

Form 604
Corporations Act 2001
Section 671B

Notice of change of interests of substantial holder

To Company Name/Scheme Papillon Resources Limited

ACN/ARSN 119 655 891

1. Details of substantial holder (1)

Name Van Eck Associates Corporation (and its associates referred to in paragraph 6).
ACN/ARSN (if applicable) N/A

There was a change in the interests of the substantial holder on 20/06/2014
The previous notice was given to the company on 07/04/2014
The previous notice was dated 04/04/2014

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
Ordinary shares	47,950,639	14.07%	38,897,917	11.28%

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
	Van Eck Associates Corporation (VEAC)	See Annexure A			

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
VEAC	Bank of New York Mellon as custodian for Market Vectors Trust - Junior Gold Miners ETF	Market Vectors Trust - Junior Gold Miners ETF (GDXJ)	VEAC holds its relevant interest by having the power to exercise, control the exercise of, or influence the exercise of,	Ordinary shares 24,824,626	7.200%
VEAC	State Street Bank as custodian for Van Eck Funds - International Investors Gold Fund	Van Eck Funds - International Investors Gold Fund (IIG)	Same as above.	Ordinary shares 8,641,000	2.506%
VEAC	Credit Agricole as custodian for LODH Invest - The World Gold Expertise Fund	LODH Invest - The World Gold Expertise Fund (LODH)	Same as above.	Ordinary shares 2,039,000	0.591%

VEAC	JPMorgan as custodian for Jackson National	Jackson National/Van Eck International Fund (JLGOLD)	Same as above.	Ordinary shares 1,190,800	0.345%
VEAC	Northern Trust as custodian for Guidestone Global Natural Resources – Van Eck	Guidestone Global Natural Resources – Van Eck (GGOLD)	Same as above.	Ordinary shares 731,000	0.212%
VEAC	Northern Trust as custodian for Lockheed Martin Corporation Master Retirement Trust	Lockheed Martin Corporation Master Retirement Trust (LMJ)	Same as above.	Ordinary shares 791,000	0.229%
VEAC	Northern Trust as custodian for Lockheed Martin Corporation Master Retirement Trust	Lockheed Martin Junior Gold (LM)	Same as above.	Ordinary shares 392,000	0.114%
VEAC	State Street Bank as custodian for Van Eck Worldwide Insurance Trust Van Eck VIP Multi-Manager Alternatives Fund	Van Eck VIP Multi-Manager Alternatives Fund (MMAFOF)	Same as above.	Ordinary shares 162,700	0.047%
VEAC	State Street Bank as custodian for Van Eck VIP Trust – VIP Global Gold	Van Eck VIP Trust – VIP Global Gold (VGOLD)	Same as above.	Ordinary shares 74,000	0.021%
VEAC	State Street Bank as custodian for Van Eck Funds - Multi-Manager Alternatives Fund	Van Eck Funds - Multi-Manager Alternatives Fund (WMAFOF)	Same as above.	Ordinary shares 45,462	0.013%
VEAC	Bank of New York Mellon as custodian for Market Vectors Trust, Market Vectors Australian Emerging	Market Vectors Trust Market Vectors Australian Emerging Resources ETF (MVE.AU)	Same as above.	Ordinary shares 6,329	0.002%

5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association

6. Addresses

The addresses of persons named in this form are as follows:

Name	Address
VEAC	335 Madison Avenue, New York, NY 10017
Van Eck Securities Corporation	335 Madison Avenue, New York, NY 10017
Van Eck Absolute Return Advisers, Inc.	335 Madison Avenue, New York, NY 10017
Market Vectors Australia Pty Ltd	Gold Fields House, Level 3, 1 Alfred Street, Sydney NSW 2000
Market Vectors Investments Limited	Gold Fields House, Level 3, 1 Alfred Street, Sydney NSW 2000

Signature

print name Russell Brennan

capacity Assistant of VP

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
 - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included on any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

GUIDE

This guide does not form part of the prescribed form and is included by ASIC to assist you in completing and lodging form 604.

Signature

This form must be signed by either a director or a secretary of the substantial holder.

Lodging period

Nil

Lodging Fee

Nil

Other forms to be completed

Nil

Additional information

- (a) If additional space is required to complete a question, the information may be included on a separate piece of paper annexed to the form.
- (b) This notice must be given to a listed company, or the responsible entity for a listed managed investment scheme. A copy of this notice must also be given to each relevant securities exchange.
- (c) The person must give a copy of this notice:
 - (i) within 2 business days after they become aware of the information; or
 - (ii) by 9.30 am on the next trading day of the relevant securities exchange after they become aware of the information if:
 - (A) a takeover bid is made for voting shares in the company or voting interests in the scheme; and
 - (B) the person becomes aware of the information during the bid period.

Annexures

To make any annexure conform to the regulations, you must

- 1 use A4 size paper of white or light pastel colour with a margin of at least 10mm on all sides
- 2 show the corporation name and A.C.N or ARBN
- 3 number the pages consecutively
- 4 print or type in BLOCK letters in dark blue or black ink so that the document is clearly legible when photocopied
- 5 identify the annexure with a mark such as A, B, C, etc
- 6 endorse the annexure with the words:
This is annexure (mark) of (number) pages referred to in form (form number and title)
- 7 sign and date the annexure.

The annexure must be signed by the same person(s) who signed the form.

Information in this guide is intended as a guide only. Please consult your accountant or solicitor for further advice.

**This is Annexure A of 2 pages referred to in Form 604 -
Notice of change of interests of substantial holder**

Holder of relevant interest	Date of Acquisition/Disposal	B/S	Consideration Cash	Consideration Non-cash	Number of Securities
GDXJ	2/26/2014	B	\$ -	In-Kind	244,856
LM	2/27/2014	B	\$ 16,551	\$ -	11,700
IIG	2/27/2014	B	\$ 340,074	\$ -	240,400
LMJ	2/27/2014	B	\$ 9,619	\$ -	6,800
LODH	2/27/2014	B	\$ 95,487	\$ -	67,500
GGOLD	2/27/2014	B	\$ 31,122	\$ -	22,000
VGOLD	2/27/2014	B	\$ 3,254	\$ -	2,300
JLGOLD	2/27/2014	B	\$ 69,741	\$ -	49,300
LM	2/28/2014	B	\$ 15,100	\$ -	10,600
IIG	2/28/2014	B	\$ 312,258	\$ -	219,200
LMJ	2/28/2014	B	\$ 8,832	\$ -	6,200
LODH	2/28/2014	B	\$ 87,609	\$ -	61,500
GGOLD	2/28/2014	B	\$ 28,633	\$ -	20,100
VGOLD	2/28/2014	B	\$ 2,992	\$ -	2,100
JLGOLD	2/28/2014	B	\$ 64,104	\$ -	45,000
LM	3/3/2014	B	\$ 14,069	\$ -	9,700
IIG	3/3/2014	B	\$ 289,204	\$ -	199,400
LMJ	3/3/2014	B	\$ 8,267	\$ -	5,700
LODH	3/3/2014	B	\$ 81,221	\$ -	56,000
GGOLD	3/3/2014	B	\$ 26,551	\$ -	18,306
VGOLD	3/3/2014	B	\$ 2,611	\$ -	1,800
JLGOLD	3/3/2014	B	\$ 59,320	\$ -	40,900
GDXJ	3/3/2014	B	\$ -	In-Kind	61,204
LM	3/4/2014	B	\$ 5,713	\$ -	4,000
IIG	3/4/2014	B	\$ 117,116	\$ -	82,000
LMJ	3/4/2014	B	\$ 3,285	\$ -	2,300
LODH	3/4/2014	B	\$ 32,850	\$ -	23,000
GGOLD	3/4/2014	B	\$ 10,846	\$ -	7,594
VGOLD	3/4/2014	B	\$ 1,143	\$ -	800
JLGOLD	3/4/2014	B	\$ 23,994	\$ -	16,800
GDXJ	3/4/2014	B	\$ -	In-Kind	152,990
GDXJ	3/5/2014	B	\$ -	In-Kind	153,010
GDXJ	3/6/2014	B	\$ -	In-Kind	153,045
GDXJ	3/6/2014	B	\$ -	In-Kind	153,065
GDXJ	3/6/2014	B	\$ -	In-Kind	183,684
GDXJ	3/10/2014	B	\$ -	In-Kind	183,678
GDXJ	3/5/2014	B	\$ -	In-Kind	35
GDXJ	3/11/2014	B	\$ -	In-Kind	306,150
GDXJ	3/12/2014	B	\$ -	In-Kind	183,654
GDXJ	3/14/2014	B	\$ -	In-Kind	612,080
GDXJ	3/21/2014	B	\$ 3,300,440	\$ -	2,400,669
GDXJ	3/26/2014	B	\$ -	In-Kind	33,124
GDXJ	3/28/2014	B	\$ -	In-Kind	165,650
LMJ	3/31/2014	B	\$ 251,576	\$ -	195,000
GDXJ	4/2/2014	B	\$ -	In-Kind	99,408
WMAFOF	4/3/2014	B	\$ 9,330	\$ -	7,462
MVEAU	4/8/2014	B	\$ 63	\$ -	50
GDXJ	4/9/2014	B	\$ -	In-Kind	66,244
GDXJ	4/24/2014	B	\$ -	In-Kind	33,121

Russell Brown

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Holder of relevant interest	Date of Acquisition/Disposal	B/S	Consideration Cash	Consideration Non-cash	Number of Securities
GDXJ	4/28/2014	B	\$ -	In-Kind	33,117
LMJ	5/1/2014	B	\$ 160,741	\$ -	125,000
LMJ	5/2/2014	B	\$ 79,699	\$ -	65,000
GDXJ	6/3/2014	B	\$ -	In-Kind	364,639
MVEAU	6/4/2014	B	\$ 823	\$ -	524
GDXJ	6/4/2014	B	\$ -	In-Kind	132,592
GDXJ	6/6/2014	B	\$ -	In-Kind	762,312
GDXJ	6/10/2014	B	\$ -	In-Kind	66,288
GDXJ	6/12/2014	B	\$ -	In-Kind	331,400
GDXJ	6/13/2014	B	\$ -	In-Kind	264,824
GDXJ	6/19/2014	B	\$ -	In-Kind	364,100
GDXJ	6/20/2014	B	\$ -	In-Kind	66,192
GGOLD	2/20/2014	S	\$ 85,295	\$ -	68,000
GDXJ	2/20/2014	S	\$ -	In-Kind	61,298
MVEAU	2/26/2014	S	\$ 76	\$ -	55
GDXJ	3/6/2014	S	\$ -	In-Kind	153,045
GDXJ	3/5/2014	S	\$ -	In-Kind	55
LODH	3/12/2014	S	\$ 476,840	\$ -	336,000
GDXJ	3/18/2014	S	\$ -	In-Kind	244,848
GDXJ	3/19/2014	S	\$ -	In-Kind	61,210
LODH	3/20/2014	S	\$ 417,492	\$ -	302,000
GDXJ	3/20/2014	S	\$ -	In-Kind	427,770
MVEAU	3/21/2014	S	\$ 195	\$ -	142
GDXJ	3/24/2014	S	\$ -	In-Kind	165,555
JLGOLD	4/24/2014	S	\$ 344,929	\$ -	262,000
GDXJ	5/28/2014	S	\$ -	In-Kind	33,147
GDXJ	6/16/2014	S	\$ 1,684,877	\$ -	966,998
GDXJ	6/17/2014	S	\$ 1,336,022	\$ -	798,804
GDXJ	6/18/2014	S	\$ 613,649	\$ -	365,045
GDXJ	6/19/2014	S	\$ 1,258,841	\$ -	714,088
MVEAU	6/20/2014	S	\$ 5,433	\$ -	2,955
GDXJ	6/20/2014	S	\$ 15,810,292	\$ -	8,592,550

In-Kind transactions result from the ETF receiving a basket of securities (including Papillon Resources Ltd) in exchange for securities in the ETF.

In-Kind transactions refers to how market makers of exchange traded funds (ETF) can reconcile the differences between net asset value (NAV) and market values when shares of the ETFs are bought and sold. The market maker can arbitrage the ETF shares with the shares that make up the underlying portfolio, by creating or redeeming lots of the ETF shares. This structure causes ETFs to be treated as "in kind" transactions where investors only pay capital gains like with stocks, as opposed to other fees associated with mutual funds.

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