



ABN 72 008 915 311

ENTITLEMENT ISSUE PROSPECTUS

For a non-renounceable entitlement issue of one (1) Share for every one (1) Share held by those Shareholders registered at the Record Date at an issue price of 3.2 cents per Share to raise up to \$781,870 (based on the number of Shares on issue at the date of this Prospectus) (**Offer**). The Offer is fully underwritten by GMP Securities Australia Pty Limited (**Underwriter**). Refer to Section 8.2 for details regarding the terms and conditions of the Underwriting Agreement.

The Prospectus is also for the offer by the Company of 1,250,000 New Options to Shareholders who participated in the Prior Placement (**Prior Placement Option Offer**). The Prior Placement Option Offer is conditional on Shareholder approval being obtained. Refer to Section 4.8 for further details.

IMPORTANT NOTICE

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

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

This Prospectus may be not released or distributed in the United States or any country where it may be unlawful.

UNDERWRITER AND CORPORATE ADVISOR



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1. SUMMARY OF IMPORTANT DATES AND IMPORTANT NOTES

TIMETABLE AND IMPORTANT DATES*

Company announces Offer and lodges Appendix 3B with ASX	17 July 2014
Lodgement of Prospectus with the ASIC and ASX	18 July 2014
Notice sent to Optionholders in respect of the Offer	18 July 2014
Notice sent to Shareholders in respect of the Offer	21 July 2014
Ex date for the Offer	23 July 2014
Record Date for determining Entitlements in respect of the Offer	25 July 2014
Prospectus despatched to Shareholders & Company announces despatch has been completed	30 July 2014
Company's AGM held (10.30am WST)	11 August 2014
Company's EGM held (11.30am WST)	11 August 2014
Closing Date of the Prior Placement Option Offer	11 August 2014
Issue Date under the Prior Placement Option Offer	13 August 2014
Closing Date of the Offer (5.00pm WST)*	15 August 2014
Securities quoted on a deferred settlement basis	18 August 2014
ASX and Underwriter notified of under subscriptions under the Offer	19 August 2014
Underwriter subscribes for Shares under Underwriting Agreement	20 August 2014
Issue Date under the Offer	22 August 2014

* The Directors may extend the Closing Date of the Offer by giving at least 3 Business Days notice to ASX prior to such Closing Date. The Directors may extend the Closing Date of the Placement Option Offer at their discretion. As such the date the Securities are issued and/or expected to commence trading on ASX may vary.

IMPORTANT NOTES

Shareholders should read this document in its entirety and, if in doubt, should consult their professional advisors. The Securities the subject of this Prospectus should be considered highly speculative.

This Prospectus is dated 18 July 2014 and was lodged with the ASIC on that date. The ASIC and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

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

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

Applications for Securities offered pursuant to this Prospectus can only be submitted on

an original Entitlement and Acceptance Form (in respect of the Offer) or an original Prior Placement Option Application Form (in respect of the Prior Placement Option Offer).

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been given to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply generally with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Securities these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is only being extended to Shareholders with a registered address in Australia, New Zealand, Singapore, Hong Kong or the United Kingdom. For further information, please see Section 4.12 of this Prospectus.

RISK FACTORS

Potential investors should be aware that subscribing for Securities in the Company involves a number of risks. Further details of these risks and other risks are set out in Section 7 of this Prospectus and investors are urged to consider those risks carefully (and, if necessary, consult their professional adviser) before deciding whether to invest in the Company. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Securities in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

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 phone the Company on +61 8 9364 7414 and the Company will send you free either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at <http://www.gondwanaresources.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.

TAKEOVER PANEL APPLICATION

On 17 July 2014, Ochre Group Holdings Limited (**Ochre**) lodged a second application with the Takeovers Panel (**Panel**) concerning the affairs of the Company. Among other matters, the application asserts that the Offer the subject of this Prospectus triggers a condition of Ochre's off-market takeover bid for all of the Shares in the Company constituting frustrating action. Further details regarding Ochre's application to the Panel



are set out in the Panels announcement to the ASX dated 18 July 2014 which appears on the Company's ASX announcements platform. Shareholders should be aware that if proceedings are conducted by the Panel in respect of Ochre's application, there is a risk that the Offer may not proceed or may be delayed which could have a material adverse effect on the financial position of the Company. The Company will keep Shareholders informed as to the effect Ochre's application has on the Offer. Please refer to Sections 3, 4.14, 7.2(a) and 7.2(b) for further details.

2. CORPORATE DIRECTORY

Directors

Mr Warren Beckwith (Chairman and Managing Director)

Mr Paul Goodsall (Non-executive Director)

Mr Steven Pynt (Non-executive Director)

Mr Jolyon Sinclair (Non-executive Director)

Company Secretary

Mr Paul Goodsall

Mining Project Manager

Greg Robinson

Registered Office

230 Rokeby Road

Subiaco WA 6008

Principal Office

8 Kearns Crescent

Ardross WA 6153

PO Box 1819 Applecross WA 6953

General Enquiries:

Telephone: +61 8 9364 7414

Facsimile: +61 8 9346 9101

Email: info@gondwanaresources.com

Share Registry*

Computershare Investor Services Pty Limited

ABN: 48 078 279 277

Level 2, Reserve Bank Building,

45 St Georges Terrace

Perth WA 6000

Website

www.gondwanaresources.com

Auditors*

KPMG

235 St Georges Terrace

Perth WA 6000

Solicitors

Steinepreis Paganin

Level 4, The Read Buildings

16 Milligan Street

Perth WA 6000

Underwriter

GMP Securities Australia Pty Limited

Level 9, 190 St Georges Terrace

Perth WA 6000

*These parties have been included for information purposes only. They have not been involved in the preparation of this Prospectus.

3. CHAIRMAN'S LETTER

Dear Shareholder

The Board is pleased to offer Eligible Shareholders the opportunity to participate in a non-renounceable entitlement issue of one (1) Share for every one (1) Share held at the Record Date at an issue price of 3.2 cents per Share (**Offer**). Further information on the Offer is contained below and in Section 4 of this Prospectus.

The Prospectus is also for the offer by the Company of 1,250,000 New Options to Shareholders who participated in the Prior Placement recently completed by the Company (**Prior Placement Option Offer**). No funds will be raised under the Prior Placement Option Offer as the New Options are free attaching to Shares which were issued under the Prior Placement.

Use of Funds

If fully subscribed, the Offer will provide capital to assist in funding exploration and development projects in the Parker Range, Gascoyne and Pilbara regions in Western Australia, reducing short term debt, evaluating potential new projects and providing general working capital to the Company. Further information on the use of funds raised under the Offer set out in Section 5.1 of this Prospectus.

Outlook

In order to conserve funds and prioritise projects, the Company has an active programme for disposing of or farming out non-core tenements. This will permit greater focus on key projects and a more active investigation of potential new projects. Recent announcements by the Company of its sale or joint venture of tenements to Atlas Operations Pty Ltd, a wholly owned subsidiary of Atlas Iron Limited (**Atlas**), and Platypus Resources Limited (**Platypus**) demonstrate early success with this strategy. The Company has retained a royalty on future production and sale of iron ore and other minerals from the Panorama tenement sold to Atlas, and a royalty and a carried interest in both the Gobbo's copper/molybdenum prospect and the Cyclops nickel/copper prospect farmed out to Platypus.

Of particular importance to the Company's future is the Corunna Downs iron ore royalty. During 2013, the Company announced the finalisation of the sale of the Corunna Downs tenements to Atlas. The Company has retained a \$1.13/tonne royalty on the production and sale of iron ore and a 1.5% royalty on the gross proceeds of the sale of other minerals which, in the light of Atlas' recent announcements (dated 9 May 2014 and 17 July 2014) in respect of a Mineral Resource and significant exploration targets at Corunna Downs, is considered a valuable asset by Gondwana's directors. The Company notes that Atlas stated in its announcement of 17 July 2014 that:

"Corunna Downs is Atlas' best greenfields exploration discovery both in terms of the potential scale of the resource and its blending capacity. This area is rapidly taking shape as a key growth option for Atlas and we are looking forward to showing what the entire project area can deliver".

Shareholders should refer to the announcements on the ASX website (ASX:AGO) or may obtain a copy of Atlas's announcements free of charge by contacting the Company.

The Company is presently recommencing mining studies on the Parker Range Gold Project with a view to a joint venture or other arrangement that may potentially lead to an early start to production.

Active discussions are also in progress with potential partners or buyers for the Company's exploration tenements at Parker Range that do not form part of the gold project, as well as another exploration tenement in the East Pilbara.

As uranium prices are showing signs of recovery, the Company is planning to increase exploration activity on its prospective Gascoyne uranium tenements. This includes a first-pass field program at the newly-identified rare earths prospect at Mick Well/Ted Well.

As previously stated, the Company's strategy is to focus on key projects coupled with an active investigation of potential new projects. To drive this strategy, the Company has engaged Craig Moulton, a senior exploration and mining professional with an impressive record in management and technical roles with Cliffs Natural Resources and Rio Tinto Group. The Board is confident of success under Craig's technical and commercial guidance.

Notice of Annual General Meeting

A notice of Annual General Meeting of the Company has recently been despatched to Shareholders. The meeting will be held on 11 August 2014. The notice seeks approval, among other resolutions, for the issue of a maximum of 15,000,000 Shares and up to 15,000,000 free attaching Options to raise additional capital for the Company within the three month period after the meeting (**Further Placement**). For further details of the notice of Annual General Meeting and Further Placement, please refer to Section 4.15.

Ochre Group Holdings Limited (Ochre)

Ochre is currently a substantial shareholder in the Company with a 17.01% interest.

On 29 April 2014, relatively shortly after increasing its shareholding in the Company to 17.65%, Ochre made an application to the Takeovers Panel (**Panel**) which had the effect of frustrating the Company's pro rata entitlement offer to Shareholders as announced on 15 April 2014 (**April Offer**).

The Company decided not to proceed with the April Offer because, in light of more stabilised market conditions, the Company considered it could undertake a new capital raising on improved terms. The pro rata entitlement Offer pursuant to this Prospectus will be comparatively less dilutive to Shareholders and has the benefit of being fully underwritten by GMP Securities Australia Pty Limited, a leading independent international investment bank focussed on the small to mid-cap resources sector.

Ochre also wrote to the Company objecting to the Company's notice of annual general meeting which was sent to Shareholders on 18 June 2014 calling for the meeting to be held on 18 July 2014. This notice included a resolution seeking shareholder approval for the Company to raise further capital. The notice has since been withdrawn and, as noted above, a new amended notice of annual general meeting was despatched on 9 July 2014 for an annual general meeting to be held on Monday 11 August 2014.

The Board believes these actions are part of a strategy by Ochre to limit the Company's ability to raise funds to carry on its business, rendering it more vulnerable to an opportunistic attempt to gain control.

As part of that strategy, on 12 June 2014, Ochre served notice on the Company requisitioning a general meeting of shareholders to remove all of the Company's directors and appoint nominees of Ochre as directors. The notice of meeting in respect of such requisition was despatched to Shareholders on 3 July 2014. It is highly unusual for a bidder with a takeover offer current to attempt to cause a board spill. A change of control (through Board control) by means of a board spill, particularly during the currency of a takeover offer, is neither fair nor acceptable to shareholders.

Ochre has repeated its offer to underwrite a rights issue or provide debt finance to the Company. This offer has not been pursued by the Company because Ochre, through its conduct, has frustrated the Company's ability to access new equity funding and, in the Board's view, these are not the actions of a shareholder who holds the best interests of all fellow Shareholders at heart.

On 19 June 2014, the Company received a bidder's statement from Ochre's wholly owned subsidiary Ochre Industries Pty Ltd in respect of a takeover offer for all of the issued shares in the Company that Ochre does not currently own (**Ochre Offer**). The Directors have noted that the Ochre Offer is highly conditional and have advised Shareholders to take no action in respect of the Ochre Offer until the Company has issued its target's statement containing the directors' recommendations. Please refer to Section 4.14 for further details in respect of the Ochre Offer.

As already mentioned, the Company entered into an agreement with Atlas Operations Pty Ltd, a subsidiary of Atlas Iron Limited, to sell the Company's 90% interest in exploration licence E45/4110 (referred to as the Panorama Prospect) for \$200,000. The sale of the Panorama Prospect completed on 1 July 2014. This has triggered a defeating condition under the Ochre Offer. As at the date of this Prospectus, Ochre has not notified the Company how it proposes to deal with the breach of this condition under its takeover offer. Refer to Section 4.14 for further details of this defeating condition and to the Company's ASX announcement dated 1 July 2014 for further information with respect to the agreement to sell the Panorama Prospect.

Further, completion of the entitlement Offer pursuant to this Prospectus will trigger another defeating condition under the Ochre Offer. Please refer to Section 4.14 for further details. As noted above in Section 1, on 17 July 2014, Ochre lodged an application with the Panel concerning the affairs of the Company. Among other matters, the application asserts that the Offer the subject of this Prospectus triggers a condition of Ochre's off-market takeover bid for all of the Shares in the Company constituting frustrating action.

The Board believes that all of Ochre's recent actions have had a detrimental effect on the Company's financial position and have been part of a broader strategy by Ochre to seek to limit the Company's ability to raise funds which in turn will make its own takeover offer more attractive.

Need for funds

The Company has an urgent need for funds and depends on the success of this Offer for its ongoing operations – refer to Section 7.2(a) for further details. Shareholders should be aware that if proceedings are conducted by the Panel in respect of Ochre's Panel application, there is a risk that the Offer may not proceed or may be delayed which could have a material adverse effect on the financial position of the Company. The Company will keep Shareholders informed as to the effect Ochre's application has on the Offer. Please refer to Sections 3, 4.14, 7.2(a) and 7.2(b) for further details. Please also refer to Section 5.6 of this Prospectus which shows that current liabilities have increased significantly between the date of the audited balance sheet, 31 December 2013, and 30



June 2014. This is principally a consequence of the Company being required to respond to Ochre's original Panel application, including the very substantial legal fees incurred. In addition, as shown in Section 5.1 of this Prospectus, a greater proportion of the net proceeds of this Offer will be allocated to discharging debt than would have been the case if Ochre had not made its original application to the Panel.

Directors' intentions

The success of this Offer is very important to the future of your Company and we are fortunate to have it fully underwritten by GMP Securities Australia Pty Limited, an independent global investment dealer with its headquarters in Toronto, Canada.

The Directors and entities controlled by the Directors intend to participate in the Offer to their full Entitlement and look forward to your support of the Offer.

Yours sincerely

Warren Beckwith
Chairman

4. DETAILS OF THE OFFER

4.1 Offer

The Offer is being made as a non-renounceable entitlement issue of one (1) Share for every one (1) Share held by Eligible Shareholders registered at the Record Date at an issue price of \$0.032 per Share. Based on the capital structure of the Company as at the Record Date, a maximum of 24,433,440 Shares will be issued pursuant to this Offer to raise up to \$781,870.

No funds will be raised from the issue of the New Options under the Prior Placement Option Offer.

All of the Shares issued under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 6.1 for further information regarding the rights and liabilities attaching to the Shares.

The New Options offered under this Prospectus under the Prior Placement Option Offer will be issued on the terms and conditions set out in Section 6.2 of this Prospectus. All Shares issued on conversion of the New Options will rank equally with the Shares on issue at the date of this Prospectus. The Options to be issued to the Underwriter in respect of underwriting the Offer are set out in Section 6.3.

The purpose of the Offer and the Prior Placement Option Offer and the intended use of funds raised are set out in Section 5.1 of this Prospectus.

4.2 Minimum Subscription - Offer

There is no minimum subscription as the Offer is fully underwritten.

4.3 Acceptance - Offer

Your acceptance of the Offer must be made on the Entitlement and Acceptance Form accompanying this Prospectus. Your acceptance must not exceed your Entitlement as shown on that form. If it does, your acceptance will be deemed to be for the maximum Entitlement.

You may participate in the Offer as follows:

- (a) if you wish to accept your **full** Entitlement:
 - (i) complete the Entitlement and Acceptance Form; and
 - (ii) attach your cheque, drawn on an Australian bank made payable in Australian currency, for the amount indicated on the Entitlement and Acceptance Form; or
- (b) if you only wish to accept **part** of your Entitlement:
 - (i) fill in the number of Shares you wish to accept in the space provided on the Entitlement and Acceptance Form; and
 - (ii) attach your cheque, drawn on an Australian bank made payable in Australian currency, for the appropriate Application monies (at \$0.032 per Share); or
- (c) if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

4.4 Payment by cheque

Completed Entitlement and Acceptance Forms and accompanying cheques must be mailed or delivered to the Company's Share Registry or to the Company, as set out in the Application Form.

Cheques should be made payable to **"Gondwana Resources Limited – Application Account"** and crossed **"Not Negotiable"**.

Completed Entitlement and Acceptance Forms and cheques must be received by no later than the Closing Date of the Offer.

4.5 Electronic payment

Electronic payments should be made according to the instructions set out on the Entitlement and Acceptance Form.

Please note that should you choose to pay electronically:

- (a) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form; and
- (b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your Application monies.

Applicants should ensure they include their reference details, as per their Entitlement and Acceptance Form, if paying funds electronically.

Electronic payments must be received by the Company by 1:00pm (WST) on the Closing Date of the Offer. You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. It is your responsibility to ensure that funds submitted electronically are received by 1:00pm (WST) on the Closing Date of the Offer.

The Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

4.6 Underwriting

By an agreement between the Underwriter and the Company, the Offer is fully underwritten by the Underwriter. The obligation of the Underwriter to underwrite the Offer is subject to certain events of termination which are considered customary for an underwriting of this nature.

Please refer to Section 8.2 for details of the terms of the underwriting including the termination events. Details of the potential effect the underwriting has on control of the Company are set out in Section 4.7 below.

4.7 Effect on control of the Company

The Underwriter is not presently a shareholder of the Company. The extent to which Shares are issued pursuant to the underwriting will increase the Underwriter's voting power in the Company. The Underwriter is not a related party of the Company for the purpose of the Corporations Act. The

Underwriter's present relevant interest (which is nil) and changes under several scenarios are set out in the table below.

Event	Shares held by Underwriter	Voting power of Underwriter
Date of Prospectus	nil	nil
Completion of Entitlement Issue		
• Fully subscribed	nil	nil
• 75% subscribed	6,108,360	12.5%
• 50% subscribed	12,216,720	25%
• 25% subscribed	18,325,080	37.5%
• 0% subscribed	24,433,440	50%

Further, subject to obtaining Shareholder approval, the Underwriter (or its nominee/s) will also be issued 4,000,000 Options with an expiry date of 31 December 2016 and an exercise price of \$0.05 per Option as an additional underwriting fee. The Underwriter's relevant interest and changes under several scenarios assuming that these Options are issued and exercised are set out in the table below.

Event	Shares held by Underwriter	Voting power of Underwriter
Date of Prospectus	nil	nil
Completion of Entitlement Issue		
• Fully subscribed	4,000,000	7.57%
• 75% subscribed	10,108,360	19.12%
• 50% subscribed	16,216,720	30.67%
• 25% subscribed	22,325,080	42.23%
• 0% subscribed	28,433,440	53.78%

The number of Shares which may be held by the Underwriter and the Underwriter's potential voting power following the Offer are set out in the tables above. The underwriting obligation (and therefore the voting power of the Underwriter) will reduce by an amount corresponding to the aggregate of entitlements taken up by Shareholders and Shares placed by the Underwriter to any sub-underwriters.

The Company is not aware of the identity of any sub-underwriters but no sub-underwriter will be a related party of the Company. Under the terms of the Underwriting Agreement, the Underwriter will ensure that no person will acquire, through participation in any sub-underwriting of the Offer, a holding of Shares of, or increase their holding to, an amount in excess of 19.9% of all the Shares on issue on completion of the Offer.

In addition, Shareholders should note that, if they do not participate in the Offer, their holdings are likely to be diluted by approximately 50% (compared with their holdings as at the date of the Prospectus). Examples of how the dilution may impact Shareholders are set out in the table below:

Holder	Holding as at Record date	% at Record Date	Entitlements under the Offer	Holdings if Offer not taken Up	% post Offer
Shareholder 1	2,000,000	8.19%	2,000,000	2,000,000	4.09%
Shareholder 2	1,000,000	4.09%	1,000,000	1,000,000	2.05%
Shareholder 3	500,000	2.05%	500,000	500,000	1.02%
Shareholder 4	50,000	0.21%	50,000	50,000	0.10%
Shareholder 5	25,000	0.10%	25,000	25,000	0.05%

Note: The dilutionary effect shown in the table is the maximum percentage on the assumption that all Entitlements not accepted are subscribed for by the Underwriter or a sub-underwriter.

4.8 Prior Placement Option Offer - Conditional

On 31 March 2014, the Company completed the issue of 2,500,000 Shares at an issue price of \$0.032 per Share to sophisticated and professional investors to raise up to \$80,000 (**Prior Placement**). The issue of the Shares under the Prior Placement is to be ratified at the Annual General Meeting. Under the Prior Placement, the Company agreed to issue investors with one (1) free attaching New Option for every two (2) Shares issued, subject to shareholder approval being obtained.

As such, this Prospectus is also for the offer by the Company of 1,250,000 New Options to investors who participated in the Prior Placement. All of the New Options to be issued under the Prior Placement Option Offer will be issued on the terms and conditions set out in Section 6.2 of this Prospectus. No funds will be raised under the Prior Placement Option Offer as the New Options are free attaching to the Shares issued under the Prior Placement.

Completion of the Prior Placement Option Offer under this Prospectus is subject to Shareholders approving the issue of up to 1,250,000 New Options at the Annual General Meeting. If this condition is not met, the Company will not proceed with the Prior Placement Option Offer.

4.9 Acceptance – Prior Placement Option Offer

Shareholders eligible to participate in the Prior Placement Option Offer will receive a personalised Prior Placement Option Application Form setting out their allocation under the Prior Placement Option Offer. Applications for New Options under the Prior Placement Option Offer must be made using this Prior Placement Option Application Form. **You should not apply for New Options under the Prior Placement Option Offer unless you have been invited to by the Company.**

Completed Prior Placement Option Application Forms must be mailed or delivered to the Company's Share Registry or to the Company, as set out in the Prior Placement Option Application Forms. Completed Prior Placement Option Application Forms must be received by no later than the Closing Date of the Prior Placement Option Offer.

4.10 ASX Listing

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made in accordance with the timetable set out in Section 1 of this Prospectus. If ASX does not grant Official Quotation of those Shares before the expiration of 3 months after the date of issue of this Prospectus, (or such period as modified by the ASIC), the Company will not issue any Securities and

will repay all Application monies for the Securities within the time prescribed under the Corporations Act, without interest.

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

4.11 Issue of Securities

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

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

Subject to the satisfaction of the Shareholder approval condition set out in Section 4.8, the issue of New Options offered by this Prospectus under the Prior Placement Option Offer will take place as soon as practicable after the Closing Date of the Prior Placement Option Offer.

Holding statements for Securities issued under the Offer and the Prior Placement Option Offer will be mailed in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus.

4.12 Shareholders resident outside Australia

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply generally with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Securities these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer and the Prior Placement Option Offer are only being extended and Securities will only be issued to Shareholders with a registered address in Australia, New Zealand, Singapore, Hong Kong or the United Kingdom.

The Offer is being made in New Zealand pursuant to the Securities Act (Overseas Companies) Exemption Notice 2013.

Singapore

This Prospectus and any other materials relating to the Securities have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Securities may not be issued, circulated or distributed, nor may these securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289

of Singapore (the SFA), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This Prospectus has been given to you on the basis that you are an existing holder of the Company's Shares. In the event that you are not such a Shareholder, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the Securities being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Securities. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

United Kingdom

Neither the information in this Prospectus nor any other document relating to the Offer has been delivered for approval to the Financial Services Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (**FSMA**)) has been published or is intended to be published in respect of the Securities. This document is issued on a confidential basis to fewer than 150 persons (other than "qualified investors" (within the meaning of section 86(7) of FSMA) in the United Kingdom, and the Securities may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) FSMA. This Prospectus should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

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

Hong Kong

WARNING: The contents of this Prospectus have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the Offer. If you are in doubt about any contents of this Prospectus, you should obtain independent professional advice.

Nominees and Custodians

Nominees, custodians and other registered Shareholders resident in Australia or New Zealand holding Shares on behalf of persons who are resident overseas, excluding Singapore, may not take up an Entitlement under the Offer (or take up New Options under the Placement Option Offer) without the consent of the Company. Return of a duly completed Application Form will be taken by the Company to constitute the Shareholder's compliance with this requirement.

4.13 Clearing House Electronic Subregister System (CHES) and Issuer Sponsorship

The Company will not be issuing share or option certificates. The Company is a participant in CHES. Investors who do not wish to hold their Securities through

CHESS will be issuer sponsored by the Company. Because the subregisters are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors whose holding changes in the course of a calendar month will be issued with a statement that sets out the changes in their Shareholding, including any Shares and New Options issued to them under this Prospectus. On issue a notice will be despatched by post advising holders of their Holder Identification Number or Security Holder Reference Number and the number of Shares and New Options issued.

A monthly statement for sponsored holders is despatched to holders if there have been any changes to the number of Securities held during the preceding month. That statement is despatched in the week following the relevant month end.

4.14 Takeover Bid by Ochre Group Holdings Limited (Ochre)

As set out in the Chairman's letter, Ochre Industries Pty Ltd, a wholly owned subsidiary of Ochre has made an off-market takeover offer (**Ochre Offer**) to acquire all of the Shares in the Company. The Ochre Offer is set out in its bidder's statement lodged with ASIC and released to the ASX on 19 June 2014, as supplemented on 2 July 2014 (**Bidder's Statement**). The Ochre Offer is a conditional offer of \$0.082 cash per Share. The Ochre Offer period commenced on 3 July 2014 and closes at 5:00pm (WST) on 4 August 2014, unless extended or withdrawn (**Ochre Offer Period**).

The Company notes that, as the record date of the Ochre Offer is 5.00pm (WST) on 26 June 2014, the Ochre Offer will not extend to any Securities issued to Shareholders under the entitlement Offer or the Prior Placement Option Offer under this Prospectus unless Ochre obtains relief from ASIC to extend the Ochre Offer to such Securities.

In response to the Bidder's Statement, the Board announced to the ASX on 20 June 2014 that the Board would review the Bidder's Statement and provide a recommendation in relation to the Ochre Offer in a target's statement to be released in July.

As at the date of this Prospectus, the Company has not lodged a target's statement and Shareholders have previously been advised by the Directors to **TAKE NO ACTION** until the Board has had an opportunity to consider the Ochre Offer and make a recommendation.

The Ochre Offer is subject to a number of important conditions. Those conditions are set out in full in section 11.28 of the Bidder's Statement. The Ochre Offer includes a condition that no 'prescribed occurrence' occurs in relation to the Company or any of its subsidiaries (**Prescribed Occurrences Condition**). A 'prescribed occurrence' includes, among other things, the Company issuing Shares or granting Options over its Shares or agreeing to make such an issue or grant such an Option between the time of the announcement of the Ochre Offer and the end of the Ochre Offer Period.

Should the Company receive acceptances under this entitlement Offer prior to the end of the Ochre Offer Period, this will trigger the Prescribed Occurrences Condition. Unless Ochre decides to waive the Prescribed Occurrences Condition or decides not to rely on a breach of that condition, the Ochre Offer would

lapse. In such circumstances, all contracts resulting from acceptance of the Ochre Offer will be void.

As noted in Section 1 above, on 17 July 2014, Ochre lodged an application with the Panel concerning the affairs of the Company. Among other matters, the application asserts that the Offer the subject of this Prospectus triggers a condition of the Ochre Offer constituting frustrating action. Further details regarding Ochre's application to the Panel are set out in the Panels announcement to the ASX dated 18 July 2014 which appears on the Company's ASX announcements platform. Shareholders should be aware that if proceedings are conducted by the Panel in respect of Ochre's application, there is a risk that the Offer may not proceed or may be delayed which could have a material adverse effect on the financial position of the Company. The Company will keep Shareholders informed as to the effect Ochre's application has on the Offer. Please refer to Sections 3, 4.14, 7.2(a) and 7.2(b) for further details.

In accordance with Takeovers Panel policy, an action by a target company that is the subject of a takeover bid that triggers a condition in the takeover bid is a frustrating action and it may be open for the Takeovers Panel to declare unacceptable circumstances in relation to that action. The Company has decided to proceed with the entitlement Offer under this Prospectus as it urgently needs funds to meet its immediate commitments, forecast expenditure commitments on the Company's gold, uranium, rare earths and other mineral exploration tenements at Parker Range, Gascoyne and the Pilbara, the evaluation of potential new projects and for working capital.

Further, the Company notes that it announced on 30 June 2014 that it had entered into an agreement with Atlas Operations Pty Ltd, a subsidiary of Atlas Iron Limited, to sell the whole of the Company's 90% interest in exploration licence E45/4110 (referred to as the Panorama Prospect) for \$200,000. The sale of the Panorama Prospect completed on 1 July 2014. This has triggered the defeating condition to the Ochre Offer set out in section 11.28(d) of the Bidder's Statement. Ochre has written to the Company (and stated in its first supplementary bidder's statement dated 2 July 2014) that it reserves the right to rely on or waive this condition as it sees fit. Refer to the Company's ASX announcement dated 1 July 2014 for further information with respect to the agreement to sell the Panorama Prospect. The Company proceeded with the sale of the Panorama Prospect in line with its programme for disposing of or farming out non-core tenements and to raise funds to meet its immediate commitments.

Furthermore, the Directors had previously embarked on a path of raising the required new equity as far back as 15 April 2014. This process of raising fresh equity to enable the Company to meet its immediate and forecast expenditure commitments in relation to its portfolio of tenements was commenced well prior to Ochre first signalling its intention to make an off-market takeover offer in May 2014.

As previously stated, the Company's strategy is to focus on key projects coupled with an active investigation of potential new projects. To drive this strategy, the Company has engaged Craig Moulton, a senior exploration and mining professional with an impressive record in management and technical roles with Cliffs Natural Resources and Rio Tinto Group. The Board is confident of success under Craig's technical and commercial guidance.

Following the recent success of its exploration team in building the Company's asset portfolio, the Board believes that your Company is valuable and its prospects are good. Its present assets include:

- gold reserves and resources at the Parker Range Gold Project;
 - interests in a suite of tenements at Parker Range, Western Australia, that are prospective for gold;
 - interests in tenements in the Gascoyne, Western Australia that are prospective for uranium and rare earths;
 - interests in tenements in the East Pilbara, Western Australia that are prospective for copper, molybdenum, nickel and gold;
- and importantly,
- the potential for substantial royalty streams from the production and sale of iron ore and other minerals from Atlas Iron Limited's Corunna Downs iron project¹.

The Board believes that Shareholders should consider the value of subscribing for Shares pursuant to this entitlement Offer at an attractive price (\$0.032 per Share) and retaining their shareholding for the potentially substantial medium and long term value that may be realised from the execution of the Company's strategic plans and the Company's assets. In particular, there is the potential for shareholders to benefit from iron ore royalty streams that, if production commences at Corunna Downs, could be substantial². Shareholders should consider whether this investment strategy may be of greater benefit to Shareholders than allowing Ochre to take control of the Company.

The Board believes that Shareholders should be given the opportunity to decide what strategy is best for them. The Company notes that neither Ochre, nor its proposed nominees, has provided any statement as to its strategic or operational objectives for the future of the Company, other than stating that Ochre will undertake a review of the operations, tenements and other assets of the Company should Ochre acquire control of the Company pursuant to its takeover offer, and as otherwise set out in the Bidder's Statement.

Shareholders should note that if they apply for Securities under this Prospectus and Ochre, under its takeover offer, acquires a 90% shareholding in the Company, Ochre will have the right to compulsorily acquire your Shares and Options. If this occurs, you will **not** benefit from any future growth or success of the Company. Further, Shareholders should note that if Ochre acquires control of the Company under its takeover offer, or alternatively through a board spill, the Company's strategy (including the use of funds set out in Section 5.1 below) may change.

4.15 Notice of Annual General Meeting – Further Placement

As noted above in the Chairman's letter, a Notice of Annual General Meeting (**AGM Notice**) was despatched to Shareholders on 9 July 2014. The Annual General Meeting of the Company will be held at 10.30am on Monday 11 August 2014.

¹ Refer to announcements made by Atlas Iron Limited (ASX: AGO) about Corunna Downs on 9 May 2014.

² Refer to the Company's 2013 Annual Report for details of the Company's prospects, including royalties, and the announcements made by Atlas Iron Limited on 9 May 2014.

The AGM Notice seeks Shareholder approval, among other matters, for the issue of up to a maximum of 15,000,000 Shares, together with up to a maximum of 15,000,000 free attaching Further Placement Options to raise additional funds for the Company (**Further Placement**).

As set out in Section 4.14 above, the Ochre Offer is subject to a number of important conditions, including the Prescribed Occurrences Condition. This means that if the Ochre Offer Period (which currently ends on 4 August 2014) is extended and the Further Placement occurs before the Ochre Offer Period ends, unless Ochre decides to waive that condition or decides not to rely on a breach of that condition, the Ochre Offer would lapse. In such circumstances, all contracts resulting from acceptance of the Ochre Offer will be void.

The Company is not aware of how Ochre will deal with the potential breach of this condition under its takeover offer. As noted above, in accordance with Takeovers Panel policy, an action by a target company that is the subject of a takeover bid that triggers a condition in the takeover bid is a frustrating action and it may be open for the Takeovers Panel to declare unacceptable circumstances in relation to that action. However, if Shareholder approval is sought for the frustrating action (such that Shareholders are effectively given the choice as to whether the target undertakes the frustrating action) and that approval is given, the frustrating action being undertaken subsequent to that approval will not necessarily give rise to unacceptable circumstances.

Approval for the Further Placement is being sought from Shareholders at the Meeting under both ASX Listing Rule 7.1 and the Takeovers Panel's 'frustrating action' policy (which may restrict action taken by a target company during a takeover bid without shareholder approval when the action would trigger a condition of the bid). Please refer to the AGM Notice for further details.

As noted in Section 1 above, on 17 July 2014, Ochre lodged an application with the Panel concerning the affairs of the Company. Among other matters, the application asserts that the AGM Notice contains deficient disclosure. Further details regarding Ochre's application to the Panel are set out in the Panels announcement to the ASX dated 18 July 2014 which appears on the Company's ASX announcements platform. The Company will keep Shareholders informed as to the effect Ochre's application has on the AGM Notice. Please refer to Sections 3, 4.14, 7.2(a) and 7.2(b) for further details.

Issue price

The issue price of the Shares to be issued under the Further Placement will be not less than 80% of the average market price for Shares calculated over the 5 days on which sales in the Shares are recorded before the day on which the issue is made or, if there is a prospectus, over the last 5 days on which sales in the securities were recorded before the date the prospectus is signed. The reason for the proposed discounted issue price is to attract investors and ensure the success of the capital raising.

Based on the most recent closing market price for Shares on 30 April 2014 of \$0.055, the lowest issue price (ie maximum discount) under the Further Placement (of not less than 80% of this market price) would be \$0.044 per Share. Therefore, assuming an issue price of \$0.044 per Share and assuming all Shares are issued under the Further Placement, the Company would raise \$660,000. This amount is for illustrative purposes only – the market price of Shares (upon which

the issue price of the Shares will be based) may be different at the date of the Further Placement meaning a lesser or greater amount will be raised.

Allocation policy

The Directors will determine to whom the Shares and Further Placement Options will be issued under the Further Placement but these persons will not be Directors or related parties of the Company. The allocation policy adopted by the Directors will be as follows: placees will preferably be sophisticated, professional or otherwise exempt investors under section 708 of the Corporations Act and parties that, in the estimation of the Directors, will be likely to support the Company's published objectives and policies (preferably long-term holders). Placees will preferably be issued a parcel of Shares worth \$20,000 or more. Subject to these criteria, the Shares to be placed will be offered to either existing Shareholders or other investors (including the general public). As at the date of this Prospectus, the identity of potential placees is not known and no shareholders or other investors have been approached by or on behalf of the Company in respect of the possible Further Placement.

Need for funds

The reason the Company is seeking Shareholder approval for the Further Placement is that, unless alternative sources of funding are found in the meantime, the Company is likely to require additional funds to assist in meeting its forecast cash expenditures for the period ending 31 March 2015.

Please refer to Section 5.6 of this Prospectus – Pro Forma Balance Sheet - which shows that the Company has an urgent need for funds. Also refer to Section 7.2(a) for further details. Current liabilities have increased significantly between the date of the audited balance sheet, 31 December 2013, and 30 June 2014. This is principally a consequence of Ochre's conduct as described above and in the Chairman's letter, including the very substantial legal fees incurred by the Company in response.

Please also refer to Section 5.1 – Purpose of the Offer – which shows how the proceeds of the Offer are planned to be used. When read in conjunction with the Company's 2013 Annual Report, it will be clear that the amount raised by this Offer, after expenses of the Offer, will need to be augmented by other sources of funds in order to meet the Company's exploration commitments and recurring operating costs. This is particularly so if the Company's new feasibility study for the Parker Range Gold Project is positive and capital is required for the development of a mine.

Consideration of alternatives

The Company considered options for raising capital other than the Further Placement including non-dilutionary forms of capital raising such as the sale of assets and debt finance. Debt finance is not considered a viable option as the Company has no revenue from which to service or repay debt. The possible sale of assets continues to be explored, in keeping with the Company's previously announced strategy, but there is no guarantee that such sales will raise sufficient funds.

After due consideration of the advantages and disadvantages of each option, the Directors decided that the most prudent and effective course of action would be to seek approval for the Further Placement so that this option for raising additional capital is available to the Company, if required. This is in

keeping with the practice of almost all junior exploration companies in Australia who generally find equity capital markets their chief source of funds for exploration.

Effect of the Further Placement on the Ochre Offer

As discussed above, the purpose of the Further Placement is to enable the Company to raise additional funds. If the Further Placement resolution is not passed at the Annual General Meeting, then the Further Placement will not occur during the Ochre Offer Period and the Prescribed Occurrences Condition of the Ochre Offer would not be triggered. Having regard to the potential impact the Further Placement would have on the Ochre Offer, the Board believes that Shareholders should be given the opportunity at the Annual General Meeting to decide whether the Company should have the power to proceed with the Further Placement.

Employee Share Plan

The Company also notes that it is seeking Shareholder approval for the adoption of an employee share plan under the AGM Notice. The Bidder's Statement provides that the Prescribed Occurrences Condition will be triggered if the Company issues Shares or agrees to issue Shares under such a plan. There is no current intention for the Company to issue Shares under the plan at this time.

4.16 Privacy Act

If you complete an application for Securities, you will be providing personal information to the Company (directly or by the Share Registry). The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Share Registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or the Share Registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Securities, the Company may not be able to accept or process your application.

4.17 Enquiries

Shareholders with queries in relation to the Offer or the Prior Placement Option Offer may contact the Company on +61 8 9364 7414 or by email at info@gondwanaresources.com.

5. PURPOSE AND EFFECT OF THE OFFER AND THE PRIOR PLACEMENT OPTION OFFER

5.1 Purpose of the Offer and Prior Placement Option Offer

The purpose of the Offer is to raise \$781,870 (before expenses) assuming all Shares are issued.

The purpose of the Prior Placement Option Offer is to issue the New Options under the Prior Placement. No funds will be raised under the Prior Placement Option Offer.

The proceeds of the Offer are planned to be used in accordance with the table set out below:

Proceeds of the Offer	\$	%
Exploration and evaluation of mineral projects in Parker Range, Gascoyne, East Pilbara and elsewhere	189,293	24.2
Corporate and administration	150,000	19.2
Operating expenditure sub-total:	339,293	43.4
Reduction of short-term debt	365,000	46.7
Expenses of the Offer	77,577	9.9
Total	\$781,870	100.0

Notes:

- Refer to Section 8.7 of this Prospectus for further details relating to the estimated expenses of the Offer.
- The amount estimated to be applied to the reduction of short term debt of the Company is intended to cover the following:
Accounts payable (directors' remuneration):
 - WT Beckwith \$30,000
 - PM Goodsall \$20,000
Accounts payable (unrelated parties) \$165,000
Interest bearing loans (Bellatrix Pty Ltd)
(refer to Section 8.3 for further details) \$150,000
(Bellatrix Pty Ltd is controlled by Warren Beckwith, a Director)
- The proceeds of the Offer are intended to be used during the period from the date of issue of the Securities to 30 June 2015 and are, together with the proceeds of the exercise of Options expiring in June 2014 and June 2015 and proposed placements of new securities during the period (including the Further Placement), considered sufficient to meet the Company's objectives during this timeframe. Following this, the amount and timing of new capital to be raised will partly depend on whether the gold price has recovered sufficiently for development to proceed at the Parker Range Gold Project, whether any funds are received from the sale of assets and whether any new projects are to be undertaken.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

5.2 Effect of the Offer

The principal effect of the Offer (and the Prior Placement Option Offer), assuming all Securities offered under the Prospectus are issued, will be to:

- (a) increase the cash reserves by \$781,870 immediately after completion of the Offer before deducting the expenses of the Offer (and the Placement New Option Offer);
- (b) increase the number of Shares on issue from 24,433,440 to 48,866,880 Shares after completion of the Offer; and
- (c) increase the number of Options on issue from 4,100,000 to 9,350,000 Options after completion of the Offer and the Prior Placement Option Offer.

5.3 Effect on Capital Structure

The effect of the Offer and the Prior Placement Option Offer on the capital structure of the Company, assuming all Securities offered under the Prospectus are issued, is set out below.

Shares	Number
Shares on issue at date of Prospectus ¹	24,433,440
Shares offered pursuant to the Offer	24,433,440
Total Shares on issue after completion of the Offer²	48,866,880

¹ Including 25,000 unquoted Shares issued pursuant to the Gondwana Employee Share Plan.

² A maximum of 15,000,000 additional Shares may also be issued pursuant to the Further Placement for which Shareholder approval is being sought at the Annual General Meeting. A lesser number of Shares (or no Shares at all) may be issued under the Further Placement. Please refer to Section 4.15 for further details.

Options	Number
Options on issue at date of Prospectus	
- Unquoted Options exercisable at \$0.10 on or before 30 June 2015	4,100,000
New Options offered pursuant to the Prior Placement Option Offer	1,250,000
Options to be issued to the Underwriter pursuant to the Underwriting Agreement ¹	4,000,000
- Unquoted Options exercisable at \$0.05 on or before 31 December 2016	
Total Options on issue after completion of the Offer²	9,350,000

¹ The issue of these Options to the Underwriter is subject to the completion of the Offer and the Company obtaining Shareholder approval for the issue. The terms and

conditions of the Options to be issued to the Underwriter are set out in Section 6.3. Please refer to Section 8.2 for further details on the underwriting of the Offer.

² A maximum of 15,000,000 additional Options may also be issued pursuant to the Further Placement for which Shareholder approval is being sought at the Annual General Meeting. A lesser number of Options (or no Options at all) may be issued under the Further Placement. Please refer to Section 4.15 for further details.

The capital structure on a fully diluted basis as at the date of this Prospectus is 28,533,440 Shares and on completion of the Offer and the Prior Placement Option Offer (assuming all Securities offered under the Prospectus are issued), would be 58,216,880 Shares.

The capital structure on a fully diluted basis on completion of the Offer and the Prior Placement Option Offer (assuming the maximum number of Securities are issued) and also assuming the maximum amount of Securities are issued under the Further Placement would be 88,216,880.

5.4 Escrow arrangements

The 25,000 unquoted Shares issued pursuant to the Gondwana Employee Share Plan are subject to the restrictions on sale set out in the Plan but no other Shares or Options on issue are subject to escrow restrictions, either voluntary or ASX imposed.

5.5 Details of substantial holders

Based on publicly available information as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Name of substantial holder	Number of Shares	% of total Shares on issue
Warren Beckwith ¹	3,189,543	13.05%
Ochre Group Holdings Limited, Ochre Industries Pty Ltd & Joffrey Pty Ltd ²	4,155,095	17.01%
Duncan Samuel Rothwell Merrin	1,959,577	8.02%
Peter Stuart Bryant	2,257,289	9.24%

¹ Held by Bellatrix Pty Ltd, a company controlled by Mr Beckwith, Beckwith & Company Pty Ltd <Beckwith Superannuation Fund A/C> and Kyla Fay Colvin.

² Ochre Group Holdings Limited is the holding company of Ochre Industries Pty Ltd and Joffrey Pty Ltd.

5.6 Pro-forma Balance Sheet

The unaudited balance sheet as at 30 June 2014 and the unaudited pro-forma balance sheet as at 30 June 2014, together with the audited balance sheet as at 31 December 2013, shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position. The pro forma balance sheets have been prepared on the assumption that all Securities pursuant to the Offer and the Prior Placement Option Offer in this Prospectus are issued.

The estimated expenses of the Offer and the Prior Placement Option Offer have

been included.

The historical and pro-forma balance sheets have been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	Audited 31 December 2013	Unaudited 30 June 2014	Pro Forma 30 June 2014
	\$		\$
Assets			
Property, plant and equipment	520	520	520
Exploration and evaluation expenditure	100,400	100,300	100,300
Total non-current assets	100,920	100,820	100,820
Cash and cash equivalents	226,655	235,992	940,285
Other receivables	132,752	296,055	296,055
Total current assets	355,407	532,047	1,236,340
Total assets	456,327	632,867	1,337,160
Equity			
Share Capital	32,475,155	33,025,326	33,729,619
Reserves	140,781	140,781	140,781
Accumulated losses	(32,679,072)	(33,461,726)	(33,461,726)
Total equity	(63,136)	(295,619)	408,674
Liabilities			
Trade and other payables	339,349	670,915	670,915
Interest bearing liabilities	180,114	257,571	257,571
Total current liabilities	519,463	928,486	928,486
Total liabilities	519,463	928,486	928,486
Total equity and liabilities	456,327	632,867	1,337,160

Notes:

- As set out in Section 4.14 of this Prospectus, the Company raised \$200,000 from the agreement for the sale of the Panorama tenement on 30 June 2014 for which proceeds were received on 1 July 2014. In addition to meeting current operating expenses, these funds were applied to the reduction of trade and other payables and interest bearing liabilities shown in the above unaudited balance sheet at 30 June 2014. This amount is shown in Receivables in the above Pro forma unaudited balance sheet at 30 June 2014.
- As set out in Section 4.15 of this Prospectus, the notice of Annual General Meeting seeks approval for the issue of up to a maximum additional 15,000,000 Shares and 15,000,000 free attaching New Options (**Further Placement**). Subject to shareholder approval being obtained and the issue proceeding, this would increase both the Pro Forma Issued capital and the Pro Forma Cash by the amount raised less issue costs.

6. RIGHTS AND LIABILITIES ATTACHING TO THE SECURITIES

6.1 Shares

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

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

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.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

Voting Rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

- (a) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (c) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes being equivalent to the proportion which the amount paid up and payable in respect of those Shares (excluding amounts credited).

Dividend Rights

The Directors may from time to time declare and pay or credit a dividend in accordance with the Corporations Act. A determination by the Directors as to the profits of the Company shall be conclusive.

The Directors may set aside out of the profits of the Company such amounts as they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to any special right as to dividends attaching to a share, all dividends will be declared and paid according to the proportion which the amount paid on the Share is to the total amount paid and payable (excluding amounts credited) in respect of such Shares in accordance with Part 2H.5 of Chapter 2H of the Corporations Act.

No dividend shall carry interest as against the Company.

The Directors may from time to time grant to Shareholders or any class of shareholders the right to elect to reinvest cash dividends paid by the Company by subscribing for Shares in the Company on such terms and conditions as the Directors think fit. The Directors may, at their discretion, resolve in respect of any dividend which it is proposed to pay or to declare on any Shares of the Company, that holders of such Shares may elect to forgo their right to the whole or part of the proposed dividend and to receive instead an issue of Shares credited as fully paid to the extent and on the terms and conditions of the Constitution.

Winding-Up

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders. The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

Transfer of Shares

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

Future Increase in Capital

The issue of any Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

Variation of Rights

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

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

6.2 New Options

The New Options to be issued pursuant to the Prior Placement Option Offer under this Prospectus entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each New Option gives the Option holder the right to acquire one Share.
- (b) Each New Option will expire at 5.00pm (WST) on 31 December 2015 (**Expiry Date**). Any New Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) Subject to paragraph (k), the amount payable upon exercise of each New Option will be 5 cents (**Exercise Price**).
- (d) The New Options held by each Option holder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
- (i) An Option holder may exercise their New Options by lodging with the Company, before the Expiry Date a written notice of exercise of New Options specifying the number of New Options being exercised together with payment of the Exercise Price for the number of New Options being exercised (**Exercise Notice**).
- (e) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (f) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will issue the number of Shares required under these terms and conditions in respect of the number of New Options specified in the Exercise Notice.
- (g) Unless otherwise required by the ASX Listing Rules, the Corporations Act or the Company's constitution the New Options shall be freely transferable.
- (h) All Shares issued upon the exercise of New Options will upon issue rank pari passu in all respects with other Shares.
- (i) The Company will apply for quotation on ASX of all Shares issued pursuant to the exercise of New Options at their respective times of issue.
- (j) There are no participating rights or entitlements inherent in the New Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the New Options.
- (k) If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (l) Subject to paragraph (k), a New Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the New Option can be exercised.

6.3 Options to be issued to Underwriter

The Options to be issued to the Underwriter pursuant to the Underwriting Agreement are conditional on Shareholder approval being obtained for the issue. Subject to such Shareholder approval being obtained, the Options will be issued on the same terms and conditions as the New Options except that the Expiry Date will be 31 December 2016. Refer to Section 8.2 for further details of the underwriting.

6.4 Further Placement Options

The Further Placement Options which may be issued subject to shareholder approval as set out in Section 4.15 of this Prospectus entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Further Placement Option gives the Optionholder the right to acquire one Share.
- (b) Each Further Placement Option will expire at 5:00pm (WST) on 31 December 2016 (**Expiry Date**). Any Further Placement Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) Subject to paragraph (k), the amount payable upon exercise of each Further Placement Option will be the higher of 5 cents and 80% of the average market price for Shares calculated over the 5 days on which sales in Shares are recorded before the day on which the Further Placement is made, or if there is a prospectus, over the last 5 days on which sales in Shares are recorded before the date the prospectus is signed (**Exercise Price**). The Company will advise potential subscribers of the final Exercise Price at the time of making the offer.
- (d) The Further Placement Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
- (e) An Optionholder may exercise their Further Placement Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Further Placement Options specifying the number of Further Placement Options being exercised; and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Further Placement Options being exercised;

(Exercise Notice).
- (f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (g) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will issue the number of Shares required under these terms and conditions in respect of the number of Further Placement Options specified in the Exercise Notice.
- (h) Unless otherwise required by the ASX Listing Rules, the Corporations Act or the Constitution the Further Placement Options shall be freely transferable.
- (i) All Shares issued upon the exercise of Further Placement Options will upon issue rank pari passu in all respects with other Shares.
- (j) The Company will apply for quotation on ASX of all Shares issued pursuant to the exercise of Further Placement Options at their respective times of issue.
- (k) There are no participating rights or entitlements inherent in the Further Placement Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Further Placement Options.

- (l) 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.
- (m) Subject to paragraph (k), a Further Placement Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Further Placement Option can be exercised.

7. RISK FACTORS

7.1 Introduction

The Securities offered under this Prospectus are considered speculative, and involve investors being exposed to risk. The Directors strongly recommend potential applicants examine the contents of this Prospectus and consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors.

The risks identified in this Section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of Securities.

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

7.2 Risks Specific to the Company

(a) Going Concern Risk

The Company's 2013 Annual Report contains a 'going concern' note. The Company is reliant upon raising additional funds to enable it to continue with its operations, including its ongoing exploration programs and commitments. Because of this, there is material uncertainty which may cast significant doubt regarding the ability of the Company to continue as a going concern and therefore, whether it will be able to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in its 2013 Annual Financial Report.

Notwithstanding the 'going concern' note included in the Company's 2013 Annual Report, the Directors believe that, upon the successful completion of the Offer, the Company will have sufficient funds to adequately meet the Company's short term exploration commitments and working capital requirements when the further funding sources described in Sections 4.15 and 5.1 of this Prospectus are taken into consideration. However, it is highly likely that further funding will be required to meet the medium term working operating costs of the Company. Please refer to Sections 4.15 and 7.2(b) for further details.

In the event that the Offer is not completed successfully or is delayed, there is significant uncertainty as to whether the Company can continue as a going concern, which is likely to have a material adverse effect on the Company's activities.

As noted in Section 1 of the Prospectus, on 17 July 2014, Ochre Group Holdings Limited (**Ochre**) lodged an application with the Takeovers Panel (**Panel**) concerning the affairs of the Company. Among other matters, the application asserts that the Offer the subject of this Prospectus triggers a condition of Ochre's off-market takeover bid for all of the Shares in the Company constituting frustrating action. Shareholders should be aware that if proceedings are conducted by the Panel in respect of Ochre's application, there is a risk that the Offer

may not proceed or may be delayed which could have a material adverse effect on the financial position of the Company.

(b) **Additional Requirements for Capital**

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be.

(c) **Potential for Significant Dilution**

On completion of the Offer (assuming all Entitlements are applied for), the number of Shares in the Company will increase from 24,433,440 currently on issue to 48,866,880 Shares and current Shareholders that do not participate in the Offer could have their holdings diluted by approximately 50%. Please refer to Section 4.7 above for further details.

Shareholders should also note that at completion of the Prior Placement Option Offer there will be up to an additional 1,250,000 New Options on issue. If all New Options under the Prior Placement Option Offer are subsequently exercised and paid up, an additional 1,250,000 Shares will be issued which will increase the total dilution effect of the Offer and the Prior Placement Option Offer to 51.25% for current Shareholders that do not participate in the Offer and Prior Placement Option Offer. Also, if the Further Placement proceeds, there will be further dilution caused to Shareholders – please refer to Section 4.15 for further details.

Shareholders who do not participate in the Offer or the Further Placement may have their current Shareholding significantly diluted.

(d) **Contractual Risk**

The Company is a party to a farm-in agreement with Platypus Minerals Limited (**Platypus**) in respect of Gondwana's 90% interest in the Gobbos Copper Prospect and the Cyclops Nickel Prospect located in the East Pilbara of Western Australia. The Company is reliant on Platypus complying with the terms and conditions of the farm-in agreement and the conditions attaching to the tenements (as applicable). Should Platypus fail to comply with the terms of the farm-in agreement, the Company's interest in the prospects may be adversely affected. If a party defaults in the performance of its obligations it may be necessary for the Company to approach a court to seek a legal remedy. Legal action can be costly and there can be no guarantee that a legal remedy will be ultimately granted on the appropriate terms.

(e) **Exploration Success**

The mineral tenements of the Company are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that exploration of these tenements, or any other tenements that may be acquired in the future, will result in the discovery

of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

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

(f) **Operating Risks**

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

Specifically, the Board acknowledges that the Company does not presently have the financial capacity to sole fund the start-up mining costs at its Parker Range Gold Project and a joint venture with a mining contractor or similar arrangement is being considered to minimise the risk and the capital required by the Company. No assurances can be given that the Company will conclude that the Parker Range Gold Project is commercially feasible or be able to make satisfactory arrangements to develop the Parker Range Gold Project on commercially acceptable terms.

In respect of the Company's other exploration tenement interests, no assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests.

Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

(g) **Resource and Reserve Estimates**

Resource and reserve estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource and reserve estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans which may, in turn, adversely affect the Company's operations.

(h) **Commodity Price Volatility and Exchange Rate Risks**

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

Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

(i) **Environmental Risks**

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

(j) **Title Risks and Native Title**

Interests in tenements in Australia are governed by the respective State legislation and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments.

It is also possible that, in relation to tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected.

Further to this, it is possible that an Indigenous Land Use Agreement (ILUA) may be registered against one or more of the tenements in which the Company has an interest. The terms and conditions of any such ILUA may be unfavourable for, or restrictive against, the Company.

The Directors will closely monitor the potential effect of native title claims involving tenements in which the Company has or may have an interest.

7.3 General Risks

(k) Economic Risks

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

(l) 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:

- general economic outlook;
- interest rates and inflation rates;
- currency fluctuations;
- changes in investor sentiment toward particular market sectors;
- the demand for, and supply of, capital; and
- terrorism or other hostilities.

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

(m) Dividends

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors 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 Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

(n) Taxation

The acquisition and disposal of Shares and Options will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares and Options from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Securities under this Prospectus.

(o) Reliance on Key Personnel

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance

given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

7.4 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 Securities offered under this Prospectus. Therefore, the Securities 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 Securities.

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

8. ADDITIONAL INFORMATION

8.1 Continuous Disclosure Obligations

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

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

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

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

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

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

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

to in (i) and before the lodgement of this Prospectus with the ASIC; and

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

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

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

Date	Description of Announcement
18/07/2014	TOV: GDA Panel Receives Application
18/07/2014	Appendix 3B – Entitlement Issue
17/07/2014	Change in substantial holding from OGH
17/07/2014	Reinstatement to Official Quotation
17/07/2014	Non-Renounceable Issue
11/07/2014	Notice of Annual General Meeting/Proxy Form
11/07/2014	OGH:GDA Takeover bid update
09/07/2014	Form 603 - Notice of initial substantial shareholder
08/07/2014	Form 603 - Initial substantial holder notice
07/07/2014	Funding plan update
03/07/2014	Change in substantial holding from OGH
03/07/2014	OGH: Bidder's Statement for GDA - commencement of dispatch
03/07/2014	Notice of Extraordinary General Meeting/Proxy Form
02/07/2014	OGH: First Supplementary Bidder's Statement
01/07/2014	Sale of Panorama Tenement
01/07/2014	Appendix 3B
27/06/2014	Withdrawal of AGM Notice
25/06/2014	OGH: Notice of Record Date - Gondwana Resources Limited
20/06/2014	Funding Plan Update
20/06/2014	Response to Announcement of Takeover Offer
19/06/2014	OGH: Bidder's Statement
18/06/2014	Notice of Annual General Meeting/Proxy Form
16/06/2014	Receipt of S249D Notice

12/06/2014	OGH Announcement - s249D requisition 12 June 2014
11/06/2014	Funding Plans
10/06/2014	Rights Issue Update
06/06/2014	TOV: GDA Gondwana Resources Limited - Declaration of UC
30/05/2014	Extension of time to hold Annual General Meeting
23/05/2014	Cancellation and Reconvening of Annual General Meeting
22/05/2014	Extension of Closing Date - Entitlement Offer
12/05/2014	Response to Ochre Takeover Announcement - 12 May 2014
12/05/2014	Ochre (OGH) Off-Market Bid for Gondwana (GDA)
09/05/2014	Ochre's Substantial Holder Notice Re GDA - Correction Only
08/05/2014	TOV: Gondwana Resources Limited Undertaking
06/05/2014	Appendix 3Y - P Goodsall (amended)
05/05/2014	Suspension Request
05/05/2014	Voluntary Suspension
05/05/2014	Change of Directors' Interest Notices
05/05/2014	Change in substantial holding – WT Beckwith
02/05/2014	Dispatch of Notice of Meeting
02/05/2014	Notice of Meeting
02/05/2014	Appendix 3B
01/05/2014	Trading Halt request
01/05/2014	Trading Halt
01/05/2014	Activities Report and Appendix 5B - March Quarter 2014
29/04/2014	TOV: Gondwana Resources Limited - Panel Receives Application
24/04/2014	Change in substantial holding for OGH
24/04/2014	Ochre's change in substantial holding in GDA
23/04/2014	Change in substantial holding from OGH
22/04/2014	Increase in Substantial Holding from OGH
17/04/2014	Letter to Shareholders re Non-Renounceable Issue
16/04/2014	Non-Renounceable Issue - Letter to Optionholders
16/04/2014	Non-Renounceable Issue Prospectus
15/04/2014	Non-Renounceable Entitlement Issue and Appendix 3B
07/04/2014	Becoming a substantial holder from OGH
07/04/2014	Becoming a substantial holder

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

office hours.

The announcements are also available through the Company's website <http://www.gondwanaresources.com>.

8.2 Underwriting Agreement

By an agreement between the Underwriter and the Company (**Underwriting Agreement**), the Underwriter agreed to underwrite the Offer for 24,433,440 Shares (**Underwritten Securities**) on the terms and conditions set out in the Underwriting Agreement.

Pursuant to the Underwriting Agreement, the Company has agreed to pay the Underwriter a management fee of 2% of the total value of the Underwritten Securities (being \$15,637) plus an underwriting fee of 4% of the value of the Underwritten Securities (being \$31,275). The Underwriter will also be paid a corporate transaction responsibility fee of \$15,000 per month until close of the Offer. Further, and subject to obtaining Shareholder approval, the Company has agreed to issue to the Underwriter (or its nominee/s) 4,000,000 Options with an expiry date of 31 December 2016 and an exercise price of \$0.05 per Option as an additional underwriting fee.

The Underwriter will ensure that no person will acquire, through participation in sub-underwriting the Offer, a holding of Shares of, or increase their holding, to an amount in excess of 19.9% of all the Shares on issue on completion of the Offer.

The Underwriter is required to subscribe for the Underwritten Securities within 5 Business Days of the Closing Date of the Offer so that their issue will occur at the same time as the issue of Shares under the Offer.

The Agreement is conditional upon:

- (a) the Underwriter completing a due diligence review of the Company to its satisfaction; and
- (b) the Underwriter being satisfied with the form of this Prospectus.

The obligation of the Underwriter to underwrite the Offer is subject to certain events of termination. The Underwriter may terminate its obligations under the Underwriting Agreement if, among other termination events:

- (a) **Prospectus:** any of the following occurs in relation to the Prospectus:
 - it is not lodged with ASIC by 18 July 2014 (or such later date agreed in writing by the Underwriter);
 - it transpires that there is an omission, it contains a material statement which is misleading or deceptive, or a material statement has become misleading or deceptive;
 - ASIC gives notice of intention to hold a hearing under section 739(2) of the Corporations Act or makes an interim order under section 739(3) of the Corporations Act; or
 - any person other than the Underwriter who consented to being named in the Prospectus withdraws that consent;
- (b) **Supplementary Prospectus:** the Underwriter reasonably forms the view that a supplementary or replacement document (as appropriate) must

be lodged with ASIC under section 719 of the Corporations Act and the Company does not lodge a supplementary or replacement document (as the case may be) in the form and content and within the time reasonably required by the Underwriter or the Company lodges a supplementary prospectus without the prior written agreement of the Underwriter;

- (c) **ASX listing:** ASX does not give approval for the underwritten securities to be listed for official quotation, or if approval is granted, the approval is subsequently withdrawn, qualified or withheld;
- (d) **Index changes:** the S&P ASX 200 Index is at any time after the date of the Underwriting Agreement 10% or more below its respective level as at the close of business on the Business Day prior to the date of the Underwriting Agreement;
- (e) **Share price:** the Shares finish trading on the ASX under the ASX code of "GDA" on any two (2) consecutive trading days with a closing price that is less than 3.2 cents;
- (f) **Takeovers Panel:** the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act, which in the Underwriter's reasonable opinion has a material adverse effect on the Company;
- (g) **indictable offence:** a director of the Company or any subsidiary is charged with an indictable offence;
- (h) **return of capital or financial assistance:** the Company or a subsidiary takes any steps to undertake a proposal contemplated under section 257A of the Corporations Act or passes or takes any steps to pass a resolution under section 260B of the Corporations Act, without the prior written consent of the Underwriter;
- (i) **change in laws:** any of the following occurs:

the introduction of legislation into the Parliament of the Commonwealth of Australia or of any State or Territory of Australia;

- (A) the introduction of, or announcement of a proposal to introduce, legislation or budget into the Parliament of the Commonwealth of Australia or of any State or Territory of Australia;
- (B) the adoption, or announcement of a proposal to adopt, by the ASIC, its delegates, ASX, the Reserve Bank of Australia or any other regulatory authority of any major change in existing regulations or policy;
- (j) **failure to comply:** the Company or any subsidiary fails to materially comply with any of the following:
 - (A) a provision of its constitution;
 - (A) any statute;

- (B) a requirement, order or request, made by or on behalf of the ASIC or any governmental agency; or
- (C) any material agreement entered into by it;
- (k) **alteration of capital structure:** except as described in this Prospectus, the Company alters its capital structure;
- (l) **hostilities:** there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of this Agreement involving one or more of Australia, New Zealand, Indonesia, Japan, Russia, the United Kingdom, the United States of America, India, Pakistan, or the People's Republic of China or any member of the European Union other than hostilities involving Libya, Afghanistan, Iraq, Iran, Syria, Lebanon or Israel and the Underwriter believes (on reasonable grounds) that the outbreak or escalation is likely to result in the S&P ASX 200 Index falling by 10%;
- (m) **extended Force Majeure:** a Force Majeure (as defined in the Underwriting Agreement), which prevents or delays an obligation under the Underwriting Agreement, lasting in excess of 7 days occurs;
- (n) **default:** the Company is in material default or breach of any of the terms, conditions, covenants or undertakings in the Underwriting Agreement;
- (o) **adverse change:** any adverse change occurs which materially impacts or is likely to impact the assets, operational or financial position of the Company or a subsidiary (including but not limited to an administrator, receiver, receiver and manager, trustee or similar official being appointed over any of the assets or undertaking of the Company or a subsidiary);
- (p) **investigation:** ASIC proposes to conduct any enquiry, investigation or proceedings, or regulatory action in connection with the Offer or this Prospectus, or publicly foreshadows that it may do so;
- (q) **due diligence:** there is a material omission from the results of the due diligence investigation performed in respect of the Offer or the results of the investigation or the verification material are false or misleading;
- (r) **Prescribed occurrence:** a Prescribed Occurrence (as defined in the Underwriting Agreement) occurs, other than as disclosed in this Prospectus;
- (s) **Suspension of debt payments:** the Company suspends payment of its debts generally;
- (t) **Event of insolvency:** an Event of Insolvency (as defined in the Underwriting Agreement) occurs in respect of the Company or a subsidiary; or
- (u) **Judgment:** a judgment in an amount exceeding \$70,000 is obtained against the Company or a subsidiary and is not set aside or satisfied within 7 days.

The Underwriting Agreement also contains a number of indemnities, representations and warranties from the Company to the Underwriter that are considered standard for an agreement of this type.

8.3 Directors' interests

Other than as set out below or elsewhere in this Prospectus, no Director or proposed director of the Company holds, or has held within 2 years before the lodgement of this Prospectus with the ASIC, 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:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any Director or proposed director of the Company:

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

Security holdings

The Directors' relevant interests in securities of the Company at the date of this Prospectus, together with their respective Entitlements, are set out below:

Name	Shares	Options	Entitlement - Shares
Warren Beckwith ^{1,2}	3,189,543	1,000,000	3,189,543 ¹
Paul Goodsall ³	854,949	200,000	854,949
Steven Pynt ⁴	655,181	Nil	655,181
Jolyon Sinclair	Nil	Nil	Nil

Notes:

1. Entities controlled by Warren Beckwith will not apply for their full Entitlement if it would result in a person's voting power in the Company increasing to above 20%. Other than for this reason, it is the intention of these entities to apply for their full Entitlement.
2. No shares are held directly by Mr Beckwith and 3,189,543 Shares are held indirectly by related parties. 1,000,000 Options (exercisable at 10 cents on or before 30 June 2015) are held indirectly by related parties of Mr Beckwith.
3. No shares are held directly by Mr Goodsall and 854,949 Shares and 200,000 Options (exercisable at 10 cents on or before 30 June 2015) are held indirectly by Joymill Pty Ltd <PM & DJ Goodsall Superannuation Fund > by virtue of control and beneficial interest.

4. A total of 655,181 Shares are held indirectly by Asket Pty Ltd < SL Pynt Superannuation Fund> and Miriam Rose Pynt by virtue of control and beneficial interest.

Interests in Contracts

Warren Beckwith and Bellatrix Pty Ltd (**Bellatrix**) (a company controlled by Warren Beckwith) are party to a Consultancy Agreement (**Consultancy Agreement**) with the Company pursuant to which Bellatrix is engaged by the Company as a consultant to provide the services of Warren Beckwith to perform management and corporate advisory services to the Company. The Consultancy Agreement has a term of three years commencing on 1 March 2012 and ending on 1 March 2015. Bellatrix is paid a base fee of \$15,000 per month under the Consultancy Agreement. The Consultancy Agreement contains termination conditions and other conditions that are considered standard for an agreement of this type. The terms of the Consultancy Agreement are considered by the non-interested Directors of the Company to be 'arm's length'.

The Company is also party to a loan agreement (**Loan Agreement**) with Bellatrix pursuant to which Bellatrix has agreed to provide an unsecured loan facility to the Company of up to \$300,000 for working capital purposes. The Company has currently drawn down an amount of \$156,571 under the Loan Agreement. Interest is payable on advances under the Loan Agreement at 10% per annum. Any loan outstanding under the Loan Agreement is repayable on the date that is 7 days after written demand for repayment being given by Bellatrix. At the election of Bellatrix (and subject to agreement with the Company and any required shareholder approvals being obtained) any outstanding loan may be repaid by the issue of Shares and Options as part of and on the same terms as any placement of Securities by the Company or pro rata entitlement issue of Securities to Shareholders of the Company. The terms of the Loan Agreement are considered by the non-interested Directors of the Company to be 'arm's length'.

Remuneration

The Constitution provides that the non-executive Directors may be paid for their services as Directors, a sum not exceeding such fixed sum per annum as initially set by the Constitution and subsequently increased by approval of Shareholders in general meeting, to be divided among the non-executive Directors as the Director shall determine and in default of agreement then in equal shares. Directors, companies associated with the Directors or their associates are also reimbursed for all reasonable expenses properly incurred in the course of conducting their duties which include, but are not in any way limited to, out of pocket expenses, travelling expenses, disbursements made on behalf of the Company and other miscellaneous expenses.

If any of the Directors are called upon to perform extra services or make any special exertions on behalf of the Company or its business, the Directors may remunerate this Director in accordance with such services or exertions, and this remuneration may be either in addition to or in substitution for the remuneration provided in the form of directors' fees.

The Company paid to the non-executive Directors a total of \$83,596 for the year ended 31 December 2013 and \$93,938 for the year ended 31 December 2012. For the period from 1 January 2014 to the date of this Prospectus \$190,327 has

been paid or is payable by the Company by way of approved remuneration for services provided by all Directors or former Directors (executive, non-executive and alternate), companies associated with those Director or their associates in their capacity as Directors, employees, consultants or advisers (and including superannuation payments).

8.4 Interests of Experts and Advisers

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

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

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

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

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

- (d) the formation or promotion of the Company; or
- (e) the Offer.

GMP Securities Australia Pty Limited will be paid fees in relation to managing and underwriting the Offer as detailed at Section 8.2. During the 24 months preceding lodgement of this Prospectus with the ASIC, GMP Securities Australia Pty Limited has not been paid any fees by the Company.

Steinepreis Paganin has acted as solicitors to the Company in respect of this Prospectus. The Company estimates it will pay Steinepreis Paganin \$15,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$92,992 (excluding GST and disbursements) for legal services provided to the Company other than in respect of this Prospectus.

8.5 Consents

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- (b) to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to

its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

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

GMP Securities Australia Pty Limited (including its related entities) is not a Shareholder of the Company and currently has no relevant interest in any of the Company's securities.

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

8.6 JORC Code reporting of Gondwana's Exploration Results, Mineral Resources and Ore Reserves

Details of the Mineral Resource and Ore Reserves estimates of the Company and the parameters are included in the Company's ASX release entitled "Activities Report for June Quarter 2012". The information contained in this Prospectus replicates information contained in the Company's "Activities Report for June Quarter 2012".

The information in this Prospectus that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by the Company and reviewed by Malcolm Castle, a competent person who is a Member of the Australasian Institute of Mining and Metallurgy. Malcolm Castle is a consultant geologist employed by Agricola Mining Consultants Pty Ltd. Mr Castle has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Malcolm Castle consents to the inclusion in this Prospectus of the matters based on his information in the form and context in which it appears.

Malcolm Castle is not aware of any new information or data that materially affects the information included in the "Activities Report for June Quarter 2012", in the case of mineral resources and ore reserves that all the material assumptions and technical parameters underpinning the estimates in the "Activities Report for June Quarter 2012" continue to apply and have not materially changed.

The information in this Prospectus which relates to Exploration Results, Mineral Resources or Ore Reserves as prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. All material assumptions and technical parameters underpinning the estimates of Mineral Resources continue to apply and have not materially changed.

8.7 Legal Proceedings

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

or threatened against the Company other than Ochre's second Takeovers Panel application in respect of the affairs of the Company as set out in Section 1.

8.8 Estimated Expenses of Offer

The estimated expenses of the Offer (exclusive of GST) are detailed below on a full subscription basis:

Expense	\$
ASIC fees	2,290
ASX fees	3,900
Underwriting Fees	46,912
Legal expenses	15,000
Printing and mailing	6,000
Other expenses	3,475
Total	77,577

8.9 Market Price of Shares

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

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

Highest: 11.0 cents on 17 July 2014

Lowest: 4.7 cents on 29 April 2014

The latest available closing sale price of the Shares on ASX prior to the lodgement of this Prospectus with the ASIC was 11.0 cents on 17 July 2014.

9. AUTHORITY OF DIRECTORS

9.1 Directors' Consent

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

Each of the Directors of Gondwana Resources Limited has consented to the lodgement of this Prospectus with the ASIC in accordance with section 720 of the Corporations Act.

Dated: 18 July 2014

Warren Beckwith
Director
For and on behalf of
GONDWANA RESOURCES LIMITED

10. DEFINITIONS

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

Applicant means an Eligible Shareholder who applies for Securities pursuant to the Offer or the Prior Placement Option Offer.

Annual General Meeting or **AGM** means the annual general meeting of Shareholders to be held at 10.30am on 11 August 2014.

Application Form means an Entitlement and Acceptance Form or Prior Placement Option Application Form as the context requires attached to or accompanying this Prospectus.

ASIC means the Australian Securities and Investments Commission.

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

ASX Listing Rules means the listing rules of the ASX.

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

Board means the board of directors of the Company.

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

Extraordinary General Meeting or **EGM** means the extraordinary general meeting of Shareholders to be held at 11.30am on 11 August 2014.

Closing Date means the closing date of the Offer or the closing date of the Prior Placement Option Offer, as the context requires as specified in the timetable set out at the commencement of this Prospectus (unless extended).

Company means Gondwana Resources Limited (ABN 72 008 915 311).

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

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

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

Eligible Shareholders means Shareholders with a registered address which is in Australia, New Zealand, Singapore, Hong Kong or the United Kingdom that are registered as at the Record Date.

Entitlement and Acceptance Form means the entitlement and acceptance form attached to or accompanying this Prospectus relating to the Offer.

Further Placement means the proposed issue of a maximum of 15,000,000 Shares and up to 15,000,000 free attaching Placement Options to raise additional

capital for the Company which is subject to Shareholder approval at the Annual General Meeting.

New Option means an Option attaching free to the Shares issued under the Prior Placement and issued on the terms set out in Section 6.2 of this Prospectus.

Ochre means Ochre Group Holdings Limited (ACN 008 877 745).

Offer means the non-renounceable entitlement issue the subject of this Prospectus.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Optionholder means a holder of an Option or a New Option as the context requires.

Prior Placement means the placement by the Company on 31 March 2014 of 2,500,000 Shares at an issue price of \$0.032 per Share (and, subject to Shareholder approval, 1 New Option for every 2 Shares issued) to sophisticated and professional investors to raise up to \$80,000.

Prior Placement Option Application Form means the option application form attached to or accompanying this Prospectus relating to the Prior Placement Option Offer.

Prior Placement Option Offer means the offer of New Options to participants in the Prior Placement under this Prospectus on the terms set out in Sections 4.8 and 4.9.

Placement Option or **Further Placement Option** means the free attaching Options which may be issued under the Further Placement subject to shareholder approval being obtained at the Annual General Meeting as set out in Section 4.15.

Prospectus means this prospectus.

Record Date means date for determining Eligible Shareholders in respect of the Offer as specified in the timetable set out in Section 1 of this Prospectus (unless extended).

Section means a section of this Prospectus.

Securities means Shares and New Options.

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

Shareholder means a holder of a Share.

Share Registry means Computershare Investor Services Pty Limited (ACN 078 279 277).

Underwriter means GMP Securities Australia Pty Limited ABN 46 149 263 543.

WST means Western Standard Time as observed in Perth, Western Australia.