

METAL BANK LIMITED

ACN 127 297 170

Pro-Rata Non-Renounceable Rights Issue Prospectus

**For the offer of a fully underwritten pro-rata non-renounceable rights issue of approximately 142.8 million New Shares and 142.8 million New Options, on the basis of 1 New Share for every 5 Shares held at an issue price of 2 cents per New Share, to raise up to \$2.85 million
and
1 free New Option for every 1 New Share subscribed for, exercisable at 3 cents on or before 24 May 2019**

**OFFER CLOSES AT
5.00pm (AEDT) on Monday, 20 November 2017**

This document is a transaction-specific prospectus issued in accordance with section 713 of the Corporations Act. This Prospectus contains important information about the Offer. You should read the entire document including the Entitlement and Acceptance Form. If after reading this Prospectus you have any questions about the Offer or this Prospectus, you should speak to your professional adviser.

The New Shares and New Options offered by this Prospectus should be considered speculative.

Important Notice

This Prospectus is dated 1 November 2017 (**Prospectus**) and was lodged with ASIC on that date. ASIC takes no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

Certain terms and abbreviations used in this Prospectus have defined meanings, which are explained in the Glossary. In this Prospectus, the words "we", "our" and "us" refer to the Company. The words "you" or "your" refer to Shareholders.

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

Application for quotation of the New Shares will be made to ASX within 7 days after the date of this Prospectus. ASX takes no responsibility for the contents of this Prospectus. The fact that ASX may quote the New Shares is not to be taken in any way as an indication of the investment to which this Prospectus relates.

MBK is an ASX listed company whose securities are granted official quotation by ASX. In preparing this Prospectus regard has been had to the fact that MBK is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and professional advisers who investors may consult.

Before deciding to whether to accept the Offer, you should read and understand the entire Prospectus and, in particular, you should consider the risk factors that could affect MBK's performance. You should carefully consider these factors in light of your personal circumstances (including financial and taxation issues) and seek advice from your professional adviser before deciding to invest. Investing in MBK involves risks. See 'Risk Factors' in Section 4 for a discussion of certain risk factors that you should consider before deciding to accept the Offer.

No person is authorised to give any information or to make any representations in connection with this Offer that is not contained in this Prospectus. Any information or representation that is not contained in this Prospectus may not be relied upon as having been authorised by the Directors or by MBK.

Restrictions on distribution

This Prospectus contains an offer to Eligible Shareholders in Australia and New Zealand. This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to lodge this Prospectus in any jurisdiction outside of Australia or to otherwise permit a public offering of New Shares and New Options in any jurisdiction outside Australia or New Zealand. This Prospectus is not to be distributed in, and no offer of New Shares and New Options is to be made in, countries other than Australia and New Zealand.

Neither the Entitlements, nor New Shares and New Options have been or will be registered under the US Securities Act of 1933 and may only be offered, sold or resold in, or to persons in, the United States in accordance with an available exemption from registration.

It is the responsibility of Applicants to ensure compliance with any laws of a country relevant to their application. Return of a duly completed Entitlement and Acceptance Form will be taken by MBK as a representation that there has been no breach of such laws, that the Applicant is an Eligible Shareholder and that the Applicant is physically present in either Australia or New Zealand.

Shareholders outside Australia and New Zealand should refer to Section 1.6 of this Prospectus for details of how your Entitlement will be dealt with.

New Zealand

Warning Statement Applicable to New Zealand Investors

This Offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

This Offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act and the regulations made under that Act set out how the offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime. The rights, remedies and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this Offer. If you need to make a complaint about this Offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint. The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

Additional Warning Statement: Currency Exchange Risk

The Offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

Additional Warning Statement: Trading on Financial Product Market

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

Rights Entitlement and “Above Entitlement” application opportunity

You may accept your Entitlement in accordance with the instructions in Section 3 of this Prospectus and on the back of the Entitlement and Acceptance Form. In addition, you may apply for Additional New Shares, “Above Entitlement”, subject to availability at the Closing Date. Shareholders who take no action in respect of their Rights will receive no benefits.

An Entitlement and Acceptance Form accompanies this Prospectus.

Prospectus availability

This Prospectus is available in electronic form at www.metalbank.com.au and www.asx.com.au only for persons within Australia and New Zealand. Persons who access the electronic form of this Prospectus must ensure that they download and read the entire Prospectus. A printed copy of this Prospectus is available free of charge by calling the Registry on +61 8 9389 8033.

Definitions and glossary, financial amounts and time

Definitions of certain terms used in this Prospectus are contained in Section 7. All references to currency are to Australian dollars and all references to time are to AEDT, unless otherwise indicated.

Enquiries

If you:

- have not received a personalised Entitlement and Acceptance Form;
- have any queries on how to complete the Entitlement and Acceptance Form; or
- have any queries or questions in relation to the details of the Offer or the Company in general,

please contact the Registry as follows:

Phone: (+61) (8) 9389 8033

Facsimile: (+61) (8) 9262 3723

www.advancedshare.com.au

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Corporate Directory

Metal Bank Limited

ACN 127 297 170

Registered office

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Level 5, 50 Clarence Street
Sydney NSW 2000

Telephone: +61 2 9078 7669

Facsimile: +61 2 9078 7661

Directors

Ms Inés Scotland (Non-executive Chairman)

Mr Tony Schreck (Managing Director)

Mr Guy Robertson (Executive Director)

Company Secretary

Ms Sue-Ann Higgins

Solicitors

Maddocks
Collins Square
Tower Two
Level 25, 727 Collins Street
Melbourne VIC 3000

Share Registry*

Advanced Share Registry
110 Stirling Highway
Nedlands WA 6009
AUSTRALIA

Phone: (+61) (8) 9389 8033

Facsimile: (+61) (8) 9262 3723

www.advancedshare.com.au

Website

www.metalbank.com.au

* The name of the Share Registry is included for information purposes only. It has not been involved in the preparation of any part of this Prospectus and has not consented to being named in the Prospectus.

Important Dates

EVENT	DATE (2017)
Lodgement of Prospectus with ASIC and Announcement of the Offer	Wednesday, 1 November
Notice sent to shareholders containing information required by Appendix 3B	Thursday, 2 November
“Ex” date where the Company’s existing shares will commence trading without the entitlement to participate in the Offer	Friday, 3 November
Record date to determine Entitlements under the Offer	Monday, 6 November 5.00pm, (AEDT)
Opening Date for the Offer	Tuesday, 7 November
Mailing of Prospectus and Entitlement and Acceptance Form to Eligible Shareholders	
Last day to extend Rights Issue Closing Date	Wednesday, 15 November
Closing Date for the lodgement of Entitlement and Acceptance Forms and payment	Monday, 20 November, 5.00pm (AEDT)
Securities quoted on a deferred settlement basis	Tuesday, 21 November
ASX notified of under subscriptions	Thursday, 23 November
Allotment of New Shares and New Options for which valid applications have been received and accepted by the Company	Friday, 24 November
Dispatch of holding statements for the New Shares and New Options	Friday, 24 November
Normal trading of New Shares on ASX expected to commence	Monday, 27 November
Deadline for placement of remaining Shortfall Securities	20 February 2018

This timetable is indicative only and subject to change. MBK reserves the right, subject to the listing rules of the ASX (**Listing Rules**), the *Corporations Act 2001* (Cth) (**Corporations Act**) and other applicable laws to vary any or all of the dates of the Offer, including the Closing Date, without prior notice.

Chair's letter

Dear Shareholders

I am pleased to present to you the opportunity to participate in this fully underwritten non-renounceable Rights Issue, which offers you the opportunity to acquire 1 New Share for every 5 Shares held by you, together with one free New Option exercisable at 3 cents for every 1 share subscribed for. The Offer Price for the New Shares represents a 20.3% discount to the 30 day VWAP as at the date of this Prospectus.

The Rights Issue, if fully subscribed, will raise \$2,855,365 million which will enable MBK to continue with its exploration programs at the Triumph and Eidsvold Projects through 2018.

The Triumph Project has seen multiple high grade near surface discoveries in the last 12 months with the Company's focus now to define near surface high-grade gold resources to support a multiple open pit mining concept. Drilling will recommence on the Triumph project in the coming days. In addition to the pipeline of promising high-grade gold targets, the potential for bulk tonnage Au-Cu-Mo style mineralisation will also be investigated and occur in parallel as part of the next phase of drilling.

The Eidsvold Project provides 250km² of virtually unexplored, prospective fertile intrusive complex with recent exploration supporting magnetite destruction as a targeting tool, similar to other large gold mines in Eastern Australia.

The Board wishes to express its appreciation of the continued support of Shareholders, and to assure you of our continued commitment to growing the Company into an Australian gold producer.

Thank you in anticipation for your support to this Rights Issue.



Inés Scotland

Chair

1 Details of the Offer

1.1 The Offer

This Offer consists of a pro-rata non-renounceable rights issue to Eligible Shareholders of 142,768,285 New Shares and 142,768,285 New Options on the basis of 1 New Share for every 5 Shares held by Eligible Shareholders at the Record Date at an issue price of 2 cents per New Share and 1 free New Option for every 1 New Share subscribed for under the Offer. On this basis, the Rights Issue will seek to raise up to \$2,855,365 before expenses at Full Subscription.

The proposed use of proceeds from the Rights Issue is set out in Section 2.

Eligible Shareholders will not be required to pay brokerage or other fees in respect of New Shares acquired under the Offer. Eligible Shareholders should note that the market price of Shares may rise and fall between the date of this Prospectus and the date on which the New Shares are allotted. Accordingly, the price you pay per New Share pursuant to the Offer may be higher or lower than the market price of Shares at the time of this Offer or at the time the New Shares are issued under this Offer.

Each New Option has an exercise price of 3 cents and is exercisable on or before 24 May 2019.

The terms and conditions of the New Options offered under this Prospectus are set out in Section 5.2.

1.2 Investment risks

The New Shares and New Options offered under this Offer Document should be considered speculative. There are a number of risk factors that could potentially impact MBK and its operations. For information about these risks, please refer to Section 4 of this Prospectus. The risks identified in Section 4 are not exhaustive and Eligible Shareholders should read this Prospectus in full and seek professional advice if they require further information on material risks in deciding whether to subscribe for New Shares and New Options.

1.3 Underwriting

The Offer is fully underwritten by Taylor Collison. A summary of the Underwriting Agreement is set out in Section 6.6 of this Prospectus.

1.4 Eligibility to participate in Offer

A person will be an **Eligible Shareholder** and eligible to participate in the Offer if, as at 7.00pm (AEDT) on the Record Date, being day Monday, 6 November 2017:

- (1) the person was a registered holder of Shares; and
- (2) the person's registered address is in Australia or New Zealand.

MBK reserves the right to determine whether a Shareholder is an Eligible Shareholder or an Ineligible Shareholder. This Prospectus and Entitlement and Acceptance Form will only be sent to Eligible Shareholders.

1.5 Actions Required by Shareholders

An explanation of the actions required by Eligible Shareholders is set out in Section 3.

1.6 Ineligible Shareholders

MBK has decided that it is unreasonable to make the Offer to any Shareholder with a registered address outside Australia or New Zealand as at the Record Date (**Ineligible Shareholder**), having regard to:

- the small number of Shareholders with addresses in such other countries;
- the number and value of the Shares they hold; and

- the cost to MBK of complying with applicable legal and regulatory requirements in such other countries.

Accordingly, the Offer is not being extended to, and does not qualify for distribution or sale by or to, and no New Shares will be issued to Shareholders having registered addresses outside Australia or New Zealand.

1.7 Custodians and nominees

The Rights Issue is being made to all Eligible Shareholders. MBK is not required to determine whether or not any Eligible Shareholder is acting as a nominee or the identity or residence of any beneficial owners of Shares.

Where any registered holder that qualifies as an Eligible Shareholder is acting as a nominee for a foreign person, that registered holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Rights Issue is compatible with applicable foreign laws.

Any person in the United States or any person that is, or is acting for the account or benefit of a U.S. person with a holding through a nominee may not participate in the Rights Issue and the nominee must not take up any Entitlement or send any materials into the United States or to any person that is, or is acting for the account or benefit of, a U.S. person.

1.8 No trading of Entitlements

The Offer is made on a 'non-renounceable' basis, which means that you cannot sell, trade or transfer all or any part of your Entitlement to New Shares or New Options under the Offer. Any part of your Entitlement that is not accepted by you will lapse.

1.9 Minimum subscription

There is no minimum subscription for the Offer.

1.10 Applying for Additional New Shares and New options - Above Entitlements

Any Entitlements not taken up may become available as Additional New Shares and New Options. Eligible Shareholders may, in addition to their Entitlement, apply for Additional New Shares and New Options regardless of the size of their present holding.

The allocation of Additional New Shares and New Options (if any) will depend on the availability of Entitlements not taken up and will be determined by the Board at its absolute discretion. It may be necessary to scale back allocations depending on the level of Applications received.

It is an express term of the Offer that applicants for Additional New Shares and New Options will be bound to accept a lesser number of Additional New Shares and New Options allocated to them than applied for. If a lesser number is allocated to them, excess Application Money will be refunded without interest. There can be no guarantee that you will receive any Additional New Shares and Options applied for, and you may receive all, some or none of them.

1.11 Shortfall

Any New Shares and New Options under the Offer that are not applied for by Eligible Shareholders, will form the Shortfall Securities.

Shortfall Securities will be issued to the Underwriter.

In the event that there are any Shortfall Securities remaining after allocation to the Underwriter, the remaining Shortfall Securities may be placed at the discretion of the Directors within 3 months of the Closing Date ("**Shortfall Placement**"), to sophisticated investors and professional investors introduced to the Company by the Underwriter and/or invited by the Company to participate in the Shortfall Placement.

To the extent that is commercially practicable and taking into account MBK's requirement for funds, the Directors (working in conjunction with the Underwriter if applicable) will endeavour to allot the Shortfall Securities to a spread of

investors, in order to mitigate any control effects which may arise from issuing the Shortfall Securities to a single or small number of investors. In any event, no subscriber will be permitted to acquire Shares under the Shortfall Placement to the extent that such acquisition would result in that subscriber having a voting power in MBK in excess of 20% (on a post Rights Issue and Shortfall Placement basis).

No Shortfall Securities will be allotted to related parties of the Company.

1.12 Allotment and Application Money

All Eligible Shareholders who accept the Offer will receive their Entitlement in full.

New Shares and New Options will be issued only after all Application Monies has been received and ASX has granted permission for the New Shares to be quoted. It is expected that New Shares and New Options will be issued on 24 November 2017 and trading of the New Shares on ASX is expected to commence on 27 November 2017. The Company will not be applied for quotation of the New Options, however, may do so in the future subject to there being 50 holders of New Options and other ASX requirements.

All Application Monies received before New Shares and New Options are issued will be held in a special purpose account. Excess Application Monies received for Additional New Shares and New Options if not accepted will be refunded without interest. Upon allotment of New Shares and New Options the balance of funds in the account plus accrued interest will be received by the Company. If the New Shares are not quoted by ASX within three months after the date of this Prospectus, MBK will refund all Application Money in full (without interest).

1.13 Rights and liabilities attaching to New Shares and New Options

From Issue, the New Shares issued under this Prospectus will rank equally in all respects with existing Shares and upon exercise of the New Options, if this should occur, the resulting shares from exercise, shall rank equally with existing Shares. Summaries of the rights attaching to Shares, as set out in the Company's Constitution, and the rights attaching to New Options are contained in Sections 5.1 and 5.2 of this Prospectus. There are no liabilities attaching to New Shares and New Options.

1.14 Fractional entitlements

Any fractional entitlements to a New Share will be rounded up to the nearest whole number of New Shares and New Options.

1.15 Definitions

A number of terms and abbreviations used in this Prospectus have defined meanings set out in Section 7 of this Prospectus.

2 Purpose and Effect of the Rights Issue

2.1 Purpose of the Offer and use of funds

The net funds raised from the Placement and issue of New Shares and New Options through the Offer after payment of all associated costs, are expected to provide the Company with up to \$2.856 million in additional capital (before costs of the issue) on a fully subscribed basis.

The funds raised from the Rights Issue will provide MBK with funding to continue with its exploration programs for the Triumph and Eidsvold Projects through 2018, for working capital and corporate costs, including:

- drilling for a maiden resource at Triumph;
- initial feasibility work on the multiple open pit mining concept at Triumph; and
- airborne geophysics and drilling at Eidsvold.

The use and allocation of capital may need to alter during the course of the Company's priorities and programs. Funds may be re-allocated to any particular project according to results and needs. Any remaining funds will be applied to meet the Company's general working capital requirements, including payment of overheads, and to enable the Company to implement and execute its business objectives.

The following tables shows the proposed application of funds.

Source of Funds	\$
Cash Position before Rights Issue	2,257,852
Proceeds from Rights Issue	2,855,365
Approximate Costs of Rights Issue	(190,000)
Proposed Funds on completion of the Rights Issue	4,923,217

Approximate Use of Funds	\$
Triumph drilling and exploration program	3,750,000
Eidsvold drilling and exploration program	500,000
Working Capital	673,217
Proposed Use of Funds	4,923,217

The Directors reserve the right to make any adjustments to the use of funds as they see fit to manage the needs of the Company. Additional funds up to a maximum value of \$4.3 million may become available to the Company, should the New Options be exercised on or before their expiry date (24 May 2019), however, the Company is not relying on these additional funds for its planned work programs.

2.2 Effects of the Rights Issue

The principal effects of the Rights Issue will be to:

- increase the Company's cash reserves by approximately \$2.86 million (on a fully subscribed basis) less the costs of the Rights Issue;
- provide the Company with additional capital for the purposes referred to in Section 2.1;
- increase the total number of issued Shares (refer Section 2.3); and
- create a new class of Securities, being the New Options (refer Section 2.3).

2.3 Effect of the Rights Issue on capital structure

The effect of the Rights Issue on the Company's issued share capital will be as follows:

Ordinary Shares	Number	% Equity
Existing Shares on Issue	713,841,427	83.33%
Issue of New Shares under the Offer	142,768,285*	16.67%
Total Shares on Issue	856,609,712*	100%

New Options	Number	% Equity
3 cent Options to be issued under the Rights Issue	142,768,285*	100%
Total New Options on Issue	142,768,285*	100%

*numbers may change slightly due to rounding of Entitlements.

In addition to the New Options, the Company currently has 15,000,000 unlisted options on issue exercisable at 3 cents per share on or before 30 November 2018.

2.4 Dilution

If Eligible Shareholders do not take up their full Entitlements under the Offer, then the interests of those Eligible Shareholders will be diluted.

The proportional interests of Ineligible Shareholders will be diluted because those Ineligible Shareholders are not entitled to participate in the Offer.

In the event that no Eligible Shareholders subscribe for New Shares under the Offer and all Shortfall Shares are placed to the Underwriter and in the Shortfall Placement, if required, the maximum dilution the Rights Issue and Shortfall Placement will have on existing Shareholders will be 16.67%.

2.5 Effect of the Rights Issue on control

If all Eligible Shareholders take up their full Entitlements, there would be no significant effect on the control of MBK, as the Offer is made pro-rata and in that case no rights would lapse or revert to the Underwriter or the Shortfall Placement as described in Section 1.11.

As the Company does not propose to apply to ASIC for approval of the appointment of a nominee for the purposes of section 615 of the Corporations Act, no person will be permitted to acquire New Shares under the Rights Issue to the extent that such acquisition results in that person holding a relevant interest exceeding 20% of the issued share capital of the Company on a post Rights Issue basis.

The current substantial shareholders of MBK as at the date of this Prospectus, according to substantial holding notices lodged with the Company, are as follows:

	No of shares	%
Indigo Pearl Capital Ltd	95,380,780	13.39%
Celtic Stars Capital Ltd	43,702,314	6.12%
Aristo Jet Capital Ltd	48,072,545	6.73%
Greenvale Asia Limited	81,596,712	11.85%

2.6 Effect of the Rights Issue on MBK's financial position

Shareholders are referred to the Full Year Accounts of the Company released to ASX on 28 September 2017.

Set out below is the Audited Statement of Financial Position at 30 June 2017 together with the unaudited Pro Forma Statement of Financial Position incorporating the effect of the Rights Issue proceeds net of associated costs.

	Audited 30 June 2017	Operating September 2017 QTR	Rights Issue	Unaudited Pro Forma 30 September 2017
	\$	\$	\$	\$
CURRENT ASSETS				
Cash and cash equivalents	2,983,672	(725,820)	2,665,365	4,923,217
Trade and other receivables	53,403	(2,849)	-	50,554
Financial assets	1,250	-	-	1,250
TOTAL CURRENT ASSETS	3,038,325	(728,669)	2,665,365	4,975,021
NON-CURRENT ASSETS				
Plant and equipment	10,062	-	-	10,062
Exploration and evaluation expenditure	5,578,343	530,452	-	6,108,795
TOTAL NON-CURRENT ASSETS	5,588,405	530,452	-	6,118,857
TOTAL ASSETS	8,626,730	(198,217)	2,665,365	11,093,878
CURRENT LIABILITIES				
Trade and other payables	213,838	(42,107)	-	171,731
Borrowings	-	-	-	-
TOTAL CURRENT LIABILITIES	213,838	(42,107)	-	171,731
TOTAL LIABILITIES	213,838	(42,107)	-	171,731
NET ASSETS	8,412,892	(156,110)	-	10,922,147
EQUITY				
Issued capital	17,633,012	-	2,665,365	20,298,377
Reserves	165,110	-	-	165,110
Accumulated losses	(9,385,230)	(156,110)	-	(9,541,340)
TOTAL EQUITY	8,412,892	(156,110)	2,665,365	10,922,147

Notes

1. As the New Options are being issued for nil consideration, the Offer of New Options will not have any immediate effect on the Company's financial position. However, for every New Option that is exercised on the New Option Expiry Date, the Company will receive \$0.03 and its issued capital will increase by one Share. If all New Options offered under this Prospectus are issued and all of those New Options are subsequently exercised, the Company will be paid exercise proceeds of approximately \$4.28 million and an additional 142,768,285 Shares will be issued.
2. In the event that the maximum number of New Shares are issued under the Offer, the company's cash and issued capital balances will increase by approximately \$2.86 million. From this amount, the Company will also pay the expenses of the Offer of approximately \$190,000, including the Underwriter's fee, legal fees, Registry costs and costs associated with quotation of the New Shares.

2.7 Market price of Shares

The highest and lowest closing prices of the Shares for the 6 months up to 27 October 2017 were:

Highest	3.2 cents	1 September 2017
Lowest	1.9 cents	31 May 2017

The volume weighted average sale price (VWAP) on the ASX of the Shares for the periods set out below ending 27 October 2017 were:

2.65 cents VWAP for the 100 day trading period;
2.51 cents VWAP for the 30 day trading period; and
2.63 cents for the 5 day period.

The closing price of the Company's Shares on the Australian Securities Exchange as at the close of business on 27 October 2017 was 2.6 cents.

No guarantee or assurance is given in relation to the market price of Shares at the Closing Date or at any time after the date of this Prospectus. Shareholders should refer to Section 4(j) in the Risks Section.

3 How to apply for your Entitlements

3.1 Entitlement under the Offer

An Eligible Shareholder's Entitlement will be set out in the Entitlement and Acceptance Form accompanying this Prospectus which will be sent to Eligible Shareholders on 7 November 2017.

Eligible Shareholders will be entitled to 1 New Share for every 5 Shares held by Eligible Shareholders at the Record Date at an issue price of 2 cents per New Share and 1 free New Option for every 1 New Share subscribed for under the Offer.

If you have more than one holding of MBK Shares you will receive more than one set of Offer Documents and you will have a separate Entitlement for each holding.

3.2 Options available to Eligible Shareholders

If you are an Eligible Shareholder, you may:

- (1) take up all of your Entitlement (see Section 3.3 for instructions on how to do this);
- (2) apply for Additional New Shares and New Options (see Section 3.4 for instructions on how to do this);
- (3) take up part of your Entitlement and allow the balance of your entitlement to lapse (see Section 3.5 for instructions on how to do this); or
- (4) allow all of your Entitlement to lapse (see Section 3.6).

3.3 Taking up all of your Entitlement

If you wish to take up all of your Entitlement, complete the accompanying Entitlement and Acceptance Form for New Shares and New Options in accordance with the instructions set out in that form.

You should then forward your completed Entitlement and Acceptance Form together with your Application Money in accordance with Section 3.7 to reach the Company's Share Registry no later than 5:00 pm AEDT on the Closing Date, being Monday, 20 November 2017.

The Company may, but is not obliged to, accept an Application received after the Closing Date if the Application is postmarked prior to the Closing Date. If the Company does not accept an Application for any reason, it will refund any excess Application Monies to the Eligible Shareholder without interest.

3.4 Applications for Additional New Shares and New Options

Eligible Shareholders who have applied for their full Entitlement may, in addition to their Entitlement, apply for Additional New Shares and New Options as described in Section 1.10. There is no limit to the amount of Additional New Shares and New Options you may apply for, however there can be no guarantee that you will receive all or any of the Additional New Shares and New Options applied for.

The Application Money for your Entitlement and the number of Additional New Shares and New Options you wish to apply for should be paid at the same time in accordance with the Entitlement and Acceptance Form and as set out in Section 3.7.

3.5 Taking up part of your Entitlement and allowing the balance to lapse

If you wish to take up part of your Entitlement and allow the balance to lapse, complete the accompanying Entitlement and Acceptance Form for the number of New Shares and New Options you wish to take up and follow the steps required in accordance with Section 3.7. If you take no further action, the balance of your Entitlement will lapse.

3.6 Allowing your Entitlement to lapse

Any part of your Entitlement that is not accepted will lapse and you will receive no benefit from it.

3.7 Payment

The Application Monies for New Shares and any Additional New Shares applied for is payable in full on application by a payment of 2 cents per New Share and Additional New Share and New Option that you wish to apply for.

Payment of Application Monies will only be accepted in Australian currency, and as follows:

(1) BPAY®¹

To apply and pay via BPAY, you should make your payment of the Application Monies using the Biller Code and Customer Reference Number set out in your personalised Entitlement and Acceptance Form so that it is received by no later than 5.00pm (AEDT) on the Closing Date of Monday, 20 November 2017.

Eligible Shareholders making payment via BPAY do not need to complete and return their personalised Entitlement and Acceptance Form.

If you make payment by 5:00pm (AEDT) on 20 November 2017, New Shares and New Options will be allotted to you on 24 November 2017.

Your payment will not be accepted if it is made after 5:00pm (AEDT) on 20 November 2017 and no New Shares or New Options will be issued to you in respect of that Application.

If you have multiple holdings you will have multiple BPAY reference numbers. To ensure you receive your Entitlement in respect of that holding, you must use the customer reference number shown on each personalised Entitlement and Acceptance Form when paying for any New Shares that you wish to apply for in respect of that holding.

Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. You may also have your own limit on the amount that can be paid via BPAY. It is your responsibility to check that the amount you wish to pay via BPAY does not exceed your limit.

If the amount of payment is insufficient to pay in full for the number of New Shares and New Options you applied for, or is more than the number of New Shares and New Options you applied for, you will be taken to have applied for such whole number of New Shares and New Options and Additional New Shares and New Options which is covered in full by your payment, to the extent that this does not exceed your Entitlement. Alternatively, the Company may in its discretion reject your Application, in which case any payment will be refunded to you after the allotment date in accordance with the Corporations Act, without interest.

If you apply for Additional New Shares and Additional New Options in excess of your Entitlement and you are not allocated all or some of the Additional New Shares or Additional New Options applied for, the relevant payment will be refunded to you after the allotment date in accordance with the Corporations Act, without interest.

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

(2) CHEQUE

To pay by cheque, bank draft or money order:

- complete your personalised Entitlement and Acceptance Form;
- attach your cheque, bank draft or money order in payment of Application Monies;
- address the cheque, bank draft or money order to '**Metal Bank Limited**' and cross '**Not Negotiable**'; and
- return the completed Entitlement and Acceptance Form and payment by no later than the Closing Date of **5.00pm (AEDT) on Monday, 20 November 2017** to:

By post:

Advanced Share Registry
PO BOX 1156 Nedlands WA 6909

By Hand Delivery:

110 Stirling Highway Nedlands WA 6009
(please do not use this address for mailing purposes)

Your cheque, bank draft or money order must be drawn in Australian currency on an Australian bank or financial institution.

Eligible Shareholders are requested not to forward cash as cash payment will not be accepted. Receipts for payment will not be provided.

Neither the Registry nor the Company accepts any responsibility if you lodge your Entitlement and Acceptance Form and payment at any other address or by any means other than those detailed above.

You should ensure that sufficient funds are held in the relevant account(s) to cover the cheque(s). If the amount of Application Monies provided is insufficient to pay in full for the number of New Shares, or is more than the number of New Shares you applied for, then you will be taken to have applied for such whole number of New Shares which is covered in full by your Application Monies. Alternatively, the Company may in its discretion reject your Application, in which case any Application Monies will be refunded to you, without interest.

3.8 Effect of Application

By applying for New Shares and New Options under the Offer (including by way of payment through BPAY), an Eligible Shareholder is taken to:

1. agree to be bound by the terms and conditions set out in this Prospectus and the accompanying Entitlement and Acceptance Form;
2. acknowledge the statement of risks in Section 4 of this Offer Document and that investments in MBK are subject to risk;
3. represent and warrant that they satisfy the criteria of being an "Eligible Shareholder" set out in Section 1.4;
4. authorise the Company to place the Eligible Shareholder's name on the Company's shareholder register in respect of those New Shares and New Options; and
5. agree to be bound by the Company's Constitution.

Any application for New Shares and New Options under the Offer (including by way of payment through BPAY), once lodged, cannot be withdrawn.

4 Risk Factors

The New Shares and New Options offered under this Prospectus are considered speculative because of the inherent risks associated with mining operations and minerals exploration and appraisal and the current status of the Company's exploration projects. In addition, there are risks inherent in investing in the share market in general.

The Directors have considered and identified in this section of the Prospectus the critical areas of risk associated with investing in the New Shares and New Options. The risks identified by the Directors are not exhaustive and no assurances or guarantees of future performance of MBK are given. This Prospectus does not take into account the investment objectives, financial situation, particular needs or risk profiles of individual Shareholders.

Shareholders should read this Prospectus in full, consider their personal circumstances and their own risk profiles and seek professional advice if they require further information on material risks in deciding whether to subscribe for New Shares and New Options.

The specific risks below are some of the risks specific to the Company including by reason of its involvement in the resources industry. The general investment risks below are some of the risks to the Company of a general economic nature.

4.1 Specific risks

(a) Future Capital Needs and Funding

The funds raised by the Offer will be used to carry out the Company's objectives as detailed in this Prospectus and the Company's announcements to ASX. The Company does not currently generate cash from its operations. The Company will require further funding in order to meet its corporate expenses, continue its exploration activities and complete studies necessary to assess the economic viability of its projects. The Company's ability to raise further capital (equity or debt) within an acceptable time, of a sufficient amount and on terms acceptable to the Company will vary according to a number of factors, including prospectivity of projects (existing and future), the results of exploration, feasibility studies, development and mining, stock market and industry conditions and the price of relevant commodities and exchange rates.

No assurance can be given that future funding will be available to the Company on favourable terms (or at all). If adequate funds are not available on acceptable terms the Company may not be able to further develop its projects and it may impact on the Company's ability to continue as a going concern.

(b) Exploration and development risk

The business of exploration for gold and other minerals and their development involves a significant degree of risk and depends on factors that include successful exploration and the establishment of Resources and Reserves within the meaning of the 2012 JORC Code and completion of feasibility and other studies in relation to such projects and the Company may not be successful in doing so.

There is no assurance that future exploration expenditure will result in discoveries or upgrade existing mineralisation to the stage where such can be successfully commercially exploited.

Exploration and development costs are based on certain assumptions with respect to the method and timing of activities. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability. Exploration and development operations can also be hampered by force majeure circumstances and cost overruns for unforeseen events, including unexpected variations in geology and equipment malfunction. Increases in the costs of exploration and development may affect a company's ability to invest in projects, to purchase or hire equipment, supplies and services and to recruit skilled personnel. The reduced availability of equipment, services and skilled personnel may delay planned exploration and development activities, which may adversely affect operations and increase costs.

Success in development is dependent on many factors such as: access to adequate capital for project development; design and construction of efficient development and production infrastructure within capital expenditure budgets; securing and maintaining title to interests; obtaining regulatory consents and approvals necessary for the conduct of development, mining and production; securing plant and equipment on competitive and acceptable terms and conditions as and when required; and access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants. Failure to achieve any one or more of those factors may have an adverse effect on the Company's development activities and its financial position.

(c) Mineral Reserves and Resources estimates risk

Reserve and Resource estimates for the existing mineral properties of the Company will be estimates only which are valid when originally calculated and may alter significantly when new information or techniques become available. In addition, by their very nature, estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. No assurance can be given that any particular level of recovery of minerals from Reserves and Resources will in fact be realised or that an identified Reserve or Resource will ever qualify as a commercially mineable (or viable) deposit that can be economically exploited.

The variables on which estimates of Resources and Reserves are made include a number of factors and assumptions such as historical production, assumed effects of regulation by government agencies, assumptions regarding future prices and future capital and operating costs. Estimates of Reserves, Resources and production costs can also be affected by such factors as environmental regulations, weather, unforeseen technical difficulties, unusual and unexpected geological formations and work interruptions.

Material changes in Resources and Reserves, grades, stripping ratios or recovery rates may affect the economic viability of projects. Reserve and Resource estimates should not be interpreted as assurances of mine life or of the profitability of current or future operations.

(d) Operating Risk

In the event that the Company's exploration projects are developed and Operations established, those Operations may be affected by various factors, including failure to achieve predicted grades or production rates in exploration, development and production; operational and technical difficulties encountered in production; difficulties in commissioning and operating plant and equipment; mechanical failure or plant breakdown; adverse weather conditions; industrial and environmental accidents; industrial disputes; unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment; and unusual or unexpected geological or mining conditions. Such risks could result in damage to applicable mines, personal injury, environmental damage, delays in mining or metal production, monetary losses and possible legal liability. The Company also has (or will have) exposure to movements in the prices charged by external suppliers, including those who supply inputs to production, such as electricity, other energy providers and sea freight and transport service providers which are critical to its business, and movements in wages, royalties, taxes and other government charges relating to its mining operations. A significant increase in one or more of these cost items for a sustained period could have an adverse effect on financial performance.

(e) Titles and permits risk

Each permit or licence under which exploration or production activities can be undertaken is issued for a specific term and carries with it work commitments and reporting obligations, as well as other conditions requiring compliance. Consequently, the Company could lose title to, or its interests in, one or more of its tenements if conditions are not met or if sufficient funds are not available to meet work commitments. Any failure to comply with the work commitments or other conditions on which a permit or tenement is held exposes the permit or tenement to forfeiture or may result in it not being renewed as and when renewal is sought. Where tenements are cancelled, forfeited or refused renewal, no compensation will generally be payable to the holder.

Further, mining and exploration tenements are subject to periodic renewal. There is no guarantee that current or future tenement renewals will be approved. Renewal of the term of a granted tenement is at the discretion of the relevant government authority. Renewal conditions may include increased expenditure or work commitments or

compulsory relinquishment of the areas comprising the Company's projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

(f) Native title and land access risks

The existence of native title and/or native title claims in relation to the land the subject of the Company's operations and projects may have an adverse impact on the Company's activities and its ability to fund those activities.

Significant delays may also be experienced in gaining access to privately owned freehold or leasehold land. Delays may be caused by inability to agree the terms of access and compensation agreements, weather, deference to landholders' activities such as cropping, harvesting, calving and mustering, and other factors.

(g) Government regulation risks

The Company's tenements and activities may be subject to extensive regulation by local, state and federal governments in relation to exploration, development, production, exports, taxes and royalties, labour standards, occupational health, waste disposal, protection and rehabilitation of the environment, mine reclamation, mine safety, toxic and radioactive substances, native title and other matters. Compliance with such laws and regulations will increase the costs of exploring, drilling, developing, constructing, operating and closing mines and other production facilities. There is a risk that approvals required for exploration and development programs and mining operations may not be forthcoming, either at all or in a timely manner, or that they may not be able to be obtained on acceptable terms. A failure to obtain any approval would mean that the ability to participate in or develop any project, or possibly acquire any project, may be limited or restricted either in part or absolutely.

There can be no assurance that future government policy will not change and this may adversely affect the long term prospects of the Company. In addition, future changes in governments, regulations and policies may have an adverse impact on the Company.

(h) Environmental risks

The operations and proposed activities of the Company are subject to Australian State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment.

It is the Company's policy to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws, in order to minimise damage to the environment and risk of liability. Nevertheless, there are certain risks inherent in the Company's activities which could subject the Company to extensive liability.

There can be no assurance that new environmental laws, regulations or stricter enforcement policies, if implemented, will not oblige any company to incur significant expense and undertake significant investment, which could have a material adverse effect on its business, financial conditions and results of operations.

Further, whether in Australia or any other jurisdiction in which operations may be carried on, following cessation of any production from any future operations, the operating parties will be required to participate in clean-up programmes resulting from any contamination from operations in which it participates, removal of disused plant and equipment and where necessary, restoring the environment that has been disturbed in the course of operations. The cost of that participation may be considerable if operations result in significant environmental liabilities being incurred. In such a case, any allowance made for rehabilitation may possibly be inadequate.

Relevant government departments from time to time review the environmental bonds that are placed on tenements. Future bonding requirements may be detrimental to the financial position of the Company.

(i) Volatility in the price of minerals

Commodity prices are influenced by the physical and investment demand for those commodities and various other factors such as weather conditions, the price and availability of alternative commodities, actions taken by governments and international cartels, and global economic and political developments. Commodity prices have fluctuated widely in recent years and may continue to fluctuate significantly in the future. Fluctuations in commodity prices and, in particular, a material decline in the price of commodities may have a materially adverse effect on the Company's business, financial condition and results of operations.

(j) Volatility in the market price of Securities

Although the Company is listed on the Official List, there is no assurance that an active trading market for its Securities will be sustained. There is also no assurance that the market price for the Securities will not decline below the issue price. The market price of the Company's Securities could be subject to significant fluctuations due to various external factors and events, including the liquidity of the Shares and Securities in the market, any difference between the Company's actual financial or operating results and broader market-wide fluctuations. Furthermore, any stock market volatility and weakness could result in the market price of the Shares and Securities decreasing so that they trade at prices significantly below the issue price, without regard to the Company's operating performance. Equally, the market price of the Shares may be less than the exercise price of the New Options during the period when the New Options are exercisable.

(k) Contractual risk

All companies operate through a series of contractual relationships with operators, technical experts, project managers, suppliers, customers and contractors generally. All contracts carry risks associated with the performance by the parties of their obligations as to time and quality of work performed. To the extent that third parties default in their obligations under such documents, it may be necessary for the Company to take legal action which may be costly and no guarantee can be given by the Company that a legal remedy will ultimately be granted on appropriate terms.

(l) Reliance on key personnel

The ability of the Company to achieve its objectives depends on the access to key personnel and external contractors who provide technical expertise and other services. If the Company cannot secure key personnel or external contractors or if the services of the present key personnel and external contractors cease to become available to the Company, this may affect the Company's ability to achieve its objectives.

(m) Potential acquisitions

As part of its business strategy, the Company may make acquisitions of or significant investments in other resource projects. Any such transactions would be accompanied by risks commonly encountered in making such acquisitions.

4.2 General risks**(a) General economic climate**

Factors such as inflation, currency fluctuations, interest rates, legislative changes, political decisions, war, terrorism or other hostilities, industrial disruption and natural events such as earthquakes, floods, fires and poor weather have an impact on operating costs, share markets and on metals prices.

The Company's future income, asset values and share price can be affected by these factors and, in particular, by the market price for any metals that the Company may produce and sell.

(b) Stock market conditions

The market price of the New Shares and New Options when quoted on the ASX will be influenced by international and domestic factors affecting conditions in equity and financial markets. These factors may affect the prices for the securities of minerals companies quoted on the ASX, including MBK.

(c) Foreign currency and exchange rate fluctuations

Revenue and expenditure of the Company may be denominated in currencies other than Australian dollars and as such expose the Company to foreign exchange movements, which may have a positive or negative influence on the Australian dollar equivalent of such revenue and expenditure.

(d) Litigation

As with any company, the Company is (or will be) exposed to risks of litigation which may have a material adverse effect. The Company could become exposed to litigation from employees, regulators or third parties. To the extent that such risks are not covered by insurance, an adverse outcome in litigation or the cost of responding to potential or actual litigation may have a material adverse impact on financial performance.

(e) Insurance risks

The Company maintains insurance coverage that is substantially consistent with mining and exploration industry practice. However, there is no guarantee that such insurance or any future necessary coverage will be available to the Company at economically viable premiums (if at all) or that, in the event of a claim, the level of insurance carried by the Company now or in the future will be adequate, or that a liability or other claim would not materially and adversely affect the Company's business.

5 New Shares and New Options

5.1 Rights and Liabilities attaching to New Shares

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

- New Shares are ordinary shares in the capital of the Company and rank equally with all other ordinary shares issued by the Company. Currently all Shares issued by the Company are ordinary shares.
- Each holder of Shares is entitled to receive notice of and to attend and vote at any duly convened general meeting of the Company.
- At any such meeting each Shareholder present in person or by proxy has one vote on a show of hands, and on a poll has one vote for each Share held.
- Subject to the rights of holders of shares with any special, preferential or qualified rights, any dividends that may be declared by the Company are payable on all Shares in proportion to the amount paid up.
- The rights attaching to the Shares may only be varied by the consent in writing of the holders of a majority of the Shares of the affected class, or with the sanction of an ordinary resolution passed at a meeting of the holders of the Shares of the affected class.
- Subject to the Company's Constitution, the Corporations Act or any other applicable laws of Australia and the Listing Rules, the Shares are freely transferable. The Directors may refuse to register a transfer of Shares only in limited circumstances, such as where the Company has a lien on those Shares.
- Each Shareholder is entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive all notices, accounts and other documents required to be furnished to Shareholders under the Company's Constitution, the Corporations Act and the Listing Rules.
- If the Company is wound up, the liquidator may, with the sanction of a special resolution:
 - divide among the Shareholders the whole or any part of the Company's property; and
 - decide how the division is to be carried out between the Shareholders.
- Subject to any special rights (at present there are none), any surplus assets on a winding up are to be distributed to Shareholders in proportion to the number of Shares held by them irrespective of the amounts paid or credited as paid.

5.2 Terms and Conditions of New Options

The terms and conditions of the New Options are as follows:

- The New Options are exercisable at any time on or before the Option Expiry date, being 24 May 2019.
- Any New Options not exercised by 5pm (AEDT) on the Option Expiry Date will automatically lapse.
- Each New Option entitles the holder to subscribe for one Share upon payment of 3 cents per New Option.
- The New Options may be exercisable wholly or in part by completing an application form for Shares delivered to the Company's Share Registry, accompanied by payment of 3 cents per New Option and received by it any time between 9.00am and 5.00pm (AEDT) on any Business Day on or before the Option Expiry date.
- The Company may, in accordance with Listing Rule 2.8, make application to have the New Options listed for Official Quotation.
- Shares issued on the exercise of the New Options will rank pari-passu with existing Shares.

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- The Company will, in accordance with Listing Rule 2.8, make application to have Shares allotted pursuant to an exercise of New Options listed for Official Quotation.
 - There will be no participating entitlements inherent in the New Options to participate in new issues of capital which may be offered to Shareholders during the currency of the New Options.
 - In the event the Company proceeds with a pro rate issue (except a bonus issue) of Shares to the holders of Shares after the date of issue of the New Options, the exercise price of the New Options will be adjusted in accordance with the formula set out in Listing Rule 6.22.2.
 - In the event of any re-organisation (including reconstructions, consolidations, subdivision, and reduction of capital) of the issued capital of the Company, the New Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.
 - The New Options will not give any right to participate in dividends until Shares are allotted pursuant to the exercise of the relevant New Options.

6 Additional information relevant to the Offer

6.1 Nature of this Prospectus

This Prospectus is issued under section 713 of the Corporations Act. As a disclosing entity, the Company is subject to regular reporting and disclosure obligations in the Corporations Act and the Listing Rules.

As this Prospectus is a transaction specific prospectus issued under section 713 of the Corporations Act, it is only required to contain information in relation to the effect of the Offer on the Company and the rights and liabilities attaching to the securities offered. This Prospectus is not required to provide information regarding the Company's assets and liabilities, financial position and performance, profits and losses or prospects on the basis that, as at the date of this Prospectus and except as disclosed in this Prospectus, the Company has not withheld from its continuous disclosure reporting any information about such matters that investors and their professional advisers would reasonably require to make an informed assessment of such matters and expect to find in this Prospectus.

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

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

- (a) It is subject to regular reporting and disclosure obligations;
- (b) Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, the offices of ASIC; and
- (c) It will provide a copy of each of the following documents, free of charge, to any person on request:
 - (i) The annual financial report most recently lodged by the Company with ASIC;
 - (ii) Any half-year financial report lodged with ASIC after lodgement of the annual financial report and before lodgement of this Prospectus with ASIC;
 - (iii) Any continuous disclosure notices given by the Company after the lodgement of that annual financial report and before the lodgement of this Prospectus with ASIC; and
- (d) The Company continues to review new project opportunities with a view to identifying projects that fit with its growth strategy and have the ability to add shareholder value. For this purpose the Company has entered into confidentiality agreements to review new project opportunities, however, no opportunities have proceeded beyond data review stage and the Company is not engaged in any negotiations in relation to any such opportunities at the date of this Prospectus. The Company has also entered into a number of confidentiality agreements for the review of the Company's exploration projects by third parties for the purpose of pursuing potential joint ventures, funding and/or corporate transactions or arrangements. There are no current discussions or negotiations for any of these purposes.

The Company lodged its latest annual financial report with ASX on 28 September 2017. Since then, the Company has made the following announcements to ASX:

Date	Announcement Title
28 September 2017	Annual Report to Shareholders
28 September 2017	Appendix 4G and Corporate Governance Statement
4 October 2017	Metal Bank Limited Company Presentation
25 October 2017	Quarterly Activities Report
25 October 2017	Quarterly Cashflow Report
27 October 2017	Notice of Annual General Meeting
30 October 2017	Trading Halt

6.2 No financial product advice

This document and any document which accompanies it, are not, and may not be taken to be, financial product advice or a recommendation to acquire Shares. They have been prepared without taking into account the objectives, financial situation or needs of individuals. Before making an investment decision you should consider all relevant information having regard to your own objectives, financial situation and needs, and consult your stockbroker or other professional adviser.

6.3 Authorised and unauthorised information and representations

No person is authorised to give any information or to make any representation in relation to the Offer which is not contained in this document or in any document that accompanies it, or in any release by MBK to ASX. Any information or representation in relation to the Offer which is not contained in this document or in any document that accompanies it may not be relied upon as having been authorised by MBK or any of its officers.

6.4 Taxation

The Directors consider that it is not appropriate to give advice regarding the taxation consequences associated with the acquisition or exercise of Rights, the issue of New Shares or New Options, the subsequent disposal of any Shares or New Options subscribed for under this Prospectus, or subsequent exercise of New Options subscriber for under this Prospectus. The Directors recommend that all Eligible Shareholders consult their own professional tax advisors.

6.5 Chess

The Company participates in CHESS and will despatch holding statements in lieu of share and option certificates that set out the number of New Shares and New Options issued to each successful Applicant under this Prospectus.

It is the responsibility of Applicants to determine their allocation before trading in the New Shares. Applicants who sell New Shares before they receive their statement do so at their own risk.

6.6 Underwriting Agreement

The Underwriters have agreed to fully underwrite the Offer up to the Underwritten Amount (\$2,855,365), subject to the terms of the Underwriting Agreement. The Underwriting Agreement between the Underwriters and the Company was executed on [31 October 2017]. The Underwriting Agreement contains the following key terms (defined terms below have the same meaning as given to them in the Underwriting Agreement):

- (a) Subject to this Prospectus being mailed to Eligible Shareholders on 7 November 2017, if there is a Shortfall the Company will place to nominees of the Underwriter, at its discretion, that number of Shares comprising the Shortfall up to the Underwritten Amount.
- (b) Subject to the conditions precedent being satisfied and satisfaction of certain conditions subsequent, including that the Company has complied with its obligations under the Underwriting Agreement, the Underwriter must lodge or cause to be lodged valid applications for the Shortfall Securities offered under Section 6.6(a).
- (c) The Underwriters are entitled to a management fee of 2% of the Underwritten Amount and an underwriting fee of up to 4% of the Underwritten Amount (less the amounts placed to the substantial shareholders named in Section 2.5 upon partial or full acceptance of their entitlements).
- (d) The Underwriter may elect to take its fees as shares in the Company at the Offer Price, subject to receipt of all necessary regulatory and shareholder approvals.
- (e) Costs and expenses incurred by the Underwriter in relation to the Offer are payable by the Company.
- (f) The Underwriter may terminate the Underwriting Agreement in certain circumstances, including, default by the Company, breach of relevant laws, a material adverse change occurring in respect of the Company, a material adverse change in financial markets and other circumstances usual in agreements of this nature.

- (g) Representations and warranties are given by the Company under the Underwriting Agreement which are considered usual for agreements of this nature, including that the Offer complies with the requirements of the Corporations Act, this Prospectus contains all material information required under the Corporations Act and does not contain any misleading or deceptive information, and that the Company has complied with its continuous disclosure requirements. The Company has indemnified the Underwriters against losses arising if these representations and warranties are wrong.
- (h) A moratorium on certain actions by the Company without the prior consent of the Underwriter, including the issue of new Shares for a period of 3 months from the date of the Underwriting Agreement.
- (i) Other terms and conditions which are considered usual for underwriting agreements of this nature.

6.7 Privacy

If you apply for New Shares and New Options, you will provide personal information to the Company. Company laws and tax laws require some of the information to be collected and kept. The Company will collect, hold and use the information provided by you to process your application and to administer your investment in the Company.

If you elect to make payment by cheque and do not provide the information requested in the Entitlement and Acceptance Form, the Company and the Share Registry may not be able to process your application.

The Company may disclose your personal information for purposes related to your investment to the Company's agents and service providers. The types of agents and service providers that may be provided with your personal information and the circumstances in which your personal information may be shared are:

- the Share Registry for ongoing administration of the shareholder register;
- printers and other companies for the purpose of preparation and distribution of statements and for handling mail; and
- legal and accounting firms, auditors, contractors, consultants and other advisers for the purpose of administering, and advising, on the Shares and for associated actions.

The Company complies with its legal obligations under the Privacy Act 1988 (Cth).

You may request access to your personal information held by (or on behalf of) the Company. You may be required to pay a reasonable charge to the Share Registry in order to access your personal information. You can request access to your personal information by writing to or telephoning the Share Registry as follows:

By post:

Advanced Share Registry
PO Box 1156
Nedlands WA 6909

Or by telephone:

(+61) (08) 9389 8033

6.8 Interests of Directors

The interests of Directors (direct and indirect) in Shares in the Company as at the date of this Prospectus is as follows:

Director	Ordinary Shares	Options
Inés Scotland	96,260,780	
Tony Schreck	16,709,814	9,000,000
Guy Robertson	-	-

Inés Scotland has advised that Scotland (Australia) Super Pty Ltd will take up its full Entitlement of 176,000 New Shares (\$3,520) under the Rights Issue and it is her understanding that Indigo Pearl Capital Limited will take up part of its

Entitlement. Tony Schreck has advised that holders associated with him will take up part of their Entitlements under the Offer.

6.9 Interests and consents of persons named in Prospectus

The following parties have given (and not before the date of this document withdrawn) their consent to be named in this document in the form and context in which they are named:

- Taylor Collison, in the capacity of Underwriter; and
- Maddocks.

Each of the parties listed in this Section:

- has not authorised or caused the issue of this Prospectus;
- has not made any statement in this Prospectus, or any statement on which a statement in this Prospectus is based, except where expressly stated above;
- to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding, and takes no responsibility for, any part of this Prospectus other than a reference to its name and the statement (if any) included in this document with the consent of that party as specified above.

The fees payable to Taylor Collison as Underwriter are set out in Section 6.6.

Maddocks have acted as lawyers to the Company in relation to the Prospectus and will be paid a fee of approximately \$4,500.

Other than as disclosed in this Section or elsewhere in this Prospectus, no amounts of any kind (whether in cash, securities or otherwise) have been paid or agreed to be paid to any expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, or to any firm in which any of those persons is or was a partner or to any company in which any of those persons is or was associated with, for services rendered by that person in connection with the Offer.

6.10 Directors' authorisation

Each Director of the Company has given, and has not withdrawn, their consent to the lodgement of this Prospectus with ASIC.

Signed on behalf of the Directors pursuant to a resolution of the Board.



Guy Robertson
Director

1 November 2017

7 Definitions

Additional New Shares and New Options	New Shares and New Options in addition to an Eligible Shareholder's Entitlement for which an Application is made as described in Section 1.10.
Application	The submission of an Entitlement and Acceptance Form accompanied by the relevant Application Monies or arranging for payment of the relevant Application Monies through BPAY in accordance with the instructions on the Entitlement and Acceptance Form.
Application Monies	The aggregate amount payable for the New Shares applied for in a duly completed Entitlement and Acceptance Form or through BPAY, calculated as the Offer Price multiplied by the number of New Shares applied for.
AEDT	Australian Eastern Daylight Time
ASIC	Australian Securities and Investments Commission
ASX	ASX Limited ACN 008 624 691 or the securities exchange operated by ASX Limited (as the context requires).
CHESS	ASX Clearing House Electronic Sub-registry System
Closing Date	The closing date of the Offer being 5.00pm (AEDT) on Monday, 20 November 2017 (unless extended).
Company or MBK	Metal Bank Limited ACN 127 297 170
Board	The board of Directors of the Company.
Constitution	The Company's constitution as at the date of this Offer Document.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Director	A director of the Company.
Directors	All of the Directors of the Company.
Dollar or \$	Australian dollars.
Eligible Shareholder	A person who meets the requirements set out in Section 1.4.
Entitlement	The pro-rata entitlement of an Eligible Shareholder to subscribe for New Shares and New Options under the Offer.
Entitlement and Acceptance Form	The entitlement and acceptance form accompanying this Prospectus in respect of the Offer that sets out the Entitlement of Shareholders to subscribe for New Shares and New Options pursuant to the Offer.
Full Subscription	Where all New Shares and New Options available under the Offer are subscribed for, whether by Eligible Shareholders and/or the Underwriter, resulting in the issue of 142,768,285 New Shares and 142,768,285 New Options.
Ineligible Shareholder	A Shareholder with a registered address outside Australia or New Zealand as at the Record Date.
Issue	The issue of New Shares or New Options under this Prospectus.
Listing Rules	The Listing Rules of the ASX.
New Option	An option to acquire a Share on the terms and conditions set out in Section 5.2.
New Option Expiry Date	24 May 2019

New Share	A fully paid ordinary share in the capital of the Company to be issued under this Prospectus.
Offer or Rights Issue	The pro rata non-renounceable offer of 1 New Share for every 5 Shares held by Eligible Shareholders at the Record Date at the Offer Price and 1 free New Option for every 1 New Share subscribed for under the Offer.
Offer Price	The price payable for each New Share, being \$0.02 (2 cents) per share.
Official List	The official list of the ASX.
Opening Date	The opening date of the Offer, being Tuesday, 7 November 2017.
Prospectus	The prospectus constituted by this document.
Quotation	Official quotation on ASX.
Record Date	The time and date for determining Entitlements under the Offer, being 5.00pm (AEDT) on Monday, 6 November 2017.
Securities	Means the New Shares and the New Options to be issued under this Prospectus.
Share	A fully paid ordinary share in the capital of the Company.
Shareholder	A holder of a Share as recorded in the register of the Company.
Share Registry or Registry	Advanced Share Registry Services of 110 Stirling Highway, Nedlands, Western Australia 6009
Shortfall or Shortfall Securities	Those New Shares and New Options not validly applied for by Eligible Shareholders under the Offer by the Closing Date, and which will revert to the Shortfall allocation process described in Section 1.11.
Shortfall Placement	Has the meaning given to it in Section 1.11 of this Prospectus.
Timetable	The timetable (as varied from time to time) of the Offer under as outlined in the Important Dates section of this Prospectus.
Underwriter	Taylor Collison Limited ABN 53 008 172 450
Underwritten Amount	The sum of \$2,855,365 representing 142,768,285 New Shares and New Options

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