
PROSPECTUS FOR

NON-RENOUNCEABLE PRO RATA RIGHTS ISSUE

For a non-renounceable pro rata rights issue to Eligible Shareholders of 1 New Share for every 4 Shares held by Eligible Shareholders entitled to participate as at the Record Date at an issue price of \$0.05 (5 cents) per New Share, to raise a maximum of approximately \$1,365,536. Eligible Shareholders issued New Shares will receive 1 free attaching Option for every New Share issued, which is exercisable at \$0.05 (5 cents) and expires on the date which is 12 months after the issue date.

Eligible Shareholders may also apply for Shortfall Shares under the Shortfall Offer.

This Offer opens on Tuesday, 16 May 2017 and closes at 5:00 pm AEST on Friday 9 June 2017.

Important notice

This Prospectus is a transaction-specific prospectus issued in accordance with section 713 of the *Corporations Act 2001* (Cth). This document is important and requires your immediate attention. You should read it 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, accountant, financial planner or other professional adviser without delay and before making an investment decision. The securities offered under this document should be considered speculative.

Please read the instructions on the accompanying Entitlement and Acceptance Form if you wish to subscribe for New Shares and Options.

Important information

This Prospectus is dated 9 May 2017 and a copy of this Prospectus was lodged with ASIC on this date. Neither ASIC nor ASX takes any responsibility for the content of this document.

No securities (other than Shares to be issued on the exercise of Options) will be allotted or issued on the basis of this Prospectus later than 13 months after the date of the Prospectus.

Persons wishing to subscribe for New Shares and Options should carefully read this Prospectus and consult their professional advisors for the purpose of evaluating whether or not to participate in the Offer.

No persons are authorised to give information or to make any representation in connection with the Offer which is not expressly contained in this Prospectus. Any information or representation not so contained may not be relied upon as having been authorised by the Company in connection with the Offer. Except as required by law and only to the extent required, neither the Company nor any other person warrants the future performance of the Company or the return on any investment made under this Prospectus.

Suitability of investment

This Prospectus provides information to help Eligible Shareholders decide whether they wish to further invest in the Company. Before deciding to invest in the Company, potential investors should read the entire Prospectus and in particular the technical information and risk factors that could affect the future operations and activities of the Company. As some time may elapse between the date of this Prospectus and the issue of New Shares and exercise of attaching Options granted under the Offer, the risk factors set out in this Prospectus may not be applicable and/or new risk factors may emerge. The Company is not likely to update this Prospectus and the risk factors prior to the issue of New Shares and exercise of attaching Options. Shareholders should not rely on this Prospectus as the sole basis for making an investment decision. The Offer contained in this Prospectus does not take into account the investment objectives, financial situation and particular needs of the investor. Please read the Entitlement and Acceptance Form carefully. Professional advice should be sought before deciding to invest in any securities which are the subject of this Prospectus.

Overseas shareholders

Neither this Prospectus nor the Entitlement and Acceptance Form nor any other document released or distributed by the Company in connection with this Offer constitutes an offer of, or an invitation by or on behalf of the Company to subscribe for, or purchase, any New Shares or Options in any jurisdiction or to any person to whom it would be unlawful to make such an offer or invitation.

This Prospectus may not be released or distributed in the United States. This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this Prospectus have not been, and will not be, registered under the *US Securities Act of 1933* and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the *US Securities Act of 1933* and any applicable US state securities laws.

The New Shares and Options are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand in reliance on the *Securities Act (Overseas Companies) Exception Notice 2002 (New Zealand)*.

This Prospectus has not been registered, filed with or approved by a New Zealand

regulatory authority under the Securities Act 1978. This Prospectus is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all of the information an investment statement or prospectus under New Zealand law is required to contain.

Shareholders resident in Australia or New Zealand holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up an Entitlement under the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

Forward-looking statements

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

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

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

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

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

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in section 5 of this Prospectus.

Applications

Applications for New Shares or for Shortfall Shares by Eligible Shareholders can only be made on an original Entitlement and Acceptance Form, sent to Eligible Shareholders with this Prospectus. The Entitlement and Acceptance Form sets out an Eligible Shareholder's Entitlement to participate in the Offer.

Disclaimer

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

Governing law

This Prospectus, the Offer and the contracts formed on acceptance of applications are governed by the laws of Victoria, Australia. Each Applicant submits to the exclusive jurisdiction of the courts of that state.

Defined terms

A number of terms used in this Prospectus have a specific meaning for the purposes of this Prospectus. These meanings are set out in section 8. Any defined terms used in this Prospectus commence with capital letters. All financial amounts shown in this Prospectus are expressed in Australian dollars unless otherwise stated.

Contents

1.	CHAIRMAN'S LETTER	5
2.	OFFER SUMMARY AND KEY DATES	6
3.	DETAILS OF THE OFFER	7
4.	HOW TO PARTICIPATE IN THE ENTITLEMENT OFFER	17
5.	RISKS	20
6.	OTHER FACTORS	25
7.	DIRECTORS' AUTHORISATION	37
8.	DEFINED TERMS	38
9.	CORPORATE DIRECTORY	40

1. CHAIRMAN'S LETTER

Dear Shareholder

Your directors have pleasure in providing Eligible Shareholders with the opportunity to participate in a non-renounceable pro rata rights issue of 1 New Share for every 4 Shares held by Eligible Shareholders as at the Record Date, to raise a maximum of approximately \$1,365,536. In addition, Applicants will receive, for no additional consideration, 1 Option for every 1 New Share issued under the Offer.

Your Board recently completed a Strategic Review of the Company's assets, business prospects and operating costs. Concurrently we took actions to terminate outstanding legal matters and substantially reduce costs that impacted on financial resources and management time during the last 18 months.

While the directors believe the Company has a number of promising assets including an investment in Explaurum Limited, significant gold and scandium based royalties and development assets in Nickel, Cobalt and Tin; it has limited cash and no certainty that further funds will be forthcoming from option and sale payments from Australian Mines Limited.

The proposed rights issue will ensure that our Company is now adequately funded to make things happen, rather than wait for the consequences of actions by others.

Proceeds from the rights issue will be used for:

- (a) the review and preparation of a valuation of the Company's existing royalty agreements;
- (b) new and on-going exploration and metallurgical test work on drill hole samples in relation to the Company's existing tenements;
- (c) new strategic investments;
- (d) general overhead and operating costs; and
- (e) expenses associated with this Offer.

Each of the Prospectus and the accompanying Entitlement and Acceptance Form contains information about the Offer and how Eligible Shareholders may participate. As the Offer is non-renounceable, Entitlements will not be tradeable on ASX or otherwise transferable. Eligible Shareholders who do not take up their Entitlements in full will not receive any value for those Entitlements that they do not take up.

The Offer closes at 5.00 pm AEST on 9 June 2017 (**Closing Date**). To participate, Eligible Shareholders need to ensure that they have:

- (a) completed their personal Entitlement and Acceptance Form and lodged it along with a cheque, bank draft or money order in the required amount with the Company's share registry, Computershare Investor Services Pty Limited, before the Closing Date; or
- (b) completed a BPAY payment for Application Moneys, in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form.

If you have any questions about the Offer or whether an investment in New Shares and Options is right for you, please consult your legal, taxation or other professional adviser before making a decision in respect of your Entitlement.

Your directors look forward to your support of this Offer.

Yours sincerely

Stephen van der Sluys
Executive Chairman

2. OFFER SUMMARY AND KEY DATES

Key Offer statistics

The Offer	:	1 New Share for every 4 Shares held by an Eligible Shareholder entitled to participate in the Offer (which excludes Shareholders outside of Australia and New Zealand) as at the Record Date (fractional entitlements to New Shares to be rounded up to the nearest whole number). In addition, Applicants will receive, for no additional consideration, 1 Option for every 1 New Share issued under the Offer.
Maximum amount (approximately) to be raised if all Entitlements are exercised (before exercise of any Options)	:	\$ 1,365,536
Offer Price per New Share	:	\$0.05 (5 cents)
Option exercise price	:	\$0.05 (5 cents)
Total Entitlements offered pursuant to the Offer (subject to rounding variations)	:	27,310,723 New Shares and 27,310,723 Options

Key dates*

Record Date (entitlement to subscribe for New Shares and Options for Eligible Shareholders recorded on the Company's share register)	:	7.00pm (AEST), 11 May 2017
Opening Date for applications under the Offer	:	16 May 2017
Closing Date for applications under the Offer	:	5.00pm (AEST), 9 June 2017
Allotment of New Shares and Options under the Offer*	:	19 June 2017

*This timetable is indicative only and the Directors reserve the right to close or withdraw the Offer at an earlier or later date and therefore the dispatch date for shareholding statements (if at all) may vary accordingly.

3. DETAILS OF THE OFFER

3.1 The Rights Issue Offer

New Shares

Pursuant to this Prospectus, the Company is making a non-renounceable pro rata rights issue to Eligible Shareholders of 1 New Share for every 4 Shares held by Eligible Shareholders as at the Record Date at an issue price of \$0.05 (5 cents) per New Share. The New Shares will be issued as fully paid and will rank equally in all respects with existing Shares on issue as at the Record Date.

Options

For each New Share issued to an Eligible Shareholder, the Company will also grant 1 Option for no additional consideration. Each Option is exercisable at \$0.05 (5 cents) and expires on the date which is 12 months after the issue date (which is expected to be 19 June 2018). The terms of the Options are set out in section 6.5.

The Offer

There is no minimum subscription for the New Shares and Options to be issued under the Offer. Limitations apply for the Shortfall discussed in section 3.12 below. The Offer is underwritten as to \$75,000 (1,500,000 New Shares) by Stephen van der Sluys, the Executive Chairman, and \$50,000 (1,000,000 New Shares) by John Newton, a non-executive director.

At the date of this Prospectus the Company has:

- 109,242,893 Shares on issue; and
- 1,500,000 options on issue.

Up to 27,310,723 New Shares and 27,310,723 Options will be issued under this Offer, subject to variations caused by fractional rounding discussed below.

Where the determination of the Entitlement of any Eligible Shareholder results in a fraction of a New Share, such fraction will be rounded up to the nearest whole New Share.

This Prospectus is also an offer to issue Shortfall Shares under the Shortfall Offer. Please refer to section 3.12 for further information and details of the Shortfall Offer and the Placement Offer.

3.2 Use of funds

The Company intends to apply the funds raised from the Offer (being a maximum of approximately \$1,365,536 before expenses of the Offer and exercise of any Options) together with existing cash at bank, as indicated below:

- (a) review and prepare a valuation of the Company's existing royalty agreements;
- (b) undertake new and on-going exploration and metallurgical test work on drill hole samples from the Company's existing tenements;
- (c) make new strategic investments;
- (d) pay general overhead and operating costs; and
- (e) pay expenses associated with this Offer.

The above use of funds is a statement of current intentions as at the date of this Prospectus. As with any budget, intervening events and new circumstances may affect the way funds will ultimately be applied. The Directors reserve the right to vary the way funds are applied on this basis.

3.3 Effect of the Offer

The principal effect of the Offer will be to:

- (a) increase the cash reserves and issued capital by up to approximately \$1,365,536 immediately after completion of the Offer prior to deducting the estimated expenses of the Offer;
- (b) increase the total number of Shares on issue from 109,242,893 to up to 136,553,616 Shares following completion of the Offer; and
- (c) increase the total number of options on issue from 1,500,000 to up to 28,810,723 following completion of the Offer. However, the 1,500,000 options currently issued by the Company have different terms to the Options, including expiry date and issue price.

Please see section 3.7 of this Prospectus for further details.

3.4 Pro-forma balance sheet

The reviewed balance sheet as at 31 December 2016 and the unaudited pro-forma balance sheet as at 31 December 2016 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 New Shares and Options offered under the Prospectus are issued.

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

BALANCE SHEET

At 31 DECEMBER 2016

	Reviewed as at 31-Dec-16	Estimated cost to 30 Apr 17	Exercise of options & Option payment	Rights issue	Pro-forma Unaudited as at 31-Dec-16
Current assets	\$				\$
Cash	436,302	(313,000)	575,000	1,300,536	1,998,838
Trade and other receivables	170,469				170,469
Financial assets	6,163				6,163
Other	3,017				3,017
Total current assets	615,951	(313,000)	575,000	1,300,536	2,178,487
Non-current assets					
Other financial assets	700,000				700,000
Property, plant and equipment	102,201				102,201
Exploration and evaluation	4,324,731	46,000			4,370,731
Other financial assets	167,500				167,500
Total non-current assets	5,294,432	46,000	0	0	5,340,432
Total assets	5,910,383	(267,000)	575,000	1,300,536	7,518,919
Current liabilities					
Trade and other payables	340,994				340,994
Employee benefits	38,034				38,034
Total liabilities	379,028	0	0	0	379,028
Net assets	5,531,355	(267,000)	575,000	1,300,536	7,139,891
Shareholders' equity					
Share capital	52,262,902	0	75,000	1,300,536	53,638,438
Reserves					0
Accumulated losses	(46,731,547)	(267,000)	500,000		(46,498,547)
Total equity attributable to equity holders of the company	5,531,355	(267,000)	575,000	1,300,536	7,139,891
Total Equity	5,531,355	(267,000)	575,000	1,300,536	7,139,891

3.5 Indicative timetable

Event	Date
Announcement of Offer and release of Appendix 3B to ASX	8 May 2017
Release of Prospectus to ASX	8 May 2017
Notice sent to existing security holders	9 May 2017
"Ex" date (date from which securities commence trading without the entitlement to participate in the Offer)	10 May 2017
Record Date 7.00 pm (AEST) (date for determining entitlements of Eligible Shareholders to participate in the Offer)	11 May 2017

Prospectus dispatched to Eligible Shareholders and Opening Date	16 May 2017
Closing date* 5.00 pm (AEST) (last date for lodging applications and making payments)	9 June 2017
Securities quoted on a deferred settlement basis**	13 June 2017
ASX notified of under-subscriptions (if any)**	15 June 2017
Issue of New Shares and Options and entry of New Shares and Options into Shareholders' holdings** End of trading of New Shares and Options on a deferred settlement basis.	19 June 2017

* Subject to the Corporations Act and to the Listing Rules, the Directors reserve the right to vary this date, including extending the Closing Date for the Offer, at their discretion and without prior notice. Should this occur, the variation will have a consequential effect on the anticipated date of issue for the New Shares and Options.

** These dates are indicative only.

3.6 Non-renounceable

The Entitlement Offer is non-renounceable. Where an Eligible Shareholder does not take up their Entitlement under a non-renounceable entitlement offer, their shareholding will be diluted with no compensating cash payment. New Shares not subscribed for by Eligible Shareholders will form part of the Shortfall. Eligible Shareholders are encouraged to apply for any Shortfall Shares.

3.7 Capital structure on completion of the Offer

If the Rights Issue Offer is fully subscribed, the capital structure of the Company on completion of the Rights Issue would be as follows:	Number of Securities
Number of Shares issued at the date of this Prospectus	109,242,893
Number of options issued at the date of this Prospectus	1,500,000
Maximum number of New Shares to be issued under the Offer (subject to rounding variations)	27,310,723
Maximum number of Options to be issued under the Offer (subject to rounding variations)	27,310,723
Maximum number of Shares on issue on completion of the Offer (subject to rounding variations)	136,553,616
Maximum number of options and Options on issue on completion of the Offer (subject to rounding variations)	28,810,723

3.8 Details of substantial holders

Based on publicly available information as at the close of trading on 4 May 2017, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Explaurum Operations Pty Ltd	11,100,000	10.16
Robert Masterman	8,700,000	7.96
John Allan Newton + Mrs Gaye Newton <Drawone Super Fund>	6,945,330	6.36

3.9 Entitlements and acceptance

The Entitlement of Eligible Shareholders to participate in the Offer will be determined as at the Record Date. Your Entitlement is shown on the Entitlement and Acceptance Form which accompanies this Prospectus.

If you decide not to accept all or any part of your Entitlement by the Closing Date, your Entitlement will lapse on the Closing Date and the New Shares and Options not taken up by you will form part of the Shortfall. If you decide not to take up all of your Entitlement, your percentage shareholding in the Company may be diluted.

The Directors reserve the right not to proceed with the whole or any part of the Offer at any time prior to the allotment of New Shares and Options. In that event, relevant Application Moneys will be refunded to Applicants without interest.

The Directors reserve the right to reject any application that they believe comes from a person who is not an Eligible Shareholder.

3.10 No rights trading

The Entitlements to New Shares and Options under the Offer are non-renounceable. Accordingly, there will be no trading of Entitlements on the ASX and you may not dispose of or privately transfer your Entitlement under the Offer to any other party. If you do not take up your Entitlement to New Shares and Options under the Offer by the Closing Date, your Entitlement will lapse. The New Shares and Options in your Entitlement that are not taken up by you will form part of the Shortfall.

3.11 Underwriting

The Company has entered into separate underwriting agreements with Stephen van der Sluys and John Newton (each, an **Underwriter**) under which each Underwriter has agreed to partially underwrite the New Shares and attaching Options (each, an **Underwriting Agreement**). Under the Underwriting Agreements:

- (a) Stephen van der Sluys is required to underwrite New Shares up to the value of \$75,000; and
- (b) John Newton is required to underwrite New Shares up to the value of \$50,000,

(Underwritten Amounts).

In accordance with the Underwriting Agreements, each Underwriter has an obligation to subscribe for, or procure the subscription for, New Shares and attaching Options by completing and lodging, or procuring other persons to complete and lodge, with the Company applications for the New Shares and attaching Options of up to the value of the Underwritten Amounts. Any New Shares and Options issued pursuant to the Underwriting Agreements will have the same rights as New Shares and Options issued under the Offer.

The Underwriters may, after the date of this Prospectus, enter into sub-underwriter arrangements in relation to the New Shares and Options with any other person.

Further terms of the Underwriting Agreement are set out in section 6.7.

3.12 Shortfall – applications for Shortfall Shares (Shortfall Offer and Placement Offer)

Any New Shares not accepted by Eligible Shareholders under their Entitlements will form the Shortfall Shares, as will the New Shares that would have been offered to Shareholders with a registered address in countries other than Australia and New Zealand, had the Company made the offer available to those Ineligible Shareholders.

The Directors reserve the right to issue Shortfall Shares pursuant to applications under the Shortfall Offer, subject to any restrictions imposed by the Corporations Act and the Listing Rules. Eligible Shareholders (excluding the Directors and any other related parties of the Company) may, in addition to their Entitlement, apply for Shortfall Shares under the Shortfall Offer.

The Shortfall Shares will be offered to Eligible Shareholders and/or New Shareholders as set out in this section 3.12 by way of the Shortfall Offer and the Placement Offer. If any New Shares remain after completion of the Shortfall Offer then they may be placed by the Directors by way of the Placement Offer.

The issue price of the Shortfall Shares offered pursuant to the Shortfall Offer and the Placement Offer is \$0.05 (5 cents) per Shortfall Share, being the price at which the Entitlement to New Shares has been offered to Eligible Shareholders pursuant to the Rights Issue Offer under this Prospectus.

The Company will grant 1 Option for every 1 Shortfall Share issued pursuant to the Shortfall Offer and the Placement Offer.

(a) **Shortfall Offer**

You may apply for Shortfall Shares under the Shortfall Offer by specifying the number of Shortfall Shares you wish to apply for on the Entitlement and Acceptance Form up to the amount that equals your original shareholding in the Company and otherwise completing and executing that form in accordance with the instructions on that form. You can only participate in the Shortfall Offer if you take up your full Entitlement under the Rights Issue Offer. You must also provide Application Moneys for all of the New Shares and Shortfall Shares for which you are applying. Any Shortfall Shares are being offered to Eligible Shareholders at the same time as the Rights Issue Offer, under this Prospectus.

By way of example, if the Eligible Shareholder holds 1,000,000 Shares on the Record Date, their Entitlement under the Offer will be 250,000 New Shares and their entitlement under the Shortfall Offer would be a further 750,000 New Shares.

Shortfall Shares will only be issued under the Shortfall Offer if the Rights Issue Offer is undersubscribed and will only be issued Shortfall Shares to the extent necessary to make up any shortfall in subscriptions under the Rights Issue Offer. If the Company receives applications for Shortfall Shares under the Shortfall Offer that would result in the Offer being oversubscribed then the Company will scale back applications for Shortfall Shares. Accordingly, there is no guarantee that you will receive any Shortfall Shares which you may apply for in excess of your Entitlement.

If the scale back results in fractions of Shortfall Shares, any such fractions will be rounded up to the nearest whole New Share.

The Board reserves the right to allot to an Applicant for Shortfall Shares a lesser number of Shortfall Shares than the number for which the Applicant applies, or to reject an application for Shortfall Shares, or to otherwise not proceed with placing the Shortfall Shares. If you do not receive all of the Shortfall Shares you applied for, the excess Application Moneys will be refunded to you without interest.

Shortfall Shares under the Shortfall Offer will be issued to Eligible Shareholders at the same time as the issue of New Shares to be issued under the Rights Issue Offer.

Any Eligible Shareholder applying for Shortfall Shares under the Shortfall Offer is responsible for ensuring that, by participating in the Shortfall, their voting power in the Company (or someone else's voting power in the Company) does not increase from 20% or below to more than 20% subject to the relevant exemptions. Please see section 3.13 below.

(b) **Placement Offer**

Any Shortfall Shares not subscribed for by Eligible Shareholders under the Shortfall Offer or the underwriting may be placed at the discretion of the Directors under section 708 of the Corporations Act to Shareholders or New Shareholders. In order for any placement of the Shortfall Shares to be exempt from the application of ASX Listing Rule 7.1, Exception 3 to ASX Listing Rule 7.2 requires that the Company must make any placement of the Shortfall Shares within three (3) months after the close of the Rights Issue Offer at an issue price that is not less than the Offer Price. The Directors of the

Company, therefore, reserve the right to issue any or all of the Shortfall Shares at their discretion on this basis.

Therefore, it is proposed that the placement (if any) of such remaining Shortfall Shares (if any) will occur within three (3) months of the Closing Date, and will be on the same terms as the New Shares are offered to Eligible Shareholders under the Rights Issue Offer contained in this Prospectus. The Placement Offer may be made to either existing Shareholders and/or New Shareholders.

3.13 Takeover threshold

If all Eligible Shareholders were to take up their Entitlements in full, then the Offer would have little, if any, effect on the control of the Company. However, the proportional shareholding interests of Ineligible Shareholders would be diluted because such Shareholders are not entitled to participate in the Offer. In addition, if some Eligible Shareholders do not take up all of their Entitlements under the Offer, then the shareholding interest of those Eligible Shareholders may be diluted.

Subject to a number of exceptions, section 606(1) of the Corporations Act prohibits a person from increasing their voting power in the Company from 20% or below to more than 20% or from a starting point that is above 20% and below 90%.

Accordingly, if you are an Eligible Shareholder who wishes to either take up some or all of your Entitlement or to participate in the Shortfall, you must not apply for New Shares or Shortfall Shares if your application would result in a breach of section 606 of the Corporations Act, unless any of the exceptions in the Corporations Act apply to you.

If you are an Eligible Shareholder to whom this section of the Corporations Act may apply, you should seek independent legal advice. It is the responsibility of Eligible Shareholders to satisfy themselves that applying for New Shares under the Offer or the Shortfall Offer will not involve any breach by them of the relevant provisions under Chapter 6 of the Corporations Act.

In the event that any Shortfall Shares not subscribed for by Eligible Shareholders under the Shortfall Offer are placed by the Company with existing Shareholders and/or New Shareholders under the Placement Offer, the same responsibilities in relation to not breaching the relevant provisions under Chapter 6 of the Corporations Act apply to any such existing Shareholders and/or New Shareholders as they would to any Eligible Shareholders who participated in the Rights Issue Offer or the Shortfall Offer.

3.14 Directors' interest and participation

Each Director's relevant interest (direct and indirect) in the securities of the Company at the date of this Prospectus and their Entitlement is set out in the table below.

Director	Existing securities	Entitlement to new securities
Mr Stephen Van Der Sluys	Nil	Nil
Mr John Byrne	5,445,336 Shares 1,500,000 options	1,361,334 New Shares 1,361,334 Options
Mr John Newton	6,945,330 Shares	1,736,332 New Shares 1,736,332 Options

Each of the Directors has agreed to take up at least part of their Entitlement.

3.15 Effect of Offer on control of the Company

The issue of the New Shares and Options under the Offer is not expected to have any immediate material effect on the control of the Company. However, Shareholders should note that if they do not participate in the Offer, their holdings could be diluted by approximately 33% (as compared to their holdings and using the number of Shares on issue as at the date of the Prospectus). Examples of how the dilution may impact Shareholders are set out in the table below:

Holder	Holding as at Record Date	% at Record Date	Entitlements under the Offer	Holdings if Offer not taken up	% post Offer and exercise of the Options if Offer not taken up
Shareholder 1	11,100,000	10.30	2,775,000	11,100,000	6.84
Shareholder 2	200,000	0.183	50,000	200,000	0.123
Shareholder 3	7,500	0.007	1,875	7,500	0.005

Notes:

1. The table assumes that the Offer, and any Shortfall, is fully subscribed, and all Options are exercised.
2. The table assumes that the Company's existing 1,500,000 options which are exercisable at \$0.05 on or before 28 April 2018 are not exercised.
3. The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted are taken up through the issue of Shortfall Shares. In the event all Entitlements are not accepted and some or all of the resulting Shortfall is not subsequently taken up, the dilutionary impact for each Shareholder not accepting their Entitlement would be a lesser percentage.

3.16 Opening and Closing Dates

The Offer opens on the Opening Date. The Company will accept Entitlement and Acceptance Forms and payment for New Shares until 5:00 pm AEST on the Closing Date or such other date as the Directors in their absolute discretion may determine, subject to the Listing Rules.

Please note that payment made via BPAY^{®1} must be made by no later than 5.00 pm AEST on the Closing Date, or such earlier cut off time that your own financial institution may implement with regards to electronic payments. It is the responsibility of each Eligible Shareholders to ensure that its BPAY payment is received by the Company before 5.00 pm on the Closing Date.

¹ ® Registered to BPAY Pty Ltd ABN 69 079 137 518

3.17 Issue and despatch of holding statements

The expected dates for issue of New Shares, any Shortfall Shares and Options offered under this Prospectus and despatch of holding statements is expected to occur on the dates specified in the timetable set out in section 3.5.

It is the responsibility of each Applicant to determine its allocation prior to trading in the New Shares and Options. Applicants who sell New Shares and Options before they receive their holding statements will do so at their own risk.

3.18 CHESSE participation and un-certificated holding statements

The Company will apply to participate in the Clearing House Electronic Sub register System (**CHESSE**), which is the ASX electronic transfer and settlement system in Australia. Settlement of trading of quoted securities on ASX takes place on CHESSE. CHESSE allows for and requires the settlement of transactions in securities quoted on ASX to be effected electronically. No share or security certificates are issued in respect of shareholdings or security holdings that are quoted on ASX and settled on CHESSE, nor is it a requirement for transfer forms to be executed in relation to transfers that occur on CHESSE.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead Applicants will be provided with a statement that sets out the number of New Shares and Options allotted to them under this Prospectus. The notice will also advise holders of their Holder Identification Number (HIN) and explain, for future reference, the sale and purchase procedures under CHESSE and issuer sponsorship. Further monthly statements will only be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

3.19 Ineligible Shareholders

The Offer is made only to Eligible Shareholders. It is not practical for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of the Shares these Shareholders would be offered pursuant to the Rights Issue Offer and the cost of complying with regulatory requirements in such overseas jurisdictions. New Shares to which any Shareholders who are not resident in Australia or New Zealand as at the Record Date would otherwise be entitled to apply for under the Rights Issue Offer, if they were an Eligible Shareholder as at the Record Date, will form part of the Shortfall Shares.

No action has been taken to permit the offer of New Shares under this Prospectus in any jurisdiction other than Australia and New Zealand. The distribution of this Prospectus in any jurisdiction other than Australia or New Zealand may be restricted by law. Persons in overseas jurisdictions into whose possession this Prospectus comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of applicable securities laws. This Prospectus does not constitute an offer of New Shares and attaching Options in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus or make such an offer.

3.20 Eligible New Zealand Shareholders

The New Shares and attaching Options are not being offered or sold to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand to whom the Offer is being made in reliance on the *Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand)*. This Prospectus and the Entitlement and Acceptance Form have not been registered,

filed or approved by any New Zealand regulatory authority under the *Securities Act 1978 (New Zealand)*.

This Prospectus is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all of the information that an investment statement or prospectus under New Zealand law is required to contain.

As the ASX does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the securities and trading may differ from securities markets that operate in New Zealand.

The Prospectus has been prepared to conform to the securities laws in Australia.

3.21 Enquiries

Enquiries concerning this Prospectus or the Entitlement and Acceptance Form should be directed to the Company Secretary, by telephone on +61 3 9236 2800, from 8.30 am to 5.00 pm (AEST), Monday to Friday.

4. HOW TO PARTICIPATE IN THE ENTITLEMENT OFFER

Before taking any action you should read this document in its entirety.

4.1 How to accept the Offer

Your acceptance of the Offer must be made on the Entitlement and Acceptance Form accompanying this Prospectus or by completing a BPAY payment, in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form.

You may participate in the Offer as follows:

- (a) if you wish to accept your Entitlement in **full**:
 - (i) please complete the Entitlement and Acceptance Form, filling in the details in the spaces provided and attach your cheque, bank draft or money order for the amount indicated on the Entitlement and Acceptance Form; or
 - (ii) if you wish to pay via BPAY, please follow the instructions set out on the Entitlement and Acceptance Form; or
- (b) if you only wish to accept **part** of your Entitlement:
 - (i) please complete the Entitlement and Acceptance Form, filling in the details in the spaces provided including the number of New Shares you wish to accept and attach your cheque, bank draft or money order for the appropriate application moneys (at \$0.05 (5 cents) per New Share); or
 - (ii) if you wish to pay via BPAY, please follow the instructions set out on the Entitlement and Acceptance Form; or
- (c) if you wish to accept your **full** Entitlement **and** participate in the Shortfall Offer (you can only participate in the Shortfall Offer if you take up your full Entitlement under the Rights Issue Offer):
 - (i) please complete the Entitlement and Acceptance Form, filling in the details in the spaces provided including the number of Shortfall Shares you wish to apply for under the Shortfall Offer and attach your cheque,

bank draft or money order for the appropriate application moneys (at \$0.05 (5 cents) per New Share and per Shortfall Share for both your full Entitlement and the Shortfall Shares); or

- (ii) if you wish to pay via BPAY, please follow the instructions set out on the Entitlement and Acceptance Form (the Company will treat you as applying for as many New Shares and Shortfall Shares which your payment will purchase); or
- (d) if you **do not** wish to accept any part of your Entitlement, you are not required to do anything.

Any Application Moneys received for more than your final allocation of New Shares or Shortfall Shares will be refunded. No interest will be paid on any Application Moneys received but later refunded by the Company.

4.2 Payment methods

(a) Payment by cheque, bank draft or money order

Completed Entitlement and Acceptance Forms must be accompanied by a cheque drawn on an Australian bank, bank draft or money order made payable in Australian currency to "**Jervois Mining Limited**" and crossed "**Not Negotiable**".

Your completed Entitlement and Acceptance Form and cheque, bank draft or money order must be received by the Share Registry:

Computershare Investor Services Pty Limited
GPO Box 505
Melbourne, Victoria, 3001, Australia

no later than 5.00 pm (AEST) on the Closing Date.

(b) Payment by BPAY

Eligible Shareholders who elect to pay via BPAY do not need to return their completed Entitlement and Acceptance Forms. By making a payment via BPAY, you will be taken to have made the declarations set out in your personalised Entitlement and Acceptance Form.

Please follow the instructions on your personalised Entitlement and Acceptance Form (which includes the Biller Code and your unique Customer Reference Number (**CRN**)). Your BPAY payment must be made before 5.00 pm (AEST) on the Closing Date noted above. You should check with your bank or financial institution as to how long it will take for the funds to be transferred to the Company's account to make sure your payment will be received before 5.00 pm (AEST) on the Closing Date. You should be aware that your own financial institution may implement earlier cut-off times in relation to electronic payments, and you should therefore take this into consideration when making payment of your Application Moneys.

Your financial institution may also have set a daily limit on the amount that you can pay via BPAY. It is your responsibility to ensure that the amount you wish to pay via BPAY does not exceed your daily limit. You must ensure that the amount you wish to pay for New Shares or Shortfall Shares under the Rights Issue Offer or the Shortfall Offer is received by the Company's share registry prior to 5.00 pm (AEST) on the Closing Date.

If you have more than one registered holding of Shares and consequently receive more than one Entitlement and Acceptance Form, when taking up your Entitlement in respect one or more of your shareholdings, ensure that you use the specific CRN set out in the applicable Entitlement and Acceptance Form for each specific shareholding.

Each of your shareholdings will have its own individual CRN. Do not use the same CRN for more than one (or all) of your shareholdings. This can result in your Application Monies being applied to your Entitlement in respect of only the relevant shareholding to which the CRN relates (with the result that any application in respect of your remaining shareholdings not being recognised as valid).

4.3 Application Moneys

Entitlement and Acceptance Forms must be accompanied by payment of relevant Application Moneys, specifically, \$0.05 (5 cents) per New Share. A receipt will not be issued for Application Moneys paid to the Company.

Amounts received by the Company in excess of \$0.05 multiplied by your Entitlement to New Shares may be treated as an application to apply for as many Shortfall Shares as your excess Application Moneys will pay for in full.

Eligible Shareholders do not have to pay to subscribe for Options under the Offer.

4.4 Entitlement and Acceptance Form is binding

You will not have any right to withdraw your application for New Shares or to be repaid any amount once your application has been accepted. Even if an application has not been completed or submitted correctly it may still be treated as a valid application for New Shares. The Company's decision as to whether to treat an application as valid and how to construe, amend, complete or submit the application is final.

4.5 Warranties

By completing and returning the personalised Entitlement and Acceptance Form with the application amount you:

- (a) acknowledge that you have read and understood the Prospectus and your Entitlement and Acceptance Form and agree to the terms of the Prospectus;
- (b) acknowledge that the Prospectus is not investment advice and does not constitute a recommendation that you subscribe for New Shares under the Rights Issue Offer or the Shortfall Offer;
- (c) declare that you have full legal capacity to subscribe for New Shares under the Offer;
- (d) declare that you are not a person located in the United States and you are not a U.S. Person (as defined in Regulation S under U.S. Securities Act of 1933, as amended (the **Securities Act**)) or acting for the account or benefit of a U.S. Person;
- (e) acknowledge that the New Shares have not been and will not be registered under the Securities Act;
- (f) acknowledge that the New Shares and attaching Options may not be offered, sold, pledged, transferred, or otherwise disposed of, directly or indirectly, into or within the United States or to, or for the account or benefit of, a U.S. Person (as defined in Regulation S under the Securities Act) except pursuant

to an exemption from, or in transactions not subject to, the registration requirements of the Securities Act and any other applicable securities laws; and

- (g) declare that you are not otherwise an Ineligible Shareholder.

5. RISKS

An investment in New Shares in the Company should be regarded as speculative. An investment in the Company is not risk free. In addition to the general risks applicable to all investments in listed securities, many of which are largely beyond the control of the Company and the Directors, there are specific risks associated with an investment in the Company including (without limitation) those specific risks set out below. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the New Shares and Options.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed and does not take into account the individual circumstances of Shareholders.

The Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and consult with their professional advisers before deciding whether to apply for New Shares and Options under this Prospectus.

5.1 General market conditions

The price of the Shares on the ASX may rise or fall due to numerous factors including:

- (a) general economic conditions, including inflation rates and interest rates;
- (b) changes in commodity prices;
- (c) variations in the local and global markets for listed shares in general, or for mining stocks in particular;
- (d) changes to government policy, legislation or regulation;
- (e) competition in the industry in which the Company operates;
- (f) general operational and business risks; and
- (g) lack of market liquidity and reliable market pricing of the Shares, given the low volume and infrequency of trading.

These factors are beyond the control of the Company and the Company cannot predict how they will impact its business.

5.2 Commodity prices

In the event that the Company achieves exploration success leading to production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price risks.

Commodity prices fluctuate and are affected by numerous factors beyond the control of the Company. These factors include world demand for minerals, the level of forward selling by producers, costs of production, general economic conditions, the level of inflation, interest rates and exchange rates. These factors may have an

adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

Furthermore, international prices of various commodities are denominated in United States Dollars whereas the income and expenditure of the Company are and will be taken into account in Australian currency, 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.

5.3 Future capital requirements

The Company may require additional capital to fund further exploration of its existing or new projects. Until the Company develops or acquires an income producing asset, it will be dependent on its cash resources, any funds derived from the exercise of options, and the ability of the Company obtain future equity or debt funding.

The Company's ability to raise sufficient further capital within an acceptable time frame and on terms acceptable to the Company will vary according to a number of factors including (without limitation) the prospects of new projects (if any), the results or exploration and subsequent feasibility studies, stock market and industry conditions and the price of relevant commodities.

If it is established that a mining production operation is technically, environmentally and economically viable, the Company may require substantial additional financing to permit and establish mining operations and production facilities. No assurances can be given that the Company will be able to raise the additional financing required for such activities.

Any additional equity financing may be dilutive to Shareholdings and debt financing, if available, may involve restrictions on financing and operating activities. There are no assurances that additional financing will be available on terms acceptable to the Company, or at all.

If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programs.

5.4 Exploration and development

Exploration by its nature contains elements of significant risk. The ultimate success depends on the discovery of economically recoverable resources, obtaining the necessary titles and governmental regulatory approvals, and obtaining and maintaining funding for mining operations, if a decision to mine is made.

There is no guarantee that the Company's existing projects or any other projects or tenements that it may acquire in the future will result in the discovery of significant resources. Even if significant resources are identified, there can be no guarantee that they will be able to be economically exploited.

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

- (a) geological conditions;
- (b) operational and technical risks;
- (c) water shortages;
- (d) electrical and mechanical failures;

- (e) transportation capacity;
- (f) geological, geotechnical and seismic factors;
- (g) industrial and mechanical accidents;
- (h) equipment and environmental hazards;
- (i) unscheduled shut downs or other process problems;
- (j) limitations on activities due to seasonal weather patterns;
- (k) the availability of drilling rigs and other machinery necessary for the Company to undertake its activities;
- (l) the availability or adequate working capital to support unanticipated drilling activities; and
- (m) prevention of restriction of access by reasons of political unrest, outbreak of hostilities, and inability to obtain consents or approvals (including clearance of work programs pursuant to existing, and any future access agreements entered into with future registered Aboriginal Land Council and native title claimants).

5.5 Loss of key personnel

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its Directors and senior management. The loss of one or more of the Directors or senior management could have a materially adverse effect on the Company's business, financial position and operations. There are no assurances that the Company will be able to retain the services of these persons.

5.6 Native title and Aboriginal heritage

Some of the Company's tenements are currently located or may in the future be located within areas that are the subject of claims or applications for native title determination. The *Native Title Act 1993* (Cth) and its related State native title legislation protects the rights and interests in Australia of Aboriginal and Torres Strait Islander people in land and waters, according to their traditional laws and customs.

Where native title rights exist over the land the subject of the tenements, the Company's ability to obtain access to the tenements or to obtain mining production titles may be adversely affected. Settling such claims may incur significant costs to the Company. The degree to which this may impact the Company's activities will depend on a number of factors, including the status of particular tenements and their locations. At this stage, the Company is unable to quantify the impact, if any, of such matters on its operations.

Further, it is possible that an Indigenous Land Use Agreement (**ILUA**) may be registered against one or more of the tenements in which the Company has an interest. The terms and conditions of any such ILUA may be unfavourable for, or restrictive against, the Company.

The Company must also comply with Aboriginal heritage legislation requirements which require heritage survey work to be undertaken ahead of the commencement of mining operations.

5.7 Tenement title

All mining tenements which the Company may acquire either by application, sale and purchase or farm-in are regulated by applicable State mining legislation. There is no guarantee that applications for mining tenements will be granted or that the Company will be able to comply with some or all of the conditions imposed as a condition of the grant of a tenement. In addition, conditions attaching to tenement licences may change and ministerial consent may be required to the transfer of a tenement to or from the Company. There is a risk that the Company may not be able to acquire, or may lose title to mining tenements.

5.8 Environment

The Company's projects are subject to State and Federal laws and regulations regarding environmental matters. Such legislation covers a wide array of matters, including waste disposal, protection of the environment, work safety, mine development, land and water use and the protection of endangered and protected species among others. Existing and possible future environmental legislation, regulations and actions could cause the Company to incur additional expenses, restrictions and delays in our activities, the extent of which cannot be predicted.

Although the Company intends to conduct its activities in an environmentally responsible manner and in accordance with all applicable laws, many of the activities and operations of the Company must not be carried out without prior approval from and compliance with such relevant environmental authorities. The Company's operations are subject to hazards which may result in environmental pollution and consequent liability which could have a material adverse impact on the Company's business, operations and financial performance. Damages occurring as a result of such risks may give rise to claims against the Company or liability for environmental rehabilitation and associated costs, which may not be covered, in whole or part, by any insurances taken out. In addition, the occurrence of any of these incidents could result in our current or future operational target dates being delayed or interrupted and result in increased capital expenditure.

The costs and complexity of complying with environmental laws and regulations may have a material adverse impact of the operations and financial performance of the Company.

5.9 Resource estimates

Until a deposit is actually mined and processed, the quantity of mineral resources and ore reserves and grades must be considered estimates only. In addition, the value of mineral resources and any ore reserves will depend upon, among other things, commodity prices and currency exchange rates. Any material change in the quantity of mineral resources, or any ore reserves, or grade, may affect the economic viability of any future mines. Any material reductions in the estimates of mineral resources or ore reserves, or our ability to extract any ore, could have a material adverse effect on the Company's operational results and financial condition.

Mineral resource estimates are expressions of judgments based on knowledge, experience and industry practice. Often estimates are appropriate when made, but may change significantly when the new information becomes available. There are risks associates with such estimates. Mineral resource estimates are necessarily imprecise and depend to some extent upon interpretations, which may prove to be inaccurate and require adjustment. Adjustments to the Company's mineral resources could affect the Company's development, mining plans and financial position.

5.10 Agreements with third parties

The Company is and will be subject to various royalties, contracts and agreements with third parties. There is a risk of financial failure or default by a counterparty to these agreements. Any breach or failure may lead to penalties or termination of the relevant contract. In addition, the Company's interest in the relevant subject matter may be jeopardised.

5.11 Legal risk

The introduction of new legislation or amendments to existing legislation, developments in common law, or the interpretation of legal requirements in any of the jurisdictions which govern the Company's operations or contractual obligations, could impact adversely on the assets, liabilities operations, prospects and, ultimately the financial performance and financial position of the Company. In addition, there is a risk that legal action may be taken against the Company in relation to its operations.

5.12 Uninsured loss and liability

Exploration for, development and mining of minerals involves hazards and risks that could result in the Company incurring losses and liabilities to third parties. There is a risk the Company may not be insured against all losses or liabilities that could arise from its operations. If the Company incurs losses or liabilities which are not covered by its insurance policies, the funds available for exploration, development and mining may be reduced and the value or tenure of the Company's assets may be at risk.

5.13 Implications of Chapter 6 of the Corporations Act

The holder of an Option may be prevented from exercising the Option in circumstances where to do so would contravene the takeovers prohibition in section 606 of the Corporations Act. Section 606 prohibits a person from acquiring a "relevant interest" (as defined in the Corporations Act) in issued voting shares in a listed company if, because of the transaction, that person's or someone else's voting power in the listed company increases from 20% or below to more than 20% or from a starting point that is above 20% and below 90%, unless an exception applies. There are various exceptions to the general prohibition. However, there is no guarantee that an exception would be available in the relevant circumstances and, even if an exception was potentially available, there is a risk that the exception could not be relied upon without significant cost or delay.

5.14 Speculative investment

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

Therefore, the New Shares and underlying Shares that may be issued as a result of the issue of the Options offered under this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

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

6. OTHER FACTORS

6.1 ASX listing of New Shares

Application for official quotation by ASX of the New Shares and Options offered pursuant to this Prospectus has been made. The New Shares and Options will, subject to ASX approval, be quoted on a deferred settlement basis on or about the date specified in the timetable set out in section 3.5.

The fact that ASX may grant official quotation of the New Shares and Options should not to be taken in any way as an indication of the merits of the Company or the New Shares and Options offered for subscription under the Offer.

6.2 No cooling off

There are no cooling off rights in relation to the Offer. You cannot withdraw your application for New Shares and Options once it has been submitted.

6.3 Rounding of entitlements

Where fractions of a New Share result from a calculation of an Entitlement, such fractional entitlement will be rounded up to the nearest whole number of New Shares.

6.4 Rights Attaching to Ordinary Shares

The following is a summary of the more significant rights attaching to Ordinary Shares in the Company. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of shareholders in the Company. To obtain such a statement, persons should seek independent legal advice.

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

6.4.1 General meetings

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

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

6.4.2 Voting rights

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

- (i) each shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a shareholder or a proxy, attorney or representative of a shareholder has one vote; and
- (iii) on a poll, every person present who is a shareholder or a proxy, attorney or representative of a shareholder shall, in respect of each fully paid share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the share, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such shares registered in the

shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

6.4.3 Dividend rights

The Directors may from time to time declare a dividend to be paid to shareholders entitled to the dividend. The dividend shall (subject to clause 134 of the Company's constitution and to the rights of any preference shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividends) be payable on all shares in accordance with the Corporations Act. No dividend shall carry interest as against the Company.

6.4.4 Winding-up

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the shareholders or different classes of shareholders. The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

6.4.5 Transfer of Shares

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

6.4.6 Changes to capital structure

The Directors have the power to increase the number of shares that may be issued and the Company in general meeting may convert all or any of its shares into a larger or smaller number of shares, without altering the proportion between the amount paid and the amount (if any) unpaid on the shares concerned, subject to the Listing Rules.

6.4.7 Variation of Rights

The rights and privileges attaching to a class of shares can be altered with the approval of a resolution passed at a separate general meeting of that class by a three quarters majority of the members of that class present and voting, or with the written consent of the holders of at least three quarters of the shares on issue in that class within 2 months of the date of the meeting.

6.5 Terms of Options

The Options granted pursuant to this Prospectus will entitle the holder to subscribe for and be allotted Ordinary Shares on the following terms and conditions:

- (a) each Option entitles the holder to subscribe for one Share at an exercise price per Option of \$0.05 (5 cents);
- (b) the Options are exercisable, at any time prior to 5.00pm Melbourne time on the date which is 12 months after the issue date (**Expiry Date**);
- (c) Options not exercised on or before the Expiry Date will automatically lapse;
- (d) the Options may be exercised wholly or in part by completing an application form for Shares (**Notice of Exercise**) delivered to the Company's share registry and received by it any time prior to the Expiry Date;
- (e) upon the exercise of the Options and receipt of all relevant documents and payment, Shares will be issued ranking pari passu with the then issued Shares;
- (f) the Company will apply to ASX to have the Shares issued pursuant to the exercise of Options granted official quotation;
- (g) a summary of the terms and conditions of the Options including the Notice of Exercise will be sent to all holders of Options when the initial holding statement is sent;
- (h) any Notice of Exercise received by the Company's share registry on or prior to the Expiry Date will be deemed to be a Notice of Exercise as at the last Business Day of the month in which such notice is received;
- (i) there are no participating entitlements inherent in the Options to participate in new issues of capital which may be offered to Shareholders during the currency of the Options;
- (j) prior to any new pro rata issue of securities to Shareholders, holders of Options will be notified by the Company and will be afforded 10 Business Days before the record date (to determine entitlements to the issue), to exercise Options;
- (k) in the event of any reorganisation of the issued capital of the Company prior to the Expiry Date, the rights of an Option holder will be changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation;
- (l) subject to the Corporations Law, the ASX Listing Rules and the Company's constitution, the Options may be transferred at any time prior to the Expiry Date; and
- (m) Shares issued pursuant to the exercise of an Option will be issued not more than 14 days after the date of Notice of Exercise.

6.6 Ranking of New Shares

- (a) New Shares and Shares issued upon the exercise of Options will rank equally in all respects with existing shares on issue.
- (b) The Company is not required to determine whether or not any registered holder or investor is acting as a nominee or custodian or the identity or residence of any beneficial owners of existing shares or Entitlements.
- (c) Eligible Shareholders holding shares on behalf of persons who are resident outside of Australia and New Zealand are responsible for ensuring that taking up their Entitlement in any application for additional New Shares and Options does not breach the laws and regulations in the relevant overseas jurisdictions. The making of the application by such Eligible Shareholders for New Shares and Options will constitute a representation and warranty that there has been no breach of such laws or regulations. Shareholders who are nominees should obtain independent advice as to how they should proceed should they wish to apply for New Shares and Options in relation to this Offer.

6.7 Underwriting Agreement

Under each Underwriting Agreement, the Company must pay to each Underwriter a fee of 2% of the Underwritten Amount in respect of Stephen van der Sluys and 2% of the Underwritten Amount in respect of John Newton. The fees may be paid by the Company to the Underwriters in cash or by the issue of New Shares and attaching Options, at the Company's election. To the extent that the Shortfall is less and \$125,000, then Stephen van der Sluys will subscribe for 60% of the Shortfall and John Newton will subscribe for 40% of the Shortfall.

The obligations of the Underwriters under each Underwriting Agreement are conditional on each of the following occurring:

- (a) the Underwriters approving, in their absolute discretion, the form of this Prospectus;
 - (b) lodgement of this Prospectus occurring on 8 May 2017; and
 - (c) the ASX granting permission for the quotation of the New Shares and attaching Options on the Official List on or before the Closing Date,
- (collectively, the **Conditions**).

If any of the Conditions are not satisfied, an Underwriter will have no obligation to subscribe for, or procure any other person to subscribe for, New Shares.

Either Underwriter may terminate its Underwriting Agreement, prior to the Company providing notice to an Underwriter of the number of Shortfall Shares after the Closing Date, if:

- (a) the S&P/ASX Index as published by the ASX falls 20% or more below its level as at close of business on the date of the Underwriting Agreement;
- (b) the Company does not lodge the Prospectus on or prior to 8 May 2017 or the Company withdraws the Prospectus or the Offer;
- (c) hostilities, political or civil unrest not presently existing commence (whether war has been declared or not) or a major escalation in existing hostilities, political or civil unrest occurs (whether war has been declared or not) involving any one or more of Australia, New Zealand, the United States of America, the United Kingdom, any member state of the European Union, Japan, Indonesia, North Korea or the Peoples Republic of China, 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;

- (d) there is:
 - (i) introduced into the Parliament of the Commonwealth of Australia or an Australian State or Territory a law intended to come into effect within 12 months; or
 - (ii) any official announcement on behalf of the Government of the Commonwealth of Australia or of the Government of an Australian State or Territory that a law will be introduced or policy adopted (as the case may be) with effect from the date of the announcement or within 3 months afterwards,

which has altered adversely or could reasonably be expected to alter adversely:
 - (iii) any condition or circumstances relating to the issue of the New Shares and attaching Options or the Prospectus existing at the time of execution of the Underwriting Agreement; or
 - (iv) the income tax position of the Company;
- (e) the Company chooses to or comes under an obligation, (including in accordance with the Corporations Act), to issue a supplementary or replacement prospectus or to repay any moneys received by the Company from any applicant, and fails to do so;
- (f) ASIC gives notice of intention to hold a hearing in relation to the Prospectus under section 739(2) of the Corporations Act or makes an order under sections 739(1), 739(3) or 739(4) of the Corporations Act;
- (g) ASIC gives notice of intention to hold a hearing examination, inspection, investigation, or it requires information to be disclosed, in connection with the Company, the Prospectus or the issue of the New Shares and attaching Options;
- (h) an order is made in connection with the Prospectus or the issue of the New Shares and attaching Options, including under sections 1324 and 1325 of the Corporations Act;
- (i) any director or general manager of the Company is prosecuted for a criminal offence;
- (j) there is an omission from, or a statement which is, or has become, false or misleading in the Prospectus and such omission or statement is or is likely to be materially adverse from the point of view of an investor;
- (k) any person, other than the Underwriter, who has previously consented to being named in the Prospectus, withdraws that consent whether publicly or not;
- (l) the Prospectus is withdrawn by the Company at any time prior to all the New Shares and attaching Options having been allotted;
- (m) ASIC gives notice of an intention to prosecute the Company, any Director or employee of the Company (or any Related Party of the Company), unless it withdraws that intention in writing on or before the Closing Date; and

- (n) ASX does not or indicates to the Company or the Underwriter that it will not permit official quotation of the New Shares and attaching Options.

Each Underwriting Agreement also contains a number of indemnities, representations and warranties from the Company to each Underwriter that are considered common for underwriting agreements of this type.

In addition to the termination rights of each Underwriter set out above, the Underwriters may terminate the Underwriting Agreements, if any of the following events occur and the event has a material adverse effect on the outcome of the Offer or could give rise to a liability of an Underwriter under the Corporations Act:

- (a) the Company fails to comply with:
 - (i) a clause of its constitution;
 - (ii) a statute; or
 - (iii) any policy or guidance of ASIC or any other requirement, order or request made by or on behalf of ASIC or any government agency;
- (b) the Company charges or agrees to charge the whole or a substantial part of its business or property to a third party;
- (c) there is a delay in the date specified in the timetable set out in section 3.5 of more than 5 Business Days;
- (d) the Company:
 - (i) disposes or agree to dispose of the whole or a substantial part of its business or property; or
 - (ii) ceases or threatens to cease carry on business,in either case, without the prior written consent of the Underwriter; or
- (e) if a new circumstance has arisen since the Prospectus was lodged and would have been required under Chapter 6D of the Corporations Act to be included in the Prospectus if it had arisen before the Prospectus was lodged and is, or is likely to be, materially adverse from the point of view of an investor.

6.8 Taxation implications

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of subscribing for New Shares and Options under this Prospectus. The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders.

Shareholders should consult their professional tax adviser in connection with subscribing for New Shares and Options under this Prospectus.

6.9 Market price of Shares

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

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

Highest	\$0.065	27 February, 2 March and 21, 24, 26, 27 April 2017
Lowest	\$0.048	15 February 2017
Last	\$0.065	4 May 2017

6.10 Remuneration of Directors

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

The total maximum remuneration of non-executive Directors is determined by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$250,000 per annum.

The annual remuneration (exclusive of superannuation) payable to each of the Directors in the post financial year and proposed annual remuneration for the current financial year is as follows:

Director	2016 Financial Year	2017 Financial Year
Stephen van der Sluys	Nil	\$180,000
John Byrne	Nil	\$24,000
John Newton	Nil	\$24,000

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

6.11 Interests of experts and advisers

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

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

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

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

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

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

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

The Underwriters have agreed to underwrite the Underwritten Amounts and are entitled to be paid approximately \$2,500.

Gadens has acted as the legal advisers to the Company in relation to the Offer and is entitled to be paid approximately \$35,000 (exclusive of GST) in respect of these services.

6.12 Consents

The party referred to in this section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this section; and
- (b) to the maximum extent permitted by law, expressly 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.

Gadens has given its written consent to being named as the legal advisers to the Company in relation to this Prospectus. Gadens has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

The Share Registry is included in this Prospectus for information purposes only. The Share Registry has not been involved in the preparation of this Prospectus but it has given its written consent to being named in this Prospectus and it has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

Each Underwriter has given his written consent to being named as an Underwriter to the Company in relation to this Prospectus. Neither Underwriter has withdrawn his consent prior to the lodgement of this Prospectus with ASIC.

6.13 Expenses of the offer

In the event that all Entitlements are accepted, the total expenses of the Offer are estimated to be approximately \$66,088 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	\$2,350
ASX fees	\$6,238
Legal fees	\$35,000
Underwriting fees	\$2,500
Printing and distribution	\$20,000
Total	\$66,088

6.14 Financial forecasts

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

6.15 Privacy

If you complete an Application, you will be providing personal information to the Company (directly or by the Share Registry). The Company collects, holds and will use that information to assess your application, service your needs as a security holder, facilitate distribution payments and corporate communications to you as a security holder and carry out administration.

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

You can access, correct and update the personal information that we hold about you. Please contact the Company or its Share Registry if you wish to do so at the relevant contact numbers set out on page 40 of this Prospectus.

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

6.16 Litigation

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

6.17 Continuous disclosure obligations

The Company is listed on the ASX and its Shares are quoted on the ASX under the code: JRV.

This document is issued pursuant to section 713 of the Corporations Act in accordance with the special prospectus content rules for offers of continuously quoted securities and options to acquire continuously quoted securities.

The Company is a 'disclosing entity' (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure requirements. As a listed company, the Company is subject to the Listing Rules that requires it to immediately notify ASX of any information concerning the Company of which it is or becomes aware and which a reasonable person would expect to have a material effect on the price or value of the Company's Shares.

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

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus that is required to satisfy the general disclosure test under section 710 of the Corporations Act. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

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

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

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

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the Annual Financial Report of the Company most recently lodged with ASIC;
 - (ii) any half year financial report lodged with ASIC by the Company after the lodgement of the Company's Annual Financial Report and before the lodgement of this Prospectus with ASIC; and
 - (iii) any continuous disclosure given by the Company after the lodgement of that Annual Financial Report and before lodgement of this document with ASIC.

For details of documents lodged by the Company with the ASX since the date of lodgement of the Annual Report and before the lodgement of this Prospectus with the ASIC, refer to the table set out below:

Date	Headline
04/05/2017	Becoming a Substantial Holder
04/05/2017	Change of Director's Interest Notice
03/05/2017	Appendix 3B
26/04/2017	Quarterly Activities Report
26/04/2017	Quarterly Cashflow Report
18/04/2017	Proposed Rights Issue
18/04/2017	Final Director's Interest Notice
13/04/2017	Board Changes and Update on Strategic Review
23/03/2017	Ceasing to be a substantial holder
03/03/2017	Half Yearly Report and Accounts
22/02/2017	Change in substantial holding
22/02/2017	Announcement of buy-back - Appendix 3C
10/02/2017	Director Changes
08/02/2017	Reduction in Issued Capital
08/02/2017	AUZ: Sophisticated investors secure \$1 million position
01/02/2017	Final Director's Interest Notice
31/01/2017	Quarterly Cashflow Report
30/01/2017	Quarterly Activities Report
27/01/2017	Change in substantial holding
13/12/2016	Becoming a substantial holder
06/12/2016	Initial Director's Interest Notice
05/12/2016	Initial Director's Interest Notice
05/12/2016	Initial Director's Interest Notice
30/11/2016	Initial Director's Interest Notice
30/11/2016	Initial Director's Interest Notice
30/11/2016	Initial Director's Interest Notice
30/11/2016	Final Director's Interest Notice
30/11/2016	Final Director's Interest Notice
30/11/2016	Final Director's Interest Notice
29/11/2016	Results of Meeting
28/11/2016	Director Appointment/Resignation
24/11/2016	Results of EGM
23/11/2016	EGM Requisitioned for 24th November 2016
22/11/2016	Appendix 3B
22/11/2016	Cleansing Notice
21/11/2016	Progress Report
21/11/2016	Cleansing Notice re 4th November 2016
21/11/2016	Amended Appendix 3B Dated 4th November 2016
18/11/2016	EGM Requisitioned for 24 November 2016
17/11/2016	Change of Director's Interest Notice
14/11/2016	Change of Registered Office
14/11/2016	Appendix 4G & Corporate Governance Statement
11/11/2016	Letter sent shareholders who requisitioned EGM on 24 Nov 2011
10/11/2016	Correct proxy form for EGM on 24th November 2016
08/11/2016	Change of Director's Interest Notice
04/11/2016	Appendix 3B
31/10/2016	Quarterly Cashflow Report
27/10/2016	Quarterly Activities Report
27/10/2016	General Meeting Called by Members
27/10/2016	Placement of Shares
26/10/2016	Notice of AGM and Proxy Form
20/10/2016	Notice of Members' Meeting Pursuant to S249F
14/10/2016	Progress Report
14/10/2016	AUZ: Successful capital raising to underpin scandium strategy
13/10/2016	TOV: JRV Panel Publishes Reasons
11/10/2016	Re Notice of Members' Resolutions Received

11/10/2016	Receipt of R & D Tax Offset
11/10/2016	Receipt of \$250,000 plus GST under Option Agreement
10/10/2016	Option Granted re EL7805 Scandium Prospect
10/10/2016	AUZ: Positions to become worlds largest scandium company
06/10/2016	Notice of Members' Resolutions for AGM
06/10/2016	TOV: JRV Panel Declines to Conduct Proceedings

6.18 Information availability

Information about the Company is publicly available and can be obtained from ASIC and ASX (including its website www.asx.com.au).

7. DIRECTORS' AUTHORISATION

The Directors have made all reasonable enquiries and on that basis have reasonable grounds to believe that any statements made by the Directors in the Prospectus are not misleading or deceptive. In respect of 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 that the persons making statements were competent to make such statements. 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 ASIC, or to the Directors' knowledge, before any issue of New Shares and Options pursuant to this Prospectus.

This Prospectus is prepared on the basis that certain matters may reasonably be expected to be known to Investors or their professional advisors.

Each of the Directors of the Company has consented to the lodgement of this Prospectus in accordance with section 720 of the Corporations Act, and has not withdrawn that consent.

John Newton
Director
For and on behalf of Jervois Mining Limited

8. DEFINED TERMS

In this Prospectus:

Applicant refers to a person who submits an Entitlement and Acceptance Form.

Application Money means the Offer Price multiplied by the sum of the number of New Shares to be accepted and Shortfall Shares applied for (if any).

AEST means Australian Eastern Standard Time.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or, where the context permits, the Australian Securities Exchange operated by ASX Limited.

Closing Date means 5.00 pm AEST on 9 June 2017 or such other date as the Directors in their absolute discretion determine, subject to the Listing Rules.

Company or **Jervois** means Jervois Mining Limited (ABN 52 007 626 575).

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the directors of the Company.

Eligible Shareholder means a Shareholder whose details appear on the Company's register of Shareholders as at the Record Date and which has a registered address in Australia or New Zealand.

Entitlement and Acceptance Form means the Entitlement and Acceptance Form accompanying this Prospectus.

Entitlement means the entitlement to subscribe for 1 New Share for every 4 Shares held by an Eligible Shareholder as at the Record Date and the grant of 1 Option for every New Share issued, and **Entitlements** has a corresponding meaning.

Expiry Date has the meaning given to it in clause 6.5(b).

Ineligible Shareholder means a Shareholder whose details appear on the Company's register of Shareholders as at the Record Date and who has a registered address in a country other than Australia or New Zealand.

Issue Date means the date that the New Shares and Options are issued to Eligible Shareholders who have subscribed for the shares in accordance with this Prospectus (being 19 June 2017).

Listing Rules means the Listing Rules of the ASX.

New Share means a new Share proposed to be issued pursuant to the Offer.

New Shareholder means any entity not currently recorded on the Company's register of Shareholders at the time they participate in any placement by the Company of any Shortfall Shares.

Offer or **Rights Issue Offer** means the non-renounceable pro rata offer of New Shares at an issue price of the Offer Price per New Share on the basis of 1 New Share for every 4 Shares held by Eligible Shareholders as at the Record Date with the grant of 1 free attaching Option for every 1 New Share issued under the Offer exercisable at \$0.05 (5 cents) and expires on the date which is 12 months after the issue date, pursuant to this Prospectus.

Offer Price means \$0.05 (5 cents) per New Share.

Opening Date means 16 May 2017.

Options means the options issued pursuant to the Offer, exercisable into Shares at \$0.05 (5 cents) per Share at any time from the date of issue up to the Expiry Date.

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

Placement Offer means any offer of part of the Shortfall pursuant to this Prospectus to either existing Shareholders and/or New Shareholders.

Prospectus means this Prospectus.

Record Date means 7.00 pm AEST on 11 May 2017.

\$ or **dollar** or **cents** are references to Australian currency.

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

Shareholder means a holder of Shares.

Share Registry means Computershare Investor Services Pty Limited (ACN 078 279 277).

Shortfall or **Shortfall Shares** means:

- (a) those New Shares offered under the Rights Issue Offer for which valid applications have not been received from Eligible Shareholders under their Entitlement; and
- (b) those New Shares to which any Shareholders who are not Eligible Shareholders as at the Record Date would have been entitled to apply for under the Rights Issue Offer, if they were Eligible Shareholders at the Record Date.

Shortfall Offer means the simultaneous offer for any part of the Shortfall pursuant to this Prospectus to existing Eligible Shareholders.

Underwriter means each of Stephen van der Sluys and John Newton;

Underwriting Agreement means each of the following:

- (a) the underwriting agreement between the Company and Stephen van der Sluys dated 5 May 2017; and
- (b) the underwriting agreement between the Company and John Newton dated 5 May 2017,

details of which are set out in section 6.7.

Underwritten Amount means \$75,000 in respect of Stephen van der Sluys and \$50,000 in respect of John Newton applied for under this Prospectus by Eligible Shareholders.

9. CORPORATE DIRECTORY

Registered Office

Suite 12
4 -10 Jamieson Street
CHELTENHAM VIC 3192

Corporate Office

Suite 12
4 -10 Jamieson Street
CHELTENHAM VIC 3192

Telephone: (03) 9583 0498
Facsimile: (03) 9583 0698
Website: www.jervoismining.com.au

Directors

Stephen van der Sluys	Executive Chairman and chief executive officer
John Byrne	Non-Executive director
John Newton	Non-Executive director

Company Secretary

Alwyn Davey

Share Registry

Computershare Investor Services Pty Limited
GPO Box 505
Melbourne, Victoria, 3001, Australia

Shareholder enquiries:
Telephone: 1300 850 505
Facsimile: (03) 9473 2500
Website: www.computershare.com