to the Record Date).

This Prospectus includes an offer of any Securities not taken up under the Offer (**Shortfall Offer**).

INVESTORS INTERESTED IN PARTICIPATING IN THE SHORTFALL OFFER SHOULD REFER TO SECTION 4.9 ON PAGE 12 FOR FURTHER INFORMATION.

IMPORTANT NOTICE

This document is important which requires your immediately attention and should be read in its entirety. If, after reading this Prospectus, you have any questions about the Shares and Options being offered under this Prospectus or any other matter, you should consult your stockbroker, accountant, solicitor or other professional adviser. The Shares and Options offered by this Prospectus should be considered as highly speculative.

IMPORTANT NOTICES

General

This Prospectus is dated 15 January 2021 and was lodged with ASIC on that date with the consent of all Directors. None of ASIC, ASX or their respective officers or employees takes any responsibility for the contents of this Prospectus.

This Prospectus is important and should be read in its entirety before deciding to participate in the Offer or Shortfall Offer. In particular, you should consider the risk factors set out in Section 7 of this Prospectus in light of your personal circumstances (including financial and taxation issues) and seek advice from your accountant, financial advisor, stockbroker, lawyer, tax advisor or other independent and qualified advisor if you have any questions.

Continuously Quoted Securities

In preparing this Prospectus, regard has been had to the fact the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and their professional advisors. This Prospectus is a transaction specific prospectus 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 and it is intended to be read in conjunction with publicly available information in relation to the Company which has been notified to ASX.

Expiry Date

No Securities will be issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus).

Not financial product advice

The information in this Prospectus is not financial product advice and has been prepared without taking into account your financial and investment objectives, financial situation or particular needs (including financial or taxation issues).

Disclaimer

No person is authorised to give any information or to make any representation in connection with the

Offer or Shortfall Offer in 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 the Offer or Shortfall Offer.

Except to the extent required by law, no person named in this Prospectus, nor any other person, warrants or guarantees the performance of the Company, the repayment of capital by the Company, the payment of a return on the Securities or the future value of the Securities. The business, financial condition, operating results and prospects of the Company may change after the date of this Prospectus. You should be aware that past performance is not indicative of future performance. Any new or change in circumstances that arise after the date of this Prospectus will be disclosed by the Company to the extent required and in accordance with the Corporations Act.

Risk factors

Potential investors should be aware that subscribing for and holding Securities 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 companies not specifically referred to, may affect the value of the Securities 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 Securities.

No cooling-off rights

Cooling-off rights do not apply to an investment in Securities issued under this Prospectus. This means that, except where permitted by the Corporations Act, you cannot withdraw your Application once it has been accepted.

Geographic Restrictions

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this Prospectus comes should seek advice on and observe any such restrictions. Any failure to

comply with such restrictions may constitute a violation of law.

The Prospectus does not, and is not intended to, constitute an offer of Securities 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.

The Offer is being made to all Shareholders with registered addresses, on the Record Date, in Australia or New Zealand (**Eligible Shareholders**).

New Zealand

The Securities 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.

Other Places

In relation to Shareholders with registered addresses on the Record Date in places other than Australia or New Zealand, the Company has decided that it would be unreasonable to make the Offer to those Shareholders having regard to the number of Shareholders in each such place, the number and value of securities the holders would be offered and the costs of complying with legal requirements, and requirements of regulatory authorities, each such place.

Accordingly, Shareholders with registered addresses on the Record Date in places other than Australia or New Zealand are not eligible to participate in or accept the Offer (**Ineligible Shareholders**).

Custodians and nominees

The Company is not required to determine whether or not any registered holder is acting as a

nominee or the identity or residence of any beneficial owners of Shares. If any nominee or custodian is acting on behalf of a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Offer is compatible with applicable foreign laws.

Obtaining a copy of this Prospectus

You can obtain a copy of this Prospectus, free of charge, by contacting the Company on +61 8 6436 2300 during normal business hours or by email at admin@cervantescorp.com.au.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Entitlement and Application Form and Shortfall Application Form. If you have not, please phone the Company on +61 8 6436 2300 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.cervantescorp.com.au/

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.

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

Where this Prospectus has been dispatched to or accessed by persons other than Eligible Shareholders, this Prospectus is provided for information purposes only.

Application for Securities

Applications for Securities offered pursuant to this Prospectus can only be submitted in accordance with the instructions on an original Entitlement and Acceptance Form or Shortfall Application Form.

Defined Terms

A number of terms used in this Prospectus are defined in Section 10 of the Prospectus.

Contents

IMPORTANT NOTICES	2
1. Corporate directory.....	5
2. Timetable.....	6
3. Letter from the Chair.....	7
4. Detail of the Offers	10
5. Purpose and effect of the Offer.....	17
6. Rights and Liabilities attaching to Shares and Options	22
7. Risk factors	26
8. Additional information	33
9. Directors' authorisation	39
10. Glossary.....	40

1. Corporate directory

Directors

Collin Vost
(Chairman, Managing Director)

Marcus Flis
(Non-Executive Technical Director)

Justin Vost
(Non-Executive Director)

Company Secretary

Patrick O'Neill

Registered office

Shop 11, South Shore Piazza
85 The Esplanade
South Perth WA 6151

Telephone: +61 8 6436 2300
Facsimile: +61 8 9367 2450
Email: admin@cervantescorp.com.au
Website: www.cervantescorp.com.au

Share Registry*

Advanced Share Registry
110 Stirling Highway
Nedlands WA 6009

Telephone: +61 8 9389 8033
Facsimile: +61 8 6370 4203

Auditor*

Rothsay Auditing
Level 1, Lincoln House
4 Ventnor Avenue
West Perth WA 6005

Solicitors

EMK Lawyers
Suite 1B
16 Phillimore Street
Fremantle WA 6160

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

2. Timetable

Lodgement of Prospectus with the ASIC and ASX / Announce Offer and lodge Appendix 3B with ASX	Fri 15 January 2021
Notice sent to Shareholders	Mon 18 January 2021
“Ex” date	Wed 20 January 2021
Record Date for determining Entitlements	Thu 21 January 2021
Prospectus sent out to Eligible Shareholders, Company announces this has been completed	Mon 25 January 2021
Offers Open	Mon 25 January 2021
Last day Company can extend Closing Date	Tue 2 March 2021
Closing Date of the Offer*	Fri 5 March 2021
Announcement of results of the Offer	Wed 10 March 2021
Shortfall Offer closes**	Thu 11 March 2021
Issue date of Securities issued under the Offer / Lodgement of Appendix 2A with ASX*	Fri 12 March 2021 (before 12pm EDST)
Shares issued under the Offer commence trading on ASX on a normal basis*	Mon 15 Mar 2021

* The dates above are indicative only and are subject to change. The Directors may vary these dates subject to any applicable requirements of the Corporations Act or the Listing Rules. The Directors may extend the Closing Date of the Offer by giving at least three (3) Business Days' notice to ASX prior to the Closing Date or close the Offer early. As such the date the Securities are expected to commence trading on ASX may vary.

**The Directors may vary the closing date of the Shortfall Offer and the Cleansing Offer without notice.

3. Letter from the Chair

Dear Shareholder,

Cervantes has had a very active and positive 12 months, coinciding with an improved market interest in gold, albeit volatile, and in particular junior exploration companies. Well respected journalists and industry participants have stated that the year 2021 could bring new records for both gold and silver, and that juniors are back on the shopping list for investors. Gold stocks have always been known to have greater leverage to, and outperform, the physical gold price rallies, and juniors more so.

The Company has generated two consecutive years of positive net profits for the 2019, and 2020 financial year periods, unusual for junior exploration companies. As a result of the sale of one of the Company's gold assets in 2020, Cervantes is entitled to a deferred income of \$600,000, based on gold production milestones being reached, from that asset as disclosed in our ASX release on the 23rd April 2020, potentially giving the Company a boost in reaching for a 3rd year of positive results, together with other potential positive corporate activity.

The Board has managed its funds prudently and effectively to move part of its major asset, **"The Primrose Project"** at Payne's Find, to an **Exploration Target of approximately 170,000 to 520,000 tonnes at 2.2g/t - 4.5g/t gold grade, outlined in the Company release on 16th July 2020¹**. The Primrose Project is made up of two advanced gold exploration areas, being the **"Blue Heaven"** prospect on which the Exploration Target has been based, and a currently smaller area called the **"Pansy Pit"**, which was previously mined in 1987. The Pansy Pit area is now being actively advanced as a result of two drilling programs completed by Cervantes, to a stage where a small mining proposal has now reached an advanced stage in preparation for submission to the Mines Department. The potential expansion of that pit has been indicated by our geologists, both internally and externally, as being highly likely based on geological indicators from drilling and site visits.

The results of a recent drilling program, delayed by overloaded assay laboratories, were released on the 13th January 2021, provided further confirmation of the potential of the Pansy Pit, and additional promising unexpected geology at the Blue Heaven prospect.

The whole Primrose Project area is currently **native title free**, in a State which supports mining and a country of **extremely low sovereign risk**.

The Primrose Project contains a shear of the same name, approximately 8km long, with only some 5% of this shear having received any modern drilling or exploration, leaving substantially high exploration upside along the shear.

The shear has been described in a number of reports, as being the potential source of gold that resulted in 37 historical mines being developed at surface, with that view being supported by a number of independent geologists and Cervantes' Technical

¹ Mr Philip Jones MAusIMM is the Competent Person responsible for the exploration target. The Company is not aware of any new information or data that materially affects the information included in the ASX release of 16th July 2020 and the form and context in which the exploration target was presented have not been materially modified. The potential quantity and grade is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource. The target is based on actual exploration results.

Director. A diagram of this theory is contained in various Company releases (including our report on 16th July 2020) and on our website.

The Company continues to have optimistic discussions and consultation with management of a local mill, within economic distance, on options to toll treat or buy any ore produced from the Primrose Project, avoiding standalone capital costs and infrastructure costs.

Payne's Find is only four and half hours north of Perth in WA, on the Great Northern Highway, adjoining a roadhouse providing accommodation, meals, and other services. An airport is close by including Flying Doctor service, emergency medical, fire emergency and weather warning station, again substantially reducing any infrastructure costs to the project.

Payne's Find is one of WA's famous historical goldfields, having been discovered in 1911 by Thomas Payne, with the prospectors of the day developing some 37 historical high-grade producing mines, which are still to this day contained within the tenements owned by Cervantes. A considerable number of current large gold mines operating in Australia have been discovered under and around old mines of yesteryear. The battery that processed the ore at Payne's Find is still adjoining our project area as a tourist attraction.

Whilst our current activities are concentrated on only two areas within the overall Primrose Project area, for shallow potentially early minable resources, it is the intention to develop these two areas into potentially early cash flows to add to our proposed capital raising funds. The planning of these new programs has already commenced. The possibility of forward selling against future production is also being considered. Exercise of currently issued options, and those offered in this rights issue, may also provide additional funds within 2 years or earlier. These combined funds are intended to be used to accelerate our exploration and development of the remaining unexplored shear, and to drill deeper to test the theory of our consultant and others that the gold produced in the field was sourced from deeper within our project area. Refer to our ASX release of the 16th July 2020 or our website www.cervantescorp.com.au.

The Company has also noted a comment made by a highly-respected professor and geologist E de C Clark who worked for the Mines Department in 1920, and whom the Earth Science Museum at UWA was named in honour of, commented; "The goldfield contains epidiorite, hornblende schist, serpentinite, and foliated quartz porphyries, in addition to hornblende-biotite gneiss forming the matrix of the ore body. The gold quartz veins are found mainly in the epidiorites and hornblende schists, and only rarely in the serpentinite. The gold bearing gneiss is east of the greenstone belt, and are of two lithological types 1) biotite dominant with quartz parallel to the foliation planes 2) mica subordinate to the hornblende." **He compares the geology as similar to Westonia (Edna May Mine) elsewhere in the State.** (sourced: Mindat website "Payne's Find Goldfield (Goodingnow)").

The market is aware that the famous Edna May gold mine, which was discovered around the same time as Payne's Find, was purchased by Ramelius Resources Ltd in September 2017 for the equivalent of \$90m, and is currently continuing to contribute profits to that company.

Cervantes has an extremely tight shareholders register with some 86% being controlled by the top 100 shareholders, allowing for a substantial response to positive news.

We look forward to an exciting year in 2021 full of positive activity, and hopefully surprising discoveries beyond our current assets.

Please ensure you read the Prospectus in full and, in particular, the risks of investing in Section 7 and seek independent advice before investing.

We seek and invite existing shareholders support, and interest from investors, broking houses, AFSL holders and strategic investors to join us on this journey, by subscribing to this offer of one share for \$0.008 cents (for every two shares held in the case of shareholders) with a 1:2 free attaching Option exercisable at \$0.015c, expiring on 28th February 2023.

Small existing shareholders, and those with unmarketable parcels, should take advantage of this opportunity to take up their entitlement, and if possible, any available shortfall to avoid any potential compulsory takeover, or buy back corporate actions by the Company in the future. The Company currently has in excess of 500 unmarketable parcels of shares, plus a considerable number of issuer sponsored parcels of shares totalling in excess of some 100m shares, which add an unnecessary financial burden to the Company in relation to ASX fees, and mailing costs on an annual basis.

Existing shareholders should consider participating in the rights issue which would entitle them to take up one new share for every two shares held, together with one free attaching option for every two new shares subscribed for, providing flexibility to sell their original shares in the future, and retain their new shares and free attaching options.

Parties interested in participating in any shortfall should lodge their expression of interest with the Company at the earliest opportunity.



Collin Vost
Chairman and Managing Director
Cervantes Corporation Limited

4. Detail of the Offers

4.1 The Offer

The Offer is being made as a pro-rata non-renounceable entitlement issue of one (1) new Share for every two (2) Shares held by Eligible Shareholders registered at the Record Date at an issue price of \$0.008 per Share together with one (1) free new Option for every two (2) new Shares issued. Fractional entitlements will be rounded down to the nearest whole number. All Shares must be paid for in full at the time of Application.

All of the Shares offered under this Prospectus following issue will rank equally with the Shares on issue at the date of this Prospectus.

The Options issued will be exercisable at \$0.015 on or before 28 February 2023.

Please refer to Section 6 for further information regarding the rights and liabilities attaching to the Shares and Options.

Based on the capital structure of the Company as at the date of this Prospectus and assuming all Entitlements are accepted and no Options are exercised prior to the Record Date, and before allowing for rounding, a maximum of:

- (a) 268,004,155 Shares may be issued pursuant to the Offer increasing the Shares on issue from 536,008,309 to 804,012,464 Shares. Assuming the Offer is Fully Subscribed then the Company will raise approximately \$2,144,033.44 under the Offer; and
- (b) 134,002,077 Options may be issued pursuant to the Offer increasing the Options on issue from 43,750,000 to 177,752,077 Options.

Existing holders of Options must exercise their Options prior to the Record Date in order to participate in the Offer in respect of the Shares underlying their Options. Please refer to section 5.3 of this Prospectus for information on the exercise price and expiry date of the Options on issue.

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

4.2 Minimum subscription amount

There is no minimum subscription for the Offer.

4.3 Lead Broker

There is no Lead Broker to the Offer.

4.4 Underwriting

The Offer is not underwritten.

4.5 Acceptance – what Eligible Shareholders may do

Your acceptance of the Offer must be in accordance with the Entitlement and Acceptance Form accompanying this Prospectus.

Other than where you apply for Shortfall Securities, your acceptance must not exceed your Entitlement as shown on that form.

You may participate in the Offer (and Shortfall Offer) as follows:

- (a) accept your **full** Entitlement;
- (b) accept your **full** Entitlement and apply for Shortfall under the Shortfall Offer; or
- (c) accept **part** of your Entitlement.

If you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

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

4.6 Payment by Cheque

If you wish to pay by cheque:

- (a) a cheque for the relevant subscription amount must be drawn on an Australian bank or bank draft made payable in Australian currency to “Cervantes Corporation Limited – Entitlement Account” and crossed “Not Negotiable”;
- (b) attach your cheque, together with your completed Entitlement and Acceptance Form, and lodge on or before the Closing Date at the Company’s Share Registry (by delivery or by post) at:

By Delivery	By Post
Advanced Share Registry 110 Stirling Hwy Nedlands WA 6009	Cervantes Corporation Ltd C/- Advanced Share Registry Ltd PO Box 1156 Nedlands WA 6909

4.7 Payment 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®:

- (a) you do not need to submit the Entitlement and Acceptance Form if you pay by BPAY® but are taken to have made the declarations on that Entitlement and Acceptance Form;

- (b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your Application Monies paid by BPAY®; and
- (c) **it is your responsibility to ensure that your BPAY® payment is received by the Share Registry by no later than 4:00 pm (WST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment.**

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 or those shareholdings, only use the unique customer reference number (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).

4.8 Implications of returning a completed Entitlement and Acceptance Form or paying by BPAY®

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
- (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.

4.9 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 may remain open for up to three (3) months following the Closing Date. The Shortfall Offer is currently anticipated to close on 11 March 2021, with the Company having the discretion to vary this closing date without notice. The Company may also withdraw the Shortfall Offer at any time without notice.

The issue price for each Share to be issued under the Shortfall Offer shall be \$0.008, being the price at which Shares have been offered under the Offer.

Allottees of Shares under the Shortfall Offer will be issued one (1) free unlisted new Option for each two (2) new Shares issued, exercisable at \$0.015 on or before 28 February 2023.

All Securities issued under the Shortfall Offer shall otherwise be issued on the same terms as Securities being offered under the Offer.

Eligible Shareholders may apply for additional Securities under the Shortfall in accordance with the Entitlement and Acceptance Form and by paying the appropriate

Application Monies in accordance with the instructions set out in the Entitlement and Acceptance Form.

Additionally, other investors who are not currently Shareholders who wish to participate in the Shortfall may apply for Shortfall Securities by following the instructions set out on the Shortfall Application Form and paying the appropriate Application Monies.

The Directors reserve the right to allocate and issue any Shortfall at their discretion.

The Board presently intends to allocate Securities under the Shortfall Offer to Eligible Shareholders and third party investors with allocations (and any scale back) taking account the following factors:

- (a) the need to recognise the ongoing support of existing Shareholders of the Company;
- (b) identifying new potential long-term or cornerstone investors; and
- (c) ensuring an appropriate Shareholder base for the Company.

The Board currently intends to allocate Shortfall Shares in priority to Eligible Shareholders who apply for their full Entitlement, so long as the issue of Shortfall Shares to that Eligible Shareholder would not take their voting power to in excess of 20%.

No Shares will be issued to a party under the Shortfall Offer if the effect would be to increase that party's voting power in the Company to an amount greater than 20%.

The Directors reserve the right to issue an Eligible Shareholder or third party investor a lesser number of Shortfall Securities than applied for or no Shortfall Securities at all. All decisions regarding the allocation of Shortfall Securities will be made by the Directors and will be final and binding on all Applicants under the Shortfall Offer. As such, there is no guarantee that any Shortfall Securities applied for will be issued to Applicants. The Company will have no liability to any Applicant who receives less than the number of additional Securities they applied for under the Shortfall Offer. If the Company scales back any applications for Shares under the Shortfall Offer any application monies will be returned (without interest) in accordance with the provisions of the Corporations Act.

4.10 Cleansing Offer

This Prospectus also includes an offer of up to 1,000 Shares at an issue price of \$0.008 per Share to raise up to \$8 to cleanse any Shares issued by way of placement after the closing date of the Shortfall Offer and before the date the Cleansing Offer is closed (**Cleansing Offer**).

The Cleansing Offer will only be extended to specific parties on invitation from the Directors. Applications for Shares under the Cleansing Offer should only be made if you are instructed to do so by the Company.

The Shares offered under this Prospectus will rank equally with the existing Shares on issue.

The primary purpose of the Cleansing Offer is to remove any trading restrictions that would otherwise attach to Shares that may be issued by the Company without

disclosure under Chapter 6D of the Corporations Act prior to the closing date of the Cleansing Offer.

The Company is seeking to raise only a nominal amount of \$8 under the Cleansing Offer as the purpose of the Cleansing Offer is not to raise capital.

If the Directors decide to issue Shares under the Cleansing Offer, the issue of Shares will take place as soon as practicable after the closing date of the Cleansing Offer. The Directors do not expect to issue any Shares under the Cleansing Offer.

4.11 ASX listing

Application for Official Quotation of the Shares offered pursuant to this Prospectus on the ASX 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 three (3) months after the date of this Prospectus, (or such period as varied by the ASIC), the Company will not issue any Shares and Options 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.

The Company does not propose to apply for Official Quotation of the Options offered pursuant to this Prospectus.

4.12 Issue of Securities

Shares and Options issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and timetable set out in Section 2 of this Prospectus.

Shares and Options issued pursuant to the Shortfall Offer may be issued at the same time and/or on a progressive basis at the discretion of the Board. Where the number of Shares and Options 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.

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

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

4.13 No Nominee for Ineligible Shareholders

No nominee has been appointed for Ineligible Shareholders under section 615 of the Corporations Act and, as such, Eligible Shareholders will not be able to rely on the exception for rights issues in item 10 of section 611 of the Corporations Act.

Accordingly, when an Eligible Shareholder applies for some or all of its Entitlement or Shortfall Shares, it must have regard to the takeovers prohibition in section 606 of the Corporations Act (that is, the 20% Voting Power threshold). Eligible Shareholders who may be at risk of exceeding the 20% Voting Power threshold in section 606 of the Corporations Act as a result of acceptance of the Entitlement Offer should seek professional advice before applying for Securities under this Prospectus.

4.14 CHESS and Issuer Sponsorship

The Company will not be issuing share certificates for the Shares and Options offered under this Prospectus. The Company is a participant in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS 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.

Investors who are issued Shares and Options under this Prospectus will be provided with a holding statement (similar to a bank account statement) that sets out the number of Shares and Options 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 CHESS 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.

4.15 Withdrawal of Offer

An Offer may be withdrawn at any time by the Company in its discretion, subject to compliance with the Corporations Act and the ASX Listing Rules. In this event, the Company will return all application monies (without interest) in accordance with applicable laws.

4.16 Rounding

Fractional entitlements will be rounded down to the nearest whole number. All references to numbers of Securities to be issued pursuant to this Prospectus are expressed subject to rounding.

4.17 Privacy Act

If you complete an Application for Shares and Options, you will be providing personal information to the Company (directly or by the 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 of payments and corporate communications to you as a Shareholder and Optionholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the Company's register of members, 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 Share Registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or the 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 Form, the Company may not be able to accept or process your Application.

4.18 Enquiries

Any questions concerning the Offer should be directed to the Company, on +61 8 6436 2300 or by facsimile to +61 8 9367 2450.

5. Purpose and effect of the Offer

5.1 Purpose of the Offer

The purpose of the Offer is to raise up to approximately \$2,144,033 (assuming maximum subscription based on the total number of Shares on issue as at the date of this Prospectus and no other Shares are issued or Options exercised prior to the Record Date).

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

Item	Proceeds of the Offer	Full Subscription (\$)	%
1.	Exploration and Evaluation of the Primrose Project	\$1,075,000	50.1
2.	Liabilities (aged debtors/loans) ¹	\$520,000	24.3
3.	Assessing new projects	\$75,000	3.5
4.	Expenses of the Offer ²	\$35,513	1.7
5.	Working capital	\$438,520	20.5
Total		\$2,144,033	100%

Notes:

1. Including \$450,000 in repayment of 50% of a \$900,000 interest free loan from Global Oil and Gas Limited (**GLV**), and \$25,000 to GLV to extend the repayment date for the remaining \$450,000 of the loan to 7 June 2022.
2. Refer to section 8.8 of this Prospectus for further details relating to the estimated expenses of the Offer.

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. The Board reserves the right to alter the way funds are applied on this basis.

In the event that the Offer is not fully subscribed (and the Shortfall Offer is also not fully subscribed), the Company shall apply the actual proceeds raised by the Offer first towards the estimated expenses of the Offer, then towards reduction of current liabilities up to a maximum of \$520,000 with the balance (if any) applied equally towards general working capital and exploration and evaluation of the Company's Primrose project. The Board reserves the right to alter the priority and proportions in which funds raised are applied.

In the event that insufficient funds are raised to meet the expenses of the Offer, the Company intends to use its existing working capital to meet the expenses of the Offer.

5.2 Financial Effect on the Offer - Pro-forma statement of financial position

The audited statement of financial position as at 30 June 2020, the unaudited management accounts statement of financial position of 31 December 2020 and the unaudited pro-forma statement of financial position as at 31 December 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 statement of financial position has been prepared to provide an indication on the effect of the Offer on the financial position of the Company assuming the Offer is Fully Subscribed and no other Shares are issued or Options are exercised prior to the Record Date. It 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.

	AUDITED/ 30/06/2020	UNAUDITED 31 /12/2020	UNAUDITED PRO-FORMA 31 /12/2020
Current assets			
Cash	149,136	14,874	2,123,394
Financial assets	319,325	203,450	203,450
Total current assets	468,461	218,324	2,326,844
Non-current assets			
Exploration and evaluation expenditure	1,684,888	1,830,830	1,830,830
Total non-current assets	1,684,888	1,830,830	1,830,830
TOTAL ASSETS	2,153,349	2,049,154	4,157,674
Current liabilities			
Trade and other creditors	357,940	83,250	83,250
Financial liabilities	1,011,800	450,337	450,337
Total current liabilities	1,369,740	533,587	533,587
Non-current liabilities			
Financial liabilities	-	807,973	807,973
Total non-current liabilities	-	807,973	807,973
TOTAL LIABILITIES	1,369,740	1,341,560	1,341,560
NET ASSETS	783,609	707,594	2,816,114
Equity			
Contributed equity	14,115,475	14,115,475	16,223,995
Accumulated losses	(13,331,866)	(13,407,881)	(13,407,881)
TOTAL EQUITY	783,609	707,594	2,816,114

The pro-forma statement of financial position includes the following adjustments:

- (a) \$2,144,033 being raised under the Offer (assuming maximum subscription and that no more Shares are issued or Options are exercised prior to the

Record Date and deducting the estimated expenses of the Offer) which includes payment of \$0.008 per Share.

5.3 Effect on capital structure

The effect of the Offer on the capital structure of the Company, assuming Fully Subscribed, is set out below.

Shares	Number
Shares currently on issue	536,008,309
Shares offered under the Offer	268,004,155
Total Shares on issue after completion of the Offer¹	804,012,464

1. Assumes no Shares are issued under the Cleansing Offer.

Options	Number
Options currently on issue:	
Unlisted Options exercisable at \$0.01 on or before 31/12/2022	25,750,000
Unlisted Options exercisable at \$0.01 on or before 31/12/2023	18,000,000
Options offered pursuant to this Offer	
Unlisted Options exercisable at \$0.015 per Option on or before 28 February 2023	134,002,077
Total Options on issue after completion of the Offer	177,752,077

The issued capital of the Company on a fully diluted basis as at the date of this Prospectus is 579,758,309 Shares and on completion of the Offer (assuming Fully Subscribed) would be 981,764,541 Shares.

5.4 Potential dilution of Shareholders

Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 33% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus). Examples of how the dilution may impact Shareholders are set out in the table below:

Holder	Holding at Record Date	% at Record Date	Entitlements under the Offer	Holdings if Offer not taken up	% post Offer
Shareholder 1	20,000,000	3.7%	10,000,000	20,000,000	2.5%
Shareholder 2	10,000,000	1.9%	5,000,000	10,000,000	1.2%
Shareholder 3	3,000,000	0.6%	1,500,000	3,000,000	0.4%
Total	536,008,309		268,004,155		804,012,464

Note:

1. 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 Shortfall Offer.

5.5 Effect on substantial holders

Based on publicly available information, the Company's substantial holders (i.e. holders with a Relevant Interest (either alone or with Associates) in 5% or more of the Voting Shares as at the date of this Prospectus, and their Entitlement under the Offer, are set out in the table below.

Substantial Holder	Shares held	%	Entitlement Shares	Entitlement Subscription
Azolia Pty Ltd ¹	71,156,322	14.39%	38,578,161	\$308,625.29
New York Holdings Pty Ltd ²	55,570,000	10.37%	27,785,000	\$222,280
Nuzeno Holdings Pty Ltd ³	33,441,810	6.24%	16,720,905	\$133,767.24
European Lithium Ltd	32,000,000	5.97%	16,00,000	\$128,000

Notes:

1. Azolia Pty Ltd ATF Alan Smith Super Fund Trust holds 39,656,322 Shares. Azolia Pty Ltd ATF A G Smith Family Trust holds 37,500,000 Shares.
2. Mr Collin Vost, a Director, directly holds 500,000 Shares (0.1%). New York Holdings Pty Ltd (as trustee for the CV Superannuation Fund) is an entity associated with a Director (Collin Vost) and holds 55,070,000 Shares (10.27%).
3. Nuzeno Holdings Pty Ltd holds 25,785,714 Shares (4.81%) and its associate ACXU SMSF Pty Ltd (as trustee for the Edward Xu Self Managed Superannuation Fund) holds 7,656,096 Shares (1.43%).

In the event all Entitlements are accepted by Eligible Shareholders there will be no change to the substantial holders on completion of the Offer.

5.6 Effect of Offer on Control of the Company

The potential effect that the issue of the Shares under the Offer will have on the control of the Company, and the consequences of that effect, will depend on a number of factors, including Eligible Shareholders interest in taking up their Entitlements and participation in the Shortfall Offer, as well as the level of participation by investors in taking up Securities under the Shortfall Offer.

While it is not possible for the Directors to predict the outcome of the factors set out above, a non-exhaustive list setting out the potential effect on control is set out below:

- (a) the percentage interest of Shareholders who are not Eligible Shareholders, and Eligible Shareholders who do not take up their Entitlement, will be diluted by approximately 33% (assuming the Offer is fully subscribed);
- (b) if all Eligible Shareholders take up their Entitlements under the Offer and 100% of the Shortfall is placed (i.e. 100% Entitlements of Ineligible Shareholders is placed), all Eligible Shareholders will hold the same percentage interest in the Company as before the Offer opens;
- (c) in the more likely event that there is a Shortfall, Eligible Shareholders who do not subscribe for their full Entitlement of Shares under the Offer will be diluted relative to those Shareholders who subscribe for some or all of their Entitlements as shown by the table in section 5.4;

- (d) Eligible Shareholders will be entitled to top-up their shareholding over and above their Entitlements, by subscribing for additional Securities under the Shortfall Offer;
- (e) if Azolia Pty Ltd subscribed for its Entitlements but no other Shares were issued, it would increase its Voting Power above 20%. While this is technically possible, it is considered very unlikely that no other Shares will be issued under the Offer or Shortfall Offer. In addition, the Company's allocation policy for the Offer and Shortfall Offer is that no Shares will be issued to a party if the effect would be to increase that party's Voting Power in the Company to an amount greater than 20%; and
- (f) the Company does not intend to appoint a nominee to sell Ineligible Shareholder Entitlements for the purposes of section 615 of the Corporations Act.

New Options may only be exercised in compliance with the Corporations Act and will only affect control where permitted under the Corporations Act.

6. Rights and Liabilities attaching to Shares and Options

6.1 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. Other rights and liabilities relating to the Shares arise under the Corporations Act.

(a) General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings. Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution.

(b) 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:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one (1) vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one (1) vote for each Share held but in respect of each partly paid shares shall have such fraction of a vote equivalent to the proportion that the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) 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. The Directors may set aside any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the Company's profits 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.

(d) 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 Company's property, 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.

(e) Shareholder liability

As the Shares issued under the Prospectus will be fully paid shares at the time of issue, they will not be subject to any calls for further moneys by the Directors and will therefore not become liable for forfeiture.

(f) 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.

(g) Future increase in capital

The issue of any new Shares is under the Directors' control. 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. This right is subject in effect to specific limitations under the ASX Listing Rules as to the number of securities which can be issued by the Company in a 12 months period without Shareholders' approval in a general meeting.

(h) 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 special resolution passed at a separate meeting of the holders of the shares of that class.

(i) 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 a general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

6.2 Options

The Options entitle the holder to subscribe for Shares on the terms and conditions set out below.

- (a) Each Option gives the Option Holder the right to subscribe for one Share. To obtain the right given by each Option, the Option Holder must exercise the Options in accordance with the terms and conditions of the Options.
- (b) The Options will expire at 5.00 pm (WST) on 28 February 2023 (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) The amount payable upon exercise of each Option will be \$0.015 (**Exercise Price**).
- (d) The Options held by each Option Holder may be exercised in whole or in part, and if exercised in part, multiples of 10,000 must be exercised on each occasion. Where less than 10,000 Options are held, all Options must be exercised together.
- (e) An Option Holder may exercise their Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Options specifying the number of Options being exercised; and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised;

(**Exercise Notice**).
- (f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (g) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- (h) The Options are transferable.
- (i) All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares.

- (j) If at any time the issued capital of the Company is reconstructed, all rights of an Option Holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (k) There are no participating rights or entitlements inherent in the Options and Option Holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.
- (l) An Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.

7. Risk factors

7.1 Introduction

The Shares and Options 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 and Options 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 risks

(a) Suspension and Delisting

On 30 May 2019, the Company's Shares were placed into suspension from trading on ASX by the ASX on the basis the ASX considered the Company did not have sufficient financial condition to satisfy ASX Listing Rule 12.2.

The ASX has since advised that it will only consider lifting the suspension (and the conditions which need to be satisfied) once the Company has completed a capital raising sufficient to demonstrate compliance with ASX Listing Rule 12.2, which must be a minimum of \$1.5 million in working capital.

The Company is undertaking the Offers with the intention of raising sufficient funds to meet ASX Listing Rule 12.2 but there can be no assurance that sufficient funds will be able to be raised.

If insufficient funds are raised from the Offers, and the Company is unable to otherwise raise additional funds, such that the Company cannot meet ASX Listing Rule 12.2 and ASX's requirements for its securities to be reinstated to official quotation on the ASX, the suspension in trading will continue and Shareholders will not be able to trade their Shares on the ASX unless and until the Company can meet ASX's requirements.

If the securities of the Company remain continuously suspended until 30 May 2021, the Company will be delisted from the official list of the ASX (unless ASX grants a short extension, which is available in limited circumstances). If the Company is delisted, Shareholders will be unable to trade their Shares on the ASX and the Company will need to re-comply with the ASX's listing requirements for its Shares to again become tradeable on the ASX. There can be no assurance that a relisting will be achievable in the near term or at all.

The last trading price of Shares on ASX prior to the Prospectus being lodged of \$0.004 is not considered a reliable indicator as to the potential trading price of Shares after implementation of the Offer.

(b) Potential for significant dilution

Upon completion of the Offer, assuming Fully Subscribed, the number of Shares in the Company will increase from 536,008,309 currently on issue to 804,012,464. This means that each Share will represent a significantly lower proportion of the ownership of the Company and a Shareholder who does not take up its Entitlement will be diluted by 33%.

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 or prediction as to such matters.

The trading price of Shares on ASX prior to the Prospectus being lodged is not a reliable indicator as to the potential trading price of Shares after completion of the Offer.

(c) Additional requirements for capital

Should the funds raised by the Offers be insufficient to fulfil the Company's planned short term expenditure requirements, the Company may have an immediate requirement to raise further funds.

The Company's future capital requirements, and the Company's ability to satisfy those requirements, depend on numerous factors, many of which are beyond the control of the Company.

It is likely that in the future the Company will require further funding in addition to amounts raised under the capital raising. Any additional equity financing will dilute shareholdings. Any debt financing, if available, may involve restrictions on the Company's activities. If the Company is unable to obtain additional funding as needed, it may be required to reduce the scope of its operations, dispose of assets or scale back its exploration programmes, as the case may be.

The Company's ability to raise funds through the issue of Shares or other securities is subject to share market conditions from time to time. The market for securities in junior exploration companies can fluctuate.

There is, however, no certainty that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company and its Shareholders.

(d) Executive Management

The responsibility of overseeing the day-to-day operations and the Company's strategic management depends substantially on its senior management and 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.

(e) Exploration success

The future profitability of the Company and the value of its securities are directly related to the results of exploration. The exploration tenements held

by the Company are at various stages of exploration and potential investors should understand that minerals exploration and development are high-risk undertakings. There can be no assurance that exploration of these tenements, or any other tenements that may be acquired in the future, will result in discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can ultimately be economically exploited.

The Company's future exploration activities may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title processes and laws relating to Aboriginal heritage, changing government regulations and many other factors beyond the Company's control.

The Company's success will also depend upon the Company having access to sufficient development capital, being able to maintain, renew or replace title to its tenements and obtaining all required approvals for its activities. In the event that exploration programs prove to be unsuccessful, this could lead to diminution in the value of the Company's tenements, a reduction in the cash reserves of the Company and possible relinquishment of tenements.

The Company's anticipated exploration costs 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 be materially different to these estimates and assumptions. Accordingly, no assurance can be given that any cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

(f) Gold price volatility

Even if the Company's exploration is successful, any resultant development or mining operations will be subject to a range of risk factors, including fluctuations in the market price for gold.

If the Company achieves exploration success leading to gold production, the Company's financial performance will be sensitive to the gold price. The price is affected by numerous factors and events that are beyond the Company's control. These factors and events include general economic activity, world demand, forward selling activity, cost of production by the producers of gold and other matters such as inflationary expectations, interest rates, currency exchange rates (particularly the strength of the US dollar) as well as general global economic conditions and political trends.

If the price of gold should fall below or remain below the Company's costs of production for any sustained period due to these or other factors and events, the Company's exploration and production could be delayed or even abandoned. A delay in exploration or production or the abandonment of one or more of the Company's projects may require the Company to write-down any mineral reserves or resources and may have a material adverse effect on the Company's production, earnings and financial position.

7.3 Industry specific risks

(a) Resource estimates

Any resource estimates released by the Company is an expression of judgement based on knowledge, experience and industry practice. Estimates which are 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 interpretation, 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.

(b) Operating and development risks

Even if the Company's exploration is successful, the Company's ability to achieve any production, development, operating cost and capital expenditure estimates in a timely basis cannot be assured. The business of minerals development and mining involves many risks and may be impacted by factors including ore tonnes, yield, input prices (some of which are unpredictable and beyond the Company's control), overall availability of free cash to fund continuing development activities, labour force disruptions, cost overruns, change in the regulatory environment and other unforeseen contingencies.

Other risks also exist such as environmental hazards (including discharge of pollutants or hazardous chemicals), industrial accidents and occupational and health hazards. Such occurrences could result in damage to, or destruction of, production facilities, personal injury or death, environmental damage, delays in mining, increased production costs and other monetary losses and possible legal liability to the owner or operator of a mine. The Company may become subject to liability for pollution or other hazards against which it has not insured or cannot insure, including those in respect of past mining activities in an area for which it was not responsible.

The risks outlined above also mean that there can be no assurances as to the future development of a mining operation in relation to any of the Company's projects or which the Company may acquire in the future.

(c) Environmental

The Company's current and proposed activities are subject to state and federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed

on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive.

Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programs or mining activities.

(d) Tenure risks and native title

Interest in tenements in Australia is governed by the respective state mining legislation. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments.

If exploration is successful, the Company will not be able to exploit any mineral deposit unless the Company first acquires a mining lease. The grant of a mining lease is subject to ministerial discretion.

Additionally, in areas where native title exists or may exist, the ability of the Company to acquire a valid mining lease may also be subject to compliance with the 'right to negotiate' process under the Native Title Act. Compliance with this process can cause delays in obtaining the grant of a mining lease and does not ultimately guarantee that a mining lease will be granted. Attaining a negotiated agreement with native title claimants or holders to facilitate the grant of a valid mining can add significantly to the costs of any development or mining operation.

The ability of the Company to conduct activities on exploration or mining tenements is subject to compliance with laws protecting Aboriginal heritage. Conduct of site surveys to ensure compliance can be expensive and subject to delays. If any Aboriginal sites are located within areas of proposed exploration, mining or other activities, the ability of the Company to conduct those activities may be dependent on the Company obtaining further regulatory consents or approvals.

(a) Community relations and landowners

The Company's ability to undertake exploration and production on tenements will depend in part on its ability to maintain good relations with relevant local communities. Any failure to adequately manage community and social expectations with respect to compensation for land access, employment opportunities, impact on local business and other expectations may lead to local dissatisfaction with the Company, which in turn may lead to disruptions in the exploration and production (if relevant at the time) programs for the tenements and potentially losses.

7.4 General risks

(a) 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. 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. This may include travel restrictions that limit or prevent the activities the Company can carry out on its tenements from time to time.

(b) Stock market fluctuations and economic conditions

The Shares to be issued under this Prospectus will be quoted on the ASX. The price of Shares may rise or fall and there is no certainty in respect of profitability, dividends, return of capital, or the price at which the Shares may trade on the ASX.

The selling value of the Shares will be determined by the stock market and will be subject to a range of factors beyond the control of the Company, and the Directors and officers of the Company. Such factors include, but are not limited to:

- (i) the demand for and availability of Shares;
- (ii) movements in domestic interest rates;
- (iii) exchange rates
- (iv) general and domestic economic activity; and
- (v) fluctuations in the Australian and international stock markets.

Returns from an investment from the Shares may also depend on general stock market conditions as well as the performance of the Company. There can be no guarantee that there will be an active market in the Shares.

Changes in economic and business conditions or government policies in Australia or internationally may affect the fundamentals which underpin the projected growth of the Company's target markets or its cost structure and profitability. Adverse changes in such things as the level of inflation, interest rates, exchange rates, government policy (including fiscal, monetary and regulatory policies), consumer spending and employment rates, amongst others, are out of the control of the Company and may result in material adverse impacts on the business or its operating results.

(c) Liquidity of Shares

There may be relatively few potential buyers or sellers of the Shares on the ASX at any time. This may increase the volatility of the price of the Shares. It may also affect the prevailing market price at which Shareholders are able to sell their Shares. This may result in a market price being received which is less than the price that Shareholders paid to acquire their Shares.

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 Securities offered under this Prospectus.

Therefore, the Securities 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 Securities.

Potential investors should consider that investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for Securities under 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. The Offer is an offer of Shares and Options which are ‘continuously quoted securities’ for the purposes of the Corporations Act.

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is primarily 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 issued in circumstances where significant publicly available information in relation to the Company exists by virtue of disclosures to ASX. This Prospectus 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 are encouraged to have regard to the other publicly available information available through the ASX 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 three (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 generally been included in this Prospectus other than certain information required to be included in this Prospectus by the Corporations Act.

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

- (a) the Company is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company may be obtained from, or inspected at, the offices of the ASIC; and
- (c) the Company 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 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 or any document lodged in relation to the Company under section 675 of the Corporations Act which are given or lodged with ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with ASIC.

Copies of all documents lodged with ASIC in relation to the Company can be inspected, or a copy obtained, 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 date of lodgement of this Prospectus with ASIC are set out in the table below.

Date	Description of announcement
13 January 2021	Successful completion of drilling at Primrose
10 December 2020	Change of Director's Interest Notice
10 December 2020	Change of Director's Interest Notice
10 December 2020	Change of Director's Interest Notice
10 December 2020	Appendix 3G - Issue of Options
30 November 2020	Results of Meeting
30 November 2020	Quarterly Activities and Cashflow Report

ASX maintains files containing publicly available information for all listed companies. Copies of all documents released by the Company to the ASX are available on the ASX website at www.asx.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 the ASX.

The Company's Shares have been suspended from trading on the ASX since 30 May 2019. They last traded at \$0.004 per Share. The Company does not consider this to be an accurate reflection of the current market value of the Company's Shares.

8.4 Directors support

As at the date of this Prospectus, the Directors have not advised the Company whether they intend to subscribe for any of their Entitlement under the Offer.

8.5 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the two (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) to a Director or proposed Director as an inducement to become, or to qualify as, a Director; or
- (e) to a Director, proposed Director or Relevant Person for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (ii) the Offer.

Directors' Interests in Securities

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 under the Offer, is set out in the table below.

Director	Current Holdings		Offer Entitlement		Total Subscription Price (\$)
	Shares	Options	Shares	Options	
Collin Vost ¹	55,570,000	10,000,000	27,785,000	13,892,500	\$222,280
Marcus Flis	Nil	5,000,000	Nil	Nil	N/A
Justin Vost	19,362,223	7,000,000 ³	9,681,112	4,840,556	77,448.89

Notes:

- Mr Collin Vost directly holds 500,000 Shares (0.1%). New York Holdings Pty Ltd (as trustee for the CV Superannuation Fund) is an entity associated with Collin Vost and holds 55,070,000 Shares (10.27%). New York Holdings Pty Ltd holds the unlisted Options being 5,000,000 unlisted Options (\$0.01, 31/12/2022) and 5,000,000 unlisted Options (\$0.01, 31/12/2023).
- Held by Marcus & Susan Flis ATF M&S Flis Superannuation Fund Trust (a fund of which Marcus Flis is a beneficiary)

3. 2,000,000 unlisted Options (\$0.01, 31/12/2022) and 5,000,000 unlisted Options (\$0.01, 31/12/2023)

The Board recommends all Shareholders participate in the Offer.

Remuneration and Benefits

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 to not exceed \$250,000 per annum.

A director may be paid fees or other amounts (i.e. 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 in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual Director fees paid to both executive and non-executive directors.

Director	FY19 Actual	FY20 Actual	FY21 (Proposed)
Colin Vost	\$24,000	\$24,000	\$26,794
Marcus Flis	\$26,000	\$10,000	\$30,764
Justin Vost	\$22,000	\$26,000	\$44,225

Notes:

1. These amounts do not include any reimbursements that the Directors may receive for work related expenses.

In addition to Directors fees, the Directors have received the following benefits in the past two financial years:

- (a) New York Securities Pty Ltd (**NYS**), a related entity of Director Collin Vost, has been paid rent totally \$84,500 (FY19) and \$52,000 (FY20). This arrangement ceased on 1 March 2020. NYS has also been paid capital raising fees of \$9,000 (FY19) and interest of \$4,300 (FY20) on its loan to the Company. Interest of 7% pa is accruing on the outstanding principal. No other benefits are currently proposed for FY21.
- (b) Marcus Flis was paid \$12,550 in other short term benefits in FY20. No other benefits are currently proposed for FY21.
- (c) Justin Vost was paid for company secretarial/management services comprising \$12,955 (FY19) and \$14,000 (FY20). No other benefits are currently proposed for FY21.

8.6 Interests of 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; or
- (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 two (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.

EMK Lawyers has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay EMK Lawyers \$8,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, EMK Lawyers has been paid fees totalling \$33,620 (excluding GST and disbursements) for legal services provided to the Company.

8.7 Consents

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) 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.

EMK Lawyers has given its written consent to being named as the solicitors to the Company in this Prospectus and have not withdrawn their consent prior to the lodgement of this Prospectus with the ASIC.

Philip Jones has given his written consent to being named as the Competent Person for the Exploration Target, and the inclusion of the Exploration Target, in the Prospectus in the form and context in which the information is included in this

Prospectus and has not withdrawn his consent prior to the lodgement of this Prospectus with the ASIC.

8.8 Expenses of the Offer

In the event that all Entitlements are accepted, the total expenses of the Offer are estimated to be approximately \$35,513 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	3,206
ASX fees	9,307
Legal fees	8,000
Printing and distribution	10,000
Miscellaneous	5,000
Total*	35,513

* The Company reserves the right to pay brokers or other AFSL holders a capital raising fee of up to 5% on amounts subscribed to the Shortfall Offer that are arranged by the broker or AFSL holder.

8.9 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.

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.



Collin Vost
Chairman & Managing Director
For and on behalf of
Cervantes Corporation Limited

10. Glossary

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

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

Application means an application to subscribe for Securities under this Prospectus.

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

Application Monies means money submitted by Applicants in respect of Applications.

ASIC means the Australian Securities and Investments Commission.

Associates has the meaning given in section 12 of the Corporations Act.

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.

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.

CHESS means the Clearing House Electronic Sub-Register System operated by ASX Settlement Pty Ltd.

Cleansing Offer means the offer of 1,000 Shares at an issue price of \$0.008 per Share in order to raise up to \$8 on the terms and conditions set out in section 4.10 of this Prospectus.

Closing Date means the closing date of the Offer specified in the timetable set out in section 2 of this Prospectus (unless extended).

Company means Cervantes Corporation Limited (ACN 097 982 235).

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

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

Directors mean the directors of the Company.

Eligible Shareholder means a Shareholder of the Company as at the Record Date other than an Ineligible Shareholder.

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.

Fully Subscribed means that all Entitlements are taken up on the assumption that no further Shares are issued by the Company prior to the Record Date (whether on the exercise of options or otherwise).

Ineligible Shareholder means a Shareholder as at the Record Date whose registered address in the Company's register of members is not situated in Australia or New Zealand.

Issue Price means \$0.008.

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

Offers means the Offer, the Shortfall Offer and the Cleansing Offer.

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.

Relevant Interest has the meaning given in sections 608 and 609 of the Corporations Act.

Securities means Shares and Options.

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

Shareholder means a holder of a Share.

Share Registry means the share registry of the Company as noted in section 1 of this Prospectus.

Share Registry Address means the address for the Share Registry for the purposes of forwarding paper Applications under this Prospectus by mail or delivery (as relevant) as specified in section 4.6 of this Prospectus.

Shortfall means the Shares and Options 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 4.9 of this Prospectus.

Shortfall Securities means those Shares and Options not issued pursuant to the Offer.

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

INSTRUCTIONS TO APPLICANTS

Please post or deliver the completed Shortfall Application Form together with a cheque to the Company. If an Applicant has any questions on how to complete this Shortfall Application Form, please telephone the Company on + 61 8 6436 2300 or your professional adviser. The Form must be received by the Company no later than **5:00 pm (WST) Thursday, 11 March 2021, unless varied by the Company.**

A. Name of Applicant / Joint Applicants or Account Designation

Write the Applicant's FULL NAME. This must be either an individual's name or the name of a company. Please refer to the bottom of this page for the correct form of registrable title. Applications using the incorrect form of registrable title may be rejected. If JOINT APPLICANTS are applying, up to three joint Applicants may register. If applicable, please provide details of the Account Designation in brackets. Please refer to the bottom of this page for instructions on the correct form of registrable title.

B. Address

Enter the Applicant's postal address for all correspondence. If the postal address is not within Australia, please specify Country after City/Town.

C. Contact Details

Please provide a contact name and daytime telephone number so that the Company can contact the Applicant if there is an irregularity regarding the Shortfall Application Form.

D. TAX FILE NUMBERS

The collection of tax file number ("TFN") information is authorised and the tax laws and the Privacy Act strictly regulate its use and disclosure. Please note that it is not against the law not to provide your TFN or claim an exemption, however, if you do not provide your TFN or claim an exemption, you should be aware that tax will be taken out of any unfranked dividend distribution at the maximum tax rate.

If you are completing the application with one or more joint applicants, and you do not wish to disclose your TFN or claim an exemption, a separate form may be obtained from the Australian Taxation Office to be used by you to provide this information to the Company. Certain persons are exempt from providing a TFN. For further information, please contact your taxation adviser or any Taxation Office.

E. CHESS HIN or existing SRN Details

The Company participates in CHESS. If the Applicant is already a participant in this system, the Applicant may complete this section with their existing CHESS HIN and the name and address as recorded in the CHESS system. If the applicant is an existing shareholder with an Issuer Sponsored account, the SRN for this existing account may be used. Otherwise leave the section blank and the Applicant will receive a new Issuer Sponsored account and statement.

F. Cheque Details

Make cheques payable to "Cervantes Corporation Limited – Entitlement Issue Account" in Australian currency and cross them **"Not Negotiable"**. Cheques must be drawn on an Australian Bank. The amount of the cheque should agree with the amount shown on the Shortfall Application Form.

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

Forward your completed application together with the application money to:

Advanced Share Registry Ltd

By Post: PO Box 1156 Nedlands WA 6909 or By Delivery: 110 Stirling Highway, Nedlands WA 6009

CORRECT FORMS OF REGISTRABLE TITLE

Note that ONLY legal entities are allowed to hold securities. Shortfall Application Forms must be in the name(s) of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and the surname is required for each natural person. Shortfall Application Forms cannot be completed by persons under 18 years of age. Examples of the correct form of registrable title are set out below.

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Individual Use given names in full, not initials	Mr John Alfred Smith	J A Smith
Company Use the company's full title, not abbreviations	ABC Pty Ltd	ABC P/L or ABC Co
Joint Holdings Use full and complete names	Mr Peter Robert Williams & Ms Louise Susan Williams	Peter Robert & Louise S Williams
Trusts Use the trustee(s) personal name(s).	Mrs Susan Jane Smith <Sue Smith Family A/C>	Sue Smith Family Trust
Deceased Estates Use the executor(s) personal name(s).	Ms Jane Mary Smith & Mr Frank William Smith <Est John Smith A/C>	Estate of late John Smith or John Smith Deceased
Minor (a person under the age of 18) Use the name of a responsible adult with an appropriate designation.	Mr John Alfred Smith <Peter Smith A/C>	Master Peter Smith
Partnerships Use the partners personal names.	Mr John Robert Smith & Mr Michael John Smith <John Smith and Son A/C>	John Smith and Son
Long Names.	Mr John William Alexander Robertson-Smith	Mr John W A Robertson-Smith
Clubs/Unincorporated Bodies/Business Names Use office bearer(s) personal name(s).	Mr Michael Peter Smith <ABC Tennis Association A/C>	ABC Tennis Association
Superannuation Funds Use the name of the trustee of the fund.	Jane Smith Pty Ltd <Super Fund A/C>	Jane Smith Pty Ltd Superannuation Fund