

11 March 2021

Free Option Issue

- Shareholders on the register at 5pm (WST) on 22 March 2021 will receive one free option for every two shares held - refer to the attached Prospectus for full terms and conditions
- Options will be exercisable at 30 cents on or before 30 September 2022
- Errawarra will apply to have the options quoted on ASX, and anticipates options trading will commence on or about 30 March 2021

Errawarra Resources Ltd (ASX: **ERW**) (**Errawarra** or the **Company**) confirms it has lodged a Prospectus with the Australian Securities & Investments Commission outlining that it will issue Errawarra shareholders on the share register at 5pm (WST) on 22 March 2021 (Record Date) with one free option for every two shares held (Offer).

Shareholders with a registered address in Australia and New Zealand are not required to complete an application form to receive their free options. An updated holding statement will be mailed to shareholders in due course. Shareholders with a registered address other than in Australia and New Zealand are invited to contact the Executive Director to discuss the implications of securities laws on their rights to the free options. Please refer to the attached Prospectus for full terms and conditions

The key dates* in relation to the Offer are set out below.

Action	Date
Lodgement of Prospectus with the ASIC / ASX and lodgement of Appendix 3B with ASX	11 March 2021
Opening Date of the Offers	11 March 2021
Closing date of the Cleansing Offer	5PM (WST) on 12 March 2021
Ex date of the Options Offer	19 March 2021
Record Date for the Offer	5PM (WST) on 22 March 2021
Issue Date and Lodgement of Appendix 2A with ASX	29 March 2021
Expected date of Official Quotation of the Options	30 March 2021

* The above timetable is indicative only and subject to change. The Company reserves the right to amend any or all these dates and times subject to the Corporations Act, the ASX Listing Rules and other applicable laws. The commencement of quotation of the options is subject to confirmation from ASX.

This ASX announcement has been authorised for release by Mr Damian Hicks, Executive Director.

For further information, please contact:

Damian Hicks
Executive Director
Errawarra Resources Ltd
E: info@errawarra.com
T: +61 8 9322 3383

ERRAWARRA RESOURCES LTD

ACN 155 472 834

PROSPECTUS

For an offer of:

- (a) a bonus issue of one (1) Bonus Option for every two (2) Shares held by those eligible Shareholders registered at the Record Date (**Options Offer**); and
- (b) up to 1,000 Shares at an issue price of \$0.23 per Share to raise up to \$230 (**Cleansing Offer**).

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser. This document may not be distributed in the United States.

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

IMPORTANT NOTICE

This Prospectus is dated 11 March 2021 and was lodged with the ASIC on that date. The ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities 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 this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Securities offered by this Prospectus should be considered as highly speculative.

This Prospectus is a transaction specific prospectus for an offer of options to acquire continuously quoted securities and continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus and is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

Representations contained in this Prospectus are made taking into account that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters are publicly available information or may reasonably be expected to be known to investors and professional advisers whom prospective investors may consult.

No Investment Advice

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your financial or investment objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional advice from your accountant,

financial adviser, stockbroker, lawyer or other professional adviser before deciding to subscribe for Securities under this Prospectus to determine whether it meets your objectives, financial situation and needs.

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 the Company, the Directors and the Company's management.

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

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

These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 6.

Overseas shareholders

These Offers do not, and are not intended to, constitute offers in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. In particular this document may not be distributed to any person, and the Options may not be offered or sold, in any country outside Australia and New Zealand

Continuous disclosure obligations

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

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

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

Please refer to Section 7.2 for further details.

Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.errawarra.com. 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) 9322 3383 during office hours or by emailing the

Company Secretary at
mindyk@corpbsservices.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.

Company Website

No documents or other information available on the Company's website is incorporated into this Prospectus by reference.

Risk Factors

Shareholders should be aware that there are a number of risks factors affecting the Company and the value of its Securities. The key risk factors of which Shareholders should be aware are set out in Section 6. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Securities in the future. Accordingly, an investment in the Company should be considered highly speculative. Shareholders should consider consulting their professional advisers in relation to the issue of Securities pursuant to this Prospectus.

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.

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

The Company will apply to participate in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company.

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 Securities issued to them

under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

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.

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 and Time

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 9.

All references to time in this Prospectus are references to Australian Western Standard Time.

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 Securities, the Company may not be able to accept or process your application.

Use of Trademarks

This Prospectus includes the Company's registered and unregistered trademarks.

All other trademarks, tradenames and service marks appearing in this Prospectus are the property of their respective owners.

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offers or how to accept the Offers please call the Company Secretary on +61 (8) 9322 3383.

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1. CORPORATE DIRECTORY

Directors

Markus Bachmann
Non-Executive Chairman

Greta Purich
Non-Executive Director

Thomas Reddicliffe
Non-Executive Director

Damian Hicks
Executive Director

Company Secretary

Mindy Ku

Share Registry*

Automic Group*
Level 2, 267 St Georges Terrace
PERTH WA 6000

Telephone: 1300 288 664

Registered Office

Level 12, 197 St Georges Terrace
PERTH WA 6000

Telephone: + 61 (8) 9322 3383

Email: info@errawarra.com
Website: www.errawarra.com

Solicitors

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

Auditor*

Stantons International Audit and Consulting
Pty Ltd
Level 2, 1 Walker Avenue
WEST PERTH WA 6005

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

2. TIMETABLE

Action	Date
Lodgement of Prospectus with the ASIC and ASX and release of Appendix 3B to ASX	11 March 2021
Opening Date of the Offers	11 March 2021
Closing Date of the Cleansing Offer*	5:00pm WST on 12 March 2021
Ex date of the Options Offer	19 March 2021
Record Date of the Options Offer	5:00pm WST on 22 March 2021
Issue of Options under the Options Offer and Lodgement of Appendix 2A with ASX	29 March 2021
Expected date of Official Quotation of the Securities	30 March 2021

* The above timetable is indicative only and subject to change. The Company reserves the right to amend any or all of these dates and times subject to the Corporations Act, the ASX Listing Rules and other applicable laws. Any extension of the closing date may have a consequential effect on the issue date of the Securities. The commencement of quotation of the Securities is subject to confirmation from ASX.

3. DETAILS OF THE OFFERS

3.1 Options Offer

The Options Offer is being made as a bonus issue of one (1) Bonus Option for every two (2) Shares held by eligible Shareholders registered at the Record Date, to be issued for nil consideration. Fractional entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus, approximately 19,946,617 Bonus Options will be issued pursuant to this Offer. No funds will be raised under the Options Offer.

The Bonus Options will be issued on the terms and conditions set out in Section 5.1.

Any Shares issued upon the future exercise of Bonus Options will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 5.2 for further information regarding the rights and liabilities attaching to Shares.

As this is a bonus issue of Options, Shareholders are not required to apply for Bonus Options and, as such, there is no application form attached to this Prospectus for the Option Offer.

3.2 The Cleansing Offer

The Cleansing Offer is an offer of up to 1,000 Shares at an issue price of \$0.23 per Share, to raise up to \$230 (before expenses).

The Cleansing Offer will only be extended to specific parties on invitation from the Directors. Application Forms will only be provided by the Company to these parties.

The Shares issued under the Cleansing Offer will rank equally with the existing Shares on issue. A summary of the material rights and liabilities attaching to the Shares is set out in Section 5.2.

3.3 Minimum subscription

There is no minimum subscription to the Offers.

3.4 ASX listing

Subject to the Company meeting the requirements for quotation of a second class of securities under the Listing Rules, application for Official Quotation of the Bonus Options offered pursuant to this Prospectus will be made in accordance with the timetable set out at Section 2 of this Prospectus. If ASX does not grant Official Quotation of the Bonus Options offered pursuant to this Prospectus, or if the Company does not meet the minimum requirements to be granted Official Quotation of the Bonus Options, then the Bonus Options will still be issued, however will not be quoted on ASX.

The Company will apply for Official Quotation of the Shares offered under this Prospectus within 7 days after the date of this Prospectus. If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of three months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

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

3.5 Application for Shares under the Cleansing Offer

Applications for Shares under the Cleansing Offer must be made by investors at the direction of the Company and must be made using the Application Form accompanying this Prospectus.

Payment for the Shares under the Cleansing Offer must be made in full at the issue price of \$0.23 per Share.

Cheques should be made payable to "**Errawarra Resources Ltd**" and crossed "**Not Negotiable**". Completed Application Forms and cheques must reach the address set out above by no later than 5:00pm (WST) on the Closing Date.

3.6 Issue

Options Offer

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

Cleansing Offer

Issue of Shares under the Cleansing Offer will take place as soon as practicable after the Cleansing Offer Closing Date. Application moneys will be held in a separate subscription account until the Shares are issued. This account will be established and kept by the Company in trust for each Applicant. Any interest earned on the application moneys will be for the benefit of the Company and will be retained by the Company irrespective of whether any Shares are issued and each Applicant waives the right to claim any interest.

The Directors will determine the recipients of all the Shares. 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, the surplus moneys will be returned by cheque as soon as practicable after the Cleansing Offer Closing Date. Where no issue of Shares is made, the amount tendered on application will be returned in full by cheque as soon as practicable after the Cleansing Offer Closing Date. Interest will not be paid on moneys refunded.

3.7 Overseas shareholders

The Offers do not, and are not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. 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 Securities or otherwise permit a public offering of the Securities the subject of this Prospectus in any jurisdiction

outside Australia. Shareholders who are residents 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 Securities pursuant to this Prospectus.

New Zealand

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

This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

3.8 Enquiries

Any questions concerning the Offers should be directed to Mindy Ku, Company Secretary, on + 61 (8) 9322 3383.

4. PURPOSE AND EFFECT OF THE OFFERS

4.1 Purpose and effect of the Options Offer

The purpose of the Options Offer is to reward Shareholders for supporting the Company and to provide the Company with a potential source of additional capital if Bonus Options are exercised. No funds will be raised through the issue of the Bonus Options pursuant to this Prospectus, however if all the Bonus Options are exercised, the Company will receive approximately \$5,983,985.

An additional purpose of the Options Offer is to remove any trading restrictions attaching to Shares issued on exercise of the Bonus Options issued under this Prospectus, so that, subject to ASX granting quotation of the Bonus Options, the investors who receive the Bonus Options will be enabled to trade those Bonus Options on a listed, public financial market, being the financial market operated by the ASX.

The principal effect of the Options Offer, assuming all Bonus Options offered under the Prospectus are issued, will be to increase the number of Options on issue from 3,600,000 prior to the date of this Prospectus to approximately 23,546,617 following completion of the Options Offer.

4.2 Purpose and effect of the Cleansing Offer

The purpose of the Cleansing Offer is to remove any trading restrictions that may have attached to Shares issued by the Company without disclosure under Chapter 6D of the Corporations Act prior to the Cleansing Offer Closing Date (including prior to the date of this Prospectus). All of the funds raised from the Cleansing Offer will be applied towards the expenses of the Offers. Refer to Section 7.7 of this Prospectus for further details relating to the estimated expenses of the Offer.

4.3 Effect on capital structure

The effect of the Offers on the capital structure of the Company, assuming all Securities offered under the Prospectus are issued, is set out below.

Shares

	Number
Shares currently on issue	39,893,234
Shares offered pursuant to the Options Offer	Nil
Shares offered pursuant to the Cleansing Offer	1,000
Total Shares on issue after completion of the Offer and the Placement	39,894,234

Options

	Number
Options currently on issue	3,600,000 ¹
Bonus Options offered pursuant to the Options Offer (exercisable at \$0.30 by 5:00pm (AWST) on 30 September 2022) ²	19,946,617
Options offered pursuant to the Cleansing Offer	Nil

	Number
Total Options on issue after completion of the Offers and the Placement	23,546,617

Notes:

1. Comprising of:
 - (a) 1,800,000 Options exercisable at \$0.30 on or before 26 November 2024; and
 - (b) 1,800,000 Options exercisable at \$0.30 on or before 3 December 2024.
2. The Company notes that, in accordance with the ASX Listing Rules, any Bonus Options that are issued to Shareholders whose Shares are currently subject to ASX imposed escrow, will also be subject to escrow for the balance of the escrow period ascribed to those Shares. For example, where a Shareholder holds Shares that are, as at the date of issue of their Bonus Options, subject to ASX imposed escrow for a period of 6 months, the Bonus Options issued to those Shareholders will also be escrowed for a period of 6 months (together with any Shares issued on exercise of those Bonus Options).

4.4 Details of substantial holders

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

Shareholder	Shares	%
Sorrento Resources Pty Ltd	3,643,234	9.13%

5. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

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

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

5.1 Options

The following is a summary of the terms and conditions attached to the Bonus Options:

(a) **Entitlement**

Each Bonus Option entitles the holder to subscribe for one Share upon exercise of the Bonus Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Bonus Option will be \$0.30 (**Exercise Price**)

(c) **Expiry Date**

Each Bonus Option will expire at by 5:00pm (AWST) on 30 September 2022 (**Expiry Date**). A Bonus Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Bonus Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Bonus Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Bonus Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Bonus Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Bonus Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under 5.1(g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Bonus Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Bonus Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Bonus Options without exercising the Bonus Options.

(k) **Change in exercise price**

A Bonus Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Bonus Option can be exercised.

(l) **Transferability**

The Bonus Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

5.2 Shares

The following is a summary of the terms and conditions attaching to Shares:

(a) **General meetings**

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

(c) **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.

(d) **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.

(e) **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.

(f) **Variation of rights**

- (i) 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.

- (ii) 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.

(g) **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.

6. RISK FACTORS

6.1 Introduction

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

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.

6.2 Company and Industry Specific Risks

Funding Risk	At the date of this Prospectus, the Company has no income producing assets and will generate losses for the foreseeable future. Until it is able to develop a project and generate appropriate cash flow, it is dependent upon being able to obtain future equity or debt funding to support long term exploration. Neither the Company nor any of the Directors nor any other party can provide any guarantee or assurance that if further funding is required, such can be raised on terms favourable to the Company (or at all). Any additional equity funding will dilute existing Shareholders. Also, no guarantee or assurance can be given as to when a project can be developed to the stage where it will generate cash flow. As such, a project would be dependent on many factors, for example exploration success, subsequent development, commissioning and operational performance.
Tenement applications	The Tenements are at various stages of application and grant, specifically several of the Tenements for the Company's Errabiddy Project are still under application. There can be no assurance that the Tenement applications that are currently pending will be granted. There can be no assurance that if the Tenement is granted, it will be granted in its entirety. Additionally, some of the Tenement areas applied for may be excluded. The Company is unaware of any circumstances that would prevent the Tenement applications from being granted, however the consequence of being denied the applications for reasons beyond the control of the Company could be significant specifically for the Errabiddy Project.
Tenure	Mining and exploration tenements are subject to periodic renewal. The renewal of the term of granted tenements is subject to compliance with the applicable mining legislation and regulations and the discretion of the relevant mining authority. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements. 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. However, the consequence of forfeiture or involuntary surrender of a granted tenements for reasons beyond the control of the Company could be significant.
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 uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.
Exploration success	The Projects are at various stages of exploration, and potential investors should understand that mineral exploration and development are speculative and high-risk undertakings that may be impeded by circumstances and factors beyond the control of the Company. Success in this process involves, among other things: (a) discovery and proving-up, or acquiring, an economically recoverable resource or reserve; (b) access to adequate capital throughout the acquisition, discovery and project development phases; (c) securing and maintaining title to Tenements; (d) obtaining required development consents and approvals necessary for the acquisition, exploration, development and production phases; and (e) accessing the necessary experienced operational staff, the applicable financial management and recruiting skilled contractors, consultants, and employees. There can be no assurance that exploration of the Projects, or any other exploration properties that may be acquired in the future, will result in the discovery of an economic mineral resource. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited. The Company has not published resource estimates for any prospects. There is no assurance that exploration or project studies by the Company will result in the definition of an economically viable mineral deposit. 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, unanticipated operational and technical difficulties, industrial and environmental accidents, changing government regulations and many other factors beyond the control of the Company.
Coronavirus (COVID-19)	The outbreak of the coronavirus disease (COVID-19) is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company. In addition, the effects of COVID-19 on the Company's Share price and global financial markets generally may also affect the Company's ability

	to raise equity or require the Company to issue capital at a discount, which may in turn cause dilution to Shareholders. The COVID-19 pandemic may also give rise to issues, delays or restrictions in relation to land access and the Company's ability to freely move people and equipment to and from exploration projects may cause delays or cost increases. The Directors are monitoring the situation closely and have considered the impact of COVID-19 on the Company's business and financial performance. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain. If any of these impacts appear material prior to close of the Offer, the Company will notify investors under a supplementary prospectus.
Native title and Aboriginal Heritage	All of the Tenements are within the external boundaries of native title claims. In relation to tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected. Further to this, it is possible that an Indigenous Land Use Agreement (ILUA) may be registered against one or more of the tenements in which the Company has an interest. The terms and conditions of any such ILUA may be unfavourable for, or restrictive against, the Company. There are also areas or objects of Aboriginal heritage located on three of the Tenements. In addition, three of the Tenements contain Aboriginal heritage sites of significance which have been registered with the Department of Indigenous Affairs. Approvals are required if these sites will be impacted by exploration or mining activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities. The Directors will closely monitor the potential effect of native title claims or Aboriginal heritage matters involving tenements in which the Company has or may have an interest.

6.3 General Risks

Regulatory Risks	The Company's operating activities are subject to extensive laws and regulations relating to numerous matters including resource licence consent, 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 and stakeholders to authorise the Company's operations. These permits relate to exploration, development, production and rehabilitation activities. While the Company believes that it is in substantial compliance with all material current laws and regulations affecting its activities, future changes in applicable laws, regulations, agreements or changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms of existing permits and agreements applicable to the Company or its properties, which could have a material adverse impact on the Company's current operations or
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	planned development projects. Obtaining necessary permits can be a time-consuming process and there is a risk that the Company will not obtain required permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining 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.
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. If activities cannot be funded, there is a risk that the Projects may have to be surrendered or not renewed. General economic conditions may also affect the value of Securities and its valuation regardless of its actual performance.
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: (a) general economic outlook; (b) introduction of tax reform or other new legislation; (c) interest rates and inflation rates; (d) changes in investor sentiment toward particular market sectors; (e) the demand for, and supply of, capital; and (f) 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. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company. Shareholders 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.
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 commodities 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 are and will be taken into account in Australian currency. This exposes 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.
Force Majeure	The Company's Projects 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.
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, reputation, financial performance, and financial position. The Company is not currently engaged in any litigation.
Speculative investment	The risk factors described above, and other risks factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Shares. Prospective investors should consider that an investment in the Company is highly speculative. There is no guarantee that the Shares offered under this Prospectus will provide a return on capital, payment of dividends or increases in the market value of those Shares. Before deciding whether to subscribe for Shares under this Prospectus you should read this Prospectus in its entirety and consider all factors, taking into account your objectives, financial situation and needs.

7. ADDITIONAL INFORMATION

7.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Company has not received any notice of legal proceedings pending or threatened against the Company.

7.2 Continuous disclosure obligations

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

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

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

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

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

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

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

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

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

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

Date	Description of Announcement
11 March 2021	Errawarra – Update on Restriction Agreements
10 March 2021	Errawarra – Change of Director's Interest Notice
10 March 2021	Errawarra – Becoming a substantial holder (Sorrento)
10 March 2021	Errawarra – Completion of Acquisition of Fraser Range
10 March 2021	Proposed issue of Securities - ERW
9 March 2021	Errawarra – Half Year Financial Report
5 March 2021	Free Option Issue
4 March 2021	Response to ASX Price and Volume Query
18 February 2021	Errawarra – Binti Binti / Gindalbie Gold Project Update
10 February 2021	Errawarra – Fraser Range Update
5 February 2021	Errawarra – Presentation
1 February 2021	Errawarra – 2nd Quarter Activities Report
1 February 2021	Errawarra – 2nd Quarter Cashflow Report
5 January 2021	Errawarra – Completion of Acquisition of Historic Goldfield
21 December 2020	Proposed issue of Securities - ERW
21 December 2020	Errawarra – Acquisition of Historic Goldfield
18 December 2020	Errawarra – Binti Binti Gold Project Update
14 December 2020	Errawarra – Initial Director's Interest Notice
11 December 2020	Confirmation Statements
11 December 2020	Top 20 Holders
11 December 2020	Distribution Schedule
11 December 2020	Securities Trading Policy
11 December 2020	Corporate Governance Statement
11 December 2020	Incentive Options Plan
11 December 2020	Constitution

Date	Description of Announcement
11 December 2020	Prospectus
11 December 2020	Appendix 1A, Information Form and Checklist & Annexure I
11 December 2020	ASX Notice – Admission to Official List
11 December 2020	Errawarra Resources Ltd – 30 June 2020 Annual Report
11 December 2020	Errawarra Resources Ltd – 30 June 2019 Annual Report

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

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

7.3 Market price of shares

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

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

	Price	Date
Highest	\$0.29	10 March 2021
Lowest	\$0.20	15 December 2020, 28 – 29 January 2021, 3 – 9 February 2021 and 11 February 2021
Last	\$0.29	10 March 2021

7.4 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 Offers; or
- (c) the Offers,

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 Offers.

Security holdings

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

Director ¹	Shares	Options ²	Entitlement under the Options Offer
Markus Bachmann	932,124	300,000	466,062
Greta Purich	25,000	300,000	12,500
Thomas Reddicliffe	3,673,234	300,000	1,836,617
Damian Hicks	362,362	Nil	181,181

Notes:

1. Refer to Appendices 3X for each Director for further information with respect to these holdings, announced by the Company on 14 December 2020.
2. Exercisable at \$0.30 on or before 7 December 2024.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Directors 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 \$250,000 per annum.

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

The following table shows the total (and proposed) annual remuneration paid to Directors:

Director	Proposed 2021	FY 2020(\$)	FY 2019(\$)
Markus Bachmann ¹	\$24,000	Nil	Nil
Greta Purich ²	\$24,000	NA	NA
Thomas Reddicliffe ³	\$24,000	NA	NA

Director	Proposed 2021	FY 2020(\$)	FY 2019(\$)
Damian Hicks ⁴	\$150,000	Nil	Nil

Notes:

1. Appointed on 2 February 2012.
2. Appointed on 2 November 2020.
3. Appointed on 2 November 2020.
4. Appointed on 2 February 2012.

7.5 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:

- (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 Offers; or
- (c) the Offers,

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:

- (a) the formation or promotion of the Company; or
- (b) the Offers.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin \$5,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$150,770 (excluding GST and disbursements) for legal services provided to the Company.

7.6 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Securities), the Directors, the persons named in the

Prospectus with their consent as Proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus, Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this section:

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

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

7.7 Expenses of the Offers

The total expenses of the Offers are estimated to be approximately \$31,272 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	3,206
ASX fees	18,066
Legal fees	5,000
Printing, distribution and miscellaneous items	5,000
Total	31,272

The expenses of the Offers are proposed to be paid out of the Company's existing cash reserves.

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

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

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

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

8. 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.



Damian Hicks
Executive Director
For and on behalf of
Errawarra Resources Ltd

9. GLOSSARY

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

Applicant means an investor who applies for Shares pursuant to the Cleansing Offer.

Application Form means an application form either attached to or accompanying this Prospectus in relation to the Cleansing Offer.

ASIC means the Australian Securities and Investments Commission.

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

ASX Listing Rules means the listing rules of the ASX.

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

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

Bonus Option means an option to acquire a Share on the terms and conditions set out in Section 5.1 of the Prospectus.

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

Cleansing Offer means the offer of Shares referred to in Section 3.2 of the Prospectus.

Closing Date means the date specified in the timetable in Section 2 of this Prospectus (unless extended or brought forward).

Company means Errawarra Resources Ltd (ACN 155 472 834).

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

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

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

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

Options Offer means the non-renounceable bonus issue of Options referred to in Section 3.1 of the Prospectus.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Projects means the Company's Fraser Range, Errabiddy and Binti Binti Projects.

Prospectus means this prospectus.

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

Section means a section of this Prospectus.

Securities means Shares and Options as the context requires.

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

Shareholder means a holder of a Share.

Tenements means the mining tenements (including applications) in which the Company has an interest.

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