

Chapmans Limited

ACN 000 012 386

Prospectus

Offer

For the offers of:

- 494,000,000 Options to Eligible Participants (**Capital Raising Offer**);
- 300,000,000 Options to CPS Capital Group Pty Limited (ACN 088 055 636) (**CPS Offer**); and
- 79,040,000 Options to Eligible Brokers (**Eligible Brokers Offer**),

(together, the **Offers**).

This Prospectus has also been prepared primarily for the purposes of allowing the Options to be on-sold without disclosure and the Shares that are issued on exercise of the Options to be on-sold without disclosure in accordance with ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80.

Underwriting

The Offers are not underwritten.

IMPORTANT NOTICE

This Prospectus is a transaction specific prospectus for an offer of options to acquire continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

This is an important document that should be read in its entirety. Please read the instructions in this document and on the accompanying Application Form regarding acceptance of the Offers. If you do not understand this document you should consult your stockbroker, accountant or other professional adviser. The Securities offered by this Prospectus should be considered as highly speculative.

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1. IMPORTANT INFORMATION

1.1 General

The Prospectus is dated 14 June 2018 and a copy of this Prospectus was lodged with ASIC on that date. ASIC and ASX and their respective officers do not take any responsibility for the contents of this Prospectus or the merits of the investment to which the Prospectus relates.

This Prospectus is a transaction specific prospectus for an offer of options to acquire continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. The Options under this Prospectus are options to acquire Shares, which have been quoted on the official list of the ASX during the 3 months prior to the issue of this Prospectus.

The Offers are not available to the general public.

The Capital Raising Offer is only available to those persons to Eligible Participants. The Company will provide an Application Form to each Eligible Participant.

The CPS Offer is only available to CPS Capital Group Pty Limited (ACN 088 055 636) (**CPS**). The Company will provide an Application Form to CPS.

The Eligible Broker Offer is only available to Eligible Brokers. The Company will provide an Application Form to each Eligible Broker.

Within 7 days of the date of this Prospectus, the Company will make an application to ASX for the Options offered pursuant to this Prospectus to be admitted for quotation on ASX. No Options will be issued pursuant to this Prospectus later than 13 months after the date of this Prospectus.

1.2 Electronic Prospectus

In addition to issuing the Prospectus in printed form, a read-only version of the Prospectus is also available on the Company's website at www.chapmanslimited.com. Applications cannot be made online. Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian resident and must only access the Prospectus from within Australia. The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered electronic version of this Prospectus.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

1.3 Application for Securities

Please read the instructions in this Prospectus and on the accompanying Application Form regarding the acceptance of the relevant Offer. By returning an Application Form or lodging an Application Form with your stockbroker or otherwise arranging for payment for Securities in accordance with the instructions on the Application Form, you acknowledge that you have received and read this Prospectus, you have acted in accordance with the terms of the relevant Offer detailed in this Prospectus and you agree to all of the terms and conditions as detailed in this Prospectus.

Applications for Options offered pursuant to this Prospectus can only be submitted on an original Application Form which accompanies this Prospectus.

1.4 Risk factors

Before deciding to invest in the Company, potential investors should read the entire Prospectus. In considering the prospects for the Company, potential investors should consider the assumptions underlying the prospective financial information and the specific risk factors set out below and further risk factors set out in **Section 6** that could affect the performance of the Company (but are not exhaustive of all such potential risks). Potential investors should carefully consider these factors in light of personal circumstances (including financial and taxation issues) and seek professional advice from a stockbroker, accountant or other independent financial adviser before deciding to invest.

Risks specific to the Company include, without limitation:

(a) Cryptocurrency Related Business Activities

The Company has made and proposes to make investments in businesses considered crypto-currency-related businesses. The Company notes the following in relation to cryptocurrency-related business investments:

- investment into cryptocurrency related businesses are high risk in nature as cryptocurrencies are currently highly speculative;
- cryptocurrency-related businesses have a number of other risk factors, including but not limited to the following:
 - the development of new regulatory framework involving cryptocurrencies;
 - cryptocurrencies and cryptocurrency exchanges have raised regulatory issues across multiple jurisdictions;
 - in many countries, cryptocurrencies are subject to anti-money laundering and counter-terrorism funding legislations; and
- for its blockchain and cryptocurrency-related business investments, the Company has and will always endeavour to use the best of its ability to ensure that the Company and its subsidiaries comply with relevant local in-country regulatory requirements.

(b) Additional Requirements for Capital

The Company's ability to effectively implement its business and operations plans in the future, to take advantage of opportunities for acquisitions or other business opportunities and to meet any unanticipated liabilities or expenses which the Company may incur may depend in part on its ability to raise additional funds.

The Company may seek to raise further funds through equity or debt financing, joint ventures or other means. Market conditions which are then generally prevailing will impact on the price or cost at which the Company will be able to raise such funds and no assurance can be given that such funding will be available on terms acceptable to the Company. Failure to obtain sufficient financing for the Company's activities may result in delay and indefinite postponement of the Company's business. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its activities.

If the exercise price of the Options is lower than the market price of Shares, then it is unlikely the Options will be exercised.

(c) Dilution

If you do not exercise the Options, because either you sell those Options on market or you allow those Options to expire without being exercised, and other investors exercise their Options while you remain a Shareholder, your shareholding will be diluted.

(d) New business opportunities and acquisitions

The Company has to date and will continue to actively pursue and assess other new business opportunities. The Company cannot confirm the structure or proposed form of any potential business opportunity.

The acquisition of a business or asset may require the payment of monies (as a deposit) after only limited due diligence and prior to the completion of comprehensive due diligence. There can be no guarantee that any proposed acquisition will be completed or successful. If the proposed acquisition is not completed, monies already advanced may not be recoverable, which may have a material adverse effect on the Company.

If an acquisition is completed, the Directors will need to reassess, at that time, the funding allocated to current activities and the new business and/or assets, which may result in the Company reallocating funds from its existing activities and/or the raising of additional capital (if available). Furthermore, notwithstanding that an acquisition may proceed upon the completion of due diligence, the usual risks associated with the new business activities will remain.

Any new asset or business acquisition may change the risk profile of the Company, particularly if the new asset or business is located or operates in another jurisdiction and/or changes the Company's capital/funding requirements. Should the Company propose or complete the acquisition of a new asset or business activity, investors should re-assess their investment in the Company in light of the new asset/business activity.

(e) Market for Securities

There can be no guarantee that an active market in the Company's Securities will develop or that the price of the Options will increase or have any recognised value. There may be relatively few potential buyers or sellers of the Options on the ASX at any time. This may increase the volatility of the market price of the Options. It may also affect the prevailing market price at which Optionholders are able to sell their Options.

(f) Issue of Additional Securities

In certain circumstances, the Directors may issue equity securities without any vote or action by Shareholders. If the Company were to issue any equity securities the percentage ownership of existing Shareholders may be reduced and diluted.

1.5 Publicly available information

Information about the Company is publicly available and can be obtained from ASIC and ASX (including ASX's website www.asx.com.au). The contents of any website or ASIC or ASX filing by the Company are not incorporated into this Prospectus and do not constitute part of the Offers. 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. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision on whether or not to invest in Securities or the Company.

No person is authorised to give any information or make any representation in connection with the Offers which are not contained in this Prospectus. Any such extraneous information or representation may not be relied upon.

1.6 Offer restrictions

The offer of Securities made pursuant to this Prospectus are not made to persons or in places to which, or in which, it would not be lawful to make such an offer of Securities. No action has been taken to register the Offers under this Prospectus or otherwise permit the Offers to be made in any jurisdiction outside Australia. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law in those jurisdictions and therefore persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate applicable laws.

This Prospectus does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

1.7 Representations

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

1.8 Forward-looking statements

This Prospectus contains forward-looking statements which incorporate an element of uncertainty or risk, such as 'intents', 'may', 'could', 'believes', 'estimates', 'targets' or 'expects'. These statements are based on an evaluation of current economic and operating conditions, as well as assumptions regarding future events. These events, as at the date of this Prospectus, are expected to take place, but there is no guarantee that such will occur as anticipated or at all given that many of the events are outside the Company's control.

Accordingly, the Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur. The Company also notes that past performance is not a guide to future performance. Further, the Company may not update or revise any forward-looking statement if events subsequently occur or information subsequently becomes available that affects the original forward-looking statement.

1.9 Interpretation

A number of terms and abbreviations used in this Prospectus have defined meanings which are set out in **Section 9**.

All references in this Prospectus to \$, **AUD** or **dollars** are references to Australian currency, unless otherwise stated.

All references to time in this Prospectus relate to the time in Sydney, New South Wales.

2. CORPORATE DIRECTORY

Directors

Mr Peter Dykes – Executive Chairman

Mr Dato' Muhamad Adlan bin Berhan – Executive Director

Mr Anthony Dunlop – Director & Chief Investment Officer

Company Secretary

Mr Robert Lees

Registered Office

Level 10, 52 Phillip Street

Sydney NSW 2000

Share Registry*

Security Transfer Australia Pty Ltd

Suite 511, 155 King Street

Sydney NSW 2000

registrar@securitytransfer.com.au

Auditor*

Nexia Australia

1 Market Street

Sydney NSW 2000

Legal Advisor

Thomson Geer

Level 25, 1 O'Connell Street

Sydney NSW 2000

ASX Code

CHP

Website

www.chapmanslimited.com

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

3. TIMETABLE

The timetable for the Offers are as follows:

Event	Date
Lodgement of this Prospectus with ASIC	14 June 2018
Opening Date	14 June 2018
Closing Date	28 June 2018
Issue Dates	29 June 2018
Expected Date of Official Quotation of the Options (subject to ASX approval of that Official Quotation)	29 June 2018

The above dates are indicative only and may be subject to change. The Directors reserve the right to vary these dates, including the Closing Date, without prior notice but subject to any applicable requirements of the Corporations Act or the ASX Listing Rules. This may include extending the Offers or accepting late acceptances, either generally or in particular cases.

4. DETAILS OF THE OFFERS

4.1 The Capital Raising Offer

The Company is making an offer of 494,000,000 Options to Eligible Participants. Each Eligible Participant is entitled to apply for one Option for every Share issued and allotted to it pursuant to the Capital Raising. No consideration is payable for the grant of the Options under the Capital Raising Offer.

An Eligible Participant is free to apply for some, all or none of its entitlement to the Options under the Capital Raising Offer. Entitlements to the Options are non-renounceable. Accordingly, there will be no trading of rights on the ASX and Eligible Participants cannot transfer their entitlement of Options to another party.

4.2 The CPS Offer

The Company is making an offer of 300,000,000 Options to CPS. No consideration is payable for the grant of the Options under the CPS Offer as the Options are being issued as part of the consideration for services provided by CPS as lead manager to the Capital Raising.

CPS is free to apply for some, all or none of its entitlement to the Options under the CPS Offer. Entitlements to the Options are non-renounceable. Accordingly, there will be no trading of rights on the ASX and CPS cannot transfer its entitlement of Options to another party.

4.3 The Eligible Brokers Offer

The Company is making an offer of 79,040,000 Options to Eligible Brokers. No consideration is payable for the grant of the Options under the Eligible Brokers Offer as the Options are being issued as consideration for services provided by the Eligible Brokers in connection with the Capital Raising.

An Eligible Broker is free to apply for some, all or none of its entitlement to the Options under the Eligible Brokers Offer. Entitlements to the Options are non-renounceable. Accordingly, there will be no trading of rights on the ASX and Eligible Brokers cannot transfer their entitlement of Options to another party.

4.4 Further Terms of the Offers

The issue of the Options will be subject to ASX granting Official Quotation of the Options within 3 months after the date of issue of the Prospectus.

All of the Options under the Offers will form a new class of securities. The terms of the Options are set out in Section 7.3 of this Prospectus. The proposed issues of Options and their terms under each relevant Offer were approved by Shareholders at the Company's AGM on 31 May 2018.

4.5 Purpose of the Offers

The purpose of this Prospectus is not to raise capital, as the Options are being granted for nil consideration. If the Options are exercised, this will provide the Company with a potential source of additional capital.

The primary purpose of this Prospectus is to allow the Options to be on-sold within 12 months of their issue without disclosure under Part 6D.2 of the Corporations Act and the Shares that are issued on exercise of the Options to be on-sold within 12 months of their issue without disclosure under Part 6D.2 of the Corporations Act, in accordance with ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80.

By offering the Options under this Prospectus (being a disclosure document for the purposes of Part 6D.2 of the Corporations Act):

- (a) the on-sale of the Options within 12 months after their issue will not require disclosure under Part 6D.2 of the Corporations Act; and
- (b) the on-sale of the Shares issued on exercise of the Options within 12 months of their issue will likewise not require disclosure by virtue of the relief provided by ASIC Corporations (Sale Offers That Do Not Need Disclosure) instrument 2016/80.

While the issue of the Options and any issue of Shares pursuant to the exercise of the Options is not being undertaken by the Company for the purpose of the Optionholders selling or transferring the Options or underlying Shares, the Directors consider that the persons who are issued the Options and the underlying Shares should be entitled, if they wish, to on-sell their Securities prior to the expiry of 12 months after their issue without the need for disclosure under Part 6D.2 of the Corporations Act.

The right to on-sell Options and Shares issued pursuant to the exercise of the Options without disclosure under Part 6D.2 of the Corporations Act remains subject to section 707(2) of the Corporations Act (in respect of certain off-market sales by controllers of the Company) and section 707(5) of the Corporations Act (in respect of certain indirect off-market sales by controllers of the Company)

4.6 Rights and liabilities attaching to new Securities

The terms and conditions of the Options to be issued pursuant to the Offers are further described in **Section 7.3**. The rights and liabilities attaching to any Shares issued pursuant to the exercise of the Options are further described in **Section 7.4**.

4.7 Minimum subscription

There is no minimum subscription for the Offers.

4.8 Oversubscriptions

No oversubscriptions for the Offers will be accepted by the Company.

4.9 Underwriting

The Offers are not underwritten.

4.10 Applications

Applications for Securities under the Offers can only be made on the relevant original Application Form attached to or accompanying this Prospectus.

All applications must be completed in accordance with the detailed instructions on the Application Form.

Completed Application Forms must be received by the Company before 5.00pm (EST) on the Closing Date by either being delivered to, or mailed to, the following address:

Delivered to: Chapmans Limited Level 10, 52 Phillip Street Sydney NSW 2000	Posted to: Chapmans Limited Level 10, 52 Phillip Street Sydney NSW 2000
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An original, completed and lodged Application Form constitutes a binding and irrevocable offer to subscribe for the number of Securities specified in each Application Form. The Application Form does not need to be signed to be valid.

If the Application Form is not completed correctly, it may be treated by the Company as valid. The Directors' decision as to whether to treat such an Application Form as valid and how to construe, amend or complete the Application Form is final.

Applicants are encouraged to lodge their Application Forms as soon as possible, as the Offers may close early without notice.

4.11 Allocation and issue of Securities

Subject to satisfaction of the relevant condition specified in **Section 4.12**, the issue of Securities will occur as soon as practicable after the Closing Date. Holding statements will then be dispatched as required by ASX. It is the responsibility of Applicants to determine whether they have been allocated any Options pursuant to the Offers prior to trading in those Options or Shares pursuant to the exercise of those Options. Applicants who sell the Securities before they receive their holding statement will do so at their own risk.

The Directors reserve the right to reject any Application Form or to issue a lesser number of Options than that applied for under the Offers.

4.12 ASX quotation

The Company will apply to ASX within 7 days after the date of this Prospectus for Official Quotation of the Options offered under this Prospectus.

If the Company becomes aware during the 3 month period after the date of issue of the Prospectus that ASX will not or is unlikely to grant Official Quotation of the Options, the Company will, before the expiry of that 3 month period and before issuing the Options, issue a replacement or supplementary prospectus which sets out prescribed information (including the fact that the Options will be issued unquoted) and provide Eligible Participants, CPS and Eligible Brokers who have applied for Options with withdrawal rights, in accordance with ASIC Corporations (Minimum Subscription and Quotation Conditions) Instrument 2016/70. If the Company is not aware that ASX will not or is unlikely to grant Official Quotation of the Options before the expiration of 3 months after the date of issue of the Prospectus (or such longer period as may be varied by ASIC), then according to section 723 of the Corporations Act the Company cannot issue any Options under this Prospectus if Official Quotation of the Options is not granted within that time period.

There can be no guarantee of whether ASX will grant Official Quotation of the Options, but if ASX does grant such Official Quotation, that is not to be taken in any way as an indication of the merits of the Company or the Securities now offered for subscription.

4.13 Overseas investors

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or to extend such an invitation. No action has been taken to register this Prospectus or otherwise to permit an offering of Securities in any jurisdiction outside Australia. It is the responsibility of non-Australian resident investors to obtain all necessary approvals and comply with all relevant regulations for the issue to them of Securities offered pursuant to this Prospectus. Return of a duly completed Application Form will constitute a representation and warranty that there has been no breach of such regulations.

4.14 CHESS and issuer sponsorship

The Company operates an electronic CHESS sub-register and an electronic issue sponsored sub-register. These two sub-registers will make up the Company's register of Securities.

The Company will not issue certificates to security holders. Rather, holding statements (similar to bank statements) will be dispatched to security holders as soon as practicable after issue. Holding statements will be sent either by CHESS (for security holders who elect to hold Securities on the CHESS sub-register) or by the Company's Share Registry (for security holders who elect to hold their Securities on the issuer sponsored sub-register). The statements will set out the number of Securities issued under this Prospectus and the Holder Identification Number (for security holders who elect to hold Securities on the CHESS sub register) or Shareholder Reference Number (for security holders who elect to hold their Securities on the issuer sponsored sub-register). Updated holding statements will also be sent to each security holder following the month in which the

balance of their security holding changes, and also as required by the ASX Listing Rules and the Corporations Act.

4.15 Privacy disclosure

Persons who apply for Securities pursuant to this Prospectus are asked to provide personal information to the Company, either directly or through the Share Registry. The Company and the Share Registry collect, hold and use that personal information to assess applications for Securities, to provide facilities and services to security holders, and to carry out various administrative functions. Access to the information collected may be provided to the Company's agents and service providers and to ASX, ASIC and other regulatory bodies on the basis that they deal with such information in accordance with the relevant privacy laws.

The information may also be used from time to time and disclosed to persons inspecting the register, including bidders for your securities in the context of takeovers, regulatory bodies including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the share registry. If the information requested is not supplied, applications for Securities will not be processed. In accordance with privacy laws, information collected in relation to specific Shareholders can be obtained, corrected and updated by that Shareholder through contacting the Company or the Share Registry.

4.16 Taxation

It is the responsibility of all investors to satisfy themselves of the particular taxation treatment that applies to them in relation to the Offers, by consulting their own professional tax advisors. The Company and the Directors do not accept any liability or responsibility in respect of the taxation consequences of the matters referred to in this Prospectus.

4.17 Enquiries

This document is important and should be read in its entirety. Persons who are in any doubt as to the course of action to be followed should consult their stockbroker, lawyer, accountant or other professional advisor without delay. Questions relating to the Offers can be directed to the Company Secretary, Robert Lees, on +61 2 9299 9580.

5. EFFECT OF THE OFFERS

5.1 Effect of the Offers

The effect of the Offers, assuming that 873,040,000 Options are issued pursuant to the Offers, will be that the number of Options on issue will increase from 0 to 873,040,000. There is no capital being raised under the Offers.

The Company will receive \$0.015 for each Option that is exercised. If all the Options offered pursuant to this Prospectus are applied for, issued and exercised, the Company will receive approximately \$13,095,600.00. The likelihood of the Company raising additional capital through the exercise of the Options is dependent on the market price of the Shares from time to time until the Options expire.

It is currently intended that any funds raised by the exercise of the Loyalty Options will be used for working capital and investment capital.

5.2 Capital structure

The capital structure of the Company following completion of the Offers is set out below.

Shares	Full Subscription
Shares on issue at the date of this Prospectus	1,819,000,000
Shares to be issued under the Offers	0
Total Shares on issue at completion of the Offers	1,819,000,000

Options	Full Subscription
Unlisted Options on issue as at the date of this Prospectus	0
Listed Options on issue at the date of this Prospectus	0
Listed Options to be issued under the Offers ¹	873,040,000
Total Options on issue at completion of the Offers	873,040,000

¹This assumes the Offers are fully subscribed and no other Options are issued.

Fully Diluted Share Capital	Full Subscription
Shares on issue at the date of this Prospectus	1,819,000,000
Total Shares on issue at completion of the Offers	1,819,000,000
Total Shares on issue if all Options on issue on completion of the Offers are exercised ²	2,692,040,000

²This assumes no other Shares are issued between the date of this Prospectus and the date of exercise of the last Option on issue.

5.3 Pro forma statement of financial position

Set out below is the audited statement of financial position of the Company and the unaudited pro forma statement of financial position, as at 31 December 2017, prepared on the basis of the following assumptions:

- (a) the Offers were effective on 14 June 2018; and
- (b) no further Securities are issued.

The pro forma statement of financial position has been prepared on the basis of the Audited Financial Statements for the financial year ending 31 December 2017 lodged on 31 March 2018.

Notes

Adjustments related to the Offers assume costs of the Offers of \$12,050, and that no funds are received from the issue of Options.

The pro forma statement of financial position does not include any events subsequent to 31 December 2017 other than the issue of:

- (a) 25,000,000 Shares pursuant to a placement at an issue price of \$0.015 per share on 13 February 2018;
- (b) 198,750,000 Shares pursuant to a placement at an issue price of \$0.008 on 16 April 2018; and
- (c) 295,250,000 Shares on 5 June 2018 for the satisfaction of amounts owing by the Company,

(together, the **Previous Issues**)

to investors to whom the Company is not required to issue a disclosure document under the Corporations Act).

	Audited 31 December 2017 \$	Adjustments in relation to the Previous Issues \$	Adjustments related to the Offer \$	Unaudited Pro Forma 31 December 2017 \$
Current Assets				
Cash assets	41,943	4,327,000	(12,050)	4,356,893
Trade and other receivables	596,295	-	-	596,295
Total Current Assets	638,238	4,327,000	(12,050)	4,953,188
Non-Current Assets				
Financial assets	2,860,008	-	-	2,860,008
Investments accounted for under the equity method	626,509	-	-	626,509
Plant & Equipment	7,386	-	-	7,386
Total Non-Current Assets	3,493,903	-	-	3,493,903
TOTAL ASSETS	4,132,141	4,327,000	(12,050)	8,447,091
Current Liabilities				
Trade and other payables	572,437	-	-	572,437
Borrowings	10,320	-	-	10,320
Total Current Liabilities	582,757	-	-	582,757
Non-Current Liabilities				
Borrowings	-	-	-	-
Total Current Liabilities	-	-	-	-
TOTAL LIABILITIES	582,757	-	-	582,757
NET ASSETS	3,549,384	4,327,000	(12,050)	7,864,334
EQUITY				
Contributed equity	27,383,547	4,327,000	(12,050)	31,698,497
Accumulated losses	(26,993,221)	-	-	(26,993,221)
Reserves	100,186	-	-	100,186
Equity Attributable to owners of Chapmans Ltd	490,512	4,327,000	(12,050)	4,805,462
Non controlling interest	3,058,872	-	-	3,058,872
TOTAL EQUITY	3,549,384	4,327,000	(12,050)	7,864,334

5.4 Effect of the Offers on control

Optionholders must have regard to and comply with the takeovers prohibition in section 606 of the Corporations Act (that is, the 20% voting power threshold) (**section 606**), when exercising Options granted under this Prospectus.

The Company expressly disclaims any responsibility for ensuring that Optionholders do not breach section 606 as a result of the exercise of the Options.

If Optionholders may be at risk of breaching section 606 as a result of the exercise of Options, the choices available to them include:

- (a) selling their Options, either on market (if the Options are granted official quotation by the ASX) or off market;
- (b) selling some or all of their Shares prior to exercising any Options held by them; or
- (c) relying on another exemption from the takeovers prohibition in section 611 of the Corporations Act (such as the 3% in 6 months' creep exemption in item 9 of that section).

If an Optionholder may be at risk of exceeding the 20% voting power threshold in section 606 or increasing their voting power from a position above 20% as a result of the acquisition of Shares following exercise of Options, Optionholders should seek professional advice before exercising Options.

The following table sets out the potential dilutionary effect of the Offers assuming that all Options issued pursuant to the Offers are exercised.

Full Subscription		
Existing Shares	Shares to be issued upon exercise of all of the Options	% dilution
1,819,000,000	873,040,000	~48.0%

6. RISK FACTORS

As with any securities investment, there are risks associated with an investment in the Company. The numerous risk factors are both of a specific and a general nature. Some can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated.

This **Section 6** along with **Section 1.4** identify the major areas of risk associated with an investment in the Company, but should not be taken as an exhaustive list of the risk factors to which the Company and its securityholders are exposed. Potential investors should read the entire Prospectus and the Company's ASX announcements and consult their professional advisor before deciding whether to apply for Options.

These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares and Options in the future.

The Board aims to manage these risks by carefully planning its activities and implementing risk control measures. Some of the risks are, however, highly unpredictable and the extent to which they can effectively manage them is limited.

6.1 Key risks

Risks specific to the Company are set out in **Section 1.4**.

6.2 Industry Specific Risks

(a) Unforeseen expenditure risk

Expenditure may need to be incurred that has not been taken into account by the Company. If such unforeseen expenditure is subsequently incurred, this may adversely affect the Company's financial position and financial performance.

(b) Dependence on outside parties

The Company may pursue a strategy that forms strategic business relationships with other organisations. There can be no assurance that the Company will be able to attract such prospective organisations and to negotiate appropriate terms and conditions with these organisations.

6.3 General risks

(a) Policies and legislation

Any material adverse changes in Federal, State or Territory government policies or legislation of Australia and in other jurisdictions in which the Company operates or may operate may affect the viability and profitability of the Company.

(b) Share market

Share market conditions may affect the value of the Company's quoted Securities regardless of the Company's operating performance. The market price of the Shares (and the Company's quoted Options) may be subject to fluctuation and may be affected by many factors including, but not limited to, the following:

- general economic outlook;
- interest rates and inflation rates;
- currency fluctuations;
- commodity price fluctuations;
- changes in investor sentiment toward particular market sectors;

- the demand for, and supply of, capital; and
- terrorism or other hostilities.

There is also no guarantee that an active market in the Securities will develop or that the price of the Securities will increase. There may be relatively few or no buyers or sellers of Shares or quoted Options on the ASX at any particular time. Further, no guarantee can be given that the Share price will be greater than the exercise price of the Options during the period up to expiry of the Options. Accordingly, there is a risk that the Options will be out of the money during their exercise period, which would affect the value of the Options.

The market price of Securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company. Investors may therefore realise less than, or lose all of, their investment.

(c) Competition

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

(d) Economy

The future viability of the Company is also dependent on a number of factors which may affect the performance of all industries and not just the exploration and mining industries including, but not limited to, the following:

- general economic conditions;
- changes in Government policies, taxation and other laws;
- the strength of the equity and share markets in Australia and throughout the world and, in particular, investment sentiment towards the commodities sector;
- movement in, or outlook on, exchange rates, interest rates and inflation rates; and
- natural disasters, social upheaval or war.

(e) Taxation

In addition to the Company being at risk of adverse taxation events and reforms in taxation laws (and other laws) the acquisition and disposal of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities from a taxation viewpoint and generally.

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

(f) Litigation risks

The Company is exposed to possible litigation risks including, without limitation, native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.

(g) Reliance on key personnel

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its management and its Directors. There can be no assurance given that there will be no detrimental impact on the Company if one or more of those individuals cease to be appointed to the Company.

(h) Insurance risks

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

Insurance against all risks faced by the Company is not always available and where available the costs can be prohibitive.

(i) Speculative investment

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

The Options proposed to be issued pursuant to this Prospectus should be considered speculative due to the nature of the Company's business. Therefore, the Options to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or market value.

Potential investors must make their own assessment of the likely risks and determine whether an investment in the Company is appropriate to their own circumstances.

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

7. ADDITIONAL INFORMATION

7.1 Continuous disclosure obligations

The Company is a “listed disclosing entity” for the purposes of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations which, among other things, require it to disclose to the ASX any information of which it is, or becomes, aware concerning the Company and which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

By virtue of section 713 of the Corporations Act, the Company is entitled to issue a “transaction-specific” prospectus in respect of the Offers.

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

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

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

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

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

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with 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, an office of 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 most recently lodged with ASIC by the Company;
 - (ii) any half-year financial report lodged with ASIC by the Company after the lodgement of the annual financial report referred to in **Section 7.1(c)(i)** and before the lodgement of a copy of this Prospectus with ASIC; and
 - (iii) all continuous disclosure notices given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in **Section 7.1(c)(i)** before the lodgement of this Prospectus with ASIC (see below).

There is no information which has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules that investors or their professional advisers:

- (a) would reasonably require for the purpose of making an informed assessment of:
- (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - (ii) the rights and liabilities attaching to the Options or the Shares pursuant to the exercise of the Options subject of this Prospectus; and
- (b) would reasonably expect to find in this Prospectus.

This Prospectus contains information specific to the Offers. If investors require further information in relation to the Company, they are recommended to take advantage of the opportunity to inspect or obtain copies of the documents referred to above.

Copies of all documents lodged with ASIC in relation to the Company can be obtained from, or inspected at, an ASIC office, or they may be inspected at the registered office of the Company during normal office hours. Copies of documents lodged with ASX, in relation to the Company, including the Company's corporate governance policies, may be obtained from the Company's website.

The following announcements have been lodged with the ASX in respect of the Company since the lodgement of the 2017 annual report.

Date	Heading
06/06/2018	Ceasing to be a substantial holder
05/06/2018	Disclosure Document - Cleansing Prospectus
05/06/2018	Appendix 3B
04/06/2018	Securrency Update
31/05/2018	Results of Meeting
25/05/2018	Ceasing to be a substantial holder for RFN
22/05/2018	Amended Appendix 4C
22/05/2018	Change in substantial holding for RFN
18/05/2018	Final Director's Interest Notice
16/05/2018	Change of Auditor
11/05/2018	Change of Company Secretary and Director Resignation
09/05/2018	GPU.One Update
01/05/2018	Notice of Annual General Meeting/Proxy Form
01/05/2018	Quarterly Activities Report and Appendix 4C
26/04/2018	CHP Completes \$2.55M Investment in GPU.One
16/04/2018	Reinstatement to Quotation
16/04/2018	Prospectus
16/04/2018	Appendix 3B
16/04/2018	CHP Secures Amended GPU.One Term Sheet & Capital Raise
12/04/2018	Response to ASX Query Letter
10/04/2018	Amendment to GPU.One Presentation
05/04/2018	Securrency Investment Update
03/04/2018	Appendix 4G
03/04/2018	Corporate Governance Statement
03/04/2018	Annual Report to shareholders

7.2 Determination by ASIC

ASIC has not made a determination which would prevent the Company from relying on section 713 of the Corporations Act in issuing the Options under this Prospectus.

7.3 Terms and Conditions of the Options

The following are the terms and conditions of the Options being offered pursuant to this Prospectus.

- (a) Each Option will entitle the Optionholder to subscribe for one Share in the Company (subject to possible adjustments referred to in paragraph (j), (k) and (l) below).
- (b) Each Option is exercisable at any time after the date of issue and before 30 November 2021 (**Expiry Date**). Options not exercised before the Expiry Date will lapse.
- (c) The exercise price of each Option is \$0.015 (**Exercise Price**).
- (d) Options are exercisable by notice in writing to the Company, delivered to the registered address of the Company and accompanied by the full payment of the Exercise Price in cleared funds.
- (e) Some or all of the Options may be exercised at any one time or times prior to the Expiry Date, provided that at least 12,500,000 Options are exercised each time.
- (f) Shares issued pursuant to the exercise of any of the Options will rank in all respects on equal terms with the existing Shares. The Company will seek to have the Shares issued on exercise of the Options admitted to the official list of ASX.
- (g) The Company will seek to have the Options admitted to the official list of ASX and the Options will be listed on ASX subject to ASX approval.
- (h) Subject to applicable law, the ASX Listing Rules and the ASX Settlement Operating Rules, each Option will be freely transferable at anytime before the Expiry Date.
- (i) Options will not entitle the Optionholder to participate in any new issue of securities by the Company unless the Option has been duly exercised prior to the relevant record date. The Company will ensure that for the purposes of determining entitlements to participate in any new issues of securities to holders of Shares, that the record date will be in accordance with the ASX Listing Rules and timetables.
- (j) If there is a bonus issue to the holders of Shares:
 - (i) the number of Shares over which the Option is exercisable will be increased by the number of Shares which the holder of the Option would have received if the Option had been exercised before the record date of the bonus issue; and
 - (ii) no change will be made to the Exercise Price.
- (k) If, prior to the Expiry Date, the issued capital of the Company is reconstructed (including consolidation, subdivision, reduction of return), the rights of the Optionholder will be varied to the extent necessary to comply with the ASX Listing Rules which apply to the reconstruction at the time of the reconstruction.
- (l) The exercise price and the one-for-one exercise ratio are fixed for the life of the Options subject to reconstruction under (k), the ASX Listing Rules and the Corporations Act.

7.4 Rights and liabilities attaching to the Shares

The following is a general description of the more significant rights and liabilities attaching to the Shares to be issued on exercise of the Options. This summary is not exhaustive. Full details of provisions relating to rights attaching to the Shares are contained in the Corporations Act, ASX

Listing Rules and the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) General Meetings

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

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

(b) Voting Rights

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

- (i) each shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a shareholder or a proxy, attorney or representative of a shareholder has one vote; and
- (iii) on a poll, every person present who is a shareholder or a proxy, attorney or representative of a shareholder shall, in respect of each fully paid share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the share, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such shares registered in the shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) Dividend Rights

Subject to the rights of persons (if any) entitled to shares with special rights to dividend the Directors may declare a final dividend out of profits in accordance with the Corporations Act and may authorise the payment or crediting by the Company to the shareholders of such a dividend. The Directors may authorise the payment or crediting by the Company to the shareholders of such interim dividends as appear to the Directors to be justified by the profits of the Company. Subject to the rights of persons (if any) entitled to shares with special rights as to dividend all dividends are to be declared and paid according to the amounts paid or credited as paid on the shares in respect of which the dividend is paid. Interest may not be paid by the Company in respect of any dividend, whether final or interim.

(d) Winding-Up

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

(e) Shareholder liability

As the Shares issued pursuant to the exercise of the Options are fully paid shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) Transfer of Shares

Generally, shares 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 ASX Listing Rules.

(g) Variation of Rights

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

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(h) Alteration of Constitution

The Constitution can only be amended by a special resolution passed by at least three quarters of the votes cast by Shareholder entitled to vote at the general meeting. In addition, at least 28 days' written notice specifying the intention to propose the resolution as a special resolution must be given.

7.5 Consents

Each of the parties referred to as consenting parties who are named below:

- (a) does not make the Offers;
- (b) has not authorised, and has not caused the issue of this Prospectus;
- (c) has not made, or purported to make, any statement in this Prospectus or any statement on which a statement made in this Prospectus is based, except to the extent specified in this **Section 7.5**;
- (d) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any statements in or omissions from this Prospectus; and
- (e) has given and has not, before the lodgement of this Prospectus with ASIC, withdrawn its written consent to be named in this Prospectus in the form and context in which it is named.

Legal Advisor	Thomson Geer
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7.6 Directors', experts' and advisers' consents and interests

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

- Director or proposed Director (or any firm in which any such Director or proposed Director is a partner or director);
- 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;
- promoter of the Company; or

- underwriter to the issue of the Securities or financial services licensee named in this Prospectus as being involved in the issue of the Securities,

holds at the date of this Prospectus or held at any time during the two years preceding lodgement of this Prospectus with ASIC, any interest in:

- the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or the offer of Securities under the Offers; or
- the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons:

- in the case of the Directors or any proposed Directors, as an inducement to become or qualify as a Director; or
- for services provided in connection with:
 - a. the formation or promotion of the Company; or
 - b. the Offers.

Thomson Geer has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Thomson Geer \$8,000 (excluding GST and disbursements) for these services.

The Company is party to deeds of access and indemnity with each of the Directors. Under the deeds, the Company indemnifies each Director to the extent permitted by the Corporations Act against any liability arising as a result of the Director acting as a Director of the Company. The Company must allow the Directors to inspect Board papers in certain circumstances once the relevant Director ceases to be a director of the Company.

(a) Directors' Relevant Interests in securities

As at the date of this Prospectus, the Directors had the following Relevant Interests in Shares:

Director	Number
Peter Dykes	72,862,502
Dato' Muhamad Adlan bin Berhan	40,050,000
Anthony Dunlop	35,075,000

(b) Remuneration

The Constitution provides that the Directors may be paid for their services as directors a maximum total amount (excluding salaries) determined by the Company in general meeting. Executive Directors are entitled to be remunerated by salary or other employment related benefits in accordance with their employment agreements. The table below sets out the remuneration paid, or due to be paid, to the Directors, inclusive of superannuation (exclusive of GST) for the two financial years prior to the date of this Prospectus and for the current financial year until the date of this Prospectus:

Director	Proposed remuneration to be paid in 2018 financial year	Remuneration paid in 2017 financial year	Remuneration paid in 2016 financial year
Peter Dykes	\$480,000	\$421,200	\$514,500
Dato' Muhamad Adlan bin Berhan*	\$-	\$-	\$-
Anthony Dunlop	\$480,000	\$542,000	\$514,500

*Appointed 11 August 2017

(c) **Director Disclosure**

No Director has been the subject of any disciplinary action, criminal conviction, personal bankruptcy or disqualification in Australia or elsewhere in the last 10 years which is relevant or material to the performance of their duties as a Director or which is relevant to an investor's decision as to whether to subscribe for Options under the Offers.

Except as set out below, no Director has been an officer of a company that has entered into any form of external administration as a result of insolvency during the time that they were an officer or within a 12-month period after the ceased to be an officer.

Anthony Dunlop was a director of Capital Mining Limited at the time that it entered into external administration on 16 May 2018.

Peter Dykes was a director of Capital Mining Limited within 12 months of the time that it entered into external administration on 16 May 2018.

Peter Dykes was a director of Stirling Wealth Group Limited within 12 months of the time that it entered into external administration on 15 May 2018.

The other Director, being Dato' Muhamad Adlan bin Berhan, does not believe that the above matters are material to or indicative of future performance of Mr Dunlop or Mr Dykes' duties as a Director of the Company or the future performance or prospects of the Company.

7.7 Details of substantial holders

Based on publicly available information as at 14 June 2018, there are no persons that have a relevant interest in 5% or more of the Shares on issue.

7.8 Expenses of the Offers

The estimated expenses of the Offers (exclusive of GST) are as follows:

Expense	Full Subscription
ASIC fees	\$2,400
ASX fees	\$1,650
Other costs (including legal)	\$8,000
Total	\$12,050

7.9 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.

During the three month period prior to the date of this Prospectus, the highest and lowest Share

price respectively has been \$0.01 (on 14 March 2018) and \$0.003 (on 13 June 2018). The last market sale price per Share prior to the date of this Prospectus was \$0.003 (on 13 June 2018).

7.10 Litigation

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

7.11 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 financial performance 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.

8. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

Signed for and on behalf of the Company on 14 June 2018.

A handwritten signature in black ink, appearing to be 'PD', with a horizontal line extending to the right.

Peter Dykes
Executive Chairman
Chapmans Limited

9. DEFINITIONS

Definitions used in this Prospectus are as follows:

Applicant means an applicant for Securities under the Offers.

Application Form means an application form in respect of the Offers attached to and forming part of this Prospectus.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ACN 008 624 691 or the Australian Securities Exchange, as the context requires.

ASX Listing Rules means the ASX Listing Rules published and distributed by the ASX.

Board means the board of Directors of the Company from time to time.

Capital Raising means the capital raising of 494,000,000 Shares to sophisticated, professional and other investors at a price of \$0.008 per Share completed by the Company to raise \$3,952,000, and announced to the ASX on 16 April 2018.

Capital Raising Offer means the offer of 494,000,000 Options to Eligible Participants as set out in Section 4.1 of this Prospectus.

CHES means ASX Clearing House Electronic Sub-register System.

Closing Date means the date that the Offers close which is 5.00pm (EST) on 28 June 2018 or such other time and date as the Directors determine.

Company means Chapmans Limited ACN 000 012 386.

Company's AGM means the annual general meeting of the Company which held on 31 May 2018.

Constitution means the constitution of the Company.

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

CPS means CPS Capital Group Pty Limited (ACN 088 055 636).

CPS Offer means the offer of 300,000,000 Options to CPS as set out in Section 4.2 of this Prospectus.

Director means a director of the Company.

Eligible Brokers means brokers who introduced Eligible Participants to the Capital Raising.

Eligible Brokers Offer means the offer of 79,040,000 Options to Eligible Brokers as set out in Section 4.3 of this Prospectus.

Eligible Participants means those persons to whom Shares were issued pursuant to the Capital Raising.

EST means Eastern Standard Time in Australia.

Offers means the Capital Raising Offer, CPS Offer and Eligible Brokers Offer.

Official Quotation means official quotation on ASX.

Opening Date means the first date for receipt of completed Application Forms which is 14 June 2018 or such other time and date as the Directors determine.

Option means an option to acquire a Share, the terms of which are set out in Section 7.3 of this prospectus.

Optionholder means a holder of one or more Options.

Previous Issues has the meaning set out in Section 5.3.

Prospectus means this prospectus dated 14 June 2018.

Relevant Interest has the meaning given to it by sections 608 and 609 of the Corporations Act.

Section means a section of this Prospectus, unless otherwise specified.

Securities means Shares and Options.

Share means a fully paid ordinary share in the Company.

Share Registry means Security Transfer Australia Pty Ltd.

Shareholder means the registered holder of a Share.