



ACN 119 978 013

## PROSPECTUS

For:

- a pro-rata renounceable issue of 1 New Share for every 4 Shares held by Eligible Shareholders registered at the Record Date at an issue price of \$0.005 per New Share, together with 1 free attaching New Option for every 2 New Shares subscribed for, exercisable at \$0.009 each on or before 31 October 2023 (**Offer**); and
- an offer of Shortfall Securities on the terms set out in Section 1.16 of this Prospectus (**Shortfall Offer**),

to raise up to approximately \$2,650,000 before costs of the issue.

The Offer and Shortfall Offer are partially underwritten by Mahe Capital Pty Ltd to \$1,500,000. See Section 1.25 for details.

ASX Code: TSC

**Not for release to US wire services or distribution in the United States**

## IMPORTANT NOTICE

***This document is important and requires your immediate attention. It should be read in its entirety. If you do not understand its contents or are in doubt as to the course you should follow, you should consult your stockbroker or professional adviser or the Company on 08 9385 6911.***

INDEX

<b>Section 1</b>	<b>DETAILS OF THE OFFER</b>	<b>1</b>
<b>Section 2</b>	<b>CAPITAL STRUCTURE &amp; EFFECT OF THE OFFER ON THE COMPANY</b>	<b>11</b>
<b>Section 3</b>	<b>RISK FACTORS</b>	<b>15</b>
<b>Section 4</b>	<b>ADDITIONAL INFORMATION</b>	<b>20</b>
<b>Section 5</b>	<b>DEFINED TERMS</b>	<b>30</b>
<b>Section 6</b>	<b>DIRECTORS’ RESPONSIBILITY STATEMENT &amp; CONSENT</b>	<b>32</b>

IMPORTANT NOTICE

**Prospectus**

This Prospectus is dated 12 April 2021 and was lodged with ASIC on that date. No responsibility for the contents of this Prospectus is taken by ASIC nor ASX.

The New Shares and New Options issued pursuant to this Prospectus will be issued on the terms and conditions set out in this Prospectus. No New Shares will be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

In preparing this Prospectus regard has been had to the fact the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers who investors may consult. No person is authorised to give any information or to make any representation in connection with the Offer described in this Prospectus. Any information or representation which is not contained in this Prospectus or disclosed by the Company pursuant to its continuous disclosure obligations may not be relied upon as having been authorised by the Company in connection with the issue of this Prospectus.

Throughout this Prospectus, for ease of reading, various words and phrases have been defined rather than used in full on each occasion. Those words and phrases (and their associated definitions) are set out in Section 5 of this Prospectus.

**Electronic Prospectus**

A copy of this Prospectus in electronic format may be viewed at <https://www.twentysevens.com.au/> or the website of ASX by Australian investors only. The Offer constituted by this Prospectus in electronic form is only available to Eligible Shareholders receiving this Prospectus in electronic form within Australia.

New Shares , New Options and (if applicable) Shortfall Securities will only be issued with respect to an Entitlement and Acceptance Form or if the Company is satisfied the Entitlement and Acceptance Form was attached to a complete and unaltered version of this Prospectus. A paper copy of this Prospectus may be obtained free of charge on request by contacting the Company before 5pm (WST) on the Closing Date.

**Risk factors**

Before deciding to invest in the Company, potential investors should read the entire Prospectus. In considering the prospects for the Company, potential investors should consider the risk factors that could affect the performance of the Company. Please refer to Section 3 for further information.

### Overseas Shareholders

The New Shares, New Options and Shortfall Securities being offered under this Prospectus are being offered to Eligible Shareholders only.

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom it would not be lawful to make such an offer or invitation. 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 such restrictions. Any failure to comply with these restrictions may constitute a violation of applicable securities laws.

The offer contained in this Prospectus to Eligible Shareholders with registered addresses in New Zealand is made in reliance on the *Securities Act (Overseas Companies) Exemption Notice 2013* (New Zealand). Members of the public in New Zealand who are not existing Shareholders on the Record Date are not entitled to apply for any New Shares.

Please refer to Section 1.29 for further information.

### Forward-looking statements

This Prospectus may contain forward-looking statements that have been based on current circumstances. Any forward-looking statements are subject to risks, uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in such forward-looking statements.

### Key Dates

Event	Date
Announce Offer and lodgement of Appendix 3B with ASX	Monday, 12 April 2021
Lodgement of the Prospectus with ASIC (after close of trading)	Monday, 12 April 2021
Lodgement of the Prospectus with ASX (prior to opening of trading)	Tuesday, 13 April 2021
Ex date	Thursday, 15 April 2021
Rights quoted on a deferred settlement basis from market open	Thursday, 15 April 2021
Record Date	Friday, 16 April 2021
Offer opening date	Wednesday, 21 April 2021
Prospectus despatched to Shareholders and Company announces this has been completed	Wednesday, 21 April 2021
Rights trading ends at close of trading	Wednesday, 28 April 2021
Shares quoted on a deferred settlement basis	Thursday, 29 April 2021
Closing Date	5pm (WST) on Wednesday, 5 May 2021



**PROSPECTUS – RENOUNCEABLE PRO-RATA RIGHTS ISSUE**

Announcement of results of issue	Monday, 10 May 2021
Issue date – deferred settlement trading ends	Wednesday, 12 May 2021
Commencement of trading of New Shares and New Options*	Thursday, 13 May 2021
Last date to issue Shortfall Securities	Thursday, 5 August 2021

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



## PROSPECTUS – RENOUNCEABLE PRO-RATA RIGHTS ISSUE

### LETTER FROM THE CHIEF EXECUTIVE OFFICER

Dear fellow Shareholders,

On behalf of the Directors of Twenty Seven Co. Ltd, I am pleased to invite you to participate in the renounceable Offer available to Eligible Shareholders to subscribe for 1 New Share for every 4 Shares held (at the Record Date) at an issue price of \$0.005 per New Share to raise approximately \$2,650,000 before costs.

The Offer price of \$0.005 per New Share represents a discount of 21% to the 30-day volume weighted average price of Shares (being \$0.0063).

In addition, Eligible Shareholders who take up their rights will receive free attaching New Options on the basis of 1 New Option for every 2 New Shares taken up by the Eligible Shareholder under the Offer. The New Options will have an exercise price of \$0.009 each and may be exercised on or before 31 October 2023.

The Offer is partially underwritten to \$1,500,000 million by Mahe Capital Pty Ltd. Shareholders have the opportunity to apply for additional New Shares in excess of their entitlement under the Shortfall Offer.

The funds raised from the Offer will be used to advance the Company's substantial suite of exploration projects, with a prime focus on precious metals. The Company's recent successful drilling at its Mt Dimer mining lease puts it in an excellent position to assess all options on the mining lease. In addition, the Company's outstanding soil sampling results undertaken on its substantial land holding over its Rover Gold Project have the Company very excited about its future work program.

The Company will shortly mobilise a team to undertake geochemical sampling at its Yarbu Gold Project, a 220km<sup>2</sup> area situated on the Marda Greenstone Belt, which covers a 22km extension of the Clampton Fault as well as its surrounding structural features which are thought to be highly prospective for gold mineralisation.

Finally, the Company is assessing all options for the next steps for its substantial land holding in the NSW Broken Hill region. The holdings are highly prospective for Iron Oxide Copper Gold (IOCG) type deposits.

The details of the Offer are set out in this Prospectus, together with your personalised Entitlement and Acceptance Form. Please read the Prospectus in its entirety before making your investment decision. A description of the risk factors you may wish to consider is set out in Section 3. The Offer provides you with the opportunity to participate in this capital raising and maintain your equity interest in the Company at an attractive price and participate in the future growth of the Company.

On behalf of the Board, I invite you to consider this investment opportunity and thank you for your ongoing support of our Company.

Yours sincerely

**Simon Phillips**  
**Chief Executive Officer**



**CORPORATE DIRECTORY**

<b>DIRECTORS</b>	Mr Robert Scott (Non-Executive Chairman) Mr Mark Burchnall (Non-Executive Director) Mr Tim Armstrong (Non-Executive Director)
<b>SECRETARY</b>	Mr Dale Hanna
<b>REGISTERED OFFICE</b>	Suite 17 145 Stirling Highway Nedlands WA 6009 Email: enquiries@twentysevenco.com.au Website: https://www.twentysevenco.com.au/
<b>AUDITORS*</b>	Grant Thornton Australia Ltd Central Park Level 43, 152 – 158 St Georges Terrace Perth WA 6000
<b>SOLICITORS TO THE OFFER</b>	Murcia Pestell Hillard Suite 183 Level 6, 580 Hay Street Perth WA 6000 Tel: +61 8 9221 0033 Fax: +61 8 9221 0133
<b>LEAD MANAGER &amp; UNDERWRITER</b>	Mahe Capital Pty Ltd Level 8, 99 St Georges Terrace Perth WA 6000
<b>SHARE REGISTRY*</b>	Computershare Investor Services Pty Ltd Level 5, 115 Grenfell Street Adelaide SA 5000
<b>ASX Code</b>	TSC

\*For information purposes only. This person has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus.

## Section 1 DETAILS OF THE OFFER

### 1.1 Offer

This Prospectus invites Eligible Shareholders to participate in a pro-rata renounceable issue of 1 New Share for every 4 Shares held by those Eligible Shareholders registered at the Record Date at an issue price of \$0.005 per New Share together with 1 free attaching New Option for every 2 New Shares subscribed for, exercisable at \$0.009 each on or before 31 October 2023, to raise up to approximately \$2,650,000 (less expenses of the Offer).

The Lead Manager and Underwriter is Mahe Capital Pty Ltd (ACN 634 087 684) (**Mahe Capital**). Mahe Capital has agreed to partially underwrite the Offer by subscribing for any Shortfall Securities (up to the Underwritten Amount). Please refer to Section 1.25 for more details.

As at the date of this Prospectus, the Company has 2,128,551,649 Shares, 283,500,000 vested Unlisted Options, no unvested Unlisted Options and 280,000,000 unvested performance rights on issue. The Company has no listed Options on issue.

Holders of Options will not be entitled to participate in the Offer. However, holders of vested Unlisted Options may exercise their Options prior to the Record Date if they are (or would, by virtue of exercising their Options, be) an Eligible Shareholder and wish to participate in the Offer.

If all of the vested Unlisted Options are exercised prior to the Record Date the Company's cash funds will increase by an additional amount of approximately \$2,719,100 from the exercise of these Options and this Prospectus will (subject to eligibility) also offer to those Shareholders a further maximum of approximately 70,875,000 New Shares and 35,437,500 New Options and raise an additional amount of approximately \$354,375 from the issue of New Shares.

The vested Unlisted Options have an exercise price ranging from \$0.007 to \$0.02 and expiry dates ranging from 30 June 2022 to 15 January 2024. Further information on the Options is set out in Section 2.2 below.

### 1.2 Purpose of the Offer and Use of Funds

The purpose of the Offer is to raise up to \$2,650,000 (less expenses of the Offer).

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

Use of Funds	Full Subscription (\$)	%	Minimum Subscription (\$)	%
Mt Dimer Gold Project exploration expenditure	\$800,000	30.07%	\$393,700	26.25%
Rover Gold Project exploration expenditure	\$700,000	26.31%	\$394,650	26.31%
Yarbu Gold Project exploration expenditure	\$500,000	18.79%	\$281,850	18.79%
NSW Project exploration expenditure	\$200,000	7.52%	\$170,000	11.33%
Costs of Offer <sup>1</sup>	\$295,000	11.09%	\$225,359	15.02%
General working capital and administrative costs	\$165,690	6.22%	\$34,441	2.30%
<b>Total</b>	<b>\$2,660,690</b>	<b>100%</b>	<b>\$1,500,000</b>	<b>100%</b>

<sup>1</sup> Please refer to Sections 4.7 and 4.8 for further details related to the estimated expenses of the Offer.

The above-proposed use of funds is a statement of present intention as at the date of this Prospectus and is subject to ongoing review and evaluation by the Company.

Any additional funds raised from the participation of Eligible Shareholders in the Offer as a result of the exercise of any of the 283,500,000 vested Unlisted Options, which may be up to \$2,719,100 (assuming all exercisable Unlisted Options are exercised and Shares are issued prior to the Record Date), will be applied proportionately to the activities of the Company set out under the Use of Funds table above. As at the date of this Prospectus, the applicable exercise prices for all of the vested Unlisted Options are higher than the price at which the Shares are currently trading on ASX and, accordingly, the Directors consider that it is unlikely any of those relevant options will be exercised by their

holders prior to the Record Date.

### **1.3 Opening and Closing Dates**

The Offer will open on 21 April 2021 and close at 5 pm (WST) on 5 May 2021 or such later date as the Directors, in their absolute discretion and subject to compliance with the Listing Rules, may determine. You should be aware your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. It is your responsibility to ensure funds submitted through BPAY® are received by 5:00pm (WST) on the Closing Date. The Company will not be responsible for any postal or delivery delays or delay in the receipt of the BPAY® payment if you do not wish to take up any part of your Entitlement.

### **1.4 Entitlement to Offer**

Eligible Shareholders who are recorded on the Company's Share register at 5 pm (WST) on the Record Date are eligible to participate in the Offer. Fractional entitlements will be rounded down to the nearest whole number of New Shares and New Options. An Entitlement and Acceptance Form setting out your entitlement to New Shares and New Options accompanies this Prospectus.

### **1.5 Actions required**

As an Eligible Shareholder you may:

- (a) take up all of your Entitlement (refer to Section 1.6);
- (b) take up all of your Entitlement and apply for Shortfall Securities under the Shortfall Offer (Section 1.7);
- (c) sell all of your Entitlement on ASX (refer to Section 1.8);
- (d) take up a proportion of your Entitlement and sell the balance on ASX (refer to Section 1.9);
- (e) take up a proportion of your Entitlement and allow the balance to lapse (refer to Section 4.7);
- (f) sell all or a proportion of your Entitlement other than on ASX (refer to Section 4.8); or
- (g) allow all or part of your Entitlement to lapse (refer to Section 4.9).

### **1.6 Take up all of your Entitlement**

If you wish to accept all of your Entitlement, then applications for New Shares under this Prospectus must be made on the Entitlement and Acceptance Form which accompanies this Prospectus and by completing a BPAY® payment, in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form. Please read the instructions carefully.

If you wish to pay via BPAY® you must follow the personalised instructions in your Entitlement and Acceptance Form. Please ensure you use the specific Biller Code and unique Customer Reference Number (**CRN**) on your personalised Entitlement and Acceptance Form. You do not need to return a completed Entitlement and Acceptance Form but will be taken to have made the declarations in the Entitlement and Acceptance Form and the representations outlined below in Section 1.15. If you have more than one shareholding of Shares and consequently receive more than one Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those Shareholdings only use the CRN specific to that Shareholding as set out in the applicable Entitlement and Acceptance Form. Do not use the same CRN for more than one of your Shareholdings as this can result in your Application Monies being applied to your Entitlement in respect of only one of your Shareholdings (with the result being any application in respect of your remaining Shareholdings will not be valid).

Please refer to section 1.13 for further information.

### **1.7 Take up all of your Entitlement and apply for Shortfall Securities under the Shortfall Offer**

If you wish to accept all of your Entitlement and apply for Shortfall Securities under the Shortfall Offer, then applications for Additional New Shares under this Prospectus must be made on the Entitlement and Acceptance Form which accompanies this Prospectus and by completing a BPAY® payment, in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form. Please read the instructions carefully.



Please refer to Section 1.16 for further information.

### **1.8 Sell all of your Entitlement on ASX**

Your Entitlement under the Offer is renounceable which means that all or part of your rights to subscribe for New Shares under the Offer may be traded on ASX. If you wish to sell all of your Entitlement on ASX, please provide instructions to your stockbroker regarding the Entitlement you wish to sell on ASX. Trading of Entitlements will commence on ASX on 15 April 2021 and will cease on 28 April 2021. There is no guarantee you will be able to sell all or any part of your Entitlement on ASX or that any particular price will be paid for any part of your Entitlement if sold on ASX.

### **1.9 Take up a proportion of your Entitlement and sell the balance on ASX**

If you wish to take up only part of your Entitlement and sell the balance on ASX, please:

- (a) complete the accompanying personalised Entitlement and Acceptance Form for the number of New Shares you wish to take up and follow the steps in Section 1.6; and
- (b) provide instructions to your stockbroker regarding the proportion of your Entitlement you wish to sell on ASX.

### **1.10 Take up a proportion of your Entitlement and allow the balance to lapse**

If you wish to take up only part of your Entitlement and allow the balance to lapse, please complete the accompanying personalised Entitlement and Acceptance Form for the number of New Shares you wish to take up and follow the steps in Section 1.6.

If you take no further action, the balance of your Entitlement will lapse and you will have forfeited any potential benefit to be gained from taking up or selling that part of your Entitlement.

### **1.11 Sell all or a proportion of your Entitlement other than on ASX**

You may elect to transfer all or a proportion of your Entitlement to another person other than on ASX.

If the purchaser of your Entitlement is an Ineligible Shareholder or a person that would be an Ineligible Shareholder if they were a registered holder of Shares, that purchaser will not be able to take up the Entitlement they have purchased.

If you are a Shareholder on the issuer sponsored subregister and you wish to transfer all or a proportion of your Entitlement to another person other than on ASX, please forward a completed standard renunciation and transfer form (obtainable from the Share Registry) and the applicable transferee's cheque (made payable to Twenty Seven Co. Limited – Rights Issue Account and crossed “**Not Negotiable**”) for the amount indicated on the renunciation and transfer form to the Company's Share Registry at GPO Box 52, Melbourne VIC 3001 at any time after the issue of this Prospectus and on or before the Closing Date) in accordance with the details set out in the Entitlement and Acceptance Form.

If you wish to transfer all or a proportion of your Entitlement to or from another person on the CHESS subregister you must engage your CHESS controlling participant. This is usually your stockbroker.

If the transferee wants to exercise some or all of the Entitlement, you should follow your stockbroker's instructions as to the most appropriate way to take up the Entitlement on their behalf. The Application Monies for New Shares the transferee of the Entitlement wants to acquire must be received by the Share Registry in accordance with Section 1.6 before the Closing Date.

### **1.12 Allow all or part of your Entitlement to lapse**

If you do not wish to take up your Entitlement under the Offer, you are not required to take any action. You will receive no benefit or New Shares and your Entitlement will become available as Shortfall Securities.

If you want to take up part of your Entitlement and wish to receive a benefit, you must take action to accept part of your Entitlement in accordance with the instructions above and on the back of the accompanying Entitlement and Acceptance Form.

The number of securities you hold as at the Record Date and the rights attached to those securities will not be affected if you choose not to accept any of your Entitlement.

### **1.13 Payment by BPAY®**

Before accepting your Entitlement, please read this Prospectus and your personalised Entitlement and Acceptance Form in each case in its entirety. The Company encourages you to seek appropriate professional advice if necessary.

Please follow the instructions on your personalised Entitlement and Acceptance Form. You can only make payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

When paying by BPAY®, please make sure you use the specific Biller Code and your unique CRN on your personalised Entitlement and Acceptance Form. If you have multiple Shareholdings and consequently receive more than one personalised Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those holdings only use the CRN specific to that Shareholding. If you do not use the correct CRN specific to that Shareholding, your Application will not be recognised as valid.

Please note that by paying by BPAY®:

- you do not need to submit your personalised Entitlement and Acceptance Form but are taken to make the declarations, authorisations, representations and warranties on that Entitlement and Acceptance Form and in Section 1.15 of this Prospectus;
- if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Monies; and
- If you pay for more than your full Entitlement, any amount in excess of the Offer price multiplied by your Entitlement will be treated as an Application to apply for as many Shortfall Securities as your Application Monies will pay for in full (subject to the terms of the Offer).

It is your responsibility to ensure that your BPAY® payment is received by the Share Registry by no later than 5.00pm (WST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration in the timing of when you make payment.

If you are unable to pay by BPAY®, please contact the Company on +61 8 9385 6911.

### **1.14 Entitlement and Acceptance Form binding**

A completed and lodged Entitlement and Acceptance Form and/or making a BPAY® payment constitutes a binding application to acquire New Shares, New Options and, if applicable, Shortfall Securities on the terms and conditions set out in this Prospectus and, once lodged, cannot be withdrawn. If the Entitlement and Acceptance Form is not completed correctly, it may still be treated as a valid application for New Shares and New Options (and, if applicable, Shortfall Securities). The Directors' decision whether to treat an application as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

### **1.15 Eligible Shareholder representations and warranties**

By completing and returning your Entitlement and Acceptance Form with the requisite Application Monies or making a BPAY® payment, you will be deemed to have represented that you are an Eligible Shareholder. In addition, you will also be deemed to have represented and warranted on behalf of yourself or each person on whose account you are acting that the law in your place of residence and/or where you have been given this Prospectus does not prohibit you from being given this Prospectus and you:

- (a) agree to be bound by the terms of the Offer;
- (b) declare all details and statements in the Entitlement and Acceptance are complete and accurate;
- (c) declare you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Entitlement and Acceptance Form;
- (d) authorise the Company and its respective officers or agents to do anything on your behalf necessary for the New Shares and New Options and, if applicable, Shortfall Securities to be issued to you, including to act on instructions of the Share Registry using the contact details set out in the Entitlement and Acceptance Form;

- (e) declare you are the current registered holder of Shares;
- (f) represent and warrant the law of your place of residence does not prohibit you from being given this Prospectus and the Entitlement and Acceptance Form, nor does it prohibit you from making an application for New Shares, New Options and, if applicable, Shortfall Securities, and you are otherwise eligible to subscribe for part or all of your Entitlement and to participate in the Offer;
- (g) acknowledge the information contained in or accompanying this Prospectus is not investment or financial product advice or a recommendation that New Shares, New Options and, if applicable, Shortfall Securities are suitable for you given your investment objectives, financial situation or particular needs;
- (h) represent and warrant (for the benefit of the Company, the Underwriter and their respective related bodies corporate) that you are not in the United States and you are not acting for the account or benefit of a person in the United States;
- (i) understand and acknowledge that the New Shares, New Options and, if applicable, Shortfall Securities, have not been, nor will be, registered under the US Securities Act or the securities laws of any state or other jurisdiction in the United States;
- (j) agree that you have not and will not send this Prospectus, the Entitlement and Acceptance Form or any other materials relating to the Offer to any person in the United States or to any person acting for the account or benefit of a person in the United States or elsewhere outside Australia or New Zealand;
- (k) represent and warrant if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is resident in Australia or New Zealand.

#### **1.16 Shortfall Offer**

Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer.

The Shortfall Offer is (to the extent applicable) a separate offer made pursuant to this Prospectus and will remain open for up to three months following the Closing Date.

The Company will allow Eligible Shareholders (excluding related parties of the Company) to apply for Shortfall Securities under the Shortfall Offer, subject to such applications being received by the Closing Date.

The issue price for each New Share to be issued under the Shortfall Offer will be \$0.005, being the price at which New Shares are being offered under the Offer. Investors who subscribe for Shortfall Securities under the Shortfall Offer will receive free attaching New Options on the basis of 1 New Option for every 2 New Shares taken up by the investor under the Shortfall Offer.

Allocation of the Shortfall Securities is at the discretion of the Underwriter, in consultation with the Company. There is no guarantee that Eligible Shareholders will receive Shortfall Securities applied for under the Shortfall Offer.

The Underwriter (in consultation with the Company) reserves the right at its absolute discretion and subject to the Corporations Act and Listing Rules, to:

- (a) issue Shortfall Securities at its discretion by applying a policy of allocating Shortfall Securities in a manner that is in the Company's best interests; and
- (b) to reject any application for Shortfall Securities or to issue a lesser number of Shortfall Securities than that applied for.

It is an express term of the Shortfall Offer that applicants for Shortfall Securities will be bound to accept a lesser number of Shortfall Securities allocated to them than applied for. If a lesser number is allocated, excess Application Monies will be refunded without interest as soon as practicable.

#### **1.17 Underwriting**

Mahe Capital has been appointed as lead manager and underwriter to the Offer. Please refer to Section 1.25 for further details.

#### **1.18 Allotment and Application Money**

New Shares and New Options will be issued only after all Application Money has been received and ASX has granted

permission for the New Shares and New Options to be quoted. It is expected New Shares and New Options will be issued on 12 May 2021 and normal trading of the New Shares and New Options on ASX is expected to commence on 13 May 2021. The Shortfall Securities are intended to be issued in one tranche (which will be on a date no later than 3 months after the Closing Date).

All Application Money received before New Shares and New Options are issued will be held in trust for the Applicants in a special purpose account as required by the Corporations Act.

### **1.19 Market prices of the Shares on ASX**

A summary of the sale prices of the Shares on ASX during the last 3 months until the last trading day on ASX immediately prior to lodgement of this Prospectus with ASIC is set out below:

<b>High (\$)</b>	<b>Low (\$)</b>	<b>Volume weighted average price (\$)</b>
\$0.007	\$0.005	\$0.0063

The last market sale price of Shares on 12 April 2021 (which was the last day of trading before lodgement of the Prospectus with ASIC) was \$0.006.

### **1.20 Minimum subscription**

On the basis that the Offer is partially underwritten by the Underwriter to \$1,500,000, the minimum subscription under the Offer is \$1,500,000. No New Shares or New Options will be issued until the minimum subscription has been received.

In the event the minimum subscription is not raised within 4 months after the date of issue of this Prospectus, then the Company will repay all Application Monies received in full (without interest).

### **1.21 Tax implications**

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of the Company conducting the Offer or Shareholders applying for New Shares, New Options and, if applicable, Shortfall Securities under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation positions of Shareholders.

The Company makes no representation and provides no advice in relation to the tax consequences for any Shareholder taking up their Entitlement under the Offer (and, if applicable, applying for Shortfall Securities under the Shortfall Offer). Therefore, the Company, its advisers, Directors and officers do not accept any responsibility or liability for any taxation consequences to Shareholders in relation to the Offer or the Shortfall Offer. Please seek professional taxation advice about the tax consequences of taking up your Entitlement (and, if applicable, applying for Shortfall Securities or Shortfall Offer).

### **1.22 ASX quotation**

Application for Official Quotation of the New Shares offered pursuant to this Prospectus will be made in accordance with the timetable set out at the commencement of this Prospectus. Subject to meeting the requirements of the Listing Rules, the Company will also apply for quotation of the New Options. If ASX does not grant Official Quotation of the New Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any New Shares and will repay all Application Monies for the New Shares within the time prescribed under the Corporations Act, without interest.

A decision by ASX to grant Official Quotation of the New Shares and New Options is not to be taken in any way as an indication of ASX's view as to the merits of the Company, or the New Shares and New Options offered under this Prospectus.

### **1.23 Notice to custodians and nominees**

Custodians and nominees that currently hold Shares should note the Offer is available only to Eligible Shareholders. The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of Shares. If any nominee or custodian is acting on behalf of a foreign person,

that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Offer is compatible with applicable foreign laws.

#### **1.24 No issue of New Shares and New Options after 13 months**

No New Shares and New Options will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

#### **1.25 Lead Manager and Underwriter**

Mahe Capital is acting as Lead Manager and Underwriter to the Offer. The Offer is partially underwritten for \$1,500,000 or 300,000,000 New Shares and 150,000,000 New Options (**Underwritten Amount**).

Mahe Capital will be paid a fee for managing and underwriting the Offer. The Company will also be required to reimburse Mahe Capital for all of the reasonable costs it incurs in relation to the Offer. For more details, please refer to Section 4.7.

The underwriting of the Offer is conditional upon satisfaction or waiver by the Underwriter of certain conditions ordinarily found in agreements for underwriting arrangements of this type, including that:

- (a) the Company has (subject to certain limitations, including where the loss arises through the Underwriter performing its underwriting obligation) agreed to indemnify the Underwriter, its officers, employees, advisers and related bodies corporate, and the officers, employees and advisers of any of its related bodies corporate against losses suffered or incurred in connection with the Offer;
- (b) the Company has given representations, warranties and undertakings to the Underwriter in connection with (among other things) the conduct of the Offer;
- (c) the Underwriter may (in certain circumstances, including where relevant having regard to the materiality of the relevant event) terminate the Underwriting Agreement and be released from their obligations under it on the occurrence of certain events, including (but not limited to) where:
  - (i) the S&P ASX 200 falls 10% or more below the closing level on the business day prior to the date of the Underwriting Agreement;
  - (ii) the price of COMEX gold is at any time after the date of the Underwriting Agreement 7% or more below its respective level as at the close of business on the business day prior to the date of the Underwriting Agreement;
  - (iii) the Offer price is greater than the volume weighted average market price for Shares as quoted by the ASX calculated over three successive trading days after the date of the Underwriting Agreement but prior to the allotment of New Shares;
  - (iv) an event occurs which gives rise to a material adverse effect or any adverse change or any development including a prospective adverse change after the date of the Underwriting Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of the Company or its subsidiaries including, without limitation, if any forecast in this Prospectus become incapable of being met or in the Underwriter's reasonable opinion, unlikely to be met in the projected time;
  - (v) any of the material contracts or contracts described in this Prospectus is breached, not complied with according to its terms, terminated or substantially modified;
  - (vi) there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of the Underwriting Agreement involving one or more of Australia, New Zealand, Indonesia, Japan, Russia, the United Kingdom, the United States of America, India, Pakistan, or the Peoples Republic of China, Israel or any member of the European Union other than hostilities involving Libya, Afghanistan, Iraq, Iran, Syria, Lebanon, or a terrorist act is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries anywhere in the world; and
  - (vii) a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or other international financial markets.

### **1.26 Rights trading**

The Entitlement under the Offer is renounceable, which enables Shareholders who do not wish to take up some or all of their Entitlement to sell or otherwise transfer all or part of their Entitlement. Trading of Entitlements on the ASX is expected to commence on 15 April 2021 and end on 28 April 2021.

### **1.27 Withdrawal of Offer**

The Company reserves the right not to proceed with the Offer at any time before the issue of the New Shares and New Options to Eligible Shareholders. If the Offer does not proceed, the Company will return all Application Money as soon as practicable after giving notice of its withdrawal, without interest.

### **1.28 Issue and allotment of New Shares and New Options**

The New Shares will be issued fully paid and will not be subject to any calls for money by the Directors. They will therefore not become liable for forfeiture.

From the date of issue, the New Shares will rank equally in all respects with the Shares currently on issue. Details of the terms of the New Shares are set out in Section 4.4 and details of the terms of the New Options are set out in Section 4.5. By returning your Entitlement and Acceptance Form, you agree to comply with the Constitution for the New Shares, New Options and, if applicable, Shortfall Securities issued to you.

The New Shares and New Options issued pursuant to an Eligible Shareholders' Entitlement are expected to be issued and allotted by no later than 12 May 2021. The Shortfall Securities are intended to be issued in one tranche after the Closing Date – please refer to Section 1.16 for more information.

Until issue and allotment of the New Shares and New Options under this Prospectus, the Application Money will be held in trust in a separate bank account opened and maintained for that purpose only. Any interest earned on the Application Money will be for the benefit of the Company and will be retained by it irrespective of whether allotment of the New Shares and New Options takes place.

### **1.29 Ineligible Shareholders**

The Company is of the view it is unreasonable to make the offer under this Prospectus to Ineligible Shareholders having regard to:

- (a) the small number of Ineligible Shareholders;
- (b) the small number and value of New Shares and New Options to be offered to Ineligible Shareholders; and
- (c) the cost of complying with the legal requirements and requirements of regulatory authorities in the various overseas jurisdictions in which Ineligible Shareholders are located.

Accordingly, the Offer is not being extended to, and does not qualify for distribution or sale by, and no New Shares or New Options will be issued to, Shareholders having registered addresses outside Australia and New Zealand.

The New Shares (and associated New Options) being offered under this Prospectus are being offered to Eligible Shareholders only.

This Prospectus does not constitute an offer or invitation in any place outside Australia and New Zealand, in which, or to any person to whom, it would not be lawful to make such an offer or invitation. The Company has not made investigations as to the regulatory requirements that may prevail in countries outside Australia and New Zealand in which the Company's Shareholders reside.

Each Shareholder taking up its Entitlement represents and warrants the law of any place does not prohibit that Shareholder from being given this Prospectus and the Entitlement and Acceptance Form, nor does it prohibit that Shareholder from making an application for New Shares and New Options and that Shareholder is otherwise eligible to participate in the Offer. It is the responsibility of an Eligible Shareholder to ensure compliance with any laws of a country relevant to their Application.

The distribution of this Prospectus in jurisdictions outside Australia and New Zealand, may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with those restrictions may constitute a violation of applicable securities laws.

The New Shares and New Options 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 *Securities Act (Overseas Companies) Exemption Notice 2013* (New Zealand).

This Prospectus 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.

### **1.30 Appointment of Nominee**

As the Offer is renounceable the Company will, for the purposes of Listing Rule 7.7.1(c), appoint Mahe Capital as nominee to arrange for the sale of the Entitlement that would have been given to Ineligible Shareholders and to account to them for the net proceeds of the sale (**Nominee**).

The Nominee will not be paid a fee in respect of its role, although the Nominee will be paid brokerage on the sale of any ineligible Entitlement and the fees as set out in Section 4.7 with respect to the underwriting of the Offer.

The Company has agreed to allot to the Nominee, or its nominee company, the number of Entitlements which would otherwise have been issued to Ineligible Shareholders as if they were able to participate in the Offer. The Nominee will, during the Rights Trading Period, offer each Entitlement for sale on the market conducted by ASX as soon as is reasonably practicable following their allotment.

The sale of an Entitlement will be made in the first instance in the ordinary course of trading on ASX at the prevailing market price. If there is no market for all or some of the Entitlements on ASX, the Nominee may sell all or some of the Entitlements off-market. The net proceeds of these sales, after deducting all reasonable costs associated with the sale, will be provided to the Company for the benefit of the Ineligible Shareholders.

Subject to receiving the net proceeds of Entitlement sales from the Nominee (if any) the Company will distribute those funds to each Ineligible Shareholder, pro rata, in Australian currency. If all of the Entitlements of Ineligible Shareholders are sold, this would result in each Ineligible Shareholder receiving the average price of the Entitlements sold on behalf of the Ineligible Shareholders during the Rights Trading Period. The amount received by each Ineligible Shareholder will be reduced to the extent that Ineligible Shareholders' Entitlement cannot be sold during the Rights Trading Period.

Neither the Company nor the Nominee will be subject to any liability for failure to sell part or all of an Entitlement or to sell part or all of an Entitlement at a particular price. If, in the reasonable opinion of the Nominee, there is no viable market for the Entitlement of the Ineligible Shareholders, or a surplus over the expenses of the sale cannot be obtained on the Entitlement that would have been offered to the Ineligible Shareholders, then the Entitlement will be allowed to lapse.

### **1.31 CHES**

The Company will not be issuing 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 Shares and Options issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship. This information will be included in the monthly statements provided to holders when there have been any changes in their security holding in the Company during the preceding month.

### **1.32 Privacy**

The Company collects the information about each Shareholder provided on an Entitlement and Acceptance Form for the purposes of processing the Application and, if the Application is successful, to administer that Shareholder's security holding in the Company.

By submitting an Entitlement and Acceptance Form or making an Application, you agree the Company may use the

information provided by you on the Entitlement and Acceptance Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

If you do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process your Application.

You can access, correct and update the personal information that the Company holds about you. Please contact the Company or the Share Registry if you wish to do so at the relevant contact numbers set out in this Prospectus

### **1.33 Enquiries regarding this Prospectus**

Enquiries regarding this Prospectus should be directed to the Company by telephone on +61 8 9385 6911.



## Section 2 CAPITAL STRUCTURE & EFFECT OF THE OFFER ON THE COMPANY

### 2.1 Principal effects

- (a) The principal effects of the Offer (assuming full subscription) are:
- (i) Subject to paragraph 2.1(b), the Company's cash funds will increase by approximately \$2,660,690, less expenses of the Offer, which are estimated to be approximately \$252,944; and
  - (ii) Subject to paragraph 2.1(b), the total number of Shares on issue will increase by 532,137,912 to 2,660,689,561.
- (b) If 100% of the vested Unlisted Options currently on issue are exercised prior to the Record Date and all Entitlements are taken up, then:
- (i) the Company's cash funds will increase by an additional amount of \$2,719,100 from the exercise of the vested Unlisted Options and a further \$345,375 from the take up of the Entitlements; and
  - (ii) the total number of Shares on issue will increase by an additional 283,500,000 from the exercise of the vested Unlisted Options and 70,875,000 from the Entitlements, to 2,731,564,561 Shares on issue.

### 2.2 Capital structure

As at the date of this Prospectus there are 2,128,551,649 Shares are on issue. The pro-forma capital structure of the Company following the Offer pursuant to this Prospectus is set out below (if 100% of the New Shares offered pursuant to this Prospectus are subscribed for and issued and assuming no Options are exercised or performance rights vested prior to the Record Date).

#### Shares

	Number
Existing Shares	2,128,551,649
New Shares to be issued under this Prospectus	532,137,912
Shares on issue after this Offer	2,660,689,561

If 100% of the New Shares offered pursuant to this Prospectus are subscribed for and issued under the Offer, then 266,068,956 New Options would be issued.

The Company currently has the following Unlisted Options on issue:

Exercise price	Expiry date	Vested	Unvested	No. of Options
\$0.010	31/12/2023	2,500,000	-	2,500,000
\$0.015	31/12/2023	2,500,000	-	2,500,000
\$0.020	31/12/2023	2,500,000	-	2,500,000
\$0.015	31/12/2022	65,000,000	-	65,000,000
\$0.007	30/06/2022	168,500,000	-	168,500,000
\$0.010	30/06/2022	2,500,000	-	2,500,000
\$0.007	15/01/2024	13,300,000	-	13,300,000
\$0.010	15/01/2024	13,300,000	-	13,300,000

Exercise price	Expiry date	Vested	Unvested	No. of Options
\$0.0150	15/01/2024	13,400,000	-	13,400,000
<b>Total</b>		<b>283,500,000</b>	-	<b>283,500,000</b>

The Company currently has the following performance rights on issue:

Performance Rights	Expiry Date	No. of performance rights
Class A Performance Rights	13/08/2021	140,000,000
Class B Performance Rights	13/08/2023	140,000,000
	<b>TOTAL:</b>	<b>280,000,000</b>

### 2.3 Effect on control

There will be no effect on control of the Company if all Shareholders take up their Entitlements.

(a) Underwriter

As set out in Section 1.25, the Underwriter has agreed to partially underwrite the Offer to \$1,500,000.

The Underwriter is presently not a Shareholder and is not a related party of the Company for the purposes of the Corporations Act. The issue of New Shares, New Options and, if applicable, Shortfall Securities to the Underwriter will create an interest in the Company and dilute the Shareholding of other Shareholders to the extent they elect not to participate in the Offer or are ineligible to participate in the Offer.

In accordance with the terms of the Underwriting Agreement, the Underwriter will ensure that no person will acquire, through participation in sub-underwriting the Offer, a holding of Shares of, or increase their Shareholding, to an amount in excess of 19.9% of all the Shares on issue on completion of the Offer.

(b) Others

No Shareholder will increase their voting power in the Company to 20% or more under the Offer.

As the Offer is renounceable and to comply with Listing Rule 7.7.1(c), the Company will appoint Mahe Capital as nominee to arrange for the sale of Entitlements that would have been given to Ineligible Shareholders and to account to them for the net proceeds of the sale. Please refer to Section 1.30 for further information.

(c) Dilution

Shareholders should note that if they do not participate in the Offer, their Shareholdings are likely to be diluted by approximately 20% (as compared to their Shareholdings and number of Shares on issue as at the date of this Prospectus).

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

Holder	Holding at Record Date		Entitlement under the Offer (New Shares)	Holding following the Offer if no Entitlement is taken up	
	Number	%		Number	%
<b>1</b>	250,000,000	11.75%	62,500,000	250,000,000	9.40%

Holder	Holding at Record Date		Entitlement under the Offer (New Shares)	Holding following the Offer if no Entitlement is taken up	
	Number	%		Number	%
2	100,000,000	4.70%	25,000,000	100,000,000	3.76%
3	50,000,000	2.35%	12,500,000	50,000,000	1.88%
4	25,000,000	1.17%	6,250,000	25,000,000	0.94%
5	5,000,000	0.23%	1,250,000	5,000,000	0.19%

## 2.4 Consolidated Statement of Financial Position

The unaudited balance sheet as at 31 March 2021 and the unaudited pro-forma balance sheet as at 9 April 2021 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position. The pro-forma balance sheet has been prepared assuming all Entitlements are accepted, no Options are exercised or performance rights vested prior to the Record Date and including expenses of the Offer. The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	UNAUDITED 31 March 2021	PROFORMA 9 APRIL 2021
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	1,253,544	3,498,592
Trade and other receivables	179,016	179,016
Other current assets	33,187	33,187
<b>TOTAL CURRENT ASSETS</b>	<b>1,465,747</b>	<b>3,710,795</b>
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	44,095	44,095
Exploration and evaluation expenditure	4,811,931	4,907,931
<b>TOTAL NON-CURRENT ASSETS</b>	<b>4,856,026</b>	<b>4,952,026</b>
<b>TOTAL ASSETS</b>	<b>6,321,773</b>	<b>8,662,821</b>

	<b>UNAUDITED</b> <b>31 March 2021</b>	<b>PROFORMA</b> <b>9 APRIL 2021</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	115,623	115,623
Provisions	11,218	11,218
<b>TOTAL CURRENT LIABILITIES</b>	126,841	126,841
<b>TOTAL LIABILITIES</b>	126,841	126,841
<b>NET ASSETS</b>	6,194,932	8,535,980
<b>EQUITY</b>		
Share capital	22,876,091	25,153,929
Reserves	861,722	948,932
Retained losses	(17,542,881)	(17,566,881)
<b>TOTAL EQUITY</b>	6,194,932	8,535,980

## **Section 3 RISK FACTORS**

### **3.1 Introduction**

This Section 3 identifies the areas the Directors regard as the main risks associated with an investment in the Company. There are numerous widespread risks associated with investing in any form of business and with investing in the share market generally. There is also a range of specific risks associated with the Company's business. These risk factors are largely beyond the control of the Company and its Directors because of the nature of the business of the Company. The following summary, which is not exhaustive, represents some of the main risk factors which the Directors consider potential investors need to be aware of.

### **3.2 Company specific risks**

#### **(a) Capital requirements**

The continued operations of the Company are dependent on its ability to obtain financing through debt and equity means, or generating sufficient cash flows from future operations. There is a risk that the Company may not be able to access capital from debt or equity markets for future projects or developments, which could have a material adverse impact on the Company's business and financial condition.

The Company's ability to borrow money will be subject to the availability of debt at the time the Company wishes to borrow money and the cost of borrowing.

#### **(b) Exploration risks**

The operations of the Company may be affected by various operational risks and hazards, including inability to develop the Company's assets into an economic business, failure to locate or identify mineral deposits, over estimation of reserves, failure to achieve predicted grades in exploration and mining, failure to completely test the deposit (with the result that the Company does not completely understand the metallurgy of a deposit, which may affect extraction costs), technical difficulties encountered in exploration and mining, inappropriate design of mining plant, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, adverse weather conditions; industrial and environmental accidents, industrial disputes, and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment and failure to obtain necessary consents and approvals.

These risks and hazards could also result in damage to, or destruction of, production facilities, personal injury, environmental damage, business interruption, monetary losses and potential legal liability. While the Company intends to maintain insurance with coverage consistent with industry practice, no assurance can be given that the Company will be able to obtain such insurance coverage at reasonable rates (or at all), or that any coverage it obtains will be adequate and available to cover such claims.

The exploration and operational costs of the Company will be based on certain assumptions with respect to the method and timing of exploration and the nature of the operating activity. 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 any cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

There can be no assurance that any exploration tenement, or any other mining tenements acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

The development timeframe for a project is dependent in part on obtaining various approvals. The time it requires to obtain such approvals is in many cases not certain. To the extent that these approvals and licences are issued at the discretion of the relevant regulatory authorities, there is no certainty that the Company will be able to obtain the grant of these necessary licences and approvals within any proposed timeframe, or at all.

#### **(c) Resource and reserve estimates**

Resource and reserve estimates are expressions of judgment based on knowledge, experience, industry practice and regulatory codes. Estimates that were valid when made may change significantly when new information becomes available. In addition, resource and reserve estimates are necessarily imprecise and depend to some

extent on interpretations, which may prove to be inaccurate. Should the Company encounter mineral characteristics different from those predicted by past drilling, sampling and similar examinations, resource and reserve estimates may have to be adjusted and development plans may have to be altered in a way which could adversely affect the Company's operations.

(d) **Commodity price volatility**

The Company's performance and the viability of its projects will rely in part on prevailing commodity prices, which are beyond the control of the Company. The Company gives no assurance that the fluctuations in commodity prices will not affect the timing and viability of its projects.

(e) **Exchange rates**

International prices of various commodities are denominated in United States dollars whereas the income and expenditure of the Company are and will be accounted for 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) **Land owner and access risk**

The Company may be required to pay compensation to land owners, local authorities, traditional land users and others who may have an interest in the area covered by its mining tenements.

The Company's ability to resolve such compensation issues and compensation costs may have an impact on the future success and financial performance of the Company's mining operations.

If the Company is unable to resolve such compensation claims on economic terms, this could have a material adverse effect on the business, results or operations and financial condition of the Company.

Access to land for exploration purposes can be affected by land ownership, nature reserves and national parks, government regulation and environmental restrictions. Access is critical for exploration and development to succeed and for satisfactory commercial arrangements to be negotiated with landowners, farmers and occupiers.

In particular, the Company has from time to time entered into access agreements (such as road access agreements) for the purposes of enabling the Company to access its tenure and conduct exploration activities. Agreements of this nature typically require the Company to pay a licence fee or other consideration and have a fixed term with a stated expiry date. One such road access agreement entered into by the Company in respect of its Mt Dimer Project remains current as at the date of this Prospectus but has an upcoming expiry date of 30 June 2021. The Company is currently in discussions with the counterparty about renewing the term of the road access agreement. Notwithstanding this, the Company can give no assurances that such a renewal will be able to be obtained. To the extent the Company is unable to obtain a renewal of the term of the road access agreement, the Company has other options it can utilise to enable it to continue to access the Mt Dimer Project. These options may involve additional costs and delays and could have an adverse effect on the Company.

(g) **Title risk**

Title to a mining tenement is subject to the holder complying with the terms and conditions applicable to the tenement. There is a risk that if the Company does not comply with the terms and conditions applicable to a tenement, it may lose its rights to that tenement.

Further, all of the tenements in which the Company has, or will have, an interest may be subject to applications for renewal or extension from time to time. The renewal or extension of the term of each tenement is subject to the applicable legislation in the relevant jurisdiction. If a tenement is not renewed for any reason, the Company may suffer damage through loss of the opportunity to develop and discover any mineral resources on that tenement.

(h) **Sovereign risk**

The Company's exploration and development activities are carried out in Australia. As a result, the Company will be subject to political, social, economic and other uncertainties including, but not limited to, changes in policies or the personnel administering them, foreign exchange restrictions, changes of law affecting foreign ownership, currency fluctuations, royalties and tax increases in Australia. Other potential issues contributing to uncertainty such as repatriation of income, exploration licensing, environmental protection and government

control over mineral properties, changes to political, legal, regulatory, fiscal and exchange control systems and changes in government may also impact the Company's projects or operations.

(i) **Contract risks**

The Company's subsidiaries may operate through a series of contractual relationships with operators, sub-contractors and other third parties. All contracts carry risks associated with the performance by the parties thereto of their obligations as to time and quality of work performed. Any disruption to services or supply may have an adverse effect on the financial performance of the Company's operations.

(j) **Regulatory risk**

Exploration activities by the Company may require approvals from regulatory authorities which may be delayed, not be forthcoming or which may not be able to be obtained on terms acceptable to the Company. While the Company has no reason to believe that all requisite approvals will not be forthcoming and whilst the Company's obligations for expenditure will be predicated on any requisite approvals being obtained, applicants should be aware the Company cannot guarantee any requisite approvals will be obtained. A delay or failure to obtain any approvals would mean the ability of the Company to explore any project, or possibly acquire any project, may be limited or restricted either in part or absolutely.

The regulatory environment for the Company's activities could change in ways that could substantially increase the Company's liabilities, tax liability or costs of compliance. This could materially and adversely affect the Company's financial position.

(k) **Equipment risk**

The exploration activities of the Company could be adversely affected if essential drilling equipment fails, is delayed or is unavailable when required by the Company.

(l) **Environmental risk**

The Company's projects are subject to various environmental laws. As with all exploration and development projects, the projects have a variety of environmental impacts. The Company will continue to conduct its activities in an environmentally responsible manner and in accordance with applicable laws.

Although the Company believes that it is in compliance in all material respects with all applicable environmental laws and regulations, there are certain risks inherent to its activities, such as accidental spills, leakages or other unforeseen circumstances, which could subject the Company to extensive liability.

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

There can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Company to incur significant expenses which could have a material adverse effect on the Company's business, financial condition and results of operations.

(m) **Climate/weather risk**

The Company's projects may be exposed to seasonal weather (such as rainfall) which may be substantial in tenor and/or duration and could lead to a risk of flooding and/or damage to existing infrastructure through either erosion or gradual degradation of roads and surface access. Flooding or damage to surface access routes could result in equipment or personnel being delayed or unavailable when required by the Company.

(n) **Litigation**

The Company is subject to litigation risks. All industries, including the minerals exploration and mining industry, are subject to legal claims, with and without merit. Defence and settlement costs of legal claims can be substantial, even with respect to claims that have no merit.

Due to the inherent uncertainty of litigation processes, the resolution of any particular legal proceeding which may involve the Company could have a material effect on its financial position, results of operations, or the

Company's activities.

(o) **Taxation risk**

Any change in laws and regulations applicable to the taxation of income, intercompany transactions, withholding taxes, levies and other transactional taxes affecting the Company in the countries it operates in or in which it is listed, or any change in the current interpretation or any disputes with tax authorities or any changes to the Company's income mix, may adversely affect its tax status and increase its tax payable, which would have a negative effect on financial results.

(p) **Key person risk**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management, each of whom has knowledge and experience of the Company's operations that cannot be replicated by others in the short term. The Chief Executive Officer and other members of senior management may, subject to the relevant periods of notice specified in their employment agreements with the Company, terminate their employment relationship with the Company at any time and the loss of any member of the senior management team could harm the Company's business.

It may be difficult to secure replacements with appropriate experience and expertise and it may be difficult to replace senior management in the short term. This may adversely affect the Company's business.

### 3.3 General risks

(a) **Regulatory risk**

The Company is based in Australia and is subject to Australian laws and regulations. For example, the Company is required to comply with the Corporations Act. Changes in relevant taxes, legal and administration regimes, accounting practice and government policies in the countries in which the Company operates, and may operate, may adversely affect the financial performance of the Company.

(b) **Government licences and approvals**

Failure to comply strictly with applicable laws, regulations and local practices could result in loss, reduction or expropriation of entitlements, or the imposition of additional local or foreign parties as joint venture partners with carried or other interests. The occurrence of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on the operations or profitability of the Company.

(c) **Share market conditions**

The market price of the Shares could fluctuate significantly. The market price of the Shares may fluctuate based on a number of factors including:

- (i) the Company's operating performance and the performance of competitors and other similar companies;
- (ii) the public's reaction to the Company's press releases;
- (iii) other public announcements and the Company's filings with securities regulatory authorities;
- (iv) changes in earnings estimates or recommendations by research analysts who track the Company's Shares or the shares of other companies in the sector;
- (v) changes in general economic conditions;
- (vi) the number of Shares publicly traded and the arrival or departure of key personnel; and
- (vii) acquisitions, strategic alliances or joint ventures involving the Company or its competitors.

In addition, the market price of the Shares is affected by many variables not directly related to the Company's success and are therefore not within the Company's control, including other developments that affect the market for all shares in the Company's market sector, the breadth of the public market for the Shares, and the attractiveness of alternative investments.



(d) **General economic and political risks**

Changes may occur in the general economic and political climate in the jurisdictions in which the Company operates and on a global basis that could have an impact on economic growth, interest rates, the rate of inflation, taxation, tariff laws and domestic security which may affect the value and viability of any activity that may be conducted by the Company.

(e) **Potential Acquisitions**

As part of its business strategy, the Company may make acquisitions of, or significant investments in, complementary companies or prospects and additional assets. Any such acquisitions will be accompanied by risks commonly encountered and listed in this section.

(f) **Joint venture, acquisitions or other strategic investments**

The Company may make strategic investments in complementary businesses, or enter into strategic partnerships or alliances with third parties in order to enhance its business. At the date of this Prospectus, the Company is not aware of the occurrence or likely occurrence of any such risks which would have a material adverse effect on the Company or its subsidiaries.

(g) **Management of growth**

There is a risk that management of the Company will not be able to implement the Company's growth strategy after completion of the Offer. The capacity of the Company's management to properly implement and manage the strategic direction of the Group may affect the Company's financial performance.

(h) **Investment speculative**

The above risk factors ought not to be taken as an exhaustive list of the risks faced by the Company or by prospective 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 New Shares, New Options and, if applicable, Shortfall Securities offered under this Prospectus. Therefore, the New Shares, New Options and, if applicable, Shortfall Securities to be issued pursuant to this Prospectus carry no guarantee for the payment of dividends, returns of capital or their market value. Prospective investors should consider that the investment in the Company is speculative and should consult their professional adviser before deciding whether to apply for New Shares, New Options and, if applicable, Shortfall Securities pursuant to this Prospectus.

## Section 4 ADDITIONAL INFORMATION

### 4.1 Continuous disclosure obligations

The Company is a "disclosing entity" under the Corporations Act and is subject to the regime of continuous disclosure and periodic reporting requirements. Specifically, as a listed company, the Company is subject to the Listing Rules, which require continuous disclosure to the market of any information possessed by the Company which a reasonable person would expect to have a material effect on the price or value of its securities.

### 4.2 Applicability of Corporations Act

As a "disclosing entity", the Company has issued this Prospectus in accordance with section 713 of the Corporations Act applicable to prospectuses for an offer of securities which are continuously quoted securities of a body, or options to acquire such securities.

The New Shares to be issued under this Prospectus are ordinary shares – i.e. a class of shares that were continuously quoted securities at all times in the 3 months before the issue of this Prospectus. The Shares to be issued when the New Options are exercised will be in the same class of shares that have been quoted on the ASX during the 3 months prior to the issue of this Prospectus.

Therefore, in preparing this Prospectus, regard has been had to the fact the Company is a disclosing entity for the purposes of the Corporations Act and matters may reasonably be expected to be known to investors and professional advisers whom investors may consult. It must be read in the context of, and having regard to, the Company's continuous disclosure obligations and publicly available information regarding the Company and its business.

The ASX maintains files containing publicly disclosed information about all listed companies. All publicly disclosed information about the Company can be found at <https://www2.asx.com.au/markets/company/TSC..> The Company's file is available for inspection at ASX during normal working hours. In addition, copies of documents lodged by, or in relation to, the Company with ASIC may be obtained from, or inspected at, any regional office of ASIC.

### 4.3 Information available to Shareholders

The Company will provide a copy of each of the following documents, free of charge, to any investor who so requests during the application period under this Prospectus. Alternatively, they can be downloaded from ASX's website at [www.asx.com.au](http://www.asx.com.au):

- (a) the Annual Report for the Company for the period ending 30 June 2020, which was lodged with ASIC on 29 September 2020;
- (b) the Half Yearly Report for the Company for the half year ending 31 December 2020; and
- (c) the following documents used to notify ASX of information relating to the Company during the period after lodgement of the Annual Report of the Company for the period ending 30 June 2020 and before the lodgement of this Prospectus with ASIC:

Date	Description of ASX Announcement
24/09/2020	Corporate Governance Statement and Appendix 4G
30/09/2020	Strong gold potential at Mt Dimer
02/10/2020	Trading Halt
08/10/2020	Oversubscribed Placement for Mt Dimer and Rover projects
08/10/2020	Proposed issue of Securities – TSC
08/10/2020	Proposed issue of Securities – TSC
09/10/2020	JMEI – 2019/2020 Entitlement Statements

<b>Date</b>	<b>Description of ASX Announcement</b>
13/10/2020	Rover drilling compete & assays prioritised through the lab
13/10/2020	Appendix 2A – Tranche 1 Placement Shares
13/10/2020	Section 708A Notice – Tranche 1 Placement Shares
21/10/2020	Gold from surface intersected at Harmonic
21/10/2020	Notice of Annual General Meeting/Proxy Form
28/10/2020	Acquisition of Oz Gold Completed
28/10/2020	Appendix 2A – Consideration Shares
28/10/2020	Section 708A Notice – Consideration Shares
28/10/2020	Quarterly Activities Report
28/10/2020	Quarterly Cashflow Report
29/10/2020	Rover drilling results confirm strong potential at Harmonic
06/11/2020	Appendix 3G – Unlisted Options
09/11/2020	TSC acquires 100% of Mt Dimer, Yarbu and Trident Projects
20/11/2020	Chairman's Address to AGM
20/11/2020	AGM Presentation
20/11/2020	Results of Annual General Meeting
23/11/2020	Accelerating Mt Dimer Mining Lease development
30/11/2020	Update – Proposed issue of Securities – TSC
30/11/2020	Appendix 2A – Tranche 2 Placement Shares
30/11/2020	Section 708A Notice – Tranche 2 Placement Shares
02/12/2020	Harmonic prospect 1m re-sampling intercepts up to 8.1gt Au
10/12/2020	Yarbu Gold Project expansion in the WA Goldfields
10/12/2020	Amended Constitution
18/12/2020	Approvals received for Mt Dimer maiden drilling program
18/12/2020	Corporate Presentation

<b>Date</b>	<b>Description of ASX Announcement</b>
11/01/2021	TSC signs sale purchase agreement to expand Yarbu Project
11/01/2021	Proposed issue of Securities – TSC
12/01/2021	Outstanding Gold soil anomalies identified at Rover
15/01/2021	Appendix 2A – Consideration Shares
15/01/2021	Section 708A Notice – Consideration Shares
19/01/2021	Release of Shares from Voluntary Escrow
20/01/2021	New CEO to drive WA Goldfield focused exploration strategy
22/01/2021	Appendix 3G – Unlisted Options
29/01/2021	Drilling to commence imminently at Mt Dimer
29/01/2021	Quarterly Activities Report
29/01/2021	Quarterly Cashflow Report
02/02/2021	Lapse of Unlisted Options
11/02/2021	Drilling campaign underway at the Mt Dimer Mining Lease
19/02/2021	Significant progress with Mt Dimer drilling
25/02/2021	Drilling campaign Mt Dimer concludes & New appointments
05/03/2021	Half Year Financial Statements
05/03/2021	Change of Registered Office and Principal Place of Business
09/03/2021	Corporate Presentation
31/03/2021	Initial Assays Confirm High Grade Gold at Mt Dimer
01/04/2021	Appendix 2A
01/04/2021	Section 708A Notice
08/04/2021	Exceptional assays at Mt Dimer
12/04/2021	Underwritten Renounceable Rights Issue to Raise up to \$2.65M
12/04/2021	Proposed issue of Securities – TSC

#### **4.4 Rights attaching to New Shares**

The New Shares to be issued under the Offer pursuant to this Prospectus will rank equally in all respects with existing Shares. Full details of the rights attaching to the Shares are set out in the Company's Constitution, a copy of which can be inspected at the Company's registered office. The following is a summary of the principal rights which attach to the Shares:

**(a) Voting**

Every holder of Shares present in person or by proxy, attorney or representative at a meeting of Shareholders has one vote on a vote taken by a show of hands, and, on a poll every holder of Shares who is present in person or by proxy, attorney or representative has;

- (i) one vote for every fully paid Share held by him or her; and
- (ii) a fraction of one vote for each partly paid up Share held by him or her.

A poll may be demanded by the chairman of the meeting, by at least five Shareholders entitled to vote on the particular resolution present in person, or by any one or more Shareholders who are together entitled to not less than 5% of the total voting rights of the Shares held by all Shareholders who have the right to vote on the resolution.

**(b) Dividends**

The Directors may determine that dividends are payable on Shares. New Shareholders will be entitled to dividends as a result of ownership of their New Shares in accordance with the Constitution.

**(c) Further issue of securities**

Subject to the Corporations Act and the Listing Rules, the Directors may allot, grant options over, or otherwise dispose of shares in the Company at the times and on the terms the Directors think fit but the Company shall not issue any share with a voting right more advantageous than that available to any share previously issued by the Company. A share may be issued with a preferential or special right.

**(d) Transfer of Shares**

A Shareholder may transfer Shares by a market transfer in accordance with any computerised or electronic system established or recognised by the Listing Rules or the Corporations Act for the purpose of facilitating dealings in Shares or by an instrument in writing in a form approved by ASX or in any other usual form or in any form approved by the Directors.

The Directors may refuse to register any transfer of Shares, (other than a market transfer) where the Company is permitted or required to do so by the Listing Rules or the ASX Settlement Operating Rules. The Company must not prevent, delay or interfere with the generation of a proper market transfer in a manner which is contrary to the provisions of any of the Listing Rules or the ASX Settlement Operating Rules.

**(e) Meetings and notice**

Each Shareholder is entitled to receive notice of and to attend general meetings for the Company and to receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution, the Corporations Act or the Listing Rules.

**(f) Liquidation rights**

A liquidator may, with the authority of a special resolution of Shareholders:

- (i) distribute among the Shareholders the whole or any part of the remaining property of the Company; and
- (ii) decide how to distribute the property as between the Shareholders or different classes of Shareholders.

The liquidator may vest the whole or any part of the assets in trust for the benefit of Shareholders as the liquidator thinks fit, but no Shareholder can be compelled to accept any shares or other securities in respect of which there is any liability.

**(g) Alteration and reduction of capital**

The Company may, by resolution, alter its capital in any manner permitted by law and subject to the Corporations Act, the Company may by special resolution reduce its capital.

(h) **Indemnities**

Subject to the Corporations Act, the Company must indemnify each past and present officer against liability incurred by that person as an officer of the Company and any legal costs incurred in defending an action in respect of such liability.

(i) **Shareholder liability**

As the New Shares offered 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.

(j) **Alteration to the 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. At least 28 days' written notice, specifying the intention to propose the resolution as a special resolution, must be given.

(k) **Listing Rules**

Despite anything in the Constitution, if the Listing Rules prohibit an act being done, the act must not be done. Similarly, nothing in the Constitution prevents an act being done that the Listing Rules require to be done. If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If the Listing Rules require the Constitution to contain a provision or not to contain a provision the Constitution is deemed to contain that provision or not to contain that provision (as the case may be). If a provision of the Constitution is or becomes inconsistent with the Listing Rules, the Constitution is deemed not to contain that provision to the extent of the inconsistency.

#### 4.5 **Rights attaching to New Options**

The New Options intended to be granted under this Prospectus will be granted under the following terms and conditions:

(a) **Entitlement**

The New Options entitle the holder to subscribe for one Share upon exercise of each New Option.

(b) **Exercise Price and Expiry Date**

The New Options have an exercise price of \$0.009 (**Exercise Price**) and an expiry date of 5.00pm (WST) on 31 October 2023 (**Expiry Date**).

(c) **Exercise Period**

The New Options are exercisable at any time on or prior to the Expiry Date. If a New Option is not exercised before the Expiry Date it will automatically lapse (and thereafter be incapable of exercise).

(d) **Notice of Exercise**

The New Options may be exercised by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each New Option being exercised.

(e) **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 by the Company as cleared funds of the payment of the Exercise Price for each New Option being exercised in cleared funds (**Exercise Date**).

(f) **Shares issued on exercise**

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

**(g) Quotation of Shares on exercise**

Application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the New Options.

**(h) Timing of issue of Shares**

Within 15 Business Days after the later of the following:

- (i) the Exercise Date; and
- (ii) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

the Company will:

- (iii) allot and issue the Shares pursuant to the exercise of the New Options;
- (iv) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act or lodge a prospectus with ASIC that qualifies the Shares for resale under section 708A(11) of the Corporations Act; and
- (v) apply for Official Quotation on ASX of Shares issued pursuant to the exercise of the New Options.

**(i) Participation in new issues**

There are no participation rights or entitlements inherent in the New Options and New Option holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the New Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least five Business Days after the issue is announced. This will give New Option holders the opportunity to exercise their New Options prior to the date for determining entitlements to participate in any such issue.

**(j) Adjustment for bonus issue of Shares**

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (i) the number of Shares which must be issued on the exercise of a New Option will be increased by the number of Shares which the New Option holder would have received if the Optionholder had exercised the New Option before the record date for the bonus issue; and
- (ii) no change will be made to the Exercise Price.

**(k) Adjustment for rights issue**

If the Company makes an issue of Shares pro rata to existing Shareholders there will be no adjustment of the Exercise Price of a New Option.

**(l) Adjustment for reorganisation**

If there is any reconstruction of the issued share capital of the Company, the rights of the New Options may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

**(m) Quotation of New Options**

The Company will apply for Official Quotation of the New Options on ASX .

(n) **Options transferable**

If the New Options do not become listed Options, then they are transferable provided that the transfer of the New Options complies with section 707(3) of the Corporations Act. Should the New Options become listed Options in accordance with paragraph (m) above, the New Options will be transferable in accordance with relevant market rules.

**4.6 Interests of Directors**

(a) Directors' holdings

At the date of this Prospectus the relevant interest of each of the Directors in the Shares, Options and performance rights of the Company are as follows:

Directors	Ordinary Shares	Vested Unlisted Options	Unvested Unlisted Options	Performance rights
Robert Scott (Non-Executive Director)	6,000,000	15,000,000	-	-
Mark Burchnall (Non-Executive Director)	6,000,000	15,000,000	-	-
Tim Armstrong (Non-Executive Director)	6,000,000	15,000,000	-	-

(b) Remuneration of Directors and Executives

The Company presently does not have an Executive Director. The Fees and payments to the Chief Executive Officer of the Company reflect the demands which are made on, and the responsibilities of, the Chief Executive Officer. This remuneration is reviewed at least annually by the Board. The base remuneration is presently \$160,000 per annum (inclusive of superannuation) for the Chief Executive Officer and approximately \$48,000 (inclusive of superannuation) for the Non-Executive Directors.

As the whole Board only consists of three members, the Company does not have a remuneration committee and therefore the full Board acts as the remuneration committee.

Details of remuneration provided to Directors and their associated entities during the past two financial years are as follows:

**Financial year ended 30 June 2020**

Directors	Fees / Salaries \$	Superannuation \$	Options \$	Total \$
Robert Scott (Non-Executive Director)	48,000	-	24,000	72,000
Mark Burchnall (Non-Executive Director)	48,000	-	24,000	72,000
Tim Armstrong (Non-Executive Director)	64,000 <sup>1</sup>	-	24,000	88,000

<sup>1</sup> Mr Armstrong was paid an additional \$16,000 in directors fees for additional duties relating to a share placement during the



year.

In accordance with Accounting Standards, remuneration includes a portion of the notional value of the unlisted Options granted during the year. The notional value of Options are determined as at the issue date and is proportionately allocated over the vesting period. The amount included as remuneration is not indicative of the benefit (if any) that the employee may ultimately realise should the Options vest. The notional value of the Options as at the issue date has been determined in accordance with the Company's accounting policy, with the Black-Scholes model used to value the Options granted.

**Financial year ended 30 June 2019**

<b>Directors</b>	<b>Fees / Salaries</b> \$	<b>Superannuation</b> \$	<b>Options</b> \$	<b>Total</b> \$
Robert Scott (Non-Executive Director – appointed 12 April 2019)	12,000	-	-	12,000
Mark Burchnall (Non-Executive Director – appointed 12 April 2019)	12,000	-	-	12,000
Tim Armstrong (Non-Executive Director – appointed 12 April 2019)	12,000	-	-	12,000
Robert Rorrison (Non-Executive Director – resigned 12 April 2019)	33,455	-	-	33,455
Martin Janes (Non-Executive Director – resigned 12 April 2019)	33,059	3,141	-	36,200
Mark Siford (Non-Executive Director – appointed 28 August 2018, resigned 12 April 2019)	22,054	2,095	-	24,149
Alice McCleary (Non-Executive Director – resigned 28 November 2018)	26,408	2,508	-	28,916

Except as disclosed in this Prospectus, no Director (whether individually or in consequence of a Director's association with any company or firm or in any material contract entered into by the Company) has now, or has had, in the two year period ending on the date of this Prospectus, any interest in:

- the formation or promotion of the Company; or
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- the Offer.

Except as disclosed in this Prospectus, no amounts of any kind (whether in cash, Shares, Options or otherwise) have been paid or agreed to be paid to any Director or to any company or firm with which a Director is associated to induce him to become, or to qualify as, a Director, or otherwise for services rendered by him or his company or firm with which the Director is associated in connection with the formation or promotion of the Company or the Offer.

#### **4.7 Interests of named persons**

Except as disclosed in this Prospectus, no expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with, has now, or has had, in the 2 year period ending on the date of this Prospectus, any interest in:

- the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- the Offer.

Except as disclosed in this Prospectus, no amounts of any kind (whether in cash, Shares, Options or otherwise) have been paid or agreed to be paid to any expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, or to any firm in which any of those persons is or was a partner or to any company in which any of those persons is or was associated with, for services rendered by that person in connection with the formation or promotion of the Company or the Offer.

Mahe Capital was appointed as the Lead Manager and Underwriter to the Offer under this Prospectus pursuant to an agreement with the Company dated 11 April 2021 (**Underwriting Agreement**). Pursuant to the Underwriting Agreement, Mahe Capital will provide services relating to the management and marketing of the Offer. In consideration for the services provided pursuant to the Underwriting Agreement, Mahe Capital will receive the following fees (excluding GST, where applicable):

- the Company will issue to Mahe Capital (or its nominee) 10 New Options for every dollar raised under the Offer;
- a fee of \$60,000;
- a management fee of 1% of the total amount raised under the Offer;
- an underwriting fee of 5 % of the Underwritten Amount;
- a placement fee of 5% of any Shortfall placed beyond the Underwritten Amount; and
- the Company will reimburse Mahe Capital for all reasonable expenses properly incurred in the provision of the services under the Underwriting Agreement.

Mahe Capital has received no other payment or benefit from the Company prior to the date of this Prospectus.

Murcia Pestell Hillard has acted as solicitors to the Company in relation to the Offer. For their professional services on this Prospectus, the Company will pay approximately \$20,000 (excluding GST). Murcia Pestell Hillard has provided other professional services to the Company during the last 2 years amounting to approximately \$74,700 (excluding GST).

Except where otherwise specified, the amounts disclosed above are exclusive of any amount of goods and services tax payable by the Company for those amounts.

#### **4.8 Expenses of the Offer**

The approximate cash expenses of the Offer are \$295,000. These expenses are payable by the Company.

#### **4.9 Consents**

Each of the parties referred to in this Section 4.9:

- (a) does not make, or purport to make, any statement in this Prospectus or on which a statement made in the Prospectus is based, other than as specified in this Section 4.9; and
- (b) to the maximum extent permitted by law, expressly disclaims and takes 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 4.9.

Mahe Capital has given, and has not withdrawn, its consent to being named as Lead Manager and Underwriter to the Offer in the Corporate Directory of this Prospectus in the form and context in which it is named. Mahe Capital has not caused or authorised the issue of this Prospectus or the making of this Offer. Mahe Capital does not make or purport to make any statement in this Prospectus and takes no responsibility for any part of this Prospectus or any omissions from this Prospectus.

Murcia Pestell Hillard has consented to being named in this Prospectus as the solicitors to the Offer and has not withdrawn such consent prior to the lodgement of this Prospectus with ASIC.

#### **4.10 Electronic Prospectus**

The offer pursuant to an Electronic Prospectus is only available to Eligible Shareholders receiving an electronic version of this Prospectus within Australia and New Zealand.

If you have received this Prospectus as an Electronic Prospectus please ensure you have received the entire Prospectus accompanied by the Entitlement and Acceptance Form. If you have not, please email the Company at [enquiries@twentysevenco.com.au](mailto:enquiries@twentysevenco.com.au) and the Company will send to you, free of charge, either a hard copy or a further electronic copy of the Prospectus or both.

The Company reserves the right not to accept an Entitlement and Acceptance Form from a person if it has reason to believe that when that person was given access to the electronic Entitlement and Acceptance 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.

## Section 5 DEFINED TERMS

**\$** means Australian dollars, unless otherwise stated;

**Applicant** means a Shareholder who applies for New Shares (and associated New Options) pursuant to the Offer or a Shareholder or other party who applies for Shortfall Securities pursuant to the Shortfall Offer.

**Application** means an application to subscribe for New Shares (and associated New Options) under this Prospectus.

**Application Money** means monies submitted by Applicants in respect of Applications;

**ASIC** means the Australian Securities & Investments Commission;

**ASX** means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited;

**ASX Settlement** means ASX Settlement Pty Ltd (ACN 008 504 532);

**ASX Settlement Operating Rules** means the settlement operating rules of ASX Settlement as amended from time to time;

**Board** means the board of Directors unless the context indicates otherwise;

**Business Day** means every day other than a Saturday, Sunday, New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day;

**CRN** has the meaning given in Section 1.6;

**CHES** means ASX Clearing House Electronic Sub-register System;

**Closing Date** means the closing date of the Offer being Wednesday, 5 May 2021, subject to the right of the Company to vary that date (in accordance with the Listing Rules);

**Company** or **TSC** means Twenty Seven Co. Limited (ACN 119 978 013);

**Constitution** means the constitution of the Company;

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

**Directors** mean the directors of the Company;

**Electronic Prospectus** means an electronic version of the Prospectus;

**Eligible Shareholder** means a Shareholder at the Record Date whose registered address is situated in Australia or New Zealand;

**Entitlement** means the entitlement of an Eligible Shareholder to participate in the Offer, as shown on the Entitlement and Acceptance Form;

**Entitlement and Acceptance Form** means the entitlement and acceptance form accompanying this Prospectus;

**Exercise Date** has the meaning given in Section 4.5(e);

**Exercise Price** has the meaning given in Section 4.5(b);

**Existing Shares** means Shares on issue as at the Record Date;

**Expiry Date** has the meaning given in Section 4.5(b);

**Ineligible Shareholder** means a Shareholder (or beneficial holder of Shares) at the Record Date with a registered address outside Australia and New Zealand;

**Issue Date** means the issue date set out in the key dates timetable on page ii of this Prospectus;

**Listing Rules** means the Listing Rules of ASX;

**Mahe Capital, Lead Manager, Nominee or Underwriter** means Mahe Capital Pty Ltd (ACN 634 087 684);

**New Options** means the New Options intended to be granted under this Prospectus, the terms of which are set out in Section 4.5;

**New Shares** means the Shares offered under this Prospectus, the terms of which are set out in Section 4.4;

**Notice of Exercise** has the meaning given in Section 4.5(d);

**Offer** means the issue pursuant to this Prospectus on a pro-rata renounceable basis of 1 New Share for every 4 Shares held on the Record Date at an issue price of \$0.005 per New Share, together with 1 free attaching New Option for every 2 New Shares subscribed for exercisable at \$0.009 on or before 31 October 2023;

**Opening Date** means the opening date of the Offer being Wednesday, 21 April 2021, subject to the right of the Company to vary that date;

**Option** means an option to acquire one Share;

**Prospectus** means this prospectus dated Monday, 12 April 2021 and includes the Electronic Prospectus (where applicable);

**Record Date** means 5 pm (WST) on Friday, 16 April 2021;

**Rights Trading Period** means the period between the date rights trading under the Offer begins, being Thursday, 15 April 2021, and the date rights trading under the Offer ends, being Wednesday, 28 April 2021, as set out in the timetable on page iii of this Prospectus;

**Section** means a section of this Prospectus;

**Share** means an ordinary fully paid share in the capital of the Company;

**Share Registry** means Computershare Investor Services Pty Ltd the Company's Share Registry;

**Shareholder** means the holder of a Share;

**Shareholding** means the Shares held by a Shareholder;

**Shortfall** means New Shares and New Options not applied for under the Offer (if any);

**Shortfall Offer** means the offer of Shortfall Securities described in Section 1.16;

**Shortfall Securities** means those New Shares or New Options issued pursuant to the Shortfall;

**Underwriting Agreement** means the lead manager and underwriting agreement between the Company and the Underwriter dated 11 April 2021 and referred to in Section 1.25;

**Underwritten Amount** means \$1,500,000;

**Unlisted Options** means 288,500,000 Options that have an exercise price ranging from \$0.0007 to \$0.02 and expiry dates ranging from 30 June 2022 to 15 January 2024, none of which are quoted on ASX;

**US Securities Act** means the US Securities Act of 1933, as amended; and

**WST** means Australian Western Standard Time.

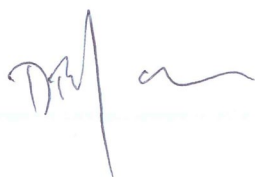
## Section 6 DIRECTORS' RESPONSIBILITY STATEMENT & CONSENT

The Directors state they have made all reasonable enquiries and on that basis have reasonable grounds to believe any statements made by the Directors in this Prospectus are not misleading or deceptive and for any other statements made in this Prospectus by persons other than the Directors, the Directors have made reasonable enquiries and on that basis have reasonable grounds to believe persons making the statement or statements were competent to make such statements, and those persons have given their consent to the statements being included in this Prospectus in the form and context in which they are included and have not withdrawn that consent before lodgement of this Prospectus with the ASIC, or to the Director's knowledge, before any issue of New Shares or New Options pursuant to this Prospectus.

The Prospectus is prepared on the basis certain matters may be reasonably expected to be known to likely investors or their professional advisers.

Each Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

Dated: 12 April 2021

A handwritten signature in blue ink, appearing to read 'Dale Hanna', is written over a light blue horizontal line.

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**Dale Hanna**  
Company Secretary