

**RED METAL LIMITED**  
ACN 103 367 684  
**SUPPLEMENTARY PROSPECTUS**

This is a supplementary prospectus (**Supplementary Prospectus**) intended to be read with the prospectus dated 11 November 2016 (**Prospectus**), issued by Red Metal Limited (ACN 103 367 684) (**Company**). This Supplementary Prospectus is dated 18 November 2016 and was lodged with the Australian Securities and Investments Commission (**ASIC**) on 18 November 2016. ASIC and the ASX do not take any responsibility for the contents of this Supplementary Prospectus.

This document is supplementary to the Prospectus dated 11 November 2016 issued by the Company and must be read together with that Prospectus. No previous supplementary prospectus has been lodged with ASIC in relation to the Offer. Pursuant to Section 719(4) of the Corporations Act, the information set out in this Supplementary Prospectus is taken to be included in the Prospectus. Terms defined in the Prospectus have the same meaning in this Supplementary Prospectus except where otherwise defined in this Supplementary Prospectus.

Other than as set out below, all details in relation to the Prospectus remain unchanged. If there is a conflict between the Prospectus and this Supplementary Prospectus, this Supplementary Prospectus will prevail. This Supplementary Prospectus will be issued with the Prospectus and as an electronic prospectus and may be accessed on the Company's website at [www.redmetal.com.au](http://www.redmetal.com.au) and the Company will send a copy of this Supplementary Prospectus to all Shareholders of the Company.

This is an important document and should be read in its entirety. If you do not understand it you should consult your professional advisers without delay.

## **1. INTRODUCTION**

---

On 11 November 2016 the Company issued the Prospectus offering for subscription approximately 21,846,490 Shares under a pro rata non-renounceable entitlement issue of 1 Share for every 8 Shares held by Shareholders at the Record Date at an issue price of \$0.085 per Share to raise approximately \$1,856,952.

In accordance with Section 719 of the Corporations Act, certain information disclosed in the Prospectus is to be amended and included.

## **2. SECTION 4.9 POTENTIAL DILUTION**

---

Section 4.9 (at page 8 of the Prospectus) is deleted and replaced with the following:

### **"4.9 Potential Dilution**

In addition, Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 11.1% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus). Examples of how the dilution may impact Shareholders is set out in the table below:

Holder	Holding as at Record Date	% at Record Date	Entitlements under the Offer	Holdings if Offer not taken Up	% post Offer
Shareholder 1	20,000,000	11.44%	2,500,000	20,000,000	10.17%
Shareholder 2	10,000,000	5.72%	1,250,000	10,000,000	5.09%
Shareholder 3	3,000,000	1.72%	375,000	3,000,000	1.53%
Shareholder 4	800,000	0.45%	100,000	800,000	0.41%
Shareholder 5	100,000	0.05%	12,500	100,000	0.05%

## **3. SECTION 4.10 UNDERWRITING OFFER**

---

Section 4.10 (at page 8 of the Prospectus) is deleted and replaced with the following:

### **"4.10 Underwriting Offer**

Any Entitlement not taken up pursuant to the Offer will form the Underwriting Offer. The issue price for each Share to be issued under the Underwriting Offer shall be \$0.085 being the price at which Shares

have been offered to Eligible Shareholders under the Offer. It is anticipated that Shortfall Shares will be issued at the same time as Shares are issued under the Offer.

Shareholders should not apply for Shortfall Shares. Shortfall Shares will be allocated to the Underwriter in accordance with the terms of the Underwriting Agreement (refer to Section 8.4) and the Underwriter has the right to nominate and determine who will be issued Shortfall Shares."

#### **4. SECTION 4.12 ISSUE OF SHARES**

---

Section 4.12 (at page 9 of the Prospectus) is deleted and replaced with the following:

##### **4.12 Issue of Shares**

Shares issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus.

Shares issued pursuant to the Underwriting Offer will be issued after the Closing Date and within the period of 3 months following the date of this Prospectus. Where the number of Shares issued is less than the number applied for, or where no issue is made, surplus application monies will be refunded without any interest to the Applicant as soon as practicable after the closing date of the Underwriting Offer.

Pending the issue of the Shares or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

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

#### **5. SECTION 10 GLOSSARY**

---

The meanings of Applicant and Shortfall Offer included in Section 10 (at pages 33 and 34 of the Prospectus) are deleted and replaced with the following:

**"Applicant** means a Shareholder who applies for Shares pursuant to the Offer or other party who applies for Shortfall Shares pursuant to the Underwriting Offer.

**Underwriting Offer** means the offer of the Shortfall on the terms and conditions set out in Section 4.10 of this Prospectus."

#### **6. SECTION 8.8 CONSENTS**

---

The reference to the consent from Veritas Securities Limited in Section 8.8 (at page 29 of the Prospectus) is deleted and replaced with the following:

"Veritas Securities Limited has given its written consent to being named as underwriter to the Offer in this Prospectus, in the form and context in which it is named. Veritas Securities Limited has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC."

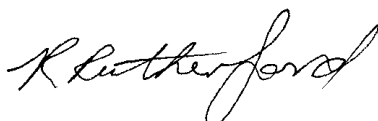
#### **7. CONSENTS**

---

This Supplementary 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 of the Company has consented in writing to the lodgement of this Supplementary Prospectus with the ASIC.

Veritas Securities Limited has not withdrawn its consent prior to the lodgement of this Supplementary Prospectus with the ASIC.

Dated: 18 November 2016



Signed for and on behalf of Red Metal Limited  
by Robert Rutherford, Managing Director