

TANDO RESOURCES LIMITED
ACN 618 307 887

PROSPECTUS

For an offer of 22,500,000 Shares at an issue price of \$0.20 per Share to raise \$4,500,000.

IMPORTANT INFORMATION

This is an important document that should be read in its entirety. If you do not understand it you should consult your professional advisers without delay. **The Shares offered by this Prospectus should be considered highly speculative.**

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CORPORATE DIRECTORY

Directors

William Oliver
Managing Director

Patrick Burke
Non-Executive Director

Jeremy King
Non-Executive Chair

Company Secretary

Sarah Smith

Proposed ASX Code

TNO

Share Registry*

Automic
Level 2, 267 St Georges Terrace
Perth WA 6000

Solicitors

Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street
Perth WA 6000

Auditor

RSM Australia Partners
8 St Georges Terrace
Perth WA 6000

Registered Office

Suite 4, Level 1
11 Ventnor Avenue
West Perth WA 6005

Telephone: +61 8 6381 0035
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Website: www.tandoresources.com.au

Lead Manager

Xcel Capital Pty Ltd
Suite 4, Level 1
11 Ventnor Avenue
West Perth WA 6005

Investigating Accountant

RSM Corporate Australia Pty Ltd
8 St Georges Terrace
Perth WA 6000

Independent Geologist

Felicity Repacholi-Muir
FRM Geological Services
56 London Street
NORTH PERTH WA 6006

* This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus.

IMPORTANT NOTICE

This Prospectus is dated 21 August 2017 and was lodged with the ASIC on that date. The ASIC, the ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

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

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

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

Exposure Period

This Prospectus will be circulated during the Exposure Period. The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of funds. You should be aware that this examination may result in the identification of deficiencies in this Prospectus and, in those circumstances, any application that has been received may need to be dealt with in accordance with Section 724 of the Corporations Act. Applications for Shares under this Prospectus will not be processed by the Company until after the expiry of the Exposure Period. No preference will be conferred on applications lodged prior to the expiry of the Exposure Period.

No offering where offering would be illegal

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. It is important that investors read this Prospectus in its entirety and seek professional advice where necessary.

No action has been taken to register or qualify the Shares or the Offer, or to otherwise permit a public offering of the Shares in any jurisdiction outside Australia. This Prospectus has been prepared for publication in Australia and may not be released or distributed in the United States of America.

Web Site – Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at tandoresources.com.au. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian resident and must only access this Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this

Prospectus free of charge by contacting the Company by phone on +61 8 6381 0035 during office hours or by emailing the Company at ss@miradorcorporate.com.

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.

Website

No document or information included on our website is incorporated by reference into this Prospectus.

Forward-looking statements

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

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

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

We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

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

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 4 of this Prospectus.

Photographs and Diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses the Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this prospectus are illustrative only and may not be drawn to scale.

Definitions

Terms used in this Prospectus are defined in the Glossary in section 13.

MANAGING DIRECTOR'S LETTER

Dear Investor

On behalf of the Directors, it gives me great pleasure to invite you to become a Shareholder in Tando Resources Limited (**Tando** or **Company**). Tando is a junior exploration company with a conditional right to acquire one mineral exploration project located in Western Australia, the Quartz Bore Project. Tando has also made two applications for exploration projects in Western Australia, the Mt Sydney Project and Mt Vernon Project. Tando was established with the purpose of exploring and developing zinc, lead, copper and other mineral opportunities.

Following completion of the acquisition of the Quartz Bore Project and grant of the applications for the Mt Sydney Project and Mt Vernon Project, the Company will establish itself as a Western Australian minerals exploration company, with rights to acquire an asset that is prospective for zinc, lead and copper and additional applications for tenements prospective for zinc and copper mineralisation. The Company's flagship project, the Quartz Bore Project, is located in the West Pilbara region, approximately 1200km north east of Perth. The Company's additional exploration licence applications are also located in the Pilbara region.

The primary purpose of the Offer is to provide funds to undertake a systematic exploration program at the Quartz Bore Project aimed at the discovery of an economic mineral deposit. The Company will also, upon grant of the relevant applications, undertake exploration programs on the Mt Sydney and Mt Vernon Projects. Exploration programs have been developed to provide the Company with the opportunity to unlock the value from the Company's Projects.

This Prospectus is seeking to raise \$4,500,000 by the issue of 22,500,000 Shares at an issue price of \$0.20 per Share. Tando has assembled an experienced management and exploration team which is well qualified to exploit the potential of the Company's mineral assets. The Board has significant expertise and experience in mineral exploration, project development and corporate finance and aims to ensure that funds raised through the Offer will be utilised in a cost-effective manner to advance the Company's Project.

I look forward to you joining us as a Shareholder and sharing in what we believe are exciting and prospective times ahead for the Company. Before you make your investment decision, I urge you to read this Prospectus in its entirety and seek professional advice if required.

Yours sincerely

Bill Oliver
Managing Director

KEY OFFER INFORMATION

KEY DATES - Indicative timetable*

Lodgement of Prospectus with the ASIC	21 August 2017
Opening Date	29 August 2017
Closing Date	29 September 2017
Despatch of holding statements	13 October 2017
Expected date for quotation on ASX	20 October 2017

** The above dates are indicative only and may change without notice. The Exposure Period may be extended by the ASIC by not more than 7 days pursuant to Section 727(3) of the Corporations Act. The Company reserves the right to extend the Closing Date or close the Offer early without prior notice. The Company also reserves the right not to proceed with the Offer at any time before the issue of Shares to Applicants.*

KEY OFFER DETAILS

	Full Subscription
Shares on issue as at the date of this Prospectus	6,750,001
Offer Price per Share	\$0.20
Shares to be issued under Offer	22,500,000
Shares to be issued upon acquisition of the Quartz Bore Project	1,250,000
Total number of Shares on issue following the Offer	30,500,001
Gross Proceeds of the Offer	\$4,500,000
Market capitalisation following the Offer	\$6,100,000

1. INVESTMENT OVERVIEW SECTION

This section is a summary only and not intended to provide full information for investors intending to apply for Shares offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety.

Item	Summary	Further information
A. Company		
Who is the issuer of this Prospectus?	Tando Resources Limited (ACN 618 307 887) (Company or Tando).	
Who is the Company?	The Company was incorporated on 31 March 2017 for the primary purpose of acquiring VMS Resources Pty Ltd (ACN 618 821 015) (VMS), listing on the ASX and exploring and developing zinc and other mineral opportunities. VMS has a right to be transferred the tenement comprising the Quartz Bore Project (E47/3352). Pending transfer, the tenement is being held on trust for VMS by the current registered holder. Refer to Section 10.2 for further detail with respect to the trust arrangements.	Sections 3.1 and 10.2
B. Business Model		
What is the Company's business model?	Following completion of the Offer, the Company's proposed business model will be to further explore and develop deposits as per Company's intended exploration programs, which are contained in the Independent Geologist's Report in Section 6 and in Section 3.5 of the Prospectus. The Company proposes to fund its exploration activities over the first two years, as outlined in the table at Section 2.3.	Sections 3.5 and 2.3
What are the key business objectives of the Company?	The Company's main objectives on completion of the Offer are: (a) focus on mineral exploration of resource opportunities that have the potential to deliver growth for Shareholders; (b) continue to pursue other acquisitions that have a strategic fit for the Company; (c) systematically explore the Company's key project being the Quartz Bore Project and in particular, the Balla Balla Prospect; (d) implement a growth strategy to seek out further exploration and acquisition opportunities in Australia; and (e) provide working capital for the	Section 3.5

Item	Summary	Further information
	Company.	
What are the key dependencies of the Company's business model?	The key dependencies of the Company's business model include: (a) completing the acquisition of the Quartz Bore Project; (b) retaining and recruiting key personnel skilled in the mining and resources sector; (c) sufficient worldwide demand for base metals; and (d) the market price of base metals remaining higher than the Company's costs of any future production (assuming successful exploration by the Company).	Section 4
C. Key Advantages and Key Risks		
What are the key advantages of an investment in the Company?	The Directors are of the view that an investment in the Company provides the following non-exclusive list of advantages: (a) a portfolio of quality assets in Western Australia considered by the Board to be highly prospective for base metals (Copper, Zinc and Lead); and (b) the Company has a highly credible and experienced team to progress exploration and accelerate potential development of the Western Australian Base Metal Assets.	Section 4
What are the key risks of an investment in the Company?	The business, assets and operations of the Company, including following admission to the Official List, are subject to certain risk factors that have the potential to influence the operating and financial performance of the Company in the future. These risks can impact on the value of an investment in the Shares of the Company. These risks include a variety of Company, Industry Specific and General risks, including that: (a) the Quartz Bore Project is currently held on trust for VMS; (b) the Company has limited operating history; and (c) the Company is subject to customary risks associated with an exploration company, such as the volatility of base metal prices and exchange rates, exploration costs and risks with respect to the holding of exploration tenure. The Board aims to manage these risks by	Section 4

Item	Summary	Further information
	carefully planning its activities and implementing risk control measures. Some of the risks are, however, highly unpredictable and the extent to which the Board can effectively manage them is limited. Based on the information available, a non-exhaustive list of the specific key risk factors affecting the Company are set out below. Additional risk factors which will affect the Company are disclosed at Section 4 of this Prospectus.	
D. Directors and Key Management Personnel		
Directors	The Board of the Company consists of: (a) William Oliver (BSc. (Hons), GDipAppFin, MAIG, MAusIMM) – <i>Managing Director</i> (b) Patrick Burke (LLB) – <i>Non-Executive Director</i> (c) Jeremy King (LLB) – <i>Non-Executive Chair</i>	Section 3.6
Other Key Management Personnel	The only other senior management position held within the Company is that Ms Sarah Smith has been appointed as Company Secretary.	Section 3.6
What experience do the Directors have?	Bill Oliver has 18 years' experience in the international resources industry working for both major and junior companies. Bill has led large scale resource definition projects in the Pilbara for Rio Tinto, managed exploration in Portugal for Iberian Resources Limited, including target generation and grassroots exploration across a range of commodities, and worked in near mine exploration/resource definition roles including exploration manager for Bellamel Mining and BC Iron. He has wide-ranging exploration experience including expertise in near-mine exploration/resource extension and resource definition as well as significant experience in the technical and economic evaluation of resources projects across a range of commodities and jurisdictions. Patrick Burke has extensive legal and corporate advisory experience and over the last 10 years has acted as a Director for a large number of ASX, NASDAQ and AIM listed companies. His legal expertise is in corporate, commercial and securities law in particular capital raisings and mergers and acquisitions. His corporate advisory experience includes identification and assessment of acquisition targets, strategic advice, deal structuring and pricing, funding, due diligence and execution. Jeremy King is a corporate advisor with over 15 years' experience in domestic and international legal, financial and corporate matters. He spent	Section 3.6

Item	Summary	Further information
	several years in London where he worked with Allen & Overy LLP and Debevoise & Plimpton LLP and has extensive corporate experience, particularly in relation to cross-border private equity, leveraged buy-out acquisitions and acting for banks, financial institutions and corporate issuers in respect of various debt and equity capital raisings.	
What benefits are being paid to the Directors?	(a) Bill Oliver: \$165,000 (b) Patrick Burke: \$36,000 (c) Jeremy King: \$36,000	Section 8.2
What are the Director's interests in the Company?	At the date of this Prospectus, no Director or proposed Director holds any Shares in the Company.	Section 8.2
What related party agreements are the Company a party to?	The Company has entered into the following related party transactions: (a) a Company Secretarial and Financial Management Mandate with Mirador, of which Mr Jeremy King is sole director and shareholder; (b) an Executive Services Agreement with Mr Bill Oliver; (c) Non-executive director appointment letters with Messrs Patrick Burke and Jeremy King; and (d) Deeds of Indemnity, Insurance and Access with the Directors on standard terms.	Sections 8.4, 8.5, 10.4 and 10.5
E. Financial Information		
What is the Company's financial position?	Our Company was only recently incorporated (31 March 2017) and has no operating history and limited historical financial performance. The Company is yet to conduct its own exploration activities on the area of land the subject of the Tenements. As a result, the Company is not in a position to disclose any key financial ratios other than its audited balance sheet, cash flow statement and statement of profit and loss, which are included as an annexure to the Investigating Accountant's Report set out in Section 6 of this Prospectus, together with a pro forma balance sheet assuming completion of the Offer and acquisition of VMS. VMS was incorporated on 1 May 2017 for the primary purpose of acquiring the Quartz Bore Project. VMS has had no material operations other than entry into an agreement with the current holder of the Quartz Bore Project for the	Section 6

Item	Summary	Further information
	purchase of the Project.	
What is the financial outlook for the Company?	Given the current status of the Company, the Directors do not consider it appropriate to forecast future earnings. 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 on a reasonable basis.	
F. Offer		
What is being offered?	The Company invites applications for up to 22,500,000 Shares at an issue price of \$0.20 per Share to raise up to \$4,500,000. The key information relating to the Offer and references to further details are set out below.	Section 2.1
Who is eligible to participate in the Offer?	This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.	Section 2.7
How do I apply for Shares under the Offer?	Applications for Shares under the Offer must be made by completing the Application Form attached to this Prospectus in accordance with the instructions set out in the Application Form.	Section 2.4
What will the Company's capital structure be upon completion of the Offer?	The Company's capital structure on a post-Offer basis is set out in Section 3.7.	Section 3.7
What are the terms of the Shares offered under the Offer?	A summary of the material rights and liabilities attaching to the Shares offered under the Offer is set out in Section 11.2.	Sections 11.2
Will any of the Shares issued under the Offer be subject to escrow?	Subject to the Company being admitted to the Official List, certain Shares on issue prior to the Offer will be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of Official Quotation. During the period in which these Shares are prohibited from being transferred, trading in Shares may be less liquid	Section 2.5

Item	Summary	Further information
	which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner. Our Company will announce to the ASX full details (quantity and duration) of the Shares required to be held in escrow prior to the Shares commencing trading on ASX. The Company's 'free float' (being the percentage of Shares not subject to escrow and held by Shareholders that are not related parties of the Company (or their associates) at the time of admission to the Official List will be approximately 73%, being the Shares issued pursuant to the Offer. This excludes any Shares issued by the Company as seed capital prior to lodgement of the Prospectus, a portion of which will be freely tradeable at the time of listing.	
Will the Shares issued under the Offer be quoted?	The Company will make an application to ASX for quotation of all Shares to be issued under the Offer.	Section 2.5
What are the key dates of the Offer?	The key dates of the Offer are set out in the indicative timetable in the Key Information Section.	Key Information Section
What is the minimum investment size under the Offer?	Applications for Shares must be for a minimum of 10,000 Shares (\$2,000) and thereafter in multiples of 2,500 Shares (\$500) and payment for the Shares must be made in full at the issue price of \$0.20 per Share.	Section 2.4
G. Use of proceeds		
How will the proceeds of the Offer be used?	The proceeds from the Offer will be used for: (a) Exploration expenditure and assessment of the Quartz Bore Project and, once granted, the Mt Sydney Project and Mt Vernon Project; (b) Costs of acquisition of the Quartz Bore Project; (c) Working Capital and Administration Costs; and (d) Costs of the Offer.	Section 2.3
H. Additional information		
Is there any brokerage, commission or stamp duty payable by applicants?	No brokerage, commission or duty is payable by Applicants on the acquisition of Shares under the Offer.	Section 2.11
What are the	The acquisition and disposal of Shares will have	Section

Item	Summary	Further information
tax implications of investing in Shares?	tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally. To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.	2.11
What is the Company's dividend policy?	The Board anticipates that significant expenditure will be incurred in the evaluation and development of the Company's Project. These activities, together with the possible acquisition of interests in other projects, are expected to dominate at least, the first two year periods following the date of this Prospectus. Accordingly, the Company does not expect to declare any dividends during that period. Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of distributable earnings and operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.	Section 3.9
What are the corporate governance principles and policies of the Company?	To the extent applicable, the Company has adopted <i>The Corporate Governance Principles and Recommendations (3rd Edition)</i> as published by ASX Corporate Governance Council (Recommendations). In light of the Company's size and nature, the Board considers that the current board is a cost effective and practical method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed. The Company's main corporate governance policies and practices as at the date of this Prospectus are outlined below and the Company's full Corporate Governance Plan is available in a dedicated corporate governance information section of the	Section 9.1

Item	Summary	Further information
	Company's website (www.tandoresources.com.au).	
Where can I find more information?	(a) By speaking to your sharebroker, solicitor, accountant or other independent professional adviser. (b) By contacting the Company Secretary on +61 8 6381 0035 (c) By contacting the Share Registry on 1300 288 664	

2. DETAILS OF THE OFFER

2.1 The Offer

Pursuant to this Prospectus, the Company invites applications for 22,500,000 Shares at an issue price of \$0.20 per Share to raise \$4,500,000. The Shares offered under this Prospectus will rank equally with the existing Shares on issue.

2.2 Minimum subscription

The minimum amount which must be raised under this Prospectus is \$4,500,000 (**Minimum Subscription**). If the Minimum Subscription has not been raised within 4 months after the date of this Prospectus, the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

2.3 Use of Funds

The Company intends to apply funds raised from the Offer, together with existing cash reserves, over the first two years following admission of the Company to the official list of ASX as follows:

Funds available	Full Subscription (\$) (\$4,500,000)	Percentage of Funds (%)
Existing cash reserves ¹	\$287,611	6.01%
Funds raised from the Offer	\$4,500,000	93.99%
Total	\$4,787,611	100%
Allocation of funds		
Exploration expenditure and assessment of the Quartz Bore Project ²	\$2,811,000	58.71%
Exploration expenditure and assessment of the Mt Sydney Project ³	\$105,000	2.19%
Exploration expenditure and assessment of the Mt Vernon Project ⁴	\$205,000	4.28%
Costs of acquisition of the Quartz Bore Project ²	\$50,000	1.04%
Working capital and administration costs ⁵	\$1,188,261	24.82%
Costs of the Offer ⁴	\$428,350	8.95%
Total	\$4,787,611	100%

Notes:

1. Refer to the Financial Information set out in Section 6 of this Prospectus for further details.
2. Refer to Section 3.2 and the Independent Geologist's Report in Section 5 of this Prospectus for further information on the planned exploration activities and expenditure budget for the Quartz Bore Project. Refer to Section 10.1 for a summary of the terms of the Agreement pursuant to which the Company will acquire VMS, the company entitled to be the holder of the Quartz Bore Project.

3. Refer to Section 3.3 and the Independent Geologist's Report in Section 5 of this Prospectus for further information on the planned exploration activities and expenditure budget for the Mt Sydney Project.
4. Refer to Section 3.4 and the Independent Geologist's Report in Section 5 of this Prospectus for further information on the planned exploration activities and expenditure budget for the Mt Vernon Project.
5. Working capital costs include the general costs associated with the management and operation of the Company's business including administration expenses, management salaries, directors' fees, rent and other associated costs.
6. Refer to Section 11.7 of this Prospectus for further details.

It should be noted that the Company's budgets will be subject to modification on an ongoing basis depending on the results obtained from exploration and evaluation work carried out. This will involve an ongoing assessment of the Company's mineral interests. The results obtained from exploration and evaluation programs may lead to increased or decreased levels of expenditure on certain projects reflecting a change in emphasis.

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.

On completion of the Offer, the Board believes the Company will have sufficient working capital to carry out its stated objectives. It should however be noted that an investment in the Company is speculative and investors are encouraged to read the risk factors outlined in Section 4.

2.4 Applications

Applications for Shares under the Offer must be made using the Application Form.

By completing an Application Form, each Applicant under the Offer will be taken to have declared that all details and statements made by you are complete and accurate and that you have personally received the Application Form together with a complete and unaltered copy of the Prospectus.

Applications for Shares must be for a minimum of 10,000 Shares (\$2,000) and thereafter in multiples of 2,500 Shares (\$500) and payment for the Shares must be made in full at the issue price of \$0.20 per Share.

Completed Application Forms and accompanying cheques, made payable to "**Tando Resources Limited – IPO Trust Account**" and crossed "**Not Negotiable**", must be mailed or delivered to the address set out on the Application Form by no later than 5:00pm (WST) on the Closing Date, which is scheduled to occur on 29 September 2017.

The Company reserves the right to close the Offer early.

2.5 ASX listing

Application for Official Quotation by ASX of the Shares offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus.

If the Shares are not admitted to Official Quotation by ASX before the expiration of 3 months after the date of issue of this Prospectus, or such period as varied by the ASIC, the Company will not issue any Shares and will repay all application

monies for the Shares within the time prescribed under the Corporations Act, without interest.

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

Subject to the Company being admitted to the Official List, certain Shares on issue prior to the Offer will be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of Official Quotation. The Board does not expect that any Shares issued under the Offer will be subject to escrow under the ASX Listing Rules.

The Company will announce to the ASX full details (quantity and duration) of the Shares required to be held in escrow prior to the Shares commencing trading on ASX.

2.6 Issue

Subject to the Minimum Subscription to the Offer being reached and ASX granting conditional approval for the Company to be admitted to the Official List, issue of Shares offered by this Prospectus will take place as soon as practicable after the Closing Date.

Pending the issue of the Shares 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.

The Directors will determine the recipients of the issued Shares in their sole discretion. The Directors reserve the right to reject any application or to allocate any applicant fewer Shares than the number applied for. Where the number of Shares issued is less than the number applied for, or where no issue is made, surplus application monies will be refunded without any interest to the Applicant as soon as practicable after the Closing Date.

2.7 Applicants outside Australia

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

No action has been taken to register or qualify the Shares or otherwise permit a public offering of the Shares the subject of this Prospectus in any jurisdiction outside Australia. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

If you are outside Australia it is your responsibility to obtain all necessary approvals for the issue of the Shares pursuant to this Prospectus. The return of a completed Application Form will be taken by the Company to constitute a

representation and warranty by you that all relevant approvals have been obtained.

2.8 Oversubscriptions

No oversubscriptions will be accepted by the Company.

2.9 Not underwritten

The Offer is not underwritten.

2.10 Lead Manager

Xcel Capital has been appointed as Lead Manager to the Offer. The terms of the lead manager mandate with Xcel Capital are summarised in Section 10.3.

Xcel Capital is a boutique corporate advisory specialising in growing and funding emerging companies. Xcel has experience across a broad range of sectors including resources, energy, technology and industrials. In addition to supporting ASX listed companies, Xcel Capital have significant interest in assisting high quality unlisted companies to grow and reach their potential through an ASX listing.

Xcel Capital provides a unique insight to clients obtained through its management's significant experience in advising and investing in the emerging ASX listed space.

Xcel Capital will receive the following remuneration in connection with the Offer:

- (a) \$62,500 payable by the Company within 10 working days from presentation of a tax invoice following the Company being admitted to the Official List;
- (b) a Selling Fee of 6% of the amount placed under the Offer; and
- (c) a corporate advisory retainer of \$5,000 per month plus GST, commencing on the date of listing for a period of 12 months and payable quarterly in arrears.

2.11 Taxation

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. It is not possible to provide a comprehensive summary of the possible taxation positions of all potential applicants. As such, all potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus. No brokerage, commission or duty is payable by Applicants on the acquisition of Shares under the Offer.

2.12 Commissions payable

The Company reserves the right to pay a commission of up to 6% (exclusive of goods and services tax) of amounts subscribed through any licensed securities

dealers or Australian financial services licensee in respect of any valid applications lodged and accepted by the Company and bearing the stamp of the licensed securities dealer or Australian financial services licensee. Payments will be subject to the receipt of a proper tax invoice from the licensed securities dealer or Australian financial services licensee. Xcel Capital will be responsible for paying all commissions that Xcel Capital and the Company agree with any other licensed securities dealers or Australian financial services licensee out of the fees paid by the Company to Xcel Capital under the Lead Manager Mandate.

3. COMPANY AND PROJECT OVERVIEW

3.1 Background

The Company was incorporated as an unlisted public company limited by shares on 31 March 2017, for the purpose of acquiring VMS Resources Pty Ltd (ACN 618 821 015) (**VMS**), the registered holder of the Tenement (defined below), listing on the ASX and exploring and developing zinc and other mineral opportunities.

As further set out in the Solicitor's Report on Tenements (Section 7 of this Prospectus) and the Independent Geologist Report (Section 5 of this Prospectus), the Company's core project (**Project** or **Quartz Bore Project**) consists of one granted tenement, E47/3352 (the **Tenement**). The Company has also applied for additional exploration tenements which make up the Mt Sydney Project and Mt Vernon Project.

The Quartz Bore Project, Tenement E47/3352, will be held on Trust by Peter Gianni on behalf of VMS Resources until the twelve-month anniversary of the Tenement being granted, 22nd December 2017. Refer to Section 10.2 for details with respect to the trust arrangements between Mr Gianni and VMS.

Other than the 100% interest held by the Company in VMS, the Company holds no other interest in any other entity.

3.2 Overview of Quartz Bore Project

The Quartz Bore Project is located within the West Pilbara province, 80 kilometers east of Roebourne in Western Australia. The Project covers an area of approximately 15km² and includes identified copper, zinc and lead occurrences.

The Pilbara region is a complex arrangement of Early Archaean metavolcanic and metasedimentary sequences that surround large domal granitoid masses. The Supracrustal sequences accumulated over a period of about 800MY, with the granitoids emplaced over a similarly but slightly younger time span. The Pilbara granitoid-greenstone terrane has been divided into several tectonostratigraphic domains, bounded by NE-SW trending structural lineaments.

Exploration within the Project area commenced with the discovery of the Salt Creek volcanogenic massive sulfide deposit by Texasgulf in the mid 1970's. Work has included aeromagnetic surveys, geological mapping, regional scale auger, rotary air blast drilling, ground electromagnetic conductivity mapping, air core drilling, reverse circulation and diamond drilling of advanced targets.

The numerous exploration works and drilling has identified notable mineralisation, including copper, zinc and lead, at prospects within the Quartz Bore Project.

(a) Balla Balla Prospect

The Balla Balla Prospect was discovered in June 2008 via reverse circulation drilling. It is contained within a similar stratigraphic sequence to the zinc mineralisation at the adjacent Salt Creek Project (held by Venturex Resources). It is hosted within metasedimentary volcanoclastic and epiclastic lithologies within the Cistern Formation, with the footwall rocks deformed in excess of the ore sequence and hanging wall.

(b) **East Balla Balla Prospect**

East Balla Balla is located approximately 1km to the east of the Balla Balla volcanogenic massive sulfide mineralisation. It is located within an area of flat alluvial sediments with sparse and discontinuous outcrop. The prospect was identified in 2007 by rock chip sampling, returning an 18% copper result from an outcrop of massive chalcocite in a small gossan and 570ppm Zn and >1% Pb.

(c) **West Balla Balla Prospect**

The West Balla Balla Prospect was discovered in February 2008 via reverse circulation drilling. The prospect is a sediment hosted stratabound massive sulphide body, hosted on the northern flank of the Caines Well Batholith within a relatively thin sequence of the metasediments cistern formation). The West Balla Balla prospect is considered to be a volcanogenic massive sulfide style of mineralisation based on its presence within metasedimentary volcaniclastic and epiclastic rocks within a bimodal volcanic sequence in which rhyolite is the footwall to the deposit. It has a strike length of 800m, defined by drilling and VTEM.

Refer to the Independent Geologist's Report for further information in respect of the Quartz Bore Project.

3.3 Overview of Mt Sydney Project

The Mt Sydney Project is located within the East Pilbara province, approximately 300 kilometres southeast of Port Hedland in Western Australia. The Project comprises a single exploration license application which covers an area of approximately 508km² and is prospective for copper, zinc and lead mineralisation.

To the north of the Mt Sydney Project is the Braeside Zn-Pb-Ag mining district which includes the Ragged Hills mining centre and numerous small mines located along the Braeside Fault zone. The Braeside Fault zone contains high grade polymetallic mineralisation over 30 kilometres of strike with dominant galena and associated sphalerite and chalcopyrite.

Recent work by Rumble Resources (ASX:RTR) has re-evaluated the potential of the Ragged Hills mining camp to the north of the Mt Sydney Project and proposed the hypothesis that the mineralisation at these prospects may represent a volcanogenic massive sulfide system. The prospective volcanic lithologies and structures are interpreted to be present on the Mt Sydney Project but have had little exploration, especially utilising modern day techniques.

Refer to the Independent Geologist's Report for further information in respect of the Mt Sydney Project.

3.4 Overview of Mt Vernon Project

The Mt Vernon Project is located in the southwestern portion of the Pilbara region, approximately 130 kilometres south of Paraburdoo in Western Australia. The Project comprises a single exploration license application which covers an area of approximately 463 km² and includes copper, zinc and lead deposits.

The project area spans a wide cross-section of the Edmund and Collier Groups of the Bangemall Supergroup. These sedimentary rocks include numerous

occurrences of base metal mineralisation including variations of sediment hosted zinc-lead-silver mineralisation, and structurally controlled copper-zinc mineralisation.

A number of targets for stratabound zinc-lead-silver and structurally controlled copper-gold mineralisation have been identified within the Mt Vernon project area. The Company plans to evaluate these in light of previous exploration and prioritise those for exploration.

Refer to the Independent Geologist's Report for further information in respect of the Mt Vernon Project.

3.5 Business Model

3.5.1 Proposed Exploration Program and Expenditure

Further details of the Company's intended exploration program are contained in the Independent Geologist's Report in Section 5.

The Company proposes to fund its exploration activities over the first two years, as outlined in the table below.

Project	Full Subscription	
	Year 1	Year 2
Quartz Bore Project		
Historical geophysical data reprocessing, geological interpretation	\$30,000	
Access (heritage surveys/agreements, earthworks)	\$50,000	
Twin historical drilling at Balla Balla Prospect, complete downhole geophysical surveys	\$285,000	
Surface geophysical and geochemical surveys across project	\$80,000	
Exploration drilling to test targets at Balla Balla including downhole surveys	\$578,400	
Exploration drilling to test targets at West Balla Balla and East Balla Balla including downhole surveys	\$399,600	
Resource drill out (Balla Balla Prospect) (40m x 40m spacing)		\$1,088,000
Resource Estimate and Scoping Study Balla Balla Prospect		\$300,000
Mt Sydney Project		
Historical data compilation	\$10,000	
Access (heritage surveys/agreements)	\$30,000	
Geological mapping		\$25,000
Surface geophysical and geochemical surveys across project		\$40,000

Project	Full Subscription	
Mt Vernon Project		
Historical data compilation	\$15,000	
Access (heritage surveys/agreements)	\$50,000	
Geological mapping		\$20,000
Surface geophysical and geochemical surveys		\$20,000
Drilling		\$100,000
Total Exploration Expenditure	1,528,000	1,593,000

The exploration programs and budgeted expenditure outlined above is subject to modification on an ongoing basis and is contingent on circumstances, results and other opportunities. Expenditure may be reallocated as a consequence of such changes or new opportunities arising and will always be prioritised in accordance with due regard to geological merit and other business decisions related to the Company's activities. Ongoing assessment of the Company's Projects may lead to increased or decreased levels of expenditure reflecting a change of emphasis.

3.5.2 Competent Person's Statement

The information in this Prospectus that relates to Exploration Results of the Company complies with the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the **JORC Code**) and has been reviewed by Ms Felicity Repacholi-Muir, who is engaged as the independent geologist by the Company. Ms Repacholi-Muir is a member of the Australasian Institute of Geoscientists and is bound by and follows the Institute's codes and recommended practices. Ms Repacholi-Muir has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity to which she is undertaking to qualify as an expert and competent person as defined in the JORC Code. Ms Repacholi-Muir consents to the inclusion in this Prospectus of the matters based on her information in the form and context in which it appears.

3.5.3 Strategy Post Listing

The primary objective of the Company has been to focus on mineral exploration of resource opportunities that have the potential to deliver growth for Shareholders. In order to achieve this objective following listing, the Company proposes to undertake the exploration programs highlighted above and further explained in the Independent Geologist Report in Section 5 of this Prospectus. The results of the exploration programs will determine the economic viability and possible timing for the commencement of further testing including pre-feasibility studies and commencement of other mining operations on the Project.

In addition to its existing exploration activities, the Company will continue to pursue other acquisitions that have a strategic fit for the Company.

In summary, the Company's management strategy and purpose of this Offer is to provide Tando with funding to:

- (a) systematically explore the Company's key projects being the Quartz Bore Project (and in particular, the Balla Balla Prospect, which is the key prospect within the Quartz Bore Project), the Mt Sydney Project and the Mt Vernon Project;

- (b) implement a growth strategy to seek out further exploration and acquisition opportunities in Australia; and
- (c) provide working capital for the Company.

The Company has sufficient working capital to carry out its stated objectives for the two years following admission to the official list of ASX. Further information regarding the Company's planned activities is set out in the Independent Geologist Report in Section 5 of this Prospectus.

3.6 Directors and key personnel

Bill Oliver

Managing Director

William (**Bill**) Oliver has 18 years' experience in the international resources industry working for both major and junior companies. He holds an Honours Degree in Geology from the University of Western Australia as well as a Post-Graduate Diploma in Finance and Investment from FINSIA. Mr Oliver has led large scale resource definition projects in the Pilbara for Rio Tinto, managed exploration in Portugal for Iberian Resources Limited, including target generation and grassroots exploration across a range of commodities, and worked in near mine exploration/resource definition roles including exploration manager for Bellamel Mining and BC Iron. Mr Oliver was previously Managing Director of Signature Metals and Technical Director of Orion Gold NL (ASX:ORN). He is currently non-executive director of Minbos Resources Ltd (ASX:MNB) and Celsius Resources (ASX:CLA). He has wide-ranging exploration experience including expertise in near-mine exploration/resource extension and resource definition as well as significant experience in the technical and economic evaluation of resources projects across a range of commodities and jurisdictions.

The Board considers that Mr Oliver is not an independent Director by virtue of his role as Managing Director.

Patrick Burke

Non-Executive Director

Mr Burke holds a Bachelor of Law from the University of Western Australia. He has extensive legal and corporate advisory experience and over the last 10 years has acted as a Director for a large number of ASX, NASDAQ and AIM listed companies. His legal expertise is in corporate, commercial and securities law in particular capital raisings and mergers and acquisitions. His corporate advisory experience includes identification and assessment of acquisition targets, strategic advice, deal structuring and pricing, funding, due diligence and execution. He is currently a Non-Executive Director of ASX listed Bligh Resources Limited, Triton Minerals Limited, Pan Pacific Petroleum NL and ATC Alloys Limited as well as dual NASDAQ and ASX listed Uranium Resources Inc.

The Board considers that Mr Burke is an independent Director.

Jeremy King

Non-Executive Chair

Jeremy King is a corporate advisor with over 15 years' experience in domestic and international legal, financial and corporate matters. He spent several years in London where he worked with Allen & Overy LLP and Debevoise & Plimpton LLP and has extensive corporate experience, particularly in relation to cross-border private equity, leveraged buy-out acquisitions and acting for banks,

financial institutions and corporate issuers in respect of various debt and equity capital raisings. Mr King regularly advises ASX listed companies on a range of corporate matters and currently serves as non-executive director of Red Mountain Mining Ltd (ASX:RMX), DTI Group Limited (ASX:DTI), Smart Parking Limited (ASX:SPZ), Transcendence Technologies Limited (ASX:TTL) and EHR Resources Ltd (ASX:EHX).

The Board considers that Mr King is an independent Director.

Other Management

Sarah Smith

Company Secretary

Sarah Smith is an employee of Mirador Corporate, where she specialises in corporate advisory, company secretarial and financial management services. Sarah has over six years' experience in the provision of company secretarial and financial management services for ASX listed companies, capital raisings and IPOs, due diligence reviews and ASX and ASIC compliance. Sarah is a Chartered Accountant and has acted as company secretary of a number of ASX listed companies. Prior to joining Grange Consulting, Sarah started her career in the Perth office of RSM Bird Cameron where she spent several years in their accounting and business services division.

3.7 Capital Structure

The capital structure of the Company following completion of the Offer is summarised below:

Shares¹

	Number
Shares currently on issue ²	6,750,001
Shares to be issued pursuant to Agreement for Acquisition of Quartz Bore Project	1,250,000
Shares to be issued pursuant to the Offer	22,500,000
Total Shares on completion of the Offer	30,500,001

Notes:

1. The rights attaching to the Shares are summarised in Section 11.2 of this Prospectus.
2. The Shares currently on issue comprise 6,750,001 Shares, with 1 Share issued on incorporation at an issue price of \$1.00, 3,000,000 Shares were issued on 25 May 2017 at an issue price of \$0.01 each and 3,750,000 Shares were issued on 12 June 2017 at an issue price of \$0.08 each to seed capital investors and Directors or their related entities to fund acquisition costs, the listing costs and initial working capital requirements of the Company. These Shares were issued at a discount to the issue price of the Shares offered pursuant to the Offer to reflect the increased risk associated with an investment in the Company at the time of issue of the seed capital.
3. Refer to Section 10.1 for a summary of the Agreement.

The Company will also consider undertaking a bonus option issue following lodgement, the terms of which are yet to be finalised.

3.8 Substantial Shareholders

Those Shareholders holding 5% or more of the Shares on issue both as at the date of this Prospectus and on completion of the Offer (assuming full subscription) are set out in the respective tables below.

Substantial shareholdings as at the date of the Prospectus

Shareholder	Shares	%
Golden Dawn Limited	750,000	11.11%
Anglo Menda Pty Ltd	712,500	10.56%
Angkor Imperial Resources Pty Ltd	600,000	8.89%
JP Security Holdings Pty Ltd	600,000	8.89%
Stacey Tomsic	400,000	5.93%
Rimoyne Pty Ltd	350,000	5.19%
Sangreal Holdings Pty Ltd	350,000	5.19%

None of these parties will continue to hold a substantial shareholding following completion of the Offer, provided that they each do not take up Shares under the Offer.

The Company will announce to the ASX details of its top-20 Shareholders (following completion of the Offer) prior to the Shares commencing trading on ASX.

3.9 Dividend Policy

The Board anticipates that significant expenditure will be incurred in the evaluation and development of the Company's Project. These activities, together with the possible acquisition of interests in other projects, are expected to dominate at least, the first two year periods following the date of this Prospectus. Accordingly, the Company does not expect to declare any dividends during that period.

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

3.10 Additional Information

Investors are referred to and encouraged to read in their entirety both the:

- (a) the Independent Geologist's Report in Section 5 for further details about the geology, location and mineral potential of the Company's Project; and
- (b) the Solicitor's Report on Tenements in Section 6 for further details in respect to the Company's interests in the Tenement.

4. RISK FACTORS

4.1 Introduction

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

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

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

4.2 Company specific

(a) Quartz Bore Project held on Trust

Pursuant to the Mining Act 1978 (WA) (**Mining Act**), an exploration licence cannot be transferred within the first 12 months of its grant unless approval from the Minister is obtained. The Tenement that makes up the Quartz Bore Project was granted to the current holder less than 12 months ago and as such, legal title to that tenement will not be capable of transfer to VMS until 22 December 2017, unless Ministerial approval is obtained. Prior to transfer of legal title, the tenement will be held on trust for VMS by the registered holder. While VMS is contractually entitled to exercise all rights in respect of the Quartz Bore Project, there is a risk that the tenement will not be transferred to VMS and the Company will be required to seek enforcement of these contractual arrangements in Court. Refer to Section 10.2 for details with respect to the trust arrangements between Mr Gianni and VMS.

(b) Limited history

The Company was only recently incorporated (31 March 2017) and has no operating history and limited historical financial performance. Exploration has previously been conducted on the area of land the subject of the Quartz Bore Project, however, the Company has only recently commenced its own review and assessment of the exploration activities at the Quartz Bore Project. No assurance can be given that the Company will achieve commercial viability through the successful exploration and/or mining of the Projects. Until the Company is able to realise value from its Project, it is likely to incur ongoing operating losses.

(c) Restricted securities reducing liquidity

Subject to the Company being admitted to the Official List, certain Shares on issue prior to the Offer will be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of Official Quotation. During the period in which these securities are prohibited from being transferred, trading in Shares may

be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner.

The Company will announce to the ASX full details (quantity and duration) of the Shares required to be held in escrow prior to the Shares commencing trading on ASX.

4.3 Industry specific

(a) Tenure, access and grant of applications

Mining and exploration tenements are subject to periodic renewal. There is no guarantee that current or future tenements and/or applications for tenements will be approved.

Tenements are subject to the applicable mining acts and regulations in Western Australia. The renewal of the term of a granted tenement is also subject to the discretion of the relevant Minister. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising the Company's Projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

The Company considers the likelihood of tenure forfeiture to be low given the laws and regulations governing exploration in Western Australia and the ongoing expenditure budgeted for by the Company and the Joint Venture. However the consequence of forfeiture or involuntary surrender of a granted tenements for reasons beyond the control of the Company and the Joint Venture could be significant.

Please refer to the Solicitor's Report on Tenements in Section 6 for further details.

(b) Exploration and operating

Potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that future exploration of the Tenement, or any other mineral licences that may be acquired in the future, will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, native title process, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company being able to maintain title to the mineral exploration licence comprising the Project and obtaining all required approvals for their

contemplated activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Project, a reduction in the cash reserves of the Company and possible relinquishment of the mineral exploration licence comprising the Project.

(c) **Exploration costs**

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

(d) **Operating and Development Risks**

The Company's ability to achieve production, development, operating cost and capital expenditure estimates on a timely basis cannot be assured.

The business of mining involves many risks and may be impacted by factors including ore tonnes, grade and metallurgical recovery, input prices (some of which are unpredictable and outside the control of the Company), overall availability of free cash to fund continuing development activities, labour force disruptions, cost overruns, changes 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, occupational and health hazards, cave-ins and rock bursts. 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 the 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 for which it was not responsible.

In addition, the Company's profitability could be adversely affected if for any reason its production and processing of or mine development is unexpectedly interrupted or slowed. Examples of events which could have such an impact include unscheduled plant shutdowns or other processing problems, mechanical failures, the unavailability of materials and equipment, pit slope failures, unusual or unexpected rock formations, poor or unexpected geological or metallurgical conditions, poor or inadequate ventilation, failure of mine communications systems, poor water condition, interruptions to gas and electricity supplies, human error and adverse weather conditions.

(e) **Zinc and base metal price volatility and exchange rate**

Changes in the market price of zinc (and other base metals), which in the past have fluctuated widely, will affect the profitability of the Company's operations and its financial condition. The Company's revenues, profitability and viability depend on the market price of zinc (and other base metals) produced from the Company's mines. The

market price of zinc is set in the world market and is affected by numerous industry factors beyond the Company's control including the demand for metals, expectations with respect to the rate of inflation, interest rates, currency exchange rates, the demand for industrial products containing metals, zinc production levels, inventories, cost of substitutes, changes in global or regional investment or consumption patterns, and sales by central banks and other holders, speculators and procedures of zinc and other metals in response to any of the above factors, and global and regional political and economic factors.

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

If the Company achieves success leading to zinc production, the revenue it will derive through the sale of these metals exposes the potential income of the Company to price and exchange rate risks. Zinc prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for metals, technological advancements, forward selling activities and other macro-economic factors.

Furthermore, international prices of zinc are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

(f) **Copper Price Volatility**

The financial performance of the Company is sensitive to the spot copper price. Copper prices are affected by numerous factors and events that are beyond the control of the Company. These factors and events include general economic activity, world demand, forward selling activity, copper reserve movements at central banks, costs of production by other copper producers 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 copper prices should fall below or remain below the Company's costs of production for any sustained period due to these or other factors and events, the Company's exploration and production could be delayed or even abandoned. A delay in exploration or production or the abandonment of one or more of the Company's projects may require the Company to write-down its copper reserves and may have a

material adverse effect on the Company's production, earnings and financial position.

(g) **Resource and reserves and exploration targets**

The Company has identified a number of exploration targets based on geological interpretations and limited geophysical data, geochemical sampling and historical drilling. Insufficient data however, exists to provide certainty over the extent of the mineralisation. Whilst the Company intends to undertake additional exploratory work with the aim of defining a resource, no assurances can be given that additional exploration will result in the determination of a resource on any of the exploration targets identified. Even if a resource is identified no assurance can be provided that this can be economically extracted.

Reserve and Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when initially calculated may alter significantly when new information or techniques become available. In addition, by their very nature resource and reserve estimates are imprecise and depend to some extent on interpretations which may prove to be inaccurate.

(h) **Failure to satisfy Expenditure Commitments**

Interests in tenements in Western Australia are governed by the mining acts and regulations that are current in those States and are evidenced by the granting of licences or leases. 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 the Tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments.

(i) **Mine development**

Possible future development of mining operations at the Project is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.

If the Company commences production on the Project, its operations may be disrupted by a variety of risks and hazards which are beyond the control of the Company. No assurance can be given that the Company will achieve commercial viability through the development of the Project.

The risks associated with the development of a mine will be considered in full should the Project reach that stage and will be managed with ongoing consideration of stakeholder interests.

(j) **Equipment and availability**

The Company's ability to undertake mining and exploration activities is dependent upon its ability to source and acquire appropriate mining equipment. Equipment is not always available and the market for mining equipment experiences fluctuations in supply and demand. If the Company is unable to source appropriate equipment economically or at all then this would have a material adverse effect on the Company's financial or trading position.

(k) **Exploration and Mining Titles**

The ability of the Company to carry out successful exploration and mining activities will depend on the ability to maintain or obtain tenure to mining titles. The maintenance or issue of any such titles must be in accordance with the laws of the relevant jurisdiction and in particular, the relevant mining legislation. Conditions imposed by such legislation must also be complied with. No guarantee can be given that tenures will be maintained or granted, or if they are maintained or granted, that the Company will be in a position to comply with all conditions that are imposed or that they will not be planted by third parties.

Although the Company has investigated title to its Tenement (as detailed in the Tenement Report), the Company cannot give any assurance that title to such Tenement will not be challenged or impugned. The Tenement may be subject to prior unregistered agreements or transfers or title may be affected by undetected defects or native title claims.

(l) **Environmental**

The operations and proposed activities of the Company 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 programmes or mining activities.

(m) **Environmental Health and Safety matters**

The Company's mining operations will be subject to extensive Australian health and safety and environmental laws and regulations which could impose significant costs and burdens on the Company (the extent of which cannot be predicted). These laws and regulations provide for penalties and other liabilities for violation of such standards and if established, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted. Permission to operate could be withdrawn temporarily where there is evidence of serious breaches of health and safety and environmental laws and regulations and even permanently in the case of extreme breaches.

(n) **Native title and Aboriginal heritage**

In relation to the Tenement which the Company has an interest in, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Company to gain access to Tenement (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected. Please refer to the Solicitor's Report on Tenements in Section 6 of this Prospectus for further details.

The Directors will closely monitor the potential effect of native title claims involving the Tenement in which the Company has or may have an interest.

4.4 General risks

(a) **Economic**

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

(b) **Commodity price volatility and exchange rate risks**

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of product exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors.

Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the

rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

(c) **Competition risk**

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

(d) **Currently no market**

There is currently no public market for the Company's Shares, the price of its Shares is subject to uncertainty and there can be no assurance that an active market for the Company's Shares will develop or continue after the Offer.

The price at which the Company's Shares trade on ASX after listing may be higher or lower than the Offer price and could be subject to fluctuations in response to variations in operating performance and general operations and business risk, as well as external operating factors over which the Directors and the Company have no control, such as movements in mineral prices and exchange rates, changes to government policy, legislation or regulation and other events or factors.

There can be no guarantee that an active market in the Company's Shares will develop or that the price of the Shares will increase.

There may be relatively few or many potential buyers or sellers of the Shares on ASX at any given time. This may increase the volatility of the market 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 Shareholders receiving a market price for their Shares that is above or below the price that Shareholders paid.

(e) **Market conditions**

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

- (i) General economic outlook.
- (ii) Introduction of tax reform or other new legislation.
- (iii) Interest rates and inflation rates.
- (iv) Changes in investor sentiment toward particular market sectors.
- (v) The demand for, and supply of, capital.
- (vi) Terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in

general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market, and in particular securities of exploration companies experience extreme price and volume fluctuations that have often been unrelated to the operating performance of such companies. These factors may materially affect the market price of the Shares regardless of the Company's performance.

(f) **Taxation**

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

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

(g) **Additional requirements for capital**

The Company's capital requirements depend on numerous factors. The Company may require further financing in addition to amounts raised under the capital raising. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

(h) **Reliance on key personnel**

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

(i) **Agents and contractors**

The Directors are unable to predict the risk of the insolvency or managerial failure by any of the contractors used (or to be used in the future) by the Company in any of its activities or the insolvency or other managerial failure by any of the other service providers used (or to be used in the future) by the Company for any activity.

(j) **Force majeure**

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil

disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

(k) **Government policy changes**

Adverse changes in government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and mining and exploration activities of the Company. It is possible that the current system of exploration and mine permitting in Western Australia may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation.

(l) **Litigation risks**

The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.

(m) **Insurance**

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

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

(n) **Regulatory risks**

The Company's exploration and development activities are subject to extensive laws and regulations relating to numerous matters including resource licence consent, conditions including environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, native title and heritage matters, protection of endangered and protected species and other matters. The Company requires permits from regulatory authorities to authorise the Company's operations. These permits relate to exploration, development, production and rehabilitation activities.

Obtaining necessary permits can be a time consuming process and there is a risk that the Company will not obtain these permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Company from proceeding with the development of a project or the operation or development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines, penalties or other liabilities. In

extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more of the Tenements.

4.5 Investment speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus.

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

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

5. INDEPENDENT GEOLOGIST'S REPORT



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INDEPENDENT GEOLOGIST'S REPORT

Prepared for
TANDO RESOURCES LTD

Prepared by:
F Repacholi-Muir
BSc (Geol & Soil Sc), GradCertAppFin, MAIG
August 2017

1.0 INTRODUCTION

FRM Geological Services (FRM) was commissioned by Tando Resources Limited (Tando or the Company) to provide an Independent Geologist's Report (IGR) on the Quartz Bore, Mt Sydney and Mt Vernon Projects. FRM understands that this IGR is to be included in a prospectus to be issued by the Company for an initial public offer of 22,500,000 shares at \$0.20 per share to raise \$4,500,000 to facilitate a listing on the Australian Securities Exchange (ASX). The funds raised will be used for the purpose of the exploration and evaluation of Tando's Projects and for working capital purposes.

In preparing this report, FRM was reliant on relevant data collated and provided by Tando as well as publicly available information regarding geology and previous exploration over the Quartz Bore, Mt Sydney and Mt Vernon Projects. The principal source of information regarding Tando's assets were statutory reports prepared by previous tenement holders and their consultants and submitted to the Department of Mines and Petroleum (DMP) of Western Australia. FRM does not doubt the authenticity or substance of previous investigating reports. FRM has not however, carried out a complete audit of the information but has relied on previous reporting and documentation where applicable and has used this for research purposes with qualifications applied, where necessary.

This IGR has been prepared in accordance with the rules and guidelines issued by such bodies as the Australian Securities and Investments Commission (ASIC) and the Australian Securities Exchange (ASX). Where exploration results, mineral resources or ore reserves have been referred to in this IGR, the classifications are consistent with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code), prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, the Australian Institute of Geoscientists and the Minerals Council of Australia, effective December 2012; as well as the Code for the Technical Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Expert Reports, 2015 Edition (The VALMIN Code).

The Competent Person for preparation of the report is Ms Felicity Repacholi-Muir; BSc (Geol & Soil Sc), GradCertAppFin. Ms Repacholi-Muir is a Member of the Australasian Institute of Geoscientists (MAIG #3417) with over 15 years of experience and has extensive professional experience with the geology of and has worked extensively in Western Australia. Ms Repacholi-Muir has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking to qualify as a Competent Person as defined by the 2012 JORC Code as incorporated in the ASX Listing Rules.

The Projects do not contain any Ore Reserves or Mineral Resources, as defined by the JORC Code. Under the definition provided by the ASX and in the VALMIN Code, the Quartz Bore Project is classified as an 'exploration project', which are inherently speculative in nature. Tando's Projects are considered to be sufficiently prospective, subject to varying degrees of risk, to warrant further exploration and development of their economic potential, consistent with the programs proposed by Tando.

The current ownership and legal standing of Tando's Projects is subject to a separate Solicitor's Report which is set out in the Prospectus and these matters have not been independently verified by FRM. The present status of tenements listed in this Report is based on information provided by Tando and the Report has been prepared on the assumption that the tenements will prove lawfully accessible for evaluation and development.

This Report has been prepared by FRM strictly in the role of an independent expert. Professional fees payable for the preparation of this Report constitutes FRM's only commercial interest in Tando. Payment of fees is in no way contingent upon the conclusions of this Report.

Tando has agreed to indemnify FRM for any liability arising as a result of or in connection with the information provided by or on behalf of Tando being incomplete, incorrect or misleading in any material respect. Tando has confirmed in writing to FRM that, to its knowledge, the information provided by it (when provided) was complete and not incorrect or misleading in any material respect. FRM has no reason to believe that any material facts have been withheld and Tando has confirmed in writing to FRM that it believes it has provided all material information available to it.

FRM is of the opinion that Tando has satisfactory and clearly defined exploration and expenditure programs which are reasonable having regard to the stated objectives of the Company. Tando's exploration programs are included in the report, they may be altered in view of results gained which could revise the emphasis of current priorities.

This report has an Effective Date of the 13th August 2017, this being the most recent date on which Tando made material in its possession available to FRM and FRM is unaware of any material change since this date. FRM consents to the distribution of this Report in the form and content in which it appears.

2.0 EXECUTIVE SUMMARY

This report covers the Quartz Bore Project, the Mt Sydney Project and the Mt Vernon Project. All drill results with respect to previous exploration on the Projects are set out in Appendix A.

The **Quartz Bore Project** is located within the West Pilbara province, 80 kilometres east of Roebourne in Western Australia. The Project comprises a single granted exploration license and covers an area of approximately 15km² and includes identified copper, zinc and lead occurrences.

Copper was discovered at Whim Creek in the early 1880s and historical mining activities have taken place intermittently over the last 100 years at the Whim Creek and Mons Cupri deposits.

Work completed on the Quartz Bore Project has been primarily directed toward the discovery of new Volcanogenic Massive Sulphides and previous work has defined a prospective strike length of approximately four kilometres. Exploration to date has generated the *Balla Balla*, *West Balla* and *East Balla* base metal prospects located within a sequence of dacitic lava and volcanoclastic sediments and shales.

Balla Balla is the most advanced prospect, drilling has intersected widespread zones of zinc-lead-copper mineralisation along a 600m strike length and down dip to a depth of 250m below surface. The lens is open in several directions.

Notable intercepts at *Balla Balla* include:

- 15m @ 5.11% Zn, 0.12% Cu and 1.89% Pb
 - o Including 5m @ 12.56% Cu
- 5m @ 7.2% Zn, 1.14% Cu and 2.34% Pb
 - o Including 2m @ 13.71% Cu
- 3m @ 15.5% Zn, 0.76% Cu and 4.90% Pb
- 10m @ 4.45% Zn, 0.22% Cu and 2.54% Pb
 - o Including 2m @ 9.74% Cu

The *East Balla Prospect* was identified by rock chip sampling, returning 18.35% Cu, 1.02% Pb and 0.75% Zn from an outcrop of massive chalcocite-malachite in a small gossan. Drilling has returned 0.8m @ 17.15% Cu and 2.30% Zn.

The *West Balla Prospect* has a strike length of 800m and significant drilling intercepts include:

- 7m @ 9.72% Zn, 0.05% Cu and 2.82% Pb
- 2m @ 7.61% Zn, 0.19% Cu and 0.72% Pb

Tando intends to explore the Project with the aim of evaluating the advanced *Balla Balla Prospect* and the surrounding prospects to determine the potential for mining operations and identifying additional economic mineralisation.

The **Mt Sydney Project** is located within the East Pilbara province, approximately 250km northeast of Newman in Western Australia. The Project comprises a single exploration license application which covers an area of approximately 508km² and is prospective for copper, zinc and lead mineralisation.

To the north of the Mt Sydney Project is the Braeside Zn-Pb-Ag mining district which includes the Ragged Hills mining centre and numerous small mines located along the Braeside Fault zone. The Braeside Fault zone contains high grade polymetallic mineralisation over 30 kilometres of strike with dominant galena and associated sphalerite and chalcopyrite.

Recent work by Rumble Resources has re-evaluated the potential of the Braeside Zn-Pb-Ag mining district and the Ragged Hills mining centre and proposed the hypothesis that the mineralisation at these prospects may represent a VMS system. The prospective volcanic lithologies and structures are interpreted to be present on the Mt Sydney Project but have had little exploration, especially utilising modern day techniques.

The **Mt Vernon Project** is located in the Bangemall Region of Western Australia, approximately 180 km southwest of Newman. The Project comprises a single exploration license application which covers an area of approximately 463km².

The project area spans a wide cross-section of the Edmund and Collier Groups of the Bangemall Supergroup. These sedimentary rocks include numerous occurrences of base metal mineralisation

including variations of sediment hosted zinc–lead–silver mineralisation, and structurally controlled copper–zinc mineralisation.

There are multiple geochemical anomalies and structural targets in the area of the Mt Vernon Syncline, the Company plans to evaluate these in light of previous exploration and prioritise those for exploration.

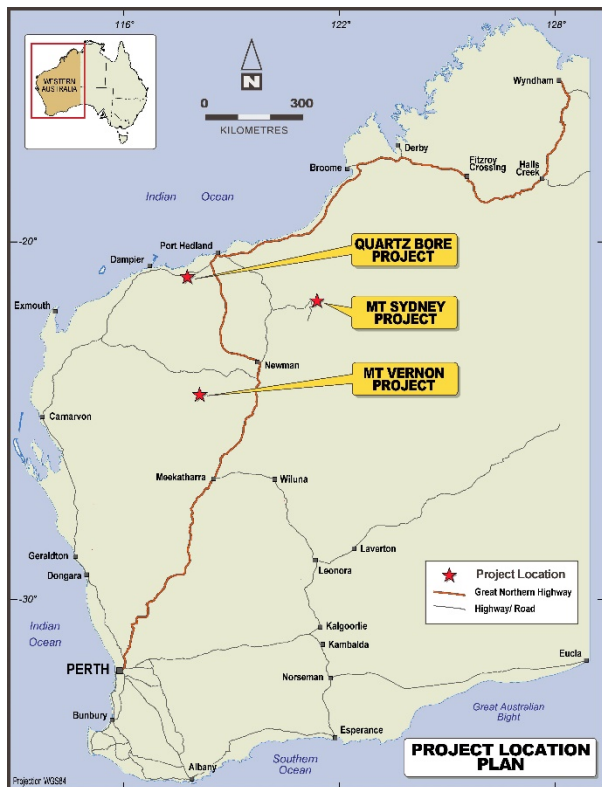


Figure 1: Project Locations

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APPENDIX B: JORC Code Table 1, Sections 1 & 2

APPENDIX C: Glossary of Abbreviations and Units of Measure

3.0 QUARTZ BORE PROJECT

3.1 LOCATION, ACCESS & TENURE

The Quartz Bore Project is located 130km east of Karratha and 20km north west of the Whim Creek Settlement in the Pilbara Region of Western Australia. The tenement is located within the West Pilbara Mineral Field and lies on the Roebourne 1:250,000 (SF50-03) and the Sherlock 1:100,000 (2456) map sheets.

Access is via the North West Coastal Highway from Karratha turning north at the Whim Creek Settlement along the unsealed Balla Balla Road which traverses the eastern portion of the tenement. Access within the tenement area is via exploration tracks and grid lines.

Topography is flat, with little relief. Vegetation consist of sparse, stunted mulga bushes and coastal grasses.

The Quartz Bore Project comprises a single granted Exploration Licence, namely E47/3352 covering a land area of 15 km² (Table 1). Tando has entered into a conditional sale agreement with the current holder, VMS Resources Pty Ltd, pursuant to which Tando will purchase 100% of the tenement. The agreement is condition on the Company receiving conditional approval to be admitted to the Official List of the ASX.

The tenement is within land where native title has been determined. The traditional owners of the land are the Ngarluma People. The Company has entered into a Land Access Agreement with traditional owners of the land in relation to E47/3352. Refer to the Solicitor's Report on Tenements in Section 7 of the Prospectus for further details.

Table 1: Quartz Bore Project tenement details

Licence	Grant Date	Expiry Date	Expenditure	Area
E47/3352	22 nd December 2016	21 st December 2021	\$15,000	5 sub blocks

3.2 GEOLOGY AND MINERALISATION

Regional Setting

The Quartz Bore Project covers part of the Whim Creek Greenstone Belt, part of the Archaean Central Pilbara Tectonic Zone. The Whim Creek Greenstone Belt is a continuous, arcuate belt some 85km long and 5-10km wide extending around the Caines Well Batholith. The northern side of the greenstone belt is truncated by the Sholl Shear and the south-eastern side is in faulted contact with sedimentary rocks of the Malina Basin (Huston et al., 2006).

The basal unit of the Whim Creek Greenstone Belt is the Whim Creek Group consisting of the Warambie Basalt, rhyolite and volcanoclastic rocks of the Mons Cupri Volcanics overlain by conglomerate, sandstone, shale and felsic tuffs of the Bookingarra Group. The Bookingarra Group consists of the Cistern Formation, (conglomerate, tuffaceous sandstone and siltstone) overlain by the Rushall Shale and mafic rocks of the Loudon and Mt Negri Volcanics (Huston et al., 2006).

Project Geology

The Project is extensively covered by surficial sediments with virtually no outcrop of Archaean lithologies. Basement geology has largely interpreted by aeromagnetic surveys, reconnaissance auger and RAB drilling.

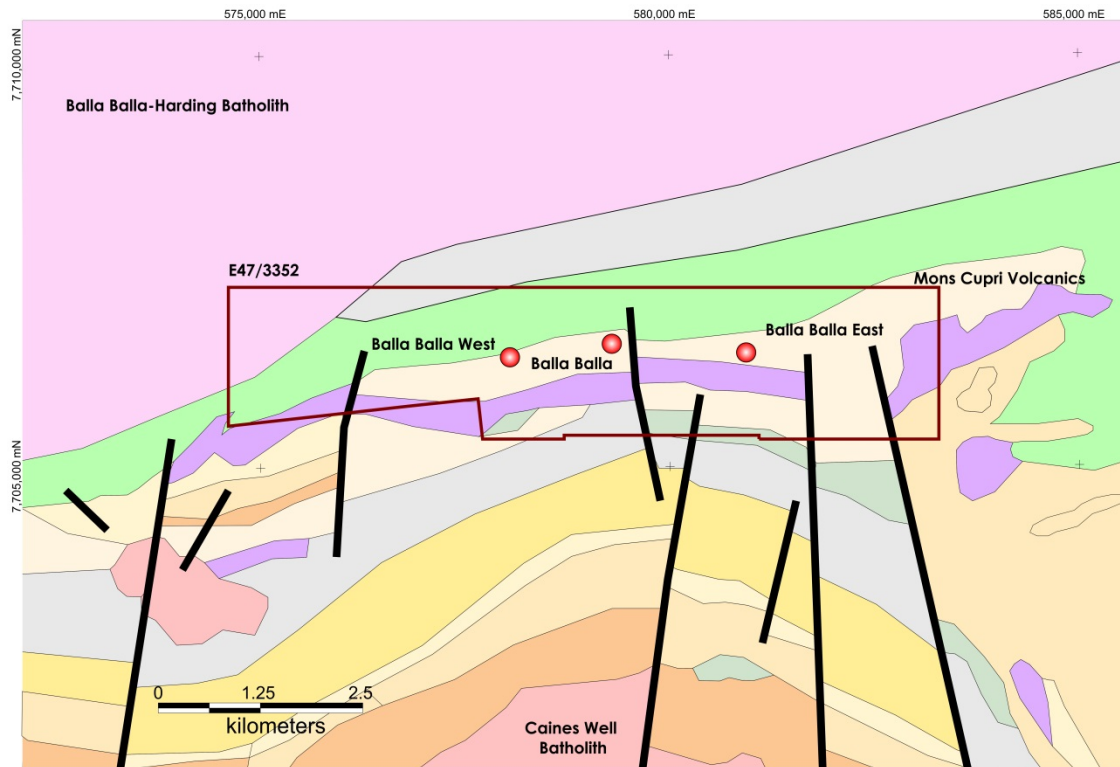


Figure 2: Quartz Bore Interpreted Project Geology

Mineralisation

Volcanogenic massive sulphide (VMS) deposits in the western Pilbara Craton are confined to the Sholl and Whim Creek Volcanic Belts which are the youngest of the Archaean supracrustal belts within the craton.

All stratabound VMS deposits in the Whim Creek Belt (ie. Mons Cupri, Salt Creek and Whim Creek) are the same or equivalent stratigraphic level within the Mons Cupri Volcanics or Rushall Slate and their distribution indicates widespread volcanogenic hydrothermal activity during the accumulation of the volcanic pile.

VMS mineralisation is characterised by massive sulphide which is dominated by pyrite-sphalerite-chalcopyrite-galena. The mineralisation typically exhibits blebby textures, rarely well stratified and always associated with silica-chlorite altered siltstones.

Within heavily chloritised and sheared footwall alteration zones, classic chalcopyrite stringer mineralisation consisting of poddy veins and smeared chalcopyrite is common. Discontinuous stringer sulphide veins occur in the footwall rhyolite sequence and are characterised by distinct sphalerite-galena assemblages and chalcopyrite-pyrite assemblages within silica-sericite alteration. These are interpreted to represent the footwall feeder zones to the stratabound sediment hosted massive sulphide deposits.

3.3 EXPLORATION HISTORY

Copper was discovered at Whim Creek in the early 1880s with small scale production from 1882. The Whim Creek deposit was mined underground from 1887 to 1912. Copper grades were 12.4% and approximately 60,000 tonnes of copper concentrate were produced. A small oxide copper leaching operation was built in the 1960s and ceased operation in the early 1970s.

Modern systematic exploration began in the 1960s with Australian Inland Exploration and Texasgulf. They explored the area for 15 years; compiling an extensive database of mapping, geochemical sampling, geophysics, diamond and open-hole percussion drilling. This work defined oxide and sulphide resources at the Whim Creek, Mons Cupri and Salt Creek deposits.

In the late 1990s Straits Resources Limited (Straits, ASX: SRL) consolidated the ground considered prospective for VMS deposits and completed extensive exploration for copper oxide mineralisation

which led to production from 2005. Straits' Whim Creek Project included E47/1088 which has the same footprint as Tando's E47/3352. Work completed by Straits is detailed below; all drill intersections are tabulated in Appendix A.

Initial exploration over E47/1088 included several generations of geochemistry sampling, using a variety of sampling techniques and analytical techniques. Sampling methods included auger drilling, rock chip, soil with conventional analysis and soil sampling using regoleach analytical technique. Close infill sampling was completed around the main base metal prospects. Samples were analysed for a variety of elements dependent on the program (refer Appendix B).

Straits flew a low level aeromagnetic survey across the greater project area including the Quartz Bore Project, followed by a regional Helimag and Versatile Time Domain Electro Magnetic (VTEM) program. Conductive targets were identified from the interpretation of the VTEM data and drilling was planned to target conductive trends coincident with interpreted extensions of the Rushalls Slate or Cistern Member and the contact with the Mons Cupri Volcanics.

The regionally extensive, relatively young, and thin marine and alluvial clay blanket over the bedrock was considered to blanket the geochemical responses of VMS, base metal and precious metal deposits. To remove the influence of this blanket of sediment, short-hole hand augering was completed to sample the bedrock interface over five of the VTEM conductors, with weak to strong geochemical results returned.

During 2008, drilling targeted three VTEM conductors located along the interpreted position of the prospective siltstone horizon, with a strike length of approximately 4 kilometres. This drilling resulted in the discovery of three new VMS prospects at *West Balla*, *Balla Balla* and *East Balla* (Rigg, 2008).

At the *West Balla Prospect*, a total of 31 RC drillholes were completed for 4,741m¹. Four diamond holes were completed with three RC pre-collars for a further 368m of pre-collaring and 528.1m of core (comprising 441.4m of NQ and 86.7m of HQ3 coring)². Drilling intersected discontinuous and variable Zn-Pb-Cu-Ag-Au VMS mineralisation along a strike length of approximately 800m associated with a tuffaceous volcanogenic siltstone equivalent to the Cistern Formation. The stratigraphy in this area is known to dip north at approximately 70 degrees.

At the *Balla Balla Prospect*, a total of 5 RC drillholes were completed for 544m³, 7 pre-collars were drilled via RC for 773m with one abandoned due to excessive deviation (BBD009A). 15 diamond drillholes⁴ were completed for 3014.1m, comprising 2743.1m of NQ and 271m of HQ3 coring. Drilling intersected a discontinuous and variable Zn-Pb-Cu-Ag VMS system with a strike length of up to 600m and a dip extent of up to 250m was intersected in the drilling, associated with a volcanogenic siltstone equivalent to the Cistern Formation. The stratigraphy in this area is known to dip south between 75 and 85 degrees and is overturned.

At the *East Balla Prospect*, a total of 4 RC drillholes were completed for 354m⁵. Straits believed that the four drillholes intersected the footwall feeder system to a third VMS mineralising system, and that holes have been drilled down dip. Therefore, stratigraphy is considered to dip north in this area and results were considered extremely encouraging.

During 2009, aircore and diamond drilling were conducted to primarily target the discovery of new VMS deposits on the Salt Creek tenement (E47/1088), as well as the further delineation of the Balla-Balla mineralisation. Work was undertaken to drill the *East Balla* prospect with encouraging results, and to further constrain the volcanoclastic sedimentary horizon across the Salt Creek tenement.

A total of 159 aircore holes for 2,812.5 meters were drilled across the *West Balla*, *Balla Balla* and *East Balla* prospects. The aircore drilling was completed to attempt to constrain the volcanoclastic sedimentary horizon with the end of hole lithology being critical, allowing the subsurface mapping to take place (Raymond, 2009).

Drilling at the *Balla Balla Prospect* comprised 8 diamond holes for 2,815 metres⁶. The drillholes were designed to test two specific portions of the *Balla Balla* mineralisation. The faulted block to the west

¹ Drillhole numbers WBRC001-WBRC031

² Drillhole numbers WBD001-WBD004, WBD023, WBD032

³ Drillhole numbers BBRC003-BBRC007

⁴ Drillhole numbers BBD001-BBD015

⁵ Drillhole numbers EBRC001-EBRC004

⁶ Drillhole numbers BBD016-BBD022

was tested, to determine if the mineralisation was truncated or offset. Drilling confirmed it was offset, leaving the system open to the west. Scissor holes were also drilled to the south after drilling to the north resulted in deep holes with no intersection of the volcanoclastic unit. These scissor holes were then used to confirm the presence of a fold in the system, leaving the system open at depth.

Drilling at the *East Balla Prospect* comprised 3 diamond holes for 504.9 metres⁷. Drilling encountered difficulties with EBD001 intersecting very broken ground and significant core loss resulted.

A single hole for 210.6 metres was drilled at the *West Balla Prospect*. The hole was designed to act as a redrill of WBRC025 which was completed during the previous reporting season and became stuck at 110m in sediments. The diamond hole (WBD004) encountered extremely fractured and faulted ground similar to WBRC025.

The Straits exploration department was dissolved in December 2008 and in August 2009 Straits announced its intention to sell the Whim Creek and Salt Creek Projects to Venturex Resources Limited (Venturex, ASX: VXR) (Venturex, 2009). On completion of the acquisition, Venturex stated that they intended to drill test various VMS exploration targets; increase and optimise near surface resources through extensional and infill drilling and model the known mineralisation at the *Balla Balla Prospect*.

During 2010, Venturex completed nine RC drillholes⁸ for a total of 759 metres with eight of these having diamond tails for 1130.6 metres were drilled (2009-2010). The aim of the drilling was to provide sufficient sampling density for the calculation of a maiden JORC resource and to target the lateral and depth extensions of the *Balla Balla* VMS lens (Venturex, 2010a).

Only weak mineralisation was intersected. The best hole BB023 was drilled along strike to the east of known mineralisation at Balla Balla, intersected 17 metres (240-257 metres) of disseminated sulphide mineralisation including a three-metre zone of moderate to strong mineralisation (20-70% sulphides) containing mainly sphalerite with minor chalcopyrite and galena. This mineralisation is open to the east and down dip (Venturex, 2010b).

Venturex engaged GroundProbe Geophysics completed a review of all geophysical surveys completed over the Project area, including that covered by the Quartz Bore Project. The review demonstrated that the target VMS mineralisation is likely to be chargeable, inclined to channel current, but not particularly conductive. This departed from the generally held view that VMS mineralisation is conductive, and explains why the majority of the EM surveys have mostly returned little or no response to the known mineral deposits. Pervasive silicification, isolation of conductive material by sphalerite and tectonic disruption all appear to contribute to prevent these accumulations of normally conductive sulphides from response to EM systems. Venturex noted that the VTEM data has not sterilised the ground for massive sulphides and some geophysical targets were identified to be reviewed in combination with geological input (Chapman and Wood, 2011).

During 2012, East Balla, seven holes⁹ for 1,336 metres were drilled to test several geochemical anomalies generated by previous RAB drilling (Venturex, 2012). All drillholes intersected a broad zone of footwall-style alteration (chlorite, silica, sericite and locally fuchsite) with 1-4 metre zones of disseminated, and occasionally semi-massive, sulphide mineralisation. Logging and preliminary Niton (XRF) readings of the mineralised intervals indicated that the sulphide mineralisation is predominately pyrite (iron sulphide) with traces of copper and zinc sulphide.

A revised geological and targeting model for the central area of the Salt Creek region was completed during 2014 using all current exploration data including the recently acquired spectral data. The revision recognised the presence of several distinct geological sub-domains within the Salt Creek belt leading to a re-appraisal of the existing mineralisation at Salt Creek and Balla Balla for potential new zones of mineralisation (Venturex, 2014).

The tenement was inadvertently let lapse by Venturex in 2015 when the tenement manager failed to lodge an extension of term document by the correct date. (Guy, 2015)

3.4 PROSPECT EVALUATION

⁷ Drillhole numbers EBD001-EBD003

⁸ Drillhole numbers BBD023-BBD031

⁹ Drillhole numbers BBR001-BBR007

Exploration to date, outlined in Section 3.3, has generated the *Balla Balla*, *West Balla* and *East Balla* base metal prospects. Results at each prospect are summarised below, all significant intercepts are included in Appendix A.

Balla Balla Prospect

The *Balla Balla Prospect* was discovered in June 2008 via reverse circulation drilling. The *Balla Balla Prospect* lies 6 kilometres east of the Salt Creek VMS Prospect (owned and operated by Venturex) and is interpreted to lie within the same prospective horizon. The prospect is a sediment hosted stratabound massive sulphide deposit hosted on the northern flank of the Caines Well Batholith within a relatively thin (30m) sequence of the Cistern Formation metasediments. The footwall rocks are deformed in excess of the ore sequence and hanging wall.

Balla Balla has been tested by drilling along a 600m strike length and down dip to a depth of 250m below surface. The lens is open at depth and along strike in all directions.

Notable intercepts include:

- 15m @ 5.11% Zn, 0.12% Cu and 1.89% Pb from 94m in BBRC007
 - Including 5m @ 12.5% Zn
- 5m @ 7.2% Zn, 1.14% Cu and 2.34% Pb from 235m in BBD002
 - Including 2m @ 13.7% Zn
- 3m @ 15.5% Zn, 0.76% Cu and 4.90% Pb from 276m in BBD003
- 10m @ 4.45% Zn, 0.22% Cu and 2.54% Pb from 74m in BBRC005
 - Including 2m @ 9.74% Zn

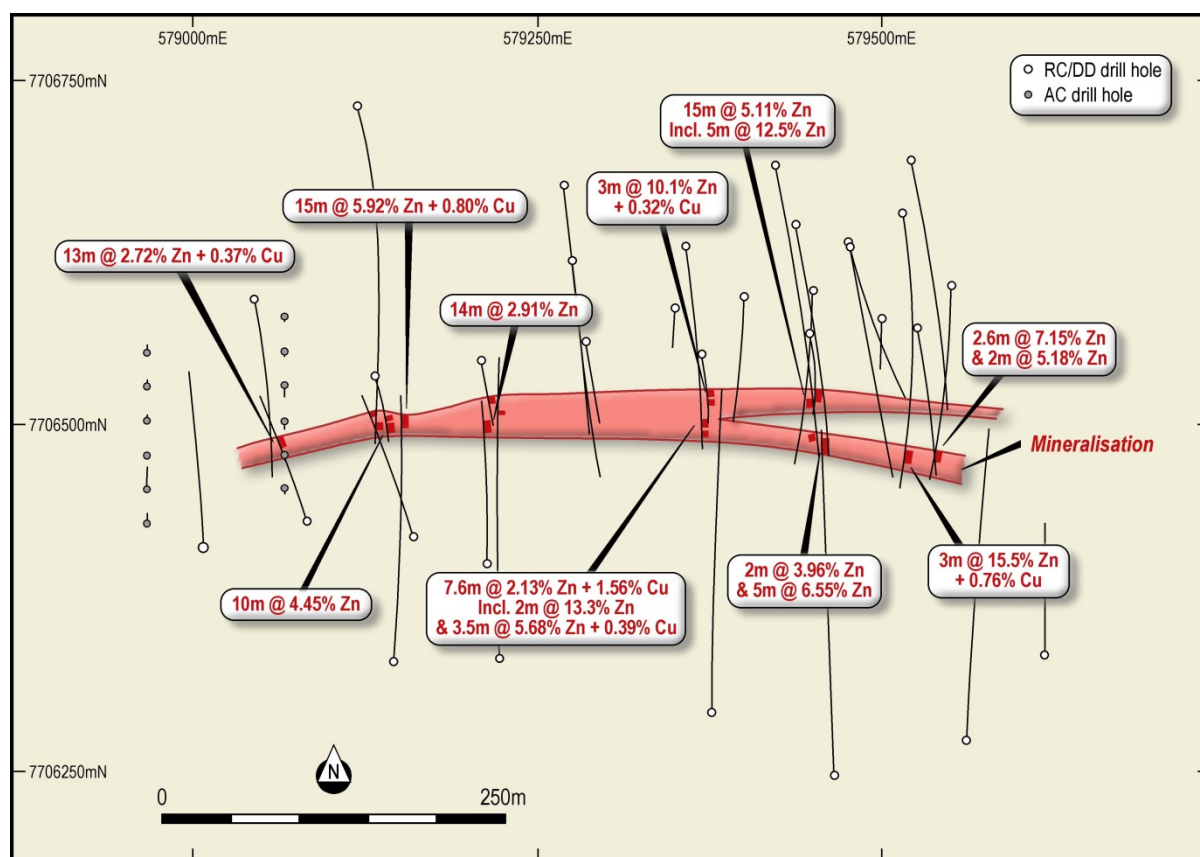


Figure 3: Plan View of the Balla Balla Prospect, Drill Results and Mineralisation

Balla Balla is known to be hosted within a synclinal structure. The footwall is thin varying from 0m to 15m in thickness. The difference in thickness is due to the intrusion of a layered composite mafic-ultramafic intrusive complex nominally mapped and assigned to the Opaline Wells Intrusive. Dolerites with preserved chilled margins intrude into the footwall rhyolite and evolve stratigraphically with depth to gabbro, pyroxenite and olivine gabbro. Serpentinisation and local talc-carbonation of the gabbro lithologies is recognised.

Two main pods of mineralisation comprised of massive stratiform sphalerite-galena-pyrite mineralisation, each with a thin zone of chalcopyrite stringer mineralisation occur within the siltstone and rhyolite footwall. The eastern pod is around 250m in strike length and 300m in dip extent and is nominally open at depth below a fold. The western pod is around 150m in strike length and approximately 200m in dip extent and may be open at depth to the south west. The pods appear to be separated by a strained and disturbed zone of pyrite-dominant massive sulphide which is attenuated to less than 1m.

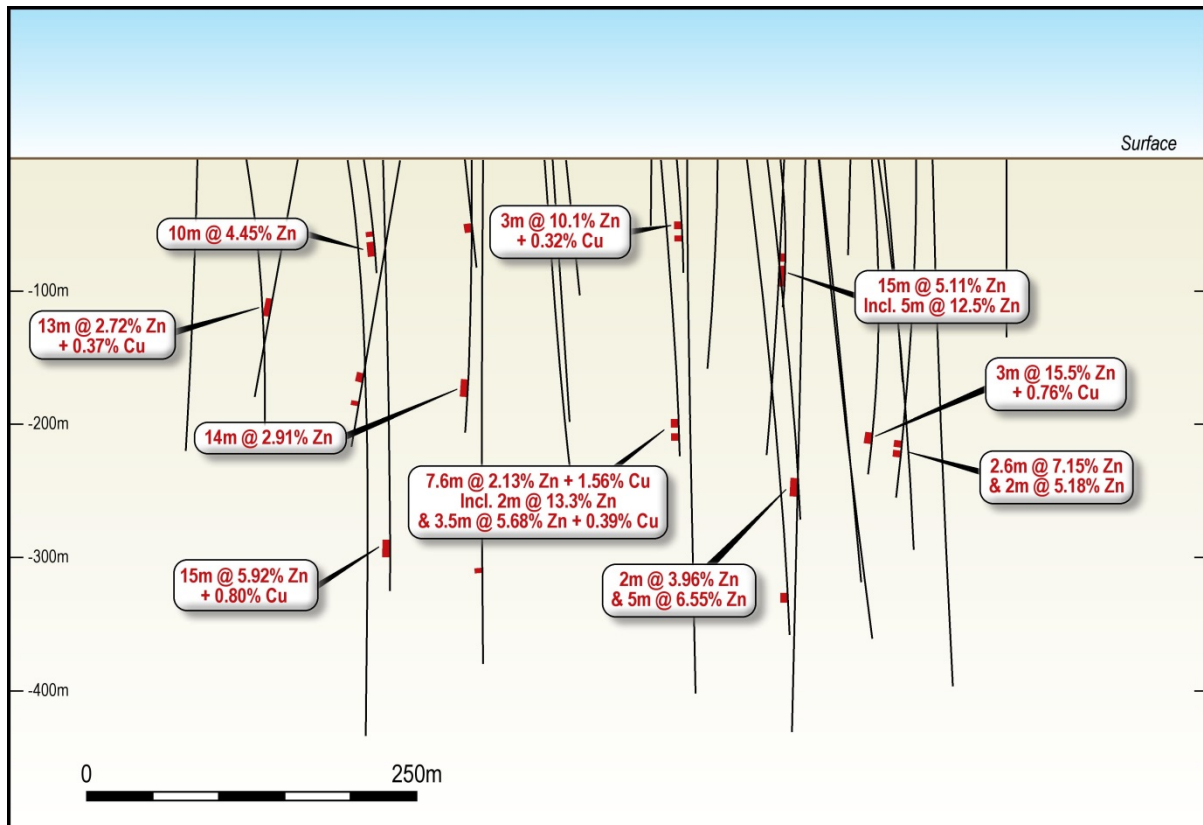


Figure 4: Balla Balla Long Section

East Balla Prospect

The *East Balla Prospect* is located approximately 1km to the east of the *Balla Balla* VMS mineralisation. It is located within an area of flat alluvial sediments with sparse and discontinuous outcrop. The prospect was identified in 2007 by rock chip sampling, returning 18.35% Cu, 1.02% Pb and 0.75% Zn from an outcrop of massive chalcocite-malachite in a small gossan, refer Table 2.

Table 2: Anomalous rock chip samples collected at the East Balla Prospect with selected elements

Sample ID	East	North	Cu %	Pb %	Zn %
P314823	580555	7706786	-	-	0.01
P314824	580591	7706575	-	-	0.04
P314825	580547	7706557	-	-	0.05
P314826	580477	7706440	18.35	0.48	0.75
P314827	580477	7706440	0.15	1.02	0.07

The *East Balla Prospect* is known to have the typical *Balla Balla* stratigraphic succession, occurring under superficial cover. Shallow aircore drilling has mapped the strike of the prospective siltstone in the area for a further 1.5km along the strike to the east. The lithologies dip north, with an andesitic hangingwall, tuffaceous siltstone ore sequence, a thin and discontinuous rhyolite ignimbrite footwall and gabbro intrusive.

Significant drilling intercepts include:

- 0.8m @ 17.15% Cu and 2.30% Zn from 106.3m in EBD001

West Balla Prospect

The *West Balla Prospect* was discovered in February 2008 via reverse circulation drilling. The prospect is a sediment hosted stratabound massive sulphide body, hosted on the northern flank of the Caines Well Batholith within a relatively thin sequence of the Cistern Formation metasediments.

West Balla is hosted within an upright northerly-dipping tuffaceous siltstone beneath a hanging wall of well to perfectly preserved Archaean meta-andesite lava. The footwall to the deposit is a silica-sericite schist which is inferred to have a protolith of rhyolite ignimbrite. The footwall rocks are generally more deformed than the ore sequence and the hanging wall andesite. The footwall at *West Balla* changes in nature from dacite pyroclastic to quartz-phyric andesite to metasomatised schist (rhyolite) along strike.

West Balla has a strike length of 800m which has been defined by drilling and VTEM.

Significant drilling intercepts include:

- 7m @ 9.72% Zn, 0.05% Cu and 2.82% Pb from 141m in WBRC015
- 2m @ 7.61% Zn, 0.19% Cu and 0.72% Pb from 135m in WBRC024

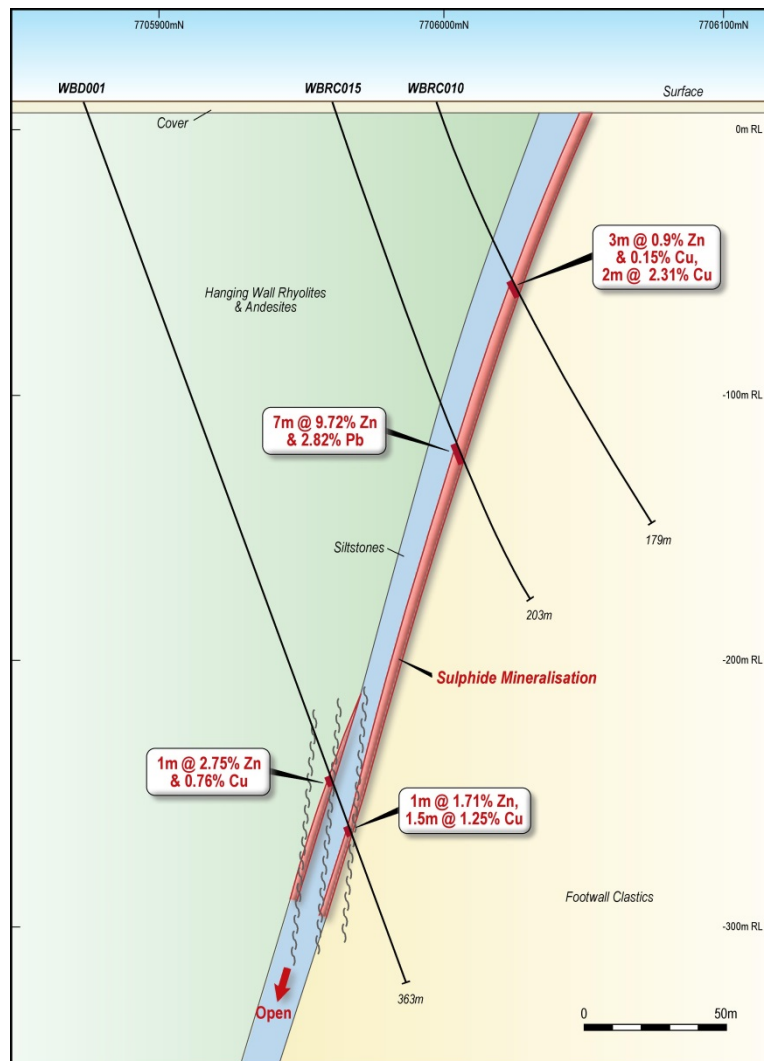


Figure 5: Typical Section West Balla

3.5 PROPOSED EXPLORATION

Previous drilling at the *Balla Balla Prospect* has intersected widespread zones of zinc-lead-copper mineralisation (Figures 3 & 4) that remain open in several directions. Tando will commence a Down Hole Electromagnetic (DHEM) and Down Hole MagnetoMetric Resistivity (DHMMR) survey program over the Prospect. Work completed by Venturex at Salt Creek has confirmed the effectiveness of the DHMMR technique for the definition of poor conductivity targets such as sphalerite (zinc sulphide) rich bodies and the traditional DHEM technique for detecting conductive massive sulphide mineralisation. Where sulphide mineralisation and alteration have previously been intersected, twin holes will be drilled (diamond drillholes) and the holes will be used as a platform for DHMMR and DHEM which will provide a potential vector towards any high grade massive sulphide zinc-lead-silver mineralisation nearby. Drillholes identified as potential holes to twin include: BBD009, BBD021 and a hole in-between WBRC015 and WBD001.

Follow up holes will be designed to intersect any off-hole conductors identified by the DHEM and DHMMR surveys. Additional diamond drilling with downhole surveying will be completed to test other exploration targets.

A review of all existing geophysical data will be completed with data reprocessed and interpreted where required. Mineralisation at neighbouring VMS deposits (eg. Salt Creek and Mons Cupri) has been shown to be chargeable, inclined to channel current, but not particularly conductive (Venturex, 2016b). Therefore, Induced Polarisation (IP), MMR and gravity are the methods most likely to directly detect this style of mineralisation.

Geochemical sampling will be completed over geophysical targets, with anomalous base metal and pathfinder element mineralisation aiding in geological and alteration halo interpretation. Systematic appraisal of targets will be completed with drilling completed where warranted.

Resource drilling will be completed to, if the Company's exploration activities warrant it, enable the completion of a Mineral Resource estimate and a scoping study to examine mining options.

4.0 MT SYDNEY PROJECT

4.1 LOCATION, ACCESS & TENURE

The Mt Sydney Project is located approximately 250km northeast of Newman in the East Pilbara region of Western Australia. The tenement is located within the Pilbara Gold Field and lies on the Nullagine (SF51-05) 1:250,000 map sheet and the Pearana (3154) and Braeside (3155) 1:100,000 map sheets.

Access to the Project is from Port Hedland, via the sealed Marble Bar Highway and then the Ripon Hills road to the Nifty and Telfer minesites. The Project is located 1.5km east of the Woodie Woodie Manganese open pit mine, 20km west of the operating Nifty copper mine and 25km southeast of the Braeside Zn-Pb-Ag mining district.

The Project is in the Great Sandy Desert region comprising simple- and chain-longitudinal dune complexes.

The Mt Sydney Project comprises a single pending Exploration Licence, namely E45/4939 covering a land area of 508 km² (refer Table 3). Tando Resources Ltd is the registered holder.

Table 3: Mt Sydney Project tenement details

Licence	Application Date	Expenditure	Area
E45/4939	13 th June 2017	N/A	159 sub blocks

The tenement is within land where native title has been determined. The traditional owners of part of the land are the Martu And Ngurrara People. A second group, the Njamal People, have made an application for a determination that native title exists, which application currently remains active. Access to the tenement will require the negotiation of a Land Access Agreement. Refer to the Solicitor's Report on Tenements in Section 7 of the Prospectus for further details.

4.2 GEOLOGY AND MINERALISATION

Geology

The project is located in the Gregory Range Granite Complex that forms the eastern margin of the Pilbara Craton. The Gregory Range Granite Complex comprises a suite of north-northwesterly trending granitoid rocks together with the lower units of the Fortescue Group (Hamersley Basin) in a 10km wide tract.

Metamorphosed volcanic and sedimentary rocks of the Fortescue Group occupy a broad northerly trending zone to the west of the project. The Koongaling Volcanic Member of the Hardey Formation forms the basal unit of the Fortescue Group in the region.

Mineralisation

To the north of the Mt Sydney Project is the Braeside Zn-Pb-Ag mining district which includes the Ragged Hills mining centre and numerous small mines located along the Braeside Fault zone. The ground is currently held by Rumble Resources Ltd (Rumble, ASX: RTR).

The Braeside Fault zone contains high grade polymetallic mineralisation over 30 kilometres of strike with dominant galena and associated sphalerite and chalcopyrite. The mineralisation is hosted in the Fortescue Group mafic volcanics and volcaniclastics (Pearana Basalt and Kylenea Basalt) underlain by the Koongaling Felsic Volcanics. The felsic volcanics are bimodal with the Fortescue Group basalts and are potentially the source of the poly-metallic mineralisation.

A number of vein-style deposits of base metal mineralisation are located within the Gregory Range area. Lead has been mined from galena-rich quartz veins contained within basalt at Braeside and Ragged Hills. Ragged Hills mining centre was discovered in 1901 and produced lead, silver and zinc until 1959.

From 1949 to 1959, 4,372t of concentrate produced 2,927t Pb, 24t Zn and 28,093oz Ag from a small plant (flotation and concentrator) (Rumble, 2017). The main reef was worked over a strike length of 150m with widths up to 4.2m.

The historic mines operated between 1925 and 1967. Historical artisanal mining focused on massive galena shoots (up to 1.5m in width) in the mineralised zones. Sphalerite (zinc) wasn't targeted due to not being easy to visibly identify.

4.3 EXPLORATION HISTORY

Manganese was discovered during the early 1950's at the Woodie Woodie mine (currently on care and maintenance) located in the Carrawine Dolomite horizon some 1.5 km west of the Mt Sydney Project. The discovery of the Telfer gold copper deposits in 1971 and the subsequent discovery of the Nifty copper mine in 1983 has prompted several gold and copper exploration campaigns in the area.

Major exploration / mining companies have explored the Mt Sydney tenement, mainly during the early 1990's as part of larger regional programs. These companies focused on the gold and base metal potential of the Fortescue Group volcanics and the major north-trending structural features. Exploration was predominately restricted to soil and rock chip sampling and extensive airborne geophysical surveys.

Western Mining Corporation (WMC) explored the Gregory Range project area from 1969 to 1972 for base metal mineralisation. WMC considered the Lewin Shale and the volcanics of the Isabella Range to be prospective formations. A drainage survey was completed over an area of 340 km² at a nominal sample density of 4 samples per km².

Newmont Australia Limited (Newmont) explored the project area from 1987 to 1988. Exploration included helicopter supported geological traverses and the collection of 248 geochemical samples for Au, Pt, Pd and base metal analysis. Initial sampling outlined multiple anomalous areas, however follow up sampling failed to enhance the anomalies and the tenements were surrendered. (Shakesby, 1988)

Newcrest Mining Limited (Newcrest) completed reconnaissance exploration over their Gregory Range Project from 1991 to 1992. Exploration included the prospecting and sampling of fault zones (particularly those that were silicified and associated with hematite ± quartz breccia), contacts of the intrusive quartz porphyry, the unconformity between the Yeneena Goup and older rocks, geophysical anomalies and low lying areas in the volcanics (thought to be alteration zones). Rock chip stream sediment and lag samples were taken where appropriate.

The Antiform prospect lies in the southern portion of E45/4939. Stream sediment and rock chip sampling was carried out in this area which covers the closure of an antiform outlined by an intrusive quartz porphyry unit which encloses to the south sedimentary rocks with a variable pyroclastic content and acid volcanic lavas (Koongalling Volcanics). The antiform fault transects the area in a northwesterly direction and the north-northwesterly trending Barramine fault forms the western contact with the Gregory Range granitoids.

Prospecting and rock chip sampling revealed narrow outcrops of copper and lead mineralisation usually on the periphery of larger quartz veins associated with the Antiform fault and with minor west-northwesterly faults. Additionally, a zone with quartz breccia was noted to be of interest, which lies to the southeast of the Antiform area. A total of 248 samples were taken in total with all sample location points annotated onto maps within the Open File reports (refer Marshall, 1993). The data is within the reports in tabular form, but was not replotted. Samples commonly contained secondary Cu minerals and occasionally galena; analyses revealed high values of Cu and Pb (greater than 1000ppm) associated with elevated Ag, As, Sb, Bi and occasional Zn as well as a few elevated Au values (greater than 100ppb Au). The analytical results of all samples from the 248 taken with greater than 10ppb Au are tabled below.

Table 4: Anomalous rock chip samples collected at the Antiform Prospect, collected by Newcrest with selected elements (Note: Au is in ppb, and remaining elements in ppm except where shown otherwise)

Sample ID	Au*	Cu	Pb	Zn	Ag
12152	18	2.3%	23	56	6
12153	21	4100	9600	21	29
12161	370	11.2%	2.5%	160	560
12162	205	2.25%	1.55%	800	300
12165	84	6.5%	19.0%	16	295
12166	110	6600	3.9%	9	84
12167	220	7.2%	23%	72	500

12168	260	16.5%	20.5%	1145	1250
12169	102	1.6%	10.6%	40	165
12174	205	450	640	116	10
12175	450	9.6%	10.0%	155	135
12176	19	9500	31.0%	18	180

Although elevated base metal values were obtained from fault zones, gold results were low and the tenements were surrendered. (Marshall, 1993)

Normandy Exploration Limited (Normandy) explored the project area from 1993 to 1994. They were exploring for Cu-Au mineralisation in Ma K-rich granites. Normandy conducted airborne magnetics and radiometrics and rock-ship, lag and drainage sampling. Sampling results were not deemed promising for gold mineralisation. (Perring, 1994)

In 1995, Prospector Denis O'Meara discovered outcropping copper mineralisation whilst undertaking a prospecting expedition to the margins of the Great Sandy Desert. The oxide copper mineralisation was found between sand dunes that obscure strike extensions. The mineralisation covers an area of 160m x 45m and comprises a series of narrow north-westerly striking copper stained quartz veins hosted by silica altered mafic rock. The outcrop is located in the south-eastern portion of the Mt Sydney tenement.

Rock chip sampling of the malachite stained gossanous quartz vein material recorded up to 0.98% Cu, 1733ppm Pb and 14.4ppm Ag. Five further traverses of rock chip sampling were carried out over the initial discovery outcrop and returned values over two metre sampled intervals up to 0.84% Cu, 0.28% Pb and 8.2g/t Ag.

During 2002, 26 shallow, inclined RAB drillholes were completed for a total of 238m. Seven drillholes intersected quartz stringers and chert in oxidised gabbro. Only these holes were assayed, the best result was 4m at 0.35% Cu from 4m in hole HP03 (refer Appendix A). The paucity of outcrop has experienced limited geological investigation. (O'Meara, 2002)

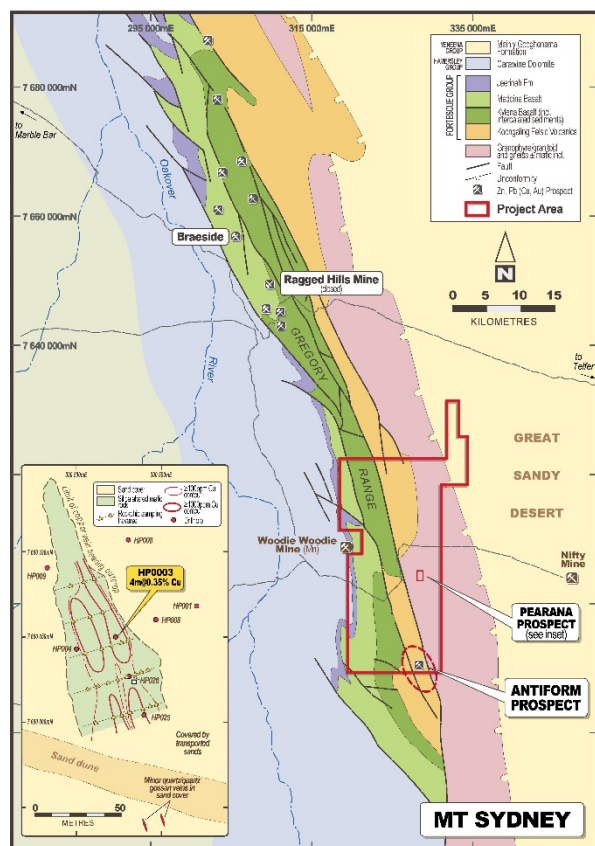


Figure 6: Mt Sydney Geology and Exploration Targets

4.4 PROPOSED EXPLORATION

Whole rock litho-geochemistry completed by Rumble highlighted the association between the base metal mineralisation and the sub volcanic porphyritic rhyolitics of the Koongaling Felsic Volcanics. Rumble's exploration model is based on the base metal mineralisation and associated Braeside Fault fracture system potentially representing a feeder fracture / fault network to underlying sub volcanic porphyritic rhyolites. The model supports the potential for additional VMS mineralisation at feeder fault intersections.

GSWA mapping shows that the Pearana Basalt and the Kylena Basalt which host the mineralisation at Rumble's Braeside Zinc-Lead-Silver Project are shown to extend south into the Mt Sydney Project (refer Figure 6).

Due to the Mt Sydney Project being a grassroots exploration project which has undergone limited exploration to date, Tando's exploration strategy will largely be led by the Rumble's exploration model. Initial fieldwork will include a soil program designed to delineate base metal and gold geochemical trends and an aeromagnetic survey to enable structural mapping of the Project.

Subsequent exploration will be determined from the results of the soil geochemistry survey, geophysical survey and results received by Rumble.

5.0 MT VERNON PROJECT

5.1 LOCATION, ACCESS & TENURE

The Mt Vernon Project is centred approximately 180km southwest of Newman and 260 kilometres north from Meekatharra. The tenement is located within the Peak Hill Mineral Field and lies on the Mount Egerton (SG50-03) 1:250,000 and the Mount Vernon (2549) and Teano (2449) 1:100,000 map sheets.

The area is easily accessible via main roads from Carnarvon, Meekatharra and Newman. The main access route to the Project is from the Great Northern Highway 70km north of Meekatharra, then onto the Ashburton Downs-Meekatharra Road which traverses the project area. Station tracks of variable quality provide additional access.

The Project is partially situated on the Mount Vernon (N050364) pastoral lease and Vacant Crown Land.

The Mt Vernon Project comprises a single pending Exploration Licence, namely E52/3560 covering a land area of 463 km² (Table 5). The tenement is wholly held by Tando Resources Ltd.

Table 5: Mt Vernon Project tenement details

Licence	Application Date	Expenditure	Area
E52/3560	13 th June 2017	N/A	148 sub blocks

The tenement is within land where native title has been determined. The traditional owners of the land are the Nharnuwangga Wajarri And Ngarlawangga People. Access to the tenement will require the negotiation of a Land Access Agreement. Refer to the Solicitor's Report on Tenements in Section 7 of the Prospectus for further details.

5.2 GEOLOGY

The Mt Vernon Project is located in the central northern part of the Bangemall Basin. The Bangemall Basin comprises an up to 6km thick sequence of mid to late Proterozoic clastic and carbonate sediments, termed the Bangemall Group. These are bound to the north and south by older Proterozoic sedimentary basin and Archaean basement rocks (Muhling and Brakel, 1985).

The project area spans a wide cross-section of the Edmund and Collier Groups of the Bangemall Supergroup, including the Irregully and Kiangi Creek Formations (described below), which are prospective for base metals. The sediments have been extensively intruded in this area by sills of Narimbunna Dolerite which are thought to belong to the Warakurna Supersite which formed the Giles Complex in the Musgrave.

The Irregularly Formation comprises more than 200m of thickly bedded carbonate, with minor sandstone and shale interbeds. Domal stromatolites and platy carbonate breccia beds indicate deposition within an intertidal environment.

The Kiangi Creek Formation comprises less than 100m of thinly bedded sandstone. Sandstone beds comprise immature fine-grained chlorite-quartz arenite and greywacke. Beds are between 5 and 50cm thick. Planar lamination is the dominant bedding structure. Low angle hummocky cross stratification is also observed in a number of beds.

The regionally significant easterly Mount Vernon Fault transects the southern part of the Mt Vernon Project.

5.3 EXPLORATION HISTORY

Previous work has focused on sediment-hosted base metal exploration, apart from Geopeko who explored extensively for uranium. The Mt Vernon Project has seen a large amount of rockchip sampling and mapping as well as a limited amount of drilling in search of Cu-Zn SEDEX style mineralisation.

Between 1961 and 1967 Westfield Minerals in association with Ashburton Exploration Pty Ltd explored for base metals, asbestos, manganese and gold. During 1966, three diamond holes were completed for a total of 735.5m into the northern limb of the Mount Vernon Syncline following up on anomalous surface geochemistry. All holes intersected black shale and arenaceous lithologies of the Kiangi Creek Formation. Sampling was selective over mineralised intervals. An anomalous intercept in DDH2 was obtained from under the main anomaly. Weaker base-metal sulphide mineralisation was encountered in DDH3, this mineralisation was deemed to occur in a horizon equivalent to that of the main intersection of DDH2. (Westfield Minerals NL, 1967)

Amax Exploration Aust. Inc. explored for copper, lead and zinc in the Mt Vernon area during 1974 to 1978. A regional rock chip sampling program was completed over prospective shales, with detailed sampling of the Glen Ross Shale Member right around the Mt Vernon syncline.

During 1980 to 1981 Geopeko explored the Mt Vernon area for uranium and located minor vein type mineralisation.

Western Mining Corporation (WMC) searched for base metals during the years 1989 to 1991. A lag sampling program resulted in only one multi element response which was considered too low to follow up.

Between 1994 and 1998 Aberfoyle Resources Ltd and BHP Minerals Pty Ltd explored for gold, base metals and silver. A large airborne EM survey using the Fugro GEOTEM AEM system was completed over a large area. The survey targeted SEDEX style mineralisation in the shale units of the Mt Vernon syncline.

The survey was followed up with ground EM surveys and a single Reverse Circulation drill hole¹⁰ testing an EM target. The drill hole intersected black shales from 18m to 138m (end of hole). These shales were interpreted to be the Glen Ross Shale Member of the Kiangi Creek Formation. The drillhole was sampled using 6 metre composites and intersected an anomalous Zn and Cu interval from 84 to 102 m, which assayed 0.99% Zn, 0.13% Cu and 12 g/t Ag (refer Appendix A). The intercept was considered to explain the conductive response defining the GEOTEM target, but was deemed too low grade for follow up drilling given the similarity of results to historic values generated at Glenn Ross Gorge and from a hole sited 2 km to the west. (Peregudoff, 1998)

Between 1996 and 1997 CRA Exploration Pty Ltd (CRAE) carried out soil and rock chip sampling over the north-western portion of E52/3560, identifying a carbonaceous shale unit that was anomalous in zinc.

The soil sampling defined a greater than 200ppm zinc anomaly along a strike length of 16km and width of 100 to 500m. Greater than 400ppm Zn values occurred over a 3.5km strike length to the northeast of the Jeella Fault. Soil results indicated that anomalous levels of Zn, Au, U and other metals coincide with the lower part of the carbonaceous shale member of the Kurabuka Formation. Rock chip results confirmed the derivation of elevated Zn, Mo, U and other metals in soil from shale

¹⁰ Drillhole number 97JW031

and thin ironstone veins. Following the geochemical surveys, CRAE completed a helicopter assisted ground gravity survey and a reconnaissance style IP / resistivity survey within the tenement area.

Subsequent targets surveys were followed up with RC percussion drilling. Thirteen (13) percussion holes¹¹ were completed for a total of 1,609m. All drillholes were designed to intersect the Carbonaceous Shale Member of the Kurabuka Formation. All drillholes intercepted anomalous levels of Zn and RC97TM02 returned the best intercept of 2m @ 0.18% Zn (Refer Appendix A). Anomalous zones were within a 40m interval of carbonaceous shale, immediately below a siliceous shale horizon. Data indicate that Zn content of the carbonaceous shale is uniform between drillholes and that the Jeeila Fault and other structures do not affect the metal content of the shale in the vicinity of the drilling. (Andrews et al, 1998)

The most recent work was undertaken by Newsearch Pty Ltd, a subsidiary of the Independence Group. The Independence Group were interested in the dolerite-gabbro sills that intrude into the Edmund and Collier Group sediments. These were targeted as potential to host intrusive mafic nickel deposits similar to those seen in various nickel belts of the world.

To assess nickel prospectivity, samples were taken across the strike of the Kulkatharra Dolerite and along the basal contact, along the northern limb of the fold. Ferruginous veins were identified in the shale unit that underlies the dolerite. The orientation of the veins varied from parallel to the bedding of the shale to cross cutting and subvertical.

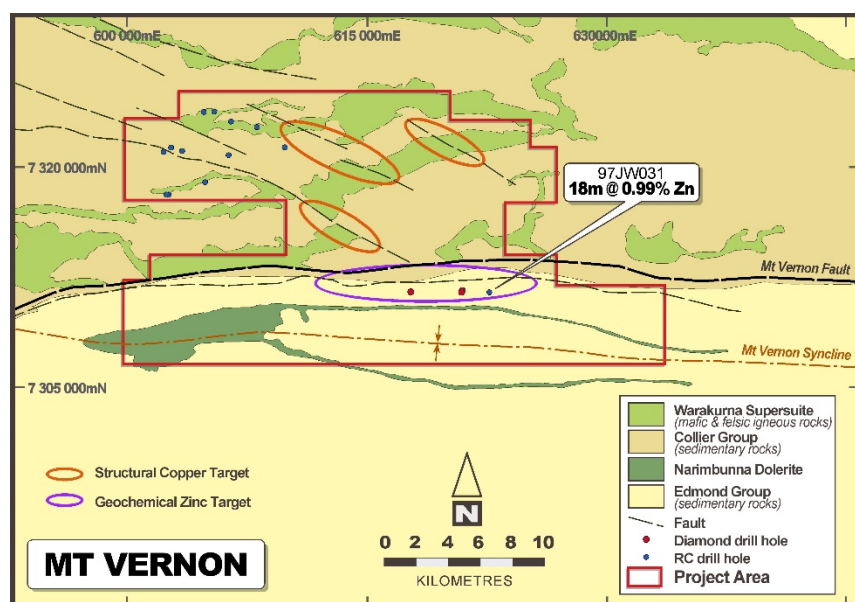


Figure 7: Mt Vernon Geology and Exploration Targets

5.4 PROPOSED EXPLORATION

The large airborne EM survey using the Fugro GEOTEM AEM system flown by BHP Minerals in 1996 is held under a multi-client arrangement. It is recommended that a subset of the data from the survey is purchased and reprocessed for further interpretation. Any anomalies identified from the GEOTEM survey could be followed up with ground EM or IP surveys.

There are multiple geochemical anomalies in the area of the Mt Vernon Syncline based on available Open File data. This anomalousness is typically Cu-Zn and is concentrated on the northern edge of the Mt Vernon Syncline. Infill geochemistry sampling is recommended to be completed on this favourable geological setting.

Geochemistry sampling should also be completed on the northwest faults in the central portion of the tenement. Copper-rich mineralisation is commonly associated with faults oriented oblique to the

¹¹ Drillhole numbers RC97TM01 to RC97TM13

stratigraphy and that also intersect large dolerite sills. Examples of these occurrences are the Kumarina and Ilgarari deposits to the east of the project area.

6.0 BUDGET

FRM has been advised that Tando has budgeted approximately A\$3.1 million on direct exploration out of available funds of A\$4.5 million post expenses to issue (Table 6) for exploration expenditure of the project over two years and considers this to be appropriate to support the strategy described above. Tando advises that a minimum of 60% of the capital raised is to be spent on exploration activities.

Table 6: Summary of proposed exploration expenditure, minimum subscription case

	Year 1 (A\$)	Year 2 (A\$)	TOTAL (A\$)
Quartz Bore Project			
Geophysical Review	30,000		30,000
Heritage	50,000		50,000
Drilling	640,000	275,000	915,000
Downhole geophysics	225,000	125,000	350,000
Geophysical & geochemical surveys	80,000		40,000
Resource drilling		1,100,000	1,100,000
Resource Estimate & Scoping Study		300,000	300,000
Mt Sydney Project			
Data compilation	10,000		10,000
Access (heritage / agreements)	30,000		30,000
Geological mapping		25,000	25,000
Geophysical & geochemical surveys		40,000	40,000
Mt Vernon Project			
Data compilation	15,000		10,000
Access (heritage / agreements)	50,000		30,000
Geological mapping		20,000	20,000
Geophysical & geochemical surveys		20,000	20,000
Drilling		100,000	100,000
TOTAL	1,130,000	2,005,000	3,070,000

7.0 PRINCIPAL SOURCES OF INFORMATION

The principal information sources used are listed below.

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8.0 DECLARATION

FRM will receive a professional fee based on standard rates plus reimbursement of out of pocket expenses for the preparation of this report. The payment of these fees is not contingent upon the success or otherwise of the proposed capital raising pursuant to the prospectus within which this report is contained. FRM does not have any pecuniary or other interests which could be reasonably regarded as being capable of affecting the ability of FRM to provide an unbiased opinion in relation to the assets and the assumptions included in the various technical studies completed by Tando, opined upon by FRM and reported herein.

The Competent Person for preparation of the report is Ms Felicity Repacholi-Muir; BSc (Geol & Soil Sc), GradCertAppFin. Ms Repacholi-Muir is a Member of the Australasian Institute of Geoscientists (MAIG #3417) with over 15 years of experience and has extensive professional experience with the geology of and has worked extensively in Western Australia.

Ms Repacholi-Muir has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking to qualify as a Competent Person as defined by the in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

Ms Repacholi-Muir consents to the inclusion in the report of the matters on her information in the form and context in which it appears.

This report has an Effective Date of 13th August 2017, this being the most recent date on which Tando made material in its possession available to FRM and FRM is unaware of any material change since this date. FRM consents to the distribution of this Report in the form and content in which it appears.



Felicity Repacholi-Muir
BSc (Geol & Soil Sc)
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MAIG #3417

ANNEXURE A: Significant Drillhole Intercepts

HOLE ID	EAST	NORTH	RL	EOH (m)	Drill Type	DIP	AZI	INTERSECTION				
								From	Width	Zn %	Cu %	Pb %
BBD001	579437	7706645	12	327.4	RCD	-61	169	289	2	3.96	0.06	1.23
								and 294	5	6.55	0.08	2.68
								and 303	1	2.46	0.91	0.63
BBD002	579357	7706630	12	270.5	RCD	-61	170	235	7.6	2.13	1.56	4.86
								incl 235	5	7.20	1.14	2.34
								incl 237	2	13.71	1.05	4.02
								incl 239	3.6	1.02	3.84	0.25
								and 249	3.5	5.68	0.39	2.03
BBD003	579516	7706654	12	312.4	DD	-52	173	271	1	1.14	1.09	0.01
								and 276	3	15.50	0.76	4.90
BBD004	579525	7706570	13	201.8	DD	-55	170			NSI		
BBD005	579275	7706620	12	238.1	RCD	-60	170			NSI		
BBD006	579160	7706419	12	243.6	RCD	-60	340	188	5	2.69	0.27	0.65
								and 207	1	1.38	0.38	0.19
BBD007	579082	7706430	12	204.7	RCD	-60	344	121	13	2.72	0.37	0.63
BBD008	579044	7706592	12	240.5	RCD	-55	167			NSI		
BBD009	579146	7706330	13	378.5	DD	-60	2	334	15	5.92	0.80	1.45
								incl 334	2	3.07	5.66	0.63
								incl 337	6	7.34	0.08	2.81
BBD009A	579146	7706329	12	84	RC	-60	1					
BBD010	579213	7706400	12	238.3	DD	-60	0	192	14	2.91	0.09	0.83
								incl 195	2	6.62	0.26	2.86
								incl 200	3	6.01	0.15	1.01
								and 204	2	2.36	0.06	0.54
BBD011	579376	7706292	13	468.5	DD	-60	0			NSI		
BBD012	579466	7706246	13	501.4	DD	-60	358			NSI		
BBD013	579561	7706271	13	459.4	DD	-60	1			NSI		
BBD014	579269	7706674	12	357.5	RCD	-60	170			NSI		
BBD015	579222	7706331	12	439	DD	-60	0	358	1	1.27	0.78	0.06
BBD016	579476	7706630	13	363.4	NR	-60	170			NSI		
BBD017	579006	7706411	12	255.2	NR	-60	0			NSI		
BBD018	579476	7706633	13	381.5	DD	-70	170			NSI		
BBD019	579618	7706334	13	166.3	NR	-55	0			NSI		
BBD020	579521	7706692	12	348.4	DD	-58	170			NSI		
BBD021	579422	7706690	13	420.4	DD	-58	170	385	5	3.15	0.09	0.84
BBD022	579120	7706731	11	501.3	DD	-58	170			NSI		
BBD023	579550	7706602	13	294.8	DD	-60	181	247.4	2.6	7.15	0.31	2.98
								and 256	2	5.18	0.14	1.86
BBD024	579500	7706577	13	83	DD	-63	182			NSI		
BBD025	579450	7706598	13	258.8	DD	-61	181			NSI		
BBD026	579350	7706585	13	62	DD	-61	183			NSI		
BBD027	579400	7706594	13	183.8	DD	-62	181			NSI		
BBRC003	579285	7706560	13	119	RC	-60	170			NSI		
BBRC004	579209	7706547	12	95	RC	-60	170	57	5	2.46	0.04	0.87
								incl 58	2	3.34	0.10	1.84
BBRC005	579132	7706536	12	100	RC	-60	160	64	2	2.19	0.10	1.14
								74	10	4.45	0.22	2.54
								incl 74	2	9.74	0.30	2.92
								incl 79	2	7.51	0.21	1.98
BBRC006	579369	7706551	13	100	RC	-60	170	56	4	1.09	0.02	0.44
								and 68	3	10.08	0.32	3.54
BBRC007	579448	7706566	13	130	RC	-60	170	84	4	1.25	0.03	0.47
								and 94	15	5.11	0.12	1.89
								incl 103	5	12.50	0.28	4.54

Table 1: Balla Balla Prospect

HOLE ID	EAST	NORTH	RL	EOH (m)	Drill Type	DIP	AZI	INTERSECTION				
								From	Width	Zn %	Cu %	Pb %
BBD028	577750	7706303	13	207.8	DD	-60	180			NSI		
BBD029	577850	7706388	13	288.8	DD	-60	180			NSI		
BBD030	577950	7706368	13	258.8	DD	-60	180			NSI		
BBD031	577450	7706203	13	273.9	DD	-60	180			NSI		
WBD001	577495	7706256	10	363.3	RCD	-71	162	275	1.5	2.75	0.13	0.76
						and		278	1	1.71	0.02	0.06
WBD002	577454	7706233	10	106	RC	-70	160					
WBD003	577957	7706271	10	189.6	DD	-70	160	107	1	2.98	0.07	0.64
						and		109	1	1.51	0.03	0.33
WBD004	578136	7706359	10	210.6	DD	-60	170			NSI		
WBD023	577634	7706193	10	182.6	RCD	-70	160			NSI		
WBD032	577341	7706126	9	282.4	RCD	-60	160			NSI		
WBRC001	576494	7706159	6	200	RC	-60	150			NSI		
WBRC002	576523	7706331	5	160	RC	-70	120			NSI		
WBRC003	576563	7706299	6	160	RC	-70	305			NSI		
WBRC004	576437	7706106	6	192	RC	-60	173			NSI		
WBRC005	576340	7706098	7	189	RC	-60	173			NSI		
WBRC006	576587	7706210	7	150	RC	-65	150			NSI		
WBRC007	577403	7706065	10	135	RC	-70	160			NSI		
WBRC008	578005	7706129	11	178	RC	-65	340			NSI		
WBRC009	578048	7706326	10	167	RC	-65	160			NSI		
WBRC010	577496	7706106	10	179	RC	-65	160	73	8	0.42	0.73	0.99
						incl		73	3	0.90	0.15	0.14
						incl		74	1	1.99	0.12	0.25
						and		79	2	0.08	2.31	0.03
WBRC011	577446	7706080	10	36	RC	-65	160			NSI		
WBRC012	577344	7706046	10	197	RC	-65	160			NSI		
WBRC013	577444	7705959	10	197	RC	-65	340	181	1	1.18	1.60	0.07
WBRC014	577502	7705960	10	192	RC	-70	340			NSI		
WBRC015	577487	7706139	10	203	RC	-70	160	141	7	9.72	0.05	2.82
WBRC016	577445	7706123	10	179	RC	-63	161			NSI		
WBRC017	577542	7706123	10	170	RC	-65	160			NSI		
WBRC018	577773	7706203	10	174	RC	-65	160			NSI		
WBRC019	577865	7706232	10	131	RC	-65	160	114	3	1.38	0.09	0.13
WBRC020	577963	7706262	10	101	RC	-65	160			NSI		
WBRC021	577530	7706171	10	209	RC	-70	160			NSI		
WBRC022	577586	7706184	10	200	RC	-70	160	148	4	1.73	0.01	0.79
						and		156	2	1.27	0.02	0.50
WBRC024	577844	7706272	10	179	RC	-71	159	135	2	7.61	0.19	0.72
						and		138	2	1.36	0.08	0.04
WBRC025	578140	7706360	10	89	RC	-70	160			NSI		
WBRC026	576959	7706100	9	191	RC	-70	160			NSI		
WBRC027	577108	7706080	9	163	RC	-70	160			NSI		
WBRC028	577256	7706074	10	138	RC	-70	160	122	1	1.09	0.01	0.14
WBRC029	577124	7706011	9	54	RC	-60	160			NSI		
WBRC030	576984	7705950	9	120	RC	-60	160			NSI		
WBRC031	576962	7706039	9	108	RC	-60	160			NSI		

Table 2: West Balla Prospect

HOLE ID	EAST	NORTH	RL	EOH (m)	Drill Type	DIP	AZI	INTERSECTION				
								From	Width	Zn %	Cu %	Pb %
BBR001	581475	7706974	14	172	RC	-60	180					
BBR002	581073	7706852	14	76	RC	-60	180					
BBR003	580700	7706731	14	172	RC	-60	180					
BBR004	580712	7706780	14	262	RC	-60	180					
BBR005	580652	7706738	15	214	RC	-60	180					
BBR006	581068	7706855	12	172	RC	-60	180					
BBR007	580759	7706799	15	268	RC	-60	180					
EBD001	580701	7706678	14	141.5	DD	-60	160	106.3	0.8	2.30	17.15	0.03
EBD002	580754	7706747	14	207	DD	-60	160					
EBD003	580699	7706677	14	156.4	DD	-70	180					
EBRC001	580577	7706531	14	100	RC	-60	340					
EBRC002	580631	7706545	14	100	RC	-60	340					
EBRC003	580695	7706563	14	100	RC	-60	340					
EBRC004	580623	7706571	14	54	RC	-60	340					

Table 3: East Balla Prospect

HOLE ID	EAST	NORTH	EOH (m)	Drill Type	DIP	AZI	INTERSECTION		
							From	Width	Cu %
HP01	330571	7600068	20	RAB	-60	070			NSI
HP02	330547	7600060	14	RAB	-60	070	2	6	0.033
HP03	330524	7600051	23	RAB	-60	070	4	24	0.100
						incl.	4	4	0.346
HP04	330500	7600043	10	RAB	-60	070			NSI
HP05	330453	7600025	17	RAB	-60	070			NA
HP06	330624	7600141	17	RAB	-60	070			NA
HP07	330577	7600124	11	RAB	-60	070			NA
HP08	330530	7600107	20	RAB	-60	070			NA
HP09	330483	7600090	13	RAB	-60	070			NA
HP10	330436	7600072	5	RAB	-60	070			NA
HP11	330590	7600235	2	RAB	-60	070			NA
HP12	330543	7600218	14	RAB	-60	070			NA
HP13	330496	7600201	8	RAB	-60	070			NA
HP14	330449	7600184	7	RAB	-60	070			NA
HP15	330402	7600166	4	RAB	-60	070			NA
HP16	330556	7600329	6	RAB	-60	070			NA
HP17	330509	7600312	3	RAB	-60	070			NA
HP18	330462	7600295	7	RAB	-60	070			NA
HP19	330415	7600277	6	RAB	-60	070			NA
HP20	330522	7600423	11	RAB	-60	070			NA
HP21	330475	7600406	2	RAB	-60	070			NA
HP22	330428	7600389	8	RAB	-60	070			NA
HP23	330381	7600371	4	RAB	-60	070			NA
HP24	330334	7600354	7	RAB	-60	070			NA
HP25	330541	7600004	14	RAB	-60	070	16	2	0.026
HP26	330532	7600028	20	RAB	-60	070	8	28	0.037
						incl.	10	4	0.062

Table 4: Mt Sydney Project

HOLE ID	EAST	NORTH	RL	EOH (m)	Drill Type	DIP	AZI					
								From	Width	Zn %	Cu%	Ag
97JW31	622500	7311100	-	138	RC	-90	000	84	18	0.99	0.13	12
RC97TM01	607836	7322534	420	142	RC	-80	000	42	3	0.05	0.02	1.5
RC97TM02	606517	7322879	402	160	RC	-80	000	10	8	0.08	0.03	1

							incl	16	2	0.18	0.02	1
								28	5	0.06	0.02	-
								49	6	0.05	0.02	1
RC97TM03	605292	7323578	393	94	RC	-80	000	17	8	0.06	0.02	1
RC97TM04	604699	7323680	423	161	RC	-90	000	17	2	0.08	0.03	2
								25	5	0.05	0.02	1
								41	7	0.06	0.02	1
RC97TM05	602243	7321722	398	155	RC	-90	000	33	15	0.06	0.02	1.5
								61	5	0.05	0.02	1
RC97TM06	601845	7321197	400	135	RC	-60	010	33	2	0.06	0.02	-
RC97TM07	603365	7321391	399	99	RC	-90	000	14	16	0.07	0.02	1.5
								45	2	0.06	0.02	1
RC97TM08	609646	7321241	416	171	RC	-90	000	87	17	0.05	0.03	1.5
								115	9	0.05	0.02	1
RC97TM09	604738	7318848	406	65	RC	-90	000	22	5	0.05	0.02	1
RC97TM10	602523	7317667	400	47	RC	-90	000	7	11	0.06	0.03	1.5
								32	2	0.06	0.02	1
RC97TM11	606925	7320931	400	173	RC	-90	000	107	2	0.06	0.02	1
								116	8	0.06	0.02	1.5
								134	6	0.06	0.02	1
RC97TM12	602489	7317662	404	107	RC	-90	000	7	10	0.05	0.02	1
								31	2	0.06	0.02	1
RC97TM13	602579	7323347	389	82	RC	-90	000	26	2	0.05	0.03	1
								31	3	0.06	0.02	1.5
								45	6	0.05	0.02	1

Table 5: Mt Vernon Project

Notes:

- NSI refers to No significant intercepts
- NA refers to Not assayed
- All coordinates are in MGA94, bar Mt Vernon coordinates in AMG84.
- Quartz Bore significant intercepts calculated using the following parameters: Zn≥1.0%, Cu≥1.0%, Pb≥1.0%, minimum width of 1m, internal dilution up to 3m
- Mt Sydney significant intercepts calculated using the following parameters: Cu≥250ppm, minimum width of 1m, no internal dilution
- Mt Vernon significant intercepts calculated using the following parameters: Zn≥500ppm, minimum width of 2m, internal dilution up to 2m

ANNEXURE B:

The following Tables are provided to ensure compliance with the JORC Code (2012) edition requirements for the reporting of the Exploration Results at the Quartz Bore Project.

Section 1: Sampling Techniques and Data (Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i>	Several generations of drilling have been undertaken on the Quartz Bore Project since the 1970's. The drilling results detailed in this report were from drilling undertaken by Straits Resources Ltd (ASX:SRL) during 2005-2007 and Venturex Resources Limited (ASX:VXR) during 2010-2012. All results have been previously reported under JORC 2004 reporting standards to the Australian Stock Exchange. Main exploration activities included a combination of surface geochemical sampling and several drilling methods. Conventional Diamond Drilling (DD), Reverse Circulation (RC), Aircore (AC) and Auger were used to test the Quartz Bore Project.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	Core sample intervals vary depending on geological contacts and are generally between 0.3m and 4.0m, with the most often sample interval being 1.0m. Prior to cutting, the core was marked up by a geologist, orienting the core where possible to ensure the relative orientation of consecutive pieces of core. All core was photographed for reference.
	<i>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i>	All aspects of the determination of mineralisation are described in this table. The core sampling method and the RC sampling method is considered appropriate for the VMS mineralisation. All of the drill samples were sent to a commercial laboratory for crushing, pulverising and chemical analysis by industry standard practises.
Drilling techniques	<i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic etc) and details (e.g. core diameter, triple of standard tube, depth of diamond tails, face-sampling bit or other type, whether core is orientated and if so, by what method, etc).</i>	Drilling methods included Diamond Drilling (DD), Reverse Circulation (RC), Rotary Air Blast (RAB) and Auger. Diamond drilling used HQ and NQ2 core sizes. Coring was from surface using HQ. Core was changed to NQ2 when ground conditions were competent. All NQ2 core was orientated. All diamond core was stored in industry standard core trays labelled with the drill hole ID and core interval. RC drilling used an industry standard 5.5 inch face sampling hammer.
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	All operators recorded diamond drill core recovery as a percentage of measured recovered cores versus drilled distance. Recoveries were generally high except for cavity zones in the oxide zone. RC samples were collected to industry standards of the day. The locations of intervals of damp or wet samples and/or low recovery were recorded at the drill site and entered into the database.
	<i>Measures taken to maximise sample recovery and</i>	RC drilling - the cyclone and splitter were routinely

Criteria	JORC Code explanation	Commentary
	<i>ensure representative nature of the samples.</i>	inspected and cleaned during the drilling, ensuring no excessive material build-up. Care was taken to ensure the split samples were of a consistent volume. Diamond drilling - coring was from surface using HQ and only changed to NQ2 when ground conditions were competent.
	<i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	There is no known or reported relationship between sample recovery and grade with the RC drilling. With the Diamond Drilling, recoveries were generally high except for cavity zones in the oxide zone.
Logging	<i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>	The RC drill holes were geologically logged at 1m intervals for the total length of the hole using the company standard logging legend. The logs were recorded on company standard paper logging sheets and entered into the company database. Diamond drill core was geologically logged for the total length of the hole using a graphic logging method. All core was photographed and images were stored in the company database. Logging routinely recorded lithology, mineralogy, alteration, veining, structure, mineralisation and weathering. Logs were coded using the company geological coding legend and entered into the company database. Logging is appropriate and sufficiently detailed to support Mineral Resource estimates.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	Logging of chips and diamond core is both qualitative (eg. colour) and quantitative (eg. minerals percentages). All core was photographed and images were stored in the company database. Various historical reports contain petrography reports.
	<i>The total length and percentage of the relevant intersections logged.</i>	100% of all core and RC samples which included all mineralised intervals was logged.
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	Sampling for all of the diamond core was undertaken on split core, halved via a core saw. Where duplicate samples were required the core was quartered with two duplicate quarter core samples sent for assay and the remaining half-core returned to the tray as a record.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	All RC drill holes and pre-collars were sampled from the rig via 1m splits to calico bags, with a target weight of between 2kg to 4kg. The bulk sample reject was collected in a UV-destabilised green plastic bag and kept at the drill site. All sample bags were sampled by spear on a 4m compositing interval. Sample intervals which returned significant anomalies in base metals (>0.2% Cu, >0.2% Zn, >0.2% Pb) were then resampled via collection of the 1m splits from the drill rig. Where sample quality was insufficient, the bulk sample was dry split through a 2-tier riffle splitter and a split sample was collected.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	The sampling techniques for both diamond drilling and RC drilling are of consistent quality and appropriate.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	Detailed QAQC procedures and data for the historical drilling is not available. Field duplicates were collected as quartered diamond core, as 1m spear samples, or as 4m composite samples identical as much as practically possible to the original sample.
	<i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i>	QAQC has been reported to have been routinely conducted throughout historical drilling and geochemical sampling, however methodologies are not documented.
	<i>Whether sample sizes are appropriate to the grain size</i>	The material and sample sizes are considered

Criteria	JORC Code explanation	Commentary
	<i>of the material being sampled.</i>	appropriate given the volcanic massive sulphide style of mineralisation being targeted.
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	The analytic methods for the programs with significant results which have been tabled in Annexure A are outlined below. The shallow soil geochemistry program completed involved the collection of bulk samples. The samples were sent to Australian Laboratory Services (ALS) in Perth for sample preparation and assay analysis. The samples were dried, disaggregated manually and sieve and the -80# (less than 100 microns) was collected. The samples were analysed for Au by method TL43 (low level Au 0.001ppm lower limit), and the following multi-elements by MEICP43; Ag, As, Ba, Bi, Ca, Cd, Co, Cr, Cu, Fe, Mg, Mn, Mo, Ni, P, Pb, S, Sb, V and Zn. The rock chip samples were sent to ALS, Perth for sample preparation and assay analysis. The samples were all analysed for Au by fire assay and AAS (Atomic Absorption Spectrometer), using a nominal 30 gram sample weight. The following multi-elements were analysed by 4 acid-digest with an ICP-AES finish; Ag, Al, As, Ba, Be, Bi, Ca, Cd, Co, Cr, Cu, Fe, K, Mg, Mn, Mo, Na, Ni, P, Pb, S, Sb, Sr, Ti, V, W & Zn. The aircore samples were collected were for litho-geochemical purposes both at the end of the hole, and as 3 metre composite samples. Down hole samples were taken and analysed by ALS in Perth. Samples were analysed for Au by fire assay (Method AA25) using a nominal 30 gram sample weight. The samples were also digested with HF-HNO₃-HClO₄ acid, leached in HCl, and analysed for ICP-AES method MEICP61. Via this method assays for the following elements were recorded: Au, Ag, Al, As, Ba, Be, Bi, Ca, Cd, Co, Cr, Cu, Fe, Ga, K, La, Mg, Mn, Mo, Na, Ni, P, Pb, S, Sb, Sc, Sr, Th, Ti, Tl, U, V, W and Zn. Any samples with a Cu value exceed 0.3% (3000ppm) were also analysed for Cu sequentially, determining the amount of Cu dissolvable in H₂SO₄, dissolvable in cyanide, and the residual amount of Cu. All RC drillholes and pre-collars were sampled from the rig via 1m splits to calico bags, with a target weight of between 2kg to 4kg. The bulk sample reject was collected in a UV-destabilised green plastic bag and kept at the drill site. All sample bags were sampled by spear on a 4m compositing interval and sent for indicative geochemistry to ALS-Chemex Laboratories, Perth, for analysis via method MEICP61 (see analysis details above in auger section). Sample intervals which returned significant anomalies in base metals (>0.2% Cu, >0.2% Zn, >0.2% Pb) were then resampled via collection of the 1m splits from the drill rig. Where sample quality was insufficient, the bulk sample was dry split through a 2-tier riffle splitter and a split sample was collected. Samples were sorted, dried, coarse crushed and pulverised to p80-5um. Base metals and trace elements were analysed by method MEICP61 4 acid-digest and analysed by ICP-AES. The samples were analysed for Au by fire assay with an AAS (Atomic Absorption Spectrometer) finish, using a nominal 30 gram sample weight. The following multi-elements were digested in Ag, Al, As, Ba, Be, Bi, Ca, Cd, Co, Cr, Cu, Fe, K, Mg, Mn, Mo, Na, Ni, P, Pb, S, Sb, Sr, Ti, V, W & Zn. Where any samples exceeded a Cu value 0.3% (3000ppm) another sample was taken from the sample pulp and analysed for Cu sequentially, determining the amount of Cu dissolvable in H₂SO₄, dissolvable in

Criteria	JORC Code explanation	Commentary
		cyanide, and the residual amount of Cu. Sampling for all of the diamond core was undertaken on split core, halved via a core saw. Where duplicate samples were required the core was quartered with two duplicate quarter core samples sent for assay and the remaining half-core returned to the tray as a record. The samples were sent to ALS for preparation and analysis. All samples were analysed for Au by fire assay (method AA25) and AAS (Atomic Absorption Spectroscopy), using a nominal 30 gram sample weight. The following multi-elements were digested by 4-acid digest with ICP-AES finish; Ag, Al, As, Ba, Be, Bi, Ca, Cd, Co, Cr, Cu, Fe, K, Mg, Mn, Mo, Na, Ni, P, Pb, S, Sb, Sr, Ti, V, W, and Zn. Where any samples exceeded a Cu value 0.3% (3000ppm) another sample was taken from the sample pulp and analysed for Cu sequentially, determining the amount of Cu dissolvable in H₂SO₄, dissolvable in cyanide, and the residual amount of Cu.
	<i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i>	Hand held assay devices have not been reported.
	<i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i>	Quality control exercised upon laboratory analyses included the insertion of standards and the collection of field duplicates. Field duplicates were collected as quartered diamond core, as 1m spear samples, or as 4m composite samples identical as much as practically possible to the original sample. All standards and blanks were inserted blind into the sample stream sent to the laboratory and assessed for variance from expected norms via statistical analysis. Where QAQC was insufficient, the batch was re-analysed.
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	No verification of sampling and assaying has been undertaken by Tando for the historical drilling.
	<i>The use of twinned holes.</i>	No specific twinned holes have been drilled.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	Detailed procedures for drilling, sampling and geological logging are not comprehensively including in Open File reports, although summaries of the processes employed are provided in various drilling reports. Digital data has been collated from digital data submitted to the Department of Mines and Petroleum. Validation occurs during the data merge through the database software and with visual validation in GIS software packages.
	<i>Discuss any adjustment to assay data.</i>	The digital data shows no indication of assay adjustment being performed.
Location of data points	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	Rock samples were located in the field with survey control via handheld Global Positioning System (GPS), with an assumed accuracy (dither factor) of ±5m accuracy on easting and northing and ±10m accuracy on RL, Location data for aircore, RC and diamond drillhole data included in Annexure A was initially recorded by handheld GPS (±5m accuracy on easting and northing and (±10m accuracy on RL). Subsequent to drilling, RC and diamond drill collars were surveyed via Differential Global Positioning System (DGPS), with accuracy of ±0.1 meters on easting, northing and RL. Drillhole deviation for diamond drilling was measured via in-rod surveys during drilling. This was conducted

Criteria	JORC Code explanation	Commentary
		using Eastman camera surveys. Interference from the drill rods cannot be ruled with the RC drillholes, so these results are only considered indicative, however a stainless steel started rod was used to increase confidence in the results. WBRC028 through WBRC031 were drilled subsequent to the loss of the stainless steel equipment, and as such down-hole deviation is unknown. This is considered acceptable given the results returned from these holes. Diamond drilling received down hole surveys every 30 metres were possible, via in-rod shots, which are considered reasonably reliable. Holes that struck mineralisation had 50mm PVC pipe installed, keeping the hole open and allowing a gyro survey to be undertaken. A selection of these holes were surveyed with a north-seeking gyroscopic survey tool by ABMI Solutions Pty Ltd to give a true down-hole survey free from magnetic interference. The accuracy of this tool is warranted to $\pm 0.5^\circ$ of dip and azimuth. Deviation in the holes drilled during the 2007-2009 reporting periods were generally low. The majority of the holes surveyed with the gyroscopic tool confirmed the previous in-rod surveys, and thereby the Eastman results were considered accurate.
	<i>Specification of the grid system used.</i>	The grid system for the Quartz Bore Project is Map Grid of Australia GDA 94, Zone 50.
	<i>Quality and adequacy of topographic control.</i>	The RL of drill collars (RC and diamond) was measured by DGPS survey to an accuracy of ± 0.1 meters which gives a satisfactory control over the topography.
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	The spacing and location of the majority of the drilling at the Quartz Bore Project is, by the nature of early exploration variable. Drilling to date over the Balla Balla Prospect is on approximately 50m - 100m centres east-west and 25m -100m centres north-south over the mineralised body.
	<i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i>	Data spacing is deemed sufficient to establish geological and grade continuity to establish a mineral resource estimate but a mineral resource has not been estimated.
	<i>Whether sample compositing has been applied.</i>	No sample compositing has been applied.
Orientation of data in relation to geological structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	The majority of the drilling at Quartz Bore is inclined to the north-west which is considered appropriate given the regional and local geological fabric and structures.
	<i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	To date, orientation of the mineralised domain has been favourable for perpendicular drilling and sample widths are not considered to have added a significant sampling bias.
Sample security	<i>The measures taken to ensure sample security.</i>	Samples were store at the secure Whim Creek yard. Samples were collected from site by a transport company and delivered to the assay laboratory in Perth.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	No independent audits have been undertaken.

Section 2: Reporting of Exploration Results (Criteria listed in the preceding section also apply to this section)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i>	The Quartz Bore Project comprises a single granted Exploration Licence, namely E47/3352 covering a land area of 15 km². Tando has entered into a conditional sale agreement with the current holder, VMS Resources Ltd. The agreement is condition on the listing of the Company, pursuant to which Tando will purchase 100% of the tenement. The tenement is within land where native title has been determined. The traditional owners of the land are the Ngarluma People. Access to the tenement will require the negotiation of a Land Access Agreement.
	<i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i>	The tenement is in good standing.
Exploration done by other parties	<i>Acknowledgment and appraisal of exploration by other parties.</i>	The Project has previously been explored for volcanic massive sulphide deposits by a number of companies. Work has ranged from early stage soil sampling to auger and diamond drilling. Work reported in the IGR is documented within this Table.
Geology	<i>Deposit type, geological setting and style of mineralisation.</i>	The Quartz Bore Project is located within the Archaean Whim Creek Basin, a sequence of intermediate to felsic volcanic, volcanoclastic and sediments. Tando is exploring for volcanogenic massive sulphide (VMS) deposits. Massive sulphide and stringer sulphide mineralisation has been deposited at the top of the Cistern Formation which comprises a thick sequence of volcanogenic siltstone, sandstone and conglomerate with minor shale units.
Drill hole Information	<i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> • easting and northing of the drill hole collar • elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar • dip and azimuth of the hole • down hole length and interception depth • hole length.	All hole collar locations, depths, azimuths and dips are provided within this Report (Appendix A) for drilling completed by Straits and Venturex.
	<i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i>	Not applicable.
Data aggregation methods	<i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i>	Reported intersections are downhole, length-weighted averages that were calculated using a nominal $\geq 1.0\%$ Cu lower cut-off, $\geq 1.0\%$ Pb lower cut-off or $\geq 1.0\%$ Zn lower cut-off; 1m minimum reported length and up to 3m of internal waste. Geochemical sampling results presented are single point data.
	<i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i>	No top cuts have been considered in reporting of grade results, nor was it deemed necessary for the reporting of significant intersections.
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	No metal equivalent values are currently being used for reporting exploration results.
Relationship between mineralisation widths	<i>These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is</i>	All intersections are reported as downhole lengths. Drillholes were predominantly drilled perpendicular to the interpreted strike of the geological terrain so

Criteria	JORC Code explanation	Commentary
and intercept lengths	<i>known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i>	that downhole lengths approximate true widths as close as possible. Additional drill holes are required to confirm the relationship between downhole lengths and true widths.
Diagrams	<i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	Refer to Figures in body of text.
Balanced reporting	<i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	All representative results have been reported.
Other substantive exploration data	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	All relevant exploration data is shown on figures, in text and in Annexure A.
Further work	<i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	A follow up exploration work program has been proposed and is outlined in the Report. Future work will focus on the Balla Balla Prospect. All relevant diagrams and inferences have been illustrated in this report.

The following Tables are provided to ensure compliance with the JORC Code (2012) edition requirements for the reporting of the Exploration Results at the Mt Sydney Project.

Section 1: Sampling Techniques and Data (Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i>	Several generations of sampling have been undertaken on the Mt Sydney Project. Publicly available annual reports indicate that the main exploration activities included a combination of surface geochemical sampling and a RAB drilling program targeting an outcropping gossan.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	Of the 26 RAB holes that were drilled, only those that intersected quartz stringers and chert were assayed (7 drillholes). Samples were 2m composites.
	<i>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i>	All aspects of the determination of mineralisation are described in this table. Shallow RAB drilling was used to obtain 2m samples. Only drillholes that intersected quartz stringers and chert were assayed. All of the drill samples were sent to a commercial laboratory for crushing, pulverising and chemical analysis by industry standard practises.
Drilling techniques	<i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic etc) and details (e.g. core diameter, triple of standard tube, depth of diamond tails, face-sampling bit or other type, whether core is orientated and if so, by what method, etc).</i>	Drilling included in the IGR includes Rotary Air Blast (RAB), a blade bit was utilised.
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	There is no mention of sample recovery, however given the exploratory stage of the project this is not deemed material.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	There is no documentation in the historical reports of the historical drilling practices that were employed to maximise recoveries. The reports make no mention of sample recovery being an issue and therefore the absence of this information is not deemed to be material to ongoing exploration.
	<i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	No complete drilling data information was available to confirm recoveries or grade.
Logging	<i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>	The RAB drillholes were geologically logged at 2m intervals for the total length of the hole. The geological logging is included on cross sections in the relevant Annual report. Logging is appropriate for this stage of exploration, however the RAB drillholes are not deemed appropriate to be used in Mineral Resource Estimation.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	It is unknown if the logging if both qualitative (eg. colour) and quantitative (eg. minerals percentages) as the only logging included in the Annual Report is that included on cross sections.
	<i>The total length and percentage of the relevant intersections logged.</i>	100% of all RAB samples which included all mineralised intervals was logged.
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	Not applicable. Not core.
	<i>If non-core, whether riffled, tube sampled, rotary split,</i>	All RAB drill holes were composited into 2m samples.

Criteria	JORC Code explanation	Commentary
	<i>etc and whether sampled wet or dry.</i>	The compositing method is unknown, however standard practice for RAB sampling is scoop sampling ie. not riffled.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	The sampling technique (2m composites) for RAB drilling is deemed appropriate given the exploratory stage of the Project.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	Detailed QAQC procedures and data for the historical drilling and geochemical sampling is not available. Duplicate sample collection was not common practice at the time of drilling, particularly with RAB drilling. No documentation of duplicate collection is recorded. The Competent Person notes that the Company does not propose to follow up any specific drill results in its exploration program without collecting new data to support the results and therefore does not believe the absence of this information to be material.
	<i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i>	Sampling techniques are not documented in Open File reports.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	Sample sizes are considered appropriate given the early stage of exploration.
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	The shallow RAB drilling program completed involved the collection of 2m composite samples. The samples were sent to Ultra Trace Analytical Laboratories in Canning Vale for sample preparation and assay analysis. The samples were all digested with Aqua Regia (a partial digest though extremely efficient for extraction of gold). The following elements were analysed with an ICPMS finish: Au, Ag, As, Cu, Ni, Pb, Zn. Rockchips were sent to Genalysis Laboratory Services in Maddington for sample preparation and assay analysis. The samples were all digested with Aqua Regia (a partial digest though extremely efficient for extraction of gold). The following elements were analysed with an FAAS finish: Ag, As, Bi, Co, Cu, Fe, Ni, Mn, Mo, Pb, Sb, Zn. Au was analysed with a graphite furnace AAS finish.
	<i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i>	Hand held assay devices have not been reported.
	<i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i>	Detailed information on QAQC practises for the historical surface geochemistry and drill samples is not available. No use of external standards is recorded. The hardcopy assay laboratory reports contain values for repeat readings and laboratory standards. Industry standard laboratory QAQC practises are believed to have been adhered to. The Competent Person notes that the Company does not propose to follow up any specific drill results in its exploration program without collecting new data to support the results and therefore does not believe the absence of this information to be material.
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	No verification of sampling and assaying has been undertaken by Tando for the historical drilling.
	<i>The use of twinned holes.</i>	No specific twinned holes have been drilled.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic)</i>	Detailed procedures for drilling, sampling and geological logging are not comprehensively including in

Criteria	JORC Code explanation	Commentary
	<i>protocols.</i>	Open File reports, although summaries of the processes employed are provided in various drilling reports. Original laboratory reports for the RAB drilling is available in the Annual Report.
	<i>Discuss any adjustment to assay data.</i>	The assay data has not been adjusted.
Location of data points	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	Accurate location of drill holes is not reported. Local grid coordinates are included for the RAB drilling. Coordinates have no decimal places and are rounded to the nearest 5m. MGA converted coordinates are also included in the data. Grab and rock chip samples are annotated onto maps within Open File reports. GPS Accuracy is unknown however the reports state that the coordinates are 3 minute averages using a GPS100 and are not accurate for detailed plots.
	<i>Specification of the grid system used.</i>	The grid system for the Mt Sydney Project is Map Grid of Australia GDA 94, Zone 51. Local grid coordinates are included for the RAB drilling, the grid conversion is unknown however MGA coordinates are also included on the plans.
	<i>Quality and adequacy of topographic control.</i>	Topographic data was obtained from public download of the relevant 1:250,000 scale map sheets.
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	Historical drillholes are exploratory only, designed to test the gossan outcrop over a limited extent. No systematic drilling has been completed.
	<i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i>	Sample spacing is deemed appropriate for identifying geochemical anomalies but could not be used to establish geological and grade continuity. Data spacing is deemed insufficient to establish geological and grade continuity to establish a mineral resource estimate.
	<i>Whether sample compositing has been applied.</i>	No mention of sample compositing has been found in Annual Reports.
Orientation of data in relation to geological structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	The gossan strikes north-northwesterly and the drilling is perpendicular to the gossan which is considered appropriate given the regional and local geological fabric and structures.
	<i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	The historical drilling was angled (-60°/070°), perpendicular to the gossan outcrop. Orientation of the mineralised domain has been favourable for perpendicular drilling and sample widths are not considered to have added a significant sampling bias.
Sample security	<i>The measures taken to ensure sample security.</i>	There is no documentation on sample security available in historical reports.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	There is no documentation of audits on sampling or data available in historical reports.

Section 2: Reporting of Exploration Results (Criteria listed in the preceding section also apply to this section)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites,</i>	The Mt Sydney Project comprises a single granted Exploration Licence, namely E45/4939 covering a land area of 508 km ² . The tenement is within land where native title has

Criteria	JORC Code explanation	Commentary
	<i>wilderness or national park and environmental settings.</i>	been determined. The traditional owners of part of the land are the Martu And Ngurrara People. A second group, the Njamal People, have made an application for a determination that native title exists, which application currently remains active. Access to the tenement will require the negotiation of a Land Access Agreement. Refer to the Solicitor's Report on Tenements in Section 7 of the Prospectus for further details
	<i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i>	The licence is currently pending and is held by Tando Resources Ltd. There are no known impediments to operate in the area.
Exploration done by other parties	<i>Acknowledgment and appraisal of exploration by other parties.</i>	The Project has previously been explored for copper, zinc, gold and manganese by a number of companies. Work has ranged from early stage geochemical sampling to RAB drilling. Work reported in the IGR is documented within this Table. All data presented in this IGR is of historical nature.
Geology	<i>Deposit type, geological setting and style of mineralisation.</i>	Unknown deposit style, current assessment, data collection and subsequent exploration will aid in determining style.
Drill hole Information	<i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> • easting and northing of the drill hole collar • elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar • dip and azimuth of the hole • down hole length and interception depth • hole length.	All drill hole location data is included in Appendix A.
	<i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i>	There is no known exclusion of information. Any historic or previous company drilling results not included may be due to: • uncertainty or result, location or other unreliability • yet to be assessed by Tando, • not mineralised, • not sampled or unrecorded, or • not considered material. In the opinion of the Competent Person the information excluded does not detract from the understanding of the report.
Data aggregation methods	<i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i>	Reported intersections are downhole, length-weighted averages that were calculated using a nominal $\geq 0.025\%$ Cu lower cut-off, 2m minimum reported length and up to 2m of internal waste. Geochemical sampling results presented are single point data.
	<i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i>	No top cuts have been considered in reporting of grade results, nor was it deemed necessary for the reporting of significant intersections.
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	No metal equivalent values are currently being used for reporting exploration results.
Relationship between mineralisation widths and intercept lengths	<i>These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect</i>	All intersections are reported as downhole lengths. Drillholes were predominantly drilled perpendicular to the interpreted strike of the geological terrain so that downhole lengths approximate true widths as close as possible. Additional drill holes are required to confirm the relationship between downhole lengths and true

Criteria	JORC Code explanation	Commentary
	<i>(eg 'down hole length, true width not known').</i>	widths.
Diagrams	<i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	Refer to Figures in body of text.
Balanced reporting	<i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	All assay data verified from Open File reports has been included in the report.
Other substantive exploration data	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	All relevant exploration data is shown on figures, in text and in Annexure A. Data collection and validation is still in progress.
Further work	<i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	A follow up exploration work program has been proposed and is outlined in the body of the IGR. All relevant diagrams and inferences have been illustrated in this report.

The following Tables are provided to ensure compliance with the JORC Code (2012) edition requirements for the reporting of the Exploration Results at the Mt Vernon Project.

Section 1: Sampling Techniques and Data (Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i>	Several generations of sampling have been undertaken on the Mt Vernon Project. Publicly available annual reports indicate that the main exploration activities included a combination of surface geochemical sampling, diamond drilling (DD) and two Reverse Circulation (RC) drilling programs.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	Drillhole locations appear to have predominantly been picked up by handheld GPS. Soil samples were taken at a consistent depth below the surface and sieved.
	<i>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i>	All aspects of the determination of mineralisation are described in this table. RC drilling was used to obtain 6m composite samples (BHP Minerals Pty Ltd) and 1m samples (CRAE Pty Ltd). All of the drill samples were sent to a commercial laboratory for crushing, pulverising and chemical analysis by industry standard practises.
Drilling techniques	<i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic etc) and details (e.g. core diameter, triple of standard tube, depth of diamond tails, face-sampling bit or other type, whether core is orientated and if so, by what method, etc).</i>	Drilling methods included Diamond Drilling (DD) and Reverse Circulation (RC). Diamond drilling completed by Westfield used AX and BX core sizes, the black shale was cored partly with a BX triple tube core barrel and partly an AX stationary inner tube barrel. RC drilling used an industry standard 5.5 inch face sampling hammer.
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	Westfield diamond drilling; except for a few hundred feet in DDH3, core recovery in the black shale was 85% and better. The graphitic - quartz veined intervals in DDH3 inhibited recovery regardless of the type of core barrel used. Core recovery was measured is noted in the geological logs for each interval. CRAE recovery is noted in logging sheets, the method of assessing chip sample recovery is not documented. BHP do not document recovery in Open File reports.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	Westfield utilised a BX triple tube core barrel when drilling the black shale to maximise sample recovery. There is no documentation in the BHP nor CRAE historical reports of the historical drilling practices that were employed to maximise recoveries. The reports make no mention of sample recovery being an issue and therefore the absence of this information is not deemed to be material to ongoing exploration. CRAE Open File reports include the notation of damp and wet samples.
	<i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	No complete drilling data information was available to confirm recoveries or grade.
Logging	<i>Whether core and chip samples have been geologically and geotechnically logged to a level of</i>	The Westfield diamond drill holes were geologically logged at geological boundaries for the total length of

Criteria	JORC Code explanation	Commentary
	<i>detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>	the hole using the company standard logging legend. The logs were recorded on company standard paper logging sheets. The CRAE holes were geologically logged at 1m intervals for the length of the hole and the BHP holes were geologically logged at 2m intervals for the length of the hole. Logging is appropriate for this stage of exploration, there is insufficient data to support a Mineral Resource Estimation.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	Logging of chips and diamond core is both qualitative (eg. colour) and quantitative (eg. minerals percentages).
	<i>The total length and percentage of the relevant intersections logged.</i>	100% of all core and RC samples which included all mineralised intervals was logged.
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	Not applicable. Core intercepts are not included in the report.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	BHP holes were composited into 6m samples and CRAE holes were 1m samples. The compositing method is not documented in Open File reports. Soil samples collected by CRAE Pty Ltd comprised the -2mm soil fraction, collected at a depth of 20 to 30cm below the surface.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	The sampling techniques (1m samples for the larger CRAE program and 6m composites for BHP's single drillhole) are deemed appropriate given the exploratory stage of the Project.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	Detailed QAQC procedures and data for the historical drilling and geochemical sampling is not available. Duplicate sample collection was not common practice at the time of drilling. No documentation of duplicate collection is recorded. The Competent Person notes that the Company does not propose to follow up any specific drill results in its exploration program without collecting new data to support the results and therefore does not believe the absence of this information to be material.
	<i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i>	Sampling techniques and measures taken to ensure that sampling is representative are unknown.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	Sample sizes are considered appropriate given the early stage of exploration.
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	The analytic methods for the programs with significant results which have been included in the IGR are outlined below. The Reverse Circulation drilling program completed by BHP Minerals Pty Ltd involved the collection of 6m composites. The sample laboratory and methods are not stated in the Open File report. Elements assayed included Ag, Al, As, Au, Ba, Ce, Co, Cr, Cu, Fe, Mg, Mn, Mo, Na, Ni, P, Pb, S, Sr, Ti, Zn. The soil geochemistry program completed by CRAE involved the collection of soil samples. The samples were sent to Ultratrace Pty Ltd in Perth for sample preparation and assay analysis. The samples were dried, crushed and pulverised in a single stage process. Samples were digested with a mixed acid including HF. The following elements were analysed by an ICPMS finish Ag, As, Bi, Cd, Mo, U, Pb. Samples

Criteria	JORC Code explanation	Commentary
		were analysed for Au, Pt & Pd by fire assay with a 30g charge. The Reverse Circulation drilling program completed by CRAE involved the collection of 1m samples. The samples were sent to Ultratrace Pty Ltd in Perth for sample preparation and assay analysis. The samples were dried, crushed and pulverised in a single stage process. Samples were digested with a mixed acid including HF. The following elements were analysed by an ICPMS finish Ag, As, Ba, Bi, Cd, Co, Cu, Fe, Mo, Mn, Ni, P, U, Pb, Zn. Samples were analysed for Au, Pt & Pd by fire assay with a 30g charge.
	<i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i>	Hand held assay devices have not been reported.
	<i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i>	Detailed information on QAQC practises for the historical surface geochemistry and drill samples is not available. No use of external standards is recorded. The Competent Person notes that the Company does not propose to follow up any specific drill results in its exploration program without collecting new data to support the results and therefore does not believe the absence of this information to be material.
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	No verification of sampling and assaying has been undertaken by Tando for the historical drilling.
	<i>The use of twinned holes.</i>	No specific twinned holes have been drilled.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	Detailed procedures for drilling, sampling and geological logging are not comprehensively included in Open File reports, although summaries of the processes employed are provided in various drilling reports.
	<i>Discuss any adjustment to assay data.</i>	The assay data shows no indication of any adjustment being performed.
Location of data points	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	CRAE drillholes and soil samples were surveyed using a Garmin handheld global positioning system (GPS) connected to a Racal MkIII Landstar unit. Measurements by CRAE indicated that around 95% of readings collected by this equipment have an accuracy of 10m or less. The surveying of the BHP drillhole is unknown.
	<i>Specification of the grid system used.</i>	The grid system for the Mt Vernon Project is Map Grid of Australia GDA 94, Zone 50.
	<i>Quality and adequacy of topographic control.</i>	CRAE reported that the vertical accuracy obtained by the GPS was similar in magnitude to the horizontal accuracy. Topographic data was obtained from public download of the relevant 1:250,000 scale map sheets.
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	Historical drillholes are exploratory only, designed to test geochemical anomalies over a limited extent. No systematic drilling has been completed.
	<i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i>	Data spacing is deemed insufficient to establish geological and grade continuity to establish a mineral resource estimate.
	<i>Whether sample compositing has been applied.</i>	No mention of sample compositing has been found in

Criteria	JORC Code explanation	Commentary
		Annual Reports.
Orientation of data in relation to geological structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	Not relevant to soil geochemistry samples. Drillholes are predominantly vertical given the exploratory nature of the Project the orientation of possible mineralisation at the Project is yet to be determined.
	<i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	Not relevant to soil results nor early stage exploration drill results.
Sample security	<i>The measures taken to ensure sample security.</i>	There is no documentation on sample security available in historical reports.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	There is no documentation of audits on sampling or data available in historical reports.

Section 2: Reporting of Exploration Results (Criteria listed in the preceding section also apply to this section)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i>	The Mt Vernon Project comprises a single granted Exploration Licence, namely E52/3560 covering a land area of 463 km ² . The tenement is within land where native title has been determined. The traditional owners of the land are the Nhamuwangga Wajarri And Ngarlawangga People. Access to the tenement will require the negotiation of a Land Access Agreement. Refer to the Solicitor's Report on Tenements in Section 7 of the Prospectus for further details.
	<i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i>	The licence is currently pending and is held by Tando Resources Ltd. There are no known impediments to operate in the area.
Exploration done by other parties	<i>Acknowledgment and appraisal of exploration by other parties.</i>	All data presented in this IGR is of historical nature.
Geology	<i>Deposit type, geological setting and style of mineralisation.</i>	Unknown deposit style, current assessment, data collection and subsequent exploration will aid in determining style.
Drill hole Information	<i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> • easting and northing of the drill hole collar • elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar • dip and azimuth of the hole • down hole length and interception depth • hole length.	All drill hole location data that contains exploration results is included in Appendix A.
	<i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i>	Assay data from the Westfield diamond drillholes is not included in the exploration results within the Report due to the uncertainty of the location, assaying and the selective sampling that was carried out.
Data aggregation methods	<i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i>	Reported intersections are downhole, length-weighted averages that were calculated using a nominal ≥0.05% Zn lower cut-off, 2m minimum reported length and up to 2m of internal waste for CRAE drillholes and a 0.5% Zn lower cut-off for BHP drillholes. Geochemical sampling results presented are single

Criteria	JORC Code explanation	Commentary
		point data.
	<i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i>	No top cuts have been considered in reporting of grade results, nor was it deemed necessary for the reporting of significant intersections.
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	No metal equivalent values are currently being used for reporting exploration results.
Relationship between mineralisation widths and intercept lengths	<i>These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i>	All intersections are reported as downhole lengths. Drillholes were predominantly drilled perpendicular to the interpreted strike of the geological terrain so that downhole lengths approximate true widths as close as possible. Additional drill holes are required to confirm the relationship between downhole lengths and true widths.
Diagrams	<i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	Refer to Figures in body of text.
Balanced reporting	<i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	All assay data verified from Open File reports has been included in the report.
Other substantive exploration data	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	All relevant exploration data is shown on figures, in text and in Annexure A. Data collection and validation is still in progress.
Further work	<i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	A follow up exploration work program has been proposed and is outlined in the body of the IGR. All relevant diagrams and inferences have been illustrated in this report.

ANNEXURE C: Glossary of Abbreviations and Units of Measure

Abbreviation / Unit	Definition
%	percent
°	degree
°C	degree Celsius
A\$	Australian dollars
Ag	Silver
Au	Gold
EM	Electromagnetic
ASX	Australian Securities Exchange
cm	centimetre
CPR	Competent Person's Report
Cu	Copper
DHMMR	Down Hole MagnetoMetric Resistivity
DHTEM	Down Hole Electromagnetic
DMP	Department of Minerals and Petroleum
EL	Exploration Licence
GDA94	Geocentric Datum of Australia 1994
GSWA	Geological Survey of Western Australia
g/t	grams per tonne
ha	hectares
IGR	Independent Geologist's Report
IP	Induced Polarisation
JORC	(Australasian) Joint Ore Reserves Committee
km	kilometre
km ²	square kilometres
M	million
m	metre
m ²	square metre
mE	metres East
MGA94	Map Grid of Australia 1994
MMR	MagnetoMetric Resistivity
Mt	million tonnes
Mt/a	million tonnes per annum
mW	metres West
Pb	Lead
pXRF	portable x-ray fluorescence
RC	reverse circulation
RTR	Rumble Resources Limited
SRL	Straits Resources Limited
VALMIN	Code 2015 Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets
VTEM	Versatile Time Domain Electromagnetic
VXR	Venturex Resources Ltd
XRF	x-ray fluorescence
Zn	Zinc

6. INVESTIGATING ACCOUNTANT'S REPORT

RSM Corporate Australia Pty Ltd

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21 August 2017

The Directors
Tando Resources Limited
Suite 4, Level 1
11 Ventnor Avenue
West Perth WA 6005

Dear Directors

INVESTIGATING ACCOUNTANT'S REPORT

Independent Limited Assurance Report ("Report") on Tando Resources Limited Historical and Pro Forma Historical Financial Information

Introduction

We have been engaged by Tando Resources Limited ("Tando" or the "Company") to report on the historical financial and pro forma financial information of the Company for the period from incorporation on 31 March 2017 to 30 June 2017 for inclusion in the prospectus ("Prospectus") of Tando dated on or about 21 August 2017 in connection with Tando's initial public offering and listing on the Australian Securities Exchange ("ASX"), pursuant to which the Company is offering up to 22,500,000 ordinary Tando shares at an issue price of \$0.20 per share to raise \$4.5 million before costs (the "Offer").

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

The future prospects of the Company, other than the preparation of Pro Forma Historical Financial Information, assuming completion of the transactions summarised in Note 1 of the Appendix of this Report, are not addressed in this Report. This Report also does not address the rights attaching to the shares to be issued pursuant to this Prospectus, nor the risks associated with an investment in shares in the Company.

Background

Tando was incorporated on 31 March 2017, with the purposes of acquiring the Quartz Bore Project from VMS Resources Pty Ltd ("VMS").

The Quartz Bore Project is located within the West Pilbara province, 80 kilometres east of Roebourne in Western Australia. The Project covers an area of approximately 15km² and includes identified copper, zinc and lead occurrences.

THE POWER OF BEING UNDERSTOOD **AUDIT | TAX | CONSULTING**

RSM Corporate Australia Pty Ltd is beneficially owned by the Directors of RSM Australia Pty Ltd. RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Corporate Australia Pty Ltd ABN 82 050 508 024 Australian Financial Services Licence No. 255847

Scope

Historical financial information

You have requested RSM Corporate Australia Pty Ltd (“RSM”) to review the historical financial information of the Company and VMS included in the Prospectus at the Appendix to this Report, and comprising:

- The statement of financial performance and statement of cash flows of the Company for the period 31 March 2017 to 30 June 2017;
- The statement of comprehensive income and statement of cash flows of VMS for the period 1 May 2017 to 30 June 2017; and
- The statement of financial position of the Company and VMS as at 30 June 2017.

(together the “Historical Financial Information”).

The Historical Financial Information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles of the International Financial Reporting Standards and the Company’s adopted accounting policies.

The Historical Financial Information represents that of the Company and VMS and has been extracted from:

- the financial statements of the Company for the period from incorporation on 31 March 2017 to 30 June 2017, which were audited by RSM Australia Partners in accordance with Australian Auditing Standards. The audit report issued for the period ended 30 June 2017 included an emphasis of matter as the financial statements were prepared on a special purpose basis for the purpose of fulfilling the directors’ financial reporting responsibilities under the *Corporations Act 2001*. The audit opinion was not modified in respect of this matter; and
- the financial statements of VMS for the period from incorporation on 1 May 2017 to 30 June 2017, which were audited by RSM Australia Partners in accordance with Australian Auditing Standards. The audit report issued for the period ended 30 June 2017 included an emphasis of matter citing significant doubt over the company’s ability to continue as a going concern and noting the financial statements were prepared on a special purpose basis for the purpose of fulfilling the directors’ financial reporting responsibilities under the *Corporations Act 2001*. The audit opinion was not modified in respect of these matters.

The Historical Financial Information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by International Financial Reporting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the *Corporations Act 2001*.

Pro forma historical financial information

You have requested RSM to review the pro forma historical statement of financial position as at 30 June 2017, referred to as “the Pro Forma Historical Financial Information”.

The Pro Forma Historical Financial Information has been derived from the Historical Financial Information of the Company after adjusting for the effects of the pro forma adjustments described in Note 1 of the Appendix to this Report. The stated basis of preparation is the recognition and measurement principles of the Australian Accounting Standards applied to the Historical Financial Information and the events or transactions to which the subsequent events and pro forma adjustments relate, as described in Note 1 of the Appendix to this Report, as if those events or transactions had occurred as at the date of the Historical Financial Information. Due to its nature, the Pro Forma Historical Financial Information does not represent the Company’s actual or prospective financial position or statement of financial performance.

Directors' responsibility

The Directors of the Company are responsible for the preparation of the Historical Financial Information and Pro Forma Historical Financial Information, including the selection and determination of pro forma adjustments made to the Historical Financial Information and included in the Pro Forma Historical Financial Information. This includes responsibility for such internal controls as the Directors determine are necessary to enable the preparation of Historical Financial Information and Pro Forma Historical Financial Information that are free from material misstatement, whether due to fraud or error.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the Historical Financial Information and Pro Forma Historical Financial Information based on the procedures performed and the evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

A review consists of making such enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. Our procedures included:

- A consistency check of the application of the stated basis of preparation, to the Historical and Pro Forma Historical Financial Information;
- A review of the Company's and its auditors' work papers, accounting records and other documents;
- Enquiry of directors, management personnel and advisors;
- Consideration of subsequent events and pro forma adjustments described in Note 1 of the Appendix to this Report; and
- Performance of analytical procedures applied to the Pro Forma Historical Financial Information.

A review is substantially less in scope than an audit conducted in accordance with International Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusions

Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Historical Financial Information, as described in the Appendix to this Report, and comprising:

- The statement of financial performance and statement of cash flows of the Company for the period 31 March 2017 to 30 June 2017;
- The statement of comprehensive income and statement of cash flows of VMS for the period 1 May 2017 to 30 June 2017; and
- The statement of financial position of the Company and VMS as at 30 June 2017.

is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Note 2 of the Appendix to this Report.

Pro Forma Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical Financial Information, as described in the Appendix to this Report, and comprising the pro forma statement of financial position as at 30 June 2017 of the Company is not presented fairly in all material respects, in accordance with the stated basis of preparation, as described in Note 2 of the Appendix of this Report.

Restriction on Use

Without modifying our conclusions, we draw attention to the purpose of the financial information, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for use for another purpose.

Responsibility

RSM has consented to the inclusion of this assurance report in the Prospectus in the form and context in which it is included. RSM has not authorised the issue of the Prospectus. Accordingly, RSM makes no representation regarding, and takes no responsibility for, any other documents or material in, or omissions from, the Prospectus.

Disclosure of Interest

RSM does not have any pecuniary interest that could reasonably be regarded as being capable of affecting its ability to give an unbiased conclusion in this matter. RSM will receive a professional fee for the preparation of this Report.

Yours faithfully

A handwritten signature in black ink that reads 'Andrew Gilmore'.

A J GILMOUR
Director

TANDO RESOURCES LIMITED
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE PERIOD FROM 31 MARCH 2017 TO 30 JUNE 2017

	31-Mar-17 to 30-Jun-17 Audited \$
Revenue from continuing operations	
Other income	59
Expenses	
Accounting and audit fees	(6,500)
Other expenses	(15)
Loss before income tax expense	<u>(6,456)</u>
Income tax expense	<u>-</u>
Loss after income tax expense for the period	<u>(6,456)</u>
Total comprehensive loss for the period	<u><u>(6,456)</u></u>

Investors should note that past results are not a guarantee of future performance.

**VMS RESOURCES PTY LTD
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE PERIOD FROM 1 MAY 2017 TO 30 JUNE 2017**

	1-May-17 to 30-Jun-17 Audited \$
Revenue from continuing operations	-
Expenses	
Other expenses	(3,000)
Loss before income tax expense	<u>(3,000)</u>
Income tax expense	<u>-</u>
Loss after income tax expense for the period	<u>(3,000)</u>
Total comprehensive loss for the period	<u><u>(3,000)</u></u>

Investors should note that past results are not a guarantee of future performance.

TANDO RESOURCES LIMITED
STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM 31 MARCH 2017 TO 30 JUNE 2017

	31-Mar-17 to 30-Jun-17 Audited \$
Cash flows from operating activities	
Payments to suppliers and employees	(42,448)
Interest received	59
Net cash from operating activities	<u>(42,389)</u>
Cash flows from financing activities	
Proceeds from issue of shares, net of share issue costs	330,001
Net cash from financing activities	<u>330,001</u>
Net increase in cash and cash equivalents	287,612
Cash and cash equivalents at the beginning of the financial period	-
Cash and cash equivalents at the end of the financial period	<u><u>287,612</u></u>

Investors should note that past results are not a guarantee of future performance.

VMS RESOURCES PTY LTD
STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM 1 MAY 2017 TO 30 JUNE 2017

	1-May-17 to 30-Jun-17 Audited \$
Cash flows from operating activities	
Net cash from operating activities	-
Cash flows from investing activities	
Payment for exploration asset	(1,500)
Net cash from investing activities	(1,500)
Cash flows from financing activities	
Loan from shareholders	1,500
Proceeds from issue of shares, net share issue costs	1,200
Net cash from financing activities	2,700
Net increase in cash and cash equivalents	1,200
Cash and cash equivalents at the beginning of the financial period	-
Cash and cash equivalents at the end of the financial period	1,200

Investors should note that past results are not a guarantee of future performance.

TANDO RESOURCES LIMITED
CONSOLIDATED PRO FORMA STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

	Note	Tando Audited 30-Jun-17 \$	VMS Audited 30-Jun-17 \$	Pro forma adjustments Unaudited 30-Jun-17 \$	Pro forma Unaudited 30-Jun-17 \$
Assets					
Current assets					
Cash and cash equivalents	4	287,612	1,200	4,014,650	4,303,462
Other receivables		65,041	-	-	65,041
Total current assets		<u>352,653</u>	<u>1,200</u>	<u>4,014,650</u>	<u>4,368,503</u>
Non-current assets					
Exploration and evaluation expenditure	3	-	54,647	301,800	356,447
Total non-current assets		<u>-</u>	<u>54,647</u>	<u>301,800</u>	<u>356,447</u>
Total assets		<u>352,653</u>	<u>55,847</u>	<u>4,316,450</u>	<u>4,724,950</u>
Liabilities					
Current liabilities					
Trade and other payables		29,108	57,647	-	86,755
Total current liabilities		<u>29,108</u>	<u>57,647</u>	<u>-</u>	<u>86,755</u>
Total liabilities		<u>29,108</u>	<u>57,647</u>	<u>-</u>	<u>86,755</u>
Net assets		<u>323,545</u>	<u>(1,800)</u>	<u>4,316,450</u>	<u>4,638,195</u>
Equity					
Issued capital	5	330,001	1,200	4,313,450	4,644,651
Accumulated losses		(6,456)	(3,000)	3,000	(6,456)
Total equity		<u>323,545</u>	<u>(1,800)</u>	<u>4,316,450</u>	<u>4,638,195</u>

The unaudited pro forma statement of financial position represents the audited statement of financial position of the Company and VMS as at 30 June 2017, adjusted for the pro forma transactions outlined in Note 1 of this Appendix. It should be read in conjunction with the notes to the historical and pro forma financial information.

1. Introduction

The financial information set out in this Appendix consists of the Historical Financial Information together the Pro Forma Historical Financial Information.

The Pro Forma Historical Financial Information has been compiled by adjusting the statement of financial position of the Company and reflecting the Directors' pro forma adjustments, for the impact of the following pro forma adjustments.

Adjustments adopted in compiling the Pro Forma Historical Financial Information

The Pro Forma Historical Consolidated Information has been prepared by adjusting the Historical Financial Information to reflect the financial effects of the following pro forma transactions which are yet to occur, but are proposed to occur immediately before or following completion of the Offer:

- (i) The issue of 22,500,000 ordinary Tando shares at \$0.20 each to raise \$4,500,000 before costs pursuant to the Offer;
- (ii) The payment of cash costs related to the Offer estimated to be \$435,350;
- (iii) The Company completing the acquisition of the Quartz Bore Project through acquiring 100% of the fully paid ordinary shares of VMS Resources Pty Ltd ("VMS") ("Acquisition") and VMS completes its agreement with the current holder of the Quartz Bore Project for the purchase of the Project. The consideration payable by the Company for the Acquisition is:
 - \$50,000 payable in cash ("Cash Consideration"); and
 - 1,250,000 Shares at a deemed issue price of \$0.20 per Share ("Consideration Shares").

The Pro Forma Historical Financial Information has been presented in abbreviated form and does not contain all the disclosures usually provided in an Annual Report prepared in accordance with the *Corporations Act 2001*.

2. Statement of significant accounting policies

(a) Basis of preparation

The Historical Financial Information has been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards ("AAS"), adopted by the Australian Accounting Standards Board ("AASB") and the *Corporations Act 2001*.

The Pro Forma Financial Information presented in the Prospectus has been compiled by adjusting the statement of financial position of the Company and reflecting the Directors' pro forma adjustments.

The significant accounting policies that have been adopted in the preparation and presentation of the Historical Financial Information and the Pro forma Historical Financial Information are:

(b) Basis of measurement

The Historical and Pro Forma Financial Information has been prepared on the historical cost basis except for financial instruments classified at *fair value through profit or loss*, which are measured at fair value.

(c) Functional and presentation currency

This Historical and Pro Forma Historical Financial Information has been presented in Australian dollars which is the Company's functional currency.

(d) Principles of consolidation

The Historical and Pro Forma Historical Financial Information incorporates the assets, liabilities and results of entities controlled by the Company at the end of the pro forma reporting period. A controlled entity is any entity over which the Company has the ability and right to govern the financial and operating policies so as to obtain benefits from the entity's activities. Control will generally exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are also considered.

Where controlled entities have entered or left the consolidated entity during the year, the financial performance of those entities is included only for the period of the year that they were controlled.

In preparing the consolidated financial statements, all intragroup balances and transactions between entities in the consolidated entity have been eliminated in full on consolidation. Accounting policies of subsidiaries have been charged where necessary to ensure consistency with those adopted by the parent entity.

(e) Use of estimates and judgements

The preparation the Historical and Pro Forma Historical Financial Information in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

(f) Going concern

The Historical and Pro Forma Historical Financial Information has been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

(g) Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

(h) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(i) Exploration, evaluation and development expenditure

Exploration and evaluation expenditure include drilling, assaying, geochemical and geophysical investigations and independent geological consultants in respect of each identifiable area of interest.

Exploration and evaluation expenditure incurred before the Company obtains the legal rights to explore the areas of interest, are expensed in the Statement of Profit or Loss and other Comprehensive Income when incurred.

(j) Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable may be impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Other receivables are recognised at amortised cost, less any provision for impairment

(k) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

(l) Goods and services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

3. Exploration and evaluation expenditure

	Note	Audited 30-Jun-17 \$	Unaudited Pro-forma 30-Jun-17 \$
Exploration and evaluation expenditure		-	356,447
Tando exploration and evaluation expenditure as at 30 June 2017			-
<i>Adjustments arising in the preparation of the pro forma statement of financial position are summarised as follows:</i>			
Carrying value of VMS exploration acquired	1(iii)		54,647
Pro forma fair value adjustment of exploration asset on Acquisition	3(a)		301,800
			356,447
Pro-forma other non-current assets			356,447

(a) Acquisition of the Quartz Bore Project

The Acquisition has been treated as an asset acquisition for accounting purposes. VMS was incorporated on 1 May 2017 for the primary purpose of acquiring the Quartz Bore Project. VMS has had no material operations other than entry into an agreement with the current holder of the Quartz Bore Project for the purchase of the Project. The pro forma Acquisition accounting of VMS is set out below and assumes VMS completes its agreement with the current holder of the Quartz Bore Project for the purchase of the Project.

	Book value of assets and liabilities acquired at 30 June 2017	Pro-forma adjustments	Assets and liabilities acquired
Assets			
Cash	1,200	-	1,200
Mineral exploration and evaluation expenditure	54,647	301,800	356,447
Total assets	55,847	301,800	357,647
Liabilities			
Trade and other payables	57,647	-	57,647
Net assets acquired			300,000
<u>Cost to acquire the Quartz Bore Project</u>			
Cash Consideration paid			50,000
1,250,000 Tando Consideration Shares issued			250,000
Total Acquisition consideration			300,000

4. Cash and cash equivalents

	Note	Audited 30-Jun-17 \$	Unaudited Pro-forma 30-Jun-17 \$
Cash and cash equivalents		287,612	4,303,462
Tando cash and cash equivalents as at 30 June 2017			287,612
<i>Adjustments arising in the preparation of the pro forma statement of financial position are summarised as follows:</i>			
Proceeds from the Offer pursuant to the Prospectus	1(i)		4,500,000
Capital raising costs	1(ii)		(435,350)
Cash consideration paid for the Acquisition	1(iii)		(50,000)
			4,014,650
Pro-forma cash and cash equivalents			4,303,462

5. Issued capital

	Note	Number of shares	\$
Tando issued share capital as at 30 June 2017		6,750,001	330,001
<i>Adjustments arising in the preparation of the pro forma statement of financial position are summarised as follows:</i>			
Fully paid ordinary shares issued at \$0.20 pursuant to this Prospectus	1(i)	22,500,000	4,500,000
Cash costs associated with the share issue pursuant to this Prospectus	1(ii)	-	(435,350)
Consideration Shares issued for the Acquisition	1(iii)	1,250,000	250,000
		23,750,000	4,314,650
Pro-forma issued share capital		30,500,001	4,644,651

6. Related party disclosure

The Directors of Tando are Jeremy King, William Oliver and Patrick Burke. Directors' holdings of shares, directors' remuneration and other directors' interests are set out in Section 8 of the Prospectus.

7. Contingent liabilities

The Company has no contingent liabilities as at 30 June 2017.

8. Commitments

Following completion of the Offer and Acquisition, the Company will have the following exploration commitments at 30 June 2017.

	Unaudited Pro-forma 30-Jun-17 \$
<i>Exploration expenditure payments committed at the reporting date but not recognised as liability:</i>	
Within one year	15,000
One to five years	30,000
	<u>45,000</u>

7. SOLICITOR'S REPORT ON TENEMENTS

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21 August 2017

The Board of Directors
Tando Resources Limited
Unit 4, 11 Ventnor Avenue
West Perth, WA 6005

Dear Sirs

SOLICITOR'S REPORT ON TENEMENTS

This Report is prepared for inclusion in a prospectus for the initial public offer of 22,500,000 shares in the capital of Tando Resources Limited (ACN 618 307 887) (**Company**) at an issue price of \$0.20 per share to raise \$4,500,000 (**Prospectus**).

1. SCOPE

We have been requested to report on mining tenements in which the Company has an interest or has made an application to have an interest (**Tenements**).

The Tenements are located in Western Australia. Details of the Tenements are set out in Part I of this Report.

This Report is limited to the Searches (as defined below) set out in Section 2 of this Report.

2. SEARCHES

For the purposes of this Report, we have conducted searches and made enquiries in respect of the Tenements as follows (**Searches**):

- (a) we have obtained a mining tenement register searches of the Tenements from the register maintained by the Western Australian Department of Mines and Petroleum (**DMP**) (**Tenement Search**). These searches were conducted on 7 April 2017 and 14 June 2017 and were updated on 15 August 2017. Key details on the status of the Tenements are set out in Part I of this Report;
- (b) we have obtained results of searches of the schedule of native title applications, register of native title claims, national native title register, register of indigenous land use agreements and national land use agreements as maintained by the National Native Title Tribunal (**NNTT**) for any native title claims (registered or unregistered), native title

determinations and indigenous land use agreements (**ILUAs**) that overlap or apply to the Tenements. This material was obtained on 7 April 2017 and 14 June 2017 and was updated on 17 August 2017. Details of any native title claims (registered or unregistered), native title determinations and ILUAs are set out in Section 6 of this Report and Part II of this Report;

- (c) we have obtained searches from the online Aboriginal Heritage Enquiry System maintained by the Department of Indigenous Affairs (**DIA**) for any Aboriginal sites registered on the Western Australian Register of Aboriginal sites over the Tenements (**Heritage Search**). These searches were conducted on 7 April 2017 and 1 August 2017 and were updated on 15 August 2017. Details of any Aboriginal Sites are set out in Part II of this Report;
- (d) we have obtained quick appraisal user searches of Tengraph which is maintained by the DMP to obtain details of features or interests affecting the Tenements (**Tengraph Searches**). These searches were conducted on 7 April 2017 and 14 June 2017 and were updated on 15 August 2017. Details of any material issues identified from the Tengraph Search are set out in the notes to Part I of this Report; and
- (e) we have reviewed all material agreements relating to the Tenements provided to us or registered as dealings against the Tenements as at the date of the Tenement Searches and have summarised the material terms (details of which are set out in Part III of this Report).

3. **OPINION**

As a result of our Searches, but subject to the assumptions and qualifications set out in this Report, we are of the view that, as at the date of the relevant Searches this Report provides an accurate statement as to:

- (a) (**Company's interest**): the Company's interest in the Tenements;
- (b) (**Good standing**): the validity and good standing of the Tenements; and
- (c) (**Third party interests**): third party interests, including encumbrances, in relation to the Tenements.

4. **DESCRIPTION OF THE TENEMENTS**

The Tenements comprise one exploration licence granted, and two pending exploration licenses applied for, under the *Mining Act 1978* (WA) (**Mining Act**). Section 4 provides a description of the nature and key terms of this type of mining tenement as set out in the Mining Act and potential successor tenements.

4.1 **Exploration Licence**

Rights: The holder of an exploration licence is entitled to enter the land for the purposes of exploration for minerals with employees and contractors and such vehicles, machinery and equipment as may be necessary or expedient.

Term: An exploration licence has a term of 5 years from the date of grant. The Minister may extend the term by a further period of 5 years followed by a further period or periods of 2 years.

Retention status: The holder of an exploration licence granted after 10 February 2006 may apply for approval of retention status for the exploration licence. The Minister may approve the application where there is an identified mineral resource in or under the land the subject of the exploration licence but it is impractical to mine the resource for prescribed reasons. Where retention status is granted, the minimum expenditure requirements are reduced in the year of grant and cease in future years. However, the Minister has the right to impose a programme of works or require the holder to apply for a mining lease.

Conditions: Exploration licences are granted subject to various standard conditions, including conditions relating to minimum expenditure, the payment of prescribed rent and royalties and observance of environmental protection and reporting requirements. These standard conditions are not detailed in Part 1 of this Report. A failure to comply with these conditions or obtain an exemption from compliance may lead to forfeiture of the exploration licence.

Relinquishment: The holder of an exploration licence applied for and granted after 10 February 2006 must relinquish not less than 40% of the blocks comprising the licence at the end of the fifth year. A failure to lodge the required partial surrender could render the tenement liable for forfeiture.

Priority to apply for mining lease: The holder of an exploration licence has priority to apply for a mining lease over any of the land subject to the exploration licence. Any application for a mining lease must be made prior to the expiry of the exploration licence. The exploration licence remains in force until the application for the mining lease is determined.

Transfer: No legal or equitable interest in an exploration licence can be transferred or otherwise dealt with during the first year of its term without the prior written consent of the Minister. Thereafter, there is no restriction on transfer or other dealings.

4.2 Mining lease

Application: Any person may lodge an application for a mining lease, although a holder of a prospecting licence, exploration licence or retention licence over the relevant area has priority. The Minister decides whether to grant an application for a mining lease.

The application, where made after 10 February 2006, must be accompanied by either a mining proposal or a statement outlining mining intentions and a “mineralisation report” indicating there is significant mineralisation in the area over which a mining lease is sought. A mining lease accompanied by a “mineralisation report” will only be approved where the Director, Geological Survey considers that there is a reasonable prospect that the mineralisation identified will result in a mining operation.

Rights: The holder of a mining lease is entitled to mine for and dispose of any minerals on the land in respect of which the lease was granted. A mining lease entitles the holder to do all acts and things necessary to effectively carry out mining operations.

Term: A mining lease has a term of 21 years and may be renewed for successive periods of 21 years. Where a mining lease is transferred before a renewal application has been determined, the transferee is deemed to be the applicant.

Conditions: Mining leases are granted subject to various standard conditions, including conditions relating to expenditure, the payment of prescribed rent and royalties and observance of environmental protection and reporting requirements. An unconditional performance bond may be required to secure performance of these obligations. A failure to comply with these conditions may lead to forfeiture of the mining lease. These standard conditions are not detailed in Part I of this Report.

Transfer: The consent of the Minister is required to transfer a mining lease.

4.3 Miscellaneous licence

Application: Any person may apply for a miscellaneous licence. The mining registrar or warden decides whether to grant an application for a miscellaneous licence. A miscellaneous licence may be granted for a prescribed purpose that is directly connected with mining operations. An application for a miscellaneous licence cannot be legally transferred and continues in the name of the applicant.

Rights: The holder of a miscellaneous licence is entitled to carry out the activities for the purpose specified in the miscellaneous licence.

Term: A miscellaneous licence granted or applied for before 6 June 1998 has a term of 5 years and the Minister may renew it for a further term of 5 years and if so, must renew for a further term or terms of 5 years. A miscellaneous licence applied for and granted after 6 June 1998 has a term of 21 years and the Minister may renew for a further term of 21 years and if so, must renew for a further term or terms of 21 years. Where a miscellaneous licence is transferred before a renewal application has been determined, the transferee is deemed to be the applicant.

Conditions: A miscellaneous licence is granted subject to various standard conditions. A failure to comply with these conditions may lead to forfeiture of the miscellaneous licence. These standard conditions are not detailed in this Report.

Transfer: The consent of the Minister is required to transfer a miscellaneous licence.

5. ABORIGINAL HERITAGE

Aboriginal sites were identified from the Heritage Searches (as noted in Part II of this Report) for Tenement Application E45/4939.

It is noted that a standard Aboriginal heritage agreement will be required to be entered into, upon the granting of the Tenement Application, (as noted in Part II following this Report) which sets out the obligations of the parties holding an interest in the Tenements (whether title or mineral rights only) in protecting Aboriginal heritage in areas where exploration takes place in a manner that is transparent, timely, certain and cost effective.

Under Aboriginal heritage agreements parties holding an interest in a tenement (whether title or mineral rights only) may dispose of any or all of its rights with respect to their interest in the tenement, but must first procure an executed deed of assumption in favour of the relevant native title group by which the assignee (purchaser) agrees to be bound by the provisions of the heritage agreement and to assume, observe and perform the obligations of the assignor (vendor) under the heritage agreement insofar as they relate to the interest being acquired by the assignee (purchaser). In the case of the Company such an assumption would be restricted to the obligations relating to the mineral rights (excluding iron ore) on the Tenements.

As heritage agreements relate to the process of 'clearing' areas of land on tenements in order to conduct exploration activities it is possible a purchaser may rely on surveys previously completed by a vendor where it wishes to conduct activities on areas within tenements previously cleared of heritage sites without the requirements to repeat the process and incur additional costs.

5.1 Commonwealth legislation

The *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (Cth) (**Commonwealth Heritage Act**) is aimed at the preservation and protection of any Aboriginal areas and objects that may be located on the Tenements.

Under the Commonwealth Heritage Act, the Minister for Aboriginal Affairs may make interim or permanent declarations of preservation in relation to significant Aboriginal areas or objects, which have the potential to halt exploration activities. Compensation is payable by the Minister for Aboriginal Affairs to a person who is, or is likely to be, affected by a permanent declaration of preservation.

It is an offence to contravene a declaration made under the Commonwealth Heritage Act.

5.2 Western Australian legislation

Tenements are granted subject to a condition requiring observance of the *Aboriginal Heritage Act 1972* (WA) (**WA Heritage Act**).

The WA Heritage Act makes it an offence to alter or damage sacred ritual or ceremonial Aboriginal sites and areas of significance to Aboriginal persons (whether or not they are recorded on the register or otherwise known to the Register of Aboriginal Sites, DIA or the Aboriginal Cultural Material Committee).

The Minister's consent is required where any use of land is likely to result in the excavation, alteration or damage to an Aboriginal site or any objects on or under that site.

Aboriginal sites may be registered under the WA Heritage Act. However, there is no requirement for a site to be registered. The WA Heritage Act protects all registered and unregistered sites.

6. NATIVE TITLE

6.1 Introduction

This section of the Report examines the effect of native title on the Tenements.

The existence of native title rights held by indigenous Australians was first recognised in Australia in 1992 by the High Court in the case *Mabo v. Queensland (no.2)* (1992) 175 CLR 1 (**Mabo no.2**).

The High Court in *Mabo no. 2* held that certain land tenure existing as at the date of that case, including mining tenements, were granted or renewed without due regard to native title rights, were invalid. The High Court concluded that:

- (a) native title has been wholly extinguished in respect of land the subject of freehold, public works or other previous “exclusive possession” acts; and
- (b) native title has been partially extinguished as a result of the grant of “non-exclusive possession” pastoral leases and mining leases, and also as a result of the creation of certain reserves.

As a result of *Mabo no. 2*, the *Native Title Act 1993* (Cth) (**NTA**) was passed to:

- (a) provide a process for indigenous people to lodge claims for native title rights over land, for those claims to be registered by the NNTT and for the Courts to assess native title claims and determine if native title rights exist. Where a Court completes the assessment of a native title claim, it will issue a native title determination that specifies whether or not native title rights exist;
- (b) provide (together with associated State legislation) that any land tenures granted or renewed before 1 January 1994 were valid despite *Mabo no. 2* (**Past Acts**). This retrospective validation of land tenure was subsequently extended by the NTA to include freehold and certain leasehold (including pastoral leases) granted or renewed before 23 December 1996 (**Intermediate Period Acts**). Broadly speaking, this means that native title is not extinguished, merely suspended, for the duration of the mining tenement; and
- (c) provide that an act that may affect native title rights (such as the grant or renewal of a mining tenement) carried out after 23 December 1996 (a **Future Act**) must comply with certain requirements for the Future Act to be valid under the NTA. These requirements are called the **Future Act Provisions**.

6.2 Future Act Provisions

The Future Act Provisions vary depending on the Future Act to be carried out. In the case of the grant of a mining tenement, typically there are four alternatives: the Right to Negotiate, an ILUA, the Infrastructure Process (defined below) and the Expedited Procedure. These are summarised below.

Right to Negotiate

The Right to Negotiate involves a formal negotiation between the State, the applicant for the tenement and any registered native title claimants and holders of native title rights. The aim is to agree the terms on which the tenement can be granted. The applicant for the tenement is usually liable for any compensation that the parties agree to pay to the registered native title claimants and holders of native title. The parties may also agree on conditions that will apply to activities carried out on the tenement (eg in relation to heritage surveys). The classes of conditions typically included in a mining agreement are set out at section 6.3 below.

If agreement is not reached to enable the tenement to be granted, the matter may be referred to arbitration before the NNTT, which has six (6) months to decide whether the State, the applicant for the tenement and any registered native title claimants and holders of native title rights have negotiated in good faith (only if the issue is raised by one of the parties) and then whether the tenement can be granted and if so, on what conditions. The earliest an application for arbitration can be made to the NNTT is six (6) months after the date of notification of commencement of negotiations by the DMP.

If the Right to Negotiate procedure is not observed, the grant of the mining tenement will be invalid to the extent (if any) that it affects native title.

ILUA

An ILUA is a contractual arrangement governed by the NTA. Under the NTA, an ILUA must be negotiated with all registered native title claimants for a relevant area. The State and the applicant for the tenement are usually the other parties to the ILUA.

An ILUA must set out the terms on which a tenement can be granted. An ILUA will also specify conditions on which activities may be carried out within the tenement. The applicant for a tenement is usually liable for any compensation that the parties agree to pay to the registered native title claimants and holders of native title in return for the grant of the tenement being approved. These obligations pass to a transferee of the tenement.

Once an ILUA is agreed and registered, it binds the whole native title claimant group and all holders of native title in the area (including future claimants), even though they may not be parties to it.

Infrastructure Process

The NTA establishes a simplified process for the carrying out of a Future Act that is the creation of a right to mine for the sole purpose of the construction of an infrastructure facility (**Infrastructure Process**). The NTA defines infrastructure facility to include a range of transportation, marine, aeronautical, electrical, oil, gas, mineral and communication facilities. In Western Australia, DMP applies the Infrastructure Process to two classes of mining tenements:

- (a) miscellaneous licences for most purposes under the Mining Regulations 1981 (WA) that but, notably, not for a minesite administration facility or a minesite accommodation facility (both of which are dealt with under the Right to Negotiate) or for a search for groundwater (which is dealt with under the Expedited Procedure); and

- (b) most general purpose leases.

The State commences the Infrastructure Process by giving notice of the proposed grant of the tenement to any registered native title claimants or native title holders in relation to the land to be subject to the tenement. Those registered native title claimants or holders have two (2) months after the notification date to object in relation to the effect of the grant of the tenement on any registered or determined native title rights. Any objection is lodged with DMP.

If a registered native title claimant or holder objects, the applicant for the tenement must consult with that claimant or holder about:

- (a) ways of minimising the effect of the grant of the tenement on any registered or determined native title rights;
- (b) if relevant, any access to the land; and
- (c) the way in which anything authorised by the tenement may be done.

If the registered native title claimant or holder does not subsequently withdraw their objection, the State is required to ensure that the objection is heard by an independent person (in Western Australia, this is the Chief Magistrate). The independent person must determine whether or not the registered native title claimant or holder's objection should be upheld or other conditions should be imposed on the tenement.

Expedited Procedure

The NTA establishes a simplified process for the carrying out of a Future Act that is unlikely to adversely affect native title rights (**Expedited Procedure**). The grant of a tenement can occur under the Expedited Procedure if:

- (a) the grant will not interfere directly with the carrying on of the community or social activities of the persons who are the holders of native title in relation to the land;
- (b) the grant is not likely to interfere with areas or sites of particular significance, in accordance with their traditions, to the persons who are holders of native title in relation to the land; and
- (c) the grant is not likely to involve major disturbance to any land or waters concerned or create rights whose exercise is likely to involve major disturbance to any land.

If the State considers the above criteria are satisfied, it commences the Expedited Procedure by giving notice of the proposed grant of the tenement in accordance with the NTA. Persons have until three (3) months after the notification date to take steps to become a registered native title claimant or native title holder in relation to the land to be subject to the tenement.

If there is no objection lodged by a registered native title claimant or a native title holder within four (4) months of the notification date, the State may grant the tenement.

If one or more registered native title claimants or native title holders object within that four (4) month notice period, the NNTT must determine whether the grant is

an act attracting the Expedited Procedure. If the NNTT determines that the Expedited Procedure applies, the State may grant the tenement. Otherwise, the Future Act Provisions (eg Right to Negotiate or ILUA) must be followed before the tenement can be granted.

The State of Western Australia currently follows a policy of granting mining leases, prospecting licences and exploration licences under the Expedited Procedure where the applicant has entered into a standard Aboriginal heritage agreement with the relevant registered native title claimants and native title holders. The standard Aboriginal heritage agreement provides a framework for the conduct of Aboriginal heritage surveys over the land the subject of a tenement prior to the conducting of ground-disturbing work and conditions that apply to activities carried out within the tenement.

Exception to requirement to comply with Future Act Provisions

The grant of a tenement does not need to comply with the Future Act Provisions if in fact native title has never existed over the land covered by the tenement, or has been validly extinguished prior to the grant of the tenement. We have not undertaken the extensive research needed to determine if in fact native title does not exist, or has been validly extinguished in relation to the Tenements.

Unless it is clear that native title does not exist (eg in relation to freehold land), the usual practice of the State is to comply with the Future Act Provisions when granting a tenement. This ensures the grant will be valid in the event a court determines that native title rights do exist over the land subject to the tenement.

Where a tenement has been retrospectively validated or validly granted under the NTA, the rights under the tenement prevail over any inconsistent native title rights.

Application to the Tenements

The following sections of the Report identify:

- (a) any native title claims (registered or unregistered), native title determinations and ILUAs in relation to the Tenements (see Section 6.4);
- (b) any Tenements which has been retrospectively validated under the NTA as being granted before 23 December 1996 (see Section **Error! Reference source not found.**);
- (c) any Tenements which has been granted after 23 December 1996 and as such will need to have been granted following compliance with the Future Act Provisions to be valid under the NTA. This Report assumes that the Future Act Provisions have been complied with in relation to the Tenements (see Section **Error! Reference source not found.**); and
- (d) any Tenements which is yet to be granted and as such may need to be granted in compliance with the Future Act Provisions in order to be valid under the NTA (see Section **Error! Reference source not found.**).

6.3 Native title claims, native title determinations and ILUAs

Our searches indicate that the Tenements are within the external boundary of the native title claim specified in Part II of the Schedule. This native title claim is

registered and it has been determined that native title exists in part of the determination area (WCD2005/001).

Our searches returned one result for an ILUA in relation to the Tenements.

Registered native title claimants (and holders of native title under the determinations) are entitled to certain rights under the Future Act Provisions in respect of land in which native title may continue to subsist.

Freehold land

We have assumed that all of the freehold land the subject of the Tenements was validly granted prior to 23 December 1996 and that therefore:

- (a) native title has been extinguished in respect of that land;
- (b) registered native title claimants (and determined native title holders) are not entitled to rights under the Future Act Provisions in respect of that land.

The Company has advised us that it proposes to undertake exploration and, subject to receipt of relevant approvals, mining activities on areas designated as freehold land. On the basis that native title is extinguished over freehold land, the Company will not be required to enter into negotiations with respect to native title in order to conduct its activities.

Non-freehold land

Native title may continue to subsist in certain parcels of non-freehold land or 'Crown land', including pastoral leases, vacant/unallocated Crown land and certain Crown reserves that were not vested prior to 23 December 1996 and which have not been subsequently developed as public works.

Unless it is essential that the Company has access to any of the above-mentioned parcels (or any other non-freehold land), it is recommended that all parcels of non-freehold land are excised from any applications for mining leases. If the Company wishes to undertake mining activities on any of the above-mentioned parcels, we would expect the Right to Negotiate to apply.

Native title mining agreement

A typical native title mining agreement would impose obligations on the Company in relation to the matters set out below.

- (a) **(Compensation):** The Company would be required to make a number of milestone payments prior to commencement of production (eg at signing of the agreement and at decision to mine). It is currently typical for these payments to total between \$150,000 and \$350,000. The Company would be required to make a payment based on mineral production, which would be likely to be calculated as a percentage of the 'Royalty Value' of the mineral, as defined by the *Mining Regulations 1981(WA)*. It is currently typical for these payments to be 0.5% of the 'Royalty Value' although they vary by commodity and project. Over the past several years they have ranged between 0.25% and 1%+ of the 'Royalty Value'.

- (b) **(Aboriginal heritage):** The Company would be required to give notice prior to any ground-disturbing activities and to conduct an Aboriginal heritage survey through the relevant registered native title claimants prior to doing so. The Company's right to apply to disturb Aboriginal sites under the *Aboriginal Heritage Act 1972* (WA) would be subject to, as a minimum, an obligation to consult with the registered native title claimants prior to doing so.
- (c) **(Access):** The Company would be required to avoid unreasonably restricting the registered native title claimants' rights of access to the relevant areas.
- (d) **(Environment):** The Company would be required to provide copies of all of its environmental approvals to the registered native title claimants. The Company may be required to consider funding the participation of the registered native title claimants in its environmental survey and monitoring processes.
- (e) **(Training, employment and contracting):** The Company would be required to provide certain training, employment and contracting benefits to the registered native title claimants, which may include measures such as funding for Aboriginal scholarships or traineeships, implementation of an Aboriginal training and employment policy and business development assistance for Aboriginal contractors or entities that work with Aboriginal contractors (eg in joint venture arrangements).
- (f) **(Cross-cultural awareness):** The Company would be required to ensure that all of its employees and contractors participate in cross-cultural awareness training, which would be likely to be coordinated by the registered native title claimants.
- (g) **(Social impact):** The Company may be asked to fund a study into the social impact of its operations, including the social impact on the registered native title claimants.

6.4 Validity of the Tenements under the NTA

Our Searches indicate that the Tenements are within the external boundary of the following native title claims, native title determinations and ILUAs:

Tenement	Native Title Claim	Native Title Determination	ILUA
E47/3352	WC1999/014	Native Title exists in part of the determination area (Native Title Determination Number: WCD2005/001)	Registered (RTO Ngarluma Indigenous Land Use Agreement (WI2011/005))
E45/4939	WC1996/078	Native Title exists in the entire determination area (Native Title Determination Number: WCD2005/001)	Lake Disappointment Project Mining and Indigenous Land Use

Tenement	Native Title Claim	Native Title Determination	ILUA
		WCD2002/002	Agreement (WI2012/009)
E45/4939	WC1999/08	Active Claim	Not applicable
E52/3560	WC1999/013	Native Title exists in part of the determination area (Native Title Determination Number: WCD2000/001	Nharnuwangga Wajarri and Ngarlawangga Indigenous Land Use Agreement WIA2000/001

The status of the native title claims, native title determinations and ILUAs are summarised in Part II of this Report.

Native title claimants, holders of native title under the determination and native title parties under the ILUA are entitled to certain rights under the Future Act Provisions.

The sections below examine the validity of the Tenements under the NTA.

Tenements granted after 23 December 1996

Our Searches indicate that the only granted Tenement in which the Company has an interest was granted after 23 December 1996.

Tenement	Date of Grant
E47/3352	22/12/2016

We have assumed that this Tenement was granted in accordance with the Future Act Provisions and as such is valid under the NTA.

Tenements renewed after 23 December 1996

Renewals of mining tenements made after 23 December 1996 must comply with the Future Act Provisions in order to be valid under the NTA.

An exception is where the renewal is the first renewal of a mining tenement that was validly granted before 23 December 1996 and the following criteria are satisfied:

- the area to which the mining tenement applies is not extended;
- the term of the renewed mining tenement is not longer than the term of the old mining tenement; and
- the rights to be created are not greater than the rights conferred by the old mining tenement.

In such cases, the mining tenement can be renewed without complying with the Future Act Provisions. It is currently uncertain whether this exemption applies to a second or subsequent renewal of such a mining tenement.

Our Searches indicate that the Tenement was not renewed after 23 December 1996.

Renewal of the Tenement in the future will need to comply with the Future Act Provisions in order to be valid under the NTA. The registered native title claimants and holders of native title identified in Section 6.3 of this Report will need to be involved as appropriate under the Future Act Provisions.

7. CROWN LAND

As set out in Part I of this Report, land the subject of the Tenements overlaps Crown land as set out in the table below.

Tenement	Crown land	% overlap
E47/3352	Vacant Crown Land	4.6
E45/4939	Vacant Crown Land	90.5
E52/3560	Vacant Crown Land	49.3

The Mining Act:

- (a) prohibits the carrying out of prospecting, exploration or mining activities on Crown land that is less than 30 metres below the lowest part of the natural surface of the land and:
 - (i) for the time being under crop (or within 100 metres of that crop);
 - (ii) used as or situated within 100 metres of a yard, stockyard, garden, cultivated field, orchard vineyard, plantation, airstrip or airfield;
 - (iii) situated within 100 metres of any land that is an actual occupation and on which a house or other substantial building is erected;
 - (iv) the site of or situated within 100 metres of any cemetery or burial ground; or
 - (v) if the Crown land is a pastoral lease, the site of or situated within 400 metres of any water works, race, dam, well or bore not being an excavation previously made and used for purposes by a person other than the pastoral lessee,

without the written consent of the occupier, unless the warden by order otherwise directs.
- (b) imposes restrictions on a tenement holder passing over Crown land referred to in section 7(a), including:
 - (i) taking all necessary steps to notify the occupier of any intention to pass over the Crown land;
 - (ii) the sole purpose for passing over the Crown land must be to gain access to other land not covered by section 7(a) to carry out prospecting, exploration or mining activities;

- (iii) taking all necessary steps to prevent fire, damage to trees, damage to property or damage to livestock by the presence of dogs, the discharge of firearms, the use of vehicles or otherwise; and
 - (iv) causing as little inconvenience as possible to the occupier by keeping the number of occasions of passing over the Crown land to a minimum and complying with any reasonable request by the occupier as to the manner of passage.
- (c) requires a tenement holder to compensate the occupier of Crown land:
- (i) by making good any damage to any improvements or livestock caused by passing over Crown land referred to in section 7(a) or otherwise compensate the occupier for any such damage not made good; and
 - (ii) in respect of land under cultivation, for any substantial loss of earnings suffered by the occupier caused by passing over Crown land referred to in section 7(a).

The warden may not give the order referred to in section 7(a) that dispenses with the occupier's consent in respect of Crown land covered by section 7(a)(iii). In respect of other areas of Crown land covered by the prohibition in section 7(a), the warden may not make such an order unless he is satisfied that the land is genuinely required for mining purposes and that compensation in accordance with the Mining Act for all loss or damage suffered or likely to be suffered by the occupier has been agreed between the occupier and the tenement holder or assessed by the warden under the Mining Act.

Although the Company will be able to undertake its proposed activities on those parts of the Tenements not covered by the prohibitions and pass over those parts of the Tenements to which the restrictions do not apply immediately upon listing on ASX, the Company should consider entering into access and compensation agreements with the occupiers of the Crown land upon commencement of those activities in the event further activities are required on other areas of the Tenements which are subject to prohibitions or restrictions.

8. CROWN RESERVES

Certain land the subject of the Tenements overlaps Crown reserves as set out in the table below.

Tenement	Crown reserve	Class	% overlap
E47/3352	Crown Reserve 9701 (De Grey Mullewa Stock Route)	C	13.6
E47/3352	Crown Reserve 18301 (common)	C	41.5
E45/4939	Crown Reserve 12297 (Rabbit Proof Fence No 1)	C	<0.1%

Under section 41 of the *Land Administration Act 1997* (WA) (**LAA**) the Minister may set aside Crown lands by Ministerial Order in the public interest. Every such reservation has its description and designated purpose registered on a Crown Land Title (**CLT**) and is depicted on an authenticated map held by Landgate.

The *Land Act 1933* (WA) provided for State reserves to be classified as Class A, B or C. There is no provision in the LAA to create new Class B reserves and there is no longer reference to Class C reserves.

Upon the *Land Act 1933* (WA) being repealed, all Class C reserves became reserved land under the LAA. Schedule 3 of the *Land Administration Amendment Act 2000* (WA), at section 3(5), provides that any land which was classified as a Class C reserve, upon the day the LAA came into operation, is to be treated as a reserve within the meaning of the LAA. Tenement holders are limited as to what activities may be undertaken on reserved land, requiring the written consent of the Minister for Mines and Petroleum.

Class A affords the greatest degree of protection for reserved lands, requiring approval of Parliament to amend the reserve's purpose or area, or to cancel the reservation. The A classification is used solely to protect areas of high conservation or high community value. Class B reserves continue, but are no longer created under the LAA. The Minister for Lands may deal with Class B reserved lands as normal reserves, provided that, should the reservation be cancelled, a special report is made to both Houses of Parliament within 14 days from the cancellation or within 14 days after the commencement of the next session.

Once created, a reserve is usually placed under the care, control and management of a State government department, local government or incorporated community group by way of a Management Order registered against the relevant CLT. A Management Order under the LAA does not convey ownership of the land – only as much control as is essential for the land's management. Crown Reserve 9701 is managed by the Department of Regional Development and Lands and Crown Reserve 18301 is managed by the Shire of Roebourne.

9. PASTORAL LEASES

As set out in Part I of the Schedule to this Report the Tenement overlaps with pastoral leases as follows:

- (a) **Pastoral Lease N050343 (Mallina)** overlaps with 17.8% of E47/3352;
- (b) **Pastoral Lease N050345 (Sherlock)** overlaps with 21.9% of E47/3352;
- (c) **Pastoral Lease N049879 (Wandanya)** overlaps with 9.2% of E45/4939;
- (d) **Pastoral Lease N049436 (Warrawagine)** overlaps with 0.3% of E45/4939;
and
- (e) **Pastoral Lease N050364 (Mt Vernon)** overlaps with 50.7% of E52/3560;

The Mining Act:

- (a) prohibits the carrying out of mining activities on or near certain improvements and other features (such as livestock and crops) on

Crown land (which includes a pastoral lease) without the consent of the lessee;

- (b) imposes certain restrictions on a mining tenement holder passing through Crown land, including requiring that all necessary steps are taken to notify the occupier of any intention to pass over the Crown land and that all necessary steps are taken to prevent damage to improvements and livestock; and
- (c) provides that the holder of a mining tenement must pay compensation to an occupier of Crown land (ie the pastoral lessee) in certain circumstances, in particular to make good any damage to improvements, and for any loss suffered by the occupier from that damage or for any substantial loss of earnings suffered by the occupier as a result of, or arising from, any exploration or mining activities, including the passing and re-passing over any land.

We have been advised by the Company and the Company has confirmed that to the best of its knowledge it is not aware of any improvements and other features on the land the subject of the pastoral leases which overlaps the Tenements which would require the Company to obtain the consent of the occupier or lease holder or prevent the Company from undertaking its proposed mining activities on the Tenements, except for the Mt Vernon station homestead which lies in the northeast of application E47/3352. Access to this area is likely to be restricted however this area will not be the focus of the initial exploration activities.

Upon commencing mining operations on the Tenements, the Company should consider entering into a compensation and access agreement with the pastoral lease holders to ensure the requirements of the Mining Act are satisfied and to avoid any disputes arising. In the absence of agreement, the Warden's Court determines compensation payable.

The DMP imposes standard conditions on mining tenements that overlay pastoral leases.

10. ENCROACHMENTS

Where an application is encroached upon by a live tenement, the application as granted will be for a tenement reduced by that amount of land which falls under the live tenement licence. E47/3352 is being encroached by:

- (a) L47/384 by 0.2%; and
- (b) L47/386 by less than 0.1%.

E45/4939 is being encroached by:

- (a) E45/2152 by 1%;
- (b) L45/74 by 0.1%;
- (c) M45/429 by less than 0.1%;
- (d) M45/638 by 0.8%;
- (e) M45/639 by 0.2%;

- (f) M46/162 by 0.7%;
- (g) M46/384 by 0.1%; and
- (h) P46/1871 by less than 0.1%.

11. QUALIFICATIONS AND ASSUMPTIONS

This Report is subject to the following qualifications and assumptions:

- (a) we have assumed the accuracy and completeness of all Searches, register extracts and other information or responses which were obtained from the relevant department or authority including the NNTT;
- (b) we assume that the registered holder of the Tenements has valid legal title to the Tenements;
- (c) this Report does not cover any third party interests, including encumbrances, in relation to the Tenements that are not apparent from our Searches and the information provided to us;
- (d) we have assumed that any agreements provided to us in relation to the Tenements are authentic, were within the powers and capacity of those who executed them, were duly authorised, executed and delivered and are binding on the parties to them;
- (e) with respect to the granting of the Tenements, we have assumed that the State and the applicant for the Tenements has complied with, or will comply with, the applicable Future Act Provisions;
- (f) we have assumed the accuracy and completeness of any instructions or information which we have received from the Company or any of its officers, agents and representatives;
- (g) unless apparent from our Searches or the information provided to us, we have assumed compliance with the requirements necessary to maintain a Tenements in good standing;
- (h) with respect to the application for the grant of a Tenements, we express no opinion as to whether such application will ultimately be granted and that reasonable conditions will be imposed upon grant, although we have no reason to believe that any application will be refused or that unreasonable conditions will be imposed;
- (i) references in Parts I and II of this Report to any area of land are taken from details shown on searches obtained from the relevant department. It is not possible to verify the accuracy of those areas without conducting a survey;
- (j) the information in Parts I and II of this Report is accurate as at the date the relevant Searches were obtained. We cannot comment on whether any changes have occurred in respect of the Tenements between the date of the Searches and the date of this Report;
- (k) where Ministerial consent is required in relation to the transfer of any Tenement, we express no opinion as to whether such consent will be

granted, or the consequences of consent being refused, although we are not aware of any matter which would cause consent to be refused;

- (l) we have not conducted searches of the Database of Contaminated Sites maintained by the Department of the Environment and Conservation;
- (m) native title may exist in the areas covered by the Tenements. Whilst we have conducted Searches to ascertain that native title claims and determinations, if any, have been lodged in the Federal Court in relation to the areas covered by the Tenements, we have not conducted any research on the likely existence or non-existence of native title rights and interests in respect of those areas. Further, the NTA contains no sunset provisions and it is possible that native title claims could be made in the future; and
- (n) Aboriginal heritage sites or objects (as defined in the WA Heritage Act or under the Commonwealth Heritage Act) may exist in the areas covered by the Tenements regardless of whether or not that site has been entered on the Register of Aboriginal Sites established by the WA Heritage Act or is the subject of a declaration under the Commonwealth Heritage Act. Other than the Heritage Searches, we have not conducted any legal, historical, anthropological or ethnographic research regarding the existence or likely existence of any such Aboriginal heritage sites or objects within the area of the Tenements.

12. CONSENT

This report is given for the benefit of the Company and the directors of the Company in connection with the issue of the Prospectus and is not to be disclosed to any other person or used for any other purpose or quoted or referred to in any public document or filed with any government body or other person without our prior consent.

Yours faithfully



STEINEPREIS PAGANIN

PART I – TENEMENT SCHEDULE

TENEMENT	REGISTERED HOLDER / APPLICANT	SHARES HELD	GRANT DATE (APPLICATION DATE)	EXPIRY DATE	AREA SIZE (Blocks)	ANNUAL RENT (Next rental year)	MINIMUM ANNUAL EXPENDITURE	REGISTERED DEALINGS/ ENCUMBRANCES	NOTES	NATIVE TITLE AND ABORIGINAL HERITAGE
E47/3352	Peter Romeo Gianni The Quartz Bore Project, Tenement E47/3352, will be held on Trust by Peter Gianni on behalf of VMS Resources until the twelve-month anniversary of the Tenement being granted, 22nd December 2017.	100/100	22/12/2016	21/12/2021	5BL	Rent for the tenement year end 21/12/2018 - \$670.00	Current Tenement Yr to 21/12/2017 – Yr 1 - \$15,000 Commitment	No material registered dealings or encumbrances	Endorsements and Conditions 1 – 19 Tengraph 1 - 8	Native title exists in parts of the determination area (Federal Court Number: WAD6017/1996 and Determination Number: WCD 2005/001). No Aboriginal Heritage Sites registered.
E45/4939	Tando Resources Limited	100/100	(13/06/2017)	N/A	159BL	Rent for the tenement year end 12/06/2018 - \$20,590.50	N/A	Objection Number 509053 placed on the Application by Pilbara Manganese Pty Ltd. Objection Number 509052 placed on the Application by Consolidated Minerals Pty Ltd. Objection Number 509358 placed on the Application by Nifty Copper Pty Ltd.	No Endorsements or Conditions	Native Title exists in the entire determination area (Federal Court Number: WAD6110/1998 and Native Title Determination Number: WCD2002/002) 4 Aboriginal Heritage Sites registered.

TENEMENT	REGISTERED HOLDER / APPLICANT	SHARES HELD	GRANT DATE (APPLICATION DATE)	EXPIRY DATE	AREA SIZE (Blocks)	ANNUAL RENT (Next rental year)	MINIMUM ANNUAL EXPENDITURE	REGISTERED DEALINGS/ ENCUMBRANCES	NOTES	NATIVE TITLE AND ABORIGINAL HERITAGE
E52/3560	Tando Resources Limited	100/100	(13/06/2017)	N/A	148BL	Rent for the tenement year end 12/06/2018 - \$19,166	N/A	No material registered dealings or encumbrances	No Endorsements or Conditions	Native Title exists in parts of the determination area (Federal Court Number: WAD72/1998 and Native Title Determination Number: WCD2000/001) No Aboriginal Heritage Sites registered.

Key to Tenement Schedule

E – Exploration Licence

References to numbers in the “Notes” column refers to the notes following this table.

References to letters in the “Notes” column refers to the material contracts which are summarised in Part III of this Report.

Unless otherwise indicated, capitalised terms have the same meaning given to them in the Prospectus.

Please refer to Part II of this Report for further details on native title and Aboriginal heritage matters.

Notes:

Tenement Conditions and Endorsements

ENDORSEMENTS	
1.	The licensee's attention is drawn to the provisions of the Aboriginal Heritage Act, 1972 and any regulations thereunder.
2.	The Licensee's attention is drawn to the Environmental Protection Act 1986 and the Environmental Protection (Clearing of Native Vegetation) Regulations 2004, which provides for the protection of all native vegetation from damage unless prior permission is obtained.
	In respect of Water Resource Management Areas (WRMA) the following endorsements apply:
3.	The Licensee attention is drawn to the provisions of the: - Waterways Conservation Act, 1976 - Rights in Water and Irrigation Act, 1914

	- Metropolitan Water Supply, Sewerage and Drainage Act, 1909 - Country Areas Water Supply Act, 1947 - Water Agencies (Powers) Act 1984
4.	The rights of ingress to and egress from the mining tenement being at all reasonable times preserved to officers of Department of Water (DoW) for inspection and investigation purposes.
5.	The storage and disposal of petroleum hydrocarbons, chemicals and potentially hazardous substances being in accordance with the current published version of the DoWs relevant Water Quality Protection Notes and Guidelines for mining and mineral processing.
6.	The taking of groundwater from an artesian well and the construction, enlargement, deepening or altering of any artesian well is prohibited unless current licences for these activities have been issued by DoW.
7.	Measures such as drainage controls and stormwater retention facilities are to be implemented to minimise erosion and sedimentation of adjacent areas, receiving catchments and waterways.
8.	All activities to be undertaken so as to avoid or minimise damage, disturbance or contamination of waterways, including their beds and banks, and riparian and other water dependent vegetation.
	In respect to Proclaimed Surface Water Areas (Pilbara) and Rivers (RIWI Act) the following endorsements apply:
9.	The taking of surface water from a watercourse or wetland is prohibited unless a current licence has been issued by DoW.
10.	Advice shall be sought from DoW and the relevant water service provider if proposing exploration activity in an existing or designated future irrigation area, or within 50 meters of a channel, drain or watercourse from which water is used for irrigation or any other purpose, and the proposed activity may impact water users.
11.	No exploration activity is to be carried out if: - it may obstruct or interfere with the waters, bed or banks of a watercourse or wetland; - it relates to the taking or diversion of water, including diversion of the watercourse or wetland, unless in accordance with a permit issued by the DoW.
	In respect to Proclaimed Ground Water Areas (Pilbara) the following endorsement applies:
12.	The taking of groundwater and the construction or altering of any well is prohibited without current licences for these activities issued by DoW, unless an exemption otherwise applies.
CONDITIONS	
13.	All waste materials, rubbish, plastic sample bags, abandoned equipment and temporary buildings being removed from the mining tenement prior to or at the termination of exploration program.
14.	Unless the written approval of the Environmental Officer, DMP is first obtained, the use of drilling rigs, scrapers, graders, bulldozers, backhoes or other mechanised equipment for surface disturbance or the excavation of costeans is prohibited. Following approval, all topsoil being removed ahead of mining operations and separately stockpiled for replacement after backfilling and/ or completion occurs.
15.	The Licensee notifying the holder of any underlying pastoral or grazing lease by telephone or in person, or by registered post if contact cannot be made, prior to undertaking airborne geophysical surveys or any ground disturbing activities utilising equipment such as scrapers, graders, bulldozers, backhoes, drilling rigs; water carting equipment or other mechanised equipment.
16.	The Licensee or transferee, as the case may be, shall within thirty (30) days of receiving written notification of: - the grant of the Licence; or - registration of a transfer introducing a new Licensee;

	advise, by certified mail, the holder of any underlying pastoral lease details of the grant or transfer.
17.	The rights of ingress to and egress from Miscellaneous Licences 47/325, 47/384 and 47/386 being at all times preserved to the licensee and no interference with the purpose or installations connected to the licence.
18.	In respect of the area covered by the licence, the licensee, if so requested in writing by the Ngarluma Aboriginal Corporation, the native title prescribed body corporate holding the determined native title of the Ngarluma/Yindjibarndi recognised in the Federal Court application No. WAD6017/1996, such request being sent by pre-paid post to reach the licensee's address, not more than ninety days after the grant of this licence, shall within thirty days of the request execute in favour of the Ngarluma Aboriginal Corporation the Regional Standard Heritage Agreement ("RSHA") endorsed by peak industry groups (eg the South West /Ngaaytjarra / Pilbara /Yamatji /Goldfields Land and Sea Council RSHA) and offered by the Native Title Party or their representatives.
	Consent to explore on De Grey Mullewa Stock Route Reserve 9701 granted subject to:
19.	No exploration activities being carried out on the De Grey Mullewa Stock Route Reserve 9701 which restrict the use of the reserve.

Tengraph Interests

	Land Type	Description
1.	File Notation Area	File Notation Areas are an indication of areas where Government has proposed some change of land tenure that is being considered or endorsed by DMP for possible implementation and/or areas of some sensitivity to activities by the mineral resource industry that warrants the application of specific tenement conditions. The following File Notation Area was identified on E47/3352: FN/8000 (1488.38 Ha., 100.0% encroachment percentage)
2.	Mineralisation Zone (Non Section 57(2aa))	Area in which applications of Exploration Licences are restricted to a maximum of 70 blocks (required by s57(1) Mining Act). Section 57(2aa) Mining Act states that if the area of land is in an area of the state designated under s57A(1) it shall not be more than 200 blocks. The following Mineralisation Zone was identified on E47/3352: MZ/1, Mineralisation Zone, Non Section 57(2aa) (1488.38 Ha., 100.0% encroachment percentage)
3.	Surface Water Area	The Rights in Water and Irrigation Act 1914 provides the Governor of Western Australia the power to proclaim, or prescribe through regulation, a Surface Water Area. A Surface Water Area is proclaimed for the purposes of regulating the taking of water from watercourses and wetlands. An area is proclaimed, or prescribed through regulations, where there is a need for systematic management of the use of water. The proclamation is made on the recommendation of the Department of Water and must first be tabled before both Houses of Parliament. Proclaiming or prescribing an area has the effect of allowing the use of water for commercial activity under a licence. Where an area has been proclaimed, the provisions of Division 1B of Part III of the Act apply to surface water in that area. The following Surface Water Areas was identified on E47/3352: SWA/30, Pilbara, 1488.38 Ha., 100.0% encroachment percentage
4.	Ground Water Area	Groundwater is a reserve of water beneath the earth's surface in pores and crevices of rocks and soil. Recharge of groundwater aquifers is slow and can take many years. Groundwater often supports wetland and stream ecosystems. Groundwater areas are proclaimed under the Rights in Water and Irrigation Act, 1914. There are 45 proclaimed groundwater areas in Western Australia where licences are required to construct or alter a well and to take groundwater. The Department of Water is responsible for managing proclaimed areas under the Act.

	Land Type	Description
		The following Ground Water Areas was identified on E47/3352: GWA/32, Pilbara, 1488.38 Ha., 100.0% encroachment percentage
5.	Crown Reserve	Under section 41 of the Land Administration Act 1997 the Minister may set aside Crown lands by Ministerial Order in the public interest. Every such reservation has its description and designated purpose registered on a Crown Land Title (CLT) and is depicted on an authenticated map held by Landgate. Reservation action is normally initiated by the Department for Planning and Infrastructure following community or Government request, land planning decisions, or as a result of the subdivision of land. The Land Act 1933 provided for State reserves to be classified as Class A, B or C. There is no provision in the LAA to create new Class B reserves and there is no longer reference to Class C reserves. Class A affords the greatest degree of protection for reserved lands, requiring approval of Parliament to amend the reserve's purpose or area, or to cancel the reservation. The A classification is used solely to protect areas of high conservation or high community value. Class B reserves continue, but are no longer created under the LAA. The Minister for Lands may deal with Class B reserved lands as normal reserves, provided that, should the reservation be cancelled, a special report is made to both Houses of Parliament within 14 days from the cancellation or within 14 days after the commencement of the next session. Once created, a reserve is usually placed under the care, control and management of a State government department, local government or incorporated community group by way of a Management Order registered against the relevant CLT. A Management Order under the LAA does not convey ownership of the land – only as much control as is essential for the land's management. Refer to section 8 of this Report for further information and details of the Tenement which overlap crown reserves.
6.	Vacant Crown Land	Under Section 41 of the Land Administration Act 1997 (WA) (LA Act) the Minister may set aside Crown lands by Ministerial Order in the public interest. Every such reservation has its description and designated purpose registered on a Crown Land Title (CLT) and is depicted on an authenticated map held by Landgate. Reservation action is normally initiated by the Department for Planning and Infrastructure following community or Government request, land planning decisions, or as a result of the subdivision of land. The Land Act 1933 (WA) provided for State reserves to be classified as Class A, B or C. There is no provision in the LA Act to create new Class B reserves and there is no longer reference to Class C reserves. Class A affords the greatest degree of protection for reserved lands, requiring approval of Parliament to amend the reserve's purpose or area, or to cancel the reservation. The A classification is used solely to protect areas of high conservation or high community value. Class B reserves continue, but are no longer created under the LA Act. The Minister for Lands may deal with Class B reserved lands as normal reserves, provided that, should the reservation be cancelled, a special report is made to both Houses of Parliament within 14 days from the cancellation or within 14 days after the commencement of the next session. Once created, a reserve is usually placed under the care, control and management of a State government department, local government or incorporated community group by way of a Management Order registered against the relevant CLT. A Management Order under the LA Act does not convey ownership of the land – only as much control as is essential for the land's management. Refer to section 7 of this Report for further information and details of the Tenement which overlap vacant crown land.
7.	Historical Lease	Tenement E47/3352 is partially overlapped by Historical Leases 394/865 (6.7%) and 394/633 (28.6%).
8.	Pastoral Lease	A lease of Crown land has been granted under Section 114 of the Land Act 1933 (WA), which provides that any Crown land within the State which is not withdrawn from the selection for pastoral purposes, and which is not required to be reserved, may be leased for pastoral purposes. Refer to section 9 of this Report for information and details of the Tenement which overlap pastoral leases.

	Land Type	Description
9.	Road Reserve	Tenement E47/3352 is partially overlapped by Road Reserves No. 432 (<0.1%) and Balla Balla Road (<0.1%).

PART II – NATIVE TITLE CLAIMS

NATIVE TITLE DETERMINATIONS

TENEMENT AFFECTED	TRIBUNAL NUMBER	FEDERAL COURT NUMBER	APPLICATION NAME	DETERMINATION OUTCOME	DATE OF EFFECT
E47/3352	WCD2005/001	WAD6017/1996	Ngarluma/ Yindjibarndi	Native Title exists in parts of the determination area	02/05/2005
E45/4939	WCD2002/002	WAD6110/1998	Martu and Ngurrara	Native Title exists in the entire determination area	27/09/2002
E52/3560	WCD2000/001	WAD72/1998	Nharanuwang ga Wajarri and Ngaralwangga	Native Title exists in parts of the determination area	05/07/2001

TENEMENT AFFECTED	TRIBUNAL NUMBER	FEDERAL COURT NUMBER	APPLICATION NAME	REGISTERED	IN MEDIATION	STATUS
E45/4939	WC1999/008	WAD6028/1998	Njamal	Accepted for Registration	Yes	Active

ILUAs

The land under tenement E47/3352 is subject to an ILUA designated as RTIO Ngarluma Indigenous Land Use Agreement (Body Corporate Agreement) that was registered on 29 July 2011. Due to standard confidentiality provisions, the terms and conditions of an ILUA are not available for public access, however an excerpt of an ILUA is obtainable. We have obtained the excerpt from the ILUA and confirm that the applicant is Hamersley Iron Pty Ltd. The ILUA applies to approximately 7,070 km (sq) of land in the vicinity of Karratha. The ILUA area falls within the Local Government Authorities of the Shire of Ashburton, Shire of Roebourne and the town of Port Hedland.

The land under tenement E45/4939 is subject to an ILUA designated as Lake Disappointment Project Mining and Indigenous that was registered on 21 December 2012. Due to standard confidentiality provisions, the terms and conditions of an ILUA are not available for public access, however an excerpt of an ILUA is obtainable. We have obtained the excerpt from the ILUA and confirm that the applicant is Holocene Pty Ltd. The ILUA applies to approximately 130,700 km (sq) of land in the vicinity south of Broome, East of Newman and covers parts of the Great and Little Sandy Deserts as well as the Gibson Desert. The ILUA area falls within the Local Government Authorities of the Shire of East Pilbara, Shire of Ngaanyatjaraku and Shire Wiluna.

The land under tenement E52/3560 is subject to an ILUA designated Nharnuwangga Wajarri and Ngarlawangga that was registered on 5 July 2001. Due to standard confidentiality provisions, the terms and conditions of an ILUA are not available for public access, however an excerpt of an ILUA is obtainable. We have obtained the excerpt from the ILUA and confirm that the applicant is Clarrie Smith, Dinny Tumbler, Leonard Clarence Smith, Stanley Hill, Warren Clark, Albert Smith, Linda Riley, Gladys Leake, Joyce Calyn and Georgia Kay Riley. The ILUA applies to approximately 47,542 km (sq) of land in the vicinity of Meekatharra. The ILUA area falls within the Local Government Authorities of the Shire of Ashburton, Shire of Meekatharra and Shire of Upper Gascoyne.

TENEMENT AFFECTED	TRIBUNAL NUMBER	SHORT NAME	ILUA TYPE	DATE REGISTERED	APPLICANT
E47/3352	WCD2005/001	RTIO Ngarluma Indigenous Land Use Agreement (Body Corporate Agreement) WI2011/005	Body Corporate	29 July 2011	Hammersley Iron Pty Ltd
E45/4939	WCD2002/002	Lake Disappointment Project Mining and Indigenous WI2012/009	Body Corporate	21 December 2012	Holocene Pty Ltd
E52/3560	WCD2000/001	Nharnuwangga Wajarri and Ngarlawangga WIA2000/001	Area Agreement	5 July 2001	Clarrie Smith, Dinny Tumbler, Leonard Clarence Smith, Stanley Hill, Warren Clark, Albert Smith, Linda Riley, Gladys Leake, Joyce Calyn and Georgia Kay Riley

ABORIGINAL HERITAGE SITES – WESTERN AUSTRALIA

Our searches returned four registered Aboriginal Heritage Sites over the E45/4939.

HERITAGE & COMPENSATION AGREEMENTS

Tenement E47/3352 is subject to the Regional Standard Heritage Agreement between Peter Romeo Gianni (Proponent) and the Ngarluma Aboriginal Corporation RNTBC, summarised in Part III below.

PART III – MATERIAL CONTRACT SUMMARIES

1. Access Deed Relating to Exploration Licence Application 47/3352

By an Access Deed relating to Exploration Licence Application 47/3352 dated 31 March 2017 (**Access Deed**) between Peter Romeo Gianni (**Applicant**) and Ferro Metals Australia Pty Ltd (ACN 113 996 106) (**Ferro**) access to the area of which the Exploration Licence encroaches on the Existing Tenements (Miscellaneous Licences 47/325, 47/384 and 37/386) (**Affected Area**) is restricted under the terms of the Access Deed.

- (a) (**Consent to Grant of Exploration Licence**): Ferro consents to the grant of the Exploration Licence Application for 47/3352, and must within 5 days of the execution of the Access Deed do all things necessary and desirable to withdraw the Objection in respect of the Exploration Licence Application.
- (b) (**Covenants**):
 - (i) The Applicant and Ferro must comply with the Law applicable on or adjacent to the Affected Area and ensure that all of their activities on or adjacent to the Affected Area are undertaken with due care, diligence and in accordance with Good mining practices.
 - (ii) The Applicant and Ferro each covenant to allow the other party to enter and pass through or over the Affected Area together with any vehicles, machinery or equipment for the conduct of such activities as are legally permitted pursuant to the Exploration Licence (**E47/3352**) and the Existing Tenements, respectively.
 - (iii) The Applicant and Ferro each covenant to meet and consult in good faith, prior to the commencement of any work on the Affected Area in order to minimise any conflict between the parties.
 - (iv) The Applicant and Ferro covenant to notify the other party in writing, not less than 30 days prior to commencement of any work in the Affected Area.
 - (v) The Applicant and Ferro covenant to brief their respective associates on the terms of the Access Deed and ensure they comply with the respective covenants.
 - (vi) The Applicant covenants not to interfere with activities conducted, or proposed to be conducted, by Ferro on or adjacent to the Affected Area.
 - (vii) The Applicant covenants not to damage or interfere with any equipment or infrastructure of Ferro situated upon the Affected Area.
 - (viii) Ferro Covenants to take reasonable steps to minimise any interference with activities conducted by the Applicant on or adjacent to the Affected Area.

(c) **(Relocation):**

- (i) In the event that the Applicant, acting reasonably and in good faith, considers that the Ferro's activities will prevent or materially interfere with or impede productive mining operations to be undertaken on the Affected Area by the Applicant, then the Applicant may give written notice to Ferro requesting that Ferro relocate its activities.
- (ii) The Applicant and Ferro shall negotiate in good faith in relation to ways in which relocation of Ferro's activities can be avoided, or if unable to be reasonably avoided, a suitable location.

(d) **(Assignment):**

- (i) Either party may assign, sell, transfer or otherwise dispose of its rights under the Access Deed.
- (ii) If either Party assigns, sells, transfers or otherwise disposes of its rights under the Access Deed to a third party, the third party is required to enter into a deed of covenant with the other Party pursuant to which the third party acknowledges the other Party's rights under this Deed and undertakes to observe, perform and be bound by the terms of this Deed. VMS will enter into a deed of assignment upon transfer of the tenement to it from the Applicant.

(e) **(Term):** The Access Deed will continue until there is no longer an Affected Area.

(f) **(Governing Law):** The Access Deed is governed by, and to be construed, with the Laws of Western Australia. The Parties agree to the non-exclusive jurisdiction of the courts of Western Australia.

The Access Deed otherwise contains dispute resolution, expert determination indemnity and confidentiality provisions common for an agreement of this nature.

2. **Regional Standard Heritage Agreement – Exploration Licence 47/3352**

The Regional Standard Heritage Agreement (**RSA**) between Peter Romeo Gianni (**Proponent**) and the Ngarluma Aboriginal Corporation RNTBC (**NAC**) provides that the NAC will not object to the Exploration Licence granted to the Proponent.

- (a) **(Grant of the Exploration Tenement):** The grant of the Exploration Tenement and exercise of the rights under the Exploration Tenement, must;
- (i) not be likely to interfere with the community life of NAC;
 - (ii) where practicable and in accordance with the law, avoid damage, disturbance or interference with areas or sites of particular significance to NAC; and

- (iii) ensure compliance with the provisions of the Aboriginal Heritage Act 1972 (Cth) and the Aboriginal and Torres Strait Islander Heritage Act 1984 (Cth).
- (b) **(Exchange of Information):** In recognition of the importance of regular flow of information between the Parties, the Proponent must:
 - (i) Use their best endeavours to provide NAC with details of Exploration Activities in the Determination area on the Exploration Tenements; and
 - (ii) Provide reasonable notice to NAC of any significant change to the scope of Exploration Activities; and
 - (iii) If requested by NAC, provide an outline of the nature, location and timing of Exploration Activities to be undertaken in the Exploration Tenements in the next exploration season, to the extent the information is known to them

If the NAC becomes aware of any particular cultural heritage concern, they must reasonably endeavour to raise their concerns with the Proponent if practicable.

- (c) **(Heritage Notice):** If the Proponent intends to undertake Exploration Activity in the Determination Area on the Exploration Tenement, it must issue a Heritage Notice to NAC. The purpose of the Heritage Notice is to determine whether a Heritage Survey is required and if so, what kind.
- (d) **(Heritage Survey):**
 - (i) Where the Proponent submits a Heritage Notice, the Parties will consult with each other to determine whether a Heritage Survey is required.
 - (ii) Unless otherwise agreed or waived, a Heritage Survey is required where:
 - (A) No previous Heritage Survey has been undertaken in relation to the area of the Exploration Tenement; or
 - (B) A previous Heritage Survey has occurred on the Exploration Tenement, but has not covered the area or proposed Exploration Activity the subject of the Heritage Notice.
 - (iii) Where a previous Heritage Survey (not conducted under this Agreement) has prima facie covered the area or proposed Exploration Activity the subject of the Heritage Notice, there is no presumption either way but:
 - (A) the Proponent must provide a copy of the previous heritage survey to NAC; and
 - (B) The Parties must endeavour to reach agreement about whether a Heritage Survey is required.

- (iv) Where the particular circumstance is not dealt with in the Agreement, there is a presumption that a Heritage Survey is required.
 - (v) The dispute resolution provisions may be invoked where agreement cannot be reached in certain circumstances.
 - (vi) In determining whether a Heritage survey is required, the Parties will have regard to: the nature of exploration activity and any anticipated identified development, any previous Heritage Survey/s, the extent of the effect on land of any previous ground disturbing activities, any Aboriginal sites on the relevant land disclosed by the register maintained by the Department of Indigenous Affairs and any other relevant factors raised by the Parties.
- (e) **(Costs and Expenses of the Survey):** The Proponent shall pay the costs and expenses of the Heritage Survey. The Proponent agrees to pay in advance of commencement of the Survey;
 - (i) 50% of the estimated administration fee; and
 - (ii) any disbursements that are to be paid by NAC prior to the fieldwork component of the Heritage Survey being completed.
- (f) **(Circumstances Where no survey required):** the Proponent may carry out exploration in the Determination Area on the Exploration tenements without conducting a Heritage Survey where:
 - (i) Low Impact Exploration is being carried out; or
 - (ii) After consultation the Parties so agree; or
 - (iii) NAC waives all or part of its rights under the Agreement; or
 - (iv) The activity has been the subject of a previous Heritage Survey; or to which the provisions of the Agreement have already been applied.
- (g) **(No Objections to Tenement Applications):** NAC will;
 - (i) withdraw any existing objection to the grant of any Tenement Applications within 7 days after the date of the Agreement;
 - (ii) not make any further objections to the grant of the Tenement Applications; and
 - (iii) enter into any further or supplementary agreement necessary to perfect the grant of the Tenement Applications from time to time.
- (h) **(Assignment):** The Proponent may from time to time assign to any person all or part of its rights under the RSHA, but must first procure an executed deed of assumption in favour of NAC by which the assignee, to the extent of the assignment, agrees to be bound by the provisions of the RSHA and to assume, observe and perform the obligations of the

Proponent under this Agreement. VMS will enter into a deed of assignment upon transfer of the tenement from the Proponent.

- (i) **(Termination):** The Agreement may be terminated:
 - (i) By mutual agreement of the Parties;
 - (ii) In accordance with the relevant default provision; or
 - (iii) Subject to assignment, where the Proponent ceases to have any interest in any of the Exploration Tenements, whichever is the earlier.

8. BOARD, MANAGEMENT AND INTERESTS

8.1 Directors and key personnel

The Board of the Company consists of:

- (a) **William Oliver (BSc. (Hons), GDipAppFin, MAIG, MAusIMM)** – *Managing Director* – Refer to Section 3.6 for Mr Oliver's biography;
- (b) **Patrick Burke (LLB)** – *Non-Executive Director* – Refer to Section 3.6 for Mr Burke's biography; and
- (c) **Jeremy King (LLB)** - *Non-Executive Chair* – Refer to Section 3.6 Mr King's biography.

Other senior management positions held by the Company are Sarah Smith appointed as Company Secretary.

The biography for Ms Sarah Smith is contained in Section 3.6.

The Company is aware of the need to have sufficient management to properly supervise the exploration and (if successful) the development of the Project in which the Company has, or will in the future have, an interest and the Board will continually monitor the management roles in the Company. As the Company's Project requires an increased level of involvement the Board will look to appoint additional management and/or consultants when and where appropriate to ensure proper management of the Company's Project.

8.2 Disclosure of Interests

The Company has paid no remuneration to its Board since incorporation to the date of this Prospectus and no remuneration will be paid or accrue until such time as the Company is admitted to the Official List.

For each of the Directors, the proposed annual remuneration for the financial year following the Company being admitted to the Official List together with the relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus is set out in the table below.

Director	Remuneration ¹	Shares and % voting power	Options
William Oliver	\$165,000	Nil	Nil
Patrick Burke	\$36,000	Nil	Nil
Jeremy King	\$36,000	Nil	Nil

Notes:

- 1. Excludes statutory superannuation.

8.3 Agreements with Directors and Related Parties

The Company's policy in respect of related party arrangements is:

- (a) a Director with a material personal interest in a matter is required to give notice to the other Directors before such a matter is considered by the Board; and
- (b) for the Board to consider such a matter, the Director who has a material personal interest is not present while the matter is being considered at the meeting and does not vote on the matter.

The agreements between the Company and related parties are summarised in Section 10.

8.4 Agreements with Management

Refer to Sections 10.4 and 10.5 for summaries of the services agreements and director appointment letters entered into between the Company and the Directors.

On 30 June 2017, the Company and Mirador Corporate Pty Ltd (**Mirador**) entered into an agreement pursuant to which Mirador agreed to provide company secretarial and financial management services to the Company. Jeremy King, a Director of the Company, is also sole director and shareholder of Mirador.

The key terms of the agreement are as follows:

- (a) **(Fee):** Mirador will be paid the following:
 - (i) a monthly retainer of \$7,500 (excluding GST) payable from the date of listing;
 - (ii) upon successful completion of the Company's initial public offering and listing on the ASX, a fee of \$15,000 (excluding GST) for services and work completed prior to listing;
 - (iii) following the Company's listing, the following one-off fees will be payable, should the events arise during Mirador's engagement:
 - (A) \$7,500 for the management and completion of the Company's first annual report, if requested by the Company;
 - (B) \$1,500 for services in the Company's extraordinary meetings (excluding the Company's annual general meeting); and
 - (C) \$1,500 for placements and \$2,500 for rights issues provided Mirador is not primarily responsible for arranging funds or lead management thereof.
- (b) **(Termination):** The agreement may be terminated by mutual agreement or either the Company or Mirador providing 60 days' notice to the other party.

8.5 Deeds of indemnity, insurance and access

The Company has entered into a deed of indemnity, insurance and access with each of its Directors. Under these deeds, the Company will agree to indemnify each officer to the extent permitted by the Corporations Act against any liability arising as a result of the officer acting as an officer of the Company. The Company will also be required to maintain insurance policies for the benefit of the relevant officer and allow the officers to inspect board papers in certain circumstances.

9. CORPORATE GOVERNANCE

9.1 ASX Corporate Governance Council Principles and Recommendations

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent applicable, the Company has adopted *The Corporate Governance Principles and Recommendations (3rd Edition)* as published by ASX Corporate Governance Council (**Recommendations**).

In light of the Company's size and nature, the Board considers that the current board is a cost effective and practical method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

The Company's main corporate governance policies and practices as at the date of this Prospectus are outlined below and the Company's full Corporate Governance Plan is available in a dedicated corporate governance information section of the Company's website (www.tandoresources.com.au).

9.2 Board of directors

The Board is responsible for corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. The goals of the corporate governance processes are to:

- (a) maintain and increase Shareholder value;
- (b) ensure a prudential and ethical basis for the Company's conduct and activities; and
- (c) ensure compliance with the Company's legal and regulatory objectives.

Consistent with these goals, the Board assumes the following responsibilities:

- (a) leading and setting the strategic direction and objectives of the Company;
- (b) appointing the Chairman of the Board, Managing Director or Chief Executive Officer and approving the appointment of Executives and the Company Secretary;
- (c) overseeing the Executive's implementation of the Company's strategic objectives and performance generally;
- (d) approving operating budgets, major capital expenditure and significant acquisitions and divestitures;
- (e) overseeing the integrity of the Company's accounting and corporate reporting systems, including the external audit (satisfying itself financial

statements released to the market fairly and accurately reflect the Company's financial position and performance);

- (f) overseeing the Company's procedures and processes for making timely and balanced disclosure of all material information that a reasonable person would expect to have a material effect on the price or value of the Company's securities;
- (g) reviewing, ratifying and monitoring the effectiveness of the Company's risk management framework, corporate governance policies and systems designed to ensure legal compliance; and
- (h) approving the Company's remuneration framework.

The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors' participation in the Board discussions on a fully-informed basis.

9.3 Composition of the Board

Election of Board members is substantially the province of the Shareholders in general meeting. However, subject thereto:

- (a) membership of the Board of Directors will be reviewed regularly to ensure the mix of skills and expertise is appropriate; and
- (b) the composition of the Board has been structured so as to provide the Company with an adequate mix of directors with industry knowledge, technical, commercial and financial skills together with integrity and judgment considered necessary to represent shareholders and fulfil the business objectives of the Company.

The Board currently consists of three directors (a Managing Director and two Non-Executive Directors) of whom Messrs Burke and King are considered independent. The Board considers the current balance of skills and expertise is appropriate for the Company for its currently planned level of activity.

To assist the Board in evaluating the appropriateness of the Board's mix of qualifications, experience and expertise, the Board will maintain a Board Skills Matrix.

The Board undertakes appropriate checks before appointing a person as a Director or putting forward to Shareholders a candidate for election as a Director.

The Board ensures that Shareholders are provided with all material information in the Board's possession relevant to a decision on whether or not to elect or re-elect a Director.

The Company shall develop and implement a formal induction program for Directors which allows new directors to participate fully and actively in Board decision-making at the earliest opportunity, and enable new Directors to gain an understanding of the Company's policies and procedures.

9.4 Identification and management of risk

The Board's collective experience will enable accurate identification of the principal risks that may affect the Company's business. Key operational risks and their management will be recurring items for deliberation at Board meetings.

9.5 Ethical standards

The Board is committed to the establishment and maintenance of appropriate ethical standards.

9.6 Independent professional advice

Subject to the Chairman's approval (not to be unreasonably withheld), the Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.

9.7 Remuneration arrangements

The remuneration of an executive Director will be decided by the Board, without the affected executive Director participating in that decision-making process.

The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$300,000 per annum.

In addition, a Director may be paid fees or other amounts (i.e. subject to any necessary Shareholder approval, non-cash performance incentives such as Options) as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director.

Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The Board reviews and approves the remuneration policy to enable the Company to attract and retain executives and Directors who will create value for Shareholders having consideration to the amount considered to be commensurate for a company of its size and level of activity as well as the relevant Directors' time, commitment and responsibility. The Board is also responsible for reviewing any employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.

9.8 Trading policy

The Board has adopted a policy that sets out the guidelines on the sale and purchase of securities in the Company by its directors, officers, employees and contractors. The policy generally provides that for directors, the written acknowledgement of the Chair (or the Board in the case of the Chairman) must be obtained prior to trading.

9.9 External audit

The Company in general meetings is responsible for the appointment of the external auditors of the Company, and the Board from time to time will review the scope, performance and fees of those external auditors.

9.10 Audit committee

The Company will not have a separate audit committee until such time as the Board is of a sufficient size and structure, and the Company's operations are of a sufficient magnitude for a separate committee to be of benefit to the Company. In the meantime, the full Board will carry out the duties that would ordinarily be assigned to that committee under the written terms of reference for that committee, including but not limited to, monitoring and reviewing any matters of significance affecting financial reporting and compliance, the integrity of the financial reporting of the Company, the Company's internal financial control system and risk management systems and the external audit function.

9.11 Diversity policy

The Board has adopted a diversity policy which provides a framework for the Company to achieve, amongst other things, a diverse and skilled workforce, a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff, improved employment and career development opportunities for women and a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives.

9.12 Departures from Recommendations

Under the ASX Listing Rules the Company will be required to provide a statement in its annual financial report or on its website disclosing the extent to which it has followed the Recommendations during each reporting period. Where the Company has not followed a Recommendation, it must identify the Recommendation that has not been followed and give reasons for not following it.

The Company's compliance and departures from the Recommendations as at the date of this Prospectus are set out in the Annexure to this Prospectus.

10. MATERIAL CONTRACTS

Set out below is a brief summary of the certain contracts to which the Company is a party and which the Directors have identified as material to the Company or are of such a nature that an investor may wish to have details of particulars of them when making an assessment of whether to apply for Shares.

To fully understand all rights and obligations of a material contract, it would be necessary to review it in full and these summaries should be read in this light.

10.1 Acquisition Agreement

On 12 June 2017, the Company entered into a binding heads of agreement with VMS Resources Pty Ltd (ACN 618 821 015) (**VMS**) and the shareholders of VMS (**VMS Shareholders**) (**Agreement**), pursuant to which the Company agreed to purchase and the VMS Shareholders agreed to sell 100% of the fully paid ordinary shares in the capital of VMS (**VMS Shares**). (**Acquisition**). The material terms of the Agreement are as follows:

- (a) (**Consideration**): The consideration payable by the Company for the Acquisition is:
 - (i) \$50,000 payable in cash, to be apportioned amongst the VMS Shareholders on a pro rata basis (**Cash Consideration**); and
 - (ii) 1,250,000 Shares at a deemed issue price of \$0.20 per Share, to be apportioned amongst the VMS Shareholders on a pro rata basis (**Consideration Shares**).
- (b) (**Conditions Precedent**): Settlement of the Acquisition is subject to the satisfaction (or waiver by the Company) of the following outstanding conditions precedent:
 - (i) the Company undertaking a capital raising and receiving valid applications for at least \$4,500,000 worth of Shares under the capital raising;
 - (ii) the Company complying with the requirements of Chapters 1 and 2 of the ASX Listing Rules and receiving conditional approval from ASX to admit its securities to official quotation on ASX on terms reasonably acceptable to the Company;
 - (iii) the parties obtaining all necessary regulatory approvals to complete the Acquisition; and
 - (iv) the parties obtaining all shareholder approvals required to give effect to the Agreement to the extent required by the Corporations Act and their respective constitutions,(together, the **Conditions Precedent**).
- (c) (**Settlement**): Settlement of the Acquisition (**Settlement**) will occur on the date which is five (5) business days after the satisfaction (or the Company's waiver) of the Conditions Precedent.
- (d) (**Board Changes**): At Settlement, the VMS Shareholders must deliver or cause to be delivered, the written resignations of each of the directors and the secretary of VMS to the Company (among other things)

(Resignations). The Resignations are to take effect from the date of appointment of the nominees of the Company.

- (e) **(Termination):** If the Conditions Precedent are not satisfied (or waived by the Company) on or before 5.00pm (WST) on the date which is six (6) months from the date of execution of the Agreement (or such later date as is agreed between the parties), any party may terminate the Agreement by notice in writing to the other parties, in which case, the Agreement will be at an end and the parties will be released from their obligations under the Agreement (other than in respect of any breaches that occurred prior to termination).

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

10.2 VMS Trust Arrangements

VMS and Mr Peter Gianni, the registered holder of E47/5352 **(Tenement)**, which makes up the Quartz Bore Project, are parties to a trust deed under which it was agreed as follows:

- (a) **(Settlement):** VMS and Mr Peter Gianni acknowledged that on 1 August 2017 **(Settlement Date)**, VMS satisfied its settlement obligations under the agreement pursuant to which VMS has a right to acquire the Tenement from Mr Gianni;
- (b) **(Right to Possession):** on and from the Settlement Date, right to possession of the Tenement passed to VMS and, until such time as the Tenement is transferred to VMS all rights of Mr Gianni in respect of the Tenement, as registered holder:
- (i) were transferred to VMS to be exercised by VMS in the name of Mr Gianni; and
 - (ii) are held on trust by Mr Gianni for VMS;
- (c) **(Deliverables):** Mr Gianni will deliver to VMS following lodgement of the Prospectus:
- (i) an executed transfer, in favour of VMS, of Mr Gianni's registered interest in the Tenement to enable VMS to become the registered holder of the Tenement;
 - (ii) a duly executed letter from Mr Gianni to the Department instructing that from the date of the deed, all notices relating to the Tenement be sent to VMS; and
 - (iii) an executed power of attorney in favour of VMS to do all things, and exercise all rights with regards to the Tenement; and
- (d) **(Further Assistance):** Mr Gianni shall, at the cost of VMS, provide any reasonable assistance that VMS may request with respect to the Tenement.

In addition, Mr Gianni has given written notice to the Department that he has granted the Company permission to lodge documentation with the Department on his behalf with respect to the Tenement. The Company has subsequently

lodged an exploration programme of works with the Department in respect of its proposed drilling program at the Tenement.

10.3 Lead Manager Mandate

On 31 May 2017, the Company and Xcel Capital Pty Ltd (**Xcel**), a licenced securities dealer (AFSL 456663), entered into a mandate pursuant to which Xcel agreed to act as the exclusive lead manager (**Services**) in relation to the Offer (**Lead Manager's Mandate**).

Pursuant to the terms of the Lead Manager's Mandate, Xcel will have the exclusive and unfettered right to offer any and all of the 22.5 million Shares, the subject of the Offer, to any investor and in any quantum at its sole and absolute discretion/direction.

Xcel will receive the following remuneration in consideration for providing the Services:

- (a) \$62,500 payable by the Company within 10 working days from presentation of a tax invoice following the Company being admitted to the Official List;
- (b) a Selling Fee of 6.0% of the amount placed under the Offer; and
- (c) a Corporate Advisory retainer of \$5,000 per month plus GST, commencing on the date of listing for a period of 12 months and payable quarterly in arrears.

The Lead Manager's Mandate contains conditions, termination and indemnity provisions customary for an agreement of this nature.

10.4 Executive Services Agreement – William Oliver

The Company and Mr William Oliver have entered into an executive services agreement (**Oliver ESA**) pursuant to which Mr Oliver is appointed as "Managing Director" of the Company. The material terms of the Oliver ESA are as follows:

- (a) **(Term)**: Mr Oliver's employment will commence on the date the Company is admitted to the Official List and will continue until the Oliver ESA is validly terminated in accordance with its terms;
- (b) **(Termination by the Company)**: the Company may terminate Mr Oliver's employment in the following manner:
 - (i) by giving not less than three (3) month's written notice if at any time Mr Oliver:
 - (A) is or becomes incapacitated by illness or injury of any kind which prevents him from performing duties for a period of two (2) consecutive months or any periods aggregating two (2) months in any period of 12 months during the term of his employment; or
 - (B) is or becomes of unsound mind or under the control of any committee or officer under any law relating to mental health;

- (C) commits any serious or persistent breach of any of the provisions contained in the Oliver ESA and the breach is not remedied within 14 days of the receipt of written notice from the Company to Mr Oliver to do so;
 - (D) in the reasonable opinion of the Board, is absent in, or demonstrates incompetence with regard to the performance of his duties, or is neglectful of any duties or otherwise does not perform all duties under the Oliver ESA in a satisfactory manner, provided that Mr Oliver:
 - (I) has been counselled on at least three separate occasions of the specific matters complained of by the Board; and
 - (II) after each such occasion has been provided with a reasonable opportunity of at least a month to remedy the specific matters complained of by the Board;
 - (E) commits or becomes guilty of any gross misconduct; or
 - (F) refuses or neglects to comply with any lawful reasonable direction or order given to him by the Company which Mr Oliver, after receipt of prior notice, has failed to rectify to the reasonable satisfaction of the Company within 21 business days of receipt of that notice; or
- (ii) summarily without notice:
- (A) if at any time Mr Oliver is convicted of any major criminal offence which brings the Company or any of its related bodies corporate into lasting disrepute, by giving notice effective immediately and without payment of any salary other than salary accrued to the date of termination; or
 - (B) as otherwise set out in the Oliver ESA; or
- (iii) by giving three (3) months' written notice to Mr Oliver and, at the end of that notice period, making a payment to Mr Oliver equal to his salary payable over a three (3) month period. The Company may elect to pay Mr Oliver the equivalent of three (3) months' salary and dispense with the notice period;
- (c) **(Termination by Mr Oliver):** Mr Oliver may at his sole discretion, terminate the Oliver ESA in the following manner:
- (i) if at any time the Company commits any serious or persistent breach of any of the provisions contained in the Oliver ESA and the breach is not remedied within 28 days of receipt of written notice from Mr Oliver to the Company to do so, by giving notice effective immediately; or
 - (ii) by giving three (3) months' written notice to the Company;

- (d) **(Remuneration)**: the Company will pay Mr Oliver a salary of \$165,000 per year (plus superannuation). Mr Oliver's salary will be reviewed annually by the Company; and
- (e) **(Expenses)**: the Company will reimburse Mr Oliver for all reasonable expenses incurred by him in the performance of all duties in connection with the business of the Company.

The Oliver ESA also contains various other terms and conditions that are considered standard for an agreement of this nature.

10.5 Non-Executive Director Appointment Letters – Patrick Burke and Jeremy King

The Company has entered into non-executive director appointment letters with Messrs Patrick Burke and Jeremy King pursuant to which Messrs Burke and King are appointed as Non-Executive Directors of the Company on the following terms:

- (a) **(Fees)**: director fees of \$36,000 per annum are payable by the Company to each of Mr Burke and Mr King; and
- (b) **(Term)**: the term of Mr Burke and Mr King's appointments are subject to provisions of the Constitution and the ASX Listing Rules relating to retirement by rotation and re-election of directors and will automatically cease at the end of any meeting at which Messrs Burke or King are not re-elected as Directors by Shareholders.

The appointment letters otherwise contain terms and conditions that are considered standard for agreements of this nature.

11. ADDITIONAL INFORMATION

11.1 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.

11.2 Rights attaching to Shares

The following is a summary of the more significant rights attaching to Shares. 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 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.

(a) General meetings

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

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

(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 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 fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the Share, but in respect of partly paid Shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

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

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

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, divide among the shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

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

(e) **Shareholder liability**

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

(f) **Transfer of Shares**

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

(g) **Variation of rights**

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

If at any time the share capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being

wound up, may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(h) **Alteration of Constitution**

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

11.3 Summary of Employee Incentive Option Plan

The Company has adopted an employee incentive option plan (**ESOP or Option Plan**) on the terms and conditions as set out below:

- (a) **(Eligibility and Grant of Plan Options)**: The Board may grant options to acquire Shares under the Option Plan (**ESOP Options**) to any full or part time employee or director of the Company or subject to, and in accordance with, any necessary ASIC relief being obtained, a casual employee or contractor of the Company (**Eligible Participant**). ESOP Options may be granted by the Board at any time.
- (b) **(No Consideration)**: Unless the ESOP Options are quoted on ASX, ESOP Options will be issued for nil cash consideration.
- (c) **(Conversion)**: Each ESOP Option is exercisable into one Share ranking equally in all respect with the existing issued Shares.
- (d) **(Exercise Price and Expiry Date)**: The exercise price and expiry date for ESOP Options granted under the Option Plan will be determined by the Board prior to the grant of the ESOP Options.
- (e) **(Exercise Restrictions)**: The ESOP Options granted under the Option Plan may be subject to conditions on exercise as may be fixed by the Board prior to grant of the ESOP Options (**Exercise Conditions**). Any restrictions imposed by the Board must be set out in the offer for the ESOP Options.
- (f) **(Renounceability)**: Eligible Participants may renounce their offer in favour of a nominee (the Eligible Participants and their nominees are each **Participants**).
- (g) **(Lapsing of ESOP Options)**: Unless the Board determines otherwise, subject to the terms of the offer made to a Participant, an unexercised ESOP Option will lapse:
 - (i) on the Eligible Participant ceasing to be an Eligible Participant:
 - (A) where any Exercise Conditions have not been met by the date the relevant person ceases to be an Eligible Participant (**Ceasing Date**); or
 - (B) where any Exercise Conditions have been met by the Ceasing Date or the ESOP Option is not subject to any Exercise Conditions, the Participant does not exercise the ESOP Option within a period of 1 month after the

Ceasing Date (or a further date as determined by the Board after the Ceasing Date);

- (ii) if any Exercise Condition is unable to be met; or
 - (iii) the expiry date has passed.
- (h) **(Share Restriction Period):** Shares issued on the exercise of ESOP Options may, at the discretion of the Board, be subject to a restriction that they may not be transferred or otherwise dealt with until a restriction period has expired, as specified in the offer for the ESOP Options.
- (i) **(Disposal of Options):** ESOP Options will not be transferable and will not be quoted on the ASX, unless the offer provides otherwise or the Board in its absolute discretion approves.
- (j) **(Trigger Events):** The Company may permit ESOP Options to be exercised in certain circumstances where there is a change in control of the Company (including by takeover) or entry into a scheme of arrangement.
- (k) **(Participation):** There are no participating rights or entitlements inherent in the ESOP Options and holders will not be entitled to participate in new issues of capital offered to shareholders of the Company during the currency of the ESOP Options.
- (l) **(Change in exercise price):** An ESOP Option will not confer a right to a change in exercise price or a change in the number of underlying Shares over which the ESOP Option can be exercised.
- (m) **(Reorganisation):** If at any time the capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a Participant are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.
- (n) **(Limitations on Offers):** the Company must have reasonable grounds to believe, when making an offer under the Option Plan that the number of Shares to be received on exercise of ESOP Options, when aggregated with the number of Shares issued or that may be issued as a result of offers made at any time during the previous 3 year period under an employee incentive scheme covered by an ASIC Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the offer.

11.4 Interests of Directors

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

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

- (ii) the Offer; or
- (c) the Offer,

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

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

11.5 Interests of Experts and Advisers

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

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

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

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

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

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

Felicity Repacholi-Muir has acted as Independent Geologist and has prepared the Independent Geologist's Report which is included in Section 5 of this Prospectus. The Company estimates it will pay Felicity Repacholi-Muir a total of \$17,500 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Felicity Repacholi-Muir has not received fees from the Company for any other services.

RSM Corporate Australia Pty Ltd has acted as Investigating Accountant and has prepared the Investigating Accountant's Report which is included in Section 6 of this Prospectus. The Company estimates it will pay RSM Corporate Australia Pty Ltd a total of \$8,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, RSM Corporate Australia Pty Ltd has not received any fees from the Company for any other services.

RSM Australia Partners has acted as auditor to the Company. The Company estimates it will pay RSM Australia Partners a total of \$9,500(excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, RSM Australia Partners has not received fees from the Company for audit services.

Xcel Capital will receive 6% of the total amount raised under the Prospectus (plus GST) following the successful completion of the Offer for its services as Lead Manager to the Offer. Xcel Capital will be responsible for paying all capital raising fees that Xcel Capital and the Company agree with any other financial service licensees. Further details in respect to the Lead Manager Mandate with Xcel Capital are summarised in Section 10.3. Xcel Capital has not received any other fees for other services provided to the Company in the last two years.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer and has prepared the Solicitor's Report on Tenements which is included in Section 6 of this Prospectus. The Company estimates it will pay Steinepreis Paganin \$70,000 (excluding GST) for these services. Subsequently, fees will be charged in accordance with normal charge out rates. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has not received fees from the Company for any other services.

11.6 Consents

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

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this section; and
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section.

Felicity Repacholi-Muir has given her written consent to being named as Independent Geologist in this Prospectus, the inclusion of the Independent Geologist's Report in Section 5 of this Prospectus in the form and context in which the report is included and the inclusion of statements contained in the Chairman's Letter, Investment Overview and Section 3 of this Prospectus in the form and context in which those statements are included. Felicity Repacholi-

Muir has not withdrawn her consent prior to lodgement of this Prospectus with the ASIC.

RSM Corporate Australia Pty Ltd has given its written consent to being named as Investigating Accountant in this Prospectus and to the inclusion of the Investigating Accountant's Report included in Section 6 of this Prospectus in the form and context in which the information and report is included. RSM Corporate Australia Pty Ltd has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC.

RSM Australia Partners has given its written consent to being named as auditor of the Company in this Prospectus and the inclusion of the audited financial information of the Company contained in the Investigating Accountant's Report included in Section 6 in the form and context in which it appears RSM Australia Partners has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC.

Xcel Capital has given its written consent to being named as Lead Manager to the Company in this Prospectus. Xcel Capital has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus and to the inclusion of the Solicitor's Report on Tenements in Section 6 of this Prospectus in the form and context in which the report is included. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Automic has given its written consent to being named as the share registry to the Company in this Prospectus. Automic has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

11.7 Expenses of the Offer

The total expenses of the Offer (excluding GST) are estimated to be approximately \$428,350 and are expected to be applied towards the items set out in the table below:

Item of Expenditure	Full Subscription (\$4,500,000)
ASX Fees	\$50,500
ASIC Fees	\$2,400
Legal Fees	\$70,000
Capital Raising Fees	\$270,000
Independent Geologist's Fees	\$17,500
Investigating Accountant's Fees	\$8,000
Printing and Distribution	\$5,000
Miscellaneous	\$4,950
TOTAL	\$428,350

* Xcel Capital will be responsible for paying all capital raising fees that Xcel Capital and the Company agree with any other licensed securities dealers or Australian financial services licensee out of these fees paid by the Company to Xcel Capital. For a summary of the Lead Manager Mandate refer to Section 10.3.

11.8 Continuous disclosure obligations

Following admission of the Company to the Official List, the Company will be a “disclosing entity” (as defined in Section 111AC of the Corporations Act) and, as such, will be subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company will be 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.

Price sensitive information will be publicly released through ASX before it is disclosed to shareholders and market participants. Distribution of other information to shareholders and market participants will also be managed through disclosure to the ASX. In addition, the Company will post this information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

11.9 Electronic Prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please contact the Company and the Company will send you, for free, either a hard copy or a further electronic copy of this Prospectus or both. Alternatively, you may obtain a copy of this Prospectus from the website of the Company at www.tandoresources.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.

11.10 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.

11.11 Clearing House Electronic Sub-Register System (CHESS) and Issuer Sponsorship

The Company will apply to participate 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.

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

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. 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.

11.12 Privacy statement

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, including 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. If you wish to do so, please contact the share registry at the relevant contact number set out in this Prospectus.

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

12. 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.

William Oliver
Managing Director
For and on behalf of
Tando Resources Limited

13. GLOSSARY

Where the following terms are used in this Prospectus they have the following meanings:

\$ means an Australian dollar.

Application Form means the application form attached to or accompanying this Prospectus relating to the Offer.

ASIC means Australian Securities & Investments Commission.

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

ASX Listing Rules means the official listing rules of ASX.

Board means the board of Directors as constituted from time to time.

Closing Date means the closing date of the Offer as set out in the indicative timetable in the Key Offer Information Section of this Prospectus (subject to the Company reserving the right to extend the Closing Date or close the Offer early).

Company means Tando Resources Limited (ACN 618 307 887).

Constitution means the constitution of the Company.

Corporations Act means the Corporations Act 2001 (Cth).

Department means the Western Australia Department of Mines, Industry Regulation and Safety.

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

Exposure Period means the period of 7 days after the date of lodgement of this Prospectus, which period may be extended by the ASIC by not more than 7 days pursuant to Section 727(3) of the Corporations Act.

JORC Code means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

Lead Manager or **Xcel Capital** means Xcel Capital Pty Ltd (ACN 617 047 319).

Minimum Subscription means the amount to be raised under the Offer, being \$4,500,000.

Offer means the offer of Shares pursuant to this Prospectus as set out in Section 2 of this Prospectus.

Official List means the official list of ASX.

Official Quotation means official quotation by ASX in accordance with the ASX Listing Rules.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Projects means the current project of the Company, being the Quartz Bore Project, and the future projects of the Company the subject of applications for tenements, being the Mt Sydney and Mt Vernon Projects, described in further detail in Section 3 of this Prospectus.

Prospectus means this prospectus.

Quartz Bore Project means the Balla Balla, Balla Balla East and Balla Balla West prospects as described at Section 3 of the Prospectus.

Section means a section of this Prospectus.

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

Shareholder means a holder of Shares.

Tenement means the mining tenement in which the Company has an interest as set out at 3.2 of this Prospectus and further described in the Solicitor's Report on Tenements set out in Section 6 of this Prospectus.

VMS has the meaning set out in Section 3.1.

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

ANNEXURE – DEPARTURES FROM ASX CORPORATE GOVERNANCE RECOMMENDATIONS

This Corporate Governance Statement is current as at 21 August 2017 and has been approved by the Board of the Company on that date.

This Corporate Governance Statement discloses the extent to which the Company will, as at the date it is admitted to the official list of the ASX, follow the recommendations set by the ASX Corporate Governance Council in its publication Corporate Governance Principles and Recommendations (**Recommendations**). The Recommendations are not mandatory, however the Recommendations that will not be followed have been identified and reasons provided for not following them along with what (if any) alternative governance practices the Company intends to adopt in lieu of the recommendation.

The Company has adopted a Corporate Governance Plan which provides the written terms of reference for the Company's corporate governance duties.

Due to the current size and nature of the existing Board and the magnitude of the Company's operations, the Board does not consider that the Company will gain any benefit from individual Board committees and that its resources would be better utilised in other areas as the Board is of the strong view that at this stage the experience and skill set of the current Board is sufficient to perform these roles. Under the Company's Board Charter, the duties that would ordinarily be assigned to individual committees are currently carried out by the full Board under the written terms of reference for those committees.

The Company's Corporate Governance Plan is available on the Company's website at 21 August 2017.

RECOMMENDATIONS (3 RD EDITION)	COMPLY	EXPLANATION
Principle 1: Lay solid foundations for management and oversight		
Recommendation 1.1 A listed entity should have and disclose a charter which sets out the respective roles and responsibilities of the Board, the Chair and management, and includes a description of those matters expressly reserved to the Board and those delegated to management.	YES	The Company has adopted a Board Charter that sets out the specific roles and responsibilities of the Board, the Chair and management and includes a description of those matters expressly reserved to the Board and those delegated to management. The Board Charter sets out the specific responsibilities of the Board, requirements as to the Board's composition, the roles and responsibilities of the Chairman and Company Secretary, the establishment, operation and management of Board Committees, Directors' access to Company records and information, details of the

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		Board's relationship with management, details of the Board's performance review and details of the Board's disclosure policy. A copy of the Company's Board Charter, which is part of the Company's Corporate Governance Plan, is available on the Company's website.
Recommendation 1.2 A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a Director; and (b) provide security holders with all material information relevant to a decision on whether or not to elect or re-elect a Director.	YES	(a) The Company has guidelines for the appointment and selection of the Board in its Corporate Governance Plan. The Company's Nomination Committee Charter (in the Company's Corporate Governance Plan) requires the Nomination Committee (or, in its absence, the Board) to ensure appropriate checks (including checks in respect of character, experience, education, criminal record and bankruptcy history (as appropriate)) are undertaken before appointing a person, or putting forward to security holders a candidate for election, as a Director. (b) Under the Nomination Committee Charter, all material information relevant to a decision on whether or not to elect or re-elect a Director must be provided to security holders in the Notice of Meeting containing the resolution to elect or re-elect a Director.
Recommendation 1.3 A listed entity should have a written agreement with each Director and senior executive setting out the terms of their appointment.	YES	The Company's Nomination Committee Charter requires the Nomination Committee (or, in its absence, the Board) to ensure that each Director and senior executive is a party to a written agreement with the Company which sets out the terms of that Director's or senior executive's appointment. The Company has written agreements with each of its Directors and senior executives.
Recommendation 1.4 The company secretary of a listed entity should be accountable directly to the Board, through the Chair, on	YES	The Board Charter outlines the roles, responsibility and accountability of the Company Secretary. In accordance with this, the Company Secretary is accountable directly to the Board, through the Chair, on

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all matters to do with the proper functioning of the Board.		all matters to do with the proper functioning of the Board.
Recommendation 1.5 A listed entity should: (a) have a diversity policy which includes requirements for the Board or a relevant committee of the Board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them; (b) disclose that policy or a summary of it; and (c) disclose as at the end of each reporting period: (i) the measurable objectives for achieving gender diversity set by the Board in accordance with the entity's diversity policy and its progress towards achieving them; and (ii) either: (A) the respective proportions of men and women on the Board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or (B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in the Workplace Gender Equality Act.	PARTIALLY	(a) The Company has adopted a Diversity Policy which provides a framework for the Company to establish and achieve measurable diversity objectives, including in respect of gender diversity. The Diversity Policy allows the Board to set measurable gender diversity objectives, if considered appropriate, and to assess annually both the objectives if any have been set and the Company's progress in achieving them. (b) The Diversity Policy is available, as part of the Corporate Governance Plan, on the Company's website. (c) (i) The Board does not presently intend to set measurable gender diversity objectives because: - the Board does not anticipate there will be a need to appoint any new Directors or senior executives due to limited nature of the Company's existing and proposed activities and the Board's view that the existing Directors and senior executives have sufficient skill and experience to carry out the Company's plans; and - if it becomes necessary to appoint any new Directors or senior executives, the Board considered the application of a measurable gender diversity objective requiring a specified proportion of women on the Board and in senior executive roles will, given the small size of the Company and the Board, unduly limit the Company from applying the Diversity Policy as a whole and the Company's policy of appointing based on skills and merit; and (ii) the respective proportions of men and women on the

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		Board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes) for each financial year will be disclosed in the Company's Annual Report and.
Recommendation 1.6 A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the Board, its committees and individual Directors; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	YES	(a) The Company's Nomination Committee (or, in its absence, the Board) is responsible for evaluating the performance of the Board, its committees and individual Directors on an annual basis. It may do so with the aid of an independent advisor. The process for this is set out in the Company's Corporate Governance Plan, which is available on the Company's website. (b) The Company's Corporate Governance Plan requires the Company to disclose whether or not performance evaluations were conducted during the relevant reporting period. The Company intends to complete performance evaluations in respect of the Board, its committees (if any) and individual Directors for the each financial year in accordance with the above process.
Recommendation 1.7 A listed entity should: (a) have and disclose a process for periodically evaluating the performance of its senior executives; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	YES	(a) The Company's Nomination Committee (or, in its absence, the Board) is responsible for evaluating the performance of the Company's senior executives on an annual basis. The Company's Remuneration Committee (or, in its absence, the Board) is responsible for evaluating the remuneration of the Company's senior executives on an annual basis. A senior executive, for these purposes, means key management personnel (as defined in the Corporations Act) other than a non-executive Director. The applicable processes for these evaluations can be found in the Company's Corporate Governance Plan, which is available on the Company's website. (b) The Company's Corporate Governance Plan requires the

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		Company to disclose whether or not performance evaluations were conducted during the relevant reporting period. The Company intends to complete performance evaluations in respect of the senior executives (if any) for each financial year in accordance with the applicable processes. At this stage, due to the current size and nature of the existing Board and the magnitude of the Company's operations, the Company has not appointed any senior executives.
Principle 2: Structure the Board to add value		
Recommendation 2.1 The Board of a listed entity should: (a) have a nomination committee which: (i) has at least three members, a majority of whom are independent Directors; and (ii) is chaired by an independent Director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address Board succession issues and to ensure that the Board has the appropriate balance of skills, experience, independence and knowledge of the entity to enable	YES	(a) The Company does not have a Nomination Committee. The Company's Nomination Committee Charter provides for the creation of a Nomination Committee (if it is considered it will benefit the Company), with at least three members, a majority of whom are independent Directors, and which must be chaired by an independent Director. (b) The Company does not have a Nomination Committee as the Board considers the Company will not currently benefit from its establishment. In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by the Nomination Committee under the Nomination Committee Charter, including the following processes to address succession issues and to ensure the Board has the appropriate balance of skills, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively: (i) devoting time at least annually to discuss Board succession issues and updating the Company's Board skills matrix; and (ii) all Board members being involved in the Company's nomination process to the maximum extent permitted under

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it to discharge its duties and responsibilities effectively.		the Corporations Act and ASX Listing Rules
Recommendation 2.2 A listed entity should have and disclose a Board skill matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership.	YES	Under the Nomination Committee Charter (in the Company's Corporate Governance Plan), the Nomination Committee (or, in its absence, the Board) is required to prepare a Board skill matrix setting out the mix of skills and diversity that the Board currently has (or is looking to achieve) and to review this at least annually against the Company's Board skills matrix to ensure the appropriate mix of skills and expertise is present to facilitate successful strategic direction. Given the current size and stage of development of the Company the Board has not yet established a formal board skills matrix. Gaps in the collective skills of the Board are regularly reviewed by the Board as a whole, with the Board proposing candidates for directorships having regard to the desired skills and experience required by the Company as well as the proposed candidates' diversity of background. The Board Charter requires the disclosure of each Board member's qualifications and expertise. Full details as to each Director and senior executive's relevant skills and experience are available in the Company's Annual Report and on the Company's website.
Recommendation 2.3 A listed entity should disclose: (a) the names of the Directors considered by the Board to be independent Directors; (b) if a Director has an interest, position, association or relationship of the type described in Box 2.3 of the ASX Corporate Governance Principles and Recommendation (3rd Edition), but the Board is of the	YES	(a) The Board Charter requires the disclosure of the names of Directors considered by the Board to be independent. The Company will disclose those Directors it considers to be independent in its Annual Report and on its ASX website. The Board considers the following Directors are independent: Mr Jeremy King Mr Patrick Burke (b) The Company will disclose in its Annual Report and ASX website

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opinion that it does not compromise the independence of the Director, the nature of the interest, position, association or relationship in question and an explanation of why the Board is of that opinion; and (c) the length of service of each Director		any instances where this applies and an explanation of the Board's opinion why the relevant Director is still considered to be independent. (c) The Company's Annual Report will disclose the length of service of each Director, as at the end of each financial year.
Recommendation 2.4 A majority of the Board of a listed entity should be independent Directors.	YES	The Company's Board Charter requires that, where practical, the majority of the Board should be independent. The Board currently comprises a total of 3 directors, 2 of whom are considered to be independent. As such, independent directors are currently a majority of the Board.
Recommendation 2.5 The Chair of the Board of a listed entity should be an independent Director and, in particular, should not be the same person as the CEO of the entity.	YES	The Board Charter provides that, where practical, the Chair of the Board should be an independent Director and should not be the CEO/Managing Director. The Chair of the Company is an independent Director and is not the CEO/Managing Director.
Recommendation 2.6 A listed entity should have a program for inducting new Directors and providing appropriate professional development opportunities for continuing Directors to develop and maintain the skills and knowledge needed to perform their role as a Director effectively.	YES	In accordance with the Company's Board Charter, the Nominations Committee (or, in its absence, the Board) is responsible for the approval and review of induction and continuing professional development programs and procedures for Directors to ensure that they can effectively discharge their responsibilities. The Company Secretary is responsible for facilitating inductions and professional development.

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Principle 3: Act ethically and responsibly		
Recommendation 3.1 A listed entity should: (a) have a code of conduct for its Directors, senior executives and employees; and (b) disclose that code or a summary of it.	YES	(a) The Company's Corporate Code of Conduct applies to the Company's Directors, senior executives and employees. (b) The Company's Corporate Code of Conduct (which forms part of the Company's Corporate Governance Plan) is available on the Company's website.
Principle 4: Safeguard integrity in financial reporting		
Recommendation 4.1 The Board of a listed entity should: (a) have an audit committee which: (i) has at least three members, all of whom are non-executive Directors and a majority of whom are independent Directors; and (ii) is chaired by an independent Director, who is not the Chair of the Board, and disclose: (iii) the charter of the committee; (iv) the relevant qualifications and experience of the members of the committee; and (v) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently	PARTIALLY	(a) The Company does not have an Audit and Risk Committee. The Company's Corporate Governance Plan contains an Audit and Risk Committee Charter that provides for the creation of an Audit and Risk Committee (if it is considered it will benefit the Company), with at least three members, all of whom must be independent Directors, and which must be chaired by an independent Director who is not the Chair. (b) The Company does not have an Audit and Risk Committee as the Board considers the Company will not currently benefit from its establishment. In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by the Audit and Risk Committee under the Audit and Risk Committee Charter including the following processes to independently verify and safeguard the integrity of its financial reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner: (i) the Board devotes time at annual Board meetings to fulfilling the roles and responsibilities associated with maintaining the Company's internal audit function and arrangements with external auditors; and

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verify and safeguard the integrity of its financial reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.		(ii) all members of the Board are involved in the Company's audit function to ensure the proper maintenance of the entity and the integrity of all financial reporting.
Recommendation 4.2 The Board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	YES	The Company's Audit and Risk Committee Charter requires the CEO and CFO (or, if none, the person(s) fulfilling those functions) to provide a sign off on these terms. The Company intends to obtain a sign off on these terms for each of its financial statements in each financial year.
Recommendation 4.3 A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	YES	The Company's Corporate Governance Plan provides that the Board must ensure the Company's external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.
Principle 5: Make timely and balanced disclosure		
Recommendation 5.1 A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	YES	(a) The Board Charter provides details of the Company's disclosure policy. In addition, the Corporate Governance Plan details the Company's disclosure requirements as required by the ASX Listing Rules and other relevant legislation. (b) The Corporate Governance Plan, which incorporates the Board Charter, is available on the Company website.

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Principle 6: Respect the rights of security holders		
Recommendation 6.1 A listed entity should provide information about itself and its governance to investors via its website.	YES	Information about the Company and its governance is available in the Corporate Governance Plan which can be found on the Company's website.
Recommendation 6.2 A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	YES	The Company has adopted a Shareholder Communications Strategy which aims to promote and facilitate effective two-way communication with investors. The Strategy outlines a range of ways in which information is communicated to shareholders and is available on the Company's website as part of the Company's Corporate Governance Plan.
Recommendation 6.3 A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	YES	Shareholders are encouraged to participate at all general meetings and AGMs of the Company. Upon the despatch of any notice of meeting to Shareholders, the Company Secretary shall send out material stating that all Shareholders are encouraged to participate at the meeting.
Recommendation 6.4 A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	YES	The Shareholder Communication Strategy provides that security holders can register with the Company to receive email notifications when an announcement is made by the Company to the ASX, including the release of the Annual Report, half yearly reports and quarterly reports. Links are made available to the Company's website on which all information provided to the ASX is immediately posted. Shareholders queries should be referred to the Company Secretary at first instance.

RECOMMENDATIONS (3 RD EDITION)	COMPLY	EXPLANATION
Principle 7: Recognise and manage risk		
Recommendation 7.1 The Board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (i) has at least three members, a majority of whom are independent Directors; and (ii) is chaired by an independent Director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the process it employs for overseeing the entity's risk management framework.	YES	(a) The Company does not have an Audit and Risk Committee. The Company's Corporate Governance Plan contains an Audit and Risk Committee Charter that provides for the creation of an Audit and Risk Committee (if it is considered it will benefit the Company), with at least three members, all of whom must be independent Directors, and which must be chaired by an independent Director. A copy of the Corporate Governance Plan is available on the Company's website. (b) The Company does not have an Audit and Risk Committee as the Board consider the Company will not currently benefit from its establishment. In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by the Audit and Risk Committee under the Audit and Risk Committee Charter including the following processes to oversee the entity's risk management framework: The Board devotes time at quarterly Board meetings to fulfilling the roles and responsibilities associated with overseeing risk and maintaining the entity's risk management framework and associated internal compliance and control procedures.
Recommendation 7.2 The Board or a committee of the Board should: (a) review the entity's risk management framework with management at least annually to satisfy itself that it continues to be sound; and (b) disclose in relation to each reporting period, whether	YES	(a) The Audit and Risk Committee Charter requires that the Audit and Risk Committee (or, in its absence, the Board) should, at least annually, satisfy itself that the Company's risk management framework continues to be sound. (b) The Company's Corporate Governance Plan requires the Company to disclose at least annually whether such a review of the company's risk management framework has taken place.

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such a review has taken place.		
Recommendation 7.3 A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	PARTIALLY	(a) The Company does not have an internal audit function. The Audit and Risk Committee Charter provides for the Audit and Risk Committee to monitor the need for an internal audit function. (b) As set out in Recommendation 7.1, the Board is responsible for overseeing the establishment and implementation of effective risk management and internal control systems to manage the Company's material business risks and for reviewing and monitoring the Company's application of those systems. The Board devotes time at quarterly Board meetings to fulfilling the roles and responsibilities associated with overseeing risk and maintaining the entity's risk management framework and associated internal compliance and control procedures.
Recommendation 7.4 A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	YES	The Audit and Risk Committee Charter requires the Audit and Risk Committee (or, in its absence, the Board) to assist management determine whether the Company has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks. The Company's Corporate Governance Plan requires the Company to disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks. The Company will disclose this information in its Annual Report and on its ASX website as part of its continuous disclosure obligations.
Principle 8: Remunerate fairly and responsibly		
Recommendation 8.1 The Board of a listed entity should:	PARTIALLY	(a) The Company does not have a Remuneration Committee. The Company's Corporate Governance Plan contains a

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(a) have a remuneration committee which: (i) has at least three members, a majority of whom are independent Directors; and (ii) is chaired by an independent Director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for Directors and senior executives and ensuring that such remuneration is appropriate and not excessive.		Remuneration Committee Charter that provides for the creation of a Remuneration Committee (if it is considered it will benefit the Company), with at least three members, a majority of whom must be independent Directors, and which must be chaired by an independent Director. (b) The Company does not have a Remuneration Committee as the Board considers the Company will not currently benefit from its establishment. In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by the Remuneration Committee under the Remuneration Committee Charter including the following processes to set the level and composition of remuneration for Directors and senior executives and ensuring that such remuneration is appropriate and not excessive: The Board devotes time at the annual Board meeting to assess the level and composition of remuneration for Directors and senior executives.
Recommendation 8.2 A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive Directors and the remuneration of executive Directors and other senior executives and ensure that the different roles and responsibilities of non-executive Directors compared to executive Directors and other senior executives are reflected in the level and composition of their remuneration.	YES	The Company's Corporate Governance Plan requires the Board to disclose its policies and practices regarding the remuneration of Directors and senior executives, which is disclosed on the Company's website.
Recommendation 8.3 A listed entity which has an equity-based remuneration	N/A	The Company's Corporate Governance Plan requires the Remuneration Committee (or, in its absence, the Board) to review, manage and disclose the policy (if any) under which participants to

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scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.		a Plan may be permitted (at the discretion of the Company) to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the Plan. Upon issue of equity incentives, the Board will devote time at the annual Board meeting to assess the level and composition of remuneration for Directors and senior executives.