



TIMPETRA RESOURCES LIMITED

[TO BE RENAMED 'MURRAY COD AUSTRALIA LIMITED']
[ACN 143 928 625]

PROSPECTUS

For an offer of up to 200,000,000 Shares at a price of \$0.05 each to raise up to \$10,000,000 before costs (**Public Offer**). The minimum subscription under the Public Offer is \$7,000,000.

IMPORTANT NOTICE

This is an important document and investors should read the document in its entirety and are advised to consult with their professional advisers before deciding whether to apply for securities pursuant to this Prospectus.

Any investment in the Company under this Prospectus should be considered **speculative** in nature and prospective investors should be aware that they may lose some or all of their investment.



This Prospectus also contains the following **Secondary Offers**:

1. an offer of up to 81,285,715 Shares, 64,000,000 Options and 15,000,000 Performance Rights in consideration for the acquisition of all shares in Bidgee Fresh Pty Ltd and the businesses Riverina Aquaculture and Silverwater Native Fish (together, the **Consideration Offer**);
2. an offer of up to 1,000,000 Shares and up to 2,000,000 Options to the Lead Manager in consideration for capital raising services provided to the Company (**Lead Manager Offer**); and

3. an offer of up to 5,000,000 Options to Panaquatic Health Solutions Pty Ltd in consideration for consulting services (**Panaquatic Offer**), (together, the Offers).

RE-COMPLIANCE WITH CHAPTERS 1 AND 2

In addition to the purpose of raising funds under the Public Offer, this Prospectus is issued for the purpose of re-complying with the admission requirements under Chapters 1 and 2 of the ASX Listing Rules following a change to the nature and scale of the Company's activities.

CONDITIONAL OFFERS

The Offers are conditional upon certain events occurring. Please refer to Section 2.3 for further information.

The Offers are not underwritten.

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IMPORTANT INFORMATION

Prospectus

This Prospectus is dated 24 November 2016 and was lodged with ASIC on that date. ASIC, ASX and their respective officers do not take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

Within 7 days of the date of this Prospectus, the Company will make an application to ASX for the Shares offered pursuant to the Prospectus to be admitted for quotation on ASX.

Securities will not be issued pursuant to this Prospectus later than 13 months after the date of this Prospectus.

Persons wishing to apply for Securities pursuant to the Offers must do so using the applicable Application Form attached to or accompanying this Prospectus. Before applying for Securities potential investors should carefully read the Prospectus so that they can make an informed assessment of:

- the rights and liabilities attaching to the Securities;
- the assets and liabilities of the Company; and
- the Company's financial position and performance, profits and losses, and prospects.

Investors should carefully consider these factors in light of their own personal financial and taxation circumstances.

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

Risks

Any investment in the Company should be considered **speculative**. Before deciding to invest in the Company, potential investors should read the entire Prospectus and, in particular, in considering the prospects of the Company, potential investors should consider the risk factors that could affect the financial performance and assets of the Company. Investors should carefully consider these factors in light of their personal circumstances (including financial and taxation issues). The Securities offered by this Prospectus should be considered speculative. Please refer to Section 5 for details relating to risk factors. Persons considering applying for Securities pursuant to the Prospectus should obtain professional advice from an accountant, stockbroker, lawyer or other adviser before deciding whether to invest.

Offers outside Australia

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

Forward-looking statements

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

Accordingly, the Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur. Further, the

Company may not update or revise any forward-looking statement if events subsequently occur or information subsequently becomes available that affects the original forward-looking statement.

Exposure Period

This Prospectus will be circulated during the Exposure Period. The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to applying for Securities. This examination may result in the identification of deficiencies in this Prospectus and, in those circumstances; any application that has been received may need to be dealt with in accordance with section 724 of the Corporations Act. Applications for Securities under the Secondary Offers set out in this Prospectus will not be processed by the Company until after the expiry of the Exposure Period. No preference will be conferred on applications lodged prior to the expiry of the Exposure Period.

Re-compliance with Chapters 1 and 2 of the Listing Rules

The Acquisition will constitute a change to the nature and scale of the Company's activities. Pursuant to Listing Rule 11.1.3, the Company must re-comply with the admission requirements of Chapters 1 and 2 of the Listing Rules, as if applying for admission to the official list of ASX. Accordingly, this Prospectus is issued for the purpose of satisfying Chapters 1 and 2 of the Listing Rules, as well as for the purpose of raising funds under the Public Offer.

Conditional Offer

The Offers contained in this Prospectus are conditional on certain events occurring. If these events do not occur, the Offers will not proceed and investors will be refunded their application monies without interest. Please refer to Section 2.3 for further details on the conditions attaching to the Offers.

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 at +61 2 6962 5470 and the Company will send you, at no cost, either a hard copy or a further electronic copy of the Prospectus or both. Alternatively, you may obtain a copy of the Prospectus from the Company's website at www.timpetra.com.

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.

Photographs and diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses the Prospectus or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus may not be drawn to scale.

Miscellaneous

All references to "\$", "A\$", "AUD", "dollar" and "cents" are references to Australian currency unless otherwise stated.

All references to time relate to the time in Sydney, New South Wales unless otherwise stated.

A number of terms and abbreviations used in this Prospectus have defined meanings which appear in Section 12.

CORPORATE DIRECTORY

Existing Board of Directors

Mr Ross Anderson
Mr Morgan Barron
Mr Martin Priestley
Mr Douglas O'Neill

Proposed Directors

Mr Ross Anderson
Mr Morgan Barron
Mr Martin Priestley
Mr Mathew Ryan
Mr George 'Roger' Commins

Company Secretaries

Mr Brett Tucker
Ms Wendy Dillon

Registered Office

Level 1, 153 Yambil Street
GRIFFITH NSW 2680

Telephone: +61 2 6962 5470
Facsimile: +61 2 6964 1546
Email: info@timpetra.com

Share Registry*

Advanced Share Registry Services
110 Stirling Highway
NEDLANDS WA 6009

Telephone: +61 8 9389 8033
Facsimile: +61 8 9262 3723

ASX Code

Current: TPR
Proposed: MCA

Website

Current: www.timpetra.com
Proposed: www.murraycodaaustralia.com.au

Auditor**

Ernst & Young
200 George Street
SYDNEY NSW 2000

PinnacleHPC Pty Ltd
135 Yambil Street
GRIFFITH NSW 2680

Corporate Advisers

Ventnor Capital
Ground Floor
16 Ord Street
WEST PERTH WA 6005

Anderson's Investment Services Pty Ltd
AFSL No: 241424
Level 1, 153 Yambil Street
GRIFFITH NSW 2680

Legal Adviser

Bellanhouse Legal
Ground Floor
11 Ventnor Avenue
WEST PERTH WA 6005

Investigating Accountant

PKF Mack
Level 4, 35 Havelock Street
WEST PERTH WA 6005

Lead Manager

Alto Capital
Ground Floor
16 Ord Street
WEST PERTH WA 6005
AFSL No: 279099

* This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus.

** Subject to Shareholder approval, the Company proposes to remove Ernst & Young as auditor and appoint PinnacleHPC Pty Ltd at the General Meeting. Ernst & Young has not been involved in the preparation of this Prospectus.

LETTER FROM THE BOARD

Dear Investor,

On behalf of the Board of Directors of Timpetra Resources Limited (the **Company**), I am pleased to present you with this opportunity to become a shareholder in the Company (expected to be renamed "Murray Cod Australia Limited").

On 7 July 2016, the Company announced that it had entered into binding heads of agreement to acquire 3 aquaculture businesses, being Bidgee Fresh Pty Ltd, Riverina Aquaculture and Silverwater Native Fish (together, the **Merged Group**), for the breeding, growing and supply of Murray Cod (**Acquisition**). The Acquisition is intended to consolidate existing operations to create a vertically integrated producer across the entire Murray Cod lifecycle. Completion of the Acquisition requires the Company to re-comply with Chapters 1 and 2 of the Listing Rules (together with the Acquisition, the **Transaction**).

Funds raised under this Prospectus will be used to acquire, develop and expand the business of the Merged Group.

The Transaction is subject to a number of conditions, including obtaining necessary Shareholder approvals, which are being sought at a General Meeting scheduled for 16 December 2016. This includes approval for the Company to be renamed Murray Cod Australia Limited (proposed ASX code: MCA).

An investment in the Company is speculative and subject to certain risks, non-exhaustive lists of which are highlighted in Section 5, including, but not limited to reliance on key personnel, biosecurity and disease risks, lack of long-term contracts, the price of Murray Cod and competition. It is recommended that you consider the terms of the Offers contained in this Prospectus carefully and in its entirety. If you are in any doubt as to the contents of this Prospectus, you should consult your stockbroker, lawyer, accountant or other professional adviser.

On behalf of the Board of the Company, I commend this opportunity to you and look forward to welcoming you as a security holder.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Ross Anderson', with a long, sweeping horizontal stroke extending to the right.

Ross Anderson
Chairman
Timpetra Resources Limited
(to be renamed Murray Cod Australia Limited)

KEY OFFER DETAILS

| Key offer details | Minimum Subscription | Maximum Subscription |
|--|----------------------|----------------------|
| Offer Price per Share under the Public Offer | \$0.05 per Share | \$0.05 per Share |
| Shares to be offered under the Public Offer | 140,000,000 | 200,000,000 |
| Cash raised under the Public Offer (before expenses) | \$7,000,000 | \$10,000,000 |
| Shares to be offered under the Consideration Offer | 81,285,715 | 81,285,715 |
| Options to be offered under the Consideration Offer | 64,000,000 | 64,000,000 |
| Performance Rights to be offered under the Consideration Offer | 15,000,000 | 15,000,000 |
| Shares to be offered under the Lead Manager Offer | 1,000,000 | 1,000,000 |
| Maximum number of Options to be offered under Lead Manager Offer | 1,400,000 | 2,000,000 |
| Options to be offered under Panaquatic Offer | 5,000,000 | 5,000,000 |
| Existing Shares on issue | 63,939,969 | 63,939,969 |
| Total number of Shares on issue following the Offers | 286,825,684 | 346,825,684 |
| Ownership by Vendors at ASX relisting | 33.52% | 27.63% |
| Ownership by investors under Public Offer at relisting (excluding related party participation) | 48.49% | 57.26% |

Note: The figures shown above assume none of the existing Options are exercised, the Performance Rights have not converted into Shares and the Milestone Consideration Shares have not been issued. Please refer to Section 2.4 for further details relating to the proposed capital structure of the Company.

INDICATIVE TIMETABLE

| Event | Date |
|---|------------------|
| Despatch of Notice of General Meeting | 17 November 2016 |
| Lodgement of this Prospectus with ASIC | 24 November 2016 |
| Opening Date for the Public Offer | 24 November 2016 |
| Closing Date for the Offers | 16 December 2016 |
| General Meeting | 16 December 2016 |
| Completion of the Acquisition | 21 December 2016 |
| Issue of Securities under the Offers | 21 December 2016 |
| Dispatch of holding statements | 21 December 2016 |
| Expected date for Shares to be reinstated to trading on ASX | 16 January 2017 |

Note: The dates shown above are indicative only and may vary subject to the Corporations Act, the Listing Rules and other applicable laws. In particular, the Company reserves the right to vary the Opening Dates and the Closing Date without prior notice, which may have a consequential effect on the other dates. Applicants are therefore encouraged to lodge their Application Form as soon as possible after the relevant Opening Date if they wish to invest in the Company. The Company also reserves the right not to proceed with any of the Offers at any time before the issue of Shares to Applicants.

INVESTMENT OVERVIEW

This Section is not intended to provide full information for investors intending to apply for Securities offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety. The Securities offered pursuant to this Prospectus carry no guarantee in respect of return of capital, return on investment, payment of dividends or the future value of the Securities.

| Topic | Summary | More information |
|---|---|--------------------|
| Introduction | | |
| Who is the Company and what does it do? | <p>Timpetra Resources Limited (ACN 143 928 625) (Company) (to be renamed "Murray Cod Australia Limited") is an Australian incorporated company listed on ASX.</p> <p>The Company's recent focus has been on exploration activities on the Jillewarra Project, following the Company's entry into a farm-in agreement with respect to that project in October 2015.</p> | Section 3.1 |
| What is the Acquisition? | <p>The Company is proposing to acquire three aquaculture businesses:</p> <ul style="list-style-type: none"> (a) Silverwater Native Fish - hatchery; (b) Bidgee Fresh Pty Ltd - nursery; and (c) Riverina Aquaculture - grow-out farm, which together, hatch and farm Murray Cod. <p>The Acquisition will result in a material change in the nature and scale of the Company's activities, and requires the Company to re-comply with Chapters 1 and 2 of the ASX Listing Rules.</p> | Sections 1.1 and 3 |
| What is the Company's strategy? | <p>The Company will control the breeding, feeding, water conditions and biological inputs throughout the life cycle of Murray Cod, with the aim to provide consumer confidence in the quality and sustainability of the fish. The marketing strategy of the Company will be to use these factors to educate consumers and to position Murray Cod in the marketplace as a "premium" product.</p> <p>The Company's strategy is to build production capacity to ensure the supply of fully grown Murray Cod to developed markets. In addition to its planned expansion, the Company intends to utilise contract growers to grow out Murray Cod fingerlings to consumption sized fish on behalf of the Company.</p> | Section 3.2 |

| Topic | Summary | More information |
|---|---|------------------------------------|
| Business model | | |
| What are the potential revenue sources from the Merged Group? | <p>The Merged Group intends to use the funds raised under the Public Offer to acquire, develop and expand the business of the Merged Group.</p> <p>The Company expects its main source of revenue will be from the sale of grown Murray Cod. The Merged Group intends to derive additional revenue from the following possible sources:</p> <ul style="list-style-type: none"> (a) sale of grown Murray Cod to international markets; (b) the sale or lease of its unique cage systems to contract growers, as well as to new Murray Cod growers entering the market; and (c) by providing fingerlings to contract growers who will grow fish on behalf of the Company using proven methods and dam cage systems sold by Bidgee. | Sections 3.9(d), 3.9(e) and 3.9(f) |
| What are the key dependencies of the Merged Group's business model? | <p>The key factors that the Merged Group will depend on to meet its objectives are:</p> <ul style="list-style-type: none"> (a) the successful completion of the Acquisition; (b) the successful completion of the capital raising pursuant to the Public Offer; (c) retaining the key personnel of the Merged Group; (d) increase in Murray Cod production capacity within the Merged Group; (e) development of the 'contract grower' business model in order to expand production capacity and meet growth objectives; and (f) development of domestic and export markets for grown Murray Cod, sufficient to meet production and growth objectives. | Section 3.9(n) |

| Topic | Summary | More information |
|---|---|------------------|
| Summary of key risks | | |
| <p>Prospective investors should be aware that subscribing for Shares in the Company involves a number of risks. The risk factors set out in Section 5, and other general risks applicable to all investments in listed securities, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered speculative. This Section summarises the key risks which apply to an investment in the Company and investors should refer to Section 5 for a more detailed summary of the risks.</p> | | |
| Reliance on key personnel | <p>The emergence and development of the Merged Group has been in large part due to the effort and experience of Mr Ryan, Mr Commins and Mr Charles. Mr Ryan and Mr Commins have signed contracts to join the Company as Directors on Completion of the Acquisition. Mr Charles has signed an employment contract with the Company as Hatchery Manager.</p> <p>There is no assurance that the key personnel contracts will not be terminated. In addition, there is no assurance that the key personnel will remain healthy and able to continue in their role. If the key personnel contracts were terminated or breached, or if the key personnel were no longer to continue in their role, the Company would need to employ alternative staff, and the Company's operations and business could be adversely affected.</p> | Section 5.2(a) |
| Insufficient fingerling supply | <p>Although the Merged Group aims to utilise a variety of suppliers of Murray Cod fingerlings and has arrangements in place to source Murray Cod fingerlings, there is a risk to the Merged Group if suppliers experience issues with the delivery of Murray Cod fingerlings to the Merged Group.</p> | Section 5.2(b) |
| Biosecurity, disease outbreaks and husbandry issues | <p>Generally, biosecurity in outdoor pond based farms, such as those used by Riverina Aquaculture, is more difficult to manage due to the lack of environmental control relative to an indoor controlled aquaculture environment. Further, the Company may be required to replace fish breeding stock in order to maintain genetic diversity and ensure stock health. This genetic stock may be introduced from wild caught specimens or from alternative hatcheries. This environmental exposure and the introduction of external fish stock may increase the risk of outbreak of disease in the Company's fish stock, which could result in higher mortality rates which</p> | Section 5.2(c) |

| Topic | Summary | More information |
|---------------------------------------|---|------------------|
| | may have a material adverse impact on the financial performance of the Company. | |
| Disease outbreaks and parasites | <p>There is a risk that outbreak of disease in the Merged Group's fish stock and resulting higher mortality rates could have a material adverse impact on the Merged Group's profits, operations and financial performance.</p> <p>Disease is a business risk that is inherent to fish farming operations. Further, the growing of Murray Cod for human consumption through aquaculture has only been recently established relative to other fish species, and may be subject to diseases that are not yet known.</p> | Section 5.2(d) |
| Fresh water supply | Fresh and high quality water is critical for the Merged Group's operations particularly in the ponds and hatcheries. There is a risk to the Merged Group that if access to fresh water supply was significantly limited or restricted, this could have a material impact on the Merged Group's farming operations or costs, and its subsequent financial performance. | Section 5.2(e) |
| Seasonal and environmental conditions | <p>As the Merged Group is an agricultural producer (predominantly water-based), there is a risk that the Merged Group could be exposed to a number of natural events and adverse movements in the environment, such as changes in water temperatures, dissolved oxygen and salinity levels, many of which are beyond the Merged Group's control.</p> <p>Adverse environmental conditions can negatively impact fish stock survival, restrict the growth of fish and increase feed conversion ratios. Events such as floods and storms could also cause short, medium or long-term interruptions to the Merged Group's operations and materially impact cash flows, financial performance and operational results.</p> | Section 5.2(f) |
| Energy and fish feed prices | Electricity and fish feed are material operating expenses for the Merged Group. There is a risk that there could be significant increases to energy and fish feed prices. Such increases could significantly increase the Merged Group's cost of operations and have a material adverse effect on the Merged Group's financial performance. Further, any material disruptions in the supply of energy or fish feed to the Merged Group, and the Merged Group being unable to source alternative supplies on similar terms or at all, could have a material adverse | Section 5.2(g) |

| Topic | Summary | More information |
|--|---|------------------|
| | effect on the Merged Group's operations and financial performance. | |
| Lack of long-term contracts, Murray Cod prices and competition | <p>The financial performance of the Company can be influenced by variations in the domestic and, to a limited extent, international Murray Cod prices which may be linked to the price of seafood in general. Major factors that can influence demand and supply in the Murray Cod market and, therefore, the price of Murray Cod, include:</p> <ul style="list-style-type: none"> (a) consumption trends and preferences amongst domestic and international target markets for meat and seafood, including Murray Cod; (b) an increase in supply of Murray Cod from either domestic or offshore competitors, or increased competition from alternative fish species and food sources; (c) the level of world Murray Cod and alternative fish species production, from fisheries and aquaculture, relative to consumption requirements; (d) the rate of world economic development and, in particular, economic growth in Asia; (e) changes in export or import restrictions imposed by the Federal Government Department of Agriculture and Water Resources; and (f) movements in exchange rate relativities between the currencies of the targeted export and import countries. <p>Within the wholesale market, which is intended to be the Merged Group's primary distribution channel, the Merged Group will negotiate prices on a spot basis, and as a result, it is not possible to guarantee consistency in respect of prices and terms for future transactions. There is a risk that a significant reduction in Murray Cod prices could occur, which could have a material adverse impact on the Company's financial performance and operational results. Moreover, there is also the risk that the level of sales to the Company's customers could decrease given that there are no fixed, long-term contracts in place between the Company and its wholesale customers.</p> | Section 5.2(h) |

| Topic | Summary | More information |
|------------------------------------|---|------------------|
| Reduction in demand for Murray Cod | <p>There is a risk that a change in economic conditions could cause consumers to reduce their consumption of Murray Cod as they "trade down" to cheaper sources of seafood and proteins. Changes in consumer dietary preferences or sentiment towards seafood and Murray Cod could also result in lower demand for Murray Cod. Such lower demand could reduce the price at which the Merged Group is able to sell its Murray Cod, resulting in an adverse effect on the Merged Group's financial performance.</p> | Section 5.2(i) |
| Food safety and sanitation | <p>As with all food producers, the Merged Group is exposed to the risk of product contamination and product recalls. There is also a risk that the product could cause a serious food poisoning incident as a result of an operational lapse in food safety or sanitation procedures or malicious tampering.</p> <p>The occurrence of a serious food poisoning incident could have significant consequences for the Company.</p> <p>There is also the risk that actions of the Merged Group's wholesale customers could compromise the hygiene and safety of the Merged Group products after they have left the Merged Group's processing facility. Contamination caused by a wholesale customer may result in the closure of the Merged Group facilities or require a fine/compensation to be paid by the Merged Group; however, the potential for brand damage to the Merged Group remains in any case.</p> | Section 5.2(k) |
| Regulatory risks | <p>The Company will incur ongoing costs and obligations associated with compliance with necessary regulations. Regulatory areas which are of particular significance to the Merged Group include environment, occupational health and safety, quarantine, customs, and tariff and taxation laws. Any failure to comply with regulations may result in additional costs for corrective measures, penalties or in restrictions on the Company's proposed business operations. In addition, changes in regulations could require extensive changes to the Company's operations, increased compliance costs or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of the Company.</p> | Section 5.3(b) |

| Topic | Summary | More information |
|--|---|------------------|
| Environmental regulations and obtaining and maintaining licenses | <p>National and local environmental laws and regulations (including the granting of water licences) affect nearly all of the Merged Group's operations. Whilst the Merged Group endeavours to ensure that its operations and activities comply with applicable environmental laws, there is a risk that failure to comply with such laws could occur, which may result in penalties, damages and/or loss of permits or licences required by the Merged Group to operate its hatcheries, nursery, fish farm and processing facility.</p> <p>In addition, the Merged Group must renew the appropriate permits and licences required to operate its business. The Merged Group will be subject to regular inspections, examinations and audits by governmental authorities to renew the various licences and permits. The Merged Group will also be subject to periodic and spot inspections conducted by government authorities in order to maintain its operating licences. If serious or repeated findings of non-compliance did occur, there is a risk this would have a negative impact on the Merged Group's ability to renew its licences and have a materially adverse impact on its business operations and financial performance.</p> <p>The Company's ability to export Murray Cod may be dependent on the Company's ability to obtain and maintain licenses relating to the export of Murray Cod to international markets. The Company's operations are initially located in Australia. Prior to supplying Murray Cod to international markets, the Company will apply for any licenses required to export the Murray Cod. If required, there is no guarantee that these licenses will be granted or that they will be granted on satisfactory terms which may have a negative effect on the Company's operations.</p> | Section 5.3(c) |
| Directors and Key Management Personnel | | |
| Directors | <p>On completion of the Acquisition and subject to Shareholder approval, it is intended that the Board will comprise:</p> <ul style="list-style-type: none"> (a) Mr Ross Anderson - Chairman; (b) Mr Mathew Ryan - Managing Director; (c) Mr Morgan Barron - Non-Executive Director; | Section 8 |

| Topic | Summary | More information |
|-------------------------------------|---|--|
| | <p>(d) Mr Martin Priestley - Non-Executive Director; and</p> <p>(e) Mr Roger Commins - Non-Executive Director.</p> <p>Mr Douglas O'Neill will retire at the General Meeting.</p> <p>The profiles of each of these individuals are detailed in Section 8.2. Details of the personal interests of each of the above individuals are in Sections 8.4 and 8.5.</p> | |
| Additional key management personnel | Apart from the Directors, upon successful completion of the Acquisition, it is proposed that Mr Ian Charles will be engaged as Hatchery Manager and Mr Paul Hardy-Smith as a consultant. | Section 8.3 |
| Related party transactions | <p>Details of Director remuneration and interests in the Company's securities are provided in Section 8.5 and 8.6.</p> <p>Details of related party transactions are provided in Sections 8.7 and Sections 9.2 to 9.9.</p> <p>Of note is that entities associated with current Director Mr Anderson and proposed Directors Mr Ryan and Mr Commins are parties to those Acquisition Agreements pursuant to which the Company will acquire Bidgee, Riverina Aquaculture, the Ryan Farm and the Brigalow Assets for the consideration set out below:</p> <p>(a) Mr Ryan</p> <p>(Bidgee) \$550,000 cash and 20,357,143 Initial Consideration Shares, 6,785,714 Milestone Consideration Shares and 20,000,000 Options will be issued to MBRPL (an entity associated with Mr Ryan) for Mr Ryan's interest in Bidgee;</p> <p>(Riverina Aquaculture) 38,571,429 Initial Consideration Shares, 12,857,143 Milestone Consideration Shares and 20,000,000 Options to MBRPL;</p> <p>(Ryan Farm) \$1,450,000 cash to Mr Mathew Ryan and Mrs Bonnie Ryan;</p> <p>(b) Mr Commins</p> <p>(Bidgee) \$550,000 cash and 20,357,143 Initial Consideration Shares, 6,785,714 Milestone Consideration Shares and 20,000,000 Options will be issued to Brigalow (an entity associated with Mr</p> | Section 8.5, 8.6, 8.7, 9.2, 9.3, 9.5, 9.6, 9.7 and 9.9 |

| Topic | Summary | More information |
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| | <p>Commins) for Mr Commins' interest in Bidgee;</p> <p>(Brigalow Assets) \$550,000 cash to Brigalow for the acquisition of cages and a fish grading machine;</p> <p>(c) Mr Anderson</p> <p>(Bidgee performance rights) issue 5,000,000 Class A, 5,000,000 Class B and 5,000,000 Class C Performance Rights to Kimbalex (an entity associated with Mr Anderson) in consideration for the acquisition and subsequent cancellation of the Bidgee performance rights held by Kimbalex.</p> <p>In addition:</p> <p>(d) Messrs Ryan, Anderson and Commins have executed services agreements with the Company pursuant to which they will be paid base salaries of \$150,000, \$60,000 and \$30,000 respectively;</p> <p>(e) Ag Finance, an entity which is 80% owned by a family trust of which Mr Ross Anderson is a beneficiary, has as lender, extended a loan facility of \$500,000 to Bidgee, with interest payable at 6% on a daily compounding basis. The loan is repayable by no later than 31 March 2017; and</p> <p>(f) Entities associated with Mr Anderson and Mr Priestley have entered into capital raising mandates pursuant to which those entities will be paid 6% of the value of capital raised under the Public Offer by those entities.</p> | |
| Financial information | | |
| How have the Company and the Merged Group performed over the past 12 months? | <p>The statements of financial position of the Company and Merged Group as at 30 June 2016 are set out in the Investigating Accountant's Report in Section 7.</p> <p>The financial performance of Bidgee, Riverina Aquaculture and Silverwater Native Fish for the past financial year is set out in notes 18 to 20 of the Investigating Accountant's Report.</p> <p>Following the change in the nature of its activities, the Company will be focused on developing the Merged Group's business. Therefore, the past operational and financial performance of the Company and each of</p> | Sections 6 and 7 |

| Topic | Summary | More information |
|--|--|------------------|
| | Riverina Aquaculture, Bidgee and Silverwater Native Fish should not be relied on as a guide to future performance. | |
| What is the financial outlook for the Merged Group? | <p>Please refer to the Investigating Accountant's Report in Section 7 which includes a pro-forma balance sheet of the Company post-Completion.</p> <p>There are significant uncertainties associated with forecasting future revenues and expenses of the Company. In light of uncertainty as to timing and outcome of the Company's growth strategies and the general nature of the industry in which the Company will operate, as well as uncertain macro market and economic conditions in the Company's markets, the Company's performance in any future period cannot be reliably estimated. On these bases and after considering ASIC Regulatory Guide 170, the Directors do not believe that they have a reasonable basis to reliably forecast future earnings and accordingly forecast financials are not included in this Prospectus.</p> | Section 7 |
| Does the Merged Group have sufficient funds for its activities? | <p>The funding for the Merged Group's short to medium term activities will be generated from funds raised under the Public Offer, together with sales revenue from the sale of Murray Cod.</p> <p>The Board is satisfied that upon completion of the Public Offer, the Company will have sufficient working capital to meet its stated objectives.</p> | Section 3.11 |
| What is the proposed use of funds raised under the Public Offer? | The Company intends to apply the funds raised from the Public Offer as set out in Section 3.11. | Section 3.11 |
| What are the Offers? | | |
| What is the Public Offer? | <p>The Public Offer is a conditional offer inviting the general public to apply for up to 200,000,000 Shares at an Offer Price of \$0.05 each to raise \$10,000,000 (before expenses).</p> <p>The Public Offer is subject to a minimum subscription requirement to raise \$7,000,000.</p> | Section 2.1 |

| Topic | Summary | More information |
|--|--|------------------|
| What are the Secondary Offers? | <p>The Company is undertaking the following conditional Secondary Offers in connection with the Acquisition:</p> <ul style="list-style-type: none"> (a) an offer of up to 81,285,715 Shares, 64,000,000 Options and 15,000,000 Performance Rights in consideration for the acquisition of Bidgee Fresh Pty Ltd, Riverina Aquaculture and Silverwater Native Fish (together, the Consideration Offer); (b) an offer of up to 1,000,000 Shares and up to 2,000,000 Options to the Lead Manager in consideration for capital raising services provided to the Company (Lead Manager Offer); and (c) an offer of up to 5,000,000 Options to Panaquatic Health Solutions Pty Ltd in consideration for consulting services (Panaquatic Offer). | Section 2.2 |
| What are the conditions of the Offers? | <p>The Offers remain conditional upon the following events occurring:</p> <ul style="list-style-type: none"> (a) the Acquisition Agreements becoming unconditional; (b) Shareholders approving the Acquisition Resolutions; (c) the Company raising the minimum subscription (\$7,000,000) under the Public Offer; and (d) ASX providing the Company with a list of conditions which, when satisfied, will result in ASX reinstating the Shares to quotation on ASX upon the satisfaction of Chapters 1 and 2 of the Listing Rules. <p>If these conditions are not satisfied then the Offers will not proceed and the Company will repay all Application Monies received under the Public Offer in accordance with the Corporations Act.</p> | Section 2.3 |
| Why are the Offers being conducted? | <p>The purposes of the Offers are to:</p> <ul style="list-style-type: none"> (a) meet the requirement that the Company re-complies with the ASX's admission requirements in accordance with Chapters 1 and 2 of the Listing Rules; (b) provide funding for the purposes outlined in Section 3.11; | Section 2.1(c) |

| Topic | Summary | More information |
|---|---|------------------------------|
| | <p>(c) provide the Company with access to equity capital markets for future funding needs; and</p> <p>(d) enhance the public and financial profile of the Company.</p> | |
| Additional information | | |
| Will the Company be adequately funded after completion of the Public Offer? | The Directors are satisfied that on completion of the Public Offer, the Company will have sufficient working capital to carry out its stated objectives. | Section 3.11 |
| What rights and liabilities attach to the Securities on issue post-Acquisition? | <p>All Shares issued under the Offers will rank equally in all respects with existing Shares on issue. The rights and liabilities attaching to the Shares are described in Section 10.1.</p> <p>The terms and conditions attaching to the Options issued under the Secondary Offers are described in Section 10.3. The Shares issued on exercise of the Options will rank equally in all respects with existing Shares on issue.</p> <p>The terms and conditions attaching to the Performance Rights to be issued to Kimbalex are described in Section 10.4. The Shares issued on exercise of the Performance Rights will rank equally in all respects with existing Shares on issue.</p> | Sections 10.1, 10.3 and 10.4 |
| Is the Public Offer underwritten? | No, the Public Offer is not underwritten. | Section 2.5 |
| Will the Shares issued under the Offers be quoted? | The Company will apply to ASX no later than seven days from the date of this Prospectus for official quotation of the Shares on the ASX under the new code, "MCA". | "Important Information" |
| What are the tax implications of investing in Securities under the Offers? | <p>The tax consequences of any investment in Securities under the Offers will depend upon your particular circumstances.</p> <p>Prospective investors should obtain their own tax advice before deciding to invest.</p> | Section 2.14 |
| How do I apply for Securities under the Offers? | Applications for Securities under the Offers must be made by completing the relevant Application Form and, for the Public Offer, must be accompanied by a cheque in Australian dollars for the full amount of the application being the number of Shares applied for multiplied by \$0.05 per Share. Cheques must be made payable to "Timpetra Resources Limited - Share Application Account" and should be crossed "Not Negotiable". The | Section 2.6 |

| Topic | Summary | More information |
|---|--|---------------------|
| | Company will also accept electronic transfers of application monies. | |
| When will I receive confirmation that my application has been successful? | It is expected that holding statements will be sent to successful applicants by post on or about 21 December 2016. | "Key Offer Details" |
| Will any Shares be subject to escrow? | No Shares issued under the Public Offer will be subject to escrow. Subject to the Company's Shares being reinstated to trading on the ASX, securities issued pursuant to the Consideration Offer will be held in voluntary escrow for 24 months from the date of reinstatement. | Section 2.9 |
| What is the Company's dividend policy? | The Company does not expect to pay dividends in the near future as its focus will primarily be on using cash reserves to grow and expand the production of the Merged Group. Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend upon matters such as the availability of distributable earnings, the operating results and financial condition of the Company, future capital requirements, general business and other factors considered relevant by the Directors. No assurances are given in relation to the payment of dividends, or that any dividends may attach franking credits. | Section 6.3 |
| How can I find out more about the Prospectus or the Offers? | Questions relating to the Offers and applications for Securities can be directed to the Company on +61 2 6962 5470. | Section 2.15 |

1. Transaction overview

1.1 The Acquisition

The Company has entered into the following conditional binding agreements, consistent with the terms of the heads of agreement announced by the Company on 7 July 2016:

- (a) a share sale agreement with Bidgee Fresh Pty Ltd (**Bidgee**), its shareholders (**Bidgee Vendors**) (entities associated with the Proposed Directors) and Kimbalex Investments Pty Ltd (**Kimbalex**) (an entity associated with current director Mr Ross Anderson) to acquire 100% of the issued share capital and performance rights of Bidgee;
- (b) a business asset sale agreement with M&B Ryan Pty Ltd (**MBRPL**) (an entity associated with Proposed Director Mr Ryan) to acquire the business known as Riverina Aquaculture and its assets (**Riverina Aquaculture**);
- (c) a land purchase agreement with Mr Mathew Ryan and Mrs Bonnie Ryan to acquire the 73-acre property where Riverina Aquaculture operates (**Ryan Farm**);
- (d) a sale agreement with Brigalow Enterprises Pty Ltd (**Brigalow**) (an entity associated with Proposed Director Mr Commins) to acquire custom-built fish cages and a fish grading machine, including the intellectual property rights in the assets (**Brigalow Assets**); and
- (e) a business asset sale agreement and a land purchase agreement with Mr Ian Charles and Mrs Michelle Charles (**Charles Partnership**) to acquire the business known as Silverwater Native Fish and its assets (**Silverwater Native Fish**) and the 88-hectare property where Silverwater Native Fish operates (**Silverwater Farm**),

(together the **Acquisition Agreements**).

A summary of the Acquisition Agreements, including the conditions precedent to settlement occurring on the Acquisition, is set out in Section 9.2.

Upon successful completion of the Acquisition, the Company will focus on developing and expanding the business of the Merged Group. A more detailed summary of the Merged Group and the proposed business of the Company following completion of the Acquisition is set out in Section 3.

Subject to Shareholder approval, the Company intends to operate in the aquaculture industry, with its first proposed acquisition being the Merged Group. The Acquisition will enable the Company to control the breeding, feeding, water conditions and biological inputs throughout the life cycle of the fish, with the aim to provide consumer confidence in the quality and sustainability of the fish. The marketing strategy of the Company will be to use these factors to educate consumers and to position Murray Cod in the marketplace as a "premium" product. The Company's objective is to build the Merged Group's production capacity to ensure the supply of fully grown Murray Cod to developed markets.

Completion of the Acquisition is subject to a number of conditions, including the following:

- (a) the Company raising the minimum subscription under the Public Offer, being \$7,000,000; and
- (b) ASX approving the Company's re-compliance with the admission requirements under Chapters 1 and 2 of the Listing Rules.

1.2 About the Merged Group

The Company is proposing to acquire three aquaculture businesses, together with the land on which they operate:

- (a) Silverwater Native Fish - a fish spawning and hatchery business operated by the Charles Partnership on the Silverwater Farm;
- (b) Bidgee Fresh Pty Ltd - a customised fish nursery business operated on the Ryan Farm; and
- (c) Riverina Aquaculture - a fish farm which grows out Murray Cod in integrated cage systems on the Ryan Farm.

Please refer to Section 3 for a more detailed summary of the Merged Group and the Company's proposed activities following completion of the Acquisition.

1.3 Suspension and reinstatement on ASX

The Acquisition, if successfully completed, will represent a significant change in the nature and scale of the Company's operations to an aquaculture company aiming to become one of the largest producers and distributors of Murray Cod in Australia.

The change in the nature and scale of the Company's activities requires:

- (a) the approval of Shareholders; and
- (b) the Company to re-comply with the admission requirements set out in Chapters 1 and 2 of the Listing Rules.

The Company's Securities are currently suspended from trading on ASX and will not be reinstated unless:

- (a) each Acquisition Resolution is passed by Shareholders (see Section 1.4 below for further details); and
- (b) ASX is satisfied the Company has met the requirements of Chapters 1 and 2 of the Listing Rules.

Some of the key requirements of Chapters 1 and 2 of the Listing Rules are:

- (a) the Company must satisfy the shareholder spread requirements relating to the minimum number of Shareholders and the minimum value of the shareholdings of those Shareholders; and
- (b) the Company must satisfy the "assets test" as set out in Listing Rule 1.3.

It is expected that the conduct of the Public Offer pursuant to this Prospectus will enable the Company to satisfy the above requirements.

Applicants should be aware that ASX will not re-admit or admit any Shares to Official Quotation until the Company re-complies with Chapters 1 and 2 of the Listing Rules and is re-admitted by ASX to the Official List.

In the event that the Company does not receive conditional approval for re-admission to the Official List, the Company will not proceed with the Public Offer and will repay all Application Monies received by it in connection with this Prospectus (without interest).

If Shareholder approval to the change in nature and scale of the Company's activities is not obtained, the Company will apply to ASX to have its securities reinstated to trading.

The Company will apply to ASX no later than seven days from the date of this Prospectus for ASX to grant official quotation of the Shares issued pursuant to this Prospectus. If the Shares are not admitted to quotation within three months after the date of this Prospectus, no Shares will be issued and Application Monies received under the Public Offer will be refunded in full without interest in accordance with the Corporations Act.

Neither ASX nor ASIC take responsibility for the contents of this Prospectus. The fact that ASX may grant official quotation to the Shares issued pursuant to this Prospectus is not to be taken in any way as an indication by ASX as to the merits of the Company or the Shares.

1.4 General Meeting

The Company has called the General Meeting primarily for the purpose of seeking the approval of Shareholders to a number of resolutions required to implement the Acquisition.

It is a condition to completion of the Offers under this Prospectus, as well as the Acquisition, that each of the following resolutions is approved by Shareholders:

- (a) **Change in nature and scale:** the Company changing the nature and scale of its activities as a result of the Acquisition to become an aquaculture company (at present the Company is classified by ASX as an gold exploration company);
- (b) **Issue of Consideration Securities:** the issue of Securities as consideration for the Acquisition, being the issue of:
 - (i) 58,928,572 Initial Consideration Shares to MBRPL (or its nominee);
 - (ii) 20,357,143 Initial Consideration Shares to Brigalow (or its nominee);
 - (iii) 2,000,000 Initial Consideration Shares to the Charles Partnership (or its nominee);
 - (iv) 19,642,857 Milestone Consideration Shares to MBRPL (or its nominee);
 - (v) 6,785,714 Milestone Consideration Shares to Brigalow (or its nominee);
 - (vi) 40,000,000 Options to MBRPL (or its nominee);
 - (vii) 20,000,000 Options to Brigalow (or its nominee);
 - (viii) 4,000,000 Options to the Charles Partnership (or its nominee); and

- (ix) 15,000,000 Performance Rights to Kimbalex,
(together, the **Consideration Securities**);
- (c) **Public Offer:** the issue of Shares under the Public Offer;
- (d) **Appoint directors:** the appointment of directors Mr Mathew Ryan and Mr George 'Roger' Commins as directors of the Company;
- (e) **Director Options:** adopt the Company's Employee Incentive Scheme (**Scheme**) and the issue of up to 21,000,000 Options pursuant to the Scheme to the Directors of the Company on the terms set out in Section 10.3; and
- (f) **Change of name:** change of the Company's name to 'Murray Cod Australia Limited',
(each, an **Acquisition Resolution**).

If any of the Acquisition Resolutions are not approved by Shareholders, the Acquisition (including the Offers under this Prospectus) will not be completed.

2. Details of the Offers

2.1 Public Offer

(a) General

By this Prospectus, pursuant to the Public Offer the Company offers up to 200,000,000 Shares at an Offer Price of \$0.05 per Share to raise funds of \$10,000,000 (before costs). The Public Offer is open to the general public.

The Shares to be issued pursuant to the Public Offer are of the same class and will rank equally in all respects with the existing Shares in the Company. The rights and liabilities attaching to the Shares are further described in Section 10.1 of the Prospectus.

Applications for Shares under the Public Offer must be made on the Public Offer Application Form accompanying this Prospectus and received by the Company on or before the Closing Date. Persons wishing to apply for Shares under the Public Offer should refer to Section 2.6 for further details and instructions.

(b) Minimum subscription

The minimum level of subscription for the Public Offer is 140,000,000 Shares to raise \$7,000,000 (before costs). If the minimum subscription has not been achieved within three months after the date of this Prospectus (or such period as varied by ASIC), the Company will not issue any Securities under this Prospectus and will repay all Application Monies in accordance with the Corporations Act.

(c) Purpose of the Public Offer

The purposes of the Public Offer are to:

- (i) meet the requirement that the Company re-complies with the ASX's admission requirements in accordance with Chapters 1 and 2 of the Listing Rules;
- (ii) provide funding for the purposes outlined in Section 3.11;
- (iii) provide the Company with access to equity capital markets for future funding needs; and
- (iv) enhance the public and financial profile of the Company.

2.2 Secondary Offers

The Company is also undertaking the Secondary Offers (described below) in connection with the Acquisition. The Secondary Offers are being made under this Prospectus to remove the need for an additional disclosure document to be issued upon the sale of any Securities (or any Shares issued on conversion of any Securities into Shares) that are issued under the Secondary Offers.

(a) Consideration Offer

The Prospectus also includes the Consideration Offer, under which the Company offers:

- (i) 58,928,572 Initial Consideration Shares to MBRPL (or its nominee);
- (ii) 20,357,143 Initial Consideration Shares to Brigalow (or its nominee);
- (iii) 2,000,000 Initial Consideration Shares to the Charles Partnership (or its nominee);
- (iv) 40,000,000 Options to MBRPL (or its nominee);
- (v) 20,000,000 Options to Brigalow (or its nominee);
- (vi) 4,000,000 Options to the Charles Partnership (or its nominee); and
- (vii) 15,000,000 Performance Rights to Kimbalex,

(together, the **Consideration Securities**) for the acquisition of all the shares and performance rights in Bidgee and the businesses Riverina Aquaculture and Silverwater Native Fish.

The Shares to be issued pursuant to the Consideration Offer are of the same class and will rank equally in all respects with the existing Shares in the Company. A summary of the rights and liabilities attaching to the Shares is set out in Section 10.1 of the Prospectus.

The terms and conditions of the Options to be issued under the Consideration Offer are described in Section 10.3. If the Options are exercised, the resultant Shares will be of the same class and will rank equally in all respects with the existing Shares in the Company.

The terms and conditions of the Performance Rights to be issued under the Consideration Offer are described in Section 10.4. If the Performance Rights convert into Shares upon the relevant performance hurdles being achieved, then the resultant Shares will be of the same class and will rank equally in all respects with the existing Shares in the Company.

Applications for Securities under the Consideration Offer may only be made by the vendors (or their nominees) on the personalised Consideration Offer Application Form issued to the vendors together with a copy of this Prospectus, and must be completed and received by the Company on or before the Closing Date. The Company will only provide Consideration Offer Application Forms to persons entitled to participate in the Consideration Offer.

Persons wishing to apply for Securities under the Consideration Offer should refer to Section 2.6 for further details and instructions. No Application Monies are payable under the Consideration Offer.

(b) Lead Manager Offer

The Company has agreed to offer Options to the Lead Manager for capital raising and lead manager services provided to the Company.

This Prospectus includes a separate offer of up 1,000,000 Shares and up to 2,000,000 Options to the Lead Manager.

The rights and liabilities attaching to the Options issued under the Lead Manager Offer are described in Section 10.3. If the Options are exercised, the resultant Shares will be of the same class and will rank equally in all respects with the existing Shares in the Company.

Only the Lead Manager (or its nominees) may accept the Lead Manager Offer. A personalised Application Form in relation to the Lead Manager Offer will be issued to brokers and corporate advisers together with a copy of this Prospectus.

The amount payable for the issue of each Option under the Lead Manager Offer is \$0.00001.

The Options will not be quoted.

(c) Panaquatic Offer

The Company has agreed to offer Options to Panaquatic for consulting services to be provided to the Company.

This Prospectus includes a separate offer of up 5,000,000 Options to Panaquatic.

The rights and liabilities attaching to the Options issued under the Panaquatic Offer are described in Section 10.3. If the Options are exercised, the resultant Shares will be of the same class and will rank equally in all respects with the existing Shares in the Company.

Only Panaquatic (or its nominees) may accept the Panaquatic Offer. A personalised Application Form in relation to the Panaquatic Offer will be issued to Panaquatic together with a copy of this Prospectus.

No Application Monies are payable under the Panaquatic Offer.

The Options will not be quoted.

2.3 Conditional

The Offers under this Prospectus are conditional upon the following events occurring:

- (a) the Acquisition Agreements becoming unconditional;
- (b) Shareholders approving the Acquisition Resolutions;
- (c) the Company raising the minimum subscription being \$7,000,000 under the Public Offer (refer to Section 2.1); and

- (d) ASX providing the Company with a list of conditions which, when satisfied, will result in ASX reinstating the Shares to quotation on ASX upon the satisfaction of Chapters 1 and 2 of the Listing Rules.

If these conditions are not satisfied then the Offers will not proceed and the Company will repay all Application Monies received under the Public Offer in accordance with the Corporations Act.

2.4 Capital structure

The proposed pro forma capital structure of the Company following completion of the Offers and the Acquisition is as follows:

| Shares | Minimum Subscription | Maximum Subscription |
|--|----------------------|----------------------|
| Shares on issue prior to the Offers | 63,939,969 | 63,939,969 |
| Zebina Shares ¹ | 600,000 | 600,000 |
| Initial Consideration Shares | 81,285,715 | 81,285,715 |
| Maximum number of Shares to be issued under the Public Offer | 140,000,000 | 200,000,000 |
| Maximum number of Shares to be issued under the Lead Manager Offer | 1,000,000 | 1,000,000 |
| Total Shares on issue following completion and re-compliance | 286,825,684 | 346,825,684 |
| Milestone Consideration Shares ² | 26,428,571 | 26,428,571 |
| Total Shares on issue if Milestone Consideration Shares are issued | 313,254,255 | 373,254,255 |
| Options³ | | |
| Options on issue prior to the Offers | Nil | Nil |
| Options to be issued pursuant to the Consideration Offer ⁴ | 64,000,000 | 64,000,000 |
| Options to be issued pursuant to the Lead Manager Offer ⁵ | 1,400,000 | 2,000,000 |
| Options to be issued pursuant to the Panaquatic Offer ⁶ | 5,000,000 | 5,000,000 |
| Director Options ⁷ | 21,000,000 | 21,000,000 |
| Maximum number of Options on issue following completion and re-compliance | 91,400,000 | 92,000,000 |

| Performance Rights⁸ | | |
|---|-------------------|-------------------|
| Performance Rights on issue prior to the Offers | Nil | Nil |
| Performance Rights to be issued | 15,000,000 | 15,000,000 |
| Total Performance Rights on issue following completion and re-compliance | 15,000,000 | 15,000,000 |

Notes:

1. Shares to be issued Zebina as consideration for a liability arising under the term sheet dated 8 September 2015 between Zebina and the Company in relation to an earn in interest in tenements owned by Zebina located in the Murchison province of Western Australia. Shareholder approval for the issue is being sought at the General Meeting.
2. Milestone Consideration Shares to be issued in accordance with the Acquisition Agreements to entities associated with the Proposed Directors upon achievement of the Milestone, being the production and sale of 100 tonnes of Murray Cod within 4 years from the Quotation Date.
3. Full terms of Options are contained in Section 10.3.
4. Unquoted Options to be issued as consideration for the Acquisition. Comprised of the following:
 - (a) 40,000,000 Options to be issued to MBRPL;
 - (b) 20,000,000 Options to be issued to Brigalow; and
 - (c) 4,000,000 Options to be issued to Charles.
5. Unquoted Options to be issued to Alto as consideration for capital raising services. The number of options to be issued will be based upon the amount of capital raised by the Lead Manager, with up to 2,000,000 Options to be issued based upon the maximum subscription raised, to be adjusted pro-rata.
6. 5,000,000 Options to be issued to Panaquatic in consideration for expert aquaculture services to be provided to the Company.
7. Subject to Shareholder approval at the General Meeting, the Director Options will be issued to the Directors as follows. Full terms of Options are contained in Section 10.3:
 - (a) 15,000,000 Options to Mr Ross Anderson;
 - (b) 2,000,000 Options to Mr Morgan Barron;
 - (c) 2,000,000 Options to Mr Martin Priestley; and
 - (d) 2,000,000 Options to Mr Douglas O'Neill.
8. Comprised of the following to be issued to Kimbalex on the terms and conditions set out in Section 10.4:
 - (a) 5,000,000 Class A Performance Rights;
 - (b) 5,000,000 Class B Performance Rights; and
 - (c) 5,000,000 Class C Performance Rights.

2.5 No underwriting

The Public Offer is not underwritten.

2.6 Applications

Applications for Securities under the Offers can only be made using the relevant Application Form accompanying this Prospectus. The Application Form must be completed in accordance with the instructions set out on the form.

Applications under the Public Offer must be for a minimum of 40,000 Shares (\$2,000) and then in increments of 10,000 Shares (\$500). No brokerage, stamp duty or other costs are payable by applicants. Cheques must be made payable to "Timpetra Resources Limited - Share Application Account" and should be crossed "Not Negotiable". All Application Monies will be paid into a trust account. Applicants wishing to provide Application Monies via electronic funds transfer should follow the instructions on the Application Form or contact the Lead Manager.

Completed Application Forms and accompanying cheques or confirmation of electronic funds transfer must be received by the Lead Manager before 5.00pm (WST) on the Closing Date by either being delivered to, or posted to, the following address:

| By Hand | By Post |
|--|---|
| Timpetra Resources Limited c/- Alto Capital Pty Ltd Ground Floor, 16 Ord Street West Perth, WA 6005 | Timpetra Resources Limited c/- Alto Capital Pty Ltd PO Box 248 West Perth, WA 6872 |

Applicants are urged to lodge their Application Forms as soon as possible as the Public Offer may close early without notice.

An original, completed and lodged Application Form together with a cheque or electronic funds transfer for the Application Monies (for applications under the Public Offer), constitutes a binding and irrevocable offer to subscribe for the number of Securities specified in the Application Form. The Application Form does not need to be signed to be valid. If the Application Form is not completed correctly or if the accompanying payment is for the wrong amount, it may be treated by the Company as valid. The Directors' decision as to whether to treat such an application as valid and how to construe amend or complete the Application Form is final; however an applicant will not be treated as having applied for more Shares than is indicated by the amount of the cheque or electronic funds transfer for the Application Monies.

It is the responsibility of Applicants outside Australia to obtain all necessary approvals for the allotment and issue of Securities pursuant to this Prospectus. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by the Applicant that all relevant approvals have been obtained.

2.7 Allocation and allotment of Securities

The Directors reserve the right to reject any application or to allot a lesser number of Securities than that applied for. If the number of Securities allocated is less than that applied for, or no allotment is made, any surplus Application Monies will be promptly refunded without interest.

Subject to ASX granting approval for quotation of the Shares, the allotment of Shares will occur as soon as practicable after the Public Offer closes and the conditions set out in Section 2.3 have been satisfied. Holding statements will be dispatched as required by ASX. It is the responsibility of applicants to determine their allocation prior to trading in the Shares.

Applicants who sell the Shares before they receive their holding statement will do so at their own risk.

2.8 Application Monies to be held in trust

The Application Monies for Shares to be issued pursuant to the Public Offer will be held in a separate bank account on behalf of applicants until the Shares are allotted. If the Shares to be issued under this Prospectus are not admitted to quotation within a period of three months from the date of this Prospectus, the Application Monies will be refunded in full without interest, and any Shares issued will be deemed to be void. All interest earned on Application Monies (including those which do not result in the issue of Shares) will be retained by the Company.

2.9 Escrow arrangements

Subject to the Company's Shares being reinstated to trading on the ASX, securities issued pursuant to the Consideration Offer will be held in voluntary escrow for 24 months from the date of reinstatement. During the period in which these Securities are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of their Shares in a timely manner.

The Shares offered under the Public Offer will not be subject to any escrow restrictions.

2.10 CHESS and issuer sponsorship

The Company participates in CHESS. All trading on the ASX in existing Shares is, and in new Shares will be, settled through CHESS. ASX Settlement, a wholly-owned subsidiary of the ASX, operates CHESS in accordance with the Listing Rules and the ASX Settlement Operating Rules. On behalf of the Company, the Share Registry operates an electronic issuer sponsored sub-register and an electronic CHESS sub-register. The two sub-registers together make up the Company's principal register of securities.

Under CHESS, the Company does not issue certificates to Shareholders. Rather, holding statements (similar to bank statements) will be sent to Shareholders as soon as practicable after allotment. Holding statements will be sent either by CHESS (for Shareholders who elect to hold Shares on the CHESS sub-register) or by the Company's Share Registry (for Shareholders who elect to hold their Shares on the issuer sponsored sub-register). The statements will set out the number of existing Shares (where applicable) and the number of new Shares allotted under this Prospectus and provide details of a Shareholder's holder identification number (for Shareholders who elect to hold Shares on the CHESS sub-register) or Shareholder reference number (for Shareholders who elect to hold their Shares on the issuer sponsored sub-register). Updated holding statements will also be sent to each Shareholder at the end of each month in which there is a transaction on their holding, as required by the Listing Rules.

2.11 Risks

As with any share investment, there are risks associated with investing in the Company. The principal risks that could affect the financial and market performance of the Company are detailed in Section 5 of this Prospectus. The Securities on offer under this Prospectus should be considered speculative. Accordingly, before deciding to invest in the Company, applicants should read this Prospectus in its entirety and should consider all factors in light of their individual circumstances and seek appropriate professional advice.

2.12 Overseas investors

An offer made pursuant to this Prospectus is not made to persons or in places which would not be lawful to make the offer. No action has been taken to register the Offers under this Prospectus or otherwise permit the Offers to be made in any jurisdiction outside Australia.

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

Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required

or whether any other formalities need to be considered and followed in respect of the Offers.

2.13 Privacy disclosure

Persons who apply for Securities pursuant to this Prospectus are asked to provide personal information to the Company, either directly or through the Share Registry. The Company and the Share Registry collect, hold and use that personal information to assess applications for Securities, to provide facilities and services to Security holders, and to carry out various administrative functions.

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.

If the information requested is not supplied, applications for Securities will not be processed. By submitting an Application Form, you agree that the Company may use the information provided by you on the Application Form for the purposes set out herein and may disclose it for those purposes to the share registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

A Security holder has a right to gain access to, correct and update the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

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.

2.14 Taxation

It is the responsibility of all persons to satisfy themselves of the particular taxation treatment that applies to them in relation to the Offers, by consulting their own professional tax advisers. Neither the Company nor any of its Directors or officers accepts any liability or responsibility in respect of the taxation consequences of the matters referred to above.

2.15 Enquiries

This is an important document and should be read in its entirety. Investors should consult with their professional advisers before deciding whether to apply for Securities under this Prospectus. Any investment in the Company under this Prospectus should be considered speculative.

Questions relating to the Offers and the completion of an Application Form can be directed to the Company on +61 2 6962 5470.

3. Overview of the Company and the Merged Group

3.1 Timpetra Resources Limited (to be renamed 'Murray Cod Australia Limited')

The Company was incorporated on 28 May 2010 and admitted to the Official List of ASX on 28 March 2011. The Company is presently classified as an ASX-listed gold exploration company. Its principal activities in the past were the exploration of gold in Western Australia.

The Company's securities were suspended from official quotation on 5 July 2016.

3.2 Acquisition of Merged Group

The Company is proposing to acquire three aquaculture businesses; Silverwater Native Fish, Bidgee Fresh Pty Ltd (**Bidgee**) and Riverina Aquaculture which together, hatch and farm Murray Cod. Upon Completion and subject to the passing of the Acquisition Resolutions, the Company will rename itself "Murray Cod Australia Limited". The Company's operations will be located in Griffith, in the Riverina region of New South Wales.

The Company will integrate the hatching, nursing and grow out of Murray Cod to control the entire life cycle of the fish. The Company intends to utilise existing capacity and knowledge within the individual businesses to cost effectively expand production while developing domestic markets for Murray Cod. As production allows, the Company will explore opportunities to export Murray Cod to overseas markets including Asia.

The Company will control the breeding, feeding, water conditions and biological inputs throughout the life cycle of the fish, with the aim to provide consumer confidence in the quality and sustainability of the fish. The marketing strategy of the Company will be to use these factors to educate consumers and to position Murray Cod in the marketplace as a "premium" product.

The Company's strategy is to build production capacity to ensure the supply of fully grown Murray Cod to developed markets. In addition to its planned expansion, the Company intends to utilise contract growers to grow out Murray Cod fingerlings to consumption sized fish on behalf of the Company.

The land based aquaculture model to be used by the Company and potentially, contract growers, may enable two products (fish and crops) and thereby two income streams to be generated from every megalitre of water used. The Directors believe this model to be ecologically sustainable as no water is discharged from the property with nutrient enriched waters from the fish production ponds used to irrigate crops and pastures. This integrated approach potentially enhances farm-scale water-use efficiency and productivity gains.

Murray Cod is native to Australia and occurs naturally in freshwaters of the Murray-Darling Basin in Queensland, New South Wales, Victoria and South Australia. It is the largest freshwater fish in Australia and one of the largest freshwater fish in the world.

The wholesale market price of Murray Cod can fetch a premium over other popular table fish such as salmon and tuna if it is farmed under the right conditions.

As at the date of this Prospectus, there is currently no wild catch of Murray Cod for commercial sale.

3.3 The Business restructure

In order to restructure its business, the Company is proposing to acquire the following three aquaculture operations:

- (a) a Murray Cod hatchery - Silverwater Native Fish;
- (b) a nursery - Bidgee; and
- (c) a 'grow out' farm - Riverina Aquaculture.

Upon Completion, the Merged Group will be one of the largest Murray Cod aquaculture business by production volume in Australia which is considered to have the following barriers to entry for potential competitors:

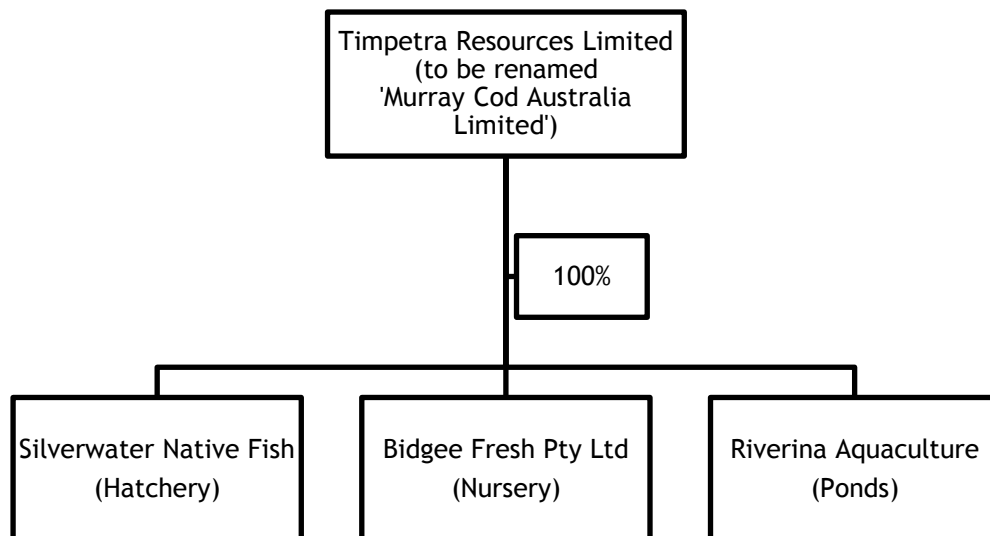
- (a) investment and construction of significant aquaculture infrastructure, which also has a large land requirement;
- (b) access to sufficient quality freshwater. Murray Cod are entirely a freshwater species and will not tolerate high salinity levels and may be susceptible to bacterial and fungal infections unless excellent water quality is maintained;
- (c) intellectual property comprising aquaculture operational 'know-how' and experienced management and personnel, including specific knowledge of the Murray Cod species;
- (d) geographic location, with the natural habitat of Murray Cod being in the eastern states of Australia, predominately in New South Wales and Victoria;
- (e) Australian regulatory approval and ongoing inspection for aquaculture operations; and
- (f) vertically integrated operations covering the entire life cycle and value chain of the Murray Cod grow out.

The Merged Group has existing trading relationships with wholesaler distributors and the Company expects to benefit from significant synergies from pooled management experience of the Merged Group and economies of scale.

A summary of each of the businesses and assets to be acquired is provided below.

3.4 Corporate structure

The diagram below summarises the corporate structure of the Company following completion of the Acquisition.



3.5 The Company's value proposition

- (a) **Integrated value chain:** the merger of three aquaculture businesses located in New South Wales which specialise in different areas of production across the entire Murray Cod lifecycle.
- (b) **Experienced management and operational knowledge:** significant know-how and technical aquaculture knowledge developed over years of operations to be retained, with Vendors to be employed by the Company.
- (c) **Expansion strategy:** Riverina Aquaculture has increased its productive capacity from 18 tonne per annum to 90 tonne since July 2015. Based on these figures and developed expansion plans, management's objective is for the Merged Group to have a productive capacity of 1,000 tonne per annum of consumption sized Murray Cod within five years.
- (d) **High value commodity:** Murray Cod able to achieve high prices (up to and exceeding \$20kg/kg) relative to other farmed species in Australia and Asia if farmed under the right conditions.
- (e) **Green & sustainable model:** Murray Cod grown in native waters in a controlled and monitored natural environment, strong synergies with irrigated agriculture and low environmental footprint (compared to traditional aquaculture activities).
- (f) **Agricultural innovation:** Land based aquaculture model enables two products (fish and crops) to be generated from every megalitre of water used. Nutrient enriched waters used in aquaculture may be used to irrigate crops and pastures to potentially enhance farm-scale water-use efficiency and productivity gains.
- (g) **Significant barriers to entry:** Significant land and access to quality water required, developed infrastructure, management knowledge and expertise, geographical location (species native to the Murray Darling Basin and environment).
- (h) **Market opportunity:** Sales growth domestically year-on-year, with Company strategy to create "premium" product branding and develop export markets in Asia, with the potential for significantly increased demand.

3.6 Merged Group team

As part of the Acquisition Agreements, each of Mr Mathew Ryan and Mr George “Roger” Commins will join the Board of the Company. Mr Ryan and Mr Commins will be ably supported by Mr Ian Charles.

(a) Mr Mathew Ryan, Proposed Managing Director

Mr Mathew Ryan is the managing director of the Bidgee and Riverina Aquaculture businesses and has been instrumental with the growth of each. Previously Mr Ryan was managing director of Agrow Agronomy and Research which provided agronomic support services to agricultural clients and conducted significant research programmes for private and industry projects. Mr Ryan holds a Bachelor of Rural Science and has over 18 years of experience in the aquaculture and agricultural industries including marketing and sales and has detailed knowledge of the Murray Cod production cycle.

(b) Mr Roger Commins, Proposed Non-Executive Director

Mr George “Roger” Commins has extensive experience within the agricultural industry developed from over 30 years’ involvement in establishing and operating a diverse number of enterprises including large scale irrigation, development of the cotton industry in the Riverina region, seed production, agricultural transport, timber plantation, solar generation and high quality citrus amongst others. He is a director of Commins Enterprises Pty Ltd, a company which is widely recognised as a regional innovator. Mr Commins is one of the founding members and current director of Southern Cotton NSW.

(c) Mr Ian Charles, Proposed Hatchery Manager

Mr Ian Charles founded and has been operating Silverwater Native Fish for over 20 years.

Mr Charles is a respected figure in native fish spawning/production and undertakes aquaculture consulting work in China and Vietnam. Mr Charles will be involved with the Merged Group as Hatchery Manager.

3.7 The Merged Group assets

The Merged Group will have the following assets upon Completion:

- (a) **Murray Cod fish:** Riverina Aquaculture will hold not less than \$300,000 of stock of Murray Cod at Completion. Silverwater Native Fish will hold not less than \$200,000 of stock at Completion.
- (b) **Land and water licences:** a 73 acre farm in Bilbul, New South Wales where Riverina Aquaculture operates and an 88 hectare farm in Grong Grong, New South Wales where Silverwater Native Fish operates, together with water licences in relation to the respective farms.
- (c) **Plant and equipment:** various plant and equipment to carry out the operations, including custom-built ponds, fish cages and a fish grading machine.
- (d) **Intellectual property:** comprises management experience and ‘know how’ developed over many years of aquaculture operations. Further the Merged Group will acquire the intellectual property rights related to the design and

manufacture of the fish cages, grading machines as well as design and management of the Ryan Farm grow out ponds.

3.8 The Merged Group's operations

(a) Hatchery business

Silverwater Native Fish was founded in 1995 and is a fish spawning and hatchery business, operated by the partnership of Ian and Michelle Charles. Silverwater Native Fish breeds "fry" (or baby fish), including native species of Murray Cod, Silver Perch and Golden Perch, which are then grown into "fingerlings" in dedicated "fry ponds" and weaned inside the hatchery facilities. The Company intends to supply the fingerlings to Bidgee, which operates a nursery (see Section 3.8(b) below).

Silverwater Native Fish comprises a farming property located in Grong Grong, New South Wales (being the Silverwater Farm). The Silverwater Farm has a large Recirculating Aquaculture System (RAS) comprising a housing shed, hatchery tanks, water licences, existing fish stock and associated plant and equipment, including a laboratory and cool room.



Picture 1: Aerial view of Silverwater Native Fish hatchery



Picture 2: Inside the Silverwater Native Fish Hatchery



Picture 3: Inside the Silverwater Native Fish Hatchery

(b) **Nursery business**

Bidgee was founded in April 2015 and owns and operates a customised fish nursery located in Bilbul, News South Wales (being the Ryan Farm). Bidgee is jointly owned by Brigalow, controlled and owned by proposed director Mr George "Roger" Commins and MBRPL, a company jointly controlled and owned by proposed director Mr Mathew Ryan and Mrs Bonnie Ryan.

Murray Cod are received as fingerlings at Bidgee's nursery and grown into "advanced stockers" of approximately 100 grams, that are then transferred to the fish farming operations of Riverina Aquaculture, which is also located on Ryan Farm.

Bidgee's assets comprise tanks, pumps, plumbing, filtration equipment, fish handling equipment and a quarantine room. Also, built into the nursery is a fish processing plant comprising a cool room, ice machine and other associated equipment.

The nursery system includes a range of small and large tanks to allow for grading of fish by size in order to reduce losses through aggression from larger fish towards smaller fish.



Picture 4: Inside the Bidgee Nursery

(c) **Fish farming**

Riverina Aquaculture was established in July 2012 by Mr Mathew Ryan and Mrs Bonnie Ryan. Riverina Aquaculture receives fingerlings weighing approximately 100 grams each and 'grows out' fish to a weight of 1 to 2 kilograms or more each, over a period of 12 to 24 months within earthen ponds fitted out with purpose built integrated cage systems located on the Ryan Farm.

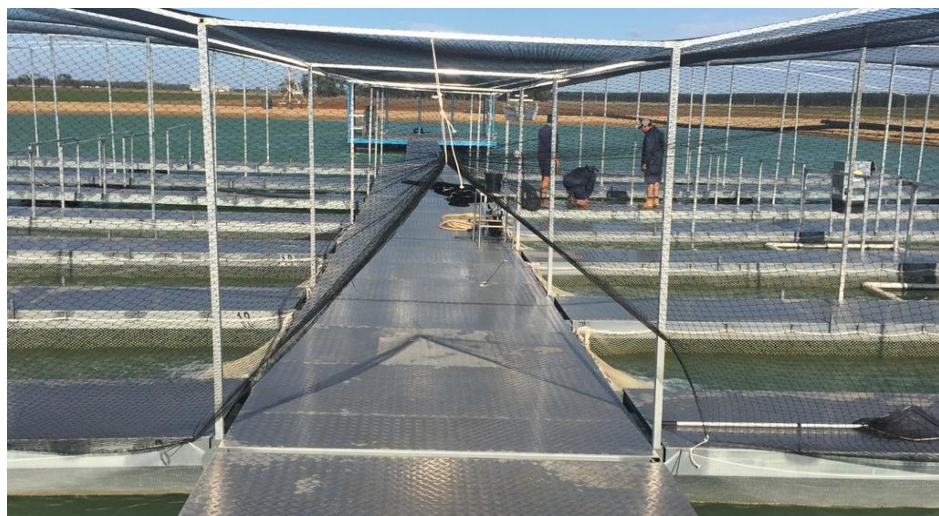
Riverina Aquaculture stocked its first caged pond with fingerlings in January 2013, while the first sales of Murray Cod were achieved in March 2014.

Currently two ponds on the Ryan Farm are fitted with cage systems that are stocked with fish, with a capacity of approximately 20,000 fish for each pond, which enables an annual production capacity of Murray Cod of approximately 36,000 kilograms (18,000 kilograms per pond) based on an average weight of 1 kilogram per fish and after allowing for 10% mortality in total (from fingerling stock). The fish cages are divided into sections via a series of pontoons which provide access for work to be undertaken such as inspection, feeding and harvest.

The second stocked pond was fitted in October 2015 with a cage system that was designed and manufactured in the Griffith area on behalf of Bidgee (see Picture 5 below).

As part of the Acquisition, the Company will acquire a further three integrated cage systems from Brigalow which are to be used to increase the number of 'cage fitted' ponds to five ponds and expand Riverina Aquaculture's total production capacity to approximately 90 tonnes per annum, which is calculated based on fish reaching an average weight of 1 kilogram.

Further, the Company intends to lease land on a neighbouring property where the owner has applied for the construction of an additional six dams. Subject to the land owner receiving development approval for the dam construction, the Company will enter into negotiations to lease the land. If these applications are successful, and the Company secures the lease, it is expected to increase annual productive capacity by an additional 108 tonnes. The Merged Group's objective is to continue to expand its productive capacity to become the largest Murray Cod producer in Australia.



Picture 5: Custom designed cage system on the Ryan Farm

(d) **Cage Systems**

The Company will acquire three specialised grow out cage systems (already installed on dams at the Ryan Farm) from Brigalow along with the intellectual property associated with the design and production of specialised grow out cage systems (see Picture 5 above).

These cage systems allow easy monitoring of the fish stock for mortality and any signs of disease, with monitoring currently performed by Riverina Aquaculture's management on a daily basis. The cages also allow for fish to be graded and segregated easily based on size, which helps to prevent any aggression from larger fish that could lead to slower growth rate, higher mortality and 'stressed' fish stock. The addition of the grading machine to be purchased from Brigalow will automate this process thereby significantly reducing labour costs otherwise incurred. It will also allow the fish being graded to suffer less stress and damage during the process than would occur through manual grading with hand net and buckets.

Each cage has a customised integrated aeration system which aims to increase dissolved oxygen levels in each pond in order to maintain the health and growth rate of the Murray Cod stock.



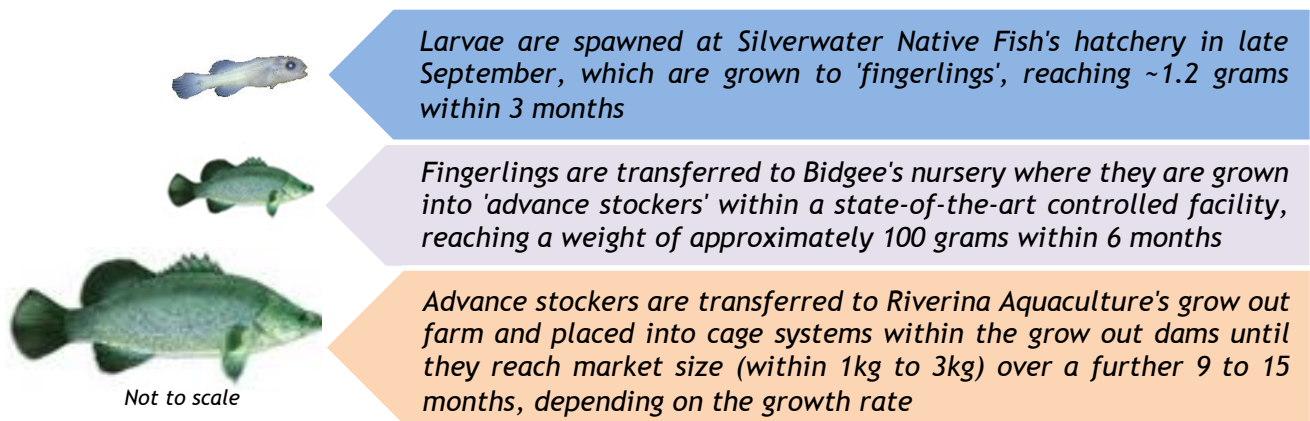
Picture 6: Fish grading machine operating on contract grower farm

The cage systems are specifically designed to keep the fish stock to a maximum depth of approximately two metres, within a total dam depth of approximately five metres. This design is intended to eliminate any muddy flavours of the fish stock, which are often associated with RAS grown fish.

3.9 Business model and development and commercialisation objectives

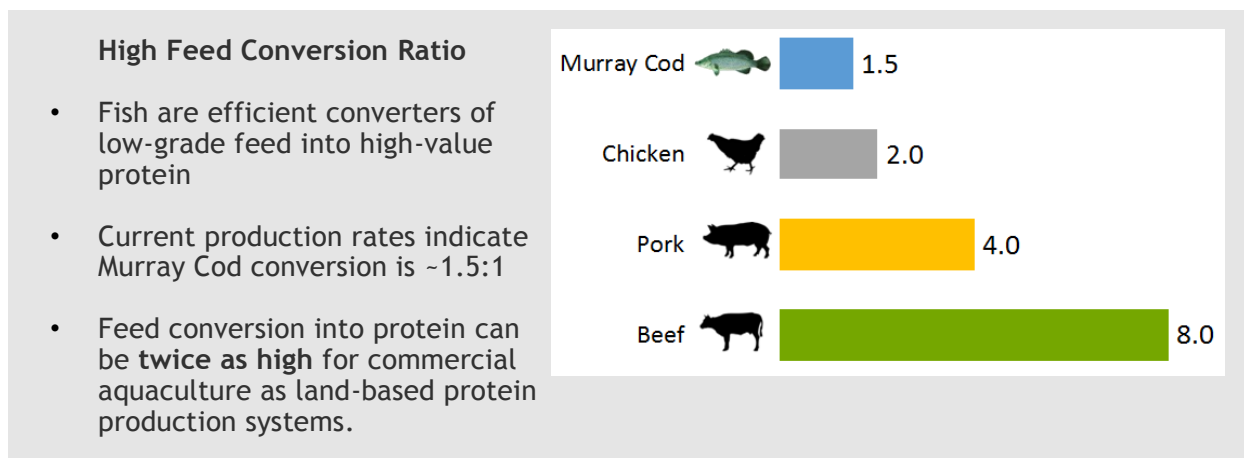
(a) **The Murray Cod lifecycle through the Company's operations**

The Murray Cod lifecycle is approximately 18 months from spawning through to market (with growth rates varying due to environmental conditions, feed regime and husbandry practice), broken down as follows:



Murray Cod are relatively efficient converters of feed into high-value protein compared to other animals, with current production rates indicating a conversion ratio of approximately 1.5:1 (see Figure 3 below).

Figure 3: High feed conversion ratio



(b) Comparison of open pond grown fish versus RAS*

| | Open Ponds | RAS* |
|--------------------------------------|------------|------|
| Lower set up costs | ✓ | ✗ |
| Lower operating costs | ✓ | ✗ |
| Premium pricing for fish | ✓ | ✗ |
| Better environmental/disease control | ✗ | ✓ |
| Faster growth | ✗ | ✓ |

Source: <http://agriculture.vic.gov.au/fisheries/aquaculture/production-systems>)

*Recirculating Aquaculture Systems (RAS) have limited water exchange (typically up to 10% per day) and reuse the culture water. Mechanical and biological water treatment is used to maintain water quality.

(c) Land use

As part of the Acquisition, the Company will acquire the land and the water licences owned by Silverwater Native Fish as follows:

- (i) 293 megalitres of groundwater;
- (ii) 130 megalitres of general security river water; and
- (iii) 6 megalitres of stock and domestic water.

In addition, surplus land on the Silverwater Farm is currently being used for cattle grazing and the Company will determine future land use following Completion.

The Company will also acquire the Ryan Farm and all assets owned by Riverina Aquaculture. The water licences attaching to the Ryan Farm will also be acquired, being a water allocation of 201 megalitres from the local Murrumbidgee irrigation area.

Agricultural land on the properties to be acquired that is not directly used for the aquaculture businesses is intended to be planted to pasture and grazed by cattle for an agistment fee, or used for fodder production.

Bidgee currently employs a farm manager who is responsible for managing the nursery shed and fish farm, as well as managing the agricultural land. Any crop production is intended to be irrigated with nutrient enriched water from the Company's fish ponds. The Company's future decisions for the use of this excess land will depend on climactic conditions and livestock market cycles, and is yet to be determined.

In either case, these land farming activities are considered to be insignificant in terms of the economic impact on the Company's financial performance and the time required by the Company's management.

(d) Fish sales

The Company expects its main source of revenue will be from the sale of grown Murray Cod. Riverina Aquaculture has been selling Murray Cod for approximately three years to wholesale markets in Sydney and Melbourne. The Merged Group will have an arrangement with two wholesale distributors to market and supply Murray Cod to domestic markets in New South Wales and Victoria, who each charge a commission.

Harvesting occurs when the fish reach a target weight of 0.8kg to 3.0kg depending on market destinations. The whole fish (including the gut) are placed in ice boxes and transported directly to markets in refrigerated trucks by contractors.

The Murray Cod sold by Riverina Aquaculture at the Sydney Fish Market during the month of September 2016 received a premium of \$4/kg to \$6/kg compared to Murray Cod raised in indoor facilities. There is no certainty that this premium will continue in the future.

As at the date of this Prospectus, based on a production capacity of 90 tonnes per annum (being the present five ponds on the Ryan Farm), the estimated cost of producing Murray Cod by the Merged Group is between \$9/kg to \$11/kg.

The Company expects the achieved sale price per kilogram to fall modestly as production is increased. The Company's objective is to decrease the average per kilogram production cost by more than the expected market price decrease (on a percentage basis) in order to maintain or increase its gross sales margin.

The Company aims to decrease average production cost due to realising economies of scale as the total production capacity of the Merged Group is increased, by the construction and stocking of additional grow out ponds, through:

- (i) utilising unused production capacity within the Silverwater Native Fish hatchery and Bidgee nursery to supply fingerlings to the Riverina Aquaculture's grow out farm;
- (ii) labour and supplier costs are not expected to increase relative to the increase in production capacity (on a percentage basis); and
- (iii) negotiating supplier discounts.

In addition to supplying fingerlings to Riverina Aquaculture, the Silverwater Native Fish hatchery also has existing arrangements with the New South Wales and Victorian Governments to supply fingerlings for native fish restocking initiatives.

(e) Sale of cage systems

Bidgee will design and manufacture cage systems for fit out in Murray Cod grow out dams. The cage systems are a new design and have recently been installed at Riverina Aquaculture.

The Merged Group plans to generate additional revenue from the sale or lease of its unique cage systems to contract growers, as well as to new Murray Cod growers entering the market. These cages are manufactured in the Griffith, New South Wales area on behalf of Bidgee.

The stability of the cage systems is considered to be a very important part of work place safety, especially when employees are working around and above water. The cage systems are modular to allow them to be packaged and freighted easily, as well as expanded quickly when installed on properties.

The cage systems have also been designed to allow water mixing within the dams and to maintain adequate oxygen through submersible pumps and aerators in order to increase water quality and cage production capacity.

Each cage system has the capacity to produce between 20,000 kg to 34,000 kg of Murray Cod, depending on stocking density, oxygen supply and other factors.



Picture 6: Cage system at one of Riverina Aquaculture's grow out ponds

(f) **Contract growers**

The Company proposes to expand operations and revenue by providing fingerlings to contract growers who will grow fish on behalf of the Company using proven methods and dam cage systems sold by Bidgee. The Merged Group's key personnel and operational expertise are intended to be made available to support contract growers.

Riverina Aquaculture has arrangements with three growers within New South Wales as part of an initial pilot assessment, with a total production capacity estimated by management of Riverina Aquaculture to be approximately 100 tonnes of Murray Cod based on a total of four dams with installed cages and the size of the cage systems on each dam (depending on growth rate, mortality rate and other factors). Riverina Aquaculture presently is paid a commission for assisting the growers with the sale of their Murray Cod. The first sales of Murray Cod grown by contract growers within the pilot test were achieved in the spring of 2015.

The Company is currently investigating various contract grower model options, including whether the Company will retain ownership of the fish stock.

One of the benefits of the contract grower model is the ability to boost Murray Cod production with limited capital expenditure incurred by the Company.

Further, the geographical spread of Murray Cod grow out farms provided by contract growers will assist with the mitigation of biological risks and diseases through diversity of dam water supply sources and segregation of fish stocks.

There are a number of benefits to farmers in acting as contract growers, including:

- (i) giving farmers another "crop" to monetise that isn't susceptible to land based agricultural risks; and
- (ii) the potential for the same irrigation water to be used twice: once through the fish ponds and then the nutrient enriched water can be used to irrigate crops or pastures on the farming properties to improve productivity.

(g) Fish processing/packing and transport

Riverina Aquaculture has existing fish processing infrastructure on the Ryan Farm suitable for local and interstate delivery. The Company intends to develop a facility to process fish for domestic and export demand as well as for live fish transport within Australia.

The past sales of Murray Cod by Riverina Aquaculture have been the whole fish, including the gut. It is anticipated that whole fish sale will continue in the short and medium term.

The Company will investigate various processing methods to ensure a high-quality consistent product is delivered to its end users. The current and intended future processing facility will be used to process fish grown from the Company's operations and also on behalf of other local fish growers, including contract growers.

(h) Field advice/labour

Following the Acquisition, the Company will have a management team and staff that are highly experienced in fish management procedures and disease control. The Company intends to contract staff to contract growers to advise on husbandry and fish management techniques.

The Directors anticipate that as the Murray Cod aquaculture industry grows in New South Wales, demand for skilled advice and labour will also increase.

(i) Experienced management and Board

On completion of the Acquisition, the Company will have an experienced management and Board including:

- (i) Mr Mathew Ryan, Proposed Managing Director;
- (ii) Mr Roger Commins, Proposed Non-Executive Director;
- (iii) Mr Ian Charles, Proposed Hatchery Manager;
- (iv) Mr Ross Anderson, Chairman;
- (v) Mr Morgan Barron, Non-Executive Director;
- (vi) Mr Martin Priestley, Non-Executive Director; and
- (vii) industry expert consultants, including:
 - (A) Mr Paul Hardy-Smith of Panaquatic Health Solutions Pty Ltd, Fish Health and Production Consultant; and
 - (B) Mr Paul Van Der Werf of Earthan Group Pty Ltd, Aquaculture Construction and Production Consultant.

(j) Risks of the aquaculture operations and business model

The existing operations to be acquired have risk management strategies in place to mitigate the risks associated with fish hatching and farming. These strategies will be reviewed and updated as necessary to account for the combined operations following the Acquisitions.

(k) Disease

Biosecurity is a major focus for the Company. Established and industry standard protocols for biosecurity measures are implemented at both the Ryan Farm and Silverwater Farm. This includes the use of existing quarantine facilities to ensure any fish moving between the sites are disease free.

The separation of sites by geography and the use of different water sources will also alleviate risk of disease outbreaks spreading from one location to another.

The common diseases that affect Murray Cod are Chilodonella, White Spot, Trichodina and Saprolegnia, which are parasitic and fungal diseases.

(l) Labour

Intensive aquaculture requires the knowledge and skill of well-trained personnel. A risk to the Company is not having adequately trained staff to handle the work load at peak times.

The Company is mitigating this risk by implementing a detailed on-the-job training program for new staff, who are currently being trained by experienced professionals in the aquaculture industry.

Bidgee also sponsors a prize at nearby Charles Sturt University to encourage vet students to study aquatic disease management, which plans to assist the Merged Group's research and development program for disease management.

(m) Environmental control

The fish are native to the region and are therefore well adapted to extreme changes in water temperature that can occur as a result of the Australian climate.

Dam size is also important for risk mitigation as smaller production units reduce the risk from any one single production unit and also allows the Merged Group to easily manipulate the dam's conditions to ensure water quality parameters are kept optimal for the fish.

(n) Key dependencies of the business model

The key factors that the Company will depend on to meet its objectives following Completion are:

- (i) the successful completion of the Acquisition;
- (ii) the successful completion of the capital raising pursuant to the Public Offer;
- (iii) retaining the key personnel of the Merged Group;
- (iv) increase in Murray Cod production capacity within the Merged Group;
- (v) development of the 'contract grower' business model in order to expand production capacity and meet growth objectives; and
- (vi) development of domestic and export markets for grown Murray Cod, sufficient to meet production and growth objectives.

3.10 Key personnel of the Merged Group

The key personnel proposed to be involved in the Merged Group are described in Sections 8.2 and 8.3.

3.11 Proposed use of funds

The Company intends to apply the funds raised from the Public Offer as follows over the next 12 months:

| Allocation of funds | Minimum Subscription | | Maximum Subscription | |
|---|----------------------|--------------|----------------------|--------------|
| | Amount (\$000's) | % | Amount (\$000's) | % |
| Consideration for the Acquisitions: | | | | |
| - Ryan Farm | 1,450 | 20.71 | 1,450 | 14.50 |
| - Nursery (Bidgee) | 1,100 | 15.71 | 1,100 | 11.0 |
| - Hatchery (Silverwater, including land) | 1,300 | 18.57 | 1,300 | 13.00 |
| - Cages and fish grading machine | 550 | 7.86 | 550 | 5.50 |
| Expansion of operations | 400 | 5.71 | 1,925 | 19.25 |
| Loan repayments ¹ | 500 | 7.14 | 500 | 5.00 |
| Business development | 160 | 2.29 | 230 | 2.30 |
| Corporate and administrative costs | 250 | 3.57 | 250 | 2.50 |
| Costs associated with the Acquisitions and Public Offer | 720 | 10.29 | 900 | 9.00 |
| General working capital ¹ | 570 | 8.14 | 1,795 | 17.95 |
| Total | 7,000 | 100.0 | 10,000 | 100.0 |

Notes:

1. See Section 8.4 and Section 9.9 for further information.

The above table is a statement of current intentions as at the date of this Prospectus. Investors should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors, including the outcome of operational and development activities, regulatory developments and market and general economic conditions. In light of this, the Board reserves the right to alter the way the funds are applied.

The Board is satisfied that upon completion of the Public Offer, the Company will have sufficient working capital to meet its stated objectives.

The use of further equity funding or Share placements will be considered by the Board where it is appropriate to accelerate a specific project or strategy.

The Merged Group is the first proposed acquisition by the Company in line with the Company's new focus, being aquaculture. It is possible that future acquisitions that may be contemplated may exceed the current or projected financial resources of the Company and it is expected that these acquisitions would be funded by debt and/or equity issues (subject to any required regulatory approvals).

4. Industry Overview

4.1 Competition

Global fisheries and aquaculture is considered by the Food and Agriculture Organization of the United Nations to be one of the fastest growing primary industries in the world, having grown at an average annual rate of 3% over the past decade.¹ The volume in Australian aquaculture production has experienced strong growth at an average annual growth of 6 per cent over the last decades to 2013, which has largely offset the decline in the Australian wild capture sector.²

Total global production from aquaculture is forecast to increase by more than 35% by 2022 from 2013 production levels and aquaculture production is expected to exceed wild fisheries production for human consumption in 2018.³

The increasing appetite for seafood has been attributed to rising incomes and urbanisation, expansion of aquaculture production and growing consumer awareness and education around the health benefits of high-quality seafood in a balanced diet. Seafood consumption in Australia has increased consistently over the past decade and now surpasses consumption of sheep and lamb meat.⁴

In Australia, market demand for seafood has increased to approximately 350,000 tonnes in 2013 to 2014 from consumption of approximately 250,000 tonnes per annum in 2001.⁵ This equates to an annual consumption of around 15 kilograms per person.⁶ A large part of this demand in Australia is currently being met by imports, which made up to 69% of total domestic consumption in 2013 to 2014.⁷ In some developed countries, demand for seafood is greater than domestic production can support, such as in the United States, Japan and the United Kingdom.⁸ In Australia these imports are primarily frozen, low-value fish products with the majority of the products made up of processed, preserved or canned fish.⁹

The Directors consider that this large volume of imports indicates a promising opportunity for the development of a local alternative aquaculture product that is fresh, high quality and sustainable.

¹ The State of World Fisheries and Aquaculture 2014, Food and Agriculture Organization of the United Nations, Part 4

² Australia's fisheries and aquaculture statistics 2014: Department of Agriculture and Water Resources, Research by the Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES), December 2015

³ The State of World Fisheries and Aquaculture 2014, Food and Agriculture Organization of the United Nations, Part 4

⁴ Australia's fisheries and aquaculture statistics 2014: Department of Agriculture and Water Resources, Research by the Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES), December 2015

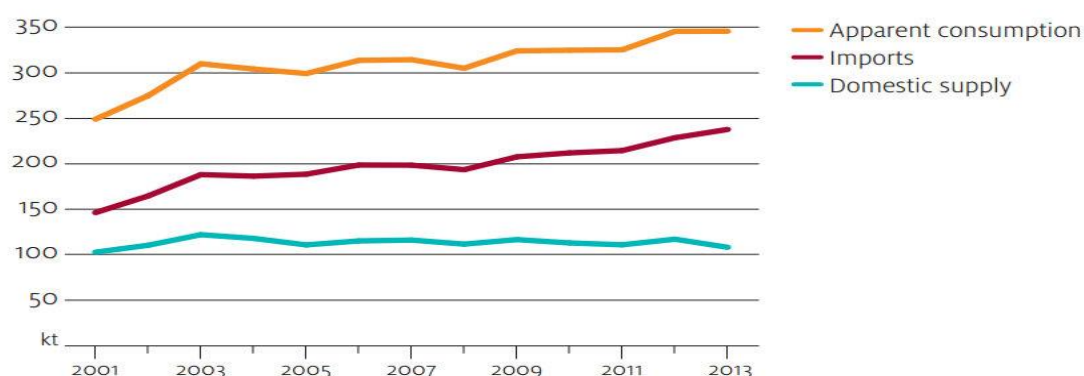
⁵ Australia's fisheries and aquaculture statistics 2014: Department of Agriculture and Water Resources, Research by the Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES), December 2015

Australia's fisheries and aquaculture statistics 2014: Department of Agriculture and Water Resources, Research by the Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES), December 2015

⁷ Australia's Seafood Trade January 2015, Australian Government, Department of Agriculture

⁸ Australia's Seafood Trade January 2015, Australian Government, Department of Agriculture

⁹ Australia's Seafood Trade January 2015, Australian Government, Department of Agriculture



Source: ABARES; Australian Bureau of Statistics, 2014

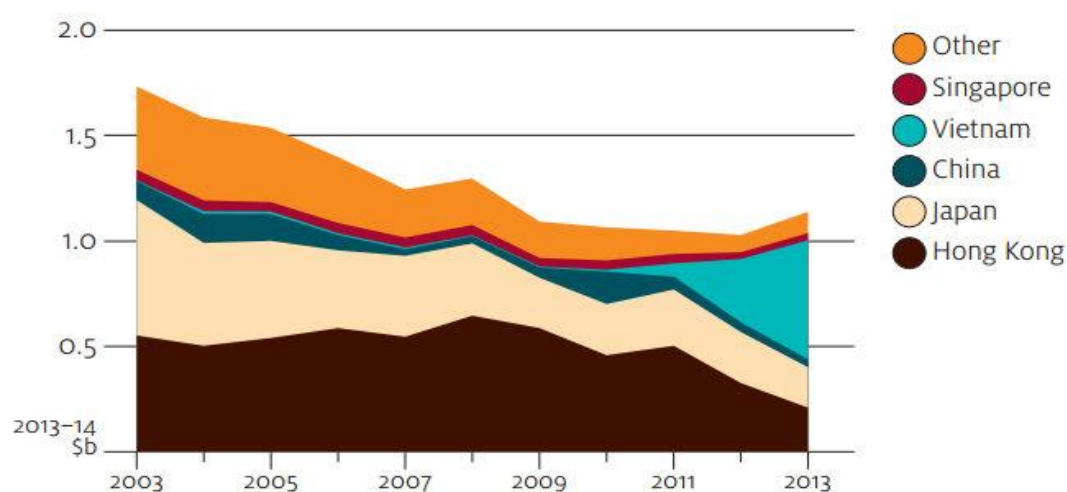
Figure 1: Australian volume of apparent consumption, domestic supply and imports of seafood, 2001 to 2014

Asia accounts for the majority of Australia's fisheries and aquaculture export market. Exports of Australian fisheries products (edible and non-edible) were valued at \$1.18 billion 2012 to 2013.¹⁰

A large proportion of Australian seafood products are sold to export markets which receive a premium price, likely due to Australia's reputation for producing some of the highest quality seafood in the world. The higher perceived value of Australia's seafood is evidenced by the value of Australia fisheries exports by volume when compared to imports; during the 2013 financial year Australian total export volume was 35,500 tonnes, valued at \$1.18 billion, compared to an import volume of 228,000 tonnes which was valued at \$1.6 billion.¹¹

The Directors consider this to represent a strong value proposition for Australian seafood in the global market which is promising for the growth prospects of the Company through the supply of Murray Cod to high margin export markets.

Figure 2: Australian exports of edible fisheries and aquaculture products, by destination, 2003 to 2014



Source: ABARES; Australian Bureau of Statistics, 2014

¹⁰ Australia's Seafood Trade January 2015, Australian Government, Department of Agriculture

¹¹ Australia's Seafood Trade January 2015, Australian Government, Department of Agriculture

4.2 Murray Cod aquaculture - An untapped market

Murray Cod is native to Australian southern fresh water rivers. Murray Cod aquaculture production has been increasing following the curtailment of commercial fishing and with restrictions imposed on recreational fishing due to Murray Cod being listed as a threatened species under the *Environmental Protection Biodiversity Conservation Act 1999 (Cth)* since 2003.

The production of Murray Cod has increased in New South Wales and Victoria from approximately 50 to 100 tonnes per annum in 2013 to an annual production of 230 tonnes in 2014 to 2015,¹² mainly due to new entrant farmers with RAS and pond based aquaculture facilities. Data on Murray Cod produced in other states of Australia is either not publicly available or estimated to be minimal.¹³

The Directors believe that an opportunity exists to capture a major market share in the developing Murray Cod industry, as well as capture market share from other white flesh table fish such as Barramundi, which had an estimated annual consumption in Australia of approximately 20,000 tonnes in 2014.

Murray Cod is considered to be a species well suited to aquaculture that has a large body of research and farm production history in order to support high growth rates of up to 600 grams/year. Domestic and international demand is generally for sizes between one and two kilograms, which in well managed production facilities, can be achieved within two years.

Murray Cod are sold predominantly on the domestic markets through wholesalers as a whole, fresh chilled or live.

The Murray Cod domestic market price currently is believed to be between \$13.50 per kilogram and \$20.00 per kilogram, with the lower priced fish generally received for sales of RAS produced Murray Cod. Not including undeveloped export markets, the local demand is estimated to be well in excess of current production by the Company, based upon distributor and customer requests received by the Company. The proposed management of the Company believes this supply and demand difference, combined with the taste, texture and fat content of Murray Cod, has created the opportunity to market Murray Cod as a 'premium' product compared to other white flesh table fish in Australia. The Victorian Government undertook a series of taste tests of Murray Cod in Singapore, Taiwan, Hong Kong and Tokyo by seafood wholesalers, importers, chefs and food journalists as part of an export market evaluation in 1999, with results being generally well received and Australian Murray Cod perceived as 'healthy', 'safe' and 'high quality'.¹⁴ Murray Cod white flesh was considered to be suitable for a wide variety of cooking methods that retain its flavour and moisture.

The high value Asian markets have not been developed to date, with only small volumes of Murray Cod being sold into Japan in 2013, at approximately 750 consumption sized fish, and with approximately 7,000 consumption sized fish sold into Vietnam in 2014.

¹² A Review of Research and Development Needs for Murray Cod Aquaculture in Australia, NSW Department of Primary Industries

¹³ A Review of Research and Development Needs for Murray Cod Aquaculture in Australia, NSW Department of Primary Industries

¹⁴ <http://agriculture.vic.gov.au/fisheries/aquaculture/murray-cod-aquaculture/murray-cod-aquaculture-a-potential-industry/export-market-evaluation-for-murray-cod>

There were negligible numbers sold into Asian markets in 2015.¹⁵ The barrier to entry into these markets is considered to be consistency of supply and quality.

The Directors believe that one of the greatest challenges facing the development of the Murray Cod export market is the need for robust and strategic marketing and controlled distribution supply chains, which selectively target premium markets.

The Company intends to develop a strong export brand that reflects a premium "clean" fish that is sustainably grown in order to build on consumer perception of value.

With growing demand for aquaculture products both in Australia and internationally, the Directors believe that Murray Cod as a premium seafood product is well positioned to take advantage of this growth.

¹⁵ A Review of Research and Development Needs for Murray Cod Aquaculture in Australia, NSW Department of Primary Industries

5. Risk Factors

As with any share investment, there are risks involved. This Section identifies the major areas of risk associated with an investment in the Company, but should not be taken as an exhaustive list of the risk factors to which the Company and its Security holders are exposed. Potential investors should read the entire Prospectus and consult their professional advisers before deciding whether to apply for Securities.

Any investment in the Company under this Prospectus should be considered speculative.

5.1 Risks relating to the change in nature and scale of activities

(a) Reinstatement to ASX's Official List

The Company's Shares are currently suspended from trading on the ASX. In the event the Acquisition Resolutions are approved at the General Meeting, it is anticipated that the Company's Securities will remain suspended until completion of the Acquisition and capital raising pursuant to the Public Offer, re-compliance by the Company with Chapters 1 and 2 of the Listing Rules and compliance with any further conditions ASX imposes on such reinstatement. There is a risk that the Company will not be able to satisfy one or more of those requirements, or that ASX policy with respect to reinstatement may be amended and that its listed securities may consequently remain suspended from quotation.

5.2 Specific risks to the Merged Group's operations

(a) Reliance on key personnel

The emergence and development of the hatchery, nursery and ponds have been in large part due to the effort and experience of Mr Ryan, Mr Commins and Mr Charles. Mr Ryan and Mr Commins have signed contracts to join the Company as Directors on Completion of the Acquisition. Mr Charles has also signed an employment contract with the Company as Hatchery Manager.

There is no assurance that the key personnel contracts will not be terminated. In addition, there is no assurance that the key personnel will remain healthy and able to continue in their role. If the key personnel contracts were terminated or breached, or if the key personnel were no longer to continue in their role, the Company would need to employ alternative staff, and the Company's operations and business would be adversely affected.

(b) Insufficient fingerling supply

Although the Merged Group aims to utilise a variety of suppliers of Murray Cod fingerlings and has arrangements in place to source Murray Cod fingerlings, there is a risk to the Merged Group if suppliers experience issues with the delivery of Murray Cod fingerlings to the Merged Group.

(c) Biosecurity and husbandry issues

Generally, biosecurity in outdoor pond based farms, such as those used by Riverina Aquaculture, is more difficult to manage due to the lack of environmental control relative to an indoor controlled aquaculture environment. Further, the Merged Group is required to replace fish breeding stock in order to maintain genetic diversity and ensure stock health. This

genetic stock may be introduced from wild caught specimens or from alternative hatcheries. This environmental exposure and the introduction of external fish stock may increase the risk of outbreak of disease in the Merged Group's fish stock, which could result in higher mortality rates which may have a material adverse impact on the financial performance of the Merged Group.

(d) Disease outbreaks and parasites

There is a risk that outbreak of disease in the Merged Group's fish stock and resulting higher mortality rates could have a material adverse impact on the Merged Group's profits, operations and financial performance.

Disease is a business risk that is inherent to fish farming operations. Further, the growing of Murray Cod for human consumption through aquaculture has only been recently established relative to other fish species, and may be subject to diseases that are not yet known. The major known diseases that can affect Murray Cod are:

- (i) Chilodonella and trichodina - fish grown in pond farms are more susceptible to this infection which may lead to increased mortality and slower growth amongst other impacts;
- (ii) White spot - a commonly found protozoan disease found in most native fish which may lead to increased mortality and slower growth amongst other impacts;
- (iii) Saprolegnia - a fungal disease occurring during winter, generally related to rough handling and which may adversely affect marketability; and
- (iv) parasitic copepod Lernaea (anchor worm) - which may adversely affect marketability and lead to secondary bacterial infections.

There are numerous other diseases and parasites that can impact Murray Cod, which could adversely impact the Merged Group's operations.

(e) Fresh water supply

Fresh and high quality water is critical for the Merged Group's operations particularly in the ponds and hatchery. There is a risk to the Merged Group that if access to fresh water supply was significantly limited or restricted, this could have a material impact on the Merged Group's farming operations or costs, and its subsequent financial performance.

(f) Seasonal and environmental conditions

As the Merged Group is an agricultural producer (predominantly water-based), there is a risk that the Merged Group could be exposed to a number of natural events and adverse movements in the environment, such as changes in water temperatures, dissolved oxygen and salinity levels, many of which are beyond the Merged Group's control.

Adverse environmental conditions can negatively impact fish stock survival, restrict the growth of fish and increase feed conversion ratios. Events such as floods and storms could also cause short, medium or long-term interruptions to the Merged Group's operations and materially impact cash flows, financial performance and operational results, including but limited to:

- (i) water temperature - if the water temperatures move quickly upwards or downwards, then this could lead to slower growth amongst the fish stock; and
- (ii) disease outbreaks - disease outbreaks can inflict mortalities on fish stock, slow fish growth rates and can disfigure or render the fish unsightly which reduces their marketability.

(g) Energy and fish feed prices

Electricity and fish feed are material operating expenses for the Merged Group. There is a risk that there could be significant increases to energy and fish feed prices. Such increases could significantly increase the Merged Group's cost of operations and have a material adverse effect on the Merged Group's financial performance. Further, any material disruptions in the supply of energy or fish feed to the Merged Group, and the Merged Group being unable to source alternative supplies on similar terms or at all, could have a material adverse effect on the Merged Group's operations and financial performance.

(h) Lack of long-term contracts, Murray Cod prices and competition

The financial performance of the Merged Group can be influenced by variations in the domestic and, to a limited extent, international Murray Cod prices which may be linked to the price of seafood in general. Major factors that can influence demand and supply in the Murray Cod market and, therefore, the price of Murray Cod, include:

- (i) consumption trends and preferences amongst domestic and international target markets for meat and seafood, including Murray Cod;
- (ii) an increase in supply of Murray Cod from either domestic or offshore competitors, or increased competition from alternative fish species and food sources;
- (iii) the level of world Murray Cod and alternative fish species production, from fisheries and aquaculture, relative to consumption requirements;
- (iv) the rate of world economic development and, in particular, economic growth in Asia;
- (v) changes in export or import restrictions imposed by the Federal Government Department of Agriculture and Water Resources; and
- (vi) movements in exchange rate relativities between the currencies of the targeted export and import countries.

Within the wholesale market, which is intended to be the Merged Group's primary distribution channel, the Merged Group will negotiate prices on a spot basis, and as a result, it is not possible to guarantee consistency in respect of prices and terms for future transactions. There is a risk that a significant reduction in Murray Cod prices could occur, which could have a material adverse impact on the Company's financial performance and operational results. Moreover, there is also the risk that the level of sales to the Merged Group's customers could decrease given that there are no fixed, long-term contracts in place between the Merged Group and its wholesale customers.

(i) Reduction in demand for Murray Cod

There is a risk that a change in economic conditions could cause consumers to reduce their consumption of Murray Cod as they "trade down" to cheaper sources of seafood and proteins. Changes in consumer dietary preferences or sentiment towards seafood and Murray Cod could also result in lower demand for Murray Cod. Such lower demand could reduce the price at which the Merged Group is able to sell its Murray Cod, resulting in an adverse effect on the Merged Group's financial performance.

(j) Customer credit risk

The Merged Group will conduct its business with its customers on normal commercial terms. These terms include varying periods from payment upfront to standard settlement of up to 30 days after dispatch of goods. There is a risk that debtors default or make payment late, which could have a material adverse impact on the Merged Group's financial performance, including cash flow and working capital.

(k) Food safety and sanitation

As with all food producers, the Merged Group is exposed to the risk of product contamination and product recalls. There is also a risk that the product could cause a serious food poisoning incident as a result of an operational lapse in food safety or sanitation procedures or malicious tampering.

The occurrence of a serious food poisoning incident could have significant consequences for the Company and may involve:

- (i) a loss of consumer trust in the Merged Group that may result in reduced revenues;
- (ii) an increase in expenditure on advertising to attempt to restore consumer trust in the brand;
- (iii) the processing facilities of the Merged Group being partially or wholly closed while the relevant food safety authorities satisfy themselves that the underlying issue has been resolved satisfactorily; and
- (iv) payment to affected consumers of some form of compensation and to the relevant food authorities of some form of penalty or fine.

There is also the risk that actions of the Merged Group's wholesale customers could compromise the hygiene and safety of the Merged Group products after they have left the Merged Group's processing facility. Contamination caused by a wholesale customer may result in the closure of the Merged Group facilities or require a fine/compensation to be paid by the Merged Group; however, the potential for brand damage to the Merged Group remains in any case.

(l) Brand and reputation calamity

There is a risk that some incident beyond the control of the Merged Group could occur which would have the effect of reducing consumer confidence or preferences for Murray Cod generally or the Merged Group products specifically. Such incidents could include:

- (i) the occurrence of a serious food safety incident involving another producer or supplier of Murray Cod;
- (ii) a widespread loss of consumer confidence in seafood or Murray Cod; and
- (iii) a widespread loss of consumer confidence in the food safety procedures in the seafood industry as a whole.

The consequences of such an incident could be very significant for the Company, with impacts potentially including reduced revenues, loss of consumer trust in the relevant brand or product, and reduced prominence of the brand in customers' minds.

(m) Security of supply chain

There is a risk that the supply chain for the Murray Cod could be materially disrupted with the result that sufficient quantities of Murray Cod are not delivered on time. This could result from the occurrence of a natural disaster that affects the delivery of harvested fish to customers or an event that impacts the delivery of processed fish to customers.

The occurrence of such an event could result in the inability to sell some or all products, with an associated loss of revenue and (potentially) brand damage, increased costs flowing from alternative transport and delivery arrangements, or a combination of both.

(n) Risk that the Company's growth plans cannot be effected

The Company has growth plans in order to expand production beyond the Merged Group's current capacity. However, as with any growth project, there are risks associated with the execution of these plans which may materially impact the Company's earnings, such as meeting project timelines and acquiring necessary third party approvals.

5.3 Market Risks

(a) Additional requirements for capital

The funds raised under the Public Offer are considered sufficient to meet the immediate objectives of the Company. Additional funding may be required in the event costs exceed the Company's estimates and to effectively implement its business and operations plans in the future (including in relation to the Merged Group) to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur. Further additional financing will be required if the Board determines to expand the Merged Group's operations.

The Company may seek to raise further funds through equity or debt financing, joint ventures, licensing arrangements, 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 their activities. 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.

(b) Regulatory risks

The Company will incur ongoing costs and obligations associated with compliance with necessary regulations. Regulatory areas which are of particular significance to the Merged Group include environment, occupational health and safety, quarantine, customs, and tariff and taxation laws. Any failure to comply with regulations may result in additional costs for corrective measures, penalties or in restrictions on the Company's proposed business operations. In addition, changes in regulations could require extensive changes to the Company's operations, increased compliance costs or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of the Company.

(c) Environmental regulations and obtaining and maintaining licenses

National and local environmental laws and regulations (including the granting of water licences) affect nearly all of the Merged Group's operations. Whilst the Merged Group endeavours to ensure that its operations and activities comply with applicable environmental laws, there is a risk that failure to comply with such laws could occur, which may result in penalties, damages and/or loss of permits or licences required by the Merged Group to operate its hatchery, nursery, fish farm and processing facility.

In addition, the Merged Group must renew the appropriate permits and licences required to operate its business. The Merged Group will be subject to regular inspections, examinations and audits by governmental authorities to renew the various licences and permits. The Merged Group will also be subject to periodic and spot inspections conducted by government authorities in order to maintain its operating licences. If serious or repeated findings of non-compliance did occur, there is a risk this would have a negative impact on the Merged Group's ability to renew its licences and have a materially adverse impact on its business operations and financial performance.

The Company's ability to export Murray Cod may be dependent on the Company's ability to obtain and maintain licenses relating to the export of Murray Cod to international markets. The Merged Group's operations are initially located in Australia. Prior to supplying Murray Cod to international markets, the Company will apply for any licenses required to export the Murray Cod. If required, there is no guarantee that these licenses will be granted or that they will be granted on satisfactory terms which may have a negative effect on the Company's operations.

5.4 General Risks

(a) Economic

General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's business activities and potential research and development programmes, as well as on their ability to fund those activities.

(b) Force majeure

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company, including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

(c) **Insurance risks**

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

(d) **Litigation risks**

The Company is exposed to possible litigation risks including, but not limited to, intellectual property and patent claims. Further, the Company or the Merged Group 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. Neither the Company nor the Merged Group are currently engaged in any litigation.

(e) **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 technology stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return to security holders arising from the transactions the subject of this Prospectus or otherwise.

5.5 Investment speculative

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 Company's securities.

Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

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

6. Financial information

6.1 Financial information

The Investigating Accountant's Report contained in Section 7 sets out:

- (a) the statement of financial position of the Company as at 30 June 2016;
- (b) the statement of profit or loss and other comprehensive income of the Company for the year ended 30 June 2016;
- (c) the statement of financial position of Bidgee as at 30 June 2016 (see note 18 of the Investigating Accountant's Report);
- (d) the statement of profit or loss and other comprehensive income of Bidgee for the period from incorporation (28 April 2015) to 30 June 2016 (see note 18 of the Investigating Accountant's Report);
- (e) a summary of the financial performance of Riverina Aquaculture and Silverwater Native Fish for the financial years ended 30 June 2014, 30 June 2015 and 30 June 2016 (see notes 19 and 20 of the Investigating Accountant's Report); and
- (f) the pro-forma Statement of Financial Position of the Merged Group.

Investors are urged to read the Investigating Accountant's Report in full.

The financial statements for the Company for its financial years ended 2016, 2015 and 2014 can be found at the Company's ASX announcements platform on www.asx.com.au.

The Company notes that for the purposes of the General Meeting RSM Corporate Australia Pty Ltd acted as independent expert and provided an independent expert's report opining that the Acquisition is fair and reasonable to the non-associated shareholders of the Company. Details of the valuation of the Company following Completion are set out in Section 10 of the Independent Expert's Report annexed to the Company's notice of annual general meeting and lodged with ASX on 17 November 2016.

6.2 Forecast financial information

There are significant uncertainties associated with forecasting future revenues and expenses of the Company. In light of uncertainty as to timing and outcome of the Company's growth strategies and the general nature of the industry in which the Company will operate, as well as uncertain macro market and economic conditions in the Company's markets, the Company's performance in any future period cannot be reliably estimated. On these bases and after considering ASIC Regulatory Guide 170, the Directors do not believe that they have a reasonable basis to reliably forecast future earnings and accordingly forecast financials are not included in this Prospectus.

6.3 Dividend policy

It is anticipated that, post-settlement of the Acquisition, the Company will focus on the development of the business of Merged Group. The Company does not expect to declare any dividends during this period.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Board and will depend on the availability of distributable earnings

and operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Board. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

7. Investigating Accountant's Report

24 November 2016

The Directors
Timpetra Resources Limited
Level 1/153 Yambil Street
GRIFFITH NSW 2680

Dear Sirs

INVESTIGATING ACCOUNTANT'S REPORT – TIMPETRA RESOURCES LIMITED

INTRODUCTION

PKF Mack has been engaged by Timpetra Resources Limited ('Timpetra' or 'the Company') to prepare this Investigating Accountant's Report ('Report') in relation to certain financial information of the Company, for inclusion in a prospectus to be issued by the Company on or around 24 November 2016.

The prospectus is being issued to raise capital to assist the Company with its acquisition of:-

- 100% of the issued capital of Bidgee Fresh Pty Ltd (Bidgee);
- the business and assets of Silverwater Native Fish (Silverwater);
- the land and farm assets owned by Ian Charles (together with Silverwater, the 'Silverwater Assets');
- the assets of Riverina Aquaculture (Riverina);
- the land and farm assets owned by Mathew Ryan (Ryan Assets), and
- custom designed cage and fish grading assets owned by Roger Commins (Cage Assets).

The above acquisitions by the Company will involve the payment of cash, and the issue of ordinary shares, deferred shares, performance rights and options for consideration as detailed in Note 2 and the pro forma to this Report. The prospectus will offer 140 million ordinary shares at an issue price of \$0.05 per share to raise \$7,000,000 (minimum and before costs) (Public Offer). Oversubscriptions of up to a further 60 million ordinary shares at an issue price of \$0.05 each to raise an additional \$3,000,000 (maximum and before costs) may be accepted under the Public Offer.

This Report has been prepared to provide information on the historical results of the Company for the year ended 30 June 2016 and on pro forma financial information as at 30 June 2016. We disclaim any assumption of responsibility for any reliance on this Report or on the Financial Information to which it relates for any purpose other than for which it was prepared.

BASIS OF PREPARATION

This Report does not address the rights attaching to the ordinary shares to be issued in accordance with the prospectus, the risks associated with the investment, nor form the basis of an expert's opinion with respect to the value of the Company.

In addition this Report does not provide an expert's opinion on the consideration (in the form of ordinary shares, performance shares and options) to be issued as consideration for the acquisition of Bidgee, the Silverwater Assets, Riverina, the Ryan Assets and the Cage Assets.

TIMPETRA RESOURCES LIMITED

INVESTIGATING ACCOUNTANT'S REPORT

PKF Mack has not been requested to consider the risks of becoming a shareholder and does not purport to do so.

PKF Mack takes no responsibility for these matters or any matter or omission in the prospectus other than responsibility for this Report.

SCOPE OF REPORT

You have requested PKF Mack to perform a limited assurance engagement in relation to the historical and pro forma historical information described below and disclosed in the prospectus.

The historical and pro forma historical financial information is presented in the prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act 2001.

You have requested PKF Mack to review the following historical financial information (together the 'Historical Financial Information') of the Company included in the prospectus;

- The historical Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2016;
- The historical Statement of Financial Position as at 30 June 2016; and
- The historical Statement of Cash Flows for the year ended 30 June 2016.

The Historical Financial Information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and the Company's adopted accounting policies.

The Historical Financial Information has been derived from the audited financial statements of Timpetra Resources Limited for the financial year ended 30 June 2016. These general purpose financial statements were audited by Ernst & Young. Ernst & Young issued an unmodified audit opinion on the financial report.

Pro Forma Historical Financial Information

You have requested PKF Mack to review the following pro forma historical financial information (the 'Pro Forma Historical Financial Information') of the Company included in the prospectus:

- The pro forma historical Statement of Financial Position as at 30 June 2016.

The Pro Forma Historical Financial Information has been derived from the historical financial information of the Company as at 30 June 2016 after adjusting for the effects of the pro forma adjustments detailed in Note 2 to this Report.

The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the historical financial information and the event(s) or transaction(s) to which the pro forma adjustments relate, as described in Note 2 to this Report, as if those event(s) or transaction(s) had occurred as at the date of the historical financial information. Due to its nature, the Pro Forma Historical Financial Information does not represent the Company's actual or prospective financial position.

Within the pro forma adjustments detailed in Note 2 to this Report are acquisition transactions relating to the 100% issued capital in Bidgee [refer Note 2(a)], the business and assets of Riverina [refer Note 2(e)], and the business and assets of Silverwater [refer Note 2(f)], which has been derived from the audited special purpose financial statements of Bidgee for the period ended 30 June 2016, and Riverina and Silverwater for the year ended 30 June 2016.

TIMPETRA RESOURCES LIMITED

INVESTIGATING ACCOUNTANT'S REPORT

The audit of Bidgee's special purpose financial statements for the period ended 30 June 2016 was conducted by Ernst & Young. A qualified audit opinion was issued on these financial statements in relation to the carrying amount of the biological assets as at 30 June 2016 and the fair value gain recorded as income as they were appointed auditors subsequent to 30 June 2016, and were therefore unable to attend a physical count and obtain sufficient appropriate audit evidence. An emphasis of matter drawing attention to the significant uncertainty as to Bidgee will continue as a going concern was also included within the auditor's report on the financial statements.

The audit of Riverina's and Silverwater's special purpose financial statements for the year ended 30 June 2016 was conducted by PinnacleHPC Pty Ltd. A qualified audit opinion was issued on these financial statements for both Riverina and Silverwater in relation to the carrying amount of the biological assets as at 30 June 2016 as they were appointed auditors subsequent to 30 June 2016, and were therefore unable to attend a physical count and obtain sufficient appropriate audit evidence.

DIRECTORS' RESPONSIBILITY

The directors of the Company are responsible for the preparation and presentation of the Historical Financial Information and the Pro Forma Historical Financial Information, including the selection and determination of pro forma adjustments made to the Historical Financial Information and included in the Pro Forma Historical Financial Information. This includes responsibility for such internal controls as the directors determine are necessary to enable the preparation of Historical Financial Information and Pro Forma Historical Financial Information are free from material misstatement, whether due to fraud or error.

OUR RESPONSIBILITY

Our responsibility is to express limited assurance conclusions on the Historical Financial Information and the Pro Forma Historical Financial Information. We have conducted our engagement in accordance with the Australian Standard on Assurance Engagement (ASAE) 3450 Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information.

Our limited assurance procedures consisted of making enquiries, primarily to the Directors and management who are persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited assurance engagement is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit report on any financial information used as a source of the financial information.

BASIS FOR QUALIFIED CONCLUSION ON THE PRO FORMA HISTORICAL FINANCIAL INFORMATION

The Pro Forma Historical Financial Information relating to the acquisition transactions has been derived from the audited financial reports of Bidgee for the period ended 30 June 2016, and Riverina and Silverwater for the year ended 30 June 2016.

Bidgee has biological assets of \$277,863 that are recorded in the statement of financial position as at 30 June 2016, and a net fair value gain attributable to the biological assets of \$31,759 has been recorded in the statement of comprehensive income for the period. We were appointed subsequent to 30 June 2016 and were unable to attend a physical count of the biological assets. Accordingly, we were unable to assess the quantum and size of the biological assets on hand as at 30 June 2016 and have been unable to obtain sufficient appropriate audit evidence as to the carrying amount of these biological assets as at 30 June 2016 or the fair value gain recorded as income.

The qualified audit opinions issued for the year ended 30 June 2016 for Riverina and Silverwater are related to the following matters:

TIMPETRA RESOURCES LIMITED

INVESTIGATING ACCOUNTANT'S REPORT

Riverina has recognised biological assets to the value of \$441,379 as at 30 June 2016 in the Statement of Financial Position. As the audit engagement was not requested until after 30 June 2016 the stocktake of biological assets was not attended at year end. PinnacleHPC Pty Ltd has conducted audit tests of the valuation and the method used, and PinnacleHPC Pty Ltd is not in a position to confirm the valuation results.

Silverwater has recognised biological assets to the value of \$200,000 as at 30 June 2016 in the Statement of Financial Position. As the audit engagement was not requested until after 30 June 2016 the stocktake of biological assets was not attended at year end. PinnacleHPC Pty Ltd has conducted audit tests of the valuation and the method used, and PinnacleHPC Pty Ltd is not in a position to confirm the valuation results.

CONCLUSIONS

Historical Financial Information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Historical Financial Information, as described in this Report, and comprising:

- The Statement of Profit or Loss and Other Comprehensive Income of the Company for the year ended 30 June 2016;
- The Statement of Financial Position of the Company as at 30 June 2016; and
- The Statement of Cash Flows of the Company for the year ended 30 June 2016

is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Note 2 to this Report.

Pro Forma Historical Financial Information

Based on our limited assurance engagement, which is not an audit, except for the matters described in the section on Basis for Qualified Conclusion on the Pro Forma Historical Financial Information, nothing has come to our attention that causes us to believe that the Pro Forma Historical Financial Information as described in this Report, and comprising:

- The pro forma historical Statement of Financial Position of the Company as at 30 June 2016;

is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Note 2 to this Report.

SUBSEQUENT EVENTS

We note that the pro forma statement of financial position does not reflect any events that have occurred subsequent to the year ended 30 June 2016, except for the following:-

- On 5 October and 21 November 2016, Bidgee entered into loan agreements with Ag Finance Specialists Pty Ltd (Ag Finance) for \$120,000 and \$380,000 respectively. Ag Finance is a company which is 80% owned by a family trust of which Ross Anderson is a beneficiary. These loans accrue interest daily at 6% per annum. The total repayment including accrued interest and establishment and documentation fees totalling \$14,558.36 is required to be repaid on 31 March 2017 at the same time as the principal loan amounts totalling \$500,000.

Apart from the matters dealt with in this Report, and having regard to the scope of this Report and the information provided by the Directors, to the best of our knowledge and belief no other material transaction or events outside the ordinary business of the Company, has come to our attention that would require comment on, or adjustment to, the information referred to in our Report or that would cause such information to be misleading or deceptive.

INDEPENDENCE OR DISCLOSURE OF INTEREST

PKF Mack does not have any interest in the outcome of this Offer, other than in connection with the preparation of this Report for which normal professional fees will be received.

TIMPETRA RESOURCES LIMITED
INVESTIGATING ACCOUNTANT'S REPORT

DISCLOSURES

This Report has been prepared, and included in the prospectus, to provide investors with general information only and does not take into account the objectives, financial situation or needs of any specific investor. It is not intended to be a substitute for professional advice and potential investors should not make specific investment decisions in reliance on the information contained in this Report. Before acting or relying on any information, potential investors should consider whether it is appropriate for their objectives, financial situation or needs.

RESTRICTION ON USE

Without modifying our conclusions, we draw attention to the purpose of the financial information which is for inclusion in the prospectus. As a result the financial information may not be suitable for use for another purpose.

CONSENT

PKF Mack has consented to the inclusion of this Report in the prospectus in the form and context in which it is included. At the date of this report this consent has not been withdrawn. However, PKF Mack were not involved in the preparation of any part of the prospectus, and accordingly, make no representation regarding, and takes no responsibility for, any other statements or material in or omissions from the prospectus.

Yours faithfully

A handwritten signature in dark ink, appearing to read 'Shane Cross', written in a cursive style.

SHANE CROSS
PARTNER

TIMPETRA RESOURCES LIMITED
INVESTIGATING ACCOUNTANT'S REPORT

**HISTORICAL STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR
THE YEAR ENDED 30 JUNE 2016**

| | Notes | Historical \$ |
|--|-------|------------------|
| Revenue | | |
| Interest revenue | | 18,892 |
| Expenses | | |
| Administration expenses | | (360,450) |
| Exploration costs | | (50,915) |
| Realised loss on sale of investments | | (32,852) |
| Unrealised gains on revaluation of listed shares | | 14,761 |
| Loss before income tax | | (410,564) |
| Income tax expense | | 8,450 |
| Loss for the year | | (402,114) |
| Other comprehensive income | | |
| <i>Items that may be reclassified subsequently to profit or loss</i> | | |
| Foreign currency translation (net of tax) | | - |
| Total comprehensive loss for the year | | (402,114) |

The above historical financial information has been derived from the audited financial statements of Timpetra Resources Limited for the financial year ended 30 June 2016 which was audited by Ernst & Young. Ernst & Young issued an unmodified audit opinion on the financial report.

This statement should be read with the accompanying notes.

TIMPETRA RESOURCES LIMITED
INVESTIGATING ACCOUNTANT'S REPORT

HISTORICAL & CONSOLIDATED PRO-FORMA STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

| | | Reviewed Pro forma Consolidated 30 June 2016 \$ (minimum) | Reviewed Pro forma Consolidated 30 June 2016 \$ (maximum) | Historical 30 June 2016 \$ |
|--------------------------------------|-------|--|--|----------------------------------|
| | Notes | | | |
| ASSETS | | | | |
| Current Assets | | | | |
| Cash and cash equivalents | 3 | 3,021,987 | 5,841,987 | 594,256 |
| Trade and other receivables | 4 | 119,346 | 119,346 | 33,974 |
| Inventories | | 7,678 | 7,678 | - |
| Biological assets | 5 | 919,242 | 919,242 | - |
| Total current assets | | 4,068,253 | 6,888,253 | 628,230 |
| Non-Current Assets | | | | |
| Other financial assets | 6 | - | - | - |
| Property, plant and equipment | 7 | 4,010,767 | 4,010,767 | - |
| Total non-current assets | | 4,010,767 | 4,010,767 | - |
| Total Assets | | 8,079,020 | 10,899,020 | 628,230 |
| LIABILITIES | | | | |
| Current Liabilities | | | | |
| Trade and other payables | 8 | 100,370 | 100,370 | 65,370 |
| Borrowings | 9 | 500,000 | 500,000 | - |
| Total current liabilities | | 600,370 | 600,370 | 65,370 |
| Non-Current Liabilities | | | | |
| Borrowings | 9 | - | - | - |
| Total non-current liabilities | | - | - | - |
| Total Liabilities | | 600,370 | 600,370 | 65,370 |
| Net Assets | | 7,478,650 | 10,298,650 | 562,860 |

TIMPETRA RESOURCES LIMITED
INVESTIGATING ACCOUNTANT'S REPORT

HISTORICAL & CONSOLIDATED PRO-FORMA STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

| | | Reviewed Pro forma Consolidated 30 June 2016 \$ (minimum) | Reviewed Pro forma Consolidated 30 June 2016 \$ (maximum) | Historical 30 June 2016 \$ |
|-------------------------------|--------------|--|--|---|
| | Notes | | | |
| EQUITY | | | | |
| Capital & Reserves | | | | |
| Issued capital | 10 | 12,580,372 | 15,381,512 | 1,330,108 |
| Reserves | 11 | 1,937,116 | 1,955,975 | 89,432 |
| Accumulated losses | 12 | (7,038,838) | (7,038,838) | (856,680) |
| Total Equity | | <u>7,478,650</u> | <u>10,298,650</u> | <u>562,860</u> |

The above historical financial information has been derived from the audited financial report of Timpetra Resources Limited for the financial year ended 30 June 2016 which was audited by Ernst & Young. Ernst & Young issued an unmodified audit opinion on the financial report.

This statement should be read with the accompanying notes.

TIMPETRA RESOURCES LIMITED
INVESTIGATING ACCOUNTANT'S REPORT

HISTORICAL STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2016

| | Notes | Historical \$ |
|--|--------------|--------------------------|
| Cash flows from operating activities | | |
| Payments and advances to suppliers and employees | | (396,952) |
| Interest received | | 20,708 |
| GST received | | 34,253 |
| Income taxation paid | | (959,139) |
| Net cash used in operating activities | | (1,301,130) |
| Cash flows from investing activities | | |
| Proceeds from Kalnorth share sale | | 100,000 |
| Net cash from investing activities | | 100,000 |
| Cash flows from financing activities | | |
| Withholding tax paid on dividend paid | | (69,150) |
| Net cash used in financing activities | | (69,150) |
| Net decrease in cash and cash equivalents | | (1,270,280) |
| Cash and cash equivalents at the beginning of the financial year | | 1,864,536 |
| Cash and cash equivalents at the end of the year | | 594,256 |

The above historical financial information has been derived from the audited financial report of Timpetra Resources Limited for the financial year ended 30 June 2016 which was audited by Ernst & Young. Ernst & Young issued an unmodified audit opinion on the financial report.

This statement should be read with the accompanying notes.

TIMPETRA RESOURCES LIMITED

INVESTIGATING ACCOUNTANT'S REPORT

Notes to and Forming Part of the Financial Statements

Note 1. Summary of significant accounting policies

The significant accounting policies that have been adopted in the preparation of the financial information are:

(a) Basis of Preparation

Historical Financial Information

The Historical Statement of Profit or Loss and Other Comprehensive Income the Historical Statement of Financial Position, and the Historical Statement of Cash Flow have been derived from the audited financial statements of Timpetra for the year ended 30 June 2016. These general purpose financial statements were audited by Ernst & Young. Ernst & Young issued an unmodified audit opinion on these financial statements.

Pro Forma Historical Financial Information

The Pro Forma Historical Financial Information of Timpetra has been compiled from the audited general purpose financial statements of Timpetra for the year ended 30 June 2016 and the audited special purpose financial statements of Bidgee for the period ended 30 June 2016, after adjusting for certain pro forma transactions, including the acquisition of assets and businesses relating to Silverwater and Riverina as outlined in Note 2.

The audit of Bidgee's special purpose financial statements for the period ended 30 June 2016 was conducted by Ernst & Young. A qualified audit opinion was issued on these financial statements in relation to the carrying amount of the biological assets as at 30 June 2016 and the fair value gain recorded as income as they were appointed auditors subsequent to 30 June 2016, and were therefore unable to attend a physical count and obtain sufficient appropriate audit evidence. An emphasis of matter drawing attention to the significant uncertainty as to whether Bidgee will continue as a going concern was also included within the auditor's report on the financial statements.

As at 30 June 2016, Bidgee's total current liabilities exceeded total current assets by \$698,403. Bidgee was also in a net liability position of \$112,075.

The ability of Bidgee to continue as a going concern is dependent upon the ongoing support of its shareholders and its ability to achieve profitable operations. Bidgee's shareholders, MB Ryan and Commins Enterprises, have agreed to continue to make available financial support to Bidgee for a period of at least 12 months from the sign off date of the historical special purpose financial statements, or until such time as Bidgee resumes profitability and is financially self-sufficient.

Subsequent to 30 June 2016, the Directors of Bidgee note Bidgee entered into heads of Agreement to sell the company to Timpetra Resources Limited. Should this transaction occur, Timpetra will extinguish the shareholder loan liabilities in full, significantly improving Bidgee's financial position.

In the event Bidgee is unable to continue as a going concern, Bidgee may not be able to realise its assets and extinguish its liabilities at the amounts stated within this report. No adjustments have been made relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should Bidgee not continue as a going concern.

The special purpose financial statements of Riverina and Silverwater were audited by PinnacleHPC Pty Ltd. PinnacleHPC Pty Ltd issued a qualified opinion for both entities on these financial statements in relation to the carrying amount of the biological assets as at 30 June 2016 as they were appointed auditors subsequent to 30 June 2016, and were therefore unable to attend a physical count and obtain sufficient appropriate audit evidence.

TIMPETRA RESOURCES LIMITED

INVESTIGATING ACCOUNTANT'S REPORT

Note 1. Summary of significant accounting policies (cont'd)

The Historical and Pro Forma Historical Financial Information ('Financial Information') has been prepared and presented in accordance with the recognition and measurement principles described in Australian Accounting Standards. Compliance with these standards ensures that the Financial Information complies with the recognition and measurement principles of the International Financial Reporting Standards as adopted by the International Accounting Standards Board. The Historical and Pro Forma Historical Financial Information included in the Prospectus are presented in an abbreviated form insofar as it does not include all disclosures, statements, comparative information and notes required in an annual financial report prepared in accordance with Australian Accounting Standards and the Corporations Act 2001.

The Financial Information is presented in Australian dollars, unless otherwise noted.

The following significant accounting policies have been consistently applied throughout the Financial Information.

(b) Accounting Estimates and Judgements

In the application of the accounting policies the directors are required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Significant judgements

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

Fair Value of Biological Assets

Management values the fish as biological assets at their fair value in accordance with AASB 141 Agriculture. Estimated fair values are based on actual selling prices achieved historically and other relevant factors assessed that impact fair value. These estimates may vary from the sale proceeds ultimately achieved by the company.

Significant Estimates

The following are significant management estimates in applying the accounting policies of the Company. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Biological Assets

Management estimates the number of fish in biological assets based on a management's process for monitoring and managing its livestock. Each tank of fish is weighed and sorted at least monthly, with sample counts taken within that tank, and average weight used to determine the total number of fish on hand. This method is consistent with Industry Standard. This estimate may vary from the actual total number of fish held by the Company.

TIMPETRA RESOURCES LIMITED

INVESTIGATING ACCOUNTANT'S REPORT

Note 1. Summary of significant accounting policies (cont'd)

(c) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments that are readily converted to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

(d) Trade and Other Receivables

Trade receivables, which generally have 30-60 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.

An allowance for doubtful debts is made when there is objective evidence that the Company will not be able to collect the debts. Bad debts are written off when identified.

(e) Biological Assets

Biological assets comprise Murray Cod live fish. Biological assets are measured at their fair value less costs to sell in accordance with AASB 141 Agriculture, with any changes to fair value recognised immediately in the statement of comprehensive income. Fair value of a biological asset is based on its present location and condition. If an active or other effective market exists for a biological asset or agricultural produce in its present location and condition, the quoted price in that market is the appropriate basis for determining the fair value of that asset. If an active market does not exist then we use one of the following, when available, in determining fair value:

- The most recent market transaction price, provided that there has not been a significant change in economic circumstances between the date of that transaction and the end of the reporting period; or
- Market prices, in markets accessible to the entity, for similar assets with adjustments to reflect differences; or
- Sector benchmarks.

(f) Fair Value

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:-

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability

The following table shows the levels within the hierarchy of non-financial assets measured at fair value on a recurring basis at 30 June 2016:

| 30 June 2016 | Level 1 \$ | Level 2 \$ | Level 3 \$ | Total \$ |
|-----------------------------|-----------------------|-----------------------|-----------------------|---------------------|
| Biological assets - current | - | - | 919,242 | 919,242 |
| Total | - | - | 919,242 | 919,242 |

TIMPETRA RESOURCES LIMITED

INVESTIGATING ACCOUNTANT'S REPORT

Note 1. Summary of significant accounting policies (cont'd)

(f) Fair Value (cont'd)

The biological assets of the Company are considered Level 3 and are valued internally by the Company as there is no observable market for them. The value is based on the estimated exit price per kilogram and the value changes for the average weight of each animal as it progresses through growth and transformation cycle. The average weight of the animal is sample measured periodically, and the value is determined by applying the average weight to the estimated price based on staged weight values (100 gram stages). The lifecycle of the animal is approximately 2 years to minimum initial harvest size. The value per animal is based on this weight estimate, multiplied by the expected market price at the relevant point of transformation. Significant changes in any of the significant unobservable inputs in isolation would result in significant changes in fair value measurement.

The fair value of all other financial assets and financial liabilities in the statement of financial position approximate their carrying value given their short term nature.

(g) Property, Plant and Equipment

Plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are expensed during the financial period in which they are incurred.

Plant and equipment are depreciated on a straight line basis at rates based upon their expected useful lives as follows:

| | |
|---------------------|---------|
| Plant and equipment | 5 – 10% |
|---------------------|---------|

The assets' residual values and useful lives are reviewed, and adjusted if appropriate at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are recognised as income or an expense.

(h) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable. The following specific recognition criteria must also be met before revenue is recognised:

Interest income is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

All revenue is stated net of the amount of goods and services tax (GST).

(i) Income Tax

The income tax expense or revenue for the period is the tax payable or recoverable on the current period's taxable income or tax loss based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial information, and to unused tax losses.

TIMPETRA RESOURCES LIMITED

INVESTIGATING ACCOUNTANT'S REPORT

Note 1. Summary of significant accounting policies (cont'd)

(i) Income Tax (cont'd)

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

(j) Acquisition of Subsidiaries and Businesses

Acquisitions of subsidiaries and business are accounted for using the acquisition method. The consideration for each acquisition is measure at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Company in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair value are adjusted against the cost of acquisition where they qualify as measurement period adjustments (see below). All other subsequent changes in the fair value of contingent consideration classified as an asset or liability are accounted for in accordance with relevant Standards. Changes in the fair value of contingent consideration classified as equity are not recognised.

Where a business combination is achieved in stages, Company previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Company attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

TIMPETRA RESOURCES LIMITED

INVESTIGATING ACCOUNTANT'S REPORT

Note 1. Summary of significant accounting policies (cont'd)

(j) Acquisition of Subsidiaries and Businesses (cont'd)

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under AASB 3 are recognised at their fair value at the acquisition date, except that:

- Deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with AASB 112 Income Taxes and AASB 119 Employee Benefits respectively;
- Liabilities or equity instruments related to the replacement by the Company of an acquiree's share-based payment awards are measured in accordance with AASB 2 Share-based Payment; and
- Assets (or disposable groups) that are classified as held for sale in accordance with AASB 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Company obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year.

The acquisition of Bidgee has been reflected in the Pro Forma Statement of Financial Position as at 30 June 2016. In accounting for the acquisition, the Consolidated Entity has taken guidance from the principles of AASB 3 Business Combinations ("AASB 3") and determined that Bidgee would be deemed to be the acquiror for accounting purposes. Accordingly, the transaction is accounted for as a reverse asset acquisition. As a result, the pro forma consolidated Statement of Financial Position as at 30 June 2016 has been prepared as a continuation of the Bidgee financial statements, with Bidgee (as the accounting acquiror) accounting for the acquisition as from 30 June 2016 (for the purposes of the pro forma consolidated Statement of Financial Position). As the activities of the legal acquirer (Timpetra) would not constitute a business based on the requirements of AASB 3, any excess of the deemed consideration over the fair value of the acquisitions, as calculated in accordance with the reverse acquisition accounting principles, cannot be taken to goodwill and has been expensed.

(k) Impairment of Assets

At each reporting date, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs

TIMPETRA RESOURCES LIMITED

INVESTIGATING ACCOUNTANT'S REPORT

Note 1. Summary of significant accounting policies (cont'd)

(l) Trade and Other Payables

Liabilities for trade creditors and other amounts are carried at amortised cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Consolidated Entity. The amounts are unsecured and are usually paid within 30 days

(m) Interest bearing loans and borrowings

All loans and borrowings are initially recognised at cost, being the fair value of the consideration received net of issued costs associated with the borrowing.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any issue costs, and any discount or premium on settlement.

(n) Issued Capital

Issued and paid up capital is recognised at the fair value of the consideration received by the Company.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options, for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

(o) Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability.

The increase in the provision due to the passage of time is recognised as interest expense.

(p) Share-Based Payments

The fair value of the equity to which employees (including Directors) become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price. The fair value of options is ascertained using a Binomial option pricing model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at each reporting date such that the amount recognised for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

TIMPETRA RESOURCES LIMITED

INVESTIGATING ACCOUNTANT'S REPORT

Note 1. Summary of significant accounting policies (cont'd)

(q) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- Where the GST incurred on the purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables in the Financial Information are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Financial Information.

Note 2. Summary of Pro Forma Adjustments

The pro-forma financial information has been included for illustrative purposes to reflect the position of the Company on the assumption that the following transactions had occurred as at 30 June 2016:

- (a) Pursuant to the Share Sale Agreement dated 16 November 2016 between the Company, Bidgee Fresh Pty Ltd (Bidgee), M & B Ryan Pty Ltd (MBRPL) and Brigalow Enterprises Pty Ltd (Brigalow), the Company will acquire the assets of Bidgee and 100% of the issued capital in consideration for:-
- A cash payment of \$1,100,000;
 - The issue of 40,714,286 fully paid ordinary shares and 13,571,428 deferred fully paid ordinary shares at a fair value of \$0.05 each to the holders of securities in Bidgee. Management has assessed that the probability of achieving the performance milestones relating to the deferred fully paid ordinary shares as 50%; and
 - The issue of 40,000,000 unlisted options exercisable at \$0.075 each on or before the expiration of 5 years from the date of issue to the holders of securities in Bidgee.

The acquisition of Bidgee has been accounted for as a reverse acquisition as detailed in note 1 (j).

- (b) The issue of 15,000,000 performance rights in the Company to Kimbalex Investments Pty Ltd (an entity associated with Ross Anderson) in consideration for the transfer of the performance rights on issue in Bidgee held by Kimbalex Investments Pty Ltd as set out in the Share Sale Agreement mentioned in (a) above. These have been independently valued at a \$0.05 each and management has assessed that the probability of achieving the performance milestones as 50%. On this basis these are valued at a total of \$375,000.
- (c) As part of the completion of the acquisition transaction in (a) and (b) above, the shareholders loans and equipment finance loans in Bidgee will be subsequently settled
- (d) As a result of the assumed acquisition of Bidgee as detailed in (a) above, the statement of financial position of Bidgee at 30 June 2016 has been included in the pro-forma financial information. The statement of financial position of Bidgee at 30 June 2016 is summarised in note 18.

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INVESTIGATING ACCOUNTANT'S REPORT

Note 2. Summary of Pro Forma Adjustments (cont'd)

- (e) Pursuant to the Business Asset Sale Agreement dated 16 November 2016 between the Company and MBRPL and the Contract for the Sale and Purchase of Land between the Company and Mathew John Ryan and Bonnie Louise Ryan (Ryan), the Company will acquire MBPRL and Ryan assets in consideration for:-

- A cash payment of \$1,450,000;
- The issue of 38,571,429 fully paid ordinary shares and 12,857,143 deferred fully paid ordinary shares at a fair value of \$0.05 each. Management has assessed that the probability of achieving the performance milestones relating to the deferred fully paid ordinary shares as 50%; and
- The issue of 20,000,000 unlisted options exercisable at \$0.075 each on or before the expiration of 5 years from the date of issue.

Details of the MBRPL and Ryan net assets acquired are detailed at Note 17A.

- (f) Pursuant to the Business Asset Sale Agreement dated 17 November 2016 between the Company and Ian and Michelle Charles, and the Contract for the Sale and Purchase of Land between the Company and Ian Charles (together referred to as 'Silverwater Assets'), the Company will acquire Silverwater Assets in consideration for:-

- A cash payment of \$1,300,000;
- A reimbursement for the cost of purchasing fish food and chemicals required to carry out the business during the period from execution date to the settlement date for an amount not exceeding \$35,000;
- The issue of 2,000,000 fully paid ordinary shares at a fair value of \$0.05 each; and
- The issue of 4,000,000 unlisted options exercisable at \$0.075 each on or before the expiration of 5 years from the date of issue.

Details of the Silverwater net assets acquired are detailed at Note 17B.

- (g) As part of the acquisition of the various businesses above, the Company obtained an independent valuation of the property, plant and equipment (excluding portable and demountable plant and equipment). This has resulted in a total revaluation increment of \$1,616,350;
- (h) In accordance with the terms of the Letter Agreement dated 9 November 2016 between the Company and Brigalow, the Company will acquire 3 sets of metal fish cages and a 3 row stainless steel automated fish grading machine for a cash payment of \$550,000.
- (i) The issue of a minimum 140 million fully paid ordinary shares at \$0.05 each with allowance for oversubscriptions of 60 million fully paid ordinary shares at \$0.05 pursuant to this Prospectus, raising a total of \$7,000,000 (minimum) or \$10,000,000 (maximum) respectively.
- (j) The payment of a lead manager, a management fee of 6% of the total funds raised in (i) above to the corporate advisor totalling \$420,000 (based on obtaining a minimum subscription) or totalling \$600,000 (based on obtaining maximum subscription).

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INVESTIGATING ACCOUNTANT'S REPORT

Note 2. Summary of Pro Forma Adjustments (cont'd)

(k) The issue of 5,000,000 unlisted options exercisable at \$0.075 each on or before the expiration of 5 years from the date of issue to the corporate consultant pursuant to the Services Agreement dated 18 November 2016. These options are split into 2 tranches being:

- Tranche 1 of 2.5 million options exercisable at any time on or prior to expiry date upon 150 tonnes of Murray Cod are produced and sold by the Company; and
- Tranche 2 of 2.5 million options exercisable at any time on or prior to expiry date upon 250 tonnes of Murray Cod are produced and sold by the Company.

Management has assessed that the probability of achieving the performance milestones as 25%. These options are independently valued at \$43,375.

(l) In addition to the above remuneration of the lead manager in (j) above, pursuant to the mandate letter dated 19 July 2016, the Company agrees to issue 1,000,000 fully paid ordinary shares at a fair value of \$0.05 each, and 2,000,000 (maximum) or 1,400,000 (minimum) unlisted options with an exercise price of \$0.075 each on or before the expiration of 4 years from the date of issue. The options will vest immediately upon issue. These options are independently valued at \$62,866 (maximum) or \$44,006 (minimum).

(m) Payment of costs associated with the Bidgee acquisition and costs of the offer of \$300,000 (for both minimum and maximum subscription) excluding management fee.

(n) The issue of 600,000 fully paid ordinary shares to Zebina Minerals Pty Ltd (Zebina Minerals) at fair value of \$0.05 in satisfaction of its first year minimum expenditure requirement under its binding term sheet entered on 7 September 2015 with Zebina Minerals.

(o) On 5 October and 21 November 2016, Bidgee entered into loan agreements with Ag Finance Specialists Pty Ltd (Ag Finance) for \$120,000 and \$380,000 respectively. Ag Finance is a company which is 80% owned by a family trust of which Ross Anderson is a beneficiary. These loans accrue interest daily at 6% per annum. The total repayment including accrued interest and establishment and documentation fees totalling \$14,558.36 is required to be repaid on 31 March 2017 at the same time as the principal loan amounts totalling \$500,000.

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| | Reviewed Pro Forma Consolidated 30 June 2016 \$ (minimum) | Reviewed Pro Forma Consolidated 30 June 2016 \$ (maximum) | Historical 30 June 2016 \$ |
|---|--|--|----------------------------------|
| Note 3. Cash & Cash equivalents | | | |
| Balance at 30 June 2016 | 594,256 | 594,256 | 594,256 |
| <i>Pro Forma Adjustments:</i> | | | |
| – Bidgee cash and cash equivalents at 30 June 2016 | 47,731 | 47,731 | - |
| – Funds raised from Prospectus | 7,000,000 | 10,000,000 | - |
| Sub total | 7,221,987 | 10,041,987 | 594,256 |
| – Payment of costs associated with Bidgee acquisition and offer | (1,100,000) | (1,100,000) | - |
| – Payment of costs associated with Riverina and Silverwater assets and business acquisition | (2,750,000) | (2,750,000) | - |
| – Payment for acquisition of fish cages and fish grading machine from Brigalow | (550,000) | (550,000) | - |
| – Payment of costs related the offer (including management fees) | (720,000) | (900,000) | - |
| – Proceeds from Ag Finance loans | 500,000 | 500,000 | - |
| Closing balance | 3,021,987 | 5,841,987 | 594,256 |

The effect of maximum and minimum subscriptions has been accounted for. In the event that oversubscriptions do not occur the Company's total raising would fall between the minimum subscription of \$7,000,000 and the maximum oversubscription up to \$10,000,000, the pro-forma cash balance and issued capital would be decreased to the extent of the shortfall on the oversubscription (adjusted for any decrease in lead manager and management fees arising from the oversubscription to a minimum amount of \$420,000).

Note 4. Trade and Other Receivables

| | | | |
|--|----------------|----------------|---------------|
| Balance at 30 June 2016 | 33,974 | 33,974 | 33,974 |
| <i>Pro Forma Adjustments:</i> | | | |
| – Bidgee trade and other receivables at 30 June 2016 | 85,372 | 85,372 | - |
| Closing balance | 119,346 | 119,346 | 33,974 |

Note 5. Biological Assets

| | | | |
|---|----------------|----------------|----------|
| Balance at 30 June 2016 | - | - | - |
| <i>Pro Forma Adjustments:</i> | | | |
| – Bidgee biological assets at 30 June 2016 | 277,863 | 277,863 | - |
| – Pursuant to the Riverina and Silverwater asset acquisition agreements | 641,379 | 641,379 | - |
| Closing balance | 919,242 | 919,242 | - |

TIMPETRA RESOURCES LIMITED
INVESTIGATING ACCOUNTANT'S REPORT

| | Reviewed Pro Forma Consolidated 30 June 2016 \$ (minimum) | Reviewed Pro Forma Consolidated 30 June 2016 \$ (maximum) | Historical 30 June 2016 \$ |
|--|--|--|----------------------------------|
| Note 6. Financial Assets | | | |
| Balance at 30 June 2016 | - | - | - |
| <i>Pro Forma Adjustments:</i> | | | |
| – Issue of fully paid ordinary shares, deferred shares, performance rights and unlisted options by the Company to the holders of securities in Bidgee upon acquisition | 3,201,701 | 3,201,701 | - |
| – Issue of fully paid ordinary shares, deferred shares, and unlisted options by the Company to the owners of Riverina and Silverwater upon asset acquisition | 3,877,173 | 3,877,173 | - |
| – Fair value adjustment of asset acquisition from Bidgee, Riverina and Silverwater | (1,616,350) | (1,616,350) | - |
| – Eliminate the Company's investment on consolidation | (5,462,524) | (5,462,524) | - |
| Closing balance | - | - | - |

Note 7. Property, plant and equipment

| | | | |
|--|------------------|------------------|----------|
| Balance at 30 June 2016 | - | - | - |
| <i>Pro Forma Adjustments:</i> | | | |
| – Bidgee property, plant and equipment at 30 June 2016 | 819,251 | 819,251 | - |
| – Pursuant to the Riverina and Silverwater asset acquisition agreements | 1,025,166 | 1,025,166 | - |
| – Fair value adjustment of asset acquisition from Bidgee, Riverina and Silverwater | 1,616,350 | 1,616,350 | - |
| – Acquisition of fish cages and fish grading machine | 550,000 | 550,000 | - |
| Closing balance | 4,010,767 | 4,010,767 | - |

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INVESTIGATING ACCOUNTANT'S REPORT

| | Reviewed Pro Forma Consolidated 30 June 2016 \$ (minimum) | Reviewed Pro Forma Consolidated 30 June 2016 \$ (maximum) | Historical 30 June 2016 \$ |
|--|--|--|----------------------------------|
| Note 8. Trade and Other Payables | | | |
| Balance at 30 June 2016 | 65,370 | 65,370 | 65,370 |
| <i>Pro Forma Adjustments:</i> | | | |
| – Bidgee trade and other payables at 30 June 2016 | 360,802 | 360,802 | - |
| – Payout of shareholder loans in Bidgee at completion | (360,802) | (360,802) | - |
| – Reimbursement of costs to agreed amount in relation to Silverwater asset acquisition | 35,000 | 35,000 | - |
| Closing balance | 100,370 | 100,370 | 65,370 |

Note 9. Borrowings

| | | | |
|---|----------------|----------------|----------|
| Balance at 30 June 2016 | - | - | - |
| <i>Pro Forma Adjustments:</i> | | | |
| – Bidgee borrowings at 30 June 2016 | 981,490 | 981,490 | - |
| – Payout of equipment finance and shareholder loans in Bidgee at completion | (981,490) | (981,490) | - |
| – Proceeds from Ag Finance loan | 500,000 | 500,000 | - |
| Closing balance | 500,000 | 500,000 | - |

The loans received from Ag Finance accrue interest daily at 6% per annum. These are secured by the Deed of Indemnity and Guarantee entered into with Mathew John Ryan. The principal amount, accrued interest and the establishment and documentation fees are to be repaid by 31 March 2017.

TIMPETRA RESOURCES LIMITED
INVESTIGATING ACCOUNTANT'S REPORT

| | Reviewed Pro Forma Consolidated 30 June 2016 \$ (minimum) | Reviewed Pro Forma Consolidated 30 June 2016 \$ (maximum) | Historical 30 June 2016 \$ |
|---|--|--|----------------------------------|
| Note 10. Issued Capital | | | |
| Balance at 30 June 2016 | 1,330,108 | 1,330,108 | 1,330,108 |
| <i>Pro Forma Adjustments:</i> | | | |
| – Elimination of the Company's capital on consolidation | (1,330,108) | (1,330,108) | |
| – Bidgee issued capital as at 30 June 2016 | 100 | 100 | - |
| – Consideration for the acquisition of shares in Bidgee | 3,964,278 | 3,964,278 | - |
| – Consideration for the acquisition of assets in Riverina and Silverwater | 2,350,000 | 2,350,000 | - |
| – Shares issued pursuant to capital raising | 6,580,000 | 9,400,000 | - |
| – Shares issued to lead manager | 50,000 | 50,000 | - |
| – Shares issued to Zebina Minerals | 30,000 | 30,000 | - |
| – Share issue costs | (394,006) | (412,866) | - |
| Closing balance | 12,580,372 | 15,381,512 | 1,330,108 |

The Company will issue 40,714,286 fully paid ordinary shares, 13,571,428 deferred fully paid ordinary shares, 15,000,000 performance rights and 40,000,000 unlisted options exercisable at \$0.075 each on or before the expiration of 5 years from the date of issue for the 100% acquisition of Bidgee.

In accordance with reverse asset acquisition accounting principles the consideration is deemed to have been incurred by Bidgee in the form of equity instruments issued to the Company shareholders. The acquisition date fair value of this consideration has been determined with reference to the fair value of the issued shares of the Company immediately prior to the acquisition and has been determined to be \$3,964,278.

The consideration fair value has been determined using the values at the Heads of Agreement dated 1 July 2016. At the actual acquisition date the fair value will be required to be determined again, therefore the fair value and consideration could be materially different which will impact the excess consideration on acquisition.

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INVESTIGATING ACCOUNTANT'S REPORT

Note 10. Issued Capital (cont'd)

Fully Paid Ordinary Shares

| | Reviewed Pro Forma Consolidated 30 June 2016 # (minimum) | Reviewed Pro Forma Consolidated 30 June 2016 # (maximum) | Historical 30 June 2016 # |
|---|---|---|---------------------------------|
| Balance at 30 June 2016 | 63,939,969 | 63,939,969 | 63,939,969 |
| – Consideration shares issued | 40,714,286 | 40,714,286 | - |
| – Asset acquisition shares issued | 40,571,429 | 40,571,429 | - |
| – Shares issued to lead manager | 1,000,000 | 1,000,000 | - |
| – Shares issued to Zebina Minerals relating to first year expenditure tenement commitment | 600,000 | 600,000 | - |
| – Shares issued pursuant to capital raising | 140,000,000 | 200,000,000 | - |
| Closing balance | 286,825,684 | 346,825,684 | 63,939,969 |

Deferred Shares

| | | | |
|-----------------------------------|------------|------------|---|
| – Balance at 30 June 2016 | - | - | - |
| – Consideration shares issued | 13,571,428 | 13,571,428 | - |
| – Asset acquisition shares issued | 12,857,143 | 12,857,143 | - |
| Closing balance | 26,428,571 | 26,428,571 | - |

The above deferred shares will be issued upon the Company reaching the performance milestone of producing and selling 100 tonnes of Murray Cod within 4 years from the date the Company's securities are reinstated to the ASX. Management has assessed that the probability of achieving the performance milestone as 50%.

Note 11. Reserves

| | | | |
|--|-----------|-----------|--------|
| Equity-based payment reserve at 30 June 2016 | 89,432 | 89,432 | 89,432 |
| <i>Pro Forma Adjustments:</i> | | | |
| – Elimination of the Company's option reserve on consolidation | (89,432) | (89,432) | - |
| – Fair value of options issued on acquisition of Bidgee | 693,993 | 693,993 | - |
| – Fair value of performance rights issued on acquisition of Bidgee | 375,000 | 375,000 | - |
| – Fair value of options issued on asset acquisitions of Riverina and Silverwater | 416,396 | 416,396 | - |
| – Fair value of options issued to lead manager | 44,006 | 62,866 | - |
| – Fair value of options issued to board | 364,345 | 364,345 | - |
| – Fair value of options issued to corporate consultant | 43,375 | 43,375 | - |
| Closing balance | 1,937,116 | 1,955,975 | 89,432 |

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INVESTIGATING ACCOUNTANT'S REPORT

Note 11. Reserves (cont'd)

| | Timpetra 30 June 2016 | Fair Value | Pro Forma 30 June 2016 |
|---|--------------------------------------|-------------------|---------------------------------------|
| | # | \$ | \$ |
| Option reserve | | | |
| Opening balance | - | - | - |
| <i>Pro Forma Adjustments:</i> | | | |
| – Options to be issued to lead manager (Note 11A) ¹ | 2,000,000 | 0.03143 | 62,866 |
| – Options to be issued to corporate consultant (Note 11B) | 5,000,000 | 0.00868 | 43,375 |
| – Options to be issued to the board (Note 11C) | 21,000,000 | 0.01735 | 364,345 |
| – Options to be issued on acquisition of Bidgee (Note 11C) | 40,000,000 | 0.01735 | 693,993 |
| – Options to be issued on asset acquisitions of Riverina and Silverwater (Note 11C) | 24,000,000 | 0.01735 | 416,396 |
| Closing balance | 92,000,000 | | 1,580,975 |

1 The ultimate number of options issued will be pro rata based upon the value of capital raised. The above is based upon the maximum subscription raised of \$10,000,000. In the event that oversubscriptions do not occur the Company's raising would fall between the minimum subscription of \$7,000,000 and maximum oversubscription up to \$10,000,000. The pro forma option reserve balance and issued capital would be decreased and increased respectively to the extent of the pro-rata reduction in options issued (minimum subscription achieved resulting in reduction of 600,000 options at fair value of \$18,860)

Note 11A - Valuation of Lead Manager Options

The options issued to lead manager were deemed to be valued at \$0.03143 per option using the Binomial option pricing model based on the following inputs:

| | |
|-------------------------|----------------------------|
| Underlying share price | 5 cents per share |
| Option exercise price | 7.5 cents per share |
| Option expiry date | 4 years from date of issue |
| Share price volatility | 100% |
| Risk free interest rate | 1.92%. |

These options vest immediately.

Note 11B - Valuation of Corporate Advisor Options

The options issued to the corporate advisor were deemed to be valued at \$0.03470 per option using the Binomial option pricing model based on the following inputs:

| | |
|-------------------------|----------------------------|
| Underlying share price | 5 cents per share |
| Option exercise price | 7.5 cents per share |
| Option expiry date | 5 years from date of issue |
| Share price volatility | 100% |
| Risk free interest rate | 1.92%. |

The Corporate Advisor options can vest anytime, subject to the satisfaction of non-market vesting conditions. For Tranche 1 (ie. 2,500,000 options), the options will vest subject to the Company producing and selling 150 tonnes of Murray Cod. For Tranche 2 (ie. 2,500,000 options), the options will vest subject to the Company producing and selling 250 tonnes of Murray Cod. Management has assessed that the probability of achieving the performance milestones for both Tranche 1 and 2 as 25%.

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Note 11. Reserves (cont'd)

Note 11C - Valuation of Director and Bidgee/Vendor Acquisition Options

The options issued upon the Bidgee acquisition and Riverina and Silverwater asset acquisitions and to the board of directors were deemed to be valued at \$0.03470 per option using the Binomial option pricing model based on the following inputs:

| | |
|-------------------------|----------------------------|
| Underlying share price | 5 cents per share |
| Option exercise price | 7.5 cents per share |
| Option expiry date | 5 years from date of issue |
| Share price volatility | 100% |
| Risk free interest rate | 1.92%. |

The above options will vest subject to the Company producing and selling 100 tonnes of Murray Cod. Management has assessed that the probability of achieving the performance milestone as 50%.

| | Timpetra 30 June 2016 | Fair Value | Pro Forma 30 June 2016 |
|---|--------------------------------------|-------------------|---------------------------------------|
| | # | \$ | \$ |
| Performance Rights reserve | | | |
| Opening balance | - | - | - |
| <i>Pro Forma Adjustments:</i> | | | |
| – Performance rights to be issued on acquisition of Bidgee (Note 11D) | 15,000,000 | 0.025 | 375,000 |
| Closing balance | 15,000,000 | | 375,000 |

Note 11D - Valuation of Performance Rights

The performance rights issued above have been fair valued at 5 cents per share before incorporating management's assessment of the probability of achieving the below performance milestones at 50%. The vesting of a Performance Right is conditional on the satisfaction of vesting conditions attaching to the Performance Rights on or before the milestone date, as set out below:

| Class | Number of Performance Rights | Vesting Condition | Milestone Date |
|--------------|-------------------------------------|--|----------------------------|
| A | 5,000,000 | Production and sale by the Company of 50 tonnes of Murray cod | 3 years from date of issue |
| B | 5,000,000 | Production and sale by the Company of 100 tonnes of Murray cod (tonnage aggregated with that from Class A) | 4 years from date of issue |
| C | 5,000,000 | Production and sale by the Company of 150 tonnes of Murray cod (tonnage aggregated with that from Classes A and B) | 5 years from date of issue |

Each performance right converts to one fully paid ordinary share upon reaching the above mentioned performance milestones.

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| | Reviewed Pro Forma Consolidated 30 June 2016 \$ (minimum) | Reviewed Pro Forma Consolidated 30 June 2016 \$ (maximum) | Historical 30 June 2016 \$ |
|---|--|--|----------------------------------|
| Note 12. Accumulated Losses | | | |
| Accumulated losses at 30 June 2016 | 856,680 | 856,680 | 856,680 |
| <i>Pro Forma Adjustments:</i> | | | |
| – Elimination of the Company's accumulated losses on consolidation | (856,680) | (856,680) | - |
| – Recognition of Bidgee's accumulated losses at 30 June 2016 | 112,175 | 112,175 | - |
| – Equity based payment expense on options issued to corporate consultant | 43,375 | 43,375 | - |
| – Options issued to board of directors | 364,346 | 346,346 | - |
| – Excess consideration on asset acquisitions from Riverina and Silverwater | 2,264,639 | 2,264,639 | - |
| – Excess deemed consideration on acquisition | 4,224,303 | 4,224,303 | - |
| – Shares issued to Zebina Minerals relating to first year expenditure tenement commitment | 30,000 | 30,000 | - |
| Closing balance | 7,038,838 | 7,038,838 | 856,680 |

Note 13. Related Parties

Refer to Section 8.7 of the Prospectus for details of related party agreements.

Note 14. Commitments

The Company had no commitments for expenditure as at 30 June 2016.

Note 15. Contingent Liabilities

The Company had no contingent assets or liabilities outstanding at 30 June 2016.

Note 16. Subsequent Events

At the date of this report there have been no material events subsequent to balance date that we are aware of, other than the following:

- (a) On 5 October and 21 November 2016, Bidgee entered into loan agreements with Ag Finance Specialists Pty Ltd (Ag Finance) for \$120,000 and \$380,000 respectively. Ag Finance is a company which is 80% owned by a family trust of which Ross Anderson is a beneficiary. These loans accrue interest daily at 6% per annum. The total repayment including accrued interest and establishment and documentation fees totalling \$14,558.36 is required to be repaid on 31 March 2017 at the same time as the principal loan amounts totalling \$500,000.

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INVESTIGATING ACCOUNTANT'S REPORT

Note 17. Business Acquisition Details

A. Riverina Acquisition

Pursuant to the Business Asset Sale Agreement dated 16 November 2016 between the Company and MBRPL and the Contract for the Sale and Purchase of Land between the Company and Mathew John Ryan and Bonnie Louise Ryan (Ryan), the Company will acquire MBPRL and Ryan assets ('Riverina'). Details of this transaction are as follows:

| | \$ | \$ | \$ |
|--|-------------------|-------------------|-------------------------|
| Consideration | | | |
| Cash | | | 1,450,000 |
| 38,571,429 fully paid ordinary shares | | | 1,928,571 |
| 12,857,143 deferred fully paid ordinary shares | | | 321,429 |
| 20,000,000 unlisted options | | | 346,997 |
| Total Consideration | | | <u>4,046,997</u> |
| | Book Value | Fair Value | |
| Assets | | | |
| Biological assets | 441,379 | 441,379 | |
| Property, plant & equipment | 881,931 | 1,508,212 | |
| Fair Value of Net Assets Acquired | | | <u>1,949,591</u> |
| Excess consideration written off to retained earnings | | | <u>2,097,406</u> |

The book value of the assets and liabilities above have been derived from the audit of the special purpose financial statements for the year ended 30 June 2016 of Riverina. The audit was conducted by PinnacleHPC Pty Ltd. A qualified opinion was issued on these financial statements in relation to the carrying amount of the biological assets as at 30 June 2016 as they were appointed auditors subsequent to 30 June 2016, and were therefore unable to attend a physical count and obtain sufficient appropriate audit evidence.

An independent valuation was obtained in relation to the property, plant and equipment (excluding portable and demountable plant and equipment totalling \$333,155) to determine the fair value based on a market value in-use summation approach. The fair value determined based on this approach was \$1,175,057. The valuation was prepared in accordance with the API Code of Professional Practice. Refer to section 6.1 of the Prospectus for more information.

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Note 17. Business Acquisition Details

B. Silverwater Acquisition

Pursuant to the Business Asset Sale Agreement dated 17 November 2016 between the Company and Ian and Michelle Charles, and the Contract for the Sale and Purchase of Land between the Company and Ian Charles (together referred to as 'Silverwater Assets'), the Company will acquire Silverwater Assets. Details of this transaction are as follows:

| | \$ | \$ | \$ |
|--|-------------------|-------------------|-------------------------|
| Consideration | | | |
| Cash | | | 1,300,000 |
| 2,000,000 fully paid ordinary shares | | | 100,000 |
| 4,000,000 unlisted options | | | 69,399 |
| Total Consideration | | | <u>1,469,399</u> |
| | Book Value | Fair Value | |
| Assets | | | |
| Inventory | 7,678 | 7,678 | |
| Biological assets | 200,000 | 200,000 | |
| Property, plant & equipment | 143,235 | 1,129,488 | |
| Fair Value of Net Assets Acquired | | | <u>1,337,166</u> |
| Agreed reimbursement of costs | | | 35,000 |
| Excess consideration written off to retained earnings | | | <u>167,233</u> |

The book value of the assets and liabilities above have been derived from the audit of the special purpose financial statements for the year ended 30 June 2016 of B Charles & Sons t/as Silverwater Native Fish. The audit was conducted by PinnacleHPC Pty Ltd. A qualified opinion was issued on these financial statements in relation to the carrying amount of the biological assets as at 30 June 2016 as they were appointed auditors subsequent to 30 June 2016, and were therefore unable to attend a physical count and obtain sufficient appropriate audit evidence.

An independent valuation was obtained in relation to the property, plant and equipment (excluding portable and demountable plant and equipment totalling \$84,638) to determine the fair value based on a market value in-use summation approach. The fair value determined based on this approach was \$1,044,850. The valuation was prepared in accordance with the API Code of Professional Practice. Refer to section 6.1 of the Prospectus for more information.

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Note 18. Bidgee Fresh Pty Ltd Financial Information

The financial information presented below has been derived from the audited special purpose financial statements of Bidgee Fresh Pty Ltd for the period from incorporation until 30 June 2016. The audit of Bidgee's special purpose financial statements for the period ended 30 June 2016 was conducted by Ernst & Young. A qualified audit opinion was issued on these financial statements in relation to the carrying amount of the biological assets as at 30 June 2016 and the fair value gain recorded as income as they were appointed auditors subsequent to 30 June 2016, and were therefore unable to attend a physical count and obtain sufficient appropriate audit evidence. An emphasis of matter drawing attention to the significant uncertainty as to whether Bidgee will continue as a going concern was also included within the auditor's report on the financial statements.

Statement of Financial Position as at 30 June 2016

| | 30 June 2016 |
|--------------------------------------|---------------------|
| Assets | |
| Current Assets | |
| Cash and cash equivalents | 47,731 |
| Trade and other receivables | 85,372 |
| Biological assets | 277,863 |
| Total Current Assets | 410,966 |
| Non-current Assets | |
| Property, plant and equipment | 819,251 |
| Total Non-current Assets | 819,251 |
| Total Assets | 1,230,217 |
| Current Liabilities | |
| Trade and other payables | (360,802) |
| Borrowings | (748,567) |
| Total Current Liabilities | (1,109,369) |
| Non-current Liabilities | |
| Borrowings | (232,923) |
| Total Non-current Liabilities | (232,923) |
| Total Liabilities | (1,342,292) |
| Net Liabilities | (112,075) |
| Equity | |
| Contributed equity | 100 |
| Reserves | - |
| Accumulated losses | (112,175) |
| Total Equity | (112,075) |

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Note 18. Bidgee Fresh Pty Ltd Financial Information (cont'd)

Statement of Profit or Loss and Other Comprehensive Income for the period from incorporation (28 April 2015) to 30 June 2016

| | 30 June 2016 |
|---|-------------------------|
| | \$ |
| Revenue | |
| Fish sales | 76,682 |
| Equipment sales | 286,677 |
| Interest | 17 |
| Net gain from changes in fair value of biological assets | 31,759 |
| Total Revenue | 395,135 |
| Cost of sales - equipment | (286,398) |
| Cost of sales – fish purchases | (76,682) |
| Depreciation and amortisation | (22,350) |
| Administrative and other expenses | (121,880) |
| Profit/(Loss) before tax | (112,175) |
| Less Income tax expense | - |
| Profit/(Loss) for the period | (112,175) |
| Other comprehensive income | - |
| Total comprehensive income/(loss) attributable to the members of the Company | (112,175) |

Note 19. Riverina Financial Performance

The financial performance relating to the segment of the business involved in the growing and selling of Australian Murray Cod within the trust named M & B Ryan Pty Ltd atf M & B Ryan Family Trust t/as Riverina Aquaculture for the last 3 financial years ended 30 June have been derived from the audited special purpose financial statements. The audit was conducted by PinnacleHPC Pty Ltd. A qualified opinion was issued on these financial statements in relation to the carrying amount of the biological assets as at 30 June 2016, 30 June 2015 and 30 June 2014 as they were appointed auditors subsequent to 30 June 2016, and were therefore unable to attend a physical count and obtain sufficient appropriate audit evidence.

As the carrying amount on biological assets has been qualified in relation to 30 June 2016, 30 June 2015 and 30 June 2014, this also relates to the net gain from changes in fair value of biological assets for each of these reporting periods. The net gain from changes in fair value of biological assets is directly derived from the movement in the carrying amounts in biological assets and cost of the fish harvested for sale.

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Note 19. Riverina Financial Performance (cont'd)

The details are as follows:-

| | 30 June 2014 | 30 June 2015 | 30 June 2016 |
|--|-----------------|------------------|------------------|
| | \$ | \$ | \$ |
| Revenue | | | |
| Fish sales | 34,506 | 139,295 | 714,960 |
| Other income fish farming | 2,004 | 3,682 | 72,694 |
| Net gain from changes in fair value of biological assets | 259,656 | 46,329 | 419,021 |
| Total Revenue | 296,166 | 189,306 | 1,206,675 |
| Cost of sales – fish | (64,664) | (196,544) | (766,842) |
| Consultant and contract fees | (26,676) | (9,530) | (3,598) |
| Bad debts expense | - | - | (74,794) |
| Depreciation expense | (123,181) | (92,634) | (122,377) |
| Employee benefit expenses | - | - | (42,201) |
| Other fish farming expenses | (97,186) | (61,188) | (90,582) |
| Profit/(Loss) before tax | (15,541) | (170,590) | 106,281 |
| Less Income tax expense | - | - | - |
| Profit/(Loss) for the period | (15,541) | (170,590) | 106,281 |

The legal owner of the business was operating as a family trust during the above periods.

Note 20. Silverwater Financial Performance

The financial performance relating to the segment of the business relating to the hatching, growing and selling of Australian native freshwater fish within the partnership named B Charles & Sons t/as Silverwater Native Fish for the last 3 financial years ended 30 June have been derived from the audited special purpose financial statements. The audit was conducted by PinnacleHPC Pty Ltd. A qualified opinion was issued on these financial statements in relation to the carrying amount of the biological assets as at 30 June 2016, 30 June 2015 and 30 June 2014 as they were appointed auditors subsequent to 30 June 2016, and were therefore unable to attend a physical count and obtain sufficient appropriate audit evidence.

The details are as follows:-

| | 30 June 2014 | 30 June 2015 | 30 June 2016 |
|--|-----------------|-----------------|-----------------|
| | \$ | \$ | \$ |
| Revenue | | | |
| Fish sales | 411,084 | 450,156 | 601,603 |
| Net gain from changes in fair value of biological assets | - | - | - |
| Total Revenue | 411,084 | 450,156 | 601,603 |
| Cost of sales – fish | (96,672) | (138,437) | (103,867) |
| Consultant and contract fees | (66,918) | (63,758) | (43,051) |
| Bad debts expense | - | (8,041) | - |
| Depreciation expense | (19,926) | (14,645) | (19,104) |
| Employee benefit expenses | - | - | - |
| Other fish farming expenses | (124,575) | (141,989) | (121,213) |
| Profit/(Loss) before tax | 102,993 | 83,286 | 314,368 |
| Less Income tax expense | - | - | - |
| Profit/(Loss) for the period | 102,993 | 83,286 | 314,368 |

The legal owner of the business was operating as a partnership during the above periods.

8. Directors, Key Management and Corporate Governance

8.1 Board of Directors

As at the date of this Prospectus, the Board comprises of:

- (a) Mr Ross Anderson - Chairman;
- (b) Mr Morgan Barron - Director;
- (c) Mr Martin Priestley - Director; and
- (d) Mr Douglas O'Neill - Non-Executive Director.

Mr Anderson, Mr Barron and Mr Priestley shall remain as Directors at Completion. It is intended that Mr O'Neill will retire at the General Meeting.

The Company will appoint the following persons as directors at Completion, subject to prior Shareholder approval:

- (a) Mr Mathew Ryan as Managing Director; and
- (b) Mr Roger Commins as a Non-Executive Director.

8.2 Director profiles

Details of the Directors comprising the Board following Completion are set out below.

(a) Mr Ross Anderson - Chairman

Mr Anderson is a Chartered Accountant with over 25 years' experience. He is a fellow of the Taxation Institute of Australia and is a Chartered Tax Adviser. He is a registered company auditor and is the principal of the licensed securities dealer, Anderson's Investment Services Pty Ltd. He is the Chairman of Clearpoint Capital Ltd which manages a fund specialising in derivatives and alternative assets. He was President of the MF Global Client Support Group in Australia and has a wide and varied commercial experience in dealing with agribusiness and capital markets.

(b) Mr Morgan Barron - Director

Mr Barron is a Chartered Accountant and has over 15 years' experience as a corporate advisor. Mr Barron has advised and guided many companies undertaking fundraising activities in Australia and seeking to list on the ASX. In addition, Mr Barron has been involved in many corporate restructures, mergers and acquisitions and has played a key role in the recapitalisation of a number of ASX listed companies. Mr Barron is director and shareholder of Ventnor Capital Pty Ltd and Ventnor Securities Pty Ltd.

(c) Mr Martin Priestley - Director

Mr Priestley has 30 years' experience in domestic and international financial services throughout Australia, United Kingdom, Europe, United States of America, Canada and Asia. Mr Priestley is currently Senior Director/Head of Capital Advisors at CBRE Capital Advisors, the financial services arm of the global CBRE business.

In his previous roles as Managing Director at Moss Capital Pty Limited, Bamford Partners Pty Ltd and Ashe Morgan Winthrop, Mr Priestley has worked across a range of disciplines, including origination and distribution of senior debt, mezzanine, equity structuring and funds management. Prior to his role at Ashe Morgan Winthrop, Mr Priestley headed up Bank West's East Coast operations after a number of senior management roles within NatWest bank in the United Kingdom. Mr Priestley currently sits on the boards of a number of private companies and is a member of a number of compliance committees.

(d) Mr Mathew Ryan - Proposed Managing Director

Mr Mathew Ryan is the managing director of the Bidgee and Riverina Aquaculture businesses and has been instrumental with the growth of each. Previously Mr Ryan was managing director of Agrow Agronomy and Research which provided agronomic support services to agricultural clients and conducted significant research programmes for private and industry projects. Mr Ryan holds a Bachelor of Rural Science and has over 18 years of experience in the aquaculture and agricultural industries including marketing and sales and has detailed knowledge of the Murray Cod production cycle.

(e) Mr George Roger Commins - Proposed Non-Executive Director

Mr George "Roger" Commins has extensive experience within the agricultural industry developed from over 30 years' involvement in establishing and operating a diverse number of enterprises including large scale irrigation, development of the cotton industry in the region, seed production, agricultural transport, timber plantation, solar generation and high quality citrus amongst others. He is a Director of Commins Enterprises Pty Ltd, a company which is widely recognised as a regional innovator. Mr Commins is one of the founding members and current director of Southern Cotton NSW.

8.3 Key personnel

(a) Mr Ian Charles - Hatchery Manager

Mr Ian Charles founded and has been operating Silverwater Native Fish for over 20 years. Mr Charles is a respected figure in native fish spawning/production and undertakes aquaculture consulting work in China and Vietnam. Mr Charles will be involved with the Company as Hatchery Manager.

For further detail regarding Mr Charles Employment Agreement, please refer to Section 9.3(b).

(b) Dr Paul Hardy-Smith - Consultant

Dr Paul Hardy-Smith is the Managing Director of Panaquatic. Mr Hardy-Smith is an aquaculture and aquatic animal health consultant for national and local governments, multinational companies and privately owned fish farming enterprises and has worked in Australia, Canada, the United States and a number of Asian countries including Thailand, China and Malaysia.

Mr Hardy-Smith will be engaged to provide veterinary services in relation to the Merged Group's Murray Cod.

8.4 Directors' interests

Other than as disclosed in this Prospectus, no Director holds at the date of this Prospectus or held at any time during the last 2 years, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or the Offers; and
- (c) the Offers.

Further, other than as disclosed in this Prospectus, the Company has not paid any amount or provided any benefit, or agreed to do so, to any Director, either to induce that Director to become, or to qualify them as a Director, or otherwise, for services rendered by them in connection with the formation or promotion of the Company or the Offers.

8.5 Directors' security holdings

Directors are not required to hold any Shares under the Constitution of the Company. Details of the existing interests in the Shares of the Company held directly and indirectly by the current and proposed Directors are set out in the table below:

| Director | Existing Shares | % interest - existing |
|------------------|-----------------|-----------------------|
| Ross Anderson | 12,500,000 | 19.55 |
| Morgan Barron | Nil | 0 |
| Martin Priestley | 2,000,000 | 3.13 |
| Douglas O'Neill | Nil | 0 |
| Mathew Ryan | 10,000,000 | 15.64 |
| Roger Commins | 544,300 | 0.85 |

Details of the anticipated relevant interests in the Shares of the Company (assuming that no Options or Performance Rights have converted into Shares and no Milestone Consideration Shares have been issued) held directly and indirectly by the current and proposed Directors upon Completion of the Offer are set out in the table below:

| Director | Shares at Completion | % interest at Completion | |
|------------------|-------------------------|--------------------------|----------------------|
| | | Minimum Subscription | Maximum Subscription |
| Ross Anderson | 22,500,000 ¹ | 7.84 | 6.49 |
| Morgan Barron | Nil | 0 | 0 |
| Martin Priestley | 2,000,000 | 0.70 | 0.58 |
| Douglas O'Neill | Nil | 0 | 0 |
| Mathew Ryan | 68,928,572 | 24.03 | 19.87 |
| Roger Commins | 24,901,443 ² | 8.69 | 7.18 |

Notes:

1. Assumes participation in the Public Offer by Mr Ross Anderson of up to 10,000,000 Shares.
2. Assumes participation in the Public Offer by Mr Roger Commins of up to 4,000,000 Shares.

Details of the anticipated relevant interests in the other Securities of the Company held directly and indirectly by the current and proposed Directors upon completion of the Offer are set out in the table below:

| Director | Milestone Consideration Shares | Options ¹ | Performance Rights |
|----------------------------|--------------------------------|----------------------|-------------------------|
| Ross Anderson | Nil | 15,000,000 | 15,000,000 ² |
| Morgan Barron | Nil | 2,000,000 | Nil |
| Martin Priestley | Nil | 2,000,000 | Nil |
| Douglas O'Neill | Nil | 2,000,000 | Nil |
| Mathew Ryan ³ | 19,642,857 | 40,000,000 | Nil |
| Roger Commins ⁴ | 6,785,714 | 20,000,000 | Nil |

Notes:

1. Refer to Section 10.3 for terms and conditions of the Options. Issue of all Options subject to Shareholder approval at the General Meeting.
2. Comprised of the following to be issued to Kimbalex pursuant to the Consideration Offer on the terms and conditions set out in Section 10.4:
 - (a) 5,000,000 Class A Performance Rights;
 - (b) 5,000,000 Class B Performance Rights; and
 - (c) 5,000,000 Class C Performance Rights.
3. Shares and unquoted Options to be issued pursuant to the Consideration Offer to MBRPL, an entity which Mr Mathew Ryan is a director and shareholder.
4. Shares and unquoted Options to be issued pursuant to the Consideration Offer to Brigalow, an entity which Mr Roger Commins is a director and shareholder.

8.6 Directors' remuneration

The Constitution provides that each Director is entitled to such remuneration from the Company as the Directors decide, but the total amount provided to all non-executive Directors must not exceed in aggregate the amount fixed by the Company in a general meeting. The current maximum amount of remuneration that may be paid to all non-executive Directors has been set at \$500,000 per annum.

The remuneration of any non-executive director that may be appointed to the Board will be fixed by the Board and may be paid by way of fixed salary or consultancy fee. The current Directors remuneration is set out in the table below:

| Director | Year ended 30 June 2015 | Year ended 30 June 2016 |
|-------------------------------|-------------------------|-------------------------|
| Ross Anderson ¹ | Nil | 19,765 |
| Morgan Barron ² | Nil | 19,765 |
| Martin Priestley ³ | 120,000 | 67,500 |

| Director | Year ended 30 June 2015 | Year ended 30 June 2016 |
|------------------------------|-------------------------|-------------------------|
| Douglas O'Neill ⁴ | 50,000 | 38,333 |

Notes:

1. Mr Ross Anderson was appointed as a Director on 26 November 2015.
2. Mr Morgan Barron was appointed as a Director on 26 November 2015.
3. Mr Martin Priestley was appointed as a Director on 9 October 2012.
4. Mr Douglas O'Neill is to retire as a Director at the Company's General Meeting.

8.7 Related party transactions

In addition to the Acquisition Agreements for the acquisition of Bidgee, Riverina Aquaculture, the Ryan Farm and the Brigalow Assets (to which current Director Mr Ross Anderson and proposed Directors Mr Ryan and Mr Commins are parties) (see Section 9.2), the Company has entered into the following related party transactions on arms' length terms:

- (a) executive agreements with Mr Ross Anderson, Mr Mathew Ryan and Mr Roger Commins on standard terms (refer to Section 9.3 for details);
- (b) a services agreement with Ventnor to provide corporate services including the provision of a Company Secretary to the Company. Mr Morgan Barron, a Director of the Company, is a director and shareholder of Ventnor. The services agreement with Ventnor is considered to be on arms-length and commercial terms (refer to Section 9.7 for details);
- (c) services agreements with Anderson's Investment Services Pty Ltd and Anderson's Tax and Investment Services Pty Ltd to provide capital raising services and company secretarial and accountancy services to the Company respectively. Mr Ross Anderson, the Chairman of the Company, is a Director and shareholder of Anderson's Investment Services Pty Ltd and Anderson's Tax and Investment Services Pty Ltd. The joint Company Secretary of the Company is an employee of Anderson's Tax and Investment Services Pty Ltd. The services agreements with Anderson's Investment Services Pty Ltd and Anderson's Tax and Investment Services Pty Ltd are considered to be on arms-length and commercial terms (refer to Section 9.6 for details);
- (d) an agreement with Bamford Partners Pty Ltd to provide capital raising services to the Company. Mr Martin Priestley, a Director of the Company, is a director and shareholder of Bamford Partners Pty Ltd. The agreement with Bamford Partners Pty Ltd is considered to be on arms-length and commercial terms (refer to Section 9.5 for details); and
- (e) deeds of indemnity, insurance and access with each of its Directors on standard terms (refer to Section 9.10 for details).

In addition, Ag Finance Specialists Pty Ltd, a company which is 80% owned by a family trust of which Mr Ross Anderson is a beneficiary, is party (as lender) to a loan agreement with Bidgee. The agreement is considered to be on arms' length and commercial terms (refer to Section 9.9 for details).

8.8 Corporate Governance

The Board is responsible for establishing the Company's corporate governance framework, the key features of which are set out in this Section 8.8. In establishing its

corporate governance framework, the Board has referred to the 3rd edition of the ASX Corporate Governance Councils' Corporate Governance Principles and Recommendations (**Recommendations**). To the extent applicable, commensurate with the Company's size and nature, the Company has adopted the Recommendations.

The Board seeks, where appropriate, to provide accountability levels that meet or exceed the Recommendations.

The Company's main corporate governance policies and practices as at the date of this Prospectus are outlined below and further details on the Company's corporate governance procedures, policies and practices can be obtained from the Company website at www.timpetra.com.

(a) Board of Directors

The Board is responsible for corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. The goals of the corporate governance processes are to:

- (i) maintain and increase Shareholder value;
- (ii) ensure a prudential and ethical basis for the Company's conduct and activities; and
- (iii) ensure compliance with the Company's legal and regulatory objectives.

Consistent with these goals, the Board assumes the following responsibilities:

- (i) developing initiatives for profit and asset growth;
- (ii) reviewing the corporate, commercial and financial performance of the Company on a regular basis;
- (iii) acting on behalf of, and being accountable to, the Shareholders; and
- (iv) identifying business risks and implementing actions to manage those risks and corporate systems to assure quality.

The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors' participation in the Board discussions on a fully-informed basis.

In light of the Company's size and nature, the Board considers that the proposed board is a cost effective and practical method of directing and managing the Company. If the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

(b) Composition of the Board

Election of Board members is substantially the province of the Shareholders in general meeting. However, subject thereto, the Company is committed to the following principles:

- (i) the Board is to comprise Directors with a blend of skills, experience and attributes appropriate for the Company and its business; and

- (ii) the principal criterion for the appointment of new Directors is their ability to add value to the Company and its business.

The Board will consist of 5 members. The Company has adopted a Nominations Committee Charter, but has not formally adopted a Nominations and Remuneration Committee. The Directors consider that the Company is currently not of a size, nor are its affairs of such complexity, to justify the formation of a Nomination and Remuneration Committee. The responsibilities of a Nomination and Remuneration Committee are currently carried out by the Board.

Where a casual vacancy arises during the year, the Board has procedures to select the most suitable candidate with the appropriate experience and expertise to ensure a balanced and effective Board. Any Director appointed during the year to fill a casual vacancy or as an addition to the current Board, holds office until the next general meeting and is then eligible for re-election by the Shareholders.

(c) Identification and management of risk

The Board has not established a risk management committee and the full Board is responsible for overseeing the risk management function. The Board is responsible for ensuring the risks and opportunities are identified on a timely basis.

(d) Ethical standards

The Board is committed to the establishment and maintenance of appropriate ethical standards.

(e) Independent professional advice

Subject to the Chairman's approval (not to be unreasonably withheld), the Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.

(f) Remuneration arrangements

The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the 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.

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 Board reviews and approves the remuneration policy to enable the Company to attract and retain Directors who will create value for Shareholders having consideration to the amount considered to be commensurate for a company of its size and level of activity as well as the relevant Directors' time, commitment and responsibility.

(g) Trading policy

The Board has adopted a policy that sets out the guidelines on the sale and purchase of securities in the Company by its key management personnel (i.e. Directors and, if applicable, any employees reporting directly to the managing director). The policy generally provides that written notification to the Clearance Officer (being a responsible person appointed by the Board) must be satisfied prior to trading.

(h) External audit

The Company in general meetings is responsible for the appointment of the external auditors of the Company, and the Board from time to time will review the scope, performance and fees of those external auditors.

(i) Audit committee

The Company does not have an audit committee. The full Board fulfils the Company's corporate governance and monitoring responsibilities in relation to the Company's risks associated with the integrity of the financial reporting, internal control systems and the independence of the external audit function.

(j) Diversity Policy

The Company does not have an express diversity policy specifically addressing the achievement of gender diversity. Due to the current limited size of the Board, the Board does not consider it necessary to have a gender diversity policy, but will consider adopting a policy in the future.

The Company's Corporate Governance Plan includes a corporate code of conduct, which provides a framework for undertaking ethical conduct in employment. Under the corporate code of conduct, the Company will not tolerate any form of discrimination or harassment in the workplace.

(k) Departures from Recommendations

Following re-admission to the Official List of ASX, the Company will be required to report any departures from the Recommendations in its annual financial report. The Company's latest report was released to ASX on 30 September 2016.

9. Material Contracts

9.1 Introduction

The Directors consider that certain contracts entered into by the Company are material to the Company or are of such a nature that an investor may wish to have particulars of them when making an assessment of whether to apply for Securities under the Offers. The provisions of such material contracts are summarised in this Section.

9.2 Acquisition Agreements

(a) Acquisition

The Company has entered into the Acquisition Agreements as described in Section 1.1. The key terms of the Acquisition Agreements are as follows.

(b) Conditions Precedent

Settlement of the Acquisition is conditional upon the satisfaction (or waiver) of the following material conditions precedent on or before 1 January 2017 (or such other date as may be agreed in writing):

- (i) preparation of audited accounts of Bidgee, Riverina Aquaculture and Silverwater Native Fish;
- (ii) shareholder approval for:
 - (A) the issue of the Consideration Securities, including the procurement of an independent expert's report;
 - (B) the appointment of Mr Mathew Ryan and Mr Roger Commins as Directors; and
 - (C) the implementation of the Employment Incentive Scheme and the issue of the Director Options;
- (iii) the Company undertaking a capital raising of not less than \$7,000,000 and up to \$10,000,000 via the issue of Shares with an issue price of \$0.05 each;
- (iv) the Company obtaining all necessary regulatory approvals or waivers pursuant to the Corporations Act and the Listing Rules, including with respect to Chapter 11 of the Listing Rules;
- (v) the Company entering into employment and/or service agreements (in a form satisfactory to the Company, acting reasonably) with:
 - (A) Mr Mathew Ryan, in relation to his appointment as Managing Director of the Company;
 - (B) Mr Roger Commins, in relation to his appointment as Non-Executive Director of the Company;
 - (C) Mr Ross Anderson, in relation to his appointment as Non-Executive Chairman of the Company; and

- (D) Mr Ian Charles, in relation to his appointment as Hatchery Manager; and
 - (vi) the Company receiving a reinstatement conditions letter from ASX, on terms satisfactory to the Company and Mr Ryan and Mr Commins (each acting reasonably).
- (c) **Consideration**
- (i) In consideration for 100% of the issued capital of Bidgee, the Company will issue to the Bidgee Vendors a total of:
 - (A) 40,714,286 Initial Consideration Shares;
 - (B) 13,571,428 Milestone Consideration Shares; and
 - (C) 40,000,000 Options,
 of which:
 - (D) 20,357,143 Initial Consideration Shares, 6,785,714 Milestone Consideration Shares and 20,000,000 Options will be issued to MBRPL (an entity associated with existing substantial holder and incoming Director Mr Mathew Ryan); and
 - (E) 20,357,143 Initial Consideration Shares, 6,785,714 Milestone Consideration Shares and 20,000,000 Options will be issued to Brigalow (an entity associated with incoming Director Mr Roger Commins).
 - (ii) In addition to the Consideration Securities issued to the Bidgee Vendors, the Company has agreed to:
 - (A) issue 5,000,000 Class A, 5,000,000 Class B and 5,000,000 Class C Performance Rights to Kimbalex (an entity associated with Mr Ross Anderson, current Director of the Company) in consideration for the acquisition and subsequent cancellation of the Bidgee Performance Rights held by Kimbalex; and
 - (B) pay \$1,100,000 cash to the Bidgee Vendors.
 - (iii) In consideration for the acquisition of the business known as Riverina Aquaculture, the Company will issue 38,571,429 Initial Consideration Shares, 12,857,143 Milestone Consideration Shares and 20,000,000 Options to MBRPL.
 - (iv) In consideration for the acquisition of the Ryan Farm on which Riverina Aquaculture operates, the Company will pay \$1,450,000 cash to Mr Mathew Ryan and Mrs Bonnie Ryan.
 - (v) In consideration for the acquisition of the Brigalow Assets, the Company will pay \$550,000 cash to Brigalow.
 - (vi) In consideration for the acquisition of the business known as Silverwater Native Fish and the Silverwater Farm, the Company will issue 2,000,000 Shares and 4,000,000 Options and pay \$1,300,000 cash to Charles.

(d) **Restraint of trade**

Mr Mathew Ryan and the Charles Partnership undertake that they will not without prior written consent of the Company carry on any business which is the same or substantially similar to the Merged Group within the Murray-Darling Basin for a period of 24 months from the date of Settlement.

(e) **Warranties and indemnities**

The Acquisition Agreements contain additional provisions, including warranties and indemnities in respect of the status of the Vendors and the Company, which are considered standard for agreements of this kind.

(f) **Loans**

There are existing mortgages over the Ryan Farm and Silverwater Farm to unrelated third party financiers which will be discharged at Completion by the vendors from the cash consideration payable under the Acquisition Agreements, such that the Ryan Farm and Silverwater Farm are purchased free of any financial encumbrances.

Bidgee has existing loans from the Bidgee Vendors which will also be settled via the cash consideration payable to the Bidgee Vendors (\$1,100,000 in total). The Bidgee Vendors have agreed to release Bidgee from any additional liability for any Bidgee Vendor loan funds over the cash consideration payable.

Bidgee is also party to loan agreements with Ag Finance (see Section 9.9 for details).

(g) **Voluntary escrow**

Each of MBRPL, Brigalow and Kimbalex have each agreed to voluntarily escrow any Securities they receive as part of the Acquisition for a period of two years from the re-commencement of the Company's Securities to Official Quotation and have consented to a holding lock being placed on those securities by the Company's share registry.

9.3 Executive services and employment agreements

(a) **Mr Mathew Ryan**

The Company has entered into an executive services agreement with Mr Mathew Ryan (**Ryan Agreement**).

Under the Ryan Agreement, Mr Ryan is engaged by the Company to provide executive services to the Company on a full time basis in the role of Managing Director. The Company remunerates Mr Ryan for his services with an executive remuneration package comprising the following:

- (i) a base salary of \$150,000 per annum;
- (ii) superannuation in accordance with statutory requirements; and
- (iii) reimbursement for reasonable expenses necessarily incurred by Mr Ryan in the performance of his services as the Managing Director.

Mr Ryan is entitled to participate in bonus and/or other performance and incentive schemes that may be implemented in the future.

Mr Ryan's employment under the Ryan Agreement is for a fixed term of 3 years and following this initial term will continue until terminated in accordance with the Ryan Agreement. During the term, the Ryan Agreement may be terminated by the Company at any time:

- (i) by 6 months' written notice to Mr Ryan;
- (ii) by 1 month's written notice to Mr Ryan in cases of prolonged illness or incapacity (mental or physical); or
- (iii) by summary notice in circumstances where Mr Ryan neglects to perform his duties or comply with reasonable or proper direction, or engages in serious misconduct.

Otherwise, the Ryan Agreement may be terminated by Mr Ryan at any time for any reason by giving not less than 6 months' notice in writing to the Company. Mr Ryan may also terminate the Ryan Agreement immediately by giving notice if at any time the Company is in breach of a material term of the Ryan Agreement.

As a Managing Director, Mr Ryan shall (amongst other things):

- (i) be engaged as a full-time employee of the Company and during usual business hours and such other hours as the exigencies of business may from time to time require, shall devote the whole of his time, attention and skill to the duties of his position and to the business of the Company, and such related corporations of the Company as the Company may from time to time direct; and
- (ii) obey all directions given to him by or under the authority of the Board, and use his best endeavours to promote the interests of the Company and of such related corporations of the Company as the Company may from time to time direct.

Mr Ryan is also subject to restrictions in relation to the use of confidential information during and after his employment with the Company ceases and being directly or indirectly involved in a competing business during the continuance of his employment with the Company and for a period of 12 months after his employment with the Company ceases, on terms which are otherwise considered standard for agreements of this nature.

The Ryan Agreement contains additional provisions considered standard for agreements of this nature.

(b) Mr Ian Charles

The Company has entered into an employment agreement with Mr Ian Charles (**Charles Agreement**).

Under the Charles Agreement, Mr Charles is engaged by the Company to provide services to the Company on a full time basis in the role of Hatchery Manager. The Company remunerates Mr Charles for his services with a remuneration package comprising the following:

- (i) a base salary of \$88,000 per annum (inclusive of superannuation);
- (ii) reimbursement for reasonable expenses necessarily incurred by Mr Charles in the performance of his services as the Hatchery Manager;

- (iii) the use of a vehicle to be provided by the Company to perform the Services; and
- (iv) accommodation on the Silverwater Farm, including electricity and any repairs required.

In addition, Mr Charles is entitled to participate in bonus and/or other performance and incentive schemes that may be implemented in the future.

Mr Charles' employment under the Charles Agreement will continue until terminated in accordance with the Charles Agreement. During the term, the Charles Agreement may be terminated by the Company at any time:

- (i) by 1 months' written notice to Mr Charles; or
- (ii) by summary notice in circumstances where Mr Charles neglects to perform his duties or comply with reasonable or proper direction.

Otherwise, the Charles Agreement may be terminated by Mr Charles at any time for any reason by giving not less than 6 months' notice in writing to the Company.

As a Hatchery Manager, Mr Charles shall (amongst other things):

- (i) be engaged as a full-time employee of the Company and during usual business hours and such other hours as the exigencies of business may from time to time require, shall devote the whole of his time, attention and skill to the duties of his position and to the business of the Company, and such related corporations of the Company as the Company may from time to time direct; and
- (ii) obey all directions given to him by or under the authority of the Board, and use his best endeavours to promote the interests of the Company and of such related corporations of the Company as the Company may from time to time direct.

Mr Charles is also subject to restrictions in relation to the use of confidential information during and after his employment with the Company ceases and being directly or indirectly involved in a competing business during the continuance of his employment with the Company and for a period of 24 months after his employment with the Company ceases, on terms which are otherwise considered standard for agreements of this nature.

The Charles Agreement contains additional provisions considered standard for agreements of this nature.

(c) **Mr George Roger Commins**

The Company has entered into a Director executive services agreement with Mr George Roger Commins (**Commins Agreement**).

Under the Commins Agreement, Mr Commins is engaged by the Company to provide services to the Company as a Non-Executive Director. The Company remunerates Mr Commins for his services with a remuneration package comprising the following:

- (i) Director fee of \$30,000 per annum;

- (ii) superannuation in accordance with statutory requirements; and
- (iii) reimbursement for reasonable expenses necessarily incurred by Mr Commins in the performance of his services as an executive director.

Mr Commins is entitled to participate in bonus and/or other performance and incentive schemes that may be implemented in the future.

Mr Commins' employment under the Commins Agreement will continue until terminated in accordance with the Commins Agreement. During the term, the Commins Agreement may be terminated by the Company at any time:

- (i) by 3 months' written notice to Mr Commins;
- (ii) by 1 month's written notice to Mr Commins in cases of prolonged illness or incapacity (mental or physical); or
- (iii) by summary notice in circumstances where Mr Commins neglects to perform his duties, including those imposed by the Corporations Act and ASX Listing Rules, or comply with reasonable or proper direction, or engages in serious misconduct.

Otherwise, the Commins Agreement may be terminated by Mr Commins at any time for any reason by giving not less than 3 months' notice in writing to the Company. Mr Commins may also terminate the Commins Agreement immediately by giving notice if at any time the Company is in breach of a material term of the Commins Agreement.

As a Non-Executive Director, Mr Commins shall (amongst other things) obey all directions given to him by or under the authority of the Board, and use his best endeavours to promote the interests of the Company and of such related corporations of the Company as the Company may from time to time direct.

Mr Commins is also subject to restrictions in relation to the use of confidential information during and after his employment with the Company ceases and being directly or indirectly involved in a competing business during the continuance of his employment with the Company and for a period of 24 months after his employment with the Company ceases, on terms which are otherwise considered standard for agreements of this nature.

The Commins Agreement contains additional provisions considered standard for agreements of this nature.

(d) **Mr Ross Anderson**

The Company has entered into an executive services agreement with Mr Ross Anderson (**Anderson Agreement**).

Under the Anderson Agreement, Mr Anderson is engaged by the Company to provide services to the Company as a non-executive Chairman. The Company remunerates Mr Anderson for his services with an executive remuneration package comprising the following:

- (i) a base salary of \$60,000 per annum;
- (ii) superannuation in accordance with statutory requirements; and

- (iii) reimbursement for reasonable expenses necessarily incurred by Mr Anderson in the performance of his services as an executive director.

Mr Anderson is entitled to participate in bonus and/or other performance and incentive schemes that may be implemented in the future.

Mr Anderson's employment under the Anderson Agreement will continue until terminated in accordance with the Anderson Agreement. During the term, the Anderson Agreement may be terminated by the Company at any time:

- (i) by 3 months' written notice to Mr Anderson;
- (ii) by 1 month's written notice to Mr Anderson in cases of prolonged illness or incapacity (mental or physical); or
- (iii) by summary notice in circumstances where Mr Anderson neglects to perform his duties or comply with reasonable or proper direction, or engages in serious misconduct.

Otherwise, the Anderson Agreement may be terminated by Mr Anderson at any time for any reason by giving not less than 3 months' notice in writing to the Company. Mr Anderson may also terminate the Anderson Agreement immediately by giving notice if at any time the Company is in breach of a material term of the Anderson Agreement.

The Anderson Agreement contains additional provisions considered standard for agreements of this nature.

9.4 Lead Manager Mandate

The Company has a corporate advisory mandate with Alto Capital dated 19 July 2016 for the provision of lead manager services in relation to the Public Offer. In consideration for the provision of these services, the Company will pay Alto Capital a capital raising fee equal to 6% of all funds raised by Alto Capital (or its affiliates), and 1,000,000 Shares as a lead manager fee. The Company also gives Alto Capital the right to subscribe for up to 2,000,000 Options, at the purchase price of 0.001 cents, and exercise price of 7.5 cents with an expiry date of 4 years from the issue date. The number of Options ultimately issued will be pro rata based on the value of capital raised by Alto Capital. The Company must also pay for Alto Capital's expenses in relation to performing its services pursuant to the Public Offer.

The mandate can be terminated without cause at any time by either party by providing the other party with one month's notice. Alto Capital's right to payment will survive termination if within 6 months of termination, the Company or its shareholders enter into a transaction with a third party purchaser that was introduced by Alto Capital (or any of its associates) during the course of the mandate.

9.5 Bamford Partners Agreement

The Company has an agreement with Bamford Partners Pty Ltd dated 22 June 2016 for the provision of corporate advisory services in relation to the Company (**Bamford Agreement**). In consideration for the provision of these services, the Company will pay an amount of 6% multiplied by any amount of equity investments or equity type investments raised and an amount of 0.5% multiplied by any amount of third party debt.

9.6 Anderson Agreements

(a) Accounting and Registered Office Services

The Company has an agreement with Anderson's Chartered Accountants dated 27 October 2016 for the provision of Chief Financial Officer, accounting and registered office services to the Company. The term of agreement commences from 1 December 2016, and may be terminated by either party, provided that one month's notice is given and all outstanding fees have been paid. In consideration for the provision of these services, the Company will pay Anderson's Chartered Accountants a monthly fee of \$5,000 (exclusive of GST). Any services provided by Anderson's Chartered Accountants outside the scope of the agreement will be charged at hourly rates.

(b) Company Secretarial Agreement

The Company has an agreement with Anderson's Tax and Investment Services Pty Ltd to provide company secretarial services to the Company dated 14 January 2016. The term of the advisory agreement commenced on 14 January 2016 and may be terminated by either party at any stage, provided one month's notice is given and all outstanding fees have been paid. Andersons will provide the services of Miss Wendy Dillon to act as Company Secretary. In consideration for the provision of these services, the Company will pay Anderson's Tax and Investment Services Pty Ltd a monthly fee of \$2,500 (excluding GST).

(c) Capital Raising Agreement

The Company has an agreement with Anderson's Investment Services Pty Ltd (AFSL 241424) dated 7 October 2016 for the provision of broker management services. The minimum term of the agreement is 3 months, thereafter either party may terminate the agreement by providing one month's written notice. In consideration for the provision of these services, Anderson's Investment Services Pty Ltd shall be paid 6% of the total amount of capital raised by it, and reasonable out of pocket expenses.

9.7 Ventnor Capital Agreement

The Company has an agreement with Ventnor dated 8 February 2016 for the provision of corporate and company secretarial services in relation to the Company. The term of the agreement is for the period commencing from 1 March 2016. Ventnor will provide the Company with the services of Mr Brett Tucker as Company Secretary. In consideration for the provision of these services, the Company will pay Ventnor the monthly sum of \$2,500 (excluding GST). Any services provided by Ventnor outside the scope of the company secretarial engagement will be charged on hourly rates. The agreement can be terminated by either party, provided that one month's notice is given and all outstanding fees are paid.

9.8 Blue Harvest Agreement

On 6 June 2016, Bidgee engaged Blue Harvest Pty Ltd (**Blue Harvest**) to manage the sales and marketing of Bidgee's product. The term of the agreement commenced on 6 June 2016 and may be terminated by either party. Termination will be effective provided that 30 days of written notice has been given to the other party.

In consideration for the services, Bidgee has agreed to pay Blue Harvest the following:

- (a) a monthly service fee that is based on a commission of up to 3.25%, (plus GST) calculated on the net value of invoiced domestic sales;
- (b) costs incurred for freight of the product; and
- (c) Bidgee agrees to pay the additional service fee for any additional services provided.

In the event that a customer claims a refund from Blue Harvest, Bidgee will reimburse the Blue Harvest within 14 days of receipt of notification of the claim for a refund.

9.9 Ag Finance Loan Agreements

On 5 October 2016, Bidgee entered into a loan agreement with Ag Finance Specialists Pty Ltd (**Ag Finance**) where an amount of \$120,000 was loaned to Bidgee. On 21 November 2016, Bidgee entered into a second loan agreement with Ag Finance for an additional \$380,000. Bidgee has on-lent part of the loan amount to MBRPL. The funds received by Bidgee and MBRPL have been applied towards development expenditure for Bidgee's and MBRPL's operations.

Bidgee may repay at any time and from time to time the whole or any part of the loan plus interest by no later than 31 March 2017. Interest applies from 30 September 2016, for the \$120,000, and 21 November 2016 for the \$380,000, at 6% on a daily compounding basis. Mr Ross Anderson has a beneficial interest in Ag Finance as described in Section 8.7.

Following Completion, the Company expects to repay the loans with the funds raised pursuant to the Public Offer. The loans are secured by deeds of guarantee of indemnity provided by Bidgee and Mr Mathew Ryan.

9.10 Deeds of indemnity, insurance and access

The Company has entered into deeds of indemnity, insurance and access with each of its Directors and the company secretary. Under these deeds, the Company agrees to indemnify each officer to the extent permitted by the Corporations Act against any liability arising as a result of the officer acting as an officer of the Company or a related body corporate (subject to customary exceptions). The Company is also required to maintain insurance policies for the benefit of the relevant officer and must also allow the officers to inspect board papers and other documents provided to the Board in certain circumstances.

10. Additional Information

10.1 Rights and liabilities attaching to Shares

The following is a general description of the more significant rights and liabilities attaching to the Shares. This summary is not exhaustive. Full details of provisions relating to rights attaching to the Shares are contained in the Corporations Act, Listing Rules and the Company's Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

The summary below is based on the proposed new Constitution being considered by Shareholders at the General Meeting.

- (a) **(Ranking of Shares):** At the date of this Prospectus, all Shares are of the same class and rank equally in all respects. Specifically, the Shares issued pursuant to this Prospectus will rank equally with existing Shares.
- (b) **(Voting rights):** Subject to any rights or restrictions, at general meetings:
 - (i) every Shareholder present and entitled to vote may vote in person or by attorney, proxy or representative;
 - (ii) has one vote on a show of hands; and
 - (iii) has one vote for every Share held, upon a poll.
- (c) **(Dividend rights):** Shareholders will be entitled to dividends, distributed among members in proportion to the capital paid up, from the date of payment. No dividend carries interest against the Company and the declaration of Directors as to the amount to be distributed is conclusive.

Shareholders may be paid interim dividends or bonuses at the discretion of the Directors. The Company must not pay a dividend unless the Company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend.

- (d) **(Variation of rights):** The rights attaching to the Shares may only be varied by the consent in writing of the holders of three-quarters of the Shares, or with the sanction of a special resolution passed at a general meeting.
- (e) **(Transfer of Shares):** Shares can be transferred upon delivery of a proper instrument of transfer to the Company or by a transfer in accordance with the ASX Settlement Operating Rules. The instrument of transfer must be in writing, in the approved form, and signed by the transferor and the transferee. Until the transferee has been registered, the transferor is deemed to remain the holder, even after signing the instrument of transfer.

In some circumstances, the Directors may refuse to register a transfer if upon registration the transferee will hold less than a marketable parcel. The Board may refuse to register a transfer of Shares upon which the Company has a lien.

- (f) **(General meetings):** Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

The Directors may convene a general meeting at their discretion. General meetings shall also be convened on requisition as provided for by the Corporations Act.

- (g) **(Unmarketable parcels):** The Company's Constitution provides for the sale of unmarketable parcels subject to any applicable laws and provided a notice is given to the minority Shareholders stating that the Company intends to sell their relevant Shares unless an exemption notice is received by a specified date.
- (h) **(Rights on winding up):** If the Company is wound up, the liquidator may with the sanction of special resolution, divide the assets of the Company amongst members as the liquidator sees fit. If the assets are insufficient to repay the whole of the paid up capital of members, they will be distributed in such a way that the losses borne by members are in proportion to the capital paid up.

10.2 Summary of the Company's Employee Incentive Scheme

The Murray Cod Australia Limited Employee Incentive Scheme (**Scheme**) is being considered for approval by Shareholders at the General Meeting. The full terms of the Scheme may be inspected at the registered office of the Company during normal business hours. A summary of the terms of the Scheme is set out below:

- (a) **(Eligible Participant):** Eligible Participant means a person that:
 - (i) is an "eligible participant" (as that term is defined in ASIC Class Order 14/1000) in relation to the Company or an Associated Body Corporate (as that term is defined in ASIC Class Order 14/1000); and
 - (ii) has been determined by the Board to be eligible to participate in the Scheme from time to time.
- (b) **(Purpose):** The purpose of the Scheme is to:
 - (i) assist in the reward, retention and motivation of Eligible Participants;
 - (ii) link the reward of Eligible Participants to Shareholder value creation; and
 - (iii) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.
- (c) **(Scheme administration):** The Scheme will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Scheme rules in its sole and absolute discretion. The Board may delegate its powers and discretion.
- (d) **(Eligibility, invitation and application):** The Board may from time to time determine that an Eligible Participant may participate in the Scheme and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides.

On receipt of an Invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the

Company. The Board may accept an application from an Eligible Participant in whole or in part.

If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.

- (e) **(Grant of Securities):** The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number of Securities, subject to the terms and conditions set out in the invitation, the Scheme rules and any ancillary documentation required.
- (f) **(Terms of Convertible Securities):** Each 'Convertible Security' represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Scheme.

Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

- (g) **(Vesting of Convertible Securities):** Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.
- (h) **(Exercise of Convertible Securities and cashless exercise):** To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by the Company, at any time prior to the earlier of any date specified in the vesting notice and the expiry date as set out in the invitation.

An invitation may specify that at the time of exercise of the Convertible Securities, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.

Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation.

A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Scheme rules, or such earlier date as set out in the Scheme rules.

- (i) **(Delivery of Shares on exercise of Convertible Securities):** As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Scheme rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.
- (j) **(Forfeiture of Convertible Securities):** Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest.

Where the Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breached his or her duties to the Group, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

Unless the Board otherwise determines, or as otherwise set out in the Scheme rules:

- (i) any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and
 - (ii) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.
- (k) **(Change of control):** If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event.
- (l) **(Rights attaching to Scheme Shares):** All Shares issued under the Scheme, or issued or transferred to a Participant upon the valid exercise of a Convertible Security, **(Scheme Shares)** will rank pari passu in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Scheme Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Scheme Shares. A Participant may exercise any voting rights attaching to Scheme Shares.
- (m) **(Disposal restrictions on Scheme Shares):** If the invitation provides that any Scheme Shares are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.

For so long as a Scheme Share is subject to any disposal restrictions under the Scheme, the Participant will not:

- (i) transfer, encumber or otherwise dispose of, or have a security interest granted over that Scheme Share; or

- (ii) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.
- (n) **(Adjustment of Convertible Securities):** If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an allotment of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.

Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.

- (o) **(Participation in new issues):** There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.
- (p) **(Amendment of Scheme):** Subject to the following paragraph, the Board may at any time amend any provisions of the Scheme rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Scheme and determine that any amendments to the Scheme rules be given retrospective effect, immediate effect or future effect.

No amendment to any provision of the Scheme rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.

- (q) **(Scheme duration):** The Scheme continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Scheme for a fixed period or indefinitely, and may end any suspension. If the Scheme is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.

10.3 Terms of Options to be issued pursuant to the Transaction

- (a) **(Entitlement):** Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

- (b) **(Exercise Price):** Subject to paragraph 10.3(j), the amount payable upon exercise of each Option will be \$0.075 (**Exercise Price**). The issue price for each Option issued pursuant the Lead Manager offer is \$0.00001.
- (c) **(Expiry Date):** Each Option, excluding the Options issued pursuant to the Lead Manager Offer, will expire at 5:00pm (AEDT) five years from date the Company's securities are reinstated to trading as a result of the Acquisition (**Expiry Date**). The Options issued to the Lead Manager will expire four years from the date of issue (**Lead Manager Expiry Date**). An Option not exercised before the relevant expiry date will automatically lapse on the relevant expiry date.
- (d) **(Exercise Period):** The Options, excluding the Options issued pursuant to the Panaquatic Offer and the Options issued pursuant to Lead Manager Offer, are exercisable on or prior to the Expiry Date, if within 4 years from the Quotation Date, 100 tonnes of Murray Cod are produced and sold by the Company.

The Options issued pursuant to the Panaquatic Offer are exercisable as follows:

- (i) 2,500,000 of the Options exercisable on or prior to the Expiry Date, if within 4 years from the Quotation Date, 150 tonnes of Murray Cod are produced and sold by the Company; and
- (ii) 2,500,000 of the Options exercisable on or prior to the Expiry Date, if within 4 years from the Quotation Date, 250 tonnes of Murray Cod are produced and sold by the Company.

The Options issued pursuant to the Lead Manager Offer are exercisable at any time on or prior to the Lead Manager Expiry Date.

- (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) allot and 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 paragraph (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) **(Quotation of Shares issued on exercise):** If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.
- (j) **(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.
- (k) **(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.
- (l) **(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.
- (m) **(Unquoted):** The Company will not apply for quotation of the Options on ASX.
- (n) **(Transferability):** The Options are not transferable, except with the prior written approval of the Company.

10.4 Terms of Performance Rights to be issued pursuant to this Prospectus

- (a) **(Vesting Conditions):** The Performance Rights will have the following milestones attached to them (each referred to as a **Performance Rights Milestone**):

| Class | Number of Performance Rights | Vesting Condition | Milestone Date |
|-------|------------------------------|--|----------------------------|
| A | 5,000,000 | Production and sale by the Company of 50 tonnes of Murray Cod | 3 years from date of issue |
| B | 5,000,000 | Production and sale by the Company of 100 tonnes of Murray Cod (tonnage aggregated with that from Class A) | 4 years from date of issue |

| Class | Number of Performance Rights | Vesting Condition | Milestone Date |
|-------|------------------------------|--|----------------------------|
| C | 5,000,000 | Production and sale by the Company of 150 tonnes of Murray Cod (tonnage aggregated with that from Classes A and B) | 5 years from date of issue |

- (b) **(Notification to holder):** The Company shall notify the holder in writing when the relevant Milestones have been satisfied.
- (c) **(Vesting):** The Performance Rights will vest on the Milestone Date relating to that Performance Right has been satisfied.
- (d) **(Consideration):** The Performance Rights will be issued for no consideration.
- (e) **(Conversion):** Upon vesting, each Performance Right will, at the election of the holder, convert into one fully paid ordinary share in the Company (**Share**).
- (f) **(Trading restriction):** Any Share issued on conversion of a Performance Right within 12 months of the Company being reinstated to official quotation on the ASX after Settlement of the Acquisition (**Re-Listing Date**) cannot be traded until the date which is 12 months after the Re-Listing Date unless otherwise permitted by the Board and subject to any other escrow requirements imposed by ASX.
- (g) **(Lapse):** A Performance Right will lapse upon the earlier to occur of:
 - (i) a Vesting Condition in relation to the Performance Right not being satisfied by the Milestone Date, or becoming incapable of satisfaction, as determined by the Board in its absolute discretion;
 - (ii) the Board deeming that a Performance Right lapses due to fraud, dishonesty or other improper behaviour of the holder; and
 - (iii) the five year and 1 month anniversary of the date of grant of the Performance Right.
- (h) **(Share ranking):** All Shares issued upon the vesting of Performance Rights will upon issue rank pari passu in all respects with other Shares.
- (i) **(Listing of shares on ASX):** The Company will not apply for quotation of the Performance Rights on ASX. However, the Company will apply for quotation of all Shares issued pursuant to the vesting of Performance Rights on ASX within the period required by ASX.
- (j) **(Transfer of Performance Rights):** The Performance Rights are not transferable.
- (k) **(Participation in entitlements and bonus issues):** Subject always to the rights under items 10.4(l) and 10.4(m), holders of Performance Rights will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.
- (l) **(Adjustment for bonus issue):** If securities are issued pro-rata to shareholders generally by way of bonus issue (other than an issue in lieu of dividends by

way of dividend reinvestment), the number of Performance Rights to which each holder is entitled will be increased by that number of securities which the holder would have been entitled if the Performance Rights held by the holder were vested immediately prior to the record date of the bonus issue, and in any event in a manner consistent with the Corporations Act and the Listing Rules at the time of the bonus issue.

- (m) **(Reorganisation of capital):** In the event that the issued capital of the Company is reconstructed, all rights of a holder will be changed to the extent necessary to comply with the Listing Rules at the time of reorganisation provided that, subject to compliance with the Listing Rules, following such reorganisation the economic and other rights of the holder are not diminished or terminated.
- (n) **(Dividend and voting rights):** The Performance Rights do not confer on the holder an entitlement to vote or receive dividends.
- (o) **(Change in control):** Upon:
 - (i) a takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:
 - (A) having received acceptances for not less than 50.1% of the Company's shares on issue; and
 - (B) having been declared unconditional by the bidder; or
 - (ii) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies,

then, to the extent Performance Rights have not converted into Shares due to satisfaction of a Milestone, Performance Rights will automatically convert to that number of Shares which when issued together with all Shares issued under any other class of Performance Rights then on issue in the Company, is equal to the lesser of one Share per Performance Right and 10% of the total Shares on issue at that time. Performance Rights that are not converted into Shares will continue to be held by the holder on the same terms and conditions.

10.5 Substantial Shareholders

As at the date of this Prospectus, the following Shareholders hold 5% or more of the total number of Shares on issue:

| Shareholder | Existing Shares | % Existing |
|----------------------------------|-----------------|------------|
| Mr Ross Anderson ¹ | 12,500,000 | 19.55 |
| Mr Mathew John Ryan ² | 10,000,000 | 15.64 |
| Jetosea Pty Ltd | 9,582,373 | 14.99 |
| Mr Larry Michael Walsh | 8,969,236 | 14.03 |

Notes:

1. 12,500,000 Shares indirectly held through Anderson's Investment Services Pty Ltd <Clearpoint Capital Global Market Fund>. Mr Anderson is a director of Anderson's Investment Services Pty Ltd.
2. 10,000,000 Shares directly held by Mr Ryan.

The table above assumes that the no convertible securities (eg options and performance rights) are converted into Shares.

Following completion of the Transaction, the following Shareholders are expected to hold 5% or more of the total number of Shares on issue (assuming that no convertible Securities (such as Options or Performance Rights) are converted into Shares or Milestone Consideration Shares are issued):

| Shareholder | Minimum Subscription | | Maximum Subscription | |
|----------------------------------|----------------------|-------|----------------------|-------|
| | Shares | % | Shares | % |
| Mr Ross Anderson ¹ | 22,500,000 | 7.84 | 22,500,000 | 6.49 |
| Mr Mathew John Ryan ² | 68,928,572 | 24.03 | 68,928,572 | 19.87 |
| Mr Roger Commins ³ | 24,901,443 | 8.69 | 24,901,443 | 7.18 |

Following completion of the Transaction, the following Shareholders are expected to hold 5% or more of the total number of Shares on issue (assuming all convertible Securities are converted and Milestone Consideration Shares are issued):

| Shareholder | Minimum Subscription | | Maximum Subscription | |
|----------------------------------|----------------------|-------|----------------------|-------|
| | Shares | % | Shares | % |
| Mr Ross Anderson ¹ | 52,500,000 | 12.49 | 52,500,000 | 10.93 |
| Mr Mathew John Ryan ² | 128,571,429 | 30.59 | 128,571,429 | 26.77 |
| Mr Roger Commins ³ | 51,687,157 | 12.30 | 51,687,157 | 10.76 |

Notes:

1. Shares indirectly held through Anderson's Investment Services Pty Ltd <Clearpoint Capital Global Market Fund>. Mr Anderson is a director of Anderson's Investment Services Pty Ltd.
2. Shares directly held by Mr Ryan and associated entity MBRPL.
3. Shares indirectly held through Commins Partnership Pty Ltd. Mr Commins is a director of Commins Partnership Pty Ltd.

10.6 Interests of experts and advisers

(a) No interest except as disclosed

Other than as set out below or elsewhere in this Prospectus, no persons or entity 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 holds at the date of this Prospectus, or held at any time during the last 2 years, any interest in:

- (i) the formation or promotion of the Company;

- (ii) property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or the Offers; or
- (iii) the Offers,

and the Company has not paid any amount or provided any benefit, or agreed to do so, to any of those persons for services rendered by them in connection with the formation or promotion of the Company or the Offers.

(b) Legal Advisers

Bellanhouse Legal has acted as the solicitors to the Company in relation to the Offers, the Acquisition, the General Meeting and various other matters. The Company estimates it will pay Bellanhouse Legal \$80,000 (excluding GST) for these services. Subsequently, fees will be charged in accordance with normal charge out rates. In addition, Bellanhouse Legal has performed other legal work for the Company. Bellanhouse Legal has received fees of \$6,658 during the 24 months preceding lodgement of this Prospectus with ASIC.

(c) Lead Manager

Alto Capital is acting as the lead manager to the Offer. The Company expects that it will pay between \$420,000 and up to \$600,000 (excluding GST) for these services. In addition, the Company will issue Shares and Options pursuant to a Lead Manager as consideration for lead manager services. Alto Capital has not received any fees during the 24 months preceding lodgement of this Prospectus with ASIC.

(d) Corporate Advisors

Ventnor Capital is acting as a corporate advisor to the Offer. The Company expects that it will pay \$50,000 (excluding GST) for these services. Subsequently, fees will be charged in accordance with normal charge out rates. Ventnor has received \$91,225 in fees from the Company for advisor services during the 24 months preceding lodgement of this Prospectus.

Anderson's Investment Services Pty Ltd is acting as a corporate advisor to the Offer. The Company will pay for these services in accordance with the terms of the agreement summarised in Section 9.6(c). Anderson's Investment Services has not received any fees from the Company for advisor services during the 24 months preceding lodgement of this Prospectus.

Bamford Partners Pty Ltd is also acting as a corporate advisor to the Offer. The Company will pay for these services in accordance with the terms of the agreement summarised in Section 9.5. Bamford Partners Pty Ltd has not received any fees from the Company for advisor services during the 24 months preceding lodgement of this Prospectus.

(e) Investigating Accountant

PKF Mack has acted as Investigating Accountant and has prepared the Investigating Accountant's Report which is included in Section 7 of this Prospectus. The Company estimates it will pay PKF Mack a total of \$25,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with ASIC, PKF Mack has not provided services to the Company.

(f) **Auditor**

Ernst & Young has acted as auditor of the Company with respect to its general purpose financial statements for the year ended 30 June 2016. During the 24 months preceding lodgement of this Prospectus with the ASIC, Ernst & Young has received \$137,585 in fees from the Company for audit services during the 24 months preceding lodgement of this Prospectus.

Subject to Shareholder approval at the General Meeting, PinnacleHPC Pty Ltd will replace Ernst & Young as auditor of the Company. During the 24 months preceding lodgement of this Prospectus with ASIC, PinnacleHPC Pty Ltd has not provided services to the Company.

(g) **Independent Expert**

RSM Corporate Australia Pty Ltd has acted as an independent expert to the Company in connection with the Company's notice for the General Meeting. During the 24 months preceding lodgement of this Prospectus with the ASIC, RSM Corporate Australia Pty Ltd will receive fees of approximately \$30,000 for the provision of the Independent Expert's Report.

10.7 Consents

- (a) Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of Shares under this Prospectus), the Directors, any 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.

In light of the above, each of the parties referred to below:

- (i) does not make the Offers;
- (ii) does not make, or purport to make, any statement that is included in this Prospectus, or a statement on which a statement made in this Prospectus is based, other than as specified below or elsewhere in this Prospectus;
- (iii) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement contained in this Prospectus with the consent of that party as specified below; and
- (iv) has given and has not, prior to the lodgement of this Prospectus with ASIC, withdrawn its consent to the inclusion of the statements in this Prospectus that are specified below in the form and context in which the statements appear.

(b) **Share Registry**

Advanced Share Registry Services has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as Share Registry of the Company in the form and context in which it is named.

(c) **Legal advisors**

Bellanhouse Legal has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as legal adviser to the Company in the form and context in which it is named.

(d) **Lead Manager**

Alto Capital has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Company's lead manager in the form and context in which it is named.

(e) **Corporate Advisors**

Ventnor Capital has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as a corporate advisor to the Company in the form and context in which it is named.

Anderson's Investment Services Pty Ltd has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as a corporate advisor to the Company in the form and context in which it is named.

Bamford Partners Pty Ltd has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as a corporate advisor to the Company in the form and context in which it is named.

(f) **Auditor**

Ernst & Young has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as auditor of the Company with respect to its general purpose financial statements for the year ended 30 June 2016 in the form and context in which it is named.

PinnacleHPC Pty Ltd has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the proposed auditor of the Company in the form and context in which it is named.

(g) **Investigating Accountant**

PKF Mack has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Investigating Accountant to the Company in the form and context in which it is named and has given and not withdrawn its consent to the inclusion of the Investigating Accountant's Report in the form and context in which it is included.

(h) **Independent Expert**

RSM Corporate Australia Pty Ltd has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Independent Expert of the Company in the form and context in which it is named.

10.8 Expenses of the Offers

The expenses of the Offers (excluding GST) are estimated to be approximately \$900,000 (based on maximum subscription) and are expected to be applied towards the items set out in the table below.

| Items of expenditure | Amount |
|--|------------------|
| Capital raising fees | \$600,000 |
| Legal fees | \$80,000 |
| Accounting and Investigating Accountant's Report | \$25,000 |
| ASIC fees | \$2,350 |
| ASX fees | \$72,341 |
| Advisor costs | \$75,000 |
| Other expenses | \$45,309 |
| Total estimated expenses | \$900,000 |

10.9 ASX waivers

The Company has applied for and expects to receive the following ASX waivers in relation to the Offers and the Acquisition:

- (a) a waiver of Listing Rule 1.1 Condition 11 to allow the Options to be issued to have an exercise price of less than \$0.20 each, and for the proposed Performance Rights to have a nil exercise price;
- (b) a waiver from Listing Rule 2.1 Condition 2 to allow Shares under the Offer to have an issue price of less than \$0.20 each; and
- (c) a waiver of Listing Rule 7.3.2 to allow the Milestone Consideration Shares to be issued within 4 years of the Company being re-admitted to quotation on the ASX.

10.10 Continuous disclosure obligations

As the Company is admitted to the official list of ASX, the Company is a "disclosing entity" for the purposes of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose to the market any information it has which a reasonable person would expect to have a material effect on the price or the value of the Company's Securities.

Price sensitive information is publicly released through ASX before it is disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants is also managed through disclosure to ASX. In addition, the Company posts information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

10.11 Litigation

As at the date of this Prospectus, neither the Company nor the Merged Group are involved in any material legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company or the Merged Group or any of their respective subsidiaries.

11. Directors' Authorisation

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

Signed for and on behalf of the Company.

A handwritten signature in black ink, appearing to read 'R Anderson', with a long, sweeping horizontal stroke extending to the right.

Ross Anderson
Chairman
24 November 2016

12. Definitions

Acquisition means the acquisition by the Company of the Merged Group in accordance with the Acquisition Agreements.

Acquisition Agreements means the agreements described in Section 9.2.

Acquisition Resolutions has the meaning set out in Section 1.4.

AEDT means Australian Eastern Daylight Time, being the time in Sydney, New South Wales.

Ag Finance has the meaning given in Section 9.9.

Alto Capital means ACNS Capital Markets Pty Ltd ATF the ACNS Unit Trust trading as Alto Capital ABN 93 088 503 208 AFSL 279099

Application Form means the Public Offer Application Form, Consideration Offer Application Form, Options Application Form, as the context requires.

Application Monies means the amount of money in dollars and cents payable for Shares at the Offer Price per Share pursuant to the Public Offer. No application monies will be payable pursuant to the Secondary Offers.

ASIC means the Australian Securities and Investments Commission.

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

ASX Settlement means ASX Settlement Pty Limited (ACN 008 504 532).

ASX Settlement Operating Rules means the settlement and operating rules of ASX Settlement.

Bidgee means Bidgee Fresh Pty Ltd ACN 605 520 125.

Bidgee Vendors means MBRPL and Brigalow.

Blue Harvest has the meaning given in Section 9.8.

Board means the board of Directors.

Brigalow means Brigalow Enterprises Pty Ltd ACN 117 275 288.

Brigalow Assets has the meaning ascribed in Section 1.1(d).

Business Day means Monday to Friday except for any day that ASX declares is not a business day.

Charles Partnership means the partnership of Mr Ian Charles and Mrs Michelle Charles.

CHESS means the Clearing House Electronic Subregister System operated by ASX Settlement.

Closing Date means the date that the Offers close which is 5.00pm (AEDT) on 16 December 2016 or such other time and date as the Board determines.

Company means Timpetra Resources Limited (to be renamed Murray Cod Australia Limited) (ACN 143 928 625).

Completion means completion of the Acquisition under the Acquisition Agreements.

Consideration Offer has the meaning set out in Section 2.2(a).

Consideration Offer Application Form means the Application Form in respect of the Consideration Offer.

Consideration Shares means the Initial Consideration Shares and the Milestone Consideration Shares.

Consideration Securities has the meaning ascribed in Section 2.2(a).

Constitution means the proposed new constitution of the Company, to be approved by Shareholders at the General Meeting.

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

Director means a director of the Company.

Exposure Period means the period of 7 days after the date of lodgement of this Prospectus, which period may be extended by the ASIC by not more than 7 days pursuant to section 727(3) of the Corporations Act.

General Meeting means the general meeting of Shareholders to be held on 16 December 2016.

Independent Expert means RSM Corporate Australia Pty Ltd ACN 050 508 024.

Independent Expert's Report means the report prepared by the Independent Expert and annexed to the Company's notice of annual general meeting lodged with ASX on 17 November 2016.

Initial Consideration Shares means the Shares issued pursuant to the Consideration Offer at Completion to MBRPL, Brigalow and the Charles Partnership as part-consideration for the Acquisition in accordance with the Acquisition Agreement.

Investigating Accountant means PKF Mack ABN 64 591 268 274.

Lead Manager means Alto Capital.

Listing Rules means the listing rules of ASX.

MBRPL means M&B Ryan Pty Ltd ACN 151 420 530.

Merged Group means the Bidgee, Riverina Aquaculture and Silverwater Native Fish.

Milestone means if within 4 years from the Quotation Date, 100 tonnes of Murray Cod are produced and sold by the Company.

Milestone Consideration Shares means 19,642,857 Shares to be issued to MBRPL (or its nominees) and 6,785,714 Shares to be issued to Brigalow (or its nominees) pursuant to the Acquisition Agreement, on the satisfaction of the Milestone.

Offer Price means \$0.05 per Share under the Public Offer.

Offers means the Public Offer and the Secondary Offers.

Opening Date means 24 November 2016 (in respect of the Public Offer).

Options means options to acquire Shares to be issued on the terms set out in Section 10.3.

Performance Right means any one of a Class A Performance Right, Class B Performance Right or Class C Performance Right issued on the terms and conditions contained in Section 10.4.

Proposed Directors means Mr Mathew Ryan and Mr George 'Roger' Commins.

Prospectus means this prospectus dated 24 November 2016.

Public Offer means the public offer pursuant to this Prospectus, of a minimum of 140,000,000 Shares and a maximum of 200,000,000 Shares at the Offer Price to raise a minimum of \$7,000,000 and up to a maximum of \$10,000,000 before costs.

Public Offer Application Form means the Application Form in respect of the Public Offer.

Quotation Date means the date the Company's Securities recommence quotation on the ASX following completion of the Acquisition and the Company's re-Compliance with Chapters 1 and 2 of the Listing Rules.

RAS means recirculating aquaculture system, more fully described in Section 3.9(b).

Riverina Aquaculture has the meaning given in Section 1.1(e).

Ryan Farm has the meaning given in Section 1.1(c).

Scheme means the Company's Employee Incentive Scheme, a summary of which is set out in Section 10.2.

Secondary Offers has the meaning set out in Section 2.2.

Section means a section of this Prospectus.

Securities or Security means Shares, Options and/or Performance Rights.

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

Share Registry or Advanced Share Registry means Advanced Share Registry Ltd ACN 127 175 946 trading as Advanced Share Registry Services.

Shareholder means a holder of one or more Shares.

Silverwater Farm has the meaning given in Section 1.1(e).

Silverwater Native Fish has the meaning given in Section 1.1(b).

Transaction has the meaning ascribed in the Letter from the Board.

Vendors means the Bidgee Vendors and Charles.

Ventnor means Ventnor Capital Pty Ltd ABN 31 111 543 741.

Zebina means Zebina Minerals Pty Ltd ACN 158 186 040.