

OAKDALE RESOURCES LIMITED

ACN 009 118 861

OPTIONS PROSPECTUS

For an offer of up to 29,809,555 Options exercisable at \$0.04 each expiring at 5:00 pm (WST) on 31 December 2021, on the basis of one (1) free-attaching Option for every two (2) Shares subscribed for by Eligible Shareholders under the Share Purchase Plan (**SPP Options Offer**).

This Prospectus also contains the following additional offers:

- (a) an offer of up to 89,928,058 Options pursuant to sophisticated and professional investors who subscribed for Shares under the Placement as described in section 3.3 (**Placement Options Offer**);
- (b) an offer of up to 35,000,000 Options to the Underwriter of the Share Purchase Plan and Lead Manager of the Placement (or its nominee) as described in section 3.4 (**Broker Offer**); and
- (c) an offer of up to 6,000,000 Options to consultants engaged by the Company as described in section 3.5 (**Consultant Offer**).

The issue of Options under the SPP Options Offer, the Placement Options Offer, the Broker Offer and the Consultant Offer are together, referred to as the **Offers**.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Options being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

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

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1. CORPORATE DIRECTORY

Directors

Chris Gale
Executive Chairman

John Lynch
Non-Executive Director

David Vilensky
Non-Executive Director

Company Secretary

Hemant Amin

Share Registry*

Security Transfer Australia Pty Ltd
770 Canning Highway
APPLECROSS WA 6153

Telephone: 1300 992 916 (within
Australia)
Telephone: +61 3 9628 2200
(overseas)

Auditor*

Hall Chadwick Audit (WA) Pty Ltd
283 Rokeby Road
SUBIACO WA 6008

Registered Office

Unit 3
32 Harrogate Street
WEST LEEDERVILLE WA 6007

Telephone: + 61 8 6117 4797
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Email: info@oakdaleresources.com.au
Website: www.oakdaleresources.com.au

ASX: OAR

Solicitors

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

Underwriter and Lead Manager

PAC Partners Securities Pty Ltd
(Authorised Representative Number 1261290
of PAC Asset Management Pty Ltd, Holder
of AFSL No. 335374)
10/330 Collins Street
MELBOURNE VIC 3000

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

2. SUMMARY OF IMPORTANT DATES AND INFORMATION

2.1 Timetable

Event	Date ¹
Lodge Prospectus with the ASIC and ASX	23 September 2019
Opening date of Offers under the Prospectus	23 September 2019
Closing Date of Offers under the Prospectus ¹	5:00 pm (WST) on 27 September 2019
Lodge Appendix 3B, Cleansing Notice, SPP Options under SPP and Shares and Options under the Placement ¹	5:00 pm (WST) on 3 October 2019
Quotation of Options on the ASX ²	7 October 2019

Notes:

1. These dates are indicative only and subject to change. The Directors reserve the right to vary these dates, including the Closing Date of the Offers, without prior notice.
2. The issue and trading of Options may be deferred in the event the Company is unable to satisfy the ASX Listing Rules for the quotation of the Options.
3. It is intended that the previously announced unmarketable parcel buyback will be undertaken following the completion of the Offers.

2.2 Important Notes

This Prospectus is dated 23 September 2019 and was lodged with the ASIC and ASX on that date. The ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

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

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

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

This Prospectus is a transaction specific prospectus for an offer of 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.

2.3 ASIC Class Order on Share Purchase Plans

In certain circumstances a listed company may undertake a share purchase plan in accordance with ASIC Class Order CO 09/425 (**Class Order**). This Class Order allows a share purchase plan to be conducted without the use of a prospectus.

The Company relied on the Class Order in respect of the Shares to be issued pursuant to the SPP, however, it is unable to rely on the Class Order for the Options issued pursuant to the Offers because the relief only extends to Shares. Accordingly, the Company is undertaking the Offers under this Prospectus.

2.4 Risk factors

Potential investors should be aware that subscribing for Options in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in section 6 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Options in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Options pursuant to this Prospectus.

2.5 Taxation implications

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of applying for 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. As a result, Shareholders should consult their professional tax adviser in connection with applying for Options under this Prospectus.

2.6 Forward-looking statements

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

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

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

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

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

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

3. DETAILS OF THE OFFERS

3.1 Background to Offers

As announced on 6 August 2019, the Company is undertaking a capital raising comprising an offer of Shares to existing Shareholders pursuant to a share purchase plan (**SPP** or **Share Purchase Plan**) and a placement to professional and sophisticated investors (**Placement**) (together, the **Capital Raising**).

The funds raised under the Capital Raising will be used to carry out a geological and drilling campaign as part of the Company's due diligence on the Nevada gold projects pursuant to the recently announced binding option terms sheet with Alpine Resources (USA) Pty Ltd (refer to ASX announcement dated 27 June 2019 for further detail), to meet the regulatory spend on the Company's graphite project located on the Eyre Peninsula in South Australia, to complete the initial planned upgrade to the Company's Chimu gold processing plant in Peru, to maintain liquidity and for general working capital purposes.

Under the SPP, Shareholders in Australia, New Zealand, Germany, Austria, Switzerland and the United Kingdom registered on the Record Date (**Eligible Shareholders**) were offered the opportunity to subscribe for up to 59,619,109 new Shares at an issue price per Share equal to a 15% discount to the volume weighted average price for Shares calculated over the last 5 days on which sales in Shares were recorded before the day the issue was made (**Issue Price**), together with one (1) free-attaching Option for every two (2) Shares subscribed for and issued (exercisable at \$0.04 each, on or before 5:00 pm (WST) on 31 December 2021) to raise up to the maximum amount permitted under the ASX Listing Rules.

As announced on 28 and 30 August 2019, the Company has issued 26,139,985 Shares at an issue price of \$0.00834 per Share to Eligible Shareholders who participated in the SPP, to raise \$218,000 (before costs). PAC Partners (the underwriter to the SPP) has subscribed for the shortfall of 33,480,024 Shares, with Shares to be issued to PAC Partners (or its nominees) following Shareholder approval to be obtained at the General Meeting, to raise \$297,223 (before costs).

Under the Placement, on 18 September 2019 the Company issued a total of 179,856,115 Shares to sophisticated and professional investors, at an issue price per Share equal to \$0.00834 per Share (being, the issue price of Shares under the SPP), together with one (1) free-attaching Option for every two (2) Shares subscribed for and issued (exercisable at \$0.04 each on or before 5:00 pm (WST) on 31 December 2021). This Prospectus makes the offer of the free-attaching Options under the Share Purchase Plan and the Placement.

In addition, this Prospectus contains offers of up to:

- (a) 35,000,000 Options to the Underwriter of the Share Purchase Plan and Lead Manager of the Placement, PAC Partners Securities Pty Ltd (ACN 623 653 912) (**PAC Partners**) (or its nominee). A summary of the terms of engagement of PAC Partners is set out in section 3.10 below; and
- (b) 6,000,000 Options to consultants engaged by the Company as described in section 3.5.

The issue of Options under the SPP and the Placement and the issue of Options to PAC Partners (or its nominee) was approved by Shareholders at the General Meeting. The issue of Options under the Consultant Offer will be made out of the Company's placement capacity.

3.2 SPP Options Offer

By the SPP Options Offer under this Prospectus, the Company offers, for nil cash consideration, up to 29,809,555 free-attaching Options exercisable at \$0.04 on or before 5:00 pm (WST) on 31 December 2021 on the basis of one (1) free-attaching Option for every two (2) Shares subscribed for by Eligible Shareholders under the SPP.

No funds will be raised from the issue of Options pursuant to the SPP Options Offer.

The Options offered pursuant to the SPP Options Offer will be issued on the terms and conditions set out in section 5.1 of this Prospectus.

The purpose of the SPP Options Offer is set out in section 4.1.

3.3 Placement Options Offer

By the Placement Options Offer under this Prospectus, the Company offers, for nil cash consideration, up to 89,928,508 free-attaching Options exercisable at \$0.04 on or before 5:00 pm (WST) on 31 December 2021 on the basis of one (1) free-attaching Option for every two (2) Shares subscribed for by subscribers under the Placement.

No funds will be raised from the issue of Options pursuant to the Placement Options Offer.

The Options offered pursuant to the Placement Options Offer will be issued on the terms and conditions set out in section 5.1.

The purpose of the Placement Options Offer is set out in section 4.1.

3.4 Broker Offer

By the Broker Offer under this Prospectus, the Company offers, for nil cash consideration, up to 35,000,000 Options to PAC Partners (or its nominee) in part consideration for services provided to the Company by PAC Partners as Underwriter of the Share Purchase Plan and Lead Manager of the Placement.

No funds will be raised from the issue of Options pursuant to the Broker Offer as the Options are being issued in part consideration for services provided by PAC Partners (or its nominee) as Underwriter of the Share Purchase Plan and Lead Manager of the Placement.

The Options offered pursuant to the Broker Offer will be issued on the terms and conditions set out in section 5.1.

The purpose of the Broker Offer is set out in section 4.1.

3.5 Consultant Offer

By the Consultant Offer under this Prospectus the Company offers, for nil cash consideration, up to 6,000,000 Options to consultants engaged by the Company, all of whom are unrelated parties of the Company.

No funds will be raised from the issue of these Options.

The Options offered pursuant to the Consultant Offer will be issued on the terms and conditions set out in section 5.1 and the purpose of the Consultant Offer is set out in section 4.1.

3.6 Eligible participants

SPP Options Offer

Only Eligible Shareholders who participated in the SPP may participate in the SPP Options Offer.

Placement Options Offer

Only professional and sophisticated investors who participated in the Placement may participate in the Placement Options Offer.

Broker Offer

Only PAC Partners (or its nominee) may participate in the Broker Offer.

Consultant Offer

Only the parties approached by the Company may participate in the Consultant Offer.

3.7 Minimum subscription

There is no minimum subscription for the Offers.

3.8 Applications

SPP Options Offer

An application for the SPP Options Offer must be made on the relevant Application Form accompanying this Prospectus. Applications pursuant to the SPP Options Offer must only be made by those Eligible Shareholders who participated in the SPP.

The SPP Options Offer is non-renounceable which means that Eligible Shareholders may not transfer their rights to any Options offered under the SPP Options Offer.

Placement Options Offer

Applications for the Placement Options Offer must be made using the relevant Application Form accompanying this Prospectus.

Broker Offer

Applications for the Broker Offer must be made using the relevant Application Form accompanying this Prospectus.

Consultant Offer

Applications for the Consultant Offer must be made using the relevant Application Form accompanying this Prospectus.

Investors should note that by completing an Application Form, you will be taken to have declared that all details and statements made by you are complete and

accurate and that you have received personally the Application Form together with a complete and unaltered copy of the Prospectus.

Where the amount applied for results in a fraction of an Option, the number of Options issued will be rounded down to the nearest whole Option.

The Company reserves the right to close the Offers early.

If you require assistance in completing an Application Form, please contact the Company's share registry on 1300 992 916 (within Australia) or +61 3 9628 2200 (from overseas) or the Company on + 61 8 6117 4797.

3.9 Underwriting

The Offers are not underwritten.

3.10 Lead Manager to Placement and Underwriter to SPP

The Company engaged PAC Partners to act as lead manager and broker in respect of the Placement and to partially underwrite the SPP up to an amount of \$500,000 on the following terms.

Lead Manager Mandate

The Company has agreed to pay PAC Partners the following fees in respect of its services as lead manager and broker to the Placement and underwriter to the SPP:

- (a) a monthly retainer of \$7,500 for a period of 6 months commencing the date of execution of the mandate, payable in advance;
- (b) a placement fee of 5% (plus GST) of the total amount raised under the Placement (excluding funds raised from existing Shareholders of the Company or investors introduced by the Directors);
- (c) a management fee of 1% (plus GST) of the total amount raised under the Placement;
- (d) an underwriting fee of 6% (plus GST) of the total amount of the SPP underwritten by PAC Partners, being up to \$30,000 (plus GST);
- (e) up to a maximum of 30,000,000 broker Options comprising:
 - (i) 10,000,000 Options on completion of the SPP; and
 - (ii) 1,350,000 Options for every \$100,000 raised under the Placement and SPP,issued on the same terms and conditions as the Options issued under the Placement; and
- (f) up to 5,000,000 sub-underwriter Options (being, 10 Options for every \$1.00 underwritten) to be issued on the same terms as Options issued under the SPP and to be issued to persons engaged by PAC Partners as sub-underwriters to the SPP.

All selling fees to third parties will be paid by PAC Partners from the fees set out above.

In addition to the above fees, PAC Partners is entitled to be reimbursed for all out-of-pocket expenses incurred during its engagement in connection with services provided/ PAC Partners will obtain the Company's approval in advance for legal expenses and disbursements above \$10,000 and any other expenses above \$1,000.

The terms of the mandate (other than the monthly retainer) will remain in place until the earlier of:

- (a) the completion of the Placement and SPP; and
- (b) three (3) months after the date of the mandate, unless terminated earlier (which we note, cannot occur by virtue of the Underwriting Agreement having been entered into).

Other than due to termination by the Company for cause, where the Company terminates the mandate and subsequently completes the Placement and SPP or a similar equity capital raising within four (4) months from the date of termination, the Company must pay PAC Partners an amount equal to the fees stated in the mandate.

The mandate otherwise contains terms and conditions typical for a mandate of its nature, including confidentiality, representations and warranties and indemnities.

Underwriting Agreement

The Company has entered into an underwriting agreement (**Underwriting Agreement**) with PAC Partners under which PAC Partners has agreed to partially underwrite the SPP up to an amount of \$500,000. The fees payable by the Company to PAC Partners for its services as underwriter are set out above.

As is customary, PAC Partners may terminate the Underwriting Agreement on the occurrence of certain events, including (without limitation) where:

- (a) any of S&P/ASX 200 Index or the S&P/ASX 300 Metals and Mining Index as published by ASX, is at any time after the date of the Underwriting Agreement, 10% or more below its level as at the close of business on the business day prior to the date of the Underwriting Agreement;
- (b) a statement contained in this Prospectus is or becomes misleading or deceptive or likely to mislead or deceive, or this Prospectus omits any information it is required to contain (having regard to Section 713 of the Corporations Act);
- (c) an obligation arises on the Company to provide supplementary disclosure in relation to a matter that PAC Partners reasonably considers to be adverse, or a new circumstance that PAC Partners reasonably considers to be adverse, arises or becomes known which, if known at the time of issue of the SPP offer materials would have been included in the SPP offer materials;
- (d) Official Quotation has not been granted by the Shortfall Notice Deadline Date (as defined in the Underwriting Agreement) or, having been granted, is subsequently withdrawn, withheld or qualified;
- (e) the Company is prevented from allotting the SPP securities within the time required by the Underwriting Agreement, the Corporations Act, the ASX

Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority;

- (f) an application is made by ASIC for an order under Section 1324B or any other provision of the Corporations Act in relation to the Prospectus;
- (g) there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of the Underwriting Agreement involving one or more of Australia, New Zealand, the United Kingdom, the United States of America, the Peoples Republic of China, Israel or any member of the European Union, or a terrorist act leading to the death of five or more individuals is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries anywhere in the world;
- (h) any authorisation which is material to anything referred to in the Prospectus is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to PAC Partners;
- (i) a director or senior manager of the Company or a material subsidiary of the Company (a **Relevant Company**) (as applicable) is charged with an indictable offence; or

subject to the Material Adverse Effect qualification described in Annexure A, where a Termination Event occurs (refer to Annexure A of this Prospectus for a list of the Termination Events).

The Company may terminate without cost or liability to itself and without prejudice to any rights for damages arising out of any material breach of the Underwriting Agreement by PAC Partners, by notice in writing given on the occurrence of a default by PAC Partners under the Underwriting Agreement or if/when any representation, warranty or undertaking given by PAC Partners becomes incorrect or untrue.

The Company must also ensure that, except with the prior written consent of the Underwriter (which shall not be unreasonably withheld), or as otherwise disclosed in this Prospectus or to the Underwriter prior to execution of this Agreement, no Relevant Company does any of the following during the 6 months following the execution of the Underwriting Agreement:

- (a) amends its constitution or any other constituent document except as required by ASX to comply with the Listing Rules, or as required by the Corporations Act; or
- (b) passes or takes any steps to pass a resolution under Section 260B of the Corporations Act.

The Underwriting Agreement otherwise contains terms and conditions typical for an agreement of its nature, including confidentiality, representations and warranties and indemnities.

3.11 ASX listing

The Company intends for the Options to be quoted on ASX. Accordingly, application for Official Quotation of the Options offered pursuant to this Prospectus will be made in accordance with the timetable set out at the commencement of this Prospectus. However, the quotation of the Options is

subject to the satisfaction of the ASX Listing Rules requirements. Accordingly, if the Company does not receive sufficient applications for Options to satisfy these requirements (or does not otherwise satisfy the requirements), the Company will withdraw the application for Official Quotation in respect of the Options and the Options will not be quoted and will remain unlisted, until such time as the Company can satisfy the ASX Listing Rule requirements.

If the Company does satisfy the ASX Listing Rule requirements in respect of the Options and subsequently the ASX does not grant Official Quotation of the Options offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus (or such period as varied by the ASIC), the Company will not issue any Options and will repay all application monies for the Options within the time prescribed under the Corporations Act, without interest.

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

3.12 Issue

Options issued pursuant to the Offers will be issued in accordance with the ASX Listing Rules and timetable set out in section 2.1.

Holding statements for Options issued under the Offers will be mailed in accordance with the ASX Listing Rules and timetable set out in section 2.1.

3.13 Overseas shareholders

The distribution of this Prospectus in jurisdictions outside Australia, New Zealand, Germany, Austria, Switzerland and the United Kingdom may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions constitutes a violation of those laws. This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable 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 Options these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offers are not being extended and Options will not be issued to Shareholders with a registered address which is outside Australia, New Zealand, Germany, Austria, Switzerland or the United Kingdom.

New Zealand

The Options are not being offered to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand to whom the Offers are being made in reliance on the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (as amended)* (New Zealand).

This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority under the *Financial Markets Conduct Act 2013* (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 the information that an investment statement or prospectus under New Zealand law is required to contain.

European Economic Area – Germany and Austria

The information in this Prospectus has been prepared on the basis that the offer of Options will be made pursuant to an exemption under the Directive 2003/71/EC (**Prospectus Directive**), as amended and implemented in Member States of the European Economic Area (each a **Member State**), from the requirement to produce a prospectus for offers of securities.

An offer to the public of Options has not been made and may not be made in Germany or Austria except pursuant to one of the following exemptions under the Prospectus Directive as implemented in the relevant Member State:

- (a) to any legal entity that is authorised or regulated to operate in the financial markets or whose main business is to invest in financial instruments unless such entity has requested to be treated as a non-professional client in accordance with the EU Markets in Financial Instruments Directive (Directive 2014/65/EC, MiFID II) and the MiFID II Delegated Regulation (EU) 2017/565;
- (b) to any legal entity that satisfies two of the following three criteria: (i) balance sheet total of at least €20,000,000; (ii) annual net turnover of at least €40,000,000 and (iii) own funds of at least €2,000,000 (as shown on its last annual unconsolidated or consolidated financial statements) unless such entity has requested to be treated as a non-professional client in accordance with MiFID II and the MiFID II Delegated Regulation (EU) 2017/565;
- (c) to any person or entity who has requested to be treated as a professional client in accordance with MiFID II;
- (d) to any person or entity who is recognised as an eligible counterparty in accordance with Article 30 of the MiFID II unless such entity has requested to be treated as a non-professional client in accordance with the MiFID II Delegated Regulation (EU) 2017/565;
- (e) to fewer than 150 natural or legal persons (other than qualified investors within the meaning of Article 2(1) of the Prospectus Directive) subject to obtaining the prior consent of the Company; or
- (f) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of Options will result in a requirement for the publication by the Company of a prospectus pursuant to Article 3 of the Prospectus Directive.

Switzerland

The Options may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange (**SIX**) or on any other stock exchange or regulated trading facility in Switzerland.

This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland.

Neither this Prospectus nor any other offering or marketing material relating to the Options may be publicly distributed or otherwise made publicly available in

Switzerland. Neither this Prospectus nor any other offering or marketing material relating to the Options have been or will be filed with or approved by any Swiss regulatory authority. In particular, this Prospectus will not be filed with, and the Offers of Options will not be supervised by, the Swiss Financial Market Supervisory Authority (**FINMA**). This Prospectus is personal to the recipient only and not for general circulation.

United Kingdom

Neither the information in this Prospectus nor any other document relating to the Offers has been delivered for approval to the Financial Services Authority in the United Kingdom and no prospectus (within the meaning of Section 85 of the Financial Services and Markets Act 2000, as amended (**FSMA**)) has been published or is intended to be published in respect of the Options.

This document is issued on a confidential basis to fewer than 150 persons (other than "qualified investors" (within the meaning of Section 86(7) of FSMA)) in the United Kingdom, and the Options may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to Section 86(1) FSMA. This Prospectus should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of Section 21 FSMA) received in connection with the issue or sale of the Options has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which Section 21(1) FSMA does not apply to the Company.

In the United Kingdom, this Prospectus is being distributed only to, and is directed at, persons (i) who fall within Article 43 (members or creditors of certain bodies corporate) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005, as amended, or (ii) to whom it may otherwise be lawfully communicated (together 'relevant persons'). The investment to which this document relates is available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons.

Any person who is not a relevant person should not act or rely on this Prospectus or any of its contents.

Shareholders resident in Australia, New Zealand, Germany, Austria, Switzerland or the United Kingdom holding securities on behalf of persons who are resident overseas are responsible for ensuring that applying for Options under the Offers does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Application Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

3.14 Enquiries

Any questions concerning the Offers should be directed to the Company on + 61 8 6117 4797.

4. PURPOSE AND EFFECT OF THE OFFERS

4.1 Purpose of the Offers

The primary purpose of the SPP Options Offer is to issue up to 29,809,555 Options on the basis of one (1) free-attaching Option for every two (2) Shares subscribed for under the SPP.

The primary purpose of the Placement Options Offer is to issue up to 89,928,508 Options on the basis of one (1) free-attaching Option for every two (2) Shares subscribed for under the SPP.

The primary purpose of the Broker Offer is to issue up to 35,000,000 Options to PAC Partners (or its nominee) in part consideration for services provided by PAC Partners (or its nominee) as Underwriter of the Share Purchase Plan and Lead Manager of the Placement.

The primary purpose of the Consultant Offer is to provide consideration for consultant services provided to the Company.

No funds will be raised from the issue of the Options pursuant to the SPP Options Offer and the Placement Options Offer as the Options are free attaching to Shares subscribed for under the SPP and the Placement (respectively). No funds will be raised from the issue of the Options pursuant to the Broker Offer as the Options are being issued in part consideration for services provided by PAC Partners (or its nominee) as Underwriter of the Share Purchase Plan and Lead Manager of the Placement. No funds will be raised from the from the issue of the Options pursuant to the Consultant Offer as the Options are being issued in consideration for services provided to the Company.

4.2 Effect of the Offers

The principal effect of the Offers, assuming all Options offered under the Prospectus pursuant to the Offers are issued, will be to increase the number of Options currently on issue by up to 160,737,613 Options.

4.3 Effect on capital structure

The effect of the Offers on the capital structure of the Company, assuming the maximum number of Options offered under this Prospectus are issued, is set out below.

Shares¹

	Number
Shares currently on issue ²	475,546,922
Shares offered pursuant to the Offers	Nil
Total Shares on issue after completion of the SPP and the Offers	475,546,922

Notes:

1. The rights and liabilities attaching to Shares are summarised in section 5.2 of this Prospectus.
2. Comprising, 475,546,922 Shares and 10,000,000 partly paid (to zero) shares in the capital of the Company (**Collective Security Shares**). Refer to the Appendix 3B dated 25 March 2019 for further detail regarding the issue of the Collective Security Shares.

Options

	Number
Options currently on issue	Nil
Options offered pursuant to the SPP Options Offer ^{1,2}	29,809,555
Options offered pursuant to the Placement Options Offer ^{1,2}	89,928,058
Options offered pursuant to the Broker Offer ^{1,2}	35,000,000
Options offered pursuant to the Consultant Offer ^{1,2}	6,000,000
Total Options on issue after completion of the SPP and the Offers³	160,737,613

Notes:

1. Being, one (1) free-attaching Option for every two (2) Shares subscribed for and issued under the SPP and the Placement.
2. Refer to section 5.1 for the terms and conditions of the Options to be issued under the SPP Options Offer, the Placement Options Offer, the Broker Offer and the Consultant Offer.
3. Assuming the maximum allotment is completed under the Offers.

Convertible Notes

	Number
Convertible Notes currently on issue:	
Unsecured Convertible Notes ¹	150,000
Convertible Notes offered pursuant to the Offers	Nil
Total Convertible Notes on issue after completion of the SPP and the Offers	150,000

Notes:

1. Issued by the Company on 20 September 2019, the Unsecured Convertible Notes are convertible into Shares (at a conversion price of 80% of the 5-day VWAP prior to the date on which the conversion notice is sent to the Company), with a face value of \$1.00 each and a maturity date of 31 January 2020. Refer to the Appendix 3B dated 20 September 2019 for further detail regarding the terms and conditions of the Unsecured Convertible Notes.

4.4 Financial effect of the Offers

There will be no proceeds from the Offers. The expenses of the Offers will be met from the Company's existing cash reserves.

As such, the Offers will have an effect on the Company's financial position, being the decrease in the Company's existing cash reserves as a result of the costs of the Offers of approximately \$46,729.

4.5 Details of substantial holders

Based on publicly available information and information made available to the Company as at the date of this Prospectus, the Shareholders who (together with their associates) have a relevant interest in 5% or more of the Shares on issue are as follows:

Shareholder	Shares	% ¹
Andrew Knowles	32,204,392	6.77%
Matamin Pty Limited ²	26,302,228	5.53%

Notes:

1. Calculated on the basis of 475,546,922 Shares being on issue in the Company.
2. Matamin Pty Limited (ACN 010 713 845) is an entity controlled by Mr John Lynch, a Director of the Company. For further details regarding Director interests refer to section 7.4.

On completion of the Offer, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares will remain the same as set out above.

5. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

5.1 Options

The Options entitle the holder to subscribe for Shares on the following terms and conditions:

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.04 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 31 December 2021 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

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

(e) **Notice of Exercise**

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

(f) **Exercise Date**

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

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

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

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with Section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy Section 708A(11) of the Corporations Act to

ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

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

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

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

(j) **Participation in new issues**

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

(k) **Change in exercise price**

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

(l) **Transferability**

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

(m) **Quotation**

The Company will apply for quotation of the Options on the official list of the ASX.

5.2 Shares

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

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

(a) **General meetings**

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

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

(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 corporate representative;
- (ii) on a show of hands, every person present who is a Shareholder or a representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or corporate 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 corporate representative, have one vote for each Share of which he is the holder.
- (iv) A Shareholder who holds partly paid shares only will not be entitled to attend and vote at meetings in respect of those shares.

(c) **Dividend rights**

The directors alone may declare a dividend to be paid to shareholders.

All dividends must be declared and paid on shares in proportion to the amounts paid (not credited) in proportion to the total amounts paid and payable (excluding amounts credited) in respect of the shares. However, subject to that, if a share is issued on terms that it ranks for dividend as from a particular date, that share ranks for dividend from that date.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, divide in specie among the shareholders any part of the surplus assets of the Company, and may for that purpose set such value as he considers fair upon any surplus assets 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 any part of the surplus assets of the Company 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 securities under the Prospectus are Options, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture. If a Shareholder fails to pay any call or instalment on a partly paid share, the share may be forfeited by a resolution of the Directors.

(f) **Transfer of Shares**

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

(g) **Variation of rights**

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

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

(h) **Alteration of Constitution**

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

6. RISK FACTORS

6.1 Introduction

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

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

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

6.2 Company specific

(a) Quotation of Options

The Company intends for the Options to be quoted on the ASX. Accordingly, the Company will apply for Official Quotation of the Options in accordance with the timetable set out at the commencement of this Prospectus. However, the quotation of the Options is subject to the satisfaction of the ASX Listing Rules requirements (including, the spread requirements). Accordingly, if the Company does not receive sufficient applications for Options to satisfy these requirements (or does not otherwise satisfy the requirements), the Company will withdraw the application for Official Quotation in respect of the Options and the Options will not be quoted and will remain unlisted, until such time as the Company can satisfy the ASX Listing Rule requirements.

If the Company does not satisfy the ASX Listing Rule requirements in respect of the Options and subsequently the ASX does not grant Official Quotation of the Options offered pursuant to this Prospectus before the expiration of three (3) months after the date of issue of the Prospectus (or such period as varied by the ASIC), the Company will not issue any Partly Paid Shares and will repay all application monies for the Options within the time prescribed under the Corporations Act, without interest.

(b) Additional requirements for capital

It is highly likely that further funding will be required to meet the medium to long term working capital costs of the Company. The Company's ability to raise further capital (equity or debt) within an acceptable time, of a sufficient amount and on terms acceptable to the Company will vary accordingly to a number of factors, including prospectivity of the Company's projects (existing and future), feasibility studies, development of its technology, stock market and industry conditions and the price of relevant commodities and exchange rates.

The Company may seek to raise further funds through equity or debt financing, joint ventures, production sharing arrangements or other means. Failure to obtain sufficient financing for the Company's activities

and future projects may result in delay and indefinite postponement of exploration, development or production on the Company's properties or even loss of a property interest. 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 and might involve substantial dilution to Shareholders.

(c) **Resource estimates and targets**

The Company has delineated JORC Code compliant resources on the tenements comprising Oakdale Graphite Project located on the Eyre Peninsula in South Australia. Resource estimates are an expression of judgment based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans which may, in turn, adversely affect the Company's operations.

(d) **Exploration costs**

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

(e) **Tenure and access**

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

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

(f) **Native title risk**

Native title or Aboriginal heritage sites or objects may exist in the areas covered by the Company's tenements. Searches of the Register of Native Title Claims has revealed that there were three (3) native title claims affecting the Tenements, being the Barngarla, Wirangu No 2 and Nauro native title claims. These claims have not yet been determined.

If native title has been claimed, the Company may seek a native title determination authorising entry onto land where native title has been

claimed. If the title grants exclusive possession, the landowner may object to a notice of entry. Entry may only be granted on specific terms and conditions, and the Company may have to pay compensation to the landowner.

If there is a determination of native title over an area the subject of the prospecting and exploration tenements held by the Company, the native title holder's consent may be required for exploration and mining to occur.

Native title could potentially impact the status, renewal and conversion of existing tenements held by the Company and may impact the future grant of new tenements. Compensation may be required to be provided by the Company to native titleholders in the form of money, transfer of property or provision of goods and services.

6.3 Industry specific

(a) Exploration

The mineral tenements of the Company are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.

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

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its Tenements and obtaining all required approvals for its activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Tenements, a reduction in the case reserves of the Company and possible relinquishment of the Tenements.

(b) Development risk

If the Company does locate commercially viable reserves of minerals, then the future development of a mining operation at any of the Company's projects will be subject to a number of risks, including:

- (i) geological and weather conditions causing delays and interference to operations;
- (ii) obtaining all necessary and requisite approvals from relevant authorities and third parties;

- (iii) technical and operational difficulties associated with mining of minerals and production activities;
- (iv) access to necessary funding;
- (v) mechanical failure of plant and equipment;
- (vi) shortages or increases in price of consumables, and plant and equipment;
- (vii) environmental hazards, fires, explosions and other accidents;
- (viii) transportation facilities;
- (ix) costs overruns; and
- (x) the costs of extraction being higher than expected.

There is no guarantee that the Company will achieve commercial viability through the development of its projects. If the Company locates commercial reserves of minerals, it may seek to apply for a mining lease over the area. The lease is subject to approval being obtained from the Minister and may be subject to any terms and conditions imposed by the Minister (or other interested parties).

(c) **Operations**

The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

(d) **Environmental risk**

The operations and proposed activities of the Company are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable

rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive.

Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.

(e) **Competition risk**

The industry in which the Company will be involved is subject to domestic and global competition. Although 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, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.

(f) **Commodity and currency price risk**

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

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

(g) **Regulatory Risks**

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

Obtaining necessary permits can be a time consuming process and there is a risk that Company will not obtain these permits on acceptable terms,

in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Company from proceeding with the development of a project or the operation or development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more of the Company's tenements.

(h) **Government policy changes**

Adverse changes in government policies or legislation may affect the Company's ability to develop its technology, availability of research and development credits, taxation, royalties, ownership of mineral interests, land access, labour relations, and mining and exploration activities of the Company. Any material adverse changes in relevant government policies or legislation of Australia may affect the viability and profitability of the Company, and consequent returns to investors. The activities of the Company are subject to various federal, state and local laws governing prospecting, development, production, taxes, labour standards and occupational health and safety, and other matters.

6.4 General risks

(a) **Share market conditions**

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

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(b) **Litigation risks**

The Company is exposed to possible litigation risks including intellectual property claims, contractual disputes, 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.

(c) **Potential acquisitions**

As part of its business strategy, the Company may make acquisitions of, or significant investments in, complementary companies or prospects although no such acquisitions or investments are currently planned. Any such transactions will be accompanied by risks commonly encountered in making such acquisitions.

(d) **Reliance on key personnel**

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

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

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

(f) **Insurance**

Insurance against all risks associated with the Company's business is not always available or affordable. The Company maintains insurance where it is considered appropriate for its needs however it will not be insured against all risks either because appropriate cover is not available or because the Directors consider the required premiums to be excessive having regard to the benefits that would accrue.

(g) **Unforeseen expenditure risks**

Expenditure may need to be incurred which has not been taken into account in the preparation of this Prospectus. Although the Company is not aware of any such additional expenditure requirements, however if such expenditure is subsequently required or incurred, this may adversely impact budgeted expenditure proposals by the Company.

6.5 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 of the Company and the value of the Options under this Prospectus and the underlying Shares.

Therefore, the underlying Shares 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 Shares pursuant to the Share Purchase Plan and the Placement.

7. ADDITIONAL INFORMATION

7.1 Litigation

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

7.2 Continuous disclosure obligations

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

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

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

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

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

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

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

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

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

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

Date	Description of Announcement
23/09/2019	Change of Director's Interest Notice
20/09/2019	Appendix 3B – New Convertible Note and Issue of Shares
20/09/2019	Replaced Appendix 3B Conversion of Con Notes
20/09/2019	Change of Auditor
20/09/2019	Response to ASX Price Query
20/09/2019	Appendix 3B – Conversion of Con Notes
18/09/2019	Cleansing Notice
18/09/2019	Appendix 3B – Conversion of Con Notes
18/09/2019	Replaced Appendix 3B – Placement Shares
18/09/2019	Appendix 3B – Placement of Shares
16/09/2019	Amended Appendix 3B Conversion of Con Notes
11/09/2019	Appendix 3B – Conversion of Convertible Notes
11/09/2019	Appendix 3B – Issue of SPP Shortfall Shares
10/09/2019	Results of Meeting
03/09/2019	Update on Gold Projects
30/08/2019	Cleansing Notice
30/08/2019	Appendix 3B
28/08/2019	Share Purchase Plan Completion
07/08/2019	Notice of General Meeting/Proxy Form
07/08/2019	Share Purchase Plan Offer Document
06/08/2019	Capital Raising, Share Purchase Plan and Placement of Share
02/08/2019	Trading Halt
01/08/2019	Amended Quarterly Activities Report with Mining Tenements List
31/07/2019	Quarterly Cashflow Report
31/07/2019	Quarterly Activities Report

Date	Description of Announcement
18/07/2019	Cleansing Notice
11/07/2019	Appendix 3B - Unlisted Unsecured Convertible Notes
27/06/2019	Oakdale Signs Option to acquire Alpine Gold Projects in Neva
25/06/2019	Trading Halt
07/06/2019	Ceasing to be a substantial holder
16/05/2019	Board restructuring and change of registered office
09/05/2019	Becoming a substantial holder
08/05/2019	Term Sheet for the Acquisition of the Burpar... (sic)
08/05/2019	Term Sheet for the Acquisition of the Burpar Gold Project
07/05/2019	Amended Quarterly Activities Report
06/05/2019	Response to ASX Appendix 5B Query
30/04/2019	Becoming a substantial holder
30/04/2019	Quarterly Activities Report
30/04/2019	Quarterly Cashflow Report
24/04/2019	Ceasing to be a substantial holder
29/03/2019	Appendix 3B - Issue of Shares
28/03/2019	Change of Director's Interest Notice
25/03/2019	Amended Appendix 3B Issue of Secured Convertible Notes
22/03/2019	Appendix 3B - Issue of Secured Convertible Notes
21/03/2019	Appendix 3B - Unlisted Unsecured Convertible Notes
18/03/2019	Appendix 3B
07/03/2019	Final Director's Interest Notice
07/03/2019	Director Resignation
06/03/2019	Initial Director's Interest Notices
06/03/2019	Appointment of Directors
06/03/2019	Results of Meeting
28/02/2019	Half Yearly Report and Accounts
25/02/2019	Appendix 3B
01/02/2019	Independent Expert Report
01/02/2019	Notice of General Meeting/Proxy Form
30/01/2019	Quarterly Activities Report
30/01/2019	Quarterly Cashflow Report
16/01/2019	Update On Transaction With Ozinca Australia Pty Ltd
14/12/2018	Appendix 3B
28/11/2018	Cancellation of Shares
28/11/2018	Results of Meeting
28/11/2018	Chairman's Address to Shareholders

Date	Description of Announcement
19/11/2018	Update On Ozinca Transaction and Share Placement
14/11/2018	Trading Halt
13/11/2018	Proposed Acquisition of Gold Producing Assets
26/10/2018	Amended Notice of General Meeting/Proxy Form
26/10/2018	Notice of Annual General Meeting/Proxy Form
26/10/2018	Quarterly Activities Report
26/10/2018	Quarterly Cashflow Report
16/10/2018	Selective share buyback - Appendix 3C
28/09/2018	Oakdale Resources - Appendix 4G

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

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

7.3 Market price of shares

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

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

	Price	Date
Highest	\$0.016	27 June 2019
Lowest	\$0.008	4 September 2019
Last	\$0.015	23 September 2019

7.4 Interests of Directors

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

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

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

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

Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus is set out in the table below:

Director	Shares	Options	Convertible Notes
Chris Gale	13,607,432 ¹	Nil	Nil
John Lynch	26,302,228 ²	Nil	Nil
David Vilensky	1,610,220 ³	Nil	Nil

Notes:

- Comprising 12,881,756 Shares held indirectly by Christopher Gale and Stephanie Gale as trustees for the Gale Superannuation Fund (an entity controlled by Chris Gale) and 725,676 Shares held indirectly by Allegra Capital Pty Ltd (an entity controlled by Chris Gale).
- Comprising 25,302,228 Shares held indirectly by Matamin Pty Limited (ACN 010 713 845) (an entity controlled by John Lynch) and 1,000,000 shares indirectly by Bourse Securities Pty Ltd (ACN 010 688 892) (an entity controlled by John Lynch).
- Held indirectly by Coilens Corporation Pty Ltd (an entity controlled by David Vilensky).

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is 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.

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

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

Director	FY 2017 ¹	FY 2018 ²	FY 2019
Chris Gale ³	Nil	Nil	\$3,200
John Lynch	Nil	Nil	\$9,000
David Vilensky ⁴	Nil	Nil	\$3,000

Notes:

1. No remuneration was paid to the Directors during the financial year ended 30 June 2017.
2. No remuneration was paid to the Directors during the financial year ended 30 June 2018.
3. Mr Gale was appointed as a Director on 6 March 2019.
4. Mr Vilensky was appointed as a Director on 6 March 2019.

7.5 Interests of experts and advisers

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

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

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

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

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

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

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$25,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has not received any fees from the Company.

7.6 Consents

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

Each of the parties referred to in this section:

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

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

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

7.7 Expenses of the Offers

The total expenses of the Offers are estimated to be approximately \$46,729 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	3,206
ASX fees	15,523
Legal Fees	25,000
Printing and distribution	1,000
Miscellaneous	2,000
Total	46,729

7.8 Electronic prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Forms. If you have not, please contact the Company on + 61 8 6117 4797 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at www.oakdaleresources.com.au.

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

7.9 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.

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

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

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

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

7.11 Privacy Act

If you complete an application for Options, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a holder of equity securities in the Company, facilitate distribution payments and corporate communications to you as a Shareholder 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 Company's 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 in 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 Shares, the Company may not be able to accept or process your application.

8. DIRECTORS' AUTHORISATION

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

In accordance with Section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

Chris Gale
Executive Chairman
For and on behalf of
OAKDALE RESOURCES LIMITED

9. GLOSSARY

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

Applicant means an Eligible Shareholder who applies for Shares pursuant to the SPP Offer.

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

ASIC means the Australian Securities and Investments Commission.

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

ASX Listing Rules means the listing rules of the ASX.

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

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

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

Class Order means ASIC Class Order CO 09/425.

Closing Date means the date specified in the timetable set out in section 2.1 (unless extended or closed early).

Company means Oakdale Resources Limited (ACN 009 118 681).

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

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

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

Eligible Shareholders are Shareholders with a registered address in Australia or New Zealand who were registered holders of Shares on the Record Date.

General Meeting means the meeting of the Company's Shareholders held on 10 September 2019.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Placement means the placement conducted by the Company to sophisticated and professional investors pursuant to which the Company issued 179,856,115 Shares at an issue price of \$0.00834 to raise \$1,500,000.

Placement Options means the Options proposed to be issued under the Placement Options Offer.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out in section 2.1.

SPP Options means the Options proposed to be issued under the SPP Options Offer.

Section means a section of this Prospectus.

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

Shareholder means a holder of a Share.

SPP or **Share Purchase Plan** has the meaning given in section 3.1.

WST means Australian Western Standard Time.

ANNEXURE A – TERMINATION EVENTS

The Underwriting Agreement provides for the following Termination Events:

- (a) default or breach by the Company under the Underwriting Agreement of any terms, condition, covenant or undertaking;
- (b) any representation, warranty or undertaking given by the Company in the Underwriting Agreement is or becomes untrue or incorrect;
- (c) a contravention by a Relevant Company of any provision of its constitution, the Corporations Act, the ASX Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;
- (d) an event occurs which gives rise to a Material Adverse Effect (as defined in the Underwriting Agreement) or any adverse change or any development including a prospective adverse change after the date of the Underwriting Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of any Relevant Company including, without limitation, if any forecast in the Prospectus becomes incapable of being met or in PAC Partners reasonable opinion, unlikely to be met in the projected time;
- (e) without the prior approval of PAC Partners, a public statement is made by the Company in relation to the SPP, the SPP offer letter or this Prospectus;
- (f) any information supplied at any time by the Company or any person on its behalf to PAC Partners in respect of any aspect of the SPP or the issue of Shares under the SPP or the affairs of the Company is or becomes misleading or deceptive or likely to mislead or deceive;
- (g) the Official Quotation is qualified or conditional other than being conditional on the issue of the Shares under the SPP;
- (h) there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy;
- (i) a Prescribed Occurrence (as that term is defined in the Underwriting Agreement) occurs;
- (j) the Company suspends payment of its debts generally;
- (k) an Event of Insolvency (as that term is defined in the Underwriting Agreement) occurs in respect of a Relevant Company;
- (l) a judgment in an amount exceeding \$25,000 is obtained against a Relevant Company and is not set aside or satisfied within 7 days;
- (m) litigation, arbitration, administrative or industrial proceedings are after the date of the Underwriting Agreement commenced or threatened against a Relevant Company, other than any claims foreshadowed in the SPP offer letter;
- (n) there is a change in the composition of the Board or a change in the senior management of the Company before completion of the SPP without the prior written consent of PAC Partners;

- (o) there is a material change in the major or controlling shareholdings of a Relevant Company or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to a Relevant Company;
- (p) there is a delay in any specified date in the timetable set out in the Underwriting Agreement which is greater than 7 Business Days;
- (q) a force majeure affecting the Company's business or any obligation under the Underwriting Agreement lasting in excess of 7 days occurs;
- (r) a Relevant Company passes or takes any steps to pass a resolution under section 254N, section 257A or section 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of PAC Partners;
- (s) any Relevant Company alters its capital structure in any manner not contemplated by this Prospectus;
- (t) any person is appointed under any legislation in respect of companies to investigate the affairs of a Relevant Company; or
- (u) a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America, or other international financial markets,

(together, **Termination Events**).

The Underwriter may not exercise the termination rights set out Section 3.9(m) of this Prospectus unless, in the reasonable opinion of the Underwriter reached in good faith, the occurrence of a Termination Event has or is likely to have, or two or more Termination Events together have or are likely to have:

- (a) a Material Adverse Effect (as that term is defined in the Underwriting Agreement); or
- (b) could give rise to a liability of the Underwriter under the Corporations Act or otherwise.