



Shannon Green

Shannon Green
Executive Chairman
31 August 2020

Color mountains in Aconcagua national park. Andes, Argentina

PROSPECTUS

Winmar Resources Limited
(to be renamed Pathfinder Resources Limited)
ACN 085 905 997

 **ARQ CAPITAL**
Lead Manager

PROSPECTUS

For an offer of 25,000,000 Shares at an issue price of \$0.20 per Share to raise \$5,000,000 (before costs), with the ability to accept oversubscriptions of up to 5,000,000 Shares at an issue price of \$0.20 per Share in order to raise up to an additional \$1,000,000 (for a total of up to \$6,000,000) (Public Offer).

The Public Offer includes a priority offer to Eligible Shareholders to subscribe for up to 12,500,000 Shares at an issue price of \$0.20 raising up to \$2,500,000 under the Public Offer (Priority Offer).

This Prospectus also contains the Secondary Offers detailed in Section 4.7 of this Prospectus.

The Offers are conditional upon satisfaction of the Conditions, which are detailed further in Section 4.8. No Securities will be issued pursuant to this Prospectus until those Conditions are met.



IMPORTANT INFORMATION

This is an important document that 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 professional advisers without delay. The Securities offered by this Prospectus should be considered highly speculative.

Important Notice

This Prospectus is dated 31 August 2020 and was lodged with the ASIC on that date. The ASIC, the ASX and their officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities may 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 the 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.

It is important that you read this Prospectus in its entirety and seek professional advice where necessary. The Securities the subject of this Prospectus should be considered highly speculative.

Exposure Period

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

Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.winmarresources.com.au. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian resident and must only access this Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is

attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on + 61 8 9322 1587 during office hours or by emailing the Company at info@winmarresources.com.au.

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.

Website

No document or information included on our website is incorporated by reference into this Prospectus.

No cooling-off rights

Cooling-off rights do not apply to an investment in Securities issued under the Prospectus. This means that, in most circumstances, you cannot withdraw your application once it has been accepted.

Investment Advice

This Prospectus does not provide investment advice and has been prepared without taking account of your financial objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional investment advice before subscribing for Securities under this Prospectus.

Risks

You should read this document in its entirety and, if in any doubt, consult your professional advisers before deciding whether to apply for Securities. There are risks associated with an investment in the Company. The Securities offered under this Prospectus carry no guarantee with respect to return on capital investment, payment of dividends or the future value of the Securities. Refer to Section D of the Investment Overview as well as Section 7 for details relating to some of the key risk factors that should be considered by prospective investors. There may be risk factors in addition to these that

should be considered in light of your personal circumstances.

Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the management.

The Company cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 7.

Competent Persons statement

The information in the Investment Overview Section of the Prospectus, included at Section 3, the Company and Projects Overview, included at Section 5, and the Independent Geologist's Report, included at Annexure A of the Prospectus, which relate to (inter alia) exploration targets and historic mineralisation in relation to the King Tut Project is based on information compiled by

Mr Mark Gifford (MSc (Hons) FAusIMM). Mr Gifford has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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' (the JORC Code). Mr Gifford is an independent consulting geologist. Mr Gifford consents to the inclusion of the information in these Sections of the Prospectus in the form and context in which it appears.

Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will apply to participate in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with statements (similar to a bank account statement) that set out the number of Securities issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

Photographs and Diagrams

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

Definitions and Time

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 12.

All references to time in this Prospectus are references to Australian Western Standard Time.

Privacy statement

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate

distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, including 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. If you wish to do so, please contact the Share Registry at the relevant contact number set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (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.

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offers or how to accept the Offers please call the Company Secretary on +61 8 9322 1587.

Corporate Directory

Directors

Shannon Green | Executive Chairman
Sufian Ahmad | Non-Executive Director
James Myers | Non-Executive Director

Company Secretary

Shannon Coates

Proposed ASX Code**

PF1

Registered Office

Suite 5, 62 Ord Street
West Perth WA 6006

Telephone: + 61 8 9322 1587

Facsimile: +61 8 9322 5230

Email: info@winmarresources.com.au

Website: www.winmarresources.com.au

Australian Solicitors

Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street
Perth WA 6000

Argentine Solicitors

Bastias Yacante Abogados
Av. Ignacio de la Roza 861 (o) 1ºD
5400 San Juan, Argentina

Investigating Accountant

HLB Mann Judd
Level 4, 130 Stirling Street
Perth WA 6000

Auditor

HLB Mann Judd
Level 4, 130 Stirling Street
Perth WA 6000

Independent Geologist

Mr Mark Gifford
9/37 Village Green
Margaret River WA 6285

Lead Manager

ARQ Capital Pty Ltd (ABN 80 135 397 796) (AFSL
456 663)

PO Box 4

Cottesloe WA 6911

Website: www.arqcapital.com.au

Email: admin@arqcapital.com.au

Share Registry*

Boardroom Pty Ltd
Grosvenor Place
Level 12, 225 George Street
Sydney NSW 2000

Telephone (Australia): 1300 737 760

Telephone (International): +61 2 9290 9600

Facsimile: +61 2 9279 0664

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

** The ASX code PF1 has been reserved with ASX. The use of the proposed ticker code is conditional on Shareholders approving the Change of Name resolution at the General Meeting.

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1. Chairman's Letter

Dear Investor,

On behalf of the Directors of Winmar Resources Limited (to be renamed "Pathfinder Resources Limited") (the Company or Winmar), it gives me great pleasure to invite you to become a new Shareholder, or increase your current shareholding, of the Company.

Winmar is a junior resource and exploration company with a conditional right to acquire the historic King Tut gold project in the well-known gold mining region, La Rioja Province in Argentina (King Tut Project).

Following the completion of the acquisition of the King Tut Project and the associated admission of the Company to the Official List of the ASX, the Company's experienced Board and management team intends to immediately commence an aggressive exploration program at the King Tut Project, focused on quickly establishing an initial JORC compliant resource and establishing the potential size and scale of the entire Project area through exploration and drilling across the tenement package. The Company believes the historic King Tut Mine has the potential to be a window into a significantly larger mineralised system.

The Board believes the King Tut Project, which is located in one of Argentina's best-known gold mining regions, potentially offers significant exploration upside and a transaction which the Board considers has the ability to deliver significant value for Shareholders.

The Company will also consider further M&A activity where appropriate, with a view to growing the Company and creating further value for Shareholders.

The Public Offer made under this Prospectus is seeking to raise \$5,000,000 and a maximum of \$6,000,000 through the issue of Shares at an issue price of \$0.20 per Share. The purpose of the Public Offer is to (among other things) provide funds to implement the Company's business strategies, as further explained in Section 5 of this Prospectus. Upon the Company's admission to the Official List, the Company will be well-funded to pursue its strategic objectives.

This Prospectus contains detailed information about the Company, its business and the Public Offer, as well as the risks of investing in the Company, and I encourage you to read it carefully. The Shares offered by this Prospectus should be considered highly speculative.

On behalf of the Board, I look forward to welcoming you as a Shareholder of the Company in what we believe will be exciting and prospective times as we commence our exploration activities. Before you make your investment decision, I encourage you to read this Prospectus in its entirety and seek professional advice if required.

Yours sincerely,



Shannon Green | Executive Chairman

2. Key Offer Information

2.1 Indicative timetable^{1,2}

Lodgement of Prospectus with the ASIC	31 August 2020
Record Date of the Priority Offer	31 August 2020
Opening Date	8 September 2020
Closing date of the Priority Offer	15 September 2020
Closing Date	22 September 2020
Issue of Securities under the Offers & Despatch of holding statements	9 October 2020
Completion of the Acquisition	9 October 2020
Despatch of holding statements	9 October 2020
Expected date for quotation on ASX	14 October 2020

Notes:

1. The above dates are indicative only and may change without notice. Unless otherwise indicated, all times given are WST. The Exposure Period may be extended by the ASIC by not more than 7 days pursuant to section 727(3) of the Corporations Act. The Company reserves the right to extend the Closing Date or close the Offers early without prior notice. The Company also reserves the right not to proceed with the Offers at any time before the issue of Securities to applicants.
2. If the Public Offer is cancelled or withdrawn before completion of the Public Offer, then all application monies will be refunded in full (without interest) as soon as possible in accordance with the requirements of the Corporations Act. Investors are encouraged to submit their applications as soon as possible after the Public Offer opens.
3. The above stated date for completion of the Acquisition is a good faith estimate by the Directors and may be extended.

2.2 Key statistics of the Offers

Description ¹	Minimum Subscription	Maximum Subscription
	\$5,000,000	\$6,000,000
Issue price per Share	\$0.20	\$0.20
Shares currently on issue ²	15,689,756	15,689,756
Shares to be issued under the Public Offer	25,000,000	30,000,000
Shares to be issued under the Secondary Offers ³	11,223,724	11,223,724
Other Shares to be issued ⁴	1,053,750	1,053,750
Shares on issue on Listing (undiluted) ⁵	52,967,230	57,967,230
Gross Proceeds of the Public Offer	\$5,000,000	\$6,000,000
Market Capitalisation on Listing (undiluted) ⁶	\$10,593,446	\$11,593,446
Options currently on issue	Nil	Nil
Performance Rights on issue	Nil	Nil
Performance Shares on issue	Nil	Nil
Performance Shares to be issued under the Acquisition ^{3,7}	7,000,000	7,000,000
Shares on issue on Listing (fully diluted)	59,967,230	64,967,230
Market Capitalisation on Listing (fully diluted) ⁶	\$11,993,446	\$12,993,446

Notes:

1. The Consolidation of the Company's issued capital (on the basis that every two hundred (200) Shares be consolidated into one (1) Share) is to be approved by Shareholders at the upcoming General Meeting. Unless otherwise stated, all references in this Prospectus are on a post-Consolidation basis and are subject to rounding of individual Shareholdings.
2. The following is noted in relation to the 15,689,756 Shares on issue as at the date of this Prospectus:

- a. the Company completed the Pre-IPO Capital Raising to raise \$300,000 (before costs) by the issue of 1,875,000 Shares at \$0.16 per Share; and
 - b. the Company issued 500,000 Initial Shares to the Vendors on 27 August 2020 in accordance with the terms of the Acquisition Agreement.
3. Refer to Section 9.1.1 for a summary of the Acquisition Agreement and Section 9.3.4 for a summary of the Convertible Loan Agreements, pursuant to which the Secondary Offers are made.
4. Refer to Section 9.3 for a summary of the Previous Officer Agreement, Consulting Agreement and Investor Relations Agreement, pursuant to which the Other Shares are to be issued.
5. Certain Shares on issue on Listing will be subject to ASX-imposed escrow. Refer to Section 5.12.
6. Based on an issue price of \$0.20 per Share. Shares may trade above or below that price.
7. Refer to Section 10.3 for the terms and conditions of the Performance Shares to be issued in connection with the Acquisition.

3. Investment Overview

This Section is a summary only and is not intended to provide full information for investors intending to apply for Securities offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety.

Item	Summary	Further information												
A. Company														
Who is the issuer of this Prospectus?	<p>Winmar Resources Limited (ACN 085 905 997) (Company or Winmar).</p> <p>In connection with the Acquisition and the Company's revised strategy going forward, a resolution is to be put to existing Shareholders at the General Meeting to be held on 3 September 2020 pursuant to which the Company plans to change its name to "Pathfinder Resources Limited". Accordingly, the Company's proposed ASX code is "PF1".</p>	Section 5.1												
Who is the Company?	<p>The Company is an Australian unlisted public company, incorporated on 18 January 1999. The Company's main focus has generally been on mineral exploration, with the primary purpose of identifying exploration projects in Australia and overseas.</p> <p>The Company presently holds an interest in two (2) exploration projects, however its principal focus is on the King Tut Project in Argentina.</p>	Section 5.1												
What is the Company's interest in the King Tut Project?	<p>The Company entered into the Acquisition Agreement on 27 August 2020, pursuant to which it has agreed to acquire 100% of Blue Gold Mining Pty Ltd (BGM) and Sandrino Gold Pty Ltd (SG) respectively, including their respective interests in the following Tenements located in the La Rioja Province in Argentina, which are prospective for gold and cobalt:</p> <table border="1" data-bbox="612 1570 1208 1868"> <thead> <tr> <th>Tenement description</th> <th>Tenement no.</th> <th>Status</th> </tr> </thead> <tbody> <tr> <td>King Tut Exploitation Concession</td> <td>168-L-1939</td> <td>Registered / active</td> </tr> <tr> <td>Dianne II Exploitation Concession</td> <td>66-C-2005</td> <td>Registered / active</td> </tr> <tr> <td>Guille Exploration Permit</td> <td>28-L-2011</td> <td>Registered / expired</td> </tr> </tbody> </table> <p>Together, the above Tenements form the King Tut Project, which will form the Company's flagship operations from Listing.</p> <p>Notwithstanding the Tenements are registered (as set out in the Independent Solicitor's Report on Tenements in Annexure B), the Guille Exploration</p>	Tenement description	Tenement no.	Status	King Tut Exploitation Concession	168-L-1939	Registered / active	Dianne II Exploitation Concession	66-C-2005	Registered / active	Guille Exploration Permit	28-L-2011	Registered / expired	Section 5.3, Annexure A and Annexure B
Tenement description	Tenement no.	Status												
King Tut Exploitation Concession	168-L-1939	Registered / active												
Dianne II Exploitation Concession	66-C-2005	Registered / active												
Guille Exploration Permit	28-L-2011	Registered / expired												

Item	Summary	Further information
	<p>Permit is currently expired, pending submission of an application for renewal. Such application for renewal is to be made on the reopening of the Mining Authority in Argentina, which is currently closed owing to COVID-19 restrictions in place in the La Rioja Province. It is anticipated that the Mining Authority will be reopened on relaxation of relevant COVID-19 restrictions. On this basis, the Company does not presently intend to allocate any funds raised under the Public Offer towards exploration of the Guille Exploration Permit.</p> <p>The King Tut and Diana II Exploitation Concessions (the primary focusses of the Company) are registered and in good standing. For the purposes of this Prospectus, these are the two primary Tenements on which the Company will focus its exploration program.</p>	
B. Business Model		
What is the Company's business model?	<p>Following completion of the Offers and the Acquisition Agreement, the Company's proposed business model will be to further explore and develop the King Tut Project in accordance with the Company's intended exploration programs, which are contained in the Independent Geologist's Report in Annexure A and in Sections 5.6 and 5.7 of the Prospectus. Unless circumstances change considerably from the date of this Prospectus, the Company does not intend to explore or develop the Existing Projects, which are likely to be positioned for sale, joint venture or relinquishment opportunities.</p> <p>The Company proposes to fund its exploration activities over the first two years following Listing as outlined in the table at Section 5.8.</p>	Sections 5.6, 5.7, 5.8 and Annexure A
What are the key business objectives of the Company?	<p>The Company's main objectives on completion of the Offers and the Acquisition Agreement are:</p> <ul style="list-style-type: none"> (a) focus on exploration at the King Tut Project in Argentina; and (b) continue to pursue other acquisitions that have a strategic fit for the Company. 	Section 5.6
What are the key dependencies of the Company's business model?	<p>The key dependencies of the Company's business model include:</p> <ul style="list-style-type: none"> (a) completion of the proposed Acquisition; (b) tenure and access to the King Tut Project; (c) retaining and recruiting key personnel skilled in the mining and resources sector; 	Section 5.6

Item	Summary	Further information
	<p>(d) sufficient worldwide demand for gold and cobalt;</p> <p>(e) the market price of gold and cobalt remaining higher than the Company's costs of any future production (assuming successful exploration by the Company);</p> <p>(f) COVID-19 restrictions being lifted in Argentina to allow the Company access to the King Tut Project; and</p> <p>(g) raising sufficient funds to satisfy expenditure requirements, exploration and operating costs.</p>	
C. Key Advantages		
What are the key advantages of an investment in the Company?	<p>The Directors are of the view that an investment in the Company provides the following non-exhaustive list of advantages:</p> <p>(a) subject to raising the Minimum Subscription, the Company will have sufficient funds to implement its business strategy;</p> <p>(b) subject to completion of the Acquisition, a portfolio of quality assets in Argentina considered by the Board to be highly prospective for gold and cobalt; and</p> <p>(c) a highly credible and experienced team to progress exploration and accelerate potential development of the Projects.</p> <p>Refer to Section 5.3 for further details of the key investment highlights of the Acquisition.</p>	Section 5
D. Key Risks		
Risks	<p>The business, assets and operations of the Company are subject to certain risk factors that have the potential to influence the operating and financial performance of the Company in the future. These risks can impact on the value of an investment in the Shares of the Company.</p> <p>These risks include a variety of Company, industry specific and general risks, including that:</p> <p>(a) (Argentina): the King Tut Project is located in Argentina with the Company to be subject to mineral exploration, geological, regulatory and political risks particular to Argentina;</p> <p>(b) (Guille Exploration Permit): the Guille Exploration Permit, a Tenement the subject of the Acquisition, has expired and is subject</p>	Section 7

Item	Summary	Further information
	<p>to renewal. The Company considers that the renewal is an administrative matter only, however it cannot confirm its holding until such time as COVID-19 restrictions are lifted in the La Rioja Province and the Tenement has been successfully renewed. In the event the application for its renewal is not successful, tenure will not be restored over the Tenement area. For this reason, the Company does not presently intend to allocate any funds raised under the Public Offer towards exploration of the Guille Exploration Permit;</p> <p>(c) (COVID-19): the outbreak of coronavirus (COVID-19) is impacting global economic markets and creating access issues for businesses. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company;</p> <p>(d) (Exploration success): there is a risk that, following the Acquisition, the Company is unable to delineate an economically commercial gold or cobalt resource. Exploration by its very nature is imprecise and depends to an extent on interpretation, which may prove inaccurate. There are also a number of factors that could impact on the viability of mining including exploration costs, mine plan and design issues, metallurgy and grade of the material mined;</p> <p>(e) (Operating costs): operating costs are based on the Company's experience and best estimates, however a variety of other factors outside the Company's control may increase the operational costs of its activities;</p> <p>(f) (Rehabilitation of Tenements): Following completion of the Acquisition, the Company may in the future be required to rehabilitate the King Tut Mine site at the end of its life to a condition acceptable to the relevant Argentine authorities;</p>	

Item	Summary	Further information
	<p>(g) (Commodity price fluctuations): the gold and/or cobalt prices can fluctuate over time which is outside the Company's control, but which pose a risk to the commerciality of the Company's operations going forward; and</p> <p>(h) (Key management): the Company relies on a number of key employees and consultants. There is a risk that the Company may fail to attract or retain employees and consultants.</p> <p>The Board aims to manage these risks by carefully planning its activities and implementing risk control measures. Some of the risks are, however, highly unpredictable and the extent to which it can effectively manage them is limited.</p>	
Other risks	For additional specific risks please refer to Section 7.2. For other risks with respect to the industry in which the Company operates and general investment risks, many of which are largely beyond the control of the Company and its Directors, please refer to Sections 7.3 and 7.4.	Sections 7.2, 7.3 and 7.4
E. Directors and Key Management Personnel		
Who are the Directors?	<p>The Board currently consists of:</p> <p>(a) Shannon Green: Executive Chairman;</p> <p>(b) Sufian Ahmad: Non-Executive Director; and</p> <p>(c) James Myers: Non-Executive Director.</p> <p>The profiles of each of the Directors are set out in Section 8.1.</p>	Section 8.1

Item	Summary	Further information																
<p>What are the significant interests of Directors in the Company?</p>	<p>Unless otherwise indicated, all figures in this Prospectus are presented on a post-Consolidation basis. The Consolidation is a Condition to the Offers.</p> <p>At the date of this Prospectus, the Directors hold the following interests in the Company:</p> <table border="1" data-bbox="612 495 1206 703"> <thead> <tr> <th>Director</th> <th>Shares</th> </tr> </thead> <tbody> <tr> <td>Shannon Green</td> <td>Nil</td> </tr> <tr> <td>Sufian Ahmad¹</td> <td>1,086,350</td> </tr> <tr> <td>James Myers</td> <td>Nil</td> </tr> </tbody> </table> <p>Notes:</p> <p>1. Mr Ahmad holds 976,350 Shares directly and 110,000 Shares indirectly, as further set out in Section 8.2.</p> <p>Other than as set out in Section 9.3.4, the Company has no convertible securities on issue as at the date of this Prospectus.</p> <p>Following completion of the Offers, the Directors will have relevant interests in securities as follows:</p> <table border="1" data-bbox="612 1028 1206 1236"> <thead> <tr> <th>Director¹</th> <th>Shares</th> </tr> </thead> <tbody> <tr> <td>Shannon Green²</td> <td>500,000</td> </tr> <tr> <td>Sufian Ahmad^{2,3}</td> <td>1,961,344</td> </tr> <tr> <td>James Myers²</td> <td>100,000</td> </tr> </tbody> </table> <p>Notes:</p> <p>1. All figures assume a Minimum Subscription and are subject to rounding of individual Shareholdings.</p> <p>2. It is intended that:</p> <p>(i) Mr Green will be issued 500,000 Shares under the Consulting Agreement;</p> <p>(ii) Mr Ahmad (or Sixty Two Capital, as his nominee) will apply for and be issued:</p> <p>(A) 250,000 Shares under the Public Offer; and</p> <p>(B) 624,995 Shares under the Convertible Loan Offer (comprising 240,372 Shares to be issued pursuant to the relevant Convertible Note Agreement and 384,623 Shares pursuant to the relevant Shareholder Loan Agreement);</p> <p>(i) Mr Myers will apply for and be issued 100,000 Shares under the Public Offer.</p> <p>3. Mr Ahmad holds 976,350 Shares directly and 110,000 Shares indirectly, as further set out in Section 8.2.</p>	Director	Shares	Shannon Green	Nil	Sufian Ahmad ¹	1,086,350	James Myers	Nil	Director ¹	Shares	Shannon Green ²	500,000	Sufian Ahmad ^{2,3}	1,961,344	James Myers ²	100,000	<p>Section 8.2</p>
Director	Shares																	
Shannon Green	Nil																	
Sufian Ahmad ¹	1,086,350																	
James Myers	Nil																	
Director ¹	Shares																	
Shannon Green ²	500,000																	
Sufian Ahmad ^{2,3}	1,961,344																	
James Myers ²	100,000																	
<p>What other allocations will be made under the Offers?</p>	<p>The Public Offer includes the Priority Offer to Shareholders registered at the Record Date who reside in Australia.</p>	<p>Section 4.4</p>																

Item	Summary	Further information
	This Prospectus also includes the Secondary Offers, which are to be made available to specified persons.	
What related party agreements are the Company party to?	Summaries of the agreements entered into with Directors and related parties of the Company are set out in Sections 9.2 (Agreements with Directors and Other Management), 9.3.2 (Consulting Agreement) and 9.3.4 (Convertible Loan Agreements).	Sections 9.2, 9.3.2 and 9.3.4
F. Financial Information		
How has the Company been performing?	The audited historical financial information of the Company (including its subsidiaries) for the years ended 30 June 2018 and 30 June 2019, and reviewed historical financial information for the half year ended 31 December 2019, is set out in Section 6 and Annexure C.	Section 6 and Annexure C
What is the financial outlook for the Company?	<p>Given the current status of the Company's Project and the speculative nature of its business, the Directors do not consider it appropriate to forecast future earnings.</p> <p>Any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection on a reasonable basis.</p>	Section 6 and Annexure C
G. Offers		
What is being offered?	The Public Offer is an offer of 25,000,000 Shares at an issue price of \$0.20 per Share to raise \$5,000,000 (before costs), with the ability to accept oversubscriptions of up to 5,000,000 Shares at an issue price of \$0.20 per Share to raise up to an additional \$1,000,000.	Section 4.1
What are the Secondary Offers?	<p>The Prospectus also includes the following Secondary Offers:</p> <p>(a) (Consideration Offer): offers of 5,000,000 Consideration Shares and 7,000,000 Performance Shares to the Vendors under the Acquisition Agreement; and</p> <p>(b) (Convertible Loan Offer): offers of a total 6,223,724 Shares to various lenders of funds to the Company under the Convertible Loan Agreements.</p> <p>Only specified persons will be entitled to participate in the Secondary Offers, all of whom will be approached directly by the Company.</p>	Section 4.7

Item	Summary	Further information
Is there a minimum subscription under the Public Offer?	The Minimum Subscription under the Public Offer is \$5,000,000 (before costs).	Section 4.2
What is the purpose of the Offers?	<p>The purposes of the Public Offer are to facilitate an application by the Company for admission of the Company to the Official List, to position the Company to seek to achieve the objectives stated at Section B of this Investment Overview Section and to provide the Company with future access to equity capital markets for funding.</p> <p>The primary purpose of the Secondary Offers is to remove the need for an additional disclosure document to be issued upon the sale of any Securities that are issued under the Secondary Offers.</p>	Section 4.9
Is the Public Offer underwritten?	No, the Public Offer is not underwritten.	Section 4.5
Who is the lead manager to the Public Offer?	The Company has appointed ARQ Capital (Lead Manager) as lead manager to the Public Offer. The Lead Manager will receive the fees referred to in Part I of the Investment Overview in connection with the Public Offer.	Sections 4.6 and 9.3.1
Who is eligible to participate in the Public Offer?	This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in Jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.	Section 4.14
How do I apply for Shares under the Public Offer?	Applications for Shares under the Public Offer must be made by completing the Application Form accompanying this Prospectus in accordance with the instructions set out in the Application Form.	Section 4.10
What will the Company's capital structure look like on completion of the Offers and Acquisition?	<p>The Company's capital structure on completion of the Offers is set out in Section 5.9.</p> <p>Upon completion of the Offers, the Company will have a 'free float' of at least 20%.</p>	Section 5.9
What are the terms of the Securities offered under the Public Offer?	A summary of the material rights and liabilities attaching to the Shares offered under the Public Offer is set out in Section 10.2.	Section 10.2
Will any Securities be subject to escrow?	None of the Securities issued under the Public Offer will be subject to escrow.	Section 5.12

Item	Summary	Further information
	<p>However, certain Securities on issue may be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of Official Quotation.</p> <p>During the period in which restricted Shares are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner.</p> <p>The Company will announce to ASX full details (quantity and duration) of the Securities required to be held in escrow prior to the Shares commencing trading on ASX.</p>	
Who are the current Shareholders of the Company and on what terms were their Shares issued?	The Company has in excess of 3,300 Shareholders. These Shareholders all hold Shares which were acquired or issued at different prices.	Section 5.9
Will the Securities be quoted?	Application for quotation of all Shares to be issued under the Offers will be made to ASX no later than 7 days after the date of this Prospectus.	Section 4.12
What are the key dates of the Offers?	The key dates of the Offers are set out in the indicative timetable in Section 2.1 of this Prospectus.	Section 2.1
What is the minimum investment size under the Public Offer?	Applications under the Public Offer must be for a minimum of \$2,000 worth of Shares (10,000 Shares) and thereafter, in multiples of \$500 worth of Shares (2,500 Shares).	Section 4.10
Are there any conditions to the Offers?	<p>Yes, the Offers (including the Public Offer) are subject to the satisfaction of the Conditions set out in Section 4.8 of this Prospectus, namely:</p> <ul style="list-style-type: none"> (a) the Minimum Subscription to the Public Offer being reached; (b) ASX granting conditional approval for the Company to be admitted to the Official List; (c) Shareholders approving the Consolidation at the General Meeting; and (d) the Acquisition Agreement becoming unconditional. 	Section 4.8
H. Use of funds		
How will the proceeds of the Public Offer be used?	<p>The Public Offer proceeds and the Company's existing cash reserves will be used for:</p> <ul style="list-style-type: none"> (a) exploration and development of the King Tut Project (including implementing the Company's business objectives and 	Section 5.8

Item	Summary	Further information
	<p>exploration programs as set out in Part B of the Investment Overview);</p> <p>(b) project management costs associated with the King Tut Project;</p> <p>(c) repayment of debts owing to creditors;</p> <p>(d) an M&A budget for targeting complementary assets;</p> <p>(e) expenses of the Offers (refer to Section 10.9 for further details);</p> <p>(f) administration and corporate costs; and</p> <p>(g) working capital,</p> <p>further details of which are set out in Section 5.8.</p>	
Will the Company be adequately funded after completion of the Offers?	The Directors are satisfied that on completion of the Offers, the Company will have sufficient working capital to carry out its objectives as stated in this Prospectus.	Section 5.8
I. Additional information		
Is there any brokerage, commission or duty payable by applicants?	<p>No brokerage, commission or duty is payable by applicants on the acquisition of Shares under the Offers.</p> <p>However, the Company will pay to the Lead Manager a capital raising fee equal to 6% (plus GST) of the total amount raised under the Prospectus (excluding funds raised directly by the Company) and a management fee of 1% in relation to the funds sourced directly by the Company.</p>	Section 9.3.1
Can the Offers be withdrawn?	<p>The Company reserves the right not to proceed with the Offers at any time before the issue or transfer of Shares to successful applicants.</p> <p>If the Offers do not proceed, application monies will be refunded (without interest).</p>	Section 4.17
What are the tax implications of investing in Shares?	<p>Holders of Shares may be subject to Australian tax on dividends and possibly capital gains tax on a future disposal of Shares subscribed for under this Prospectus.</p> <p>The tax consequences of any investment in Shares will depend upon an investor's particular circumstances. Applicants should obtain their own tax advice prior to deciding whether to subscribe for Shares offered under this Prospectus.</p>	Section 4.16
What is the Company's Dividend Policy?	The Company anticipates that significant expenditure will be incurred in the evaluation and development of the King Tut Project. These activities, together with the possible acquisition of interests in other projects, are expected to	Section 5.14

Item	Summary	Further information
	<p>dominate at least, the first two-year period following the date of this Prospectus. Accordingly, the Company does not expect to declare any dividends during that period.</p> <p>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.</p>	
<p>What are the corporate governance principles and policies of the Company?</p>	<p>To the extent applicable, in light of the Company's size and nature, the Company has adopted <i>The Corporate Governance Principles and Recommendations (4th Edition)</i> as published by ASX Corporate Governance Council (Recommendations).</p> <p>The Company's main corporate governance policies and practices and the Company's compliance and departures from the Recommendations as at the date of this Prospectus are outlined in Section 8.4.</p> <p>In addition, the Company's full Corporate Governance Plan is available from the Company's website (www.winmarresources.com.au).</p>	<p>Section 8.4</p>
<p>Where can I find more information?</p>	<p>(a) By speaking to your sharebroker, solicitor, accountant or other independent professional adviser;</p> <p>(b) By contacting the Company Secretary, on +61 8 9322 1587; or</p> <p>(c) By contacting the Share Registry on 1300 737 760 (Australia) or +61 2 9290 9600 (International).</p>	

This Section is a summary only and is not intended to provide full information for investors intending to apply for Securities offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety.

4. Details of the Offer

4.1 The Offer

The Public Offer is an initial public offering of 25,000,000 Shares at an issue price of \$0.20 per Share to raise \$5,000,000 (Minimum Subscription) with the ability to accept oversubscriptions of up to an additional 5,000,000 Shares at an issue price of \$0.20 per Share to raise up to an additional \$1,000,000 (Maximum Subscription).

The Shares offered under the Public Offer will rank equally with the existing Shares on issue. A summary of the material rights and liabilities attaching to the Shares offered under the Public Offer is set out in Section 10.2.

4.2 Minimum Subscription

The Minimum Subscription for the Public Offer is \$5,000,000 (25,000,000 Shares) (Minimum Subscription).

If the Minimum Subscription has not been raised within four (4) months after the date of this Prospectus, the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

4.3 Oversubscriptions

In addition to the Minimum Subscription, the Company has the ability under the Public Offer to accept oversubscriptions of up to 5,000,000 Shares at the issue price of \$0.20 per Share to raise up to an additional \$1,000,000 (for a total of up to \$6,000,000). No oversubscriptions above this amount will be accepted by the Company under the Public Offer.

4.4 Priority Offer

As part of the Public Offer, the Company is making an offer of up to 12,500,000 Shares to Eligible Shareholders. To be eligible to participate in the Priority Offer, an applicant must be a resident in Australia and be recorded as being the holder of a Share as at the Record Date (Eligible Shareholders).

Any Shares not subscribed for under the Priority Offer, to which Eligible Shareholders would otherwise be entitled, will be offered under the Public Offer. As set out in the indicative timetable in Section 2.1, it is intended that the Priority Offer close approximately one (1) week prior to the Closing Date under the Public Offer.

The Shares offered under the Priority Offer will rank equally with the existing Shares on issue. A summary of the material rights and liabilities attaching to the Shares offered under the Priority Offer (which as set out above, form part of the Public Offer) is set out in Section 10.2.

4.5 Underwritten

The Public Offer is not underwritten.

4.6 Lead Manager

The Company has appointed ARQ Capital (Corporate Authorised Representative of AFSL 456 663) (Lead Manager) as lead manager to the Public Offer. The Lead Manager will receive:

- (a) a fee of 6% (plus GST) of the total amount raised under the Public Offer (excluding amounts raised directly by Winmar (Excluded Funds)); and
- (b) a management fee of 1% (plus GST) of gross Excluded Funds.

For further information in relation to the appointment of the Lead Manager, please refer to Section 9.3.1.

4.7 Secondary Offers

The terms of the Shares offered under the Secondary Offers are summarised in Section 10.2.

4.7.1 Consideration Offer

This Prospectus includes an offer of 5,000,000 Consideration Shares and 7,000,000 Performance Shares which are to be issued pursuant to the Acquisition Agreement (the material terms of which are summarised at Section 9.1.1).

The terms of the Performance Shares offered under the Consideration Offer are summarised in Section 10.3.

Only the BGM Shareholders and SG Shareholders (together, the Vendors) may accept the Consideration Offer. A personalised application form in relation to the Consideration Offer will be issued to the Vendors together with a copy of this Prospectus.

The Shares issued under the Consideration Offer may be subject to escrow under the ASX Listing Rules. Please refer to Section 5.12.

4.7.2 Convertible Loan Offer

The Convertible Loan Offer includes an offer of 6,223,724 Shares to the relevant lenders upon conversion under the Convertible Loan Agreements.

Only the relevant lenders may accept the Convertible Loan Offer. A personalised application form in relation to the Convertible Loan Offer will be issued to the relevant lenders together with a copy of this Prospectus. The material terms and conditions of the Convertible Loan Agreements are summarised at Section 9.3.4.

The Shares issued under the Convertible Loan Offer may be subject to escrow under the ASX Listing Rules. Please refer to Section 5.12.

4.8 Conditions of the Offers

All the Offers are conditional upon the following events occurring:

- (a) the Minimum Subscription being reached;
- (b) ASX granting conditional approval for the Company to be admitted to the Official List;
- (c) Shareholders approving the Consolidation at the General Meeting; and
- (d) the Acquisition Agreement, the terms of which are summarised at Section 9.1.1, becoming unconditional (refer to Section 9.1.1 for a list of the outstanding conditions precedent to completion under the Acquisition Agreement, as at the date of this Prospectus),

(together the Conditions).

If these Conditions are not satisfied then the Offers will not proceed and the Company will repay all application monies received under the Offers within the time prescribed under the Corporations Act, without interest.

4.9 Purpose of the Offers

The primary purposes of the Public Offer are to:

- (a) assist the Company to meet the admission requirements of ASX under Chapters 1 and 2 of the ASX Listing Rules;
- (b) provide the Company with additional funding for:
 - (i) the proposed exploration programs at the Project (as further detailed in Section 5.7);
 - (ii) considering other acquisition opportunities that may be presented to the Board from time to time; and
 - (iii) the Company's working capital requirements while it is implementing the above; and

- (c) remove the need for an additional disclosure document to be issued upon the sale of any Shares that are to be issued under the Public Offer; and
- (d) allow for completion to occur under the Acquisition Agreement.

The Company intends on applying the funds raised under the Public Offer together with its existing cash reserves in the manner detailed in Section 5.8.

The primary purpose of the Secondary Offers is to remove the need for an additional disclosure document to be issued upon the sale of any Securities that are issued under the Secondary Offers.

4.10 Applications

Applications for Shares under the Public Offer must be made by using the relevant Application Form as follows:

- (a) using an online Application Form at www.winmarresources.com.au and pay the application monies electronically; or
- (b) completing a paper-based application using the relevant Application Form attached to, or accompanying, this Prospectus or a printed copy of the relevant Application Form attached to the electronic version of this Prospectus.

By completing an Application Form, each applicant under the Offers will be taken to have declared that all details and statements made by them are complete and accurate and that they have personally received the Application Form together with a complete and unaltered copy of the Prospectus.

Applications for Shares under the Public Offer must be for a minimum of \$2,000 worth of Shares (10,000 Shares) and thereafter in multiples of 2,500 Shares and payment for the Shares must be made in full at the issue price of \$0.20 per Share.

Completed Application Forms and accompanying cheques made out in accordance with the instructions set out in the Application Form must be mailed or delivered to the address set out on the Application Form by no later than 5:00pm (WST) on the Closing Date.

If paying by BPAY®, please follow the instructions on the Application Form. A unique reference number will be quoted upon completion of the online application. Your BPAY reference number will process your payment to your application electronically and you will be deemed to have applied for such securities for which you have paid. Applicants using BPAY should be aware of their financial institutions cut-off time (the time payment must be made to be processed overnight) and ensure payment is processed by their financial institution on or before the day prior to the Closing Date of the Offers. You do not need to return any documents if you have made payment via BPAY.

If an Application Form is not completed correctly or if the accompanying payment is the wrong amount, the Company may, in its discretion, still treat the Application Form to be valid. The Company's decision to treat an application as valid, or how to construe, amend or complete it, will be final.

The Company reserves the right to close the Offers early.

4.11 Allocation Policy under the Public Offer

The Company retains an absolute discretion to allocate Shares under the Public Offer (excluding the Priority Offer) and reserves the right, in its absolute discretion, to allot to an applicant a lesser number of Shares than the number for which the applicant applies or to reject an Application Form. If the number of Shares allotted is fewer than the number applied for, surplus application money will be refunded without interest as soon as practicable.

Except for Eligible Shareholders under the Priority Offer, no applicant under the Public Offer has any assurance of being allocated all or any Shares applied for. The allocation of Shares by Directors in conjunction with the Lead Manager will be influenced by the following factors:

- (a) the number of Shares applied for;
- (b) the overall level of demand for the Public Offer (including the level of demand for the Priority Offer);
- (c) the desire for a spread of investors, including institutional investors; and
- (d) the desire for an informed and active market for trading Shares following completion of the Public Offer.

The Company will not be liable to any person not allocated Shares or not allocated the full amount applied for.

4.12 ASX Listing

Application for Official Quotation by ASX of the Shares offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. However, applicants should be aware that ASX will not commence Official Quotation of any Shares until the Company has complied with Chapters 1 and 2 of the ASX Listing Rules and has received the approval of ASX to be admitted to the Official List. As such, the Shares may not be able to be traded for some time after the close of the Offers.

If the Shares are not admitted to Official Quotation by ASX before the expiration of 3 months after the date of issue of this Prospectus, or such period as varied by the ASIC, the Company will not issue any Shares and will repay all application monies for the Shares 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 Shares now offered for subscription.

4.13 Issue

Subject to the Conditions set out in Section 4.8 being met, the issue of Shares offered by this Prospectus will take place as soon as practicable after the Closing Date.

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.

The Directors in conjunction with the Lead Manager will determine the recipients of Shares under the Public Offer in their sole discretion in accordance with the allocation policy detailed in Section 4.11. Holding statements for Shares issued to the issuer sponsored sub-register and confirmation of issue for CHESS holders will be mailed to applicants being issued Shares pursuant to the Offers as soon as practicable after their issue.

4.14 Applicants outside Australia

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

No action has been taken to register or qualify the Shares or otherwise permit a public offering of the Shares the subject of this Prospectus in any jurisdiction outside Australia. Applicants who are resident in countries other than Australia should consult their professional advisers as to

whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

This Prospectus has been prepared for publication in Australia only and may not be released or distributed in any other jurisdiction, including the United States of America.

If you are outside Australia it is your responsibility to obtain all necessary approvals for the issue of the Shares pursuant to this Prospectus. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by you that all relevant approvals have been obtained.

4.15 Commissions payable

The Company reserves the right to pay a commission of up to 6% (exclusive of goods and services tax) of amounts subscribed through any licensed securities dealers or Australian financial services licensee in respect of any valid applications lodged and accepted by the Company and bearing the stamp of the licensed securities dealer or Australian financial services licensee. Payments will be subject to the receipt of a proper tax invoice from the licensed securities dealer or Australian financial services licensee.

The Lead Manager will be responsible for paying all commission that they and the Company agree with any other licensed securities dealers or Australian financial services licensees out of the fees paid by the Company to the Lead Manager under the Lead Manager Mandate.

4.16 Taxation

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor.

It is not possible to provide a comprehensive summary of the possible taxation positions of all potential applicants. As such, all potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares 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 Shares under this Prospectus.

No brokerage, commission or duty is payable by applicants on the acquisition of Shares under the Offers.

4.17 Withdrawal of Offers

The Offers may be withdrawn at any time. In this event, the Company will return all application monies (without interest) in accordance with applicable laws.

5. Company and Projects Overview

5.1 Background

Winmar Resources Limited is an Australian unlisted public company limited by shares, incorporated on 7 October 1999.

The Company was originally admitted to the Official List of the ASX on 10 December 1999 and was subsequently removed from the Official List on 9 June 2020, having been suspended from trading for a continuous period of 2 years.

The Company's strategy has focussed on mineral exploration activities since 2010, during which time it has pursued several opportunities, including:

- (a) the Hamersley Iron Project in Western Australia (its previous flagship project);
- (b) the Lomero Project in Spain;
- (c) the Bloom Lake Project in Canada; and
- (d) the proposed acquisition of the Luapula Processing Facility in the DRC.

For various reasons, none of the abovementioned projects have been pursued by the Company. The Company retains an interest in the Hamersley Iron Project and the Bloom Lake Project (the Existing Projects), which are further described in Section 5.2.

In late 2019, the main focus of the Company shifted to finding opportunities in gold and/or cobalt and implementing an appropriate business strategy in connection with the same. As this new strategy was unable to be fully implemented prior to 9 June 2020 (at which point the Company had been suspended from trading on the ASX for a continuous period of two years), the Company was removed from the ASX in accordance with ASX Guidance Note 33. In line with its new strategy, Winmar proposes to pursue a meaningful opportunity in the King Tut Project on which it plans to base the Public Offer and seek admission to the Official List of the ASX.

5.2 Existing Projects

5.2.1 Hamersley Iron Project

The Company's previous flagship project, the Hamersley Iron Project, comprises Mining Lease 47/1450 (M47/1450) located approximately 50 km north-east of Tom Price in the Pilbara region of Western Australia. The Company's interest in the Hamersley Iron Project is held through an unincorporated joint venture, known as the Winmar Exploration Joint Venture, between Winmar (70%) and Lockett Fe Pty Ltd (30%) (a wholly owned subsidiary of Cazaly Resources Limited (ASX:CAZ)).

5.2.2 Bloom Lake Project

The Bloom Lake Project was acquired in January 2018 from CBLT Inc. (TSXV: CBLT) and is prospective for cobalt. The Bloom Lake Project is located within the mining district of Cobalt-Gowganda in eastern Ontario.

5.2.3 Strategy for the Existing Projects

The Company has continued to meet minimum expenditure obligations to retain its interests in each of the Hamersley Iron Project and Bloom Lake Project. However, the Company will not be progressing the Existing Projects and the Board will instead seek to divest the Existing Projects after Listing.

Accordingly, the Board does not consider its investments in the Existing Projects to be material and they shall not form a focal point of the Company's key strategies going forward.

5.3 Background to Acquisition

The Company's current strategy is focused on the acquisition of mineral resource exploration opportunities that have the potential to deliver growth for Shareholders. To execute this strategy,

in conjunction with the proposed Public Offer and admission to the Official List, the Company proposes to acquire Australian proprietary companies Blue Gold Mining Pty Ltd (BGM) and Sandrino Gold Pty Ltd (SG) which, through their respective Argentine subsidiaries Tres Elementos SA (TESA) and Tecno Minera SA (TMSA), collectively own the Tenements the subject of the King Tut Project (as set out below).

In line with the Company's current strategy, the Company also proposes to change its name to "Pathfinder Resources Limited". A resolution to this effect will be put to Shareholders at the General Meeting scheduled for 3 September 2020.

As further set out in the Independent Geologist's Report (Annexure A of this Prospectus) and the Independent Solicitor's Report on Tenements (Annexure B of this Prospectus), the King Tut Project consists of:

Tenement description	Tenement no.	Area (Ha)	Registration	Status
King Tut Exploitation Concession	168-L-1939	~6 Ha	Registered	Active
Dianne II Exploitation Concession	66-C-2005	~1,360 Ha	Registered	Active
Guille Exploration Permit	28-L-2011	~1,587 Ha	Registered	Expired

(together, the Tenements).

Notwithstanding all of the Tenements are registered (as set out in the Independent Solicitor's Report on Tenements), the Guille Exploration Permit is currently expired, pending submission of an application for renewal. Such application for renewal is to be made on the reopening of the Mining Authority in Argentina, which is currently closed owing to COVID-19 restrictions in place in the La Rioja Province. It is anticipated that the Mining Authority will be reopened on relaxation of relevant COVID-19 restrictions. Until such time as renewal of the Tenement occurs (or a substitute tenement over the same area is provided), the Company will not have tenure over the relevant area.

The King Tut and Diana II Exploitation Concessions (the primary focusses of the Company) are registered and in good standing. For the purposes of this Prospectus, these are the two primary Tenements on which the Company will focus its exploration program.

5.4 Background of BGM and SG

BGM and SG were incorporated in Australia as proprietary companies in September and November 2017 respectively, with their principal objectives both being a focus on the exploration for and discovery of gold and cobalt deposits in the La Rioja province in Argentina.

BGM and SG do not have any substantive or material operations, other than in their capacity as holding companies for TMSA and TESA, which together hold the Tenements.

5.5 Overview of the King Tut Project

The King Tut Project is a historic gold and cobalt mining operation located in the La Rioja province on the western boundary of Argentina, close to the Chilean border in the eastern portion of the Andes.

Post-1950's, a mine was developed in the Project area (within the King Tut Exploitation Concession, as described in Section 5.5.1 below), however, there has been no formal exploration or drilling campaign on the mineralised veins of the Project. All historic exploration work to date has been limited to grab samples and incomplete mapping. Although there is a lack of detailed information from past explorers in relation to the mining completed, the prospect itself is well defined in the area around the old mine workings and, as such, there is sufficient information from which the Company plans to derive an understanding of the potential resource size and scale.

Geologically the Project is located within the Ordovician Suri Formation, a series of sediments, volcanoclastics and volcanics within the highly mineralised Andes Eastern cordillera. Emplacement

of the Nunorco granite, acidic hypabyssal units and dolerite dykes has provided potential hydrothermal mineralisation sources throughout the Project area and beyond, with the King Tut Mine and the La Mejicano Au mine having a similar setting geologically within the Famatina Range.

The Project area is accessible (predominantly by sealed roads), has major service centres in the region, and can be explored all year round due to the relatively lower altitude of the eastern cordillera portion of the Andes Mountain range, which ensures that the Project area is not snowed in or flooded.

The Project is 100% owned by TESA and TMSA, which collectively hold the three Tenements (on of which is expired and the tenure subject to renewal). Further details with respect to each of the Tenements is set out below and in the Independent Geologist's Report and Independent Solicitor's Report on Tenements.

The Company proposes to conduct a significant exploration program at the King Tut Project, which program includes budgeting for preliminary on-ground exploration (namely surveying, sampling, geophysics and camp development) and a formal and extensive drilling campaign. Further details of the proposed exploration program are set out in Section 5.7.

5.5.1 King Tut Exploitation Concession

The King Tut Exploitation Concession is located in the North West of Argentina within the La Rioja Province and covers an area of approximately ~6 Ha. The Tenement includes the King Tut Mine, which comprises a series of small underground workings completed at 4 levels and accessed by 2 major drives perpendicular to the mineralised vein structures (specifically, Level 1 and Level 0).

The King Tut Mine within the Tenement area was mined in two periods, with initial mining in the 1950's where exposed Au-Co veins were accessed in the upper slopes, and again in the 1980's where lower levels were accessed by two portals 30m apart vertically. In 1983, an electromagnetic survey was completed and anomalies were found that went along strike of the known mineralised veins, with some cross-cutting features noted to the south and a parallel anomaly to the south west.

Further detail with respect to the King Tut Exploitation Concession (including the mine and historical informal exploration conducted on the Tenement) is set out in the Independent Geologist's Report and the Independent Solicitor's Report on Tenements.

5.5.2 Diana II Exploitation Concession

The Diana II Exploitation Concession encapsulates the King Tut Exploitation Concession and King Tut Mine and is the most northern of the Tenements held in the Project area. The Diana II Exploitation Concession covers an area of approximately 1,360 Ha. The King Tut Mine has vein extensions on the surface that project into the Diana II Exploitation Concession and to the west an area of mineralised breccia which is altered and containing enriched sulphides and anomalous Au.

Further detail with respect to the Diana II Exploitation Concession is set out in section 6.2 of the Independent Geologist's Report and the Independent Solicitor's Report on Tenements.

5.5.3 Guille Exploration Permit

The Guille Exploration Permit covers an area of approximately 1,587 Ha.

The Guille Exploration Permit is a large holding south of the King Tut Mine and is predominantly within the Suri Formation. To the south of the Tenement is the Nunorco granites that form a hard border geologically and also provide a potential source for alteration and mineralisation of the Ordovician aged sediment stack.

Large areas of altered outcrop occur within the La Mesada Creek – Cuchillas Range with Cu, Pb and Ba enriched veins present and known. Historical workings in the area indicates that Pb was mined from surficial scrapes and shallow galleries, and the area has hydrothermal activity on a

regional scale. Barite veins within the cherts of the Suri Formation indicate a long-lived hydrothermal system and provides support for mineralisation potential.

The Guille Exploration Permit expired on 20 January 2020 and, pending the submission to the Mining Authority of an application for renewal and a 'Statement of Discovery', the Company plans to restore this Tenement to good standing. As set out in the Independent Solicitor's Report on Tenements, the Mining Authority in the La Rioja Province is closed as at the date of this Prospectus due COVID-19 regulations and restrictions. The Company and TMSA plan to submit the above documents at the first possible instance on reopening, appealing for an exemption to the expiry of the Tenement owing, in part, to COVID-19 restrictions declared in Argentina on 13 March 2020. If such application and Statement of Discovery is accepted by the Mining Authority, the Tenement will be restored. The Company is confident that such process will be successful.

Further detail with respect to the Guille Exploration Permit is set out in section 6.3 of the Independent Geologist's Report and the Independent Solicitor's Report on Tenements.

5.6 Business Model

Following completion of the Public Offer and the Acquisition, the Company's main objective will be to systematically explore and seek to develop the King Tut Project. The Company proposes to undertake the exploration programs highlighted below and further explained in the Independent Geologist's Report.

The results of the exploration programs will determine the economic viability and possible timing for the commencement of further activities including pre-feasibility studies and commencement of other mining operations at the Company's projects.

In addition to the above strategy, the Company also proposes to:

- (a) focus on mineral exploration or resource opportunities that have the potential to deliver growth for Shareholders;
- (b) continue to pursue other acquisitions that have a strategic fit for the Company and that have the potential to deliver growth for Shareholders (namely focussing on high quality assets with low capital expenditure requirements); and
- (c) provide working capital for the Company through the raising of capital to implement the above strategies.

The key dependencies of the Company's business model include:

- (a) completion of the proposed Acquisition;
- (b) tenure and access to the King Tut Project;
- (c) retaining and recruiting key personnel skilled in the mining and resources sector;
- (d) sufficient worldwide demand for gold and cobalt;
- (e) the market price of gold and cobalt remaining higher than the Company's costs of any future production (assuming successful exploration by the Company); and
- (f) raising sufficient funds to satisfy expenditure requirements, exploration costs, operating costs and acquisition costs.

5.7 Proposed Exploration Program

Details of the Company's intended exploration programs at the King Tut Project, including tables of proposed expenditure, are contained in the Independent Geologist's Report.

It is currently proposed that the initial exploration budget of the Company for the King Tut Project will be as follows for the initial two (2) financial years from Listing:

Exploration program budget	Year 1	Year 2	Total
Minimum Subscription basis (\$5,000,000)	\$1,017,042	\$1,231,408	\$2,248,450
Maximum Subscription basis (\$6,000,000)	\$1,225,493	\$1,713,098	\$2,938,591

Further details of the Company's intended exploration programs and budgets are set out in section 8 of the Independent Geologist's Report included in Annexure A.

The exploration programs and budgeted expenditure outlined above and in section 8 of the Independent Geologist's Report are subject to modification on an ongoing basis and are contingent on circumstances, results and other opportunities. Expenditure may be reallocated as a consequence of such changes or new opportunities arising and will always be prioritised in accordance with due regard to geological merit and other business decisions related to the Company's activities.

Ongoing assessment of the Company's projects, including the King Tut Project, may lead to increased or decreased levels of expenditure reflecting a change of emphasis. The proposed exploration budget will be spent on granted Tenements and will be subject to modification on an ongoing basis depending on the results obtained from exploration and development activities as they progress and the granting of tenements now in application. The budget is consistent with the stated objectives and the program is warranted and justified on the basis of the historical exploration activity and demonstrated potential for discovery of mineralisation.

The exploration expenditure provided in the Independent Geologist's Report has been prepared based on exploration to be completed on the King Tut and Diana II Exploitation Concessions only. It does not give any indication of possible exploration spend on the Guille Exploration Permit, which is expired and subject to renewal.

5.8 Use of Funds

The Company intends to apply funds raised from the Public Offer, together with existing cash reserves post-Acquisition, over the first two years following admission of the Company to the Official List of ASX as follows:

Funds available	Minimum Subscription (\$) (\$5,000,000)	Percentage of Funds (%)	Maximum Subscription (\$) (\$6,000,000)	Percentage of Funds (%)
Existing cash reserves ¹	308,501	5.81	308,501	4.89
Funds raised from the Public Offer	5,000,000	94.19	6,000,000	95.11
Total	5,308,501	100	6,308,501	100
Allocation of funds				
Preliminary on ground exploration at the King Tut Project ²	500,986	9.44	598,169	9.48
Drilling at the King Tut Project ²	1,747,464	32.92	2,340,422	37.10
King Tut Project management costs	400,000	7.54	400,000	6.34
Repayment of debt to creditors	550,000	10.36	550,000	8.72

Funds available	Minimum Subscription (\$) (\$5,000,000)	Percentage of Funds (%)	Maximum Subscription (\$) (\$6,000,000)	Percentage of Funds (%)
M&A budget for complementary assets	500,000	9.42	749,859	11.89
Expenses of the Offers ³	450,000	8.48	510,000	8.08
Administration costs ⁴	700,000	13.19	700,000	11.10
Working capital ⁵	460,051	8.67	460,051	7.29
Total	5,308,501	100	6,308,501	100

Notes:

1. Refer to the financial information set out in Section 6 of this Prospectus for further details. The Company intends to apply these funds towards the purposes set out in this table, including the payment of the expenses of the Offers of which various amounts will be payable prior to completion of the Offers. Since 31 December 2019, the Company has expended approximately \$147,000 (excluding GST) in progressing the Acquisition, preparing for Listing and preparing the Prospectus.
2. Refer to Section 5.7 and the Independent Geologist's Report for further details with respect to the Company's proposed exploration programs at the Project.
3. Refer to Section 10.9 for further details.
4. Administration costs include the general costs associated with the management and operation of the Company's business including administration expenses, management salaries, directors' fees, rent and other associated costs.
5. To the extent that:
 - a. the Company's exploration activities warrant further exploration; or
 - b. the Company is presented with additional acquisition opportunities,
the Company's working capital will fund such further exploration and acquisition costs (including due diligence investigations and expert's fees in relation to such acquisitions). Any amounts not so expended will be applied toward administration costs for the period following the initial 2-year period from the Company's admission to the Official List of ASX.

It is anticipated that the funds raised under the Public Offer will enable 2 years of full operations. It should be noted that the Company is unlikely to be self-funding through its own operational cash flow at the end of this period. Accordingly, the Company may require additional capital beyond this point, which will likely involve the use of additional debt or equity funding. Future capital needs will also depend on the success or failure of the exploration program of the King Tut Project. The use of further debt or equity funding will be considered by the Board where it is appropriate to fund additional exploration on the King Tut Project or to capitalise on acquisition opportunities in the resources sector.

In the event the Company raises more than the Minimum Subscription of \$5,000,000 under the Public Offer, the additional funds raised will be first applied towards the preliminary on ground exploration and drilling at the King Tut Project, the Company's M&A budget for complementary assets and the additional expenses of the Public Offer.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events (including exploration success or failure) 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.

The Directors consider that following completion of the Offers, the Company will have sufficient working capital to carry out its stated objectives. It should however be noted that an investment in the Company is speculative and investors are encouraged to read the risk factors outlined in Section 7.

5.9 Capital Structure

The capital structure of the Company following completion of the Offers (assuming both Minimum and Subscription under the Public Offer) is summarised below:

Shares¹

Description	Minimum Subscription	Maximum Subscription
Shares currently on issue ²	15,689,756	15,689,756
Shares to be issued pursuant to the Public Offer	25,000,000	30,000,000
Shares to be issued under the Secondary Offers ³	11,223,724	11,223,724
Other Shares to be issued ⁴	1,053,750	1,053,750
Total Shares on completion of the Offers and the Acquisition	52,967,230	57,967,230

Notes:

- The rights attaching to the Shares are summarised in Section 10.2. The Consolidation of the Company's issued capital (on the basis that every two hundred (200) Shares be consolidated into one (1) Share) is to be approved by Shareholders at the upcoming General Meeting. All references in this Prospectus are on a post-Consolidation basis (unless otherwise stated) and are subject to rounding of individual holdings.
- The following is noted in relation to the 15,689,756 Shares on issue as at the date of this Prospectus:
 - the Company completed the Pre-IPO Capital Raising to raise \$300,000 (before costs) by the issue of 1,875,000 Shares at \$0.16 per Share; and
 - the Company issued 500,000 Initial Shares to the Vendors on 27 August 2020 in accordance with the terms of the Acquisition Agreement.
- Refer to Section 9.1.1 for a summary of the Acquisition Agreement and Section 9.3.4 for a summary of the Convertible Loan Agreements, pursuant to which the Secondary Offers are made.
- Refer to Section 9.3 for a summary of the Previous Officer Agreement, Consulting Agreement and Investor Relations Agreement, pursuant to which the Other Shares are to be issued.

Performance Shares

	Minimum Subscription	Maximum Subscription
Performance Shares currently on issue	Nil	Nil
Performance Shares to be issued under the Acquisition ¹	7,000,000	7,000,000
Total Performance Shares on issue after completion of the Offers	7,000,000	7,000,000

Notes:

- Refer to Section 10.3.1 for the terms and conditions of the Performance Shares. Each Performance Share will convert into one (1) Share on the achievement of the following milestones:
 - 3,500,000 Performance Shares shall convert into an equivalent number of Shares on Winmar announcing no less than five (5) drill holes each intersecting at least two (2) continuous metres of gold at no less than 5g/tonne on the Tenements, of which no less than two (2) drill holes are located on the Diana II Exploitation Concession and/or the Guille Exploration Permit; and
 - 3,500,000 Performance Shares shall convert into an equivalent number of Shares on Winmar announcing a JORC compliant Inferred gold Resource of at least 500,000 Oz at no less than 5g/tonne on one or more of the Tenements.

The Company does not have (and does not intend to have on completion of the Offers) any other securities other than those mentioned in this Section 5.9.

5.10 Substantial Shareholders

Those Shareholders holding 5% or more of the Shares on issue both as at the date of this Prospectus and on completion of the Acquisition and Public Offer are set out in the respective tables below.

As at the date of the Prospectus

Shareholder	Shares	Percentage (%) (Undiluted)	Percentage (%) (Fully Diluted)
Bilal Ahmad	1,008,750	6.43	6.43
Sufian Ahmad	1,086,350	6.92	6.92

Notes:

- All figures are shown on a post-Consolidation basis and are subject to rounding of individual security holdings. As at the date of the Prospectus the Company does not have any convertible securities on issue (hence no change on a fully diluted basis).

On completion of the Acquisition and the issue of Shares under the Offers (assuming a Minimum Subscription and no existing substantial Shareholder subscribes and receives additional Shares pursuant to the Public Offer)

Shareholder	Shares	Percentage (%) (Undiluted)	Percentage (%) (Fully Diluted)
Bilal Ahmad	1,008,750	1.90	1.68
Sufian Ahmad ¹	1,711,344	3.23	2.85

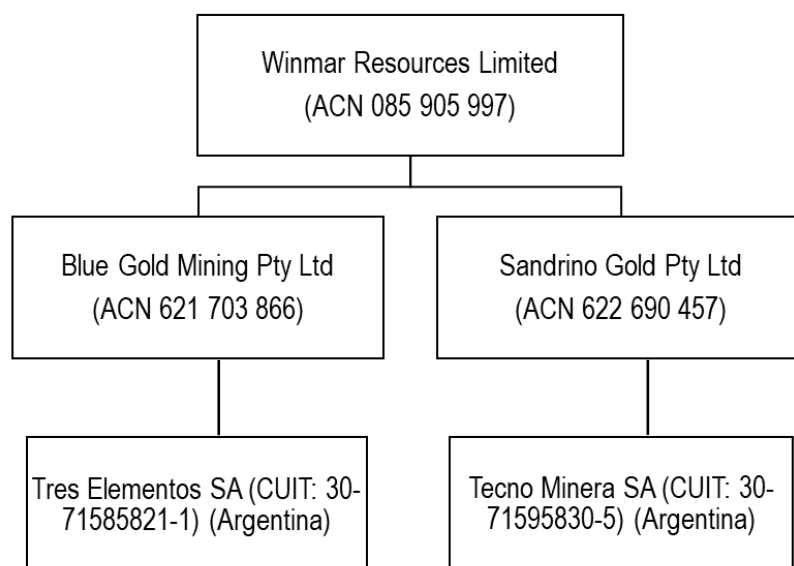
Notes:

- It is intended that Mr Sufian Ahmad will apply for and be issued 250,000 Shares under the Public Offer, in which case Mr Ahmad will hold 1,961,344 Shares on completion of the Acquisition and the issue of Shares under the Offers (refer to Section 8.2.2). The extent of Mr Bilal Ahmad's participation in the Public Offer is unknown as at the date of this Prospectus.

The Company will announce to the ASX details of its top-20 Shareholders (following completion of the Offers) prior to the Shares commencing trading on ASX.

5.11 Group Structure (Post-Acquisition)

Upon completion of the proposed Acquisition, the corporate structure of the Company is intended to be as follows:



Notes:

1. All entities within the Group structure above are reflected on an effective 100% owned basis.
2. TESA is held 95% by BGM and 5% by SG, whilst TMSA is held 95% by SG and 5% by BGM (resulting in an effective wholly owned Group structure post-Acquisition).

5.12 Restricted Securities

Subject to the Company being admitted to the Official List and completing the Offers and the Acquisition, certain Securities will be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of Official Quotation.

During the period in which these Securities are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner.

The Company will announce to the ASX full details (quantity and duration) of the securities required to be held in escrow prior to the Securities commencing trading on ASX (which admission is subject to ASX's discretion and approval).

5.13 Additional Information

Prospective investors are referred to and encouraged to read in its entirety both the:

- (a) the Independent Geologist's Report for further details about the geology, location and mineral potential of the Company's Projects; and
- (b) the Independent Solicitor's Report on Tenements for further details in respect to the Company's interests in the Tenements.

5.14 Dividend Policy

For the Company to progress its business model as detailed in Section 5.6, significant funding is likely to be required and therefore the Company currently has no plans to declare any dividends.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Board and will depend on the availability of distributable earnings and operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Board. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

6. Financial Information

6.1 Introduction

The financial information contained in this Section 6 includes:

- (a) summary statutory audited historical consolidated Statement of Financial Position at 30 June 2018 and 30 June 2019 and statutory audited historical consolidated Statement of Profit or Loss and Other Comprehensive Income and consolidated Statement of Cash Flows of the Winmar Resources Limited Group for the years ended 30 June 2018 and 30 June 2019 (refer Section 6.3);
- (b) summary statutory reviewed historical consolidated Statement of Financial Position at 31 December 2019 and statutory reviewed historical consolidated Statement of Profit or Loss and Other Comprehensive Income and consolidated Statement of Cash Flows of the Winmar Resources Limited Group for the six months ended 31 December 2019 (refer Section 6.3);
- (c) summary statutory audited historical consolidated Statement of Financial Position at 30 June 2018 and 30 June 2019 and statutory audited historical consolidated Statement of Profit or Loss and Other Comprehensive Income and consolidated Statement of Cash Flows of Blue Gold Mining Pty Ltd for the years ended 30 June 2018 and 30 June 2019, (refer Section 6.8);
- (d) summary statutory reviewed historical consolidated Statement of Financial Position at 31 December 2019 and statutory reviewed historical consolidated Statement of Profit or Loss and Other Comprehensive Income and consolidated Statement of Cash Flows of the Blue Gold Mining Pty Ltd Group for the six months ended 31 December 2019 (refer Section 6.8);
- (e) summary statutory audited historical consolidated Statement of Financial Position at 30 June 2018 and 30 June 2019 and statutory audited historical consolidated Statement of Profit or Loss and Other Comprehensive Income and consolidated Statement of Cash Flows of Sandrino Gold Pty Ltd for the years ended 30 June 2018 and 30 June 2019 (refer Section 6.9);
- (f) summary statutory reviewed historical consolidated Statement of Financial Position at 31 December 2019 and statutory reviewed historical consolidated Statement of Profit or Loss and Other Comprehensive Income and consolidated Statement of Cash Flows of the Sandrino Gold Pty Ltd Group for the six months ended 31 December 2019 (refer Section 6.9); and
- (g) the pro forma consolidated Statement of Financial Position at 31 December 2019 of the Group at 31 December 2019 (refer Section 6.4) and supporting notes which includes the post reporting date transactions (refer Section 6.5) and pro forma adjustments (refer Section 6.6),

(together referred to as the Historical Financial Information).

The Winmar Resources Limited Group comprises Winmar Resources Limited and its subsidiaries/undertakings, being a 100% interest in Argentine company Ontario Inc (a dormant entity) and a 70% interest in an Australia unincorporated joint venture, Winmar Exploration Joint Venture. The Group was primarily involved in identifying and investing in mineral exploration assets and conducting exploration activities on those assets.

The Blue Gold Mining Pty Ltd Group comprises Blue Gold Mining Pty Ltd and a 95% interest in its subsidiary, Tres Elementos SA, with the remaining 5% held by Sandrino Gold Pty Ltd.

The Sandrino Gold Pty Ltd Group comprises Sandrino Gold Pty Ltd and a 95% interest in its subsidiary, Tecno Minera SA, with the remaining 5% held by Blue Gold Mining Pty Ltd.

All amounts disclosed in this Section are presented in Australian dollars.

6.2 Basis of Preparation of the Historical Financial Information

The Historical Financial Information included in this Section 6 has been prepared in accordance with the recognition and measurement principles of Australian Accounting Standards (including the Australian Accounting Interpretations) adopted by the Australian Accounting Standards Board and the Corporations Act. The Historical Financial Information is presented in an abbreviated form insofar as it does not include all the presentation, disclosures, statements or comparative information as required by Australian Accounting Standards applicable to annual financial reports prepared in accordance with the Corporations Act 2001. Significant accounting policies applied to the Historical Financial Information are set out in note 6 of this Section 6 under the heading 'Significant Accounting Policies'.

The Historical Financial Information has been reviewed and reported on by HLB Mann Judd as set out in the Investigating Accountant's Report in Annexure C. Investors should note the scope and limitations of the Investigating Accountant's Report.

The consolidated financial information of Winmar Resources Limited Group that relates to the periods from 1 July 2017 to 30 June 2018, and 1 July 2018 to 30 June 2019, has been extracted from the financial statements of the Company which were audited by HLB Mann Judd. Unmodified audit opinions were issued for those periods with emphases of matter in relation to going concern.

The financial information that relates to Winmar Resources Limited Group that relates to the six months ended 31 December 2019, has been extracted from the financial statements of the Group which were reviewed by HLB Mann Judd. An unmodified review conclusion was issued with an emphasis of matter in relation to going concern.

The consolidated financial information of the Blue Gold Mining Pty Ltd and Sandrino Gold Pty Ltd Groups that relates to the periods from 1 July 2017 to 30 June 2018, and 1 July 2018 to 30 June 2019, as outlined in Section 6.8 and 6.9, has been extracted from the financial statements of the Company which were audited by BDO. Unmodified audit opinions were issued for those periods with emphases of matter in relation to going concern.

The financial information of the Blue Gold Mining Pty Ltd and Sandrino Gold Pty Ltd Groups that relates to the six months ended 31 December 2019, as outlined in Section 6.8 and 6.9, has been extracted from the financial statements of the Group which were reviewed by BDO. An unmodified review conclusion was issued with an emphasis of matter in relation to going concern. The Historical Financial Information has been prepared for the purpose of the Offer.

The information set out in this Section 6 and the Company's selected financial information should be read together with:

- (a) the risk factors described in Section 7;
- (b) the Use of Funds described in Section 5.8;
- (c) the indicative capital structure described in Section 5.9;
- (d) the Investigating Accountant's Report on the Historical Financial Information set out in Annexure C; and
- (e) the other information contained in this Prospectus.

Investors should also note that historical results are not a guarantee of future performance.

6.3 Winmar Resources Group Historical Financial Information

Statement of Profit or Loss and other Comprehensive Income.

	Reviewed 31 Dec 2019 6 months \$	Audited 30 Jun 2019 Full year \$	Audited 30 Jun 2018 Full year \$
Continuing Operations			
Other income	-	2,897	2,620
Compliance and regulatory expenses	(34,132)	(92,121)	(174,842)
Consulting and professional fees	(41,883)	(573,035)	(331,901)
Employee benefits expense	(78,000)	(156,000)	(624,778)
Impairment of exploration assets	(78,221)	(5,869,303)	(127,386)
Impairment of other receivables	-	(1,404,858)	(234,004)
Impairment of investments	(31,127)	(694,515)	-
Share-based payments	-	(141,193)	-
Other expenses	(104,360)	(351,424)	(115,945)
Results from operating activities	(367,723)	(9,279,552)	(1,606,236)
Finance income	49	11,226	7,560
Finance expense	(88,114)	(123,039)	(640)
Net finance income	(88,065)	(111,813)	6,920
Loss for the year before income tax	(455,788)	(9,391,365)	(1,599,316)
Income tax expense	-	-	-
Loss for the year from continuing operations attributable to members of the Company	(455,788)	(9,391,365)	(1,599,316)
Other comprehensive income	-	-	-
Total comprehensive loss for the year attributable to members of the Company	(455,788)	(9,391,365)	(1,599,316)
Loss per share			
Basic loss per share (cents per share)	(0.02)	(0.36)	(0.08)
Diluted loss per share (cents per share)	(0.02)	(0.36)	(0.08)

Note:

The above statement of comprehensive income is an extract from the Winmar Resources Limited Financial Statements for the half year ended 31 December 2019 and the Annual Reports for the years ended 30 June 2018 and 30 June 2019 available at <https://www.winmarresources.com.au/reports>.

Statement of Financial Position

	Reviewed 31 Dec 2019 6 months Note	Audited 30 Jun 2019 Full year \$	Audited 30 Jun 2018 Full year \$
Assets			
Current assets			
Cash and cash equivalents	8,501	50,601	866,100
Restricted cash and cash equivalents	49,985	49,985	84,000
Trade and other receivables	164,895	110,375	113,112
Total current assets	223,381	210,961	1,063,212
Non-current assets			
Environmental bond	-	-	13,460
Exploration and evaluation	116,524	-	714,515
Prepayments	-	116,524	5,925,326
Total non-current assets	116,524	116,524	6,653,301
Total assets	339,905	327,485	7,716,513
Liabilities			
Current liabilities			
Trade and other payables	708,203	328,681	272,272
Borrowings	960,232	871,546	-
Employee entitlements	-	-	86,811
Total current liabilities	1,668,435	1,200,227	359,083
Net liabilities	(1,328,530)	(872,742)	7,357,430
Equity			
Issued capital	45,835,902	45,899,027	45,005,027
Reserves	330,318	267,193	-
Accumulated losses	(47,494,750)	(47,038,962)	(37,647,597)
Total deficiency	(1,328,530)	(872,742)	7,357,430

Note:

The above statement of financial position is an extract from the Winmar Resources Limited Financial Statements for the half year ended 31 December 2019 and the Annual Reports for the years ended 30 June 2018 and 30 June 2019 available at <https://www.winmarresources.com.au/reports>.

Statement of Cash Flows

	Reviewed 31 Dec 2019 6 months	Audited 30 Jun 2019 Full year \$	Audited 30 Jun 2018 Full year \$
Cash flows from operating activities			
Other receipts	-	-	136,120
Payments to suppliers and employees	(44,625)	(1,256,691)	(1,099,550)
GST Received	23,108	72,803	71,282
Interest received	49	11,226	7,560
Interest paid	-	(1,493)	(640)
Net cash flows used in operating activities	(21,468)	(1,174,155)	(885,228)
Cash flows from investing activities			
Purchase for exploration and evaluation	(20,632)	(53,788)	(430,781)
Purchase of tenements	-	-	(70,000)
Payments to Winmar Resources Congo SAU	-	(714,146)	-
Prepaid investments in DRC associated company	-	-	(661,054)
Net cash flows used in investing activities	(20,632)	(767,934)	(1,161,835)
Cash flows from financing activities			
Proceeds from issue of shares	-	1,020,000	2,678,490
Receipt of funds for shares yet to be issued	-	978,000	-
Refund of proceeds received for future capital raisings	-	(978,000)	-
Proceeds from borrowings	-	750,000	-
Loss of control over funds in trust	-	(677,425)	-
Share issuing costs	-	-	(159,825)
Net cash flows from financing activities	-	1,092,575	2,518,665
Net (decrease)/increase in cash and cash equivalents	(42,100)	(849,514)	471,602
Cash and cash equivalents at beginning of period	100,586	950,100	478,498
Cash and cash equivalents at end of period	58,486	100,586	950,100

Note:

The above statement of cashflows is an extract from the Winmar Resources Limited Financial Statements for the half year ended 31 December 2019 and the Annual Reports for the years ended 30 June 2018 and 30 June 2019 available at <https://www.winmarresources.com.au/reports>.

6.4 Pro Forma Financial Statement

The table below sets out the post reporting date transactions and pro forma adjustments that have been incorporated into the Pro Forma Statement of Financial Position as at 31 December 2019.

The post reporting date transactions reflect material transactions that have occurred subsequent to 31 December 2019 and up to the date of this Prospectus as outlined in Section 6.5. The pro forma adjustments reflect the financial impact of the Offer as if they had occurred at 31 December 2019, as outlined in Section 6.6.

The Pro Forma Statement of Financial Position is provided for illustrative purposes only and is not represented as being necessarily indicative of the Company's view of the Group's future financial position.

Proforma Statement of Financial Position

	Note	31 Dec 2019 \$	Maximum \$	Minimum \$
Assets				
Current assets				
Cash and cash equivalents	6.6.1	8,501	6,061,802	5,121,802
Restricted cash and cash equivalents		49,985	49,985	49,985
Trade and other receivables		164,895	171,205	171,205
Total current assets		223,381	6,282,992	5,342,992
Non-current assets				
Exploration and evaluation	6.6.2	116,524	1,272,702	1,272,702
Prepayments		-	-	-
Total non-current assets		116,524	1,272,702	1,272,702
Total assets		339,905	7,555,694	6,615,694
Liabilities				
Current liabilities				
Trade and other payables		708,203	591,089	591,089
Borrowings		960,232	2,292	2,292
Total current liabilities		1,668,435	593,381	593,381
Net (liabilities) / assets		(1,328,530)	6,962,313	6,022,313
Equity				
Issued capital	6.6.4	45,835,902	54,233,161	53,293,161
Reserves		330,318	302,080	302,080
Accumulated losses		(47,494,750)	(47,578,630)	(47,578,630)
Attributable to Winmar Resources		(1,328,530)	6,956,611	6,016,611
Non-controlling interests		-	5,702	5,702
Total (deficiency) / equity		(1,328,530)	6,962,313	6,022,313

	31 Dec 2019	Maximum	Minimum
Ratios			
Net cash backing per share (cents)	0.002	10.457	9.670
Net asset backing per share (cents)	(0.050)	12.009	11.368
Debt to equity	(1.256)	0.085	0.099

Notes:

1. Calculated on the pre consolidation number of shares

6.5 Post Reporting Date Transactions

The following material transactions have occurred subsequent to 31 December 2019, and up to the date of authorisation of this Prospectus and have been incorporated as part of the Pro Forma Statement of Financial Position:

- drawdown on Working Capital Facility of \$57,930;
- expense interest on borrowings \$46,079;
- expense borrowing costs capitalised \$37,500;
- payment of creditors existing at 31 December 2019 of \$56,345 and current period expenses of \$1,585;
- issue of 20,000,000 Shares (pre-Consolidation) to Airguide International Pte Ltd (Airguide) on conversion of Performance Rights (i.e. 100,000 Shares on a post-Consolidation basis), the vesting hurdles of which were previously satisfied, and the lapse of 80,000,000 Performance Rights that did not achieve the relevant vesting hurdles by the expiry date of 13 August 2020; and
- the Company has completed the Pre-IPO Capital Raising to raise \$300,000 (before costs) by the issue of 375,000,000 Shares (pre-Consolidation) at \$0.0008 per Share (i.e. 1,875,000 Shares at \$0.16 per Share post-Consolidation). Share costs payable to the Lead Manager in connection with the Pre-IPO Capital Raising are \$12,000.

There have been no other adjusting or significant non-adjusting events that have occurred between 31 December 2019 and the date of authorisation of this Prospectus.

6.6 Proforma Adjustments

The following transactions contemplated in this Prospectus which are to take place on or before the completion of the Offers, referred to as the pro forma adjustments, are presented as if they, together with the Offers, had occurred on or before 31 December 2019 and are set out below:

The following transactions contemplated in this Prospectus which are to take place on or before the completion of the Offers, referred to as the pro forma adjustments, are presented as if they, together with the Offers, had occurred on or before 31 December 2019 and are set out below:

- the Consolidation of the Company's issued capital (on the basis that every two hundred (200) Shares be consolidated into one (1) Share) is to be approved by Shareholders at the upcoming General Meeting;
- in connection with the Acquisition Agreement, the issue by the Company of a total 5,500,000 Shares (which includes the Initial Shares and Consideration Shares) at \$0.20 per Share, totalling \$1,100,000 in consideration of the Acquisition of Blue Gold Mining Pty Ltd (BGM) and Sandrino Gold Pty Ltd (SG);
- the conversion of the Convertible Notes working capital facility to 454,384 Shares at \$0.18 per Share, totalling \$81,789 principal and interest;
- the conversion of the Shareholder Loans to 5,769,340 Shares at \$0.18 per Share, totalling \$1,038,481 principal and interest;

- (e) the issue of Shares under the Public Offer at \$0.20 per Share. Minimum Subscription of 25,000,000 Shares to raise \$5,000,000 (before costs), and a Maximum Subscription of 30,000,000 Shares to raise \$6,000,000. Share costs payable to the Lead Manager under a Minimum Subscription scenario are \$175,000, whilst Maximum Subscription are \$235,000;
- (f) the issue of 478,750 Shares to Previous Officer at \$0.20 per Share, totalling \$95,750;
- (g) the issue of 500,000 Shares under the Consulting Agreement at \$0.20 per share total \$100,000; and
- (h) the issue of 75,000 Shares under Investor Relation Agreement at \$0.20 per share, total \$15,000.

Unless otherwise indicated, the above figures are represented on a post-Consolidation basis.

Recognition of a deferred tax asset

A deferred tax asset has not been recognised in relation to the capitalised Public Offer costs due to the uncertainty surrounding the flow of economic benefits in future periods.

6.6.1 Cash and Cash Equivalents

	Note	Maximum \$	Minimum \$
Balance at 31 December 2019		8,501	8,501
Proforma adjustments			
Cash received under Pre-IPO Capital Raising		300,000	300,000
Cash acquired from BGM and SG	6.6.3	301	301
Cash received under the Public Offer		6,000,000	5,000,000
Cash settled share issue costs		(247,000)	(187,000)
		6,061,802	5,121,802

6.6.2 Exploration and Evaluation

Deferred exploration and evaluation expenditure consists of the cash payments and issue of Vendor Shares as part consideration for the Acquisitions. The reviewed pro forma deferred exploration and evaluation expenditure has been set out below:

	Note	31 Dec 2019 6 months \$	Maximum \$	Minimum \$
Bloom Lake Cobalt project		116,524	116,524	116,524
King Tut Project – BGM & SG	6.6.3	-	1,156,178	1,156,178
		116,524	1,272,702	1,272,702

Proforma adjustments

	Note	Maximum \$	Minimum \$
Initial Shares issued under the Acquisitions	6.6.3	100,000	100,000
Consideration Shares to be issued under the Acquisition	6.6.3	1,000,000	1,000,000
Exploration and Evaluation acquired BGM & SG		56,178	56,178
		1,156,178	1,156,178

The ultimate recoupment of the expenditure is dependent upon the successful development and commercial exploitation or, alternatively, sale of the respective areas of interest.

6.6.3 Asset Acquisition

	Maximum \$	Minimum \$
Consideration	1,100,000	1,100,000
Current assets		
Cash and cash equivalents	301	301
Trade and other receivables	5,032	5,032
	5,333	5,333
Non-current assets		
Exploration and evaluation	117,458	117,458
	117,458	117,458
Current liabilities		
Trade and other payables	55,809	55,809
	55,809	55,809
Net assets	66,982	66,982
Less: Non-controlling interest	(5,702)	(5,702)
Net assets acquired	61,280	61,280
Exploration and evaluation		
Excess consideration over net assets acquired	1,038,728	1,038,728
Exploration and evaluation	117,458	117,458
Total Exploration and evaluation acquired	1,156,178	1,156,178

6.6.4 Contributed Equity

Contributed equity consists of issued capital. The reviewed pro forma share capital has been set out below:

	Maximum Number	Maximum \$	Minimum Number	Minimum \$
Issued Capital – 31 December 2019	2,642,951,276	45,835,902	2,642,951,276	45,835,902
Proforma adjustments				
Airguide - Performance Rights	20,000,000	28,239	20,000,000	28,239
Pre IPO Capital Raise	375,000,000	300,000	375,000,000	300,000
	2,662,951,276	46,164,141	2,662,951,276	46,164,141
Conversion	200/1		200/1	
Issued Capital - post conversion	15,189,756	46,164,141	15,189,756	46,164,141
Initial Shares issued under the Acquisitions	500,000	100,000	500,000	100,000
Consideration Shares to be issued under the Acquisition	5,000,000	1,000,000	5,000,000	1,000,000
Shares to be issued on conversion of the Convertible Notes	454,384	81,789	454,384	81,789
Shares to be issued under the Public Offer	30,000,000	6,000,000	25,000,000	5,000,000
Shares to be issued on conversion of Shareholder Loans	5,769,340	1,038,481	5,769,340	1,038,481
Shares to be issued to the Previous Officer	478,750	95,750	478,750	95,750
Shares to be issued under the Consulting Agreement (share issue costs)	500,000	100,000	500,000	100,000
Shares to be issued under Investor Relations Agreement (Share issue costs)	75,000	15,000	75,000	15,000
Share issue costs	-	(362,000)	-	(302,000)
	57,967,230	54,233,161	52,967,230	53,293,161

6.7 Significant Accounting Policies

(a) Basis of preparation

The Historical Financial Information has been prepared in accordance with the recognition and measurement principles of the Australian Accounting Standards, and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial information has been prepared on an accruals basis and is based on historical cost.

(b) Going concern

The Historical Financial Information has been prepared on the basis of accounting principles applicable to a going concern which assumes the commercial realisation of the future potential of the Group's assets and the discharge of its liabilities in the normal course of business.

(c) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- (i) has power over the investee;
- (ii) is exposed, or has rights, to variable returns from its involvement in with the investee; and
- (iii) has the ability to its power to affect its returns.

The Company reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

(d) Income Taxes

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

Deferred tax assets are recognised for all differences, between carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases, at the tax rates expected to apply when the assets are recovered or liabilities settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction.

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

(e) Exploration and Evaluation Expenditure

Expenditure on acquisition, exploration and evaluation relating to an area of interest is carried forward where rights to tenure of the area of interest are current and;

- (i) It is expected that expenditure will be recouped through successful development and exploitation of the area of interest or alternatively by its sale; and/or
- (ii) Exploration and evaluation activities are continuing in an area of interest but at balance date have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves.

Where the technical feasibility and commercial viability of extracting a mineral resource have been demonstrated then any capitalised exploration and evaluation expenditure is reclassified as capitalised "mine properties in development". Prior to reclassification, capitalised exploration and evaluation expenditure is assessed for impairment.

Exploration and evaluation assets are reviewed at each reporting date for indicators of impairment and are tested for impairment where such indicators exist. If testing performed indicates that the carrying value might not be recoverable the asset is written down to its recoverable amount. Any such impairment is recognised in profit or loss for the year.

Accumulated costs in relation to an abandoned area are written off to profit or loss in the period in which the decision to abandon the area is made.

An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

(f) Cash and Cash Equivalents

For presentation purposes of the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(g) Employee Benefits

Accumulation Superannuation Funds

Obligations for contributions to accumulation superannuation funds are recognised as an expense in profit or loss when they are due.

Short-Term Benefits

Liabilities for wages and salaries, including non-monetary benefits, and annual leave expected to be wholly settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Long-Term Benefits

Liabilities for long service leave not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting date.

(h) Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the Company prior to year-end and which are unpaid. These amounts are unsecured and usually have 30 - 60 day payment terms.

(i) Goods and Services Tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(j) Interests in Joint Operations

A joint arrangement in which the company has direct rights to underlying assets and obligations for underlying liabilities is classified as a joint operation.

The company's share of the assets, liabilities, revenue and expenses of jointly controlled operations has been included in the appropriate line items of the financial statements. Details of the Company's interests are provided in Note 18.

Where the company contributes assets to the joint operation or if the company purchases assets from the joint operation, only the portion of the gain or loss that is not attributable to the company's share of the joint operation shall be recognised. The company recognises the full amount of any loss when the contribution results in a reduction in the net realisable value of current assets or an impairment loss.

(k) Contributed Equity

Ordinary shares are classified as equity.

Costs attributable to the issue of new shares or options are shown as a deduction from the equity proceeds, net of any income tax benefit. Costs directly attributable to the issue of new shares or options associated with the acquisition of a business are included as part of the purchase consideration.

6.8 Financial Statements Blue Gold Mining Pty Ltd

Statement of Profit or Loss and other Comprehensive Income

	Reviewed 31 Dec 2019 6 months	Audited 30 Jun 2019 Full year	Audited 30 Jun 2018 Full year
		\$	\$
Income	-	-	5
Compliance and regulatory expenses	(347)	(342)	(202)
Exploration expenses	-	(17,840)	(7,373)
Consulting and professional fees	-	(33,400)	-
Other expenses	(16)	(991)	(80)
(Loss) before income tax expense	(363)	(52,573)	(7,650)
Income tax expense	-	-	-
(Loss) after income tax expense for the period	(363)	(52,573)	(7,650)
Other comprehensive income for the year, net of tax	95	4,884	6,986
Total comprehensive (loss) for the year	(268)	(47,689)	(664)
Total loss for the year is attributable to:			
Non-controlling interest	-	-	(16)
Owners of Blue Gold Mining Pty Ltd	(363)	(52,573)	(7,634)
	(363)	(52,573)	(7,650)
Total comprehensive income is attributable to:			
Non-controlling interest	5	244	333
Owners of Blue Gold Mining Pty Ltd	(273)	(47,933)	(997)
	(268)	(47,689)	(664)

Statement of Financial Position

	Reviewed 31 Dec 2019 6 months \$	Audited 30 Jun 2019 Full year \$	Audited 30 Jun 2018 Full year \$
Assets			
Current assets			
Cash and cash equivalents	110	42	1,671
Trade and other receivables	5,025	5,170	678
Total current assets	5,135	5,212	2,349
Non-current assets			
Exploration and evaluation	96,251	96,156	91,272
Total non-current assets	96,251	96,156	91,272
Total assets	101,386	101,368	93,621
Liabilities			
Current liabilities			
Trade and other payables	55,809	55,523	87
Total current liabilities	55,809	55,523	87
Net assets	45,577	45,845	93,534
Equity			
Issued capital	90,000	90,000	90,000
Reserves	11,367	11,277	6,637
Accumulated losses	(60,570)	(60,207)	(7,634)
Equity attributable to the owners of Blue Gold Mining Pty Ltd	40,797	41,070	89,003
Non-controlling interest	4,780	4,775	4,531
Total equity	45,577	45,845	93,534

Statement of Cash Flows

	Reviewed	Audited	Audited
	31 Dec 2019	30 Jun 2019	30 Jun 2018
	6 months	Full year	Full year
		\$	\$
Cash flows from operating activities			
Other receipts	68	-	-
Payments to suppliers and employees	-	(1,629)	(8,247)
Interest received	-	-	5
Net cash flows used in operating activities	68	(1,629)	8,242
Cash flows from investing activities			
Purchase for exploration and evaluation	-	-	(80,087)
Net cash flows used in investing activities	-	-	(80,087)
Cash flows from financing activities			
Proceeds from issue of shares	-	-	90,000
Net cash flows from financing activities	-	-	90,000
Net (decrease)/increase in cash and cash equivalents	68	(1,629)	1,671
Cash and cash equivalents at beginning of period	42	1,671	-
Cash and cash equivalents at end of period	110	42	1,671

6.9 Financial Statements Sandrino Gold Mining Pty Ltd

Statement of Profit or Loss and other Comprehensive Income

	Reviewed 31 Dec 2019 6 months	Audited 30 Jun 2019 Full year \$	Audited 30 Jun 2018 Full year \$
Income	-	-	7
Compliance and regulatory expenses	-	(342)	(443)
Exploration expenses	-	(1,520)	(15,278)
Other expenses	(11)	(26)	(661)
(Loss) before income tax expense	(11)	(1,888)	(16,375)
Income tax expense	-	-	-
(Loss) after income tax expense for the period	(11)	(1,888)	(16,375)
Other comprehensive income for the year, net of tax	18	941	1,354
Total comprehensive profit / (loss) for the year	7	(947)	(15,021)
Total loss for the year is attributable to:			
Non-controlling interest	-	-	(16)
Owners of Sandrino Gold Pty Ltd	(11)	(1,888)	(16,359)
	(11)	(1,888)	(16,375)
Total comprehensive income is attributable to:			
Non-controlling interest	-	46	50
Owners of Sandrino Gold Pty Ltd	7	(993)	(15,071)
	7	(947)	(15,021)

Statement of Financial Position

	Reviewed	Audited	Audited
	31 Dec 2019	30 Jun 2019	30 Jun 2018
	6 months	Full year	Full year
	\$	\$	\$
Assets			
Current assets			
Cash and cash equivalents	191	188	572
Trade and other receivables	8	22	1,525
Total current assets	199	210	2,097
Non-current assets			
Exploration and evaluation	21,207	21,188	20,247
Total non-current assets	21,207	21,188	20,247
Total assets	21,406	21,398	22,344
Net assets	21,406	21,398	22,344
Equity			
Issued capital	36,541	36,541	36,541
Reserves	2,201	2,183	1,288
Accumulated losses	(18,258)	(18,247)	(16,359)
Equity attributable to the owners of Sandrino Gold Pty Ltd	20,484	20,477	21,470
Non-controlling interest	922	921	874
Total equity	21,406	21,398	22,344

Statement of Cash Flows

	Reviewed	Audited	Audited
	31 Dec 2019	30 Jun 2019	30 Jun 2018
	6 months	Full year	Full year
		\$	\$
Cash flows from operating activities			
GST received	4	1,508	-
Payments to suppliers and employees	(1)	(1,893)	(17,907)
Interest received	-	-	7
Net cash flows used in operating activities	3	(385)	(17,900)
Cash flows from investing activities			
Purchase for exploration and evaluation	-	1	(18,069)
Net cash flows used in investing activities	-	1	(18,069)
Cash flows from financing activities			
Proceeds from issue of shares	-	-	36,541
Net cash flows from financing activities	-	-	36,541
Net (decrease)/increase in cash and cash equivalents	3	(384)	572
Cash and cash equivalents at beginning of period	188	572	-
Cash and cash equivalents at end of period	191	188	572

7. Risk Factors

7.1 Introduction

The Securities offered under this Prospectus should be considered as highly speculative and an investment in the Company is not risk free.

The future performance of the Company and the value of the Securities may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are described below.

The risks factors set out in this Section 7, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Shares. This Section 7 is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

The Directors strongly recommend that prospective investors consider the risk factors set out in this Section 7, together with all other information contained in this Prospectus.

Before determining whether to invest in the Company you should ensure that you have a sufficient understanding of the risks described in this Section 7 and all of the other information set out in this Prospectus and consider whether an investment in the Company is suitable for you, taking into account your objectives, financial situation and needs.

If you do not understand any matters contained in this Prospectus or have any queries about whether to invest in the Company, you should consult your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

7.2 Company Specific Risks

(a) Argentina

The Company's projects are subject to the risks associated with operating in a foreign country. These risks may include economic, social or political instability or change, hyperinflation, currency non-convertibility or instability and changes of law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, mine safety, labour relations as well as government control over mineral properties or government regulations that require the employment of local staff or contractors or require other benefits to be provided to local residents.

Some of the Company's key assets are its contractual interests in tenements in Argentina. Changes in Argentina's laws and regulations may have a significant effect on the Company's exploration operations, especially changes to environmental, mining, grant or renewal of concessions, royalties and taxation.

In 2018, Argentina was hit by a change in foreign investors' mood towards emerging markets, which led to a long and large sell-off of the peso and raising inflation pressures, leading to the central bank strongly raising interest rates. Inflation remains a major concern in Argentina, and amounted to approximately 32% in 2018 and 53% in 2019. Inflation remains a risk connected to Argentina in 2020.

The political conditions under which the Company currently operates in Argentina are stable compared to many areas of the world, but arguably are not as stable as those prevailing in Australia. Potential risk to the Company's activities may occur if there are changes to the political, legal and fiscal systems which might affect the ownership and operation of the Company's interests in Argentina. This may also include changes in

exchange control regulations, expropriation of mining rights, changes in government and in legislative and regulatory regimes.

(b) Exploration and operating

The mineral exploration permits and concessions comprising the King Tut Project 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 future exploration of these licences, or any other mineral licences that may be acquired in the future, will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, native title process, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company being able to maintain title to the mineral exploration permits and licences comprising the King Tut Project and obtaining all required approvals for their contemplated activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the King Tut Project, a reduction in the cash reserves of the Company and possible relinquishment of one or more of the mineral exploration permits and licences comprising the King Tut Project.

(c) Tenure, access and grant of applications

Mining and exploration tenements are subject to periodic renewal. There is no guarantee that current or future tenements or future applications for production tenements will be approved.

The Tenements are also at various stages of application and grant. Specifically, the Guille Exploration Permit is subject to renewal, whereby the Company (together with its local advisers and consultants) is to apply to the Mining Authority and provide a 'Statement of Discovery'. There can be no assurance that the tenement applications or renewals that are currently envisaged or pending will be granted (including in relation to the proposed renewal application concerning the Guille Exploration Permit). There can be no assurance that when the tenement is granted, it will be granted in its entirety. Additionally, some of the tenement areas applied for may be excluded. The Company is unaware of any circumstances that would prevent the tenement application from being granted, other than the competing applications, however the consequence of being denied the applications for reasons beyond the control of the Company could be significant specifically for the King Tut Project.

The Tenements are subject to the applicable mining acts and regulations in Argentina. The renewal of the term of a granted tenement is also subject to the discretion of the relevant Minister. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising the Company's projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

The Company considers the likelihood of tenure forfeiture to be low given the laws and regulations governing exploration in Argentina and the ongoing expenditure budgeted for by the Company.

However, the consequence of forfeiture or involuntary surrender of a granted tenements for reasons beyond the control of the Company could be significant.

Please refer to the Independent Solicitor's Report on Tenements for further details.

(d) Rehabilitation of Tenements

In relation to the Company's proposed operations at the King Tut Project, issues could arise from time to time with respect to the abandonment costs consequential clean-up costs, environmental concerns and other liabilities. There is a risk that the Company could become subject to liability if, for example, there is environmental pollution or damage from the Company's exploration activities and there are consequential clean-up costs at a later point in time. Additionally, the Company may in the future be required to rehabilitate the King Tut Mine site at the end of its life to a condition acceptable to the relevant Argentine authorities, notwithstanding the costs incurred in relation to the same may be attributable to historic mining activities on the King Tut Project prior to completion of the Acquisition.

(e) Contractual Risk

The Company's interest in the Project is subject to (and conditional on) the Acquisition Agreement.

The ability of the Company to achieve its stated objectives will depend on the performance by the parties of their obligations under the agreements to which it is (or may become) a party, including the Acquisition Agreement.

If the Company is unable to satisfy its undertakings under the agreements to which it is (or may become) a party, the Company's interest in their subject matter may be jeopardised.

If any party defaults in the performance of their obligations, it may be necessary for the Company to approach a court to seek a legal remedy, which can be costly.

(f) Management

The Company's management currently consists of two (2) non-executive Directors, one (1) executive Director and a Company Secretary. The Board is aware of the need to have sufficient management to properly supervise the exploration and (if successful) the development of the projects in which the Company has, or will in the future have, an interest and the Board will continually monitor the management roles in the Company.

As the Company's projects require an increased level of involvement the Board will look to appoint additional management and or consultants when and where appropriate to ensure proper management of the Company's projects.

However, there is a risk that the Company may not be able to secure personnel with the relevant experience at the appropriate time which may impact on the Company's ability to complete all of its preferred exploration programmes in its preferred timetable. The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on the Board. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these Directors cease their employment.

(g) Jurisdiction

The Company's assets are located outside Australia. As a result, it may be difficult to enforce judgments obtained in Australian courts against those assets. In addition, there is uncertainty as to whether the courts Argentina or any other jurisdiction in which the

Company may operate would recognise or enforce judgments of Australian courts based on provisions of the laws of Australia. Furthermore, because the majority of the Company's assets are or will be located outside Australia, it may be difficult to access those assets to satisfy an award entered for the Company in Australia. Consequently, Shareholders may have more difficulty in protecting their interests as a result of actions taken by management, the Board or controlling Shareholders than they would as shareholders of a company with assets in Australia.

(h) Climate Risk

The operations and activities of the Company are subject to changes to local or international compliance regulations related to climate change mitigation efforts, specific taxation or penalties for carbon emissions or environmental damage and other possible restraints on industry that may further impact the Company. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences.

Climate change may also cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns, incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

(i) COVID-19 Risk

The outbreak of the coronavirus disease (COVID-19) is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.

Further, any governmental or industry measures taken in response to COVID -19 may adversely impact the Company's operations and are likely to be beyond the control of the Company. The Company's ability to freely move people and equipment to and from exploration projects may cause delays or cost increases. The effects of COVID -19 on the Company's Share price may also impede the Company's ability to raise capital, or require the Company to issue capital at a discount, which may in turn cause dilution to Shareholders.

The Directors are monitoring the situation closely (including in the La Rioja Province) and have considered the impact of COVID-19 on the Company's business and financial performance. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain. If any of these impacts appear material prior to close of the Offers, the Company will notify investors under a supplementary prospectus.

(j) Litigation Risks

The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, reputation, financial performance and financial position. The Company is not currently engaged in any litigation.

Please refer to Section 10.1 of this Prospectus for further details surrounding threatened and ongoing claims with Cape Lambert Resources Limited and Airguide against the Company.

7.3 Industry Specific Risks

(a) Exploration costs

The exploration costs of the Company as summarised in Section 5.7 and in the Independent Geologist's Report (Annexure A), 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 uncertainty, and accordingly, the actual costs may materially differ from the estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely impact the Company's viability.

(b) Resource and reserves and exploration targets

The Company has identified a number of exploration targets based on geological interpretations and limited geophysical data, geochemical sampling and historical drilling. Insufficient data however, exists to provide certainty over the extent of the mineralisation. Whilst the Company intends to undertake additional exploratory work with the aim of defining a resource, no assurances can be given that additional exploration will result in the determination of a resource on any of the exploration targets identified. Even if a resource is identified no assurance can be provided that this can be economically extracted.

Reserve and resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when initially 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.

(c) Mine development

Possible future development of mining operations at the King Tut Project is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.

If the Company commences production on one of the Tenements, its operations may be disrupted by a variety of risks and hazards which are beyond the control of the Company. No assurance can be given that the Company will achieve commercial viability through the development of the Project.

The risks associated with the development of a mine will be considered in full should the Project reach that stage and will be managed with ongoing consideration of stakeholder interests.

(d) Environmental

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

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental

incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive.

Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.

(e) Regulatory Risks

The Company's operating activities are subject to extensive laws and regulations relating to numerous matters including resource licence consent, environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, native title and heritage matters, protection of endangered and protected species and other matters. The Company requires permits from regulatory authorities to authorise the Company's operations. These permits relate to exploration, development, production and rehabilitation activities.

While the Company believes that it is in substantial compliance with all material current laws and regulations, agreements or changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms of existing permits and agreements applicable to the Company or its properties, which could have a material adverse impact on the Company's current operations or planned development projects.

Obtaining necessary permits can be a time-consuming process and there is a risk that Company will not obtain these permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Company from proceeding with the development of a project or the operation or development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more of the Tenements.

7.4 General risks

(a) Economic

General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities. If activities cannot be funded, there is a risk that the Tenements may have to be surrendered or not renewed. General economic conditions may also affect the value of Securities and its valuation regardless of its actual performance.

(b) Competition risk

The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or

negatively, affect the operating and financial performance of the Company's projects and business.

(c) 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 product 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 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.

(d) Currently No Market

There is currently no public market for the Company's Shares, the price of its Shares is subject to uncertainty and there can be no assurance that an active market for the Company's Shares will develop or continue after the Offers. The price at which the Company's Shares trade on ASX after Listing may be higher or lower than the issue price of Shares offered under this Prospectus and could be subject to fluctuations in response to variations in operating performance and general operations and business risk, as well as external operating factors over which the Directors and the Company have no control, such as movements in mineral prices and exchange rates, changes to government policy, legislation or regulation and other events or factors.

There can be no guarantee that an active market in the Company's Shares will develop or that the price of the Shares will increase. There may be relatively few or many potential buyers or sellers of the Shares on ASX at any given time. This may increase the volatility of the market price of the Shares. It may also affect the prevailing market price at which Shareholders are able to sell their Shares. This may result in Shareholders receiving a market price for their Shares that is above or below the price that Shareholders paid.

(e) Market conditions

Share market conditions may affect the value of the Company's Shares regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

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

The market price of Shares 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.

(f) Additional requirements for capital

The Company's capital requirements depend on numerous factors. The Company may require further financing in addition to amounts raised under the capital raising. 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. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

(g) 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.

The Company may not be able to replace its senior management or key personnel with persons of equivalent expertise and experience within a reasonable period of time or at all and the Company may incur additional expenses to recruit, train and retain personnel. Loss of such personnel may also have an adverse effect on the performance of the Company pending replacements being identified and retained.

(h) Agents and Contractors

The Directors are unable to predict the risk of the insolvency or managerial failure by any of the contractors used (or to be used in the future) by the Company in any of its activities or the insolvency or other managerial failure by any of the other service providers used (or to be used in the future) by the Company for any activity.

(i) Insurance

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

Insurance of all risks associated with mineral exploration and production is not always available and where available the costs can be prohibitive.

(j) Taxation

The acquisition and disposal of Shares 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 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 Shares under this Prospectus.

(k) Force Majeure

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

(l) Government policy changes

Adverse changes in government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and mining and exploration activities of the Company. It is possible that the current system of exploration and mine permitting in Argentina may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation.

7.5 Investment Speculative

The risk factors described above, and other risks factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Shares.

Prospective investors should consider that an investment in the Company is highly speculative.

There is no guarantee that the Shares offered under this Prospectus will provide a return on capital, payment of dividends or increases in the market value of those Shares.

Before deciding whether to subscribe for Securities under this Prospectus you should read this Prospectus in its entirety and consider all factors, taking into account your objectives, financial situation and needs.

8. Board, Management and Corporate Governance

8.1 Directors and Other Management

The Board of the Company consists of:

(a) Mr Shannon Green – *Executive Chairman*

Mr Green has over 20 years corporate, resource development and mining operations experience, with extensive experience working in Africa and Australia having managed several significant projects from Feasibility through construction and into operation and held senior leadership roles with several Australian iron ore and gold mining operations. Shannon is Executive Chairman of Resource Base Limited (ASX:RBX) and was recently the Managing Director of Lindian Resources Ltd (ASX:LIN), an African focused resource company with projects in three African countries (resigned 26 May 2020). Prior to joining Lindian Resources Ltd, Shannon held the position of General Manager Project Implementation for ASX-listed bauxite developer Canyon Resources (ASX:CAY) where he played an instrumental role in the development of the Minim Martap Bauxite Project in Cameroon, Central Africa.

Mr Green's professional qualifications include Qld SSE Mine Managers Certificate, Graduate Diploma Mining Engineering, Diploma of Mining (Surface & Underground) and a Diploma of Finance. He is also currently completing an MBA.

The Board considers that Shannon Green is not an independent Director as he is engaged in an executive capacity.

(b) Sufian Ahmad – *Non-Executive Director*

Mr Ahmad is the founder of Sixty Two Capital, which specialises in providing corporate advice and capital raising services to emerging Australian companies across a diverse range of industries. Sufian brings significant legal, business and marketing experience to the Board with over 10 years' experience in trading, investing and the provision of corporate advisory services.

Mr Ahmad holds a Master of Business Administration, a Post-Graduate Diploma in Commercial and Resources Law, Bachelor of Law (Hons) and Diploma in Financial Planning.

The Board considers that Mr Ahmad is not an independent Director by virtue of his substantial shareholding in the Company.

(c) James Myers – *Non-Executive Director*

Mr Myers has over 15 years' experience in the equities dealing and corporate advisory sectors. Previously the co-founder and executive director of iiZen Equities before a corporate exit to Patersons Securities, Mr Myers has held equity advisory roles at Patersons Securities and Ord Minnett Limited and is currently an Associate Director of Corporate at Adelaide based Baker Young Stockbrokers.

Mr Myers has extensive small cap experience, most recently working on the re-organisation, recapitalisation and marketing of Lindian Resources (ASX:LIN). Mr Myers is currently a Non-Executive Director of Resource Base Limited (ASX:RBX) and Canadian based AgTech company, Roto-Gro International Limited (ASX:RGI).

The Board considers that Mr Myers is an independent Director.

Other management of the Company consists of:

(d) Ailsa Osborne – *Financial Controller*

Ms Osborne has had more than 17 years of professional experience in the mineral resources industry with expertise in finance, operations and development. Ailsa has

held senior finance roles in several listed companies operating in Australia and Internationally in South America, Indonesia and Africa.

Ms Osbornes qualifications include, CPA, BComm. Accounting and Business Law and is currently completing a Graduate Diploma of Applied Corporate Governance and Risk Management.

The Company is aware of the need to have sufficient management to properly supervise its operations and the Company has, or will in the future have, an interest and the Board will continually monitor the management roles in the Company.

As the Company's activities and operations require an increased level of involvement, the Board will look to appoint additional management and/or consultants when and where appropriate to ensure proper management of the Company's projects and investments.

8.2 Disclosure of Interests

8.2.1 Remuneration

Details of the Directors' remuneration for the previous two completed and the current financial year (on an annualised basis) are set out in the table below:

Director	Remuneration for the year ended 30 June 2019	Remuneration for the year ended 30 June 2020	Proposed remuneration for year ending 30 June 2021
Shannon Green ¹	Nil	\$26,791	\$150,000
Sufian Ahmad ¹	Nil	\$13,973	\$48,000
James Myers ²	Nil	\$8,000	\$48,000

Notes:

1. Refer to Section 9.2 for summaries of agreements entered into by the Company with the Directors and management.
2. Appointed on 17 March 2020.
3. Appointed on 30 April 2020.

8.2.2 Interests in Securities

Directors are not required under the Company's Constitution to hold any Shares to be eligible to act as a Director. As at the date of this Prospectus, the Directors have relevant interests in Securities as follows:

Director	Shares ¹	Percentage (%) (Undiluted)	Percentage (%) (Fully Diluted)
Shannon Green	Nil	Nil	Nil
Sufian Ahmad ²	1,086,350	6.92	6.92
James Myers	Nil	Nil	Nil

Notes:

1. All figures are shown on a post-Consolidation basis and are subject to rounding of individual Shareholdings. There are no convertible securities on issue as at the date of this Prospectus (hence no change on a fully diluted basis).
2. Mr Ahmad holds 976,350 Shares directly and 110,000 Shares indirectly as follows:
 - (i) 10,000 Shares held through his spouse; and
 - (ii) 100,000 Shares held through Sixty Two Capital, a company which Mr Ahmad controls.

Following the successful completion of the Offers, the Directors will have relevant interests in Securities as follows:

Director ¹	Shares	Percentage (%) (Undiluted)	Percentage (%) (Fully Diluted)
Shannon Green ²	500,000	0.94	0.83
Sufian Ahmad ^{2, 3}	1,961,344	3.70	3.27
James Myers ²	100,000	0.19	0.17

Notes:

1. All figures assume a Minimum Subscription, are shown on a post-Consolidation basis and are subject to rounding of individual Shareholdings.
2. It is intended that:
 - (i) Mr Green will be issued 500,000 Shares under the Consulting Agreement;
 - (ii) Mr Ahmad (or Sixty Two Capital, as his nominee) will apply for and be issued:
 - (A) 250,000 Shares under the Public Offer; and
 - (B) 624,995 Shares under the Convertible Loan Offer (comprising 240,372 Shares to be issued pursuant to the relevant Convertible Note Agreement and 384,623 Shares pursuant to the relevant Shareholder Loan Agreement, further details of which are set out in Section 9.3.4);
 - (i) Mr Myers will apply for and be issued 100,000 Shares under the Public Offer.
3. Mr Ahmad holds 976,350 Shares directly and 110,000 Shares indirectly as set out above.

The Constitution provides that the remuneration of Directors will be not more than the aggregate fixed sum determined by a general meeting. The aggregate remuneration for Directors is currently \$300,000 per annum although may be varied by ordinary resolution of the Shareholders in general meeting. However, the Company has included a resolution in its notice of General Meeting sent to Shareholder seeking approval to replace the current Constitution and also the total remuneration payable to non-executive Directors (proposed to be set by Shareholders in general meeting) and executive Directors (proposed to be set by the Board).

The remuneration of any executive director that may be appointed to the Board will be fixed by the Board and may be paid by way of fixed salary or consultancy fee.

8.3 Agreements with Directors and Related Parties

The Company's policy in respect of related party arrangements is:

- (a) a Director with a material personal interest in a matter is required to give notice to the other Directors before such a matter is considered by the Board; and
- (b) for the Board to consider such a matter, the Director who has a material personal interest is not present while the matter is being considered at the meeting and does not vote on the matter.

The agreements between the Company and related parties are summarised in Sections 9.2 and 9.3.

8.4 Corporate Governance

- (a) ASX Corporate Governance Council Principles and Recommendations

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. To implement these systems, the Company has adopted a set of policies and procedures. The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent applicable, the Company has adopted *The Corporate Governance Principles and Recommendations (4th Edition)* as published by ASX Corporate Governance Council (Recommendations).

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

The Company's main corporate governance policies and practices as at the date of this Prospectus are outlined below and the Company's full Corporate Governance Plan is available in a dedicated corporate governance information section of the Company's website www.winmarresources.com.au.

(b) Board of directors

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

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

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

- (i) leading and setting the strategic direction, values and objectives of the Company;
- (ii) appointing the Chairman of the Board, Managing Director or Chief Executive Officer and approving the appointment of senior executives and the Company Secretary;
- (iii) overseeing the implementation of the Company's strategic objectives, values, code of conduct and performance generally;
- (iv) approving operating budgets, major capital expenditure and significant acquisitions and divestitures;
- (v) overseeing the integrity of the Company's accounting and corporate reporting systems, including any external audit (satisfying itself financial statements released to the market fairly and accurately reflect the Company's financial position and performance);
- (vi) establishing procedures for verifying the integrity of those periodic reports which are not audited or reviewed by an external auditor, to ensure that each periodic report is materially accurate, balanced and provides investors with appropriate information to make informed investment decisions;
- (vii) overseeing the Company's procedures and processes for making timely and balanced disclosure of all material information that a reasonable person would expect to have a material effect on the price or value of the Company's securities;
- (viii) reviewing, ratifying and monitoring the effectiveness of the Company's risk management framework, corporate governance policies and systems designed to ensure legal compliance; and
- (ix) approving the Company's remuneration framework.

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

(c) Composition of the Board and diversity

Election of Board members is substantially the responsibility of the Shareholders in general meeting, subject to the following:

- (i) membership of the Board of Directors will be reviewed regularly to ensure the mix of skills and expertise is appropriate; and
- (ii) the composition of the Board has been structured so as to provide the Company with an adequate mix of directors with industry knowledge, technical, commercial and financial skills together with integrity and judgment considered necessary to represent shareholders and fulfil the business objectives and values of the Company as well as to deal with new and emerging business and governance issues.

The Board currently consists of three directors (two non-executive Directors and one executive Director) of whom one is considered independent. The Board considers the current balance of skills and expertise to be appropriate given the Company for its currently planned level of activity.

The Company, the Company's stated values and all the Company's related bodies corporate are committed to workplace diversity. The Company is committed to inclusion at all levels of the organisation, regardless of gender, marital or family status, sexual orientation, gender identity, age, disabilities, ethnicity, religious beliefs, cultural background, socio-economic background, perspective and experience.

To assist in evaluating the appropriateness of the Board's mix of qualifications, experience and expertise, the Board intends to maintain a Board Skills Matrix to ensure that the Board has the skills to discharge its obligations effectively and to add value.

The Board undertakes appropriate checks before appointing a person as a Director or putting forward to Shareholders a candidate for election as a Director or senior executive.

The Board ensures that Shareholders are provided with all material information in the Board's possession relevant to a decision on whether or not to elect or re-elect a Director.

The Company shall develop and implement a formal induction program for Directors, which is tailored to their existing skills, knowledge and experience. The purpose of this program is to allow new directors to participate fully and actively in Board decision-making at the earliest opportunity, and to enable new directors to gain an understanding of the Company's policies and procedures.

The Board maintains oversight and responsibility for the Company's continual monitoring of its diversity practices. The Company's Diversity Policy provides a framework for the Company to achieve enhanced recruitment practices whereby the best person for the job is employed, which requires the consideration of a broad and diverse pool of talent.

(d) Identification and management of risk

The Board's collective experience will enable accurate identification of the principal risks that may affect the Company's business. Key operational risks and their management will be recurring items for deliberation at Board meetings.

(e) Ethical standards

The Board is committed to the establishment and maintenance of appropriate ethical standards and to conducting all of the Company's business activities fairly, honestly

with integrity, and in compliance with all applicable laws, rules and regulations. In particular, the Company and the Board are committed to preventing any form of bribery or corruption and to upholding all laws relevant to these issues as set out in in the Company's Anti-Bribery and Anti-Corruption Policy. In addition, the Company encourages reporting of actual and suspected violations of the Company's Code of Conduct or other instances of illegal, unethical or improper conduct. The Company and the Board provide effective protection from victimisation or dismissal to those reporting such conduct as set out in its Whistleblower Protection Policy.

(f) Independent professional advice

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

(g) Remuneration arrangements

The remuneration of an executive Director will be decided by the Board, without the affected executive Director participating in that decision-making process.

The total maximum remuneration of Directors is initially set by the Constitution. Subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum cap will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each Director. The current amount has been set at an amount not to exceed \$300,000 per annum for all Directors, however the Company has included a resolution in its notice of General Meeting sent to Shareholder seeking approval to replace the current Constitution and also the total remuneration payable to non-executive Directors (proposed to be set by Shareholders in general meeting) and executive Directors (proposed to be set by the Board).

A Director may be paid fees or other amounts (i.e. subject to any necessary Shareholder approval, non-cash performance incentives such as Options) as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director.

Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in the performance of their duties as Directors.

The Board reviews and approves the remuneration policy to enable the Company to attract and retain executives and Directors who will create value for Shareholders having consideration to the amount considered to be commensurate for a company of its size and level of activity as well as the relevant Directors' time, commitment and responsibility. The Board is also responsible for reviewing any employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.

(h) Trading policy

The Board has adopted a trading policy that sets out the guidelines on the sale and purchase of securities in the Company by its directors, officers, employees and contractors. The trading policy generally provides that for directors, the written acknowledgement of the Chair (or the Board in the case of the Chairman) must be obtained prior to trading.

(i) External audit

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

(j) Audit committee

The Company will not have a separate audit committee until such time as the Board is of a sufficient size and structure, and the Company's operations are of a sufficient magnitude for a separate committee to be of benefit to the Company. In the meantime, the full Board will carry out the duties that would ordinarily be assigned to that committee under the written terms of reference for that committee, including but not limited to:

- (i) monitoring and reviewing any matters of significance affecting financial reporting and compliance;
- (ii) verifying the integrity of those periodic reports which are not audited or reviewed by an external auditor;
- (iii) monitoring and reviewing the Company's internal audit and financial control system, risk management systems; and
- (iv) management of the Company's relationships with external auditors.

(k) Departures from Recommendations

Under the ASX Listing Rules the Company will be required to provide a statement in its annual financial report or on its website disclosing the extent to which it has followed the Recommendations during each reporting period. Where the Company has not followed a Recommendation, it must identify the Recommendation that has not been followed and give reasons for not following it.

The Company's compliance and departures from the Recommendations as at the date of this Prospectus are set out in the Corporate Governance Statement included in Annexure D.

9. Material Contracts

Set out below is a brief summary of the certain contracts to which the Company is a party and which the Directors have identified as material to the Company or are of such a nature that an investor may wish to have details of particulars of them when making an assessment of whether to apply for Shares.

To fully understand all rights and obligations of a material contract, it would be necessary to review it in full and these summaries should be read in this light.

9.1 Agreements Relating to the Acquisition

9.1.1 Acquisition Agreement

The Company has entered into a binding acquisition agreement (Acquisition Agreement) to acquire 100% of the issued capital of BGM and SG who together hold the Tenements comprising the King Tut Project in the La Rioja province of Argentina (Acquisition).

The material terms and conditions of the Acquisition Agreement are summarised below.

Consideration	<p>In consideration for the Acquisition, and subject to satisfaction or waiver of the conditions precedent, the Company has agreed to:</p> <ul style="list-style-type: none">(a) on execution of the Acquisition Agreement, issue the equivalent of \$100,000 of Shares at a deemed issue price of \$0.20 per Share (post-Consolidation) to the Vendors pro rata;(b) on completion of the Acquisition Agreement (Completion), issue 5,000,000 Shares (post-Consolidation) to the Vendors pro rata;(c) on Completion, issue 7,000,000 Performance Shares to the Vendors pro rata, each to convert into one (1) Share upon the satisfaction of the following milestones:<ul style="list-style-type: none">(A) (Class A Performance Shares): 3,500,000 Performance Shares will each convert upon the Company announcing no less than five (5) drill holes each intersecting at least two (2) continuous metres of gold at no less than 5g/tonne on the Tenements, of which no less than two (2) drill holes are located on the following Tenements:<ul style="list-style-type: none">(i) Guille Exploration Permit; and/or(ii) Diana II Exploitation Concession, (Milestone 1); and(B) (Class B Performance Shares): 3,500,000 Performance Shares will each convert upon the Company announcing a JORC compliant Inferred gold Resource of at least 500,000 Oz at no less than 5g/tonne on one or more of the Tenements (Milestone 2); and(d) on Completion, grant the Vendors a total 2% net smelter return royalty on total saleable minerals (including gold and cobalt) from the Tenements (Royalty), with a call option granted to the Company to acquire 50% of the Royalty from the Vendors (resulting in the Vendors being then entitled to a 1% Royalty) for USD\$2,000,000 and a maximum cap applicable to the Royalty of 500,000 ounces, both of which are set out in the Royalty Deed, (together, the Consideration). <p>The weighting of the Consideration to be provided to the Vendors of BDM and SG respectively is 75% BGM and 25% SG, as set out in Acquisition Agreement.</p>
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	It is anticipated that the Vendors shall be required to escrow their Initial Shares and Consideration Shares as per ASX requirements.
Conditions Precedent	<p>The Acquisition is conditional upon satisfaction or waiver of the following conditions precedent:</p> <ul style="list-style-type: none"> (a) completion of due diligence by the Company on BGM & SG, to the satisfaction of the Company; (b) conditional approval by ASX to trading of the securities of Winmar on ASX, and those conditions being acceptable to Winmar, BGM and SG; (c) the Company undertaking the Consolidation; (d) the Company undertaking a capital raising and receiving valid applications for at least \$4,300,000 worth of Shares under the capital raising (which shall be satisfied if the Minimum Subscription is reached under the Public Offer); (e) the Vendors subscribing for the Consideration Shares and Performance Shares; (f) the Company obtaining all Shareholder, regulatory or third party approvals, waivers or consents required to give effect to the Acquisition (including Shareholder approval for the purposes of the Consolidation); (g) the Company and the Vendors having entered into the Royalty Deed; (h) receipt of restriction agreements, as required by ASX and executed by each of the Vendors; and (i) there being no breach of the Acquisition Agreement or material adverse change prior to Completion, <p>(together, the Conditions Precedent).</p>
Termination	If the Conditions Precedent are not satisfied (or waived by the Company) on or before 5.00pm (WST) on 30 December 2020, any party may terminate the Acquisition Agreement by notice in writing to the other parties.

The Acquisition Agreement otherwise contains terms and conditions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

9.1.2 Royalty Deed

On 27 August 2020, the Company entered into a net smelter return royalty deed (Royalty Deed) with the Vendors to pay the Vendors royalties in relation to the Tenements.

The material terms of the Royalty Deed are as follows:

- (a) (Royalty): the Company has agreed to pay the Vendors a 2% net smelter return royalty on total saleable minerals (including gold and cobalt) (Royalty) from the date of the Royalty Deed;
- (b) (Royalty Cap): the obligation of the Company to pay the Royalty to the Vendors ceases at the time at which the total saleable minerals (including gold and cobalt) from the Tenements which attract the Royalty equal the royalty cap of 500,000 ounces;
- (c) (Option): the Vendors grant the Company a call option, whereby the Company may (at its sole discretion) elect to buy back 50% of the Royalty from the Vendors (resulting in the Vendors being then entitled to a 1% Royalty) for a total USD\$2,000,000;

- (d) (Payment): the Royalty is payable in USD, by direct deposit to an account nominated by the Vendors or by bank cheque; and
- (e) (Termination): the obligation to pay the Royalty continues, with respect to each Tenement, for the full term of the Tenement, including any successor Tenement throughout the period that any product can lawfully be extracted and recovered.

9.2 Agreements with Directors and Other Management

9.2.1 Executive Director Services Agreement – Shannon Green

On 6 August 2020 (Commencement Date), the Company entered into an executive services agreement with Shannon Green (ESA), pursuant to which Mr Green was appointed as “Executive Chairman” of the Company. The material terms of the ESA are as follows:

- (a) (Remuneration): Mr Green’s current salary is \$100,000 (exclusive of superannuation), which will increase to \$150,000 (exclusive of superannuation) upon the Company’s successful admission to the Official List;
- (b) (Term): Mr Green’s employment commenced on the Commencement Date and will continue until validly terminated;
- (c) (Termination by the Company): the Company may terminate Mr Green’s employment without reason, by giving three (3) months’ written notice to Mr Green and making a payment to Mr Green equal to three months of his salary, or immediately if Mr Green is convicted of any major criminal offence which brings the Company or its related bodies corporate into disrepute. The Company may otherwise terminate Mr Green’s employment by giving one (1) month’s written notice if Mr Green:
 - (i) is or becomes incapacitated by illness or injury for a period of two consecutive months (or any periods aggregating two months in 12 months);
 - (ii) is or becomes of unsound mind;
 - (iii) commits any serious or persistent breach of any of the provisions contained in the ESA that are not remedied within 14 days;
 - (iv) is absent in, or demonstrates incompetence, regarding the performance of his duties, is neglectful, or otherwise does not perform all duties under the ESA in a satisfactory manner (provided he is provided a reasonable opportunity to remedy the specific matters complained of by the Board);
 - (v) commits or becomes guilty of any gross misconduct; or
 - (vi) refuses or neglects to comply with any lawful reasonable direction by the Company.
- (d) (Termination by Mr Green): Mr Green may at his discretion, terminate the ESA if:
 - (i) the Company commits any serious or persistent breach of the provisions contained in the ESA and the breach is not remedied within 28 days; or
 - (ii) by giving three (3) months’ written notice to the Company.
- (e) (Expenses): The Company will reimburse Mr Green for all reasonable expenses incurred by him in the performance of all duties in connection with the business of the Company.

The ESA otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

9.2.2 Non-executive Directors Appointment Letters – Sufian Ahmad and James Myers

Messrs Ahmad and Myers have entered into appointment letters with the Company to act in the capacity of Non-Executive Directors respectively. These Directors will receive the remuneration set out in Section 8.2.

9.2.3 Financial Controller Agreement – AFO Corporate Services

On 1 April 2020, the Company and AFO Corporate Services Pty Ltd (ACN 609 572 723) (AFO Corporate) entered into an agreement pursuant to which AFO Corporate has agreed, through Ms Ailsa Osborne, to provide accounting and administrative support as financial controller to the Company (Financial Controller) (Financial Controller Agreement).

Pursuant to the terms of the Financial Controller Agreement, AFO Corporate is engaged in its role as Financial Controller to the Company on the following terms:

- (a) (Term): AFO Corporate's engagement:
 - (i) commenced on 1 April 2020 and will continue until the Financial Controller Agreement is validly terminated in accordance with its terms; and
 - (ii) can be terminated by either party on one month's written notice;
- (b) (Fees): for the services provided by Ms Osborne, AFO Corporate charges an hourly rate of \$90 per hour; and
- (c) (Expenses): should AFO corporate be required to attend work in locations other than identified as the Company's primary location, the Company shall provide reasonable travel and accommodation expenses.

The Financial Controller Agreement otherwise contains terms and conditions that are considered standard for agreements of this nature.

9.2.4 Deeds of indemnity, insurance and access

The Company has entered into a deed of indemnity, insurance and access with each of its Directors and Company Secretary. Under these deeds, the Company has agreed to indemnify each officer to the extent permitted by the Corporations Act against any liability arising as a result of the officer acting as an officer of the Company. The Company will also be required to maintain insurance policies for the benefit of the relevant officer and allow the officers to inspect board papers in certain circumstances.

9.3 Other Agreements

9.3.1 Lead Manager Mandate

The Company has signed a mandate letter with ARQ Capital pursuant to which ARQ Capital has been engaged to act as lead manager of the Public Offer (Lead Manager Mandate).

Pursuant to the terms of the Lead Manager Mandate, ARQ will have the exclusive and unfettered right to offer up to 30,000,000 Shares.

ARQ will receive the following remuneration in consideration for providing the services:

- (a) a lead manager fee for any capital raisings of 6% (plus GST) of the gross amount raised, excluding funds raised directly by the Company (Excluded Funds);
- (b) a management fee of 1% (plus GST) of gross Excluded Funds; and
- (c) any reasonable disbursements and out of pocket expenses, which will be agreed upon between ARQ and the Company prior to their incursion.

The Lead Manager's Mandate contains conditions, termination and indemnity provisions customary for an agreement of this nature.

9.3.2 Consulting Agreement

On 6 August 2020, the Company entered into a consulting agreement (Consulting Agreement) with Mr Shannon Green (a Director) pursuant to which Mr Green agreed to provide certain consulting services to the Company outside the scope of his duties of Executive Chairman, in connection with the Company's objective of being reinstated to trading on the ASX.

The Consulting Agreement covers all work performed outside the scope and time committed under the ESA in preparing the Company for Listing on the ASX, including but not limited to assistance with preparation of this Prospectus, marketing efforts and investor meetings (Additional Services).

Consideration for the provision of the Additional Services is \$100,000, which is payable in Shares at a deemed issue price of \$0.20 per Share. For clarity, if the Company is not admitted to the Official List, no consideration is payable under the Consulting Agreement. The Consulting Agreement can be terminated immediately on written notice.

9.3.3 Investor Relations Agreement

The Company has signed a mandate letter Media and Capital Partners pursuant to which Media and Capital Partners has been engaged to act as the media and investor relations manager for a period of six (6) months and commencing on 1 August 2020 (Investor Relations Agreement).

Pursuant to the Investor Relations Agreement, the Media and Capital Partners will receive the following remuneration in consideration for providing the services:

- (a) (Fees): a fee of \$2,500 per month (plus GST);
- (b) (Shares): the Company agrees to issue \$15,000 worth of Shares at a deemed issue price of \$0.20 per Share on admission of the Company to the Official List;
- (c) (Expenses): Any reasonable disbursements and out of pocket expenses, which shall be agreed upon between Media and Capital Partners and the Company for any amount more than \$300 prior to their incursion; and
- (d) (Additional Costs): any media monitoring charges will be additional at an additional cost to the Company.

The Investor Relations Agreement contains conditions, termination and indemnity provisions customary for an agreement of this nature.

9.3.4 Convertible Loan Agreements

The Company has entered into the following convertible loan agreements:

- (a) convertible note agreements on 31 January 2020 with various lenders (including Sixty Two Capital, a company controlled by Mr Sufian Ahmad, a Director) pursuant to which an aggregate \$78,561.76 was loaned to the Company on arm's length terms for (inter alia) working capital purposes, which will convert (plus interest of \$3,227.34) into Shares at a deemed issue price of \$0.18 per Share (post-Consolidation) (Convertible Note Agreements);
- (b) convertible loan facility agreements on 18 October 2018 with various Shareholder lenders (including Mr Sufian Ahmad, a Director) pursuant to which:
 - (i) an aggregate \$750,000 was loaned to the Company on arm's length terms;
 - (ii) the amount loaned bears 10% interest per annum and a facility fee of 20%, payable on the total loan amount to the Company; and
 - (iii) the principal amount plus applicable interest and facility fees will convert into Shares at a deemed issue price of \$0.18 per Share (post-Consolidation) prior to the Company being admitted to the Official List,(Shareholder Loan Agreements); and
- (c) convertible loan facility agreements with Mr Shannon Green and Mr James Myers (Directors of the Company) for an aggregate amount of \$40,000, which were negotiated by Mr Green and Mr Myers with and for the benefit of the Company on arm's length terms and, on being drawn down (which has not occurred at the date of this Prospectus, nor is it intended that draw down will occur), the outstanding principal balance:

- (i) shall convert into Shares at a deemed issue price of \$0.20 per Share, conditional on the Company being admitted to the Official List; or
- (ii) if the Company is not admitted to the Official List, shall be repaid on the date that is 12 months from the date of the agreements,

(Director Loan Facilities),

(together, the Convertible Loan Agreements).

The material terms and conditions of the Convertible Note Agreements are summarised below:

Aggregate face value	\$250,000
Interest	10% per annum
Principal drawn plus interest	\$81,789.10
Conversion Shares	454,384 Shares (rounded up)
Conversion Price	\$0.18 per Share (post-Consolidation)

The Convertible Note Agreements otherwise contain terms and conditions including provisions for representations and warranties, events of default and confidentiality considered standard for an agreement of this nature.

The material terms and conditions of the Shareholder Loan Agreements are summarised below:

Aggregate loan amount	\$750,000
Interest	10% per annum
Facility Fee	20%
Principal drawn plus interest	\$1,038,481
Conversion Shares	5,769,340 (rounded up)
Conversion Price	\$0.18 per Share (post-Consolidation)

The Shareholder Loan Agreements otherwise contain terms and conditions including provisions for representations and warranties, events of default and confidentiality considered standard for an agreement of this nature.

The material terms and conditions of the Director Loan Facilities are summarised below:

Aggregate loan amount	\$40,000
Interest	Nil
Principal drawn plus interest	Nil
Conversion Shares	200,000
Conversion Price	\$0.20 per Share (post-Consolidation)

The Director Loan Facilities otherwise contain terms and conditions including provisions for representations and warranties, events of default and confidentiality considered standard for an agreement of this nature.

The Company confirms that, as at the date of this Prospectus, it has not drawn down on the Director Loan Facilities and, accordingly, no amounts are owing or repayable to either Mr Green or Mr Myers by the Company.

9.3.5 Previous Officer Agreement

Mr Jason Brewer was previously engaged as a director of the Company. Mr Brewer's engagement has since ceased and on 25 March 2020 the Company and Mr Brewer entered in an agreement outlining his severance payments in connection with his resigning from the Company (Previous Officer Agreement).

Pursuant to the Previous Officer Agreement, the Company agreed on the earlier of the Company's admission to the Official List, or the Company completing a capital raise of at least \$1 million to issue to Mr Brewer (or his nominee) \$95,750 worth of Shares at a deemed issue price per Share equal to the price of the capital raising or the volume weighted average price (VWAP) over a 10-trading day period (Brewer Shares). For the purposes of the Previous Officer Agreement, the issue price of the Brewer Shares will be \$0.20 per Share, as per the Public Offer (being the issue price of the most recent capital raising of at least \$1 million), for a total 478,750 Share proposed to be issued to Mr Brewer.

If the above conditions are not met, the Company shall be required to make a cash payment of \$95,750 (without interest).

The Previous Officer Agreement contains conditions, termination and indemnity provisions customary for an agreement of this nature.

10. Additional Information

10.1 Litigation

As at the date of this Prospectus, save as described below, 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.

(a) Airguide

The Company engaged the services of Airguide in March 2018 to provide corporate advisory and consulting services. Airguide is no longer engaged by the Company to provide these services, however on 25 May 2020 the Company received correspondence from Airguide seeking further payment on account of outstanding invoices for supposed services rendered, amounting to approximately USD\$693,000 in total. A response letter dated 10 June 2020 was sent by the Company to Airguide strenuously denying the claim and further seeking particulars in relation to the veracity of the supposed services rendered by Airguide and the legitimacy of the claimed outstanding invoices.

The Company has not prior to the date of this Prospectus received a response from Airguide and considers the claim to be opportunistic. The Company considers that it has a good prospect of success in defending any formal claim made by Airguide in relation to the above matter.

(b) Cape Lambert Resources Limited

On 26 November 2019, Cape Lambert Resources Limited lodged an application for forfeiture against M47/1450, the mining lease the subject of the Hamersley Iron Project, alleging non-compliance with the minimum expenditure obligations imposed under the *Mining Act 1978* (WA). On 20 December 2019, the Company lodged with the Western Australian Department of Mines, Industry Regulation and Safety its annual statutory expenditure report in relation to M47/1450, reporting expenditure in excess of the minimum expenditure obligations and in compliance with the *Mining Act 1978* (WA). The Company therefore considers the application by Cape Lambert Resources Limited to be without merit.

The Company's Board is currently defending these claims, however the Hamersley Iron Project is considered by the Board to be immaterial as at the date of this Prospectus. Additionally, the application for forfeiture is not expected to have any material impact on the Company's ongoing works or expenditure programs.

10.2 Rights Attaching to Shares

The following is a summary of the more significant rights attaching to Shares offered under 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 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.

(a) 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.

(b) 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:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) 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
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the Share, but in respect of partly paid Shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) Dividend rights

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that 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 the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) Winding-up

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, 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 of the Company, 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.

(e) Shareholder liability

As the Shares under the Prospectus are fully paid shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

- (f) **Transfer of Shares**
- Generally, Shares 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 or the ASX Listing Rules.
- (g) **Variation of rights**
- Pursuant to 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.
- (h) **Alteration of Constitution**
- The Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

10.3 Performance Shares

10.3.1 Rights Attaching to Performance Shares

- (a) (Performance Shares): Each Performance Share is a share in the capital of the Company.
- (b) (General Meetings): The Performance Shares shall confer on the holder (Holder) the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to its shareholders (Shareholders). Holders have the right to attend general meetings of the Company.
- (c) (No Voting Rights): The Performance Shares do not entitle the Holder to vote on any resolutions proposed at a general meeting of the Company, subject to any voting rights under the *Corporations Act 2001* (Cth) or the ASX Listing Rules where such rights cannot be excluded by these terms.
- (d) (No Dividend Rights): The Performance Shares do not entitle the Holder to any dividends.
- (e) (No Rights on Winding Up): Upon winding up of the Company, the Performance Shares may not participate in the surplus profits or assets of the Company.
- (f) (No Rights on Return of Capital): The Performance Shares do not confer on the Holder any right to a return of capital (whether in a winding up, upon a reduction of capital or otherwise).
- (g) (Transfer of Performance Shares): The Performance Shares are not transferable.
- (h) (Reorganisation of Capital): In the event that the issued capital of the Company is reconstructed:
- (i) all rights of the Holder will be changed to the extent necessary to comply with the ASX Listing Rules at the time of reorganisation provided that, subject to compliance with the ASX Listing Rules, following such reorganisation the economic and other rights of the Holder are not diminished or terminated; and

- (ii) to the extent that the reorganisation is a consolidation or share split, the volume weighted average price thresholds in each Milestone below will be decreased or increased (as applicable) by the same ratio as applies under the consolidation or share split.
- (i) (Application to ASX): The Performance Shares will not be quoted on ASX. Upon conversion of the Performance Shares into Shares in accordance with these terms, the Company must within seven (7) days after the conversion, apply for and use its best endeavours to obtain the official quotation on ASX of the Shares arising from the conversion.
- (j) (Participation in Entitlements and Bonus Issues): Subject always to the rights under item 1(g) (Reorganisation of Capital), holders of Performance Shares will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.
- (k) (Amendments required by ASX): The terms of the Performance Shares may be amended as necessary by the Company board in order to comply with the ASX Listing Rules, or any directions of ASX regarding the terms provided that, subject to compliance with the ASX Listing Rules, following such amendment, the economic and other rights of the Holder are not diminished or terminated.
- (l) (No Other Rights): The Performance Shares give the Holders no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

10.3.2 Conversion of the Performance Shares

- (a) (Milestones): Subject to sub-paragraph (b), a Performance Share will convert into one (1) Share on the achievement of the following milestones:
 - (i) (Class A Performance Shares): the Company announcing no less than five (5) drill holes each intersecting at least two (2) continuous metres of gold at no less than 5g/tonne on the Tenements, of which no less than two (2) drill holes are located on the following Tenements:
 - (A) 28-L-2011 – Guille Exploration Permit – La Rioja; and/or
 - (B) 66-C-2005 – Diana II Exploitation Concession – La Rioja.
 - (ii) (Class B Performance Shares): the Company announcing a JORC compliant Inferred gold Resource of at least 500,000 Oz at no less than 5g/tonne on one or more of the Tenements,

(each referred to as a Milestone).
- (b) (Conversion of Performance Shares): Subject to paragraphs (b)(i) and (b)(ii) below, in the event a Milestone is satisfied, the Performance Shares held by the Holders will convert into an equal number of the Company Shares. If:
 - (i) the conversion of the Performance Shares into the Company Shares would result in the Holder being in contravention of section 606(1) of the Corporations Act, then the conversion of such number of Performance Shares that would cause the contravention will be deferred until such time or times thereafter the conversion would not result in such a breach; and
 - (ii) the above paragraph (b)(i) applies, the Holder may by notice in writing, require the Company to call a meeting of its shareholders for the purposes of obtaining approval under item 7, section 611 of the Corporations Act. If the Holder provides such notice in writing to the Company, the Company must as soon as practicable call a meeting of its shareholders for the purposes of obtaining approval under item 7, section 611 of the Corporations Act for the conversion of the Performance Shares into the Company Shares.

- (c) (No Conversion if Milestone not Achieved): To the extent that:
 - (i) the Class A Performance Shares have not converted into Shares on or before the date which is five (5) years from the Issue Date (Expiry Date), then all such unconverted Class A Performance Shares will automatically consolidate into one Class A Performance Share and will then convert into one Share;
 - (ii) the Class B Performance Shares have not converted into Shares on or before the Expiry Date, then all such unconverted Class B Performance Shares will automatically consolidate into one Class B Performance Share and will then convert into one Share;
- (d) (After Conversion): The Shares issued on conversion of the Performance Shares will, as and from 5.00pm (WST) on the date of issue, rank equally with and confer rights identical with all other Shares then on issue and application will be made by the Company to ASX for official quotation of the Shares issued upon conversion.
- (e) (Conversion Procedure): the Company will issue the Holder with a new holding statement for the Shares as soon as practicable following the conversion of the Performance Shares into Shares.

10.4 Performance Rights and Options Plan

The Company adopted an employee performance rights and option plan on 5 August 2020 (Performance Rights and Options Plan or Plan). The key terms of the Plan are as follows:

- (a) Eligibility: Participants in the Plan consist of:
 - (i) a Director (whether executive or non-executive) of the Company and any associated body corporate of the Company (each a Group Company);
 - (ii) a full or part time employee of any Group Company;
 - (iii) a casual employee or contractor of a group company to the extent permitted by ASIC Class Order 14/1000 as amended or replaced (Class Order); or
 - (iv) a prospective participant, being a person to whom the offer is made but who can only accept the offer if an arrangement has been entered into that will result in the person becoming participant under subparagraphs (i), (ii) or (iii) above,

who is declared by the Board to be eligible to receive grants of Options or Performance Rights (together, Awards) under the Plan (Eligible Participant).
- (b) Offer: The Board may, from time to time, in its absolute discretion, make a written offer to any Eligible Participant (including an Eligible Participant who has previously received an offer) to apply for Awards, upon the terms set out in the Plan and upon such additional terms and conditions as the Board determines (Offer).
- (c) Limit on Offers: Where the Company has relied or intends relying on the Class Order to make an Offer, the Company must have reasonable grounds to believe, when making an Offer, that the number of Shares to be received on exercise of Awards offered under an Offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the Offer.
- (d) Issue price: Unless the Awards are quoted on the ASX, Awards issued under the Plan will be issued for no more than nominal cash consideration.

- (e) Exercise Price: The Board may determine the Option exercise price (if any) for an Option offered under that Offer in its absolute discretion. To the extent the ASX Listing Rules specify or require a minimum price, the Option Exercise Price in respect of an Option offered under an Offer must not be less than any minimum price specified in the ASX Listing Rules.
- (f) Vesting Conditions: In respect of any Award, any condition set out in the Offer which must be satisfied (unless waived in accordance with the Plan) before that Award can be exercised or any other restriction on exercise of that Award specified in the Offer or in the Plan (Vesting Conditions).
- (g) Vesting: The Board may in its absolute discretion by written notice to a Participant (being an Eligible Participant to whom Awards have been granted under the Plan or their nominee where the Awards have been granted to the nominee of the Eligible Participant (Relevant Person)), resolve to waive any of the Vesting Conditions applying to Awards due to:
 - (i) special circumstances arising in relation to a Relevant Person in respect of those Awards, being:
 - (A) a Relevant Person ceasing to be an Eligible Participant due to:
 - (I) death or total or permanent disability of a Relevant Person; or
 - (II) retirement or redundancy of a Relevant Person;
 - (B) a Relevant Person suffering severe financial hardship;
 - (C) any other circumstance stated to constitute “special circumstances” in the terms of the relevant Offer made to and accepted by the Participant; or
 - (D) any other circumstances determined by the Board at any time (whether before or after the Offer) and notified to the Relevant Participant which circumstances may relate to the Participant, a class of Participant, including the Participant or particular circumstances or class of circumstances applying to the Participant; or
 - (ii) the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company.

In addition, Vesting Conditions are deemed to be automatically waived in the event of a change of control occurring.

- (h) Lapse of an Award: An Award will lapse upon the earlier to occur of:
 - (i) an unauthorised dealing in, or hedging of, the Award occurring;
 - (ii) a vesting condition in relation to the Award is not satisfied by the due date, or becomes incapable of satisfaction, as determined by the Board in its absolute discretion, unless the Board exercises its discretion to waive the vesting condition and vest the Award;
 - (iii) in respect of an unvested Award only, a Relevant Person ceases to be an Eligible Participant, unless the Board:
 - (A) exercises its discretion to vest the Award; or
 - (B) in its absolute discretion, resolves to allow the unvested Award to remain unvested after the Relevant Person ceases to be an Eligible Participant;

- (iv) in respect of a vested Award only, a Relevant Person ceases to be an Eligible Participant and, where required by the Board in its absolute discretion, the vested Performance Right is not exercised within a one (1) month period (or such other period as the Board determines) as notified by the Board to the Participant after the date the Relevant Person ceases to be an Eligible Participant;
 - (v) the Board deems that an Award lapses due to fraud, dishonesty or other improper behaviour of the holder/Eligible Participant;
 - (vi) a winding up resolution or order is made, and the Award does not vest; and
 - (vii) the expiry date of the Award.
- (i) Not transferrable: Awards are only transferrable in special circumstances or a change of control, and in either case with the prior written consent of the Board (which may be withheld in its absolute discretion) or by force of law upon death to the Participant's legal personable representative or upon bankruptcy to the Participant's trustee in bankruptcy.
 - (j) Shares: All shares issued on exercise of an Award under the Plan will rank equally in all respects with the shares of the same class for the time being on issue except as regards any rights attaching to such shares by reference to a record date prior to the date of their issue.
 - (k) Sale Restrictions: The Board may, in its discretion, determine at any time up until exercise of Awards, that a restriction period will apply to some or all of the shares issued to an Eligible Participant (or their eligible nominee) on exercise of those Awards up to a maximum of five (5) years from the grant date of the Awards. In addition, the Board may, in its sole discretion, having regard to the circumstances at the time, waive any such restriction period determined.
 - (l) No Participation Rights: There are no participation rights or entitlements inherent in the Awards and Participants will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Awards without exercising the Award.
 - (m) Change in exercise price or number of underlying securities: An Award does not confer the right to a change in exercise price or in the number of underlying Shares over which the Award can be exercised.
 - (n) Reorganisation: If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder of an Award are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.
 - (o) Trust: The Board may, at any time, establish a trust for the sole purpose of acquiring and holding Shares in respect of which a Participant may exercise, or has exercised, vested Awards, including for the purpose of enforcing the disposal restrictions and appoint a trustee to act as trustee of the trust. The trustee will hold the Shares as trustee for and on behalf of a Participant as beneficial owner upon the terms of the trust. The Board may at any time amend all or any of the provisions of the Plan to effect the establishment of such a trust and the appointment of such a trustee.

10.5 Continuous Disclosure Obligations

Following admission of the Company to the Official List, the Company will be a "disclosing entity" (as defined in section 111AC of the Corporations Act) and, as such, will be subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company will be 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.

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

10.6 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

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

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (ii) the Offers.

10.7 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 the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offers; or
- (f) the Offers,

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 these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offers.

Mr Mark Gifford has acted as Independent Geologist and has prepared the Independent Geologist's Report which is included in Annexure A. The Company estimates it will pay Mr Gifford a total of \$17,500 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Mr Mark Gifford has not received fees from the Company for any other services.

HLB Mann Judd has acted as Investigating Accountant and has prepared the Investigating Accountant's Report which is included in Annexure C. The Company estimates it will pay HLB Mann Judd a total of \$8,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, HLB Mann Judd has acted as auditor of the Company and has received \$66,500 (excluding GST) in fees from the Company for audit services.

ARQ Capital will receive 6% of the total amount raised under the Prospectus (plus GST) (excluding amounts raised directly by Winmar (Excluded Funds)) following the successful completion of the Public Offer for its services as Lead Manager to the Public Offer. It will also receive a management fee of 1% (plus GST) of gross Excluded Funds. ARQ Capital will be responsible for paying all capital raising fees that ARQ and the Company agree with any other financial service licensees. Further details in respect to the Lead Manager Mandate with ARQ are summarised in Section 9.3.1. ARQ has not received any other fees for other services provided to the Company in the last two years.

Steinepreis Paganin has acted as the Australian solicitors to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin \$120,000 (excluding GST) for these services. Subsequently, fees will be charged in accordance with normal charge out rates. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has received \$4,492 (excluding GST) in fees from the Company.

Bastias Yacante Abogados has acted as the Argentine solicitors reporting on the title of the Tenements comprising the King Tut Project and has prepared the Independent Solicitor's Report on Tenements set out in Annexure B. The Company estimates that it will pay Bastias Yacante Abogados USD\$7,000 (excluding applicable taxes) for its services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Bastias Yacante Abogados has not received fees from the Company for any other services.

10.8 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Securities), the Directors, any persons named in the Prospectus with their consent as proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

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) in light of the above, only 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.

Mr Mark Gifford has given his written consent to being named as Independent Geologist in this Prospectus, the inclusion of the Independent Geologist's Report in Annexure A in the form and context in which the report is included. Mr Gifford has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC.

HLB Mann Judd has given its written consent to being named as Investigating Accountant in this Prospectus and to the inclusion of the Investigating Accountant's Report in Annexure C in the form and context in which the information and report is included. HLB Mann Judd has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC.

HLB Mann Judd has given its written consent to being named as auditor of the Company in this Prospectus and the inclusion of the audited and reviewed financial information of the Company contained in Section 6 and the Investigating Accountants Report included in Annexure C to this

Prospectus in the form and context in which it appears. HLB Mann Judd has not withdrawn its consent prior to lodgement of this Prospectus.

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

Bastias Yacante Abogados has given its written consent to being named as the Argentine solicitors to the Company and to the inclusion of the Independent Solicitor's Report on Tenements set out in Annexure B to this Prospectus in the form and context in which it appears. Bastias Yacante Abogados has not withdrawn its consent prior to lodgement of this Prospectus.

ARQ Capital has given its written consent to being named as the Lead Manager to the Company in this Prospectus. ARQ Capital has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

10.9 Expenses of the Offers

The total expenses of the Offers (excluding GST) are estimated to be approximately \$450,000 for Minimum Subscription under the Public Offer or \$510,000 for Maximum Subscription under the Public Offer and are expected to be applied towards the items set out in the table below:

Item of Expenditure	Minimum Subscription (\$)	Maximum Subscription (\$)
ASIC fees	3,206	3,206
ASX fees	77,495	78,592
Lead Manager Fees	187,000	247,000
Legal Fees ¹	129,717	129,717
Independent Geologist's Fees	17,500	17,500
Investigating Accountant's Fees	8,000	8,000
Auditor's Fees	14,800	14,800
Printing and Distribution	5,000	5,000
Miscellaneous	7,282	6,185
TOTAL	450,000	510,000

Notes:

1. Includes fees payable to the Company's Australian and Argentine legal counsel. As follows:
 - (a) Steinepreis Paganin – Australian Solicitors: \$120,000; and
 - (b) Bastias Yacante Abogados – Argentine Solicitors: \$9,716.70 (based on USD\$7,000 at an exchange rate of 1.3881 AUD:1 USD).

10.10 Financial Forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

11. Directors' Authorisation

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

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

Shannon Green

Shannon Green | Executive Chairman

For and on behalf of
Winmar Resources Limited

12. Glossary

Where the following terms are used in this Prospectus they have the following meanings:

\$ means an Australian dollar.

Acquisition means the proposed acquisition by the Company of BGM and SG pursuant to the Acquisition Agreement.

Acquisition Agreement means binding share sale agreement between the Company and the Vendors pursuant to which the Company has the conditional right to acquire 100% of the issued capital of BGM and SG, a summary of which is set out in Section 9.1.1.

Airguide means Airguide International Pte Ltd.

Application Form means the application form attached to or accompanying this Prospectus relating to the Public Offer, the Consideration Offer or the Convertible Loan Offer, as applicable.

ASIC means Australian Securities & Investments Commission.

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

ASX Listing Rules means the official listing rules of ASX.

BGM means Blue Gold Mining Pty Ltd (ACN 621 703 866).

Board means the board of Directors as constituted from time to time.

Change of Name means the change of the Company's name from "Winmar Resources Limited" to "Pathfinder Resources Limited", pursuant to a resolution seeking approval of Shareholders at the upcoming General Meeting.

CHESS means the Clearing House Electronic Sub-register System operated by ASX Settlement.

Class A Performance Shares means those Performance Shares referred to in Section 9.1.1(c)(A), on the terms and conditions set out in Section 10.3.

Class B Performance Shares means those Performance Shares referred to in Section 9.1.1(c)(B), on the terms and conditions set out in Section 10.3.

Closing Date means the closing date of the Offers as set out in the indicative timetable in Section 2.1 of this Prospectus (subject to the Company reserving the right to extend the Closing Date or close the Offers early).

Company or Winmar means Winmar Resources Limited (ACN 085 905 997) (to be renamed "Pathfinder Resources Limited" pursuant to the Change of Name).

Conditions has the meaning set out in Section 4.8.

Consideration Offer means the offer of the Consideration Shares and the Performance Shares in accordance with the Acquisition Agreement, the terms of which are set out in Section 9.1.1.

Consideration Shares means 5,000,000 Shares to be issued to the Vendors as part of the Acquisition and the Consideration Offer.

Consolidation means, subject to approval by Shareholders at the upcoming General Meeting, the consolidation of the Company issued capital on the basis that every two hundred (200) securities on issue at the time are to be consolidated into one (1) security.

Constitution means the constitution of the Company.

Consulting Agreement means the consulting agreement between the Company and Mr Shannon Green, as summarised in Section 9.3.2.

Convertible Loan Agreements means the Convertible Note Agreements, Shareholder Loan Agreements and Director Loan Facilities as set out and defined in Section 9.3.4.

Convertible Loan Offer means the offer of Shares to lenders of funds to the Company under the relevant Convertible Loan Agreements.

Convertible Note Agreements has the meaning in Section 9.3.4.

Corporate Governance Statement means the Corporate Governance Statement included in Annexure D of this Prospectus.

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

Dianne II Exploitation Concession means Exploitation Concession 66-C-2005 known as "Dianne II".

Director Loan Facilities has the meaning in Section 9.3.4.

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

Eligible Shareholders has the meaning in Section 4.4.

Existing Projects means the Company's existing projects comprising the Hamersley Iron Project and the Bloom Lake Project.

Exposure Period means the period of 7 days after the date of lodgement of this Prospectus, which period may be extended by the ASIC by not more than 7 days pursuant to section 727(3) of the Corporations Act.

General Meeting means the annual general meeting of Shareholders to be held on 3 September 2020 which seeks to approve, among other resolutions, the Consolidation and the Change of Name.

Guille Exploration Permit means Exploration Permit 28-L-2011 known as "Guille", which is expired as at the date of this Prospectus and subject to renewal.

Independent Geologist's Report means the independent geologist's report included in Annexure A of this Prospectus.

Independent Solicitor's Report on Tenements means the independent solicitor's report on the Tenements, included in Annexure B of this Prospectus.

Initial Shares means the 500,000 Shares issued to the Vendors as part of the Acquisition.

Investigating Accountant's Report means the Investigating Accountant's Report included in Annexure C of this Prospectus.

Investor Relations Agreement means the agreement with Media and Capital Partners for the provision of media and investor relations services, as set out in Section 9.3.3.

JORC Code has the meaning given in the Important Notice Section of this Prospectus.

King Tut Exploitation Concession means Exploitation Concession 168-L-1939 known as "King Tut".

King Tut Mine means the mine known as "King Tut" located within the boundaries of the King Tut Exploitation Concession.

King Tut Project or Project means the King Tut gold project located in the La Rioja Province of Argentina, comprising the Tenements.

Lead Manager, ARQ Capital or ARQ means ARQ Capital Pty Ltd (ABN 80 135 397 796) (Australian Financial Services Authorised Representative (AFS Representative Number 1261636) of BR Securities Australia Pty Ltd (ABN 92 168 734 530) (AFSL 456 663).

Lead Manager Mandate means the agreement with the Lead Manager, as summarised in Section 9.3.1.

Listing means admission of the Company to the Official List and quotation of the Shares on ASX.

M47/1450 means Mining Lease 47/1450, the subject of the Hamersley Iron Project, granted under the *Mining Act 1978* (WA).

Media and Capital Partners means Abbey West Pty Ltd (ACN 169 080 997), trading as Media & Capital Partners.

Maximum Subscription means the maximum amount to be raised under the Public Offer, being \$6,000,000.

Minimum Subscription means the minimum amount to be raised under the Public Offer, being \$5,000,000.

Mining Authority means, as defined in the Independent Solicitor's Report on Tenements, the Secretary of Mining and Energy of the La Rioja Province I Argentina (and any of its political subdivisions).

Offers means the Public Offer and the Secondary Offers.

Official List means the official list of ASX.

Official Quotation means official quotation by ASX in accordance with the ASX Listing Rules.

Option means an option to acquire a Share.

Other Shares means the Shares to be issued pursuant to the Previous Officer Agreement, Consulting Agreement and Investor Relations Agreement respectively.

Oz means ounces.

Performance Right means a performance right convertible into a Share.

Performance Rights and Option Plan has the meaning set out in Section 10.4.

Performance Shares means 7,000,000 performance shares (convertible into an equivalent number of Shares) to be issued to the Vendors as part of the Acquisition and the Consideration Offer.

Pre-IPO Capital Raising means the issue of 1,875,000 Shares prior to the date of this Prospectus at an issue price of \$0.16 per Share to raise \$300,000 (before costs).

Previous Officer means Mr Jason Brewer, a previous director of the Company, having resigned on 30 March 2020.

Previous Officer Agreement means the agreement with the Previous Officer, as summarised in Section 9.3.5.

Priority Offer means the priority offer to Eligible Shareholders to subscribe for up to 12,500,000 Shares at an issue price of \$0.20 under the Public Offer.

Prospectus means this prospectus.

Public Offer means the offer of Shares pursuant to this Prospectus as set out in Section 4.1.

Recommendations has the meaning set out in Section 8.4.

Record Date means the record date to determine eligibility under the Priority Offer, as set out in the indicative timetable in Section 2.1 of this Prospectus.

Royalty Deed has the meaning in Section 9.1.2.

Secondary Offers means the Consideration Offer and the Convertible Loan Offer.

Section means a Section of this Prospectus.

Securities means Shares and Performance Shares.

SG means Sandrino Gold Pty Ltd (ACN 622 690 457).

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

Shareholder means a holder of Shares.

Shareholder Loan Agreement has the meaning in Section 9.3.4.

Share Registry or Boardroom means Boardroom Pty Ltd (ACN 003 209 836).

Sixty Two Capital means Sixty Two Capital Pty Ltd (ACN 611 480 169).

Tenements means the King Tut Exploitation Concession, Dianne II Exploitation Concession and Guille Exploration Permit, as set out and defined in Section 5.3 and further described in the Independent Geologist's Report at Annexure A and the Independent Solicitor's Report on Tenements at Annexure B, and Tenement means any one of them (as the context requires).

US means United States of America.

USD or USD\$ means a US dollar.

Vendors mean respective shareholders of BGM and SG, each of whom has executed the Acquisition Agreement.

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

Annexure A – Independent Geologist’s Report

Independent Geologist's Report

prepared for

Winmar Resources Limited

in relation to

King Tut Project

La Rioja Province, Argentina



Entrance to the King Tut Mine, La Rioja Province, Argentina

Mark Gifford MSc (*Hons*) FAusIMM

31 August 2020

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1.0 Introduction

I, Mark Gifford (MSc (Hons) FAusIMM) (“**Author**”), a “qualified person” for the purpose of National Instrument 43-101 and this Independent Geologist’s Report (“**Report**”), have been commissioned by Winmar Resources Limited (“**Winmar**” or the “**Company**”) to report on:

- (a) King Tut Exploitation Concession (168-L-1939);
- (b) Guille Exploration Permit (28-L-2011) (currently expired, pending lodgement of an application for renewal of tenure); and
- (c) Diana II Exploitation Concession (66-C-2005),

(each a “**Tenement**” and together the “**Tenements**”, and the Tenements comprising the “**King Tut Project**” or “**Project**”).

This Report is to be included in a prospectus to be lodged by Winmar with the Australian Securities and Investment Commission (“**ASIC**”) for the offering of fully paid ordinary shares in the capital of Winmar (“**Shares**”) at an issue price of \$0.20 per Share to raise a minimum \$5,000,000 (before costs), with the ability to accept oversubscription of up to an additional \$1,000,000 (before costs) (“**Prospectus**”). The funds raised will be used for the purpose of the exploration and evaluation on the Project and for working capital purposes.

A due diligence review of the Project, including the King Tut mine the subject of Exploitation Concession 168-L-1939 (“**King Tut Mine**”) and surrounding Exploitation Concession and Exploration Permit, has been completed so as to define the prospectivity of the Project area with reference to the existing geological information and data.

The Tenements are currently held by Tres Elementos SA (Argentine company number CUIT: 30-71585821-1) (“**TESA**”) and Tecno Minera SA (Argentine company number CUIT: 30-71595830-5) (“**TMSA**”) (together the “**Target Group Companies**”). In preparing this Report, the Author was reliant on relevant data collated and provided by Condor Prospecting Pty Ltd (on behalf of the Target Group Companies) as well as publicly available information regarding geology and previous exploration over the Tenements. The principal source of information regarding the Project was sourced from Condor Prospecting Pty Ltd and Xplore Resources Pty Ltd, as well as from discussions with Jason Moultrie of Geokeys and statutory reports prepared by previous tenement holders and their consultants, which are referred to in this Report (namely in Annexure 1 (*References*)) and are publicly available. The Author has not been to the Project site or carried out a complete audit of the information but has relied on previous reporting and documentation where applicable and has used this for research purposes with qualifications applied, where necessary. The Author does however consider the information provided as reliable and consistent. The Author does not doubt the authenticity or substance of previous investigating reports.

The Author consents to the inclusion in this Report of the matters based on his information in the form and context in which it appears. The authors and competent persons of the reports referred to in this Report have not consented to the references made to their reports in this Report, however all source documents referred to in Annexure 1 (*References*) are publicly available official publications and/or reports available from government departments, authorities and agencies. Short form source references made in this Report shall be construed in accordance with the defined terms in Annexure 1 (*References*).

The legal status of the Tenements is subject to a separate independent Solicitor's Report on Tenements which is set out in the Prospectus and these matters have not been independently verified by the Author.

The Author is of the opinion that Winmar has satisfactory and clearly defined exploration and expenditure programs which are reasonable having regard to the stated objectives of the Company. Although the Company's exploration programs are included in the Report, they may be altered in view of results gained which could revise the emphasis of current priorities.

2.0 Executive Summary

The data files associated with the Tenements cover all areas of the present and potential mineralization, with this data being presented in mapping, grab sampling and alteration definition. There has been no formal exploration (including drilling and associated assaying) completed on the Project that the Author is aware of.

The Project is located in the north west of Argentina in the La Rioja Province. It is 100% owned by the TESA and TMSA respectively, which collectively hold two (2) registered and active Tenements (King Tut and Diana II) and one (1) registered but expired Tenement (Guille), which is intended to be renewed subject to an application being submitted to the relevant mining authority in La Rioja, Argentina. A further breakdown of the Tenements is set out in section 4 below.

The area is accessible predominantly by sealed roads, has major service centres in the region, and can be explored all year round due to the relatively lower altitude of this eastern cordillera portion of the Andes Mountain range.

Geologically the Project is located within the Ordovician Suri Formation, a series of sediments, volcanics and volcanics within the highly mineralised Andes Eastern cordillera. Emplacement of the Nunorco granite, acidic hypabyssal units and dolerite dykes has provided potential hydrothermal mineralization sources throughout the Project area and beyond, with the King Tut Mine and the La Mejicano Au mine having a similar setting geologically within the Famatina Range.

The King Tut Mine is an old Au-Co mine on the north western boundary of Argentina near the Chile border in the eastern portion of the Andes, and the surrounding area adjacent to the old mine. The mine is held within the King Tut Exploitation Concession, and it has a small 6 hectare (**Ha**) footprint, but the Diana II Exploitation Concession has a much larger footprint (1,360 Ha) around and along strike of the known mineralization, and the Guille Exploration Permit (subject to renewal) also has a significant exploration area of 1587 Ha south of the King Tut Mine location.

The King Tut Mine in the centre of the Project area was mined in two periods, with initial mining in the 1950's where exposed Au-Co veins were accessed in the upper slopes, and again in the 1980's where lower levels were accessed by two portals 30m apart vertically. Ore was removed along drives but not stoped. Grades of the exposed veins within the mine at the lower two levels is high with the following mineralized averages:

Level	Depth	Vein Widths	Average Grades
Level 1	(2937.7m)	0.3-3.0m	~4g/t Au and 1.4% Co
Level 0	(2907.7m)	0.3-0.5m	~16g/t Au and 1.9% Co

Source: Guerrero (1984)

Surface sampling completed around King Tut in 2018 by Condor Prospecting Pty Ltd operatives has confirmed grades of the Au-Co veins and waste pile sampling has also confirmed the presence of high-grade Au and Co assays from those samples. There has been no resource drilling, so the project is open to depth and has no restrictions in potential width of mineralization due to drive development limited to the encountering of the main vein. A rudimentary Electromagnetic survey was completed in the King Tut location and an anomaly was confirmed within the mine site location, as well as cross-cutting features to the east in an untested area.

A number of major exploration targets have been defined within the Diana II (and Guille) exploration areas, all with anomalous Au, base metals, and barite. Extensive alteration and the presence of veining and stockwork structures with sulphides present highlight the potential of the region with regards to Au and base metal mineralization. No recorded drilling has been completed within the exploration areas with targets defined by field mapping and grab samples.

3.0 Location and Access to the Project

As stated above, the King Tut Mine is located in the north-west of Argentina within the La Rioja province (**Figure 1**). The region is mountainous and borders Chile along the Andes Mountain range. The King Tut Mine and other historic and current mines are located in north-east side of Vinchina Department of the La Rioja Province, close to tracks, roads, power lines, rail roads, small cities and towns, including the Valle Hermoso District.

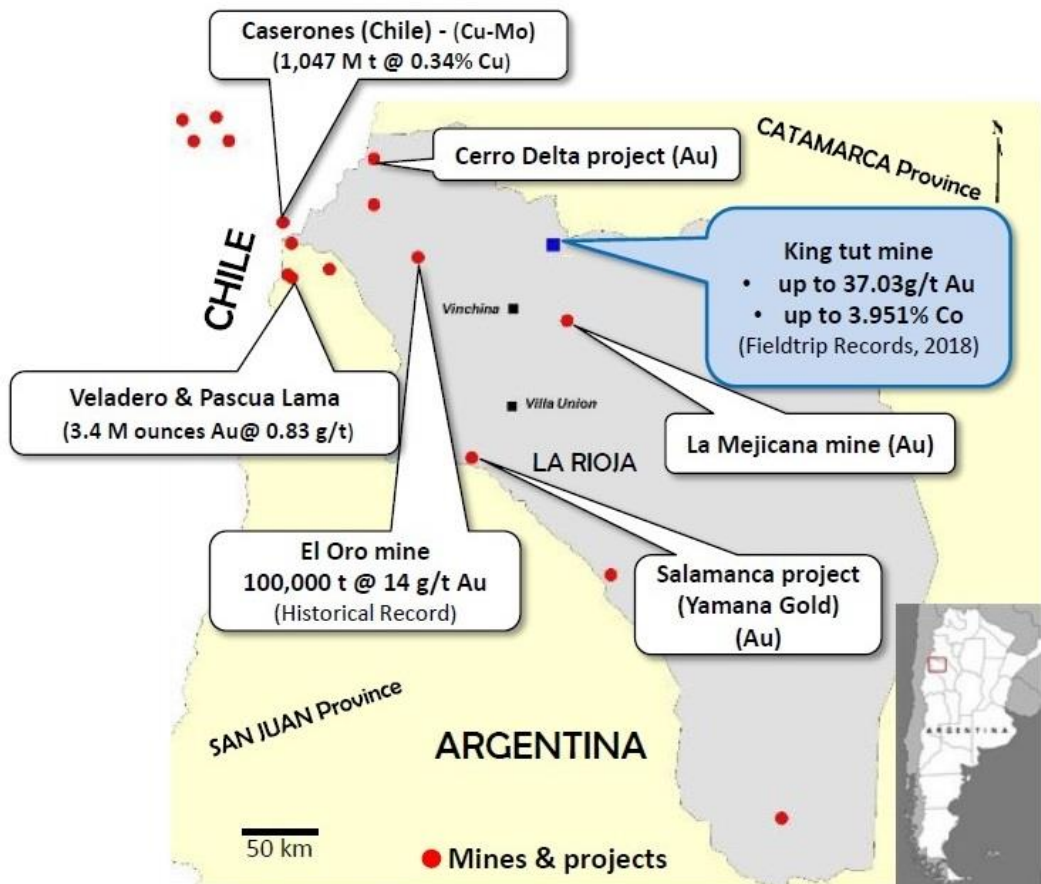


Figure 1: Location of King Tut Mine and nearby resources – La Rioja, Argentina (Source: Condor Prospecting Pty Ltd)

The prospect can be worked and explored all year round due to its relatively lower altitude in relation to the central portion of the Andes Mountain Range ensuring that the area is not snowed in or flooded. Access is from the capital of the La Rioja Province (La Rioja), which has an airport that is serviced daily from Buenos Aires. From La Rioja, there are sealed roads for 390 km to the township of Vinchina and a further 53 km from the townsite to the Project location (which is inclusive of 8km of gravel roads).

The nearest large town is Villa Union (115km away from the Project site), which has a variety of services and amenities, including accommodation, restaurants, internet services, fuel and a consistent power supply. The area is well known as a tourist area with the cordillera rock formations noted as photogenic within the ranges, as well as some of the old mining areas such as La Mejicana Au/Ag mine and the 34km long cableway that serviced this operation near Chilecito township.

4.0 Tenements

As stated above, two Tenements are current within the Project – two (2) Exploitation Concessions and one (1) Exploration Permit intending to be renewed subject to an application being submitted to the relevant mining authority in La Rioja (**Figure 2**). The agreement formed between Winmar and the vendors of the Target Group Companies (“**Vendors**”) covers the acquisition by Winmar of all Tenements. The Tenements are held by The Target Group Companies outright as follows:

Tenement name/type	Permit holder (100%)	Permit number	Area (Ha)
King Tut – Exploitation Concession	TESA	168-L-1939	5.99 Ha
Guille – Exploration Permit	TMSA	28-L-2011 (expired, subject to renewal)	1,587 Ha
Diana II – Exploitation Concession	TMSA	66-C-2005	1,359.97 Ha

Ongoing legal support to Winmar was completed with regard to the Tenements, meeting Tenement conditions, and Vendor arrangements associated with the Project, primarily due to the licences and agreements being recorded in Spanish.

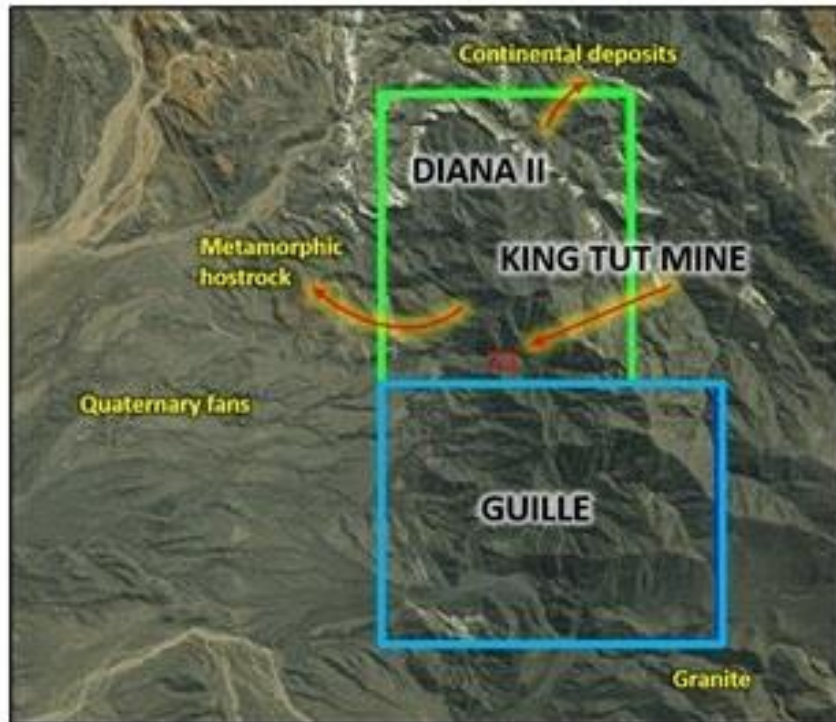


Figure 2: Tenement location diagram (Source: Condor Prospecting Pty Ltd)

5.0 Regional Geology

The location of the Project area is within the eastern cordillera of the Andes Mountain Range. The portion of the eastern cordillera which contains the Project area is referred to as the Famatina Range and is ~250km in length and contains a primary Pre Cambrian – Ordovician stack that was weakly metamorphosed prior to granitic emplacement and elevation and exposure during the Devonian, with subsequent further deposition of sediments and volcanics.

The known ore zones in the Project area are within the Ordovician Suri Formation of moderately metamorphosed sediments and volcanics (Suri Formation consists predominantly of finely laminated metasedimentary rocks varying in composition from greywacke to shale, and contains parallel basaltic flows and a number of dykes). During the Silurian, the regional emplacement of the Nunorco Granite corroded a large portion of the Ordovician Suri Formation and also emplaced felsic dykes within the unit. Dolerite dykes were emplaced in the Devonian and in the Triassic post an uplift period in the Carboniferous, further diabase dykes were emplaced within the Ordovician Suri Formation.

Figure 3 locates the Tenements within the geological suite with the Ordovician moderately metamorphosed sediment stack comprising the majority of the exploration areas. To the south, the large Nunorco granites have corroded the regional Suri Formation, and associated hypabyssal units are within the Suri Formation and the Nunorco Granite with a regional emplacement occurring during the cooling period of the granitic mass. Diorite dykes from two later period are found within the Suri Formation and this relates to the pre-cordillera and cordillera formation period from the Devonian through to the Triassic.

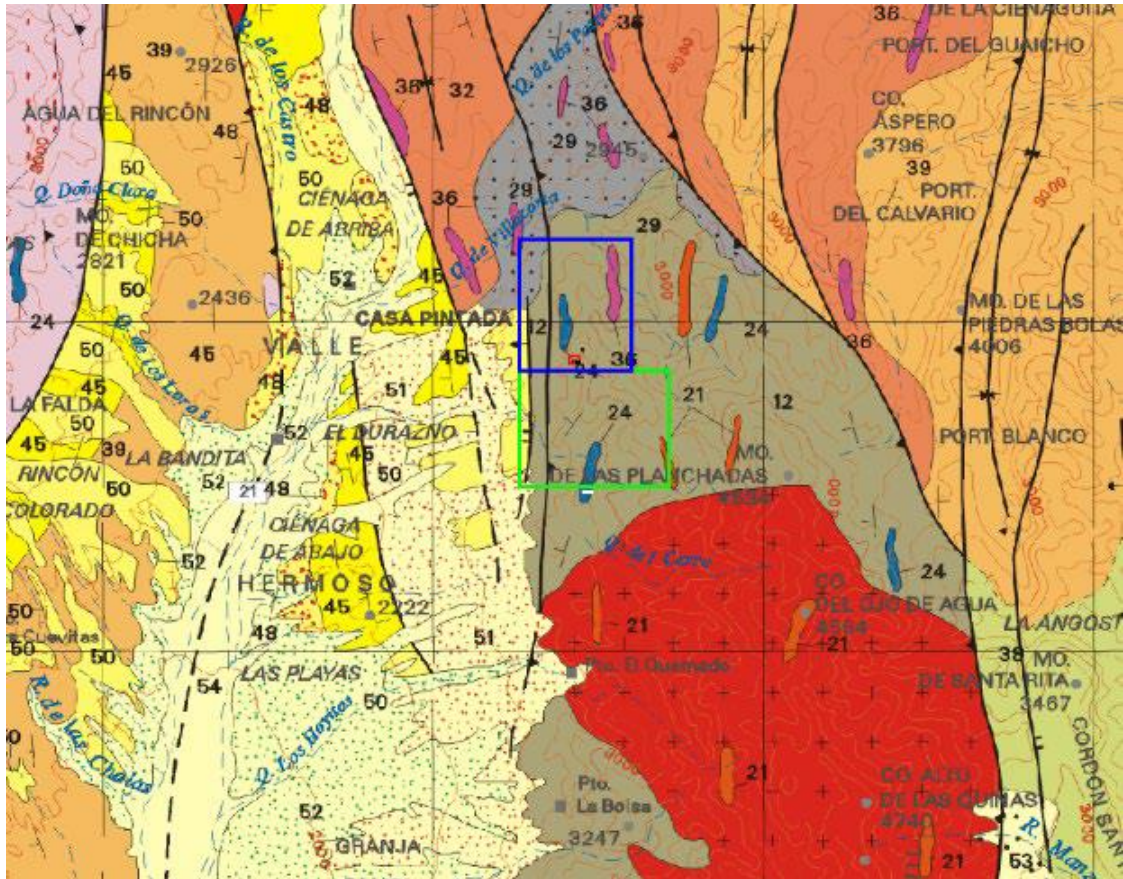


Figure 3: Regional geology of the King Tut Project (Source: Farqu  and Caminos (2006))

The periods of potential mineralization in the region appear to be during and post the emplacement of the Nunorco granite and the hypabyssal dykes, and the emplacement of the dolerite dykes from the Devonian to the Triassic. Faulting of the region is extensional as associated with Cordilleras in back-arc settings and to the east of the Suri Formation is an unconformably contact with an intercalated Permian / Miocene series of sandstones to conglomerates. To the west the faulted contact is with the valley floor contain recent sediments with the base of the "flowerpot" structure most probably being the Miocene aged Sandstones-Conglomerates of the Vinchina Formation.

6.0 Exploration and Geological Prospectivity

Though there is a lack of detailed information from past explorers and from historic exploration and mining completed, the prospect itself is still very well defined in the area around the old mine workings and, as such, there is a lot of information from which to derive an understanding of the potential Project mineralization and scale. The major points of support for the mineralization confidence are as follows:

6.1 King Tut Exploitation Concession and Mine

The King Tut Mine is a series of small underground workings completed at 4 levels and accessed by 2 major drives perpendicular to the mineralised vein structures (Level 1 and Level 0). The mine was operating sporadically with initial operations in the early 1950's for a period of ~3 years and then it reopened in the 1980's for a period of similar length. Accurate records of production have not been kept, but the operations were small and limited to accessing the vein and driving along the mineralised structure removing ore in the drive development.

The two upper most levels are referred to as Levels 2-3 and appear to have been worked in the 1950's. No grade or tonnage information is available due to these upper levels access and drives being buried and inaccessible – though records indicate that the most lower level was the most heavily worked and that access was being developed to traverse through to Level 1 through a ramp in the workings and by initial workings noted on the Level 1 drive. Recent 2018 exploration appears to have located the primary access in the upper levels with the mining commencing directly on an outcropping sulphide rich vein with a grade of 9.0g/t Au, 2.41% Co (see Figure 4 for further results).

Mining in the 1980's fully developed two perpendicular drives to the vein structures and removed ores from the Level 1 and Level 0 predominantly – these drives were 30m vertical apart and accessed a series of thin and discontinuous veins which appear to pinch and swell. All mining in the 1950's appears to have been above these levels, with the possible exception of Level 1 where some minor mining may have taken place prior to its redevelopment. Sampling of the exposed ores during the two main periods of mining operations confirmed the consistency of grade and were reported upon in 1952, 1982, and 1984. These grades are as follows:

Year	Reported grade	Source
1952	6/30g/t Au, 1.10% Co	Sister (1952)
1982	5.9g/t Au, 0.83% Co	Lapidus and Padula (1982)
1984	7.0g/t Au, 0.85% Co	Guerrero (1984)

The major mineralised galleries that have been accessed and sampled are the two lower galleries Level 1 and Level 0. Sampling took place in 1984 prior to the mines closure and the grades and extent of mineralization is seen in Figure 4. Level 1 at 2937.7m level has a broad vein structure with consistent Au and Co grades (~4g/t Au and 1.4% Co respectively), whereas Level 0 at 2907.7m level has thinner and higher grades of Au and Co (~16g/t Au and 1.9% Co respectively. The mine did not stope the vein structures and there is no indication of dip on the mineralised veins. Mapping by recent exploration in the mine indicates that there is a “stack” of veins and these structures have been pinched and swelled by subsequent metamorphism, which indicates that the mineralization relates potentially more closely to the granite emplacement and subsequent hypabyssal magmatic intrusions immediately post emplacement.

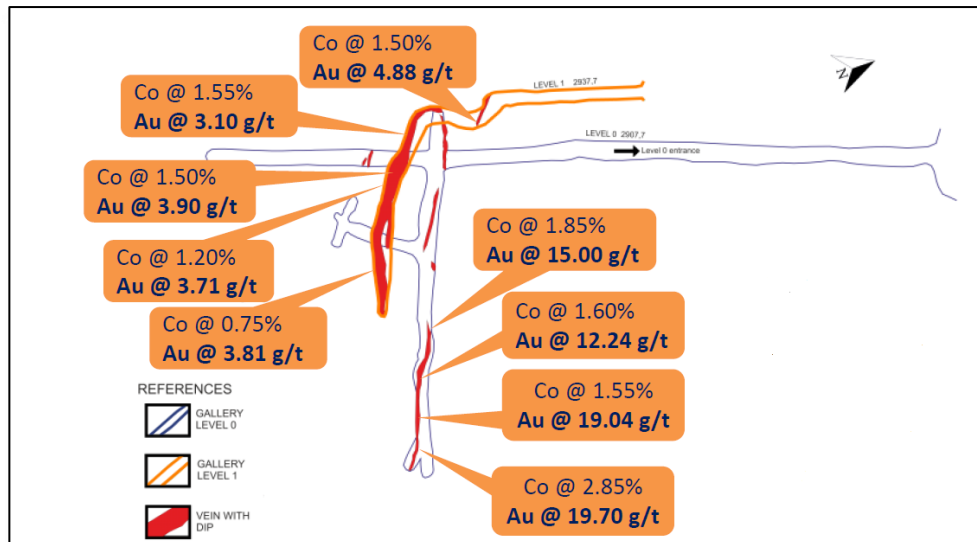


Figure 4: Grades and vein placement of the King Tut Mine - Levels 1 & 0 (Source: Guerrero (1984))

In 1983 an electromagnetic survey was completed by Chipulina and González (1983) and Gonzalez (1983) and anomalies were found that went along strike of the known mineralized veins, with some cross-cutting features noted to the south and a parallel anomaly to the south west. The capacity to determine if these anomalies are later emplaced dolerite dykes at depth, or a continuation and or new set of sulphide mineralized veins is unclear as the process appeared very rudimentary and tended to highlight areas of potential magnetic capacity only.

Surface sampling of the outcropping veins that form the mineralization within the King Tut Mine during the 2018/19 exploration period confirms the presence of high-grade Au and Co. Samples were taken from the exposed veins (average ~18g/t Au and 1.45% Co) with one sample near the 1950 mining portal also enriched in Cu (1.22%). Sampling also occurred over the mapped waste dumps and grades averaged 7.5g/t Au and ~2.7% Co indicating that grades referred to by Guerrero (1984) within the mine were being replicated in the ore spoil.

Alteration of the Suri Formation shale host rock is present in the mine and within the surrounding lithology. The alteration is present in the form of silicification and hydrothermal activity, and alteration remnants (brecciation, limonitic veinlets and possible argillic replacement minerals noted). Figure 5 shows the presence of large quartz veining that pinches and swells across the mineralized zone with proximal alteration of the shale host, with Figure 6 providing a map of the current alteration zones with vein placement and defined and interpreted lineaments within the King Tut Mine and its defined zone of mineralization.



Figure 5: Mineralized quartz vein with sulphides and altered host rock - King Tut Mine (Source: Condor Prospecting Pty Ltd)

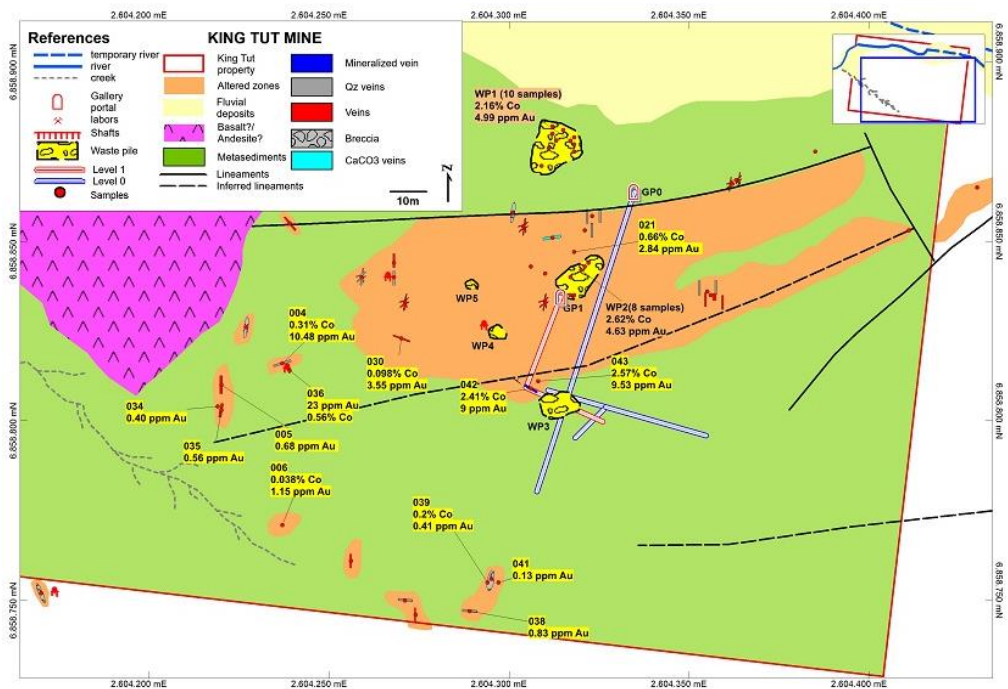


Figure 6: Alteration Zones and proposed lineations with geology - King Tut Mine (Source: Condor Prospecting Pty Ltd)

The King Tut Mine is relatively underexplored due to the lack of any drilling information and recorded history of production. Surface mapping and sampling matches in with the grades recorded within the underground workings during operation (assumed) due to the sampling of the waste dumps and recorded grades by Guerrero (1984). The veins will not be of consistent width when defined due to the deformation post- mineralization of the vein set. Grade has increased with depth but at decreasing widths, indicating a similar Au/Co total tonnage and providing support

for a consistency of grade/tonnes to depth. Electromagnetic geophysics, though rudimentary, does indicate an anomalous recording in the location of the mineralized vein set, as well as anomalies that “feed” the zone which were not accessed by the mine and has breccia units above the location.

6.2 Diana II Exploitation Concession

The Diana II Exploitation Concession encapsulates the King Tut Mine (contained within the associated King Tut Exploitation Concession) and is the most northern of the Tenements held in the project area (**Figure 2**). The King Tut Mine has vein extensions on the surface that project into the Diana II permit and to the west an area of mineralised breccia which is altered and containing enriched sulphides and anomalous Au (nb: this area of brecciation overlies a roughly defined electromagnetic anomaly and may lead to a further Au-Co resource due to its proximity to the King Tut Mine mineralization). This breccia was defined by Cravero (1991) as a “spilitic breccia” and is 400m above the King Tut Au-Co occurrence.

Directly north west of the King Tut Mine is the El Salto creek that has small mine workings through the removal of sulphides (assumed Au-Co outcrops). Around El Salto creek is significant alteration and chip sampling has found anomalous base metals (Cu / Zn) in concert with anomalous Au and Co. Sangster (2002) linked the mineralization at El Salto to King Tut though no physical connection was reported. The Suri Formation is obvious in relief in the Diana II Exploitation Concession north of the King Tut Mine and the structures and bedding can be noted from panoramic views (**Figure 7**).

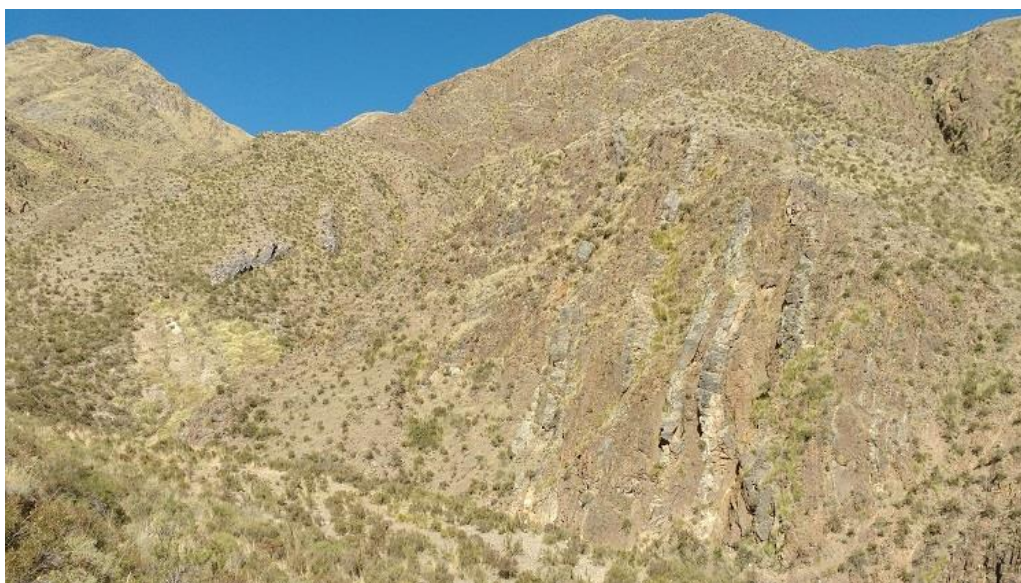


Figure 7: Suri Formation structures looking North - Diana II Exploitation Concession (Source: Condor Prospecting Pty Ltd)

Sangster (2002) also confirmed the presence of the Horatio Barite located in the north of the Diana II Exploitation Concession. It is located at an elevation of 3700m and is 600m long and 1m wide of massive barite striking 355° and dipping 42° East. The vein intrudes rhyolite (similar geologically to the La Yafa creek to the south west of the Guille permit, but both still within the Suri Formation, indication volcanic and volcanoclastic units are interlayered with the cherts and sedimentary units), near an acidic hypabyssal intrusion. The rhyolitic host rock contained minor pyrites near the contact with the barite and only the south end of the unit was examined closely.

6.3 Guille Exploration Permit

Notwithstanding all of the Tenements are registered, the Guille Exploration Permit is currently expired, pending submission of an application for renewal. Such application for renewal is to be made on the reopening of the mining authority in La Rioja. It is anticipated that the relevant mining authority will be reopened on relaxation of relevant COVID-19 restrictions. As set out in section 1 of this Report, the legal status of the Tenements is subject to a separate independent Solicitor's Report on Tenements which readers should refer to on the subject.

The Guille Exploration Permit is a large holding south of the King Tut Mine and is predominantly within the Suri Formation. To the south of the Tenement is the Nunorco granites that form a hard border geologically and also provide a potential source for alteration and mineralization of the Ordovician aged sediment stack. Figure 8 locates the Guille Exploration Permit in relation to the King Tut Mine and indicates the anomalies that have been found through exploration completed in 2018/19.

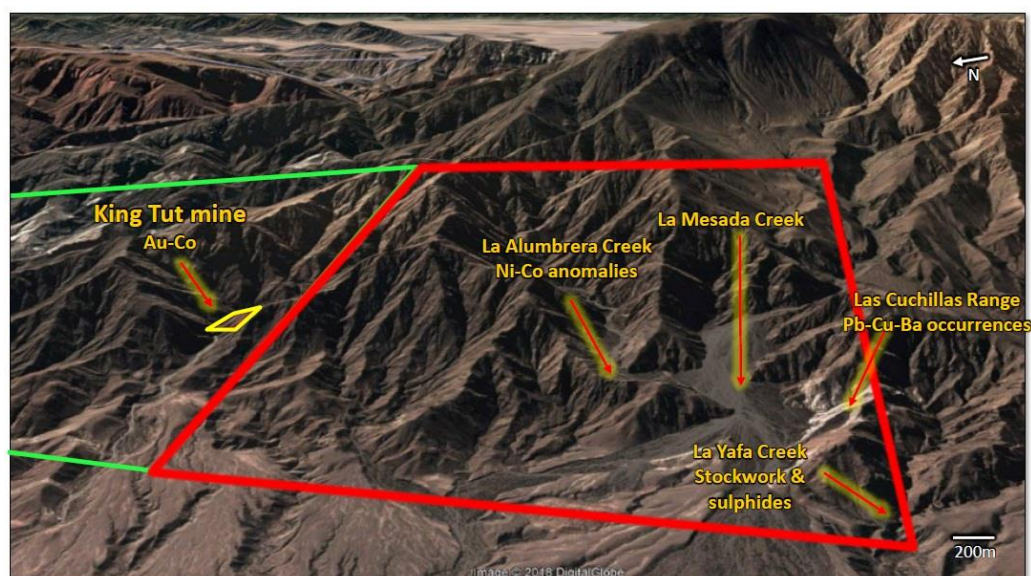


Figure 8: Guille Exploration Permit area and exploration targets (Source: Condor Prospecting Pty Ltd)

Within the La Alumbra creek target area the Suri Formation has undergone significant hydrothermal alteration with the presence of silica and limonitic vein sets. Observed in the field were boxwork structures, oxidised Cu and fine sulphides within quartz veining. Co-Ni anomalies were reported in the area by Cravero (1991) and Sangster (2002), but the form of mineralization was unknown and Sangster (2002) noted the presence of pyrite and significant alteration but did not report any other anomaly in the area.

Large areas of altered outcrop occur within the La Mesada Creek – Cuchillas Range with Cu, Pb and Ba enriched veins present and known. Old workings in the area indicates that Pb was mined from surficial scrapes and shallow galleries, and the area has hydrothermal activity on a regional scale. Barite veins within the cherts of the Suri Formation indicate a long-lived hydrothermal system and provides support for mineralization potential.

La Yafa Creek is located on the south western corner of the Exploration Permit and is close to the Nunorco granite further to the south. The area was identified as an exploration target due to the intense oxidation, abundant stockwork, and visible sulphide veins. High level alteration of the veins and stockwork has been noted with the presence of clays and an intense stockwork of sulphide veining. The host rock may be acidic volcanics / volcanoclastics within the assumed Suri Formation. The outcrop of this anomalous geology is 60m in size and has not been fully explored.

7.0 Summary of Project Prospectivity

The King Tut Exploitation Concession and surrounding Diana II and Guille Tenement exploration targets provide resource potential both near mine workings and within the Ordovician aged stack of sediments and volcanics. Numerous heat sources through the emplacement of dykes and sills, as well as a large granitic occurrence to the south provides the potential source for significant mineralization and this has been confirmed on one occasion at the King Tut Mine.

The Project area is held under the 100% ownership of Target Group Companies in an area that has supported mining and has a favourable legal and regulatory system which allows development and tenure upgrades with minimal waiting periods. Access is considered moderately difficult (particularly while COVID-19 restrictions remain in place), but the area does have good road access along the Project boundary, prior to entering the foothills in which the King Tut Mine is located.

The Project has excellent potential and could provide a significant series of resources and discoveries if explored in a systematic and qualified way. Mining of the existing King Tut Mine is also available as most of the known mineralised veins remain underexploited due to limited mining during the mine's development.

8.0 Exploration Expenditure

The Author has been advised that the Company has budgeted approximately:

- (a) \$2,248,450, on a Minimum Subscription (as defined in the Prospectus) basis; and
- (b) \$2,938,591, on a Maximum Subscription (as defined in the Prospectus) basis,

on direct exploration expenditure in relation to the Project over two (2) years, and that the Company considers this to be appropriate to support the strategy described above and in the Prospectus.

The respective budgets in Figure 9 have not been broken down by each Tenement, but rather relate to the total works completed over a two-year budgetary period in respect of the wider Project. The budgets in Figure 9 have been prepared based on exploration to be completed on the King Tut Mine and the Diana II Exploitation Concessions on a Minimum Subscription and Maximum Subscription basis only. They do not give any indication of possible exploration spend on the Guille Exploration Permit, which is expired and subject to a renewal application being lodged with the relevant mining authority in Argentina.

In the Author's opinion, the use of funds in the Prospectus is consistent with the Project exploration objectives and the proposed work programs mentioned below. The Author however cautions that the year 2 work programs are dependent on the results achieved in year 1 and may be different to that initially proposed.

Figure 9 – Summary of proposed exploration expenditure on the Project

Minimum Subscription (\$5,000,000)	Year 1	Year 2
PRELIMINARY ON GROUND EXPLORATION¹		
Geological Support	\$70,986	\$59,155
Survey	\$44,225	\$1,972
Sampling	\$56,338	\$29,577
Geophysics	\$39,437	\$-
Camp Development	\$109,859	\$-
Camp Operations	\$42,958	\$46,479
Total	\$363,803	\$137,183
DRILLING¹		
Geological Support	\$58,028	\$75,211
Survey	\$7,887	\$9,859
Drill Pad Development	\$56,338	\$84,507
Drilling Costs	\$295,775	\$647,887
Assaying costs	\$59,155	\$109,859
Downhole Geophysics	\$49,296	\$35,211
Resource Calculations	\$47,887	\$56,338
Permitting	\$4,225	\$4,225
Camp Operations	\$74,648	\$71,127
Total	\$653,239	\$1,094,225
Total of Preliminary on Ground Exploration and Drilling	\$1,017,042	\$1,231,408

Notes:

- Further broken down, the total 2-year budgeted expenditure for the Project is \$500,986 for Preliminary on Ground Exploration and \$1,747,464 for Drilling costs. Below are brief summaries of activities within each of the cost centres mentioned in Figure 9.

Maximum Subscription (\$6,000,000)	Year 1	Year 2
PRELIMINARY ON GROUND EXPLORATION¹		
Geological Support	\$70,986	\$59,155
Survey	\$44,225	\$1,972
Sampling	\$77,465	\$42,254
Geophysics	\$67,606	\$35,211
Camp Development	\$109,859	\$-
Camp Operations	\$42,958	\$46,479
Total	\$413,099	\$185,070
DRILLING¹		
Geological Support	\$58,028	\$75,211
Survey	\$7,887	\$9,859
Drill Pad Development	\$56,338	\$126,761
Drilling Costs	\$436,620	\$985,915
Assaying costs	\$77,465	\$169,014
Downhole Geophysics	\$49,296	\$35,211
Resource Calculations	\$47,887	\$50,704
Permitting	\$4,225	\$4,225
Camp Operations	\$74,648	\$71,127
Total	\$812,394	\$1,528,028
Total of Preliminary on Ground Exploration and Drilling	\$1,225,493	\$1,713,098

Notes:

1. Further broken down, the total 2-year budgeted expenditure for the Project is \$598,169 for Preliminary on Ground Exploration and \$2,340,422 for Drilling costs. Below are brief summaries of activities within each of the cost centres mentioned in Figure 9.

Preliminary on Ground Exploration

Geological Support: The field work is to be undertaken by both a senior and junior geologist during 6 months of the calendar year. These operatives will be supported by field staff who will aid in access and the collation and collection of samples. The works to be undertaken by the two geologists will be predominantly field mapping, sample collection, drill site selection, management of various exploration contractors and the liaison with company executive.

Survey: The use of a surveyor will be required from time to time to confirm accuracies of GPS locations and to aid in the civil works associated with road and drill pad development. In the first year of exploration the full field area will be digitally mapped by a lidar system so as to provide an extremely accurate base map upon which all planning and geological interpretations can be modelled within a GIS system giving the company confidence in all aspects of its forward works and resource base.

Sampling: Grab samples from both outcrops and defined trenches as well as potential soil sampling are to be analysed for various elements depending on the form of the primary samples. It is determined that there will be approximately 1,000 samples taken within the first year across a range of terrains and geological units and form the basis of support for the drilling that lies outside of the defined King Tut occurrence. There is also budgeted mineralogical studies to be completed by qualified technicians to aid in emplacement models and metallurgical parameters that will require more understanding prior to committing to further works.

Geophysics: Post the definition of potential mineralised through field mapping, soil and chip sampling and geological interpretations, areas will be defined for possible geophysical surveys using both aeromagnetism and ground Induced Polarization surveys. The geophysics will aid in the targeting of mineralization in areas away from the known Co-Au veins within the King Tut Mine.

Camp Development: A site camp is to be developed in a location central to the Tenements and adjacent to the King Tut Mine. A road will need to be developed from the valley floor to a location just below the adits associated with the King Tut Mine, with an area flattened and readied for a small exploration camp to be developed. The camp will be set up as a series of temporary structures with messing and accommodation being available for up to 10 people.

Camp Operations: The camp site will have a number of locals who will support the operation by maintaining the camp and providing logistical support for the exploration operatives. The number of staff during the exploration phases is likely to be limited to approximately 3 people, with a camp manager, cook and cleaner supporting the field staff.

Drilling

Geological Support: All drill programs are to be managed by geological staff reporting to the company executive. The staff will include a senior geologist, two junior geologists and a number of supporting field staff during the period of the drilling campaign.

Survey: Accurate placement of the drill site locations will be required for all drill programs. This will also include the requirement to plan for drill site access and associated earthworks. Downhole surveys may be required with the drilling if depths exceed 100m due to drill rod curvature when drilling to greater depths if the rock types encountered provide opportunity for displacement to the drill head via hardness or variable rock strengths. After drilling is completed a final survey of drill hole locations will be required to confirm the primary information and provide an accurate completed collar profile.

Drill Pad Development: The location of the project area within the cordillera hinterland hills limits easy access for drill rigs and equipment. Access roads to the drill sites and the development of flat working drill pads is essential, with some locations being used for multiple drill holes thus will need to be well formed to ensure ease of access and working conditions.

Drilling Costs: All drilling costs have been budgeted as inclusive totals which would incorporate mobilisation / demobilisation, provision of muds and fuels, maintenance, sample trays, bit wear, provision of safety equipment, full staffing of all associated equipment, and management of the crew on site. The total costs have been calculated by a per meter rate for HQ diamond drilling at US\$250/m. A single drill rig has been budgeted for within the first year of activities and two drill rigs within year two – with drilling to be completed in more distant locations from the primary site camp. The rates of drilling are controlled by the addition / deletion of a night shift with drilling rates expected to average 10-20m per 10-hour shift.

Assaying Costs: Full analysis of the mineralized diamond drill core has been incorporated into the budget to account for both precious and base metal mineralization. Approximately one sample per two metres of budgeted drilling has been defined as appropriate for the broad scale drilling expected within the preliminary drilling campaigns. The use of standards and blanks / duplicates for JORC compliance has also been budgeted within the sample set at a ratio of 1:20 samples being analysed.

Downhole Geophysics: With the sulphide rich nature of the mineralization noted within the King Tut Mine the use of downhole geophysics would provide the company with an understanding of the possible depth and extent of the major veins of ore within the project area. This technique could also be used in areas that are new and untested to define targets within the vicinity of mapped anomalies and provide a methodology of planning further drill holes within the defined drill program.

Resource Calculations: Drilling results will be analysed and resources will require quantification through the use of specialist resource geologists. The development and reporting of JORC compliant resources is a primary goal of the exploration works.

Permitting: A small amount of funds has been allocated for the permitting and possible local Mines Department support during each of the drilling campaigns planned over the two-year period.

Camp Operations: The camp site will have a number of locals who will support the operation by maintaining the camp and providing logistical support for the drilling campaign. The number of staff during the drilling campaign will increase with the sympathetic increase in staff at the site camp.

ANNEXURE 1 – REFERENCES

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Guerrero, M. A., (1984). Resultados de los trabajos exploratorios en mina cobalto-aurífera King Tut, provincia de La Rioja. Servicio minero nacional, informe minero. ("**Guerrero (1984)**")

Lapidus, A. y Padula, V., (1982). Exploración de la Mina King Tut, provincia de la Rioja. Evaluación de resultados ("**Lapidus and Padula (1982)**")

Sangster A. L. (2002). Mineral occurrences in the area of King Tut mine, La Rioja province, Argentina. SEGEMAR ("**Sangster (2002)**")

Sister, R. G. (1952). Informe geológico y económico de la mina King Tut. Departamento General Sarmiento Provincia de La Rioja ("**Sister (1952)**")

Information supplied by:

- (a) Condor Prospecting Pty Ltd;
- (b) Xplore Resources Pty Ltd; and
- (c) Jason Moultrie of Geokeys.

ANNEXURE 2 – CERTIFICATE OF QUALIFICATION AND CONSENT

I, Mark G. Gifford of 9 / 37 Village Green, Margaret River, Western Australia hereby certify that:

- I am responsible for the preparation of this Report titled “Independent Geologist’s Report, King Tut Project, La Rioja Province, Argentina” dated 31 August 2020.
- I am a professional geologist employed as a private geological consultant.
- I am a Fellow in good standing of the Australian Institute of Mining and Metallurgy with membership number 108672.
- I have sufficient experience that is relevant to the style of mineralisation and type of deposit 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’ (JORC 2012).
- I am a graduate of the University of Waikato, New Zealand with a Masters Degree (1st Class Honours) in Earth Sciences.
- I have practiced my profession for 30 years and have worked upon numerous resource deposits throughout the world, and for 10 years in a geological managerial position.
- I have been operating as an Independent Consulting Geologist since 2005.
- I certify that by reason of my education, affiliation with a professional association (as defined by NI 43-101), and past relevant work experience, I fulfil the requirements to be a “qualified person” for the purposes of JORC and National Instrument (“NI”) 43-101.
- I am an independent qualified person as defined by NI 43-101 and by the companion policy 43-101CP to NI 43-101.
- This Report is based on my review of the available published data, and company reports and data.
- I have not visited the property but have liaised with geological staff that have completed recent exploration and associated tasks with respect to the Project.
- The Report has been prepared with JORC compliance as a primary aim within the reporting process.
- No resources are reported or defined in the production of the Report.
- I am not aware of any material fact or material change with respect to the subject matter of this Report which is not reflected in this Report. I am not aware of any possible omissions that would deem this Report misleading.
- I do not expect to receive any interest (direct, indirect or contingent) in the prospect described herein, nor in the securities of Winmar or any of their affiliates. I am independent of the issuer under all criteria of Section 1.5 of NI 43-101.

I consent to:

- (a) the use of this Report with regards to any filing with any stock exchange and other regulatory authority and any further publication by them for regulatory and promotional purposes;
- (b) the inclusion of this Report in the Prospectus in the form and context in which it is included; and
- (c) the inclusion of this Report as electronic publication on the Company's website that is accessible to the public.

A handwritten signature in blue ink, appearing to be 'N. E.', written in a cursive style.

Signed in Margaret River, Western Australia.
Dated 31 August 2020.

Annexure B – Independent Solicitor’s Report on Tenements

San Juan, August 31, 2020

To: The Board of Directors
Winmar Resources Limited
Suite 5, 62 Ord Street, West Perth, WA 6005
Australia

Attn: Mr Shannon Green, Executive Chairman

Dear Sirs

This report has been prepared by Bastias Yacante Abogados (hereinafter "**BYA**") for inclusion in a prospectus to be issued by Winmar Resources Limited (ACN 085 905 997) ("**Winmar**") on or around the date of this report ("**Report**") for purpose of receiving conditional approval from the Australian Securities Exchange ("**ASX**") to admit Winmar's securities to official quotation on financial market operated by ASX Limited ("**Prospectus**").

Winmar has entered into an agreement to acquire 100% of the issued share capital of both Blue Gold Mining Pty Ltd ("**BGM**") and Sandrino Gold Pty Ltd ("**SG**") (both entities are incorporated in Australia) from the vendor shareholders of BGM and SG respectively ("**Acquisition Agreement**"). Completion under the Acquisition Agreement is proposed to be conditioned upon, amongst other requirements, the completion of a due diligence process, a successful capital raising as specified in the Acquisition Agreement, and Winmar complying with the requirements of Chapter 1 and 2 of the ASX Listing Rules and receiving conditional approval from ASX to admit its securities to official quotation on ASX.

BGM, through its Argentinean subsidiary, Tres Elementos SA ("**TESA**") and SG, through its Argentinean subsidiary, Tecno Minera SA ("**TMSA**") (jointly "**Argentine Subsidiaries**") are primarily focused on the exploration of gold and cobalt deposits in the La Rioja province in Argentina.

This report relates to the mining tenements, rights and titles owned by the Argentine Subsidiaries. For the purposes of this Report, BYA has conducted title searches of, and described, the mineral rights conferred to the Argentine Subsidiaries, hereinafter referred to as the ("**Mining Rights**").

Specifically, this Report provides a legal opinion on:

- (a) ownership and good standing of the Mining Rights, including:
 - (1) applicable rents and fees due in respect of the Mining Rights under the AMC;
 - (2) expenditure requirements and work programs under the AMC (or relevant exemptions obtained);
 - (3) annual expenditure commitments and other reports on operations required to be lodged with the Secretariat of Energy and Mining or other relevant authorities; and
- (b) any securities or other encumbrances against the titles to the Mining Rights;
- (c) any applicable material contracts and commercial arrangements affecting the Mining Rights.

A summary of the relevant provisions of the AMC and other applicable laws which may affect the Mining Rights and mining activities and infrastructure in Argentina is described in Section 4.

1. DEFINITIONS

Unless the context otherwise requires, in this Report the following terms shall have the meanings set out below:

“**ACN**” means Australian Company Number.

“**AMC**” means the Argentinean Mining Code.

“**AR\$**” means Argentine Pesos, the lawful currency of Argentina.

“**Argentine Subsidiaries**” means TESA and TMSA.

“**ASX**” means ASX Limited or the finance market operated by it as the context requires.

“**BGM**” means Blue Gold Mining Pty Ltd (ACN 621 703 866).

“**CPSA**” means Condor Prospecting S.A.

“**EIA**” means Environmental Impact Assessment.

“**EIS**” Environmental Impact Statement.

“**Enforcement Authority**” means any state agency or political subdivision of the state that has the authority to enforce the AMC.

“**Exploitation Concession**” has the meaning in Section 4.3.2.

“**Exploration Permit**” has the meaning in Section 4.3.1.

“**GCL**” means the General Corporate Law of Argentina, Law N° 19.550.

“**Good Standing Certificate**” means a certificate certifying the good standing of an Exploitation Concession and/or Exploration Permit.

“**Ha**” means hectares.

“**Mining Authority**” means the Secretary of Mining and Energy of La Rioja Province and any of its political subdivisions.

“**Mining Cadaster Registry**” means an AutoCad file with the location in coordinates of La Rioja mining rights provided by the Mining Authority.

“**Mining Property**” has the meaning in Section 4.2.

“**Mining Rights**” means Exploitation Concessions and/or Exploration Permits, as further set out in Section 4.3, and together the Guille Exploration Permit, Diana II Exploitation Concession and King Tut Exploitation Concession together shall have a corresponding meaning.

“**Notary of Mines**” means the notary of the General Directorate of Mining, under the Secretary of Mining and Energy of La Rioja Province.

“**LPD**” means the Legal Persons Directorate and Public Registry Office of the Province of Mendoza, which is the authority to enforce the GCL.

“**Royalty**” has the meaning in Section 2.1 (*Royalty*).

“**Sale Contract**” has the meaning in Section 2.1 (*Royalty*).

“**Selling Party**” has the meaning in Section 2.1 (*Royalty*).

“**SG**” means Sandrino Gold Pty Ltd (formerly Sandrino Cobalt Pty Ltd) (ACN 622 690 457).

“**Share Registration Book**” means the register of shareholders of TMSA and/or TESA, as the context requires in this Report.

“**TMSA**” or “**Tecno Minera**” means Tecno Minera SA, CUIT: 30-71595830-5, a subsidiary of SG (95%) and BGM (5%) validly registered in Argentina.

“**TESA**” or “**Tres Elementos**” means Tres Elementos SA, CUIT: 30-71585821-1, a subsidiary of BGM (95%) and SG (5%) validly registered in Argentina.

“**USD**” means United States Dollars, the lawful currency of the United States of America.

“**Winmar**” means Winmar Resources Limited (ACN 085 905 997).

2. LIST AND INFORMATION OF THE MINING RIGHTS

TESA and TMSA hold the following Mining Rights located in La Rioja, Argentina:

Mine	File No	Mining Right Type	Legal Status	(Ha)	Titleholder
King Tut	168-L-1939	Exploitation Concession	Good Standing	5.99	TESA
Guille	28-L-2011	Exploration Permit	Expired (pending lodgement of application for renewal)	1,587.49	TMSA
Diana II	66-C-2005	Exploitation Concession	Good Standing	1,359.97	TMSA

2.1. Exploitation Concession “King Tut” (File N° 168-L-1939)

- **Registration status:** Registered.
- **Good Standing:** This Exploitation Concession is in good standing. A legal survey has been completed on and an EIA was approved in 2018 in relation to this Exploration Concession.
- **Date of grant:** Granted by the Mining Authority in 1939.
- **Term:** Subject to the compliance of certain maintenance conditions (mainly related to the payment of mining canon and the implementation of an investment plan) the term of the Exploitation Concession is indefinite.
- **Total Area:** 5.99 Ha.
- **Location:** Hermoso Valley, Department of Vinchina, Province of La Rioja.
- **Current owner:** TESA is the current owner.
- **Royalty:** Pursuant to a contract of sale dated July 14, 2017, María de los Ángeles Brígido (on behalf of Mr. Daniel Francisco Lopez, Francisco Lopez Brígido and Santiago Lopez Brígido) (“**Selling Party**”) sold to CPSA the King Tut Exploitation Concession and Guille Exploration Permit for USD30,000 (“**Sale Contract**”). Under the Sale Contract, a semi-annual royalty of 1% of extracted minerals sold (discounting necessary production costs) was established (“**Royalty**”), which CPSA (or its assigns under the Mining Rights, including the Argentine Subsidiaries) are obligated to pay to the Selling Party. The Royalty may be acquired at any time for a single payment of USD 170,000.
- **Canon fee:** First semester of 2020 that expired on December 30, 2019 and the second semester of 2020 that expired on June 30, 2020 are due. TESA reported the payment for the second semester of 2019 on April 22, 2019. Payment per semester is AR\$160. All canon debt is to be paid as soon as the COVID-19 restrictions are lifted by provincial authorities.
- **Legal labor:** Please refer to Section 4.4(iii). BYA has not been provided with this information. BYA has assumed that this has been performed on the basis that a Good Standing Certificated dated March 11, 2019 issued by the Mining Authority confirming that this Mining Right had been surveyed.

- **Legal survey:** Performed, according to the Good Standing Certificate dated March 11, 2019 issued by the Mining Authority.
- **Working and investment plan:** Approved. The committed investment for this Mining Right totals AR\$6,060,000 to be accomplished within 5 years. TESA filed an affidavit informing that has accomplished with the committed annual investment on May 28, 2019. A report for 2019-2020 investment compliance is pending. It is required that an amount not lower than 20% of the estimated amount is invested in each of the first 2 years. Furthermore, within a term of 3 months following the expiration of each annual period, a sworn statement on the compliance status of the investments must be submitted to the Mining Authority.
- **Overlapping rights:** According to the information obtained from the Mining Cadaster Registry dated June 28, 2019, there are no overlapping rights registered on this Exploitation Concession.
- **Liens and encumbrances:** According to the information obtained from a Good Standing Certificated dated March 11, 2019 issued by the Mining Authority, there are no liens or encumbrances registered on this Exploitation Concession. Additionally, no Document provided to us suggests that there are any liens or encumbrances registered on this Exploitation Concession.
- **Liabilities:** The King Tut mine within the King Tut Exploitation Concession is currently abandoned. It has two underground galleries and dumps in a critical state having been abandoned for 40 years according to a note submitted by the concessioner on February 21, 2018 to informing the Mining Authority of the status of the mine when evaluating the EIA.
- **EIA:** Approved by Resolution No. 072/18 of the Secretary of Environment, Ministry of Planning and Industry dated April 6, 2018 (file No. P4-00403-17).
- **EIS:** TESA was declared the title holder of the EIS granted by Resolution No. 072/18 through Resolution No. 331/18 dated November 13, 2018. The EIA is required to be updated prior to initiating any field work, since the EIS expired on May 2, 2020. The EIA shall be updated every two years. TESA is require to submit a report containing the results of the environmental protection actions carried out, as well as any new events that may have occurred. The updated EIS report is evaluated through the same administrative process of the original EIA.

Posgar 94 coordinates:

Vertex	X	Y
1	2604105.960	6858763.320
2	2604128.960	6858961.930
3	2604426.970	6658927.410
4	2604403.880	6858728.810

- **Easements:** This Mining Right has a *mining road easement* with an extension of 9.62 km from west to east from the Casa Pintada Church area to the entrance of the Mining Right and a *camp easement* with an extension of 1.03 Ha (File No. 49-T-2018). The Posgar 94 coordinates of the camp easement are the following ones:

Vertex	X	Y
1	2603266.600	6858757.000

2	2603325.300	6858739.300
3	2603274.300	6858581.200
4	2603213.300	6858609.200

2.2. Exploration Permit “Guille” (File N° 28-L-2011)

- **Registration status:** Registered.
- **Good standing:** Expired.
- **Date of grant:** Granted by the Mining Authority on February 22, 2019.
- **Term:** 300 days from 30 days after the date of grant by the Mining Authority (which expired on January 20, 2020).
- **Total Area:** 1,587.49 Ha.
- **Location:** Hermoso Valley, Department of Vinchina, Province of La Rioja.
- **Former owner:** TMSA was the former owner.
- **Royalty:** Pursuant to the Sale Contract, the Royalty was established which the assignees under the Mining Rights (namely the Argentine Subsidiaries) are obligated to pay to the Selling Party. The Royalty may be acquired at any time for a single payment of USD 170,000.
- **Canon fee:** No obligation to pay canon as it was paid together with the application for the Exploration Permit.
- **Overlapping rights:** According to the information obtained from the Mining Cadaster Registry dated June 28, 2019, there are no overlapping rights registered on this Exploration Permit.
- **Legal standing:** Expired. The term of the Exploration Permit granted by the Mining Authority via a Resolution issued on February 22, 2019 has expired. TMSA should have submitted a Statement of Discovery before the expiration of the exploration period.
- **EIA:** Approved by Resolution No. 025/19 of the Secretary of Environment, Ministry of Planning and Industry dated February 14, 2019 (file No. 28-T-2011).
- **Final report:** Within 90 days after the expiration of the Exploration Permit, applicant is required to submit a report with the information and technical documentation obtained in the course of the investigations. A penalty of equal to twice the paid canon fee may be applicable. Said term elapsed on April 20, 2020, during COVID-19 isolation restrictions.
- **Posgar 94 coordinates:**

Vertex	X	Y
1	2602600.000	6858500.000
2	2607150.000	6858500.000
3	2607150.000	6855011.000
4	2602600.000	6855011.000

2.3. Exploitation Concession “Diana II” (File N° 66-C-2005)

- **Registration:** Registered.
- **Good standing:** This Exploitation Concession is in good standing.
- **Date of grant:** Granted by the Mining Authority on August 2, 2017.
- **Term:** Subject to the compliance of certain maintenance conditions (mainly related to the payment of mining canon and the implementation of an investment plan), the term of the Exploitation Concession is indefinite.
- **Total Area:** 1,359.97 Ha.
- **Location:** Sierra de Famatina, Department of Vinchina, Province of La Rioja.
- **Current owner:** TMSA is the current owner.
- **Canon fee:** First semester of 2020, that expired on December 30, 2019 and second semester of 2020, that expired on June 30, 2020 are due. TMSA reported the payment for the second semester of 2019 on April 22, 2019. Payment per semester is AR\$22,400. All canon debt is to be paid as soon as the COVID-19 restrictions are lifted by provincial authorities.
- **Legal labor:** Approved. Please refer to Section 4.4(iii) for further information.
- **Legal survey:** According to the Mining Cadastral dated June 28, 2019, application for legal survey has been submitted for fourteen (14) tenements, thirteen (13) of them of 100 Ha and one (1) of 60 Ha. An engineer, Alberto Rocher, was appointed to perform the survey and the Mining Authority set the day March 26, 2018 as the date to start the survey works. We have not been provided with information on whether the survey took place or not, however there is nothing to suggest in our review of the sources in Schedule A that it was not completed.
- **Working and investment plan:** TMSA submitted the work and investment plan on November 9, 2018. Although we have not been provided with information relating to the committed investment amount and whether the plan has been approved, works can be conducted on the Exploitation Concession without such approval. It is required that an amount not lower than 20% of the estimated amount is invested in each of the first 2 years. Furthermore, within a term of 3 months following the expiration of each annual period, a sworn statement on the compliance status of the investments must be submitted to the Mining Authority.
- **Overlapping Rights:** According to the information obtained from the Mining Cadaster Registry dated June 28, 2019, there are no overlapping rights registered on this Exploitation Concession. The King Tut Exploitation Concession is validly located within this Exploitation Concession as a pre-existing Mining Right.
- **Liens and Encumbrances:** There are no liens or encumbrances registered on this Exploitation Concession. Additionally, no Document provided to us suggests that there are any liens or encumbrances registered on this Exploitation Concession.

- **EIA:** Approved by Resolution No. 327/18 of the Secretary of Environment, Ministry of Planning and Industry dated November 13, 2018 (File N° P4-00030-18).
- **Posgar 94 Coordinates:**

Vertex	X	Y
1	2602600.000	6862499.862
2	2606000.000	6862499.964
3	2606000.000	6858500.000
4	2602600.000	6858500.000

- **Easements:** The road easement of the King Tut Exploitation Concession crosses through this Mining Property. Also, the camp easement of King Tut is located within this Mining Right. Easements are constituted, after compensation for the value of the occupied pieces of land and the consequential damages to the occupation.

3. **OPINION**

Based on: (a) the applicable legislation that governs the mining property in Argentina; and (b) the information and documentation provided to us, and subject to the qualifications and assumptions detailed hereto, we are of the opinion that:

3.1. **Mining Rights**

3.1.1. **King Tut Exploitation Concession**

- (i) The information in Section 2.1 (*Exploitation Concession "King Tut"*) of this Report in relation to the King Tut Exploitation Concession is accurate in all material respects.
- (ii) TESA is the exclusive owner of Exploitation Concession "King Tut" (File N° 168-L-1939). This Exploitation Concession is in good standing.
- (iii) There is no evidence of canon payment corresponding to 1st and 2nd semester 2020, which are due. Technically, such canon payment is required to be paid on or before August 30, 2020 to avoid expiration of the Mining Right. However, as the Mining Authority is not open as at the date of this Report due to COVID-19 restrictions in La Rioja, terms for payment have been extended until the Mining Authority reopens its activities. It is intended that all canon debt is to be paid as soon as the COVID-19 restrictions are lifted by provincial authorities.
- (iv) The mine has been legally surveyed.
- (v) The mine has the working and investment plan approved by the Mining Authority. TESA has committed an investment of AR\$6,060,000 that shall be accomplished in the following three years. An affidavit of declared investments corresponding to the 2nd year of investment is pending and is to be submitted by TESA.
- (vi) EIA shall be updated and an EIS shall be granted prior to initiate any field work. TESA is required to submit a report containing the results of the environmental protection actions carried out, as well as any new events that may have occurred.

- (vii) This Mining Right has an easement for mining road and camp which application is in due process. There is a declaration of the applicant which informs that the mine is abandoned, has two underground galleries and dumps in a critical state, having been abandoned for 40 years.
- (viii) The Royalty of 1% of extracted mineral sold (discounting production costs) in favour of the Selling Party applies over the King Tut Exploitation Concession. The Royalty may be acquired at any time for a single payment of USD170,000.

3.1.2. Guille Exploration Permit

- (i) The information in Section 2.2 (*Exploration Permit "Guille"*) of this Report in relation to the Guille Exploration Permit is accurate in all material respects.
- (ii) We confirm that TMSA was the exclusive registered applicant and holder of the Exploration Permit. The Exploration Permit was granted by Mining Authority through Resolution issued on February 22, 2019 for a period of 300 days. The Exploration Permit expired on January 20, 2020.
- (iii) There is no evidence that TMSA has applied for a Statement of Discovery before expiration of the Exploration Permit to preserve the area. The Mining Procedure Code of La Rioja (Law 7277) says that Exploration Permits expire once the exploration period finalises. The expiration, in all cases, will be published in accordance with Article 29¹ of said Code.
- (iv) The Mining Authority in the province of La Rioja is currently closed due COVID-19 regulations. TMSA has informed BYA that, in order to renew its tenure of the relevant Exploration Permit area, it will submit a Statement of Discovery at the first possible instance appealing for an exemption due to COVID-19 restrictions declared from March 13, 2010.
- (v) A final report shall be submitted once the Mining Authority reopens its activities in La Rioja. The term of 90 days in which it is required to submit a report on expiry of an Exploration Permit (as mentioned in Section 2.2 (*Final Report*) and as indicated in the Mining Code) expired on April 20, 2020. However, the Mining Authority in the province of La Rioja has been closed due COVID-19 since March 2020 and, therefore, TMSA has been unable to renew the Exploration Permit within the timeframe required.
- (vi) The process to apply for a Statement of Discovery is relatively straight forward. It involves the process set out in Section 4.3.3 and, notwithstanding the term of the Exploration Permit expired before the Mining Authority closed in March 2020, there is a strong likelihood approval of such application will be approved by the Mining Authority on reopening of its office in La Rioja, subject to the La Rioja provincial mining company (EMSE) becoming interested in the relevant Mining Right prior to renewal (which is considered highly unlikely). There is also low risk that given the final report mentioned in Section 3.1.2(v) above had not been submitted by TMSA to the Mining Authority prior to the expiry of the relevant 90 day period (namely

¹ Art. 29 Mining Procedure Code of La Rioja (Law 7277): "... Any firm resolution that provides the liberation of registered areas occupied by mining rights must be published ex officio by the Mining Authority, for one (1) day in the Official Gazette (...) Prior to the aforementioned publication, the Energy and Minerals Company State Company -EMSE- or to the entity that will replace it, will be notified, so that within the peremptory and non-extendable term of one hundred twenty (120) business days, express its decision to submit the area for investigation (...) or express its interest in said area, submitting the corresponding request within the same term (...) The occupied areas will only be available for the request of third parties, after ten (10) days have elapsed from the date of publication ."

owing to COVID-19 restrictions in place), then such report may need to first be furnished prior to renewal of tenure being approved.

- (vii) The Royalty of 1% of extracted mineral sold (discounting production costs) in favour of the Selling Party applies over the Guille Exploration Permit. The Royalty may be acquired at any time for a single payment of USD170,000.

3.1.3. Diana II Exploitation Concession

- (i) The information in Section 2.3 (*Exploitation Concession "Diana II"*) of this Report in relation to the Diana II Exploitation Concession is accurate in all material respects.
- (ii) This Exploitation Concession is in good standing. TMSA is the exclusive holder of the Exploitation Concession.
- (iii) There is no evidence of canon payment corresponding to 1st and 2nd semester 2020, which are due. Technically, such canon payment is required to be paid on or before August 30, 2020 to avoid expiration of the Mining Right. However, as the Mining Authority is not open as at the date of this Report due to COVID-19 restrictions in La Rioja, terms for payment have been extended until the Mining Authority reopens its activities. It is intended that all canon debt is to be paid as soon as the COVID-19 restrictions are lifted by provincial authorities.
- (iv) Legal labor (refer to Section 4.4(iii)) was approved.
- (v) We have not been provided with information on whether a survey took place or not with respect to the Diana II Exploitation Concession, however there is nothing to suggest in our review of the sources in Schedule A that it was not completed.
- (vi) TMSA submitted a working and investment plan to the Mining Authority on November 9, 2018. Although there is no evidence whether it has been approved, works can be conducted on the Exploitation Concession without such approval.
- (vii) An EIA was approved and is required to be updated prior to initiating any field work.

4. SUMMARY OF ARGENTINIAN MINING LAW

Set out below is an overview of the Argentine mining regime, relevant to considering the findings of this Report.

4.1. Governmental System in the Republic of Argentina

Argentina is a federal republic consisting of twenty-three autonomous provinces and the Autonomous City of Buenos Aires, organized under a national constitution similar to that of the United States of America.

Argentina's national government is organized into three separate branches. The executive branch is headed by a democratically elected President. The President and Vice-president are elected on the same ticket by popular vote for four-year terms. The National Congress is comprised of a bicameral legislature: The House of Deputies and the Senate. Both, Deputies and Senators are also democratically elected. The judicial branch is led by the National Supreme Court of Justice, which is comprised of five justices appointed by the President subject to Senate approval. Beneath the Supreme

Court is a hierarchy of federal courts.

Each of the provinces has its own government and courts, the organization of which mirrors the federal system. The National Constitution establishes that each of the provinces determines their own local institutions by which they will be governed. The national government may not intervene in the election of their governors, legislators and other provincial officers. Each province also enacts its own provincial constitution.

Argentina's Constitution divides the respective jurisdictions of the national and provincial governments by empowering the provinces to delegate to the national legislature the authority to enact laws of national scope concerning civil, commercial, and other matters, such as mining. It is important to note, however, that federal action on an issue does not necessarily pre-empt concurrent action on the provincial level. Some powers (referred to as concurrent powers) can be exercised by both the national government and the provincial governments. On the other hand, it should also be noted that: (i) the national government is not empowered to exercise any of the powers reserved by the provinces, which have not been delegated to the federal authorities; and (ii) the provinces are not empowered to exercise the powers delegated by them to the federal government. In this sense, they cannot enact laws dealing with commerce, inland or foreign navigation, establish provincial customs, coin money, establish banks with power to issue money without the prior authorization from the National Congress, enact civil, commercial, criminal or mining codes, enact special laws regarding citizenship and naturalization, or any other power expressly or implicitly delegated to the national government. As a result, the provinces may enact their own specific provisions, but only with respect to issues concerning their reserved or concurrent powers.

Finally, please note that Argentina is a civil law country, meaning that its courts rely on laws, mostly compiled in codes, rather than on precedent established in prior judicial decisions.

4.2. General Introduction to the Argentinean Mining Regime

Mining regulations in Argentina are principally established under the AMC, with local laws and certain special federal laws, such as the Mining Investment Law 24,196, as amended by Law 25,161, also being relevant in some circumstances.

Specifically, the AMC governs the rights, obligations and procedures referring to the exploration, exploitation and use of mineral substances. These regulations create the legal framework that governs the relationship between the State and miner (through an Exploration Permit or other Mining Right) and between the miner and third parties.

In general terms, mining properties are governed by the same principles of common ownership. However, and although they have the nature of a real estate property, mining properties form a different property from the land in which they are located.

Any individual or legal entity with capacity to legally purchase and own a real estate property may purchase and own a mine. The ownership of a mine is acquired through a legal concession granted for unlimited time and subject to the compliance of certain maintenance conditions (mainly related to the payment of mining fees and the implementation of an investment plan). In this sense, it can be said that the Mining Property is always at risk of being revoked as a result of failure to meet or fulfill such conditions.

The provinces are, according to our National Constitution, the original owners of the natural resources existing within their territories, but they are not allowed to exploit such

resources directly. Therefore, the provinces have to grant to those individuals and/or legal entities interested in mining exploration and exploitation, the so called right of “**Mining Property**” by means of a legal concession.

Taking into account the rights acknowledged by the AMC, each of the mines are divided into three (3) different categories:

1st. Mines which surface land is an accessory and belong exclusively to the State and which may only be tapped or exploited under a legal concession granted by the relevant provincial authority. Mines of the first category include:

- (i) metal substances such as gold, silver, platinum, mercury, copper, iron, lead, tin, zinc, nickel, cobalt, manganese, aluminium, lithium and potassium, among others;
- (ii) fuels such as coal, brown coal and solid hydrocarbons;
- (iii) arsenic, quartz, feldspar, mica, pear spar, limestone, bearing phosphates, sulphur and borates;
- (iv) precious stones; and
- (v) endogenous steam.

2nd. Mines which, based on their importance are preferentially licensed to the surface landowner; and mines which, as a result of the conditions of deposits, are used on a shared basis. Mines of the second category include:

- (i) metallic sand and precious stones which are found in the river beds, flowing waters and diggings;
- (ii) burrows and tailing of former mining works, provided such borrows and tailings remain unprotected, as well as burrows and tailings of abandoned or open-pit mining facilities, provided they are not recovered by their owner;
- (iii) saltpeter, salt and peat;
- (iv) any such metal which is not included in the first category; and
- (v) different types of mineral earths.

3rd. Mines which belong solely to the surface landowner and which cannot be exploited by anybody without the owner’s consent; except in case of public benefit or good. Mines of the third category comprise deposits of mineral stone and materials, which are used for construction and ornamentation.

From a different standpoint the categories of mineral substances foreseen by the AMC can be summarized as follows:

- (i) those that belong to the States and not to the surface landowner (i.e. mines corresponding to the first and second categories); and
- (ii) those that belong to the owner of the surface land in which they are located.

4.3. Granting Process of Mining Rights

A summary of the main provisions that govern the granting and existence of Mining Rights of the first and second category of minerals, in accordance with the AMC, is set out in the Section below.

Do note that all these provisions shall be complemented with the local procedural rules and the administrative case law of the mining granting authority.

4.3.1. Exploration Permits

If an exclusive permit is held by either an individual or legal entity, the area to which the permit applies is on an exclusive basis for the period as determined by the AMC. An Exploration Permit is granted on an exclusive basis and is opposable to any individual or legal entity.

During the term of an Exploration Permit, a holder is not excluded from obtaining or being granted further Exploitation Concessions (as defined below) within the areas covered by such Exploration Permit.

Any discovery by a third party without the explorer's prior consent within the area of the Exploration Permit, shall belong to the explorer from the date of submission of the application. Such provision reinforces the priority rights that an Exploration Permit grants to the explorer, notwithstanding the fact that the holder of the Exploration Permit may waive its priority in the area in favour of a third party discoverer.

4.3.2. Exploitation Concession ("Mina")

Mines are acquired by means of a legal concession granted by the relevant mining authority under the provisions of the AMC. Exploitation Concessions are granted on:

- (i) mine discoveries; and
- (ii) vacant mines on account of expired licenses.

4.3.3. Statement of Discovery

To obtain a Mining Right (including an Exploitation Concession), the discoverer must submit a written application to the relevant mining authority (a "**Statement of Discovery**"), enclosing a sample of the mineral. The application must state, among other things:

- (i) the name, status and address of the discoverer (and associated discoverers, if any);
- (ii) the name to be given to the mine;
- (iii) the site of the discovery;
- (iv) the name and type of mineral of adjacent mines; and
- (v) the name of the owner of the surface land.

The discoverer must also indicate an area not exceeding twice the maximum possible extension of an Exploitation Concession, within which the exploration works shall be conducted and which the mining “**Claims**” (“*Pertenencias*”) shall be confined to. This area shall include the discovery site and will remain unavailable until the survey is duly approved and authorized. When filing the application, it is customary to make reference to the Exploration Permit within which such discovery is encompassed, so that any overlap with existing rights is already anticipated.

The Notary of Mines shall indicate in each of the copies of the application, the day and time of application. Furthermore, the Notary of Mines shall certify if there is any other petition or record in relation to the same area or deposit and, if applicable, the applicant shall be duly notified. One of the counterparts of the application shall be returned to the discoverer, and the other one shall be kept by the Notary of Mines for the administrative mining file.

Then, the application shall be chronologically and consecutively numbered and the mining cadastral register authorities shall immediately consider such application in order to determine whether it refers or not to a free area. Then, the Notary of Mines shall issue a discovery report based on the information provided by the Mining Cadastral Registry. With this report, the Mining Authority, if applicable, will order the registration of the discovery and the publication legal notices.

4.3.4. Survey and demarcation

Any area of land within which boundaries the holder of a Mining Right is allowed to conduct exploration works is called a claim (“**Claim**”).

Each Claim of disseminated deposits of first category’s minerals, where the mineralization is evenly distributed and allows large-scale exploitation by non-selective methods, will be of one hundred (100) hectares.

By virtue of a petition in writing duly submitted by the interested party, Claims shall be surveyed and demarcated. Both, the request of survey filed in writing by the applicant, and the Mining Authority’s resolution in such regard must be published in the Official Gazette and notified to the owners of adjacent mines, if known. If no opposition is filed, or finally settled those which have been filed, the Mining Authority shall order the survey.

Once the survey and demarcation has been performed, the Mining Authority shall order the registration of the Claims before the relevant registry, and a copy evidencing such registration shall be provided to the applicant as a definitive title of ownership.

After the completion of this proceeding, the holder of the exploitation concession owns all the in-place deposits within the boundaries of such Claim, no matter the mineral substance therein contained. That notwithstanding, the concessionaire shall, for record purposes, be obliged to report to the Mining Authority the finding of any substance different from the ones listed in the record and registration of his/her mine and, as the case may be, reflect any consequent effect on the royalty and the investment of capital.

4.4. Concession Conditions

The Mining Property, though perpetual in nature, is subject to the fulfilment of certain specific conditions or obligations known as “*Amparo Minero*” (old Spanish word related to the mining work), consistent, basically in: the payment of a mining fee; and the fulfilment of an investment plan.

- (i) **Mining Fee:** The AMC establishes the obligation of the titleholder to pay an annual fee per Claim, which is to be periodically fixed as required by National law; and foresees that the concession shall terminate ipso facto, due to lack of payment of the annual fee, following two (2) months of expiration date. The applicable fee for minerals corresponding to the first category is AR\$320 per Claim or measurement unit. In case of disseminated deposits of first category’s minerals (100 Hectares’ Claims) will be ten times the regular mining fee (this meaning a fee of AR\$3,200 per Claim). The mining fee shall accrue from the date of registration of the statement of discovery, provided that such fee shall be paid in advance and in equal parts in two (2) semesters, which shall expire on December 31st and June 30th every year, and any fraction of a period of six (6) months shall be considered as a full period of six (6) months.

Section 224 of the AMC also states that discoverers shall be exempted, for a three (3) year period, from paying the mining fee in connection with those mining properties that they are awarded.

- (ii) **Investments Plan:** Within one (1) year from the date of request of survey (and despite the fact that the Mining Property has been surveyed or not), the applicant/concessionaire must submit to the Mining Authority an estimate of the plan and amount of capital investment that it intends to perform in connection with: (i) the execution of mining works; (ii) the construction of camps, buildings, roads and other related works; and (iii) the acquisition of machinery, stations, parts and equipment, indicating its production or treatment capacity.

The investment for a particular Mining Property cannot be less than three hundred (300) times the annual fee that corresponds to such Mining Property according to its category and number of Claims provided that such investment shall be fully completed within five (5) years from its filing. It is also required that an amount not lower than twenty percent (20%) of the estimated aggregate amount is invested in each of the first two (2) years. Furthermore, within a term of three (3) months following the expiration of each annual period, a sworn statement on the compliance status of the investments must be submitted to the Mining Authority.

- (iii) **Legal Labor and Legal Survey:** a legal work must be done to prove the existence of a mining discovery within 100 days counted as from the registration of the mining right. Within 30 days after compliance with the legal labor, a filing requesting the legal survey must be submitted. The Mining Authority shall set a date and appoint a professional that will carry out the survey. Once the latter is completed, the mining concession is registered at the Mining Cadastre and perfected. The certification of such registration is the final title to the mining right.

4.5. Termination of the Concession

Although the concessionaire has full proprietorship right on the granted Mining Property, at any time thereafter the Mining Right may be terminated by the State upon the occurrence of any of the legal causes set forth in the AMC.

In this regard, the AMC provides that the Mining Right shall be terminated upon the

following events:

- (i) failure to pay the mining fee;
- (ii) failure to comply with the investments plan; and
- (iii) inactivity of the mine.

Please note that these items do not have all the same origin and effect. In this regard, compliance with the obligations under (i) and (ii) are the two essential commitments that a mining concessionaire has to comply with in accordance with the AMC's structure of rights and obligations. These two obligations are considered by the AMC as the "*Amparo Minero*" conditions. The non-compliance with such provides for the termination of the concession by the Mining Authority.

Regarding (i), Section 216 of the AMC sets forth that the concession terminates if failure to comply with the annual payment of the mining fee is not cured within two (2) months of the due date. The Mining Authority shall notify the concessionaire of such situation.

In connection with (ii), Sections 217 and 218 of the AMC refer to this matter. As stated above, the concessionaire is requested to file with the Mining Authority an investment plan for the mine. Purpose of such is to evidence the investment intentions on the mine, and such investment plan shall have to be approved by the Mining Authority and monitored for its compliance. The concession can therefore, be in general terms cancelled or become void (declared "*caduca*") if no plan is filed or if such is not complied with. The AMC provides the concessionaire with the right to cure the referred non-compliances.

Regarding concessionaire's right to cure non-compliances related to the investment plan, the AMC provides, under Section 218, for different curing periods, depending on the type of non-compliance:

- (i) There is a period of thirty (30) days to be counted as of the notice provided by the Mining Authority which applies when (a) the estimated investments do not fulfil the purpose indicated by the concessionaire; (b) the investments are below the parameters set forth by the AMC; (c) no presentation of estimated investments is made and (d) no sworn statements related to (c) are made.
- (ii) With respect to the second category of curing rights, there is a period of fifteen (15) days to be counted as of notice provided by the Mining Authority, which applies when: (a) the statements made regarding the investment plan are false or untrue; (b) the estimated and stated investments are not made; (c) amendments reducing the investments are made by the concessionaire without prior notice to the authority; (d) certain assets are removed from the concession and thereby the investments already stated are reduced or negatively affected in this way.

With regards to (iii), according to Section 225 of the AMC, when a Mining Property has been inactive for more than four (4) years, the Mining Authority may require the submission of a Plan for Activation or Reactivation within six (6) months, under penalty of declaring the concession expired. Once the Reactivation Plan has been filed, the concessionaire must comply with each of its stages within the period specified therein. The whole plan shall be completed in five (5) years, under penalty of revocation of the Mining Right.

Section 226 of the AMC sets forth that if the concessionaire elects to legally abandon

the mine, the Mining Right shall be cancelled (declared *caduca*) and thereafter granted to a third party only once the Mining Authority approves the abandonment, provided that in the meantime the concessionaire will remain as the responsible party for the mine.

4.6. Vacant Mine

According to Section 219 of the AMC, when a Mining Right is cancelled, the Mining Rights return to the State and the mine is declared and registered as vacant. Once a Mining Property is registered as vacant, any third party may apply for its concession. If the former concession has been cancelled for failure in paying the mining fee, the applicant shall pay any amounts due, when submitting the application form. If such payment is not evidenced, the application will be rejected. The new concessionaire will step in the position of the former concessionaire, and will continue the procedure of the mining file according to its status. The new concessionaire will have a one-year-term to comply or complete, as applicable, the obligations referred to the committed investment plan.

4.7. Abandoned Mine

According to Section 225 of the AMC, when a mine contained within a Mining Right has been inactive for more than four (4) years, the Mining Authority may require the presentation of plan for the reactivation of the mine project. Such plan would be required to address: the proposed production capacity of the mine; the characteristics of the minable area; proposed means of transport; demand for products/minerals from the mine; and the existence of appropriate mining equipment and infrastructure. A mine is considered by the Mining Authority to be inactive when no regular exploration, preparation or production work has been carried out on the mine area for a period of four years. If it is shown that no works have been undertaken in that timeframe, a summons may be issued, which must be complied with within six (6) months, otherwise the Mining Right may be forfeited.

Once a plan is presented with regard to the mine, the concessionaire must complete each of its stages within the terms provided by the Mining Authority, which may not exceed a total of five (5) years, failing which the Mining Right may be forfeited in the first instance.

4.8. Granting Authority

Depending on the regulation of each Province, the relevant mining authority of each jurisdiction may either be a Mining Department, Direction, Ministry or Mining Court. The first one is a body of the provincial executive branch, and its main authority is generally vested on the Mining Director or Minister. The Mining Court belongs to the provincial judiciary organization, and its authority is vested on the Judge of Mines.

In the Province of La Rioja, the granting authority and Mining Authority is of executive nature and vested in the Directorate of Mining depending on the provincial executive power.

4.9. Mining Investments Law Regime

As of 1992 the Argentinean Government decided to promote investments in the mining sector. In this sense, Law 24,196 (as amended), which is commonly referred to as the "Mining Investments Law" provides for important tax benefits and has proven to be very relevant and useful for developing mining projects, especially large scale ones.

We briefly describe herein below some of the main features and/or benefits of the law:

4.10. Tax Stability

This means that companies covered by these regulations may not have their overall tax obligations, as determined at the time of presentation, affected by reason of tax modifications, regardless of their denomination and whether they have been made at a national, provincial or municipal level (provided Provinces and Municipalities have adhered to this law). The Province of San Juan as most of the provinces has adhered to this law (San Juan's provincial Law 459-M).

Exchange and customs duties regulations are likewise included in the law (except for exchange rate, reimbursements and refunding of taxes as a result of exports which are governed by different specific laws). The value added tax has been excluded from tax stability.

Stability shall be in force over a thirty (30) year period, as from the date of filing of the feasibility report. Any alteration to the tax stability benefit shall entitle the damaged registered persons/entities to file claims before the national and provincial authorities (as applicable), such persons having the right to request co-participation funds to be withheld in such amount as it would be necessary to return all overpaid amounts to the damaged party.

The National Mining Secretary shall issue a certificate stating all national, provincial and municipal taxes, contributions and rates applicable to the project as are in force at the time of filing of the feasibility report. Such information shall also be forwarded to the respective tax authorities.

There are specific provisions regarding income tax treatment in terms of benefits for the registered companies under this regime.

4.11. Royalties

Provinces who adhere to these regulations may not charge royalties over 3% on the pithead value of the mineral obtained. As stated below most of the provinces have adhered to this law and, therefore, they would not be entitled to receive royalties in an amount over 3% of the pithead value. In addition, the provinces have their particular royalties' regulation and can set specific rules within the referred to percentage.

4.12. Mining Environmental Regime

Protection of the environment and preservation of natural and cultural heritage within the scope of mining activity are subject: (i) to the specific regulations of the AMC -as amended by National Law 24,585 of Environmental Protection for Mining Activity-; (ii) to those federal laws and regulations enacted with general character by the National Government; and also (iii) to all relevant provincial law and/or regulation in force in the jurisdictions where the mining properties are located.

As for mining activity specifically, National Law 24,585 provides that prior to the commencement of any activity comprehended within the scope of the Complementary Title of the Environmental Protection for Mining Activity of the AMC, an Environmental Impact Assessment ("EIA") shall be submitted to the Enforcement Authority that, as set forth under such legislation, is the authority that each Province determines within the scope of its jurisdiction. The filed EIA, should then be assessed with a technical, scientific and legal-administrative process of analysis and valuation, through which its

components, doubts and omissions should be identified, related and ranked, in accordance with policies, judgments and parameters assumed by the Enforcement Authority.

Once assessment of the EIA has concluded, the Enforcement Authority shall issue the Environmental Impact Statement (“EIS”) which is the final document of the assessment, containing the terms under which the activity shall be performed in connection with the environment, the community and the authority.

The Enforcement Authority shall have a sixty (60) business day’s term counted as of the date of the filing of the EIA to expressly pronounce for the approval or rejection of the EIR. Within this term, upon grounded decision, the Enforcement Authority can also request the responsible party to complete the EIA if its content is deemed insufficient.

The EIS shall be updated every two (2) years -maximum- through the filing of a new report containing the results of executed environmental actions, as well as the new facts that have been generated.

National Law 24,585 also makes all persons performing mining activities liable, of every environmental damage caused due to the un-fulfillment of its regulations, whether the damage is caused directly or by his/her employees, or by contractors or subcontractors, or if caused by risk or defect associated to a thing in itself. The owner of a Mining Right is jointly liable in the same cases for the damage caused by persons authorized by him/her for the exercise of such right. Moreover, and notwithstanding administrative and criminal sanctions that may correspond, anyone causing present or residual damage to the environmental heritage, shall be obliged to mitigate, rehabilitate, restore or recompose it, as may correspond.

4.13. Other Regulatory Regimes That Impact Mining Activities

We highlight below the following two regimes:

- (i) **Border Zone restrictions:** There is a regulation that affects and restricts the ownership and acquisition of properties in border zone or areas (this is geographically defined) by foreigners or foreign companies. However, there is an exceptional regime for mining activities that excludes the application of this regime to Mining Rights
- (ii) **Rural Lands:** This piece of legislation enacted by the end of 2011 restricts the ownership and transfer of Rural Lands: This piece of legislation enacted by the end of 2011 restricts the ownership and transfer of rural lands by foreigners and foreign companies. A system of quotas in each province and municipalities has been created in order to control and limit the access of foreigners to the ownership of land in the country

4.14. Mining Environmental Regime of La Rioja Province

Provincial law No. 8355 (26/09/2008) abolishes law 8137 which had prohibited in the entire territory of the Province of La Rioja open-pit mining with techniques corresponding to the leaching process with cyanide, mercury and/or any other contaminating substance.

This law No. 8355 also modifies article 16 of law 7801 (General Environmental Law) and establishes an environmental impact evaluation procedure applicable in La Rioja: i) Presentation of the Environmental Impact Study according to the category of activities

to be carried out (prospecting, exploration and exploitation); ii) Technical Opinion; iii) Opinion of the Provincial Environmental Council and iv) Public hearing. The result of public hearing is not binding to the authorities, but in the event Authority does not follow the opinion settled in public hearing, it must justify it and make it public.

Once all the stages have been completed and if applicable, the Authority issues the environmental impact statement.

This Report is given for the benefit of Winmar and the directors of Winmar in connection with the issue of the Prospectus.

Sincerely yours,



Hugo Emilio Bastías

BY Abogados

Av. Ignacio de la Roza 861 Oeste 1ºD
San Juan – Argentina
T. + 54 264 4213150

SCHEDULE A - SOURCES

We have based our Report on the following information:

- (a) Scanned copy of the Registration Resolution No. 3141 dated December 04, 2017 related to TMSA in the Public Register of Mendoza, issued by the LPD.
- (b) Scanned copy of the Registration Resolution No. 2474 dated October 04, 2017 related to TESA in the Public Register of Mendoza, issued by the LPD.
- (c) Scanned copy of the Registration Resolution No. 1791 dated July 16, 2018 related to Sandrino Cobalt Pty Ltd according to article No. 123 law No. 19.550 in the Public Register of Mendoza, issued by the LPD.
- (d) Scanned copy of the Registration Resolution No. 2215 dated August 17, 2018 related to Blue Gold Mining Pty Ltd according to article No. 123 law No. 19.550 in the Public Register of Mendoza, issued by the LPD.
- (e) Scanned copy of the accounting legal aptitude certificate dated April 17, 2018 related to TMSA issued by the LPD.
- (f) Scanned copy of the accounting legal aptitude certificate dated July 18, 2018 related to TESA issued by the LPD.
- (g) Scanned copy of the Shareholders Register's Book of TESA.
- (h) Scanned copy of the Shareholders Register's Book of TMSA.
- (i) Scanned copy of the Financial Statements of exercise year 2017 and 2018 of TESA.
- (j) Scanned copy of the Financial Statements of exercise year 2018 and 201 of TMSA.
- (k) Scanned copy of the proof of registration of Federal Administration of Public Revenue of TMSA.
- (l) Scanned copy of the proof of registration of Federal Administration of Public Revenue of TESA.
- (m) Scanned copy of the Proof of registration of Gross Income of TMSA.
- (n) Scanned copy of the Proof of registration of Gross Income of TESA.
- (o) Scanned copy of a notification sent by the Mining Authority on June 12, 2018, which communicates a provision dated June 8, 2018 by which "GUILLE" is transferred from Condor Prospecting S.A. to TMSA and the registration of the application is ordered.
- (p) Scanned copy of a note, submitted by TMSA on July 24, 2018 to the Mining Authority, related to the Exploration Permit named "GUILLE", informing that TMSA has accomplished with the publication of edicts at Official Gazette.
- (q) Scanned copy of a note, submitted by TMSA on July 23, 2018 to the Mining Authority, related to the Exploration Permit named "Guille", filing in an EIA for exploration stage.

-
- (r) Scanned copy of a notification sent by the Mining Authority on February 18, 2019, which communicates the Resolution No. 025/19 through which the EIA is approved and the EIS is issued for the Exploration Permit named "Guille" and TMSA is authorized to carry out exploration work.
 - (s) Scanned copy of a notification sent by the Mining Authority on February 25, 2019, 2018, which communicates a provision dated February 22, 2019 through which the Exploration Permit is granted to TMSA for 300 days.
 - (t) Scanned copy of a note through which the concessioner submits the Estimated Investment Amount Plan related to KING TUT, dated October 17, 2018.
 - (u) Scanned copy of a Resolution N° 072/18 dated April 6, 2018 related to File N° P4-00403-17 issued by the Secretary of Environment of the Province of La Rioja, through which the EIA is approved for King Tut and the EIS is granted to Mr. Santiago Lopez Brígido y Francisco López Brígido.
 - (v) Notification sent on February 7, 2019 by the Mining Authority to TESA through which the Resolution No. 331/18 of November 13, 2018 is communicated, in which the Mining Authority is informed of the assignments celebrated in relation to King Tut, firstly from Messrs. Francisco Lopez Brígido and Santiago Lopez Brígido to Condor Prospecting SA and later, from Condor Prospecting SA to Tres Elementos. Likewise, Tres Elementos is declared the title holder of the EIS granted by Resolution No. 072/18.
 - (w) Scanned copy of a notification sent by the Mining Authority on March 9, 2018 through which is communicated a provision dated March 7, 2018 by which the Investment Amount Plan related to King Tut is approved.
 - (x) Scanned copy of the Investment Amount Plan related to King Tut, date September 25, 2017 for a total amount of AR\$6,060,000 committed for the following 5 years.
 - (y) Scanned copy of a good standing certificated dated March 11, 2019 issued by the Mining Authority through which is certified that Tres Elementos is the title holder of King Tut, which has legal survey, canon fee paid until second semester 2018 and EIA approved in 2018.
 - (z) Scanned copy of a note through which the concessioner submits a plan of the King Tut mine, dated February 21, 2018 to inform the Mining Authority the status of the mine when evaluating the IIA. The concessioner declares that the mine is abandoned, that it has two underground galleries and that the dumps are in a critical state, having been abandoned for 40 years.
 - (aa) Scanned copy of a note through which the concessioner submits an affidavit informing that TESA has accomplished with the committed annual investment for King Tut, dated May 28, 2019.
 - (bb) Scanned copy of an application for a mining road easement submitted by Tres Elementos on August 25, 2018 for the King Tut mine for an extension of 9.6 km.
 - (cc) Scanned copy of a report of the Department of Mining Cadastral dated September 19, 2018, which locates the mining road easement for King Tut (File No. 49-T-2018).
 - (dd) Scanned copy of a Resolution issued by the Mining Authority on August 2, 2017 through which Diana II is granted to Condor Prospecting SA as a vacant mine, notified on August 15, 2017.

- (ee) Scanned copy of a note submitted by TMSA on May 4, 2018 to the Mining Authority, related to Diana II, requesting authorization to reposition the legal labor and to confirm the appointment of the engineer Alberto Rocher as the expert to carry out the measurement of the mine.
- (ff) Scanned copy of the acceptance of the position and taking of the oath by the expert who will carry out the legal survey of Diana II, Engineer Alberto Rocher, dated March 6, 2018. The starting date of the measurement operations is set as March 26, 2018.
- (gg) Scanned copy of a note, submitted by TMSA on February 7, 2018 to the Mining Authority, related to Diana II, filing in an EIA for exploration stage.
- (hh) Scanned copy of a note from TMSA submitting an investment amount plan related to Diana II, dated November 9, 2018.
- (ii) Scanned copy of the Resolution N° 327/18 dated November 13, 2018 related to File N° P4-00030-18 issued by the Secretary of Environment of the Province of La Rioja through which the EIA is approved for Diana II and the EIS is granted to TMSA.
- (jj) Scanned copy of a notification sent by the Mining Authority on September 27, 2018 through which is communicated a provision dated September June 8, 2018 by which Diana II is transferred from Condor Prospecting S.A. to TMSA.
- (kk) Scanned copy of a mining geology report dated August 28, 2018, approving the legal labor of DIANA II.
- (ll) Scanned copy of a purchase agreement dated July 14, 2017 through which María de los Ángeles Brígido on behalf of the inheritance of Mr. Daniel Francisco Lopez and her minor children Francisco Lopez Brígido and Santiago Lopez Brígido sells King Tut and Guille in favour of Condor Prospecting S.A.
- (mm) Scanned copy of the Public Deed No. 4, dated March 19, 2018 by which María de los Ángeles Brígido, on behalf of the inheritance of Mr. Daniel Francisco Lopez and her minor children Francisco Lopez Brígido and Santiago Lopez Brígido sells King Tut and Guille in favour of Condor Prospecting S.A.
- (nn) Scanned copy of a purchase agreement dated March 20, 2018 through which Condor Prospecting SA sells Guille in favour of TMSA.
- (oo) Scanned copy of the Public Deed No. 5, dated March 19, 2018, by which Condor Prospecting SA sells KING TUT mine in favour of TESA.
- (pp) Mining Cadaster Registry dated June 28, 2019.

SCHEDULE B - QUALIFICATIONS & INDEPENDENCE

1. BYA is a firm of attorneys admitted and licensed to practice law in the City of San Juan, Argentina. The legal opinions expressed in this Report are restricted to matters related to the laws of Argentina and we express no opinion as to the effect of the laws of any other jurisdiction. For any and all purposes, this Report shall be governed by and construed in accordance with the laws of Argentina exclusively.
2. In rendering the opinion hereto, we have assumed without any investigation on our part:
 - (a) the authenticity, genuineness, completeness and accuracy of all Documents submitted to us as originals and the conformity to the originals of all Documents submitted to us as copies;
 - (b) that the execution and performance of each of the Documents is within the power and authority of (and each of the Documents has been duly authorized, executed and delivered by) each party thereto, as the case may be (as to whom we make no such assumption);
 - (c) the veracity of certain factual matters upon information obtained from public officials, officers and other sources believed by us to be responsible;
 - (d) that the signatures on all Documents examined by us are genuine;
 - (e) that verbally provided information and explanations were true, correct, complete and not misleading; and
 - (f) whenever our opinion with respect to the existence or absence of facts or circumstances is qualified by the phrase "to our knowledge", it is intended to indicate that no information has come to our attention that would give us actual knowledge of the existence of such facts or circumstances. However, we have not undertaken any special or independent investigation to determine the existence or absence of such facts or circumstances, and no inference as to our knowledge of the existence of such facts or circumstances should be drawn merely from this Report.
3. We express no opinion on:
 - (a) measurements, technical data or graphic information related to the mining properties referred to herein, neither to the completeness and content of the environmental information submitted;
 - (b) confirmatory accounting information and tax support Documents; and
 - (c) filings made by titleholder(s) which, pending a resolution, would finally obtain a favourable resolution.

At the time of writing, BYA is not aware of any information provided to us which is incorrect or inaccurate in any respect. The legal review the subject of this Report is conducted on behalf of, and in favour of, Winmar in connection with its proposed admission to the ASX. The report is written for Winmar for the purpose of inclusion in the Prospectus and is not be relied upon or used for any other purpose.

4. Independence:

- (a) BYA has no interests in BGM, SG, the Argentine Subsidiaries or Winmar; and
- (b) BYA's cost for preparing this Report have been calculated based on time spent and an hourly rate. The payment of fees by Winmar is not in any way dependant on the results of this Report or the success of the underlying project.

Annexure C – Investigating Accountant’s Report

28 August 2020

The Board of Directors
Winmar Resources Limited
Suite 5, 62 Ord Street
WEST PERTH WA 6005

Dear Sirs

INDEPENDENT LIMITED ASSURANCE REPORT ON THE HISTORICAL FINANCIAL INFORMATION AND THE PRO FORMA HISTORICAL FINANCIAL INFORMATION OF WINMAR RESOURCES LIMITED

Introduction

This Independent Limited Assurance Report (“Report”) has been prepared for inclusion in a prospectus to be dated on or about 28 August 2020 (“Prospectus”) and issued by Winmar Resources Limited (“Winmar ” or “the Company”) in relation to the Company’s proposed listing on the Australian Securities Exchange (“ASX”). The Prospectus comprises a non-underwritten offer of 25,000,000 fully paid ordinary shares at an issue price of \$0.20 per Share to raise \$5,000,000, (before costs), with the ability to accept oversubscriptions of up to 5,000,000 Shares at an issue price of \$0.20 in order to raise up to an additional \$1,000,000 (for a total of up to \$6,000,000) (before costs) (the “Offer”).

This Report has been included in the Prospectus to assist potential investors and their financial advisers to make an assessment of the financial position and performance of Winmar. All amounts are expressed in Australian dollars and expressions defined in the Prospectus have the same meaning in this Report.

This Report does not address the rights attaching to the Shares to be issued in accordance with the Offer, nor the risks associated with accepting the Offer. HLB Mann Judd (“HLB”) has not been requested to consider the prospects for Winmar, nor the merits and risks associated with becoming a shareholder, and accordingly has not done so, nor purports to do so. HLB has not made and will not make any recommendation, through the issue of this Report, to potential investors of the Company, as to the merits of the Offers and takes no responsibility for any matter or omission in the Prospectus other than the responsibility for this Report. Further declarations are set out in Section 8 of this Report.

Structure of Report

This Report has been divided into the following sections:

1. Background information;
2. Scope of Report;
3. Directors’ Responsibility;
4. Our Responsibility;
5. Conclusions;
6. Restriction on Use;
7. Liability; and
8. Declarations.

hlb.com.au

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T: +61 (0)8 9227 7500 **E:** mailbox@hlbwa.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

1. Background Information

Winmar Resources Limited is an Australian unlisted public company incorporated on 18 January 1999 as a proprietary company limited by shares. The Company was converted to an Australian public company limited by shares on 7 October 1999 and was originally admitted to the official list of the Australian Securities Exchange (ASX) on 10 December 1999, focused on the provision of information technology services.

In 2010, the Company changed its focus to mineral exploration activities and as part of its renewed focus on mineral exploration activities, the Company changed its name to Winmar Resources Limited.

The Company is currently an unlisted Australian public company limited by shares following delisting from the ASX in June 2020.

Further details of the Company's existing projects and proposed acquisitions are set out in sections 3 and 5 of Prospectus and the Independent Geologist's Report in Appendix A of the Prospectus.

The Offer contemplated by the Prospectus will allow the Company to fund its planned exploration work on the projects, general working capital requirements, corporate overhead and administration costs and the costs of the offer.

The intended use of the funds raised by the issue of shares under the Prospectus is set out in Section 5.8 of the Prospectus.

2. Scope of Report

You have requested HLB to report on the following Financial Information as set out in Appendix B of the Prospectus:

Historical Financial Information

The Historical Financial Information, as set out in the Prospectus, comprises:

- Summary historical Statement of Financial Position as at 31 December 2019, 30 June 2019 and 30 June 2018;
- Summary historical Statement of Profit or Loss and Other Comprehensive Income for the half year ended 31 December 2019 and the years ended 30 June 2019 and 30 June 2018; and
- Summary historical Statement of Cash Flows for the half year ended 31 December 2019 and the years ended 30 June 2019 and 30 June 2018.

The Historical Financial Information of the Company has been extracted from:

- a) the interim financial statements for the half year ended 31 December 2019, which were reviewed by HLB Mann Judd and contained an unmodified review conclusion with an emphasis of matter in relation to going concern; and
- b) The annual financial statements for the year ended 30 June 2019, which were reviewed by HLB Mann Judd and contained an unmodified audit opinion with an emphasis of matter in relation to going concern.

Pro Forma Financial Information

The Pro Forma Financial Information, as set out in the Prospectus, comprises:

- The Pro Forma Statement of Financial Position as at 31 December 2019 which assumes completion of the transactions outlined under the headings "Post reporting date transactions" and "Pro forma adjustments" in Section 6.5 and Section 6.6 respectively of the Prospectus, which includes the Offer (the "Pro Forma Transactions") as though they had occurred on that date.

The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the Financial Information and the events or transactions to which the Pro Forma Transactions relate, as if those events or transactions had occurred as at 31 December 2019. Due to its nature, the Pro Forma

Financial Information does not represent the Company's actual or prospective financial position, financial performance or cash flows.

The Historical Financial Information and the Pro Forma Financial Information are presented in an abbreviated form insofar as they do not include all the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in Australia in accordance with the *Corporations Act 2001*.

This Report has been prepared for inclusion in the Prospectus. HLB disclaims any assumption of responsibility for any reliance on this Report or on the Financial Information to which this Report relates for any purpose other than the purposes for which it was prepared. This Report should be read in conjunction with the Prospectus.

3. Directors' Responsibility

The Directors of the Company are responsible for the preparation and presentation of the Financial Information as set out in section 6. The Directors are also responsible for the determination of the pro forma transactions set out in Section 6.5 and Section 6.6 of the Prospectus under the heading "Post reporting date transactions" and "Pro forma adjustments" and the basis of preparation of the Financial Information.

This responsibility also includes compliance with applicable laws and regulations and for such internal controls as the Directors determine necessary to enable the preparation of the Financial Information that is free from material misstatement.

4. Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Financial Information based on the procedures performed and evidence we have obtained. Our engagement was conducted in accordance with Australian Auditing Standards applicable to assurance engagements. Specifically, our review was carried out in accordance with Standards on Assurance Engagements ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information* and ASAE 3420 *Assurance Engagements to Report on the Compilation of Pro Forma Historical Financial Information* and included such enquiries and procedures which we considered necessary for the purposes of this Report. Our procedures consisted of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures applied to the accounting records in support of the Financial Information.

The procedures undertaken by HLB in our role as Investigating Accountant were substantially less in scope than that of an audit examination conducted in accordance with Australian Auditing Standards. A review of this nature provides less assurance than an audit and, accordingly, this Report does not express an audit opinion on the Financial Information.

In relation to the information presented in this Report:

- a) support by another person, corporation or an unrelated entity has not been assumed; and
- b) the amounts shown in respect of assets do not purport to be the amounts that would have been realised if the assets were sold at the date of this Report.

5. Conclusions

Based on our review, which was not an audit, nothing has come to our attention which causes us to believe that the Financial Information of the Company as described in Annexure B of the Prospectus does not present fairly:

- a) the historical Statement of Financial Position of the Company as at 31 December 2019;
- b) the pro forma historical Statement of Financial Position of the Company as at 31 December 2019;
- c) the historical Statement of Profit or Loss and Other Comprehensive Income and Statement of Cash Flows for the interim period to 31 December; and

- d) the Pro Forma Transactions set out under the headings “Post reporting date transactions” and “Pro forma adjustments” in Section 6.5 and Section 6.6 of the Prospectus, which are a reasonable basis for the pro forma Statement of Financial Position as at 31 December 2019;

in accordance with the measurement and recognition requirements (but not all of the presentation and disclosure requirements) of applicable Australian Accounting Standards and other mandatory professional reporting requirements.

6. Restriction on Use

Without modifying our conclusion, we draw attention to Section 6.2 of the Prospectus, which describes the purpose of the Financial Information, being for inclusion in the Prospectus. As a result, the Financial Information may not be suitable for use for another purpose.

7. Liability

The liability of HLB is limited to the inclusion of this Report in the Prospectus. HLB makes no representation regarding, and has no liability for, any other statements or other material in, or omissions from, the Prospectus.

8. Declarations

- a) HLB will be paid its usual professional fees based on time involvement, for the preparation of this Report and review of the Financial Information;
- b) Apart from the aforementioned fee, neither HLB, nor any of its associates will receive any other benefits, either directly or indirectly, for or in connection with the preparation of this Report;
- c) Neither HLB, nor any of its employees or associated persons has any interest in Winmar or the promotion of the Company;
- d) The audit and assurance practice of HLB Mann Judd acts as the current auditor of Winmar;
- e) Unless specifically referred to in this Report, or elsewhere in the Prospectus, HLB was not involved in the preparation of any other part of the Prospectus and did not cause the issue of any other part of the Prospectus. Accordingly, HLB makes no representations or warranties as to the completeness or accuracy of the information contained in any other part of the Prospectus; and
- f) HLB has consented to the inclusion of this Report in the Prospectus in the form and context in which it appears.

Yours faithfully

HLB Mann Judd



N G Neill
Partner

Annexure D – Corporate Governance Statement

RECOMMENDATIONS (4 TH EDITION)	COMPLY	EXPLANATION
<i>Principle 1: Lay solid foundations for management and oversight</i>		
<p>Recommendation 1.1</p> <p>(a) A listed entity should have and disclose a board charter which sets out the respective roles and responsibilities of the Board, the Chair and management, and includes a description of those matters expressly reserved to the Board and those delegated to management.</p>	YES	<p>The Company has adopted a Board Charter that sets out the specific roles and responsibilities of the Board, the Chair and management and includes a description of those matters expressly reserved to the Board and those delegated to management.</p> <p>The Board Charter sets out the specific responsibilities of the Board, requirements as to the Board's composition, the roles and responsibilities of the Chairman and Company Secretary, the establishment, operation and management of Board Committees, Directors' access to Company records and information, details of the Board's relationship with management, details of the Board's performance review and details of the Board's disclosure policy.</p> <p>A copy of the Company's Board Charter, which is part of the Company's Corporate Governance Plan, is available on the Company's website.</p>
<p>Recommendation 1.2</p> <p>A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a Director; and</p> <p>(b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a Director.</p>	YES	<p>(a) The Company has guidelines for the appointment and selection of the Board and senior executives in its Corporate Governance Plan. The Company's Nomination Committee Charter (in the Company's Corporate Governance Plan) requires the Nomination Committee (or, in its absence, the Board) to ensure appropriate checks (including checks in respect of character, experience, education, criminal record and bankruptcy history (as appropriate)) are undertaken before appointing a person, or putting forward to security holders a candidate for election, as a Director. In the event of an unsatisfactory check, a Director is required to submit their resignation.</p> <p>(b) Under the Nomination Committee Charter, all material information relevant to a decision on whether or not to elect or re-elect a Director must be provided to security holders in the Notice of Meeting containing the resolution to elect or re-elect a Director.</p>
<p>Recommendation 1.3</p> <p>A listed entity should have a written agreement with each Director and senior executive setting out the terms of their appointment.</p>	YES	<p>The Company's Nomination Committee Charter requires the Nomination Committee (or, in its absence, the Board) to ensure that each Director and senior executive is personally a party to a written agreement with the Company which sets out the terms of that Director's or senior executive's appointment.</p> <p>The Company has written agreements with each of its Directors.</p>
<p>Recommendation 1.4</p> <p>The Company Secretary of a listed entity should be accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.</p>	YES	<p>The Board Charter outlines the roles, responsibility and accountability of the Company Secretary. In accordance with this, the Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.</p>
<p>Recommendation 1.5</p> <p>A listed entity should:</p> <p>(a) have and disclose a diversity policy;</p> <p>(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and</p>	PARTIALLY	<p>(a) The Company has adopted a Diversity Policy which provides a framework for the Company to establish, achieve and measure diversity objectives, including in respect of gender diversity. The Diversity Policy is available, as part of the Corporate Governance Plan, on the Company's website.</p>

RECOMMENDATIONS (4 TH EDITION)	COMPLY	EXPLANATION
<p>(a) disclose in relation to each reporting period:</p> <ul style="list-style-type: none"> (i) the measurable objectives set for that period to achieve gender diversity; (ii) the entity's progress towards achieving those objectives; and (iii) either: <ul style="list-style-type: none"> (A) the respective proportions of men and women on the Board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or (B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in the Workplace Gender Equality Act. <p>If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.</p>		<ul style="list-style-type: none"> (b) The Diversity Policy allows the Board to set measurable gender diversity objectives ,if considered appropriate, and to continually monitor both the objectives if any have been set and the Company's progress in achieving them. (c) Given the current small size of the Board and Company's operations, the Board does not presently intend to set measurable gender diversity objectives. The Board will re-consider this matter in due course following the Company's admission to the ASX and business growth. <ul style="list-style-type: none"> (i) the Board does not anticipate there will be a need to appoint any new Directors or senior executives due to the limited nature of the Company's existing and proposed activities and the Board's view that the existing Directors and senior executives have sufficient skill and experience to carry out the Company's plans; (ii) if it becomes necessary to appoint any new Directors or senior executives, the Board will consider the application of the measurable diversity objectives and determined whether, given the small size of the Company and the Board, requiring specified objectives to be met will unduly limit the Company from applying the Diversity Policy as a whole and the Company's policy of appointing the best person for the job; and (iii) the respective proportions of men and women on the Board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes) for each financial year will be disclosed in the Company's annual Corporate Governance Statement.
<p>Recommendation 1.6 A listed entity should:</p> <ul style="list-style-type: none"> (a) have and disclose a process for periodically evaluating the performance of the Board, its committees and individual Directors; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period. 	YES	<ul style="list-style-type: none"> (a) The Company's Nomination Committee (or, in its absence, the Board) is responsible for evaluating the performance of the Board, its committees and individual Directors on an annual basis. It may do so with the aid of an independent advisor. The process for this is set out in the Company's Corporate Governance Plan, which is available on the Company's website. (b) The Company's Corporate Governance Plan requires the Company to disclose whether or not performance evaluations were conducted during the relevant reporting period. The Company intends to complete performance evaluations in respect of the Board, its committees (if any) and individual Directors for each financial year in accordance with the above process following the Company's admission to the ASX.
<p>Recommendation 1.7 A listed entity should:</p> <ul style="list-style-type: none"> (a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and (b) disclose for each reporting period whether a performance evaluation has been undertaken 	YES	<ul style="list-style-type: none"> (a) The Company's Nomination Committee (or, in its absence, the Board) is responsible for evaluating the performance of the Company's senior executives on an annual basis. The Company's Remuneration Committee (or, in its absence, the Board) is responsible for evaluating the remuneration of the Company's senior executives on an annual basis. A senior executive, for these purposes, means key management

RECOMMENDATIONS (4 TH EDITION)	COMPLY	EXPLANATION
<p>in accordance with that process during or in respect of that period.</p>		<p>personnel (as defined in the Corporations Act) other than a non-executive Director.</p> <p>The applicable processes for these evaluations can be found in the Company's Corporate Governance Plan, which is available on the Company's website.</p> <p>(b) The Company's Corporate Governance Plan requires the Company to disclose whether or not performance evaluations were conducted during the relevant reporting period. The Company intends to complete performance evaluations in respect of the senior executives for each financial year in accordance with the applicable processes following the Company's admission to the ASX.</p>
<p><i>Principle 2: Structure the Board to be effective and add value</i></p>		
<p>Recommendation 2.1</p> <p>The Board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(i) has at least three members, a majority of whom are independent Directors; and</p> <p>(ii) is chaired by an independent Director, and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the members of the committee; and</p> <p>(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address Board succession issues and to ensure that the Board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>YES</p>	<p>(a) The Company does not currently have a Nomination Committee. The Company's Nomination Committee Charter provides for the creation of a Nomination Committee (if it is considered it will benefit the Company), with at least three members, a majority of whom are independent Directors, and which must be chaired by an independent Director</p> <p>(b) The Company does not have a Nomination Committee as the Board considers that the Company will not currently benefit from its establishment. In accordance with the Company's Board Charter, following the Company's admission to the ASX the Board intends to carry out the duties that would ordinarily be carried out by the Nomination Committee under the Nomination Committee Charter, including the following processes to address succession issues and to ensure the Board has the appropriate balance of skills, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively:</p> <p>(vi) devoting time at least annually to discuss Board succession issues and updating the Company's Board skills matrix; and</p> <p>(vii) all Board members being involved in the Company's nomination process, to the maximum extent permitted under the Corporations Act and ASX Listing Rules.</p>
<p>Recommendation 2.2</p> <p>A listed entity should have and disclose a Board skills matrix setting out the mix of skills that the Board currently has or is looking to achieve in its membership.</p>	<p>YES</p>	<p>Under the Nomination Committee Charter (in the Company's Corporate Governance Plan), the Nomination Committee (or, in its absence, the Board) is required to prepare a Board skills matrix setting out the mix of skills that the Board currently has (or is looking to achieve) and to review this at least annually against the Company's Board skills matrix to ensure the appropriate mix of skills to discharge its obligations effectively and to add value and to ensure the Board has the ability to deal with new and emerging business and governance issues.</p> <p>The Company has a Board skill matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership, which currently includes geological, project development, commercial, financial and capital markets knowledge.</p>

RECOMMENDATIONS (4 TH EDITION)	COMPLY	EXPLANATION
		<p>Following admission, the new Board will undertake an evaluation of the skills matrix to ensure that the Board's skills satisfy the ongoing skills and experience needed to execute the Company's business strategy and to identify any gaps in the skills and experience of the Board. The Board will then assess all future candidates for Board positions and the performance of its current membership on this basis.</p> <p>The Board Charter requires the disclosure of each Board member's qualifications and expertise. Full details as to each Director and senior executive's relevant skills and experience are available in the Company's Annual Report</p>
<p>Recommendation 2.3</p> <p>A listed entity should disclose:</p> <p>(a) the names of the Directors considered by the Board to be independent Directors;</p> <p>(a) if a Director has an interest, position or relationship of the type described in Box 2.3 of the ASX Corporate Governance Principles and Recommendations (4th Edition), but the Board is of the opinion that it does not compromise the independence of the Director, the nature of the interest, position or relationship in question and an explanation of why the Board is of that opinion; and</p> <p>(b) the length of service of each Director</p>	YES	<p>(a) The Board Charter requires the disclosure of the names of Directors considered by the Board to be independent. The Company will disclose those Directors it considers to be independent in its Annual Report and on the Company's website. At admission, the Board considers there is one independent director, Mr James Philip Myers.</p> <p>(b) Not applicable.</p> <p>(c) The Company's Annual Report will disclose the length of service of each Director, as at the end of each financial year.</p>
<p>Recommendation 2.4</p> <p>A majority of the Board of a listed entity should be independent Directors.</p>	NO	<p>The Company's Board Charter requires that, where practical, the majority of the Board should be independent.</p> <p>At admission, the Board comprises a total of 3 directors, only one of whom, Mr James Myers is considered to be independent.</p> <p>The Board does not currently consider an independent majority of the Board to be appropriate given its current status. The Board will re-assess the composition of the Board and independence in due course.</p>
<p>Recommendation 2.5</p> <p>The Chair of the Board of a listed entity should be an independent Director and, in particular, should not be the same person as the CEO of the entity.</p>	NO	<p>Mr Shannon Green, the Company's Chairman, is an executive director of the Company and is therefore not considered independent for the purposes of this Recommendation. However, the directors, other than Mr Green, do not consider that these matters affect Mr Green's ability to bring an independent judgement to Board matters or otherwise affect his duties as Chairman of the Company.</p>
<p>Recommendation 2.6</p> <p>A listed entity should have a program for inducting new Directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as Directors effectively.</p>	YES	<p>In accordance with the Company's Board Charter, the Nominations Committee (or, in its absence, the Board) is responsible for the review and approval of induction and continuing professional development programs and procedures for Directors to ensure that they can effectively discharge their responsibilities. The Company Secretary is responsible for facilitating inductions and professional development including receiving briefings on material developments in laws, regulations and accounting standards relevant to the Company.</p>
<i>Principle 3: Instil a culture of acting lawfully, ethically and responsibly</i>		
<p>Recommendation 3.1</p> <p>A listed entity should articulate and disclose its values.</p>	YES	

RECOMMENDATIONS (4 TH EDITION)	COMPLY	EXPLANATION
		<p>(a) The Company and its subsidiary companies (if any) are committed to conducting all of its business activities fairly, honestly with a high level of integrity, and in compliance with all applicable laws, rules and regulations. The Board, management and employees are dedicated to high ethical standards and recognise and support the Company's commitment to compliance with these standards.</p> <p>(b) The Company's values are set out in its Code of Conduct (which forms part of the Corporate Governance Plan) and are available on the Company's website. All employees will be given appropriate training on the Company's values and senior executives will continually reference such values.</p>
<p>Recommendation 3.2 A listed entity should:</p> <p>(a) have and disclose a code of conduct for its Directors, senior executives and employees; and</p> <p>(b) ensure that the Board or a committee of the Board is informed of any material breaches of that code.</p>	YES	<p>(a) The Company's Corporate Code of Conduct applies to the Company's Directors, senior executives and employees.</p> <p>(b) The Company's Corporate Code of Conduct (which forms part of the Company's Corporate Governance Plan) is available on the Company's website. Any material breaches of the Code of Conduct are reported to the Board or a committee of the Board.</p>
<p>Recommendation 3.3 A listed entity should:</p> <p>(a) have and disclose a whistleblower policy; and</p> <p>(b) ensure that the Board or a committee of the Board is informed of any material incidents reported under that policy.</p>	YES	The Company's Whistleblower Protection Policy (which forms part of the Corporate Governance Plan) is available on the Company's website. Any material breaches of the Whistleblower Protection Policy are to be reported to the Board or a committee of the Board.
<p>Recommendation 3.4 A listed entity should:</p> <p>(a) have and disclose an anti-bribery and corruption policy; and</p> <p>(b) ensure that the Board or committee of the Board is informed of any material breaches of that policy.</p>	YES	The Company's Anti-Bribery and Anti-Corruption Policy (which forms part of the Corporate Governance Plan) is available on the Company's website. Any material breaches of the Anti-Bribery and Anti-Corruption Policy are to be reported to the Board or a committee of the Board.
<i>Principle 4: Safeguard the integrity of corporate reports</i>		
<p>Recommendation 4.1 The Board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(i) has at least three members, all of whom are non-executive Directors and a majority of whom are independent Directors; and</p> <p>(ii) is chaired by an independent Director, who is not the Chair of the Board,</p> <p>and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the relevant qualifications and experience of the members of the committee; and</p> <p>(v) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p>	YES	(a) The Company's Corporate Governance Plan contains an Audit and Risk Committee Charter that provides for the creation of an Audit and Risk Committee with at least three members, all of whom must be non-executive Directors, and majority of the Committee must be independent Directors. The Committee must be chaired by an independent Director who is not the Chair.

RECOMMENDATIONS (4 TH EDITION)	COMPLY	EXPLANATION
(a) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.		<p>The Company does not currently have an Audit and Risk Committee as the Board considers the Company will not currently benefit from its establishment. In accordance with the Company's Board Charter, following the Company's admission to the ASX, the Board intends to carry out the duties that would ordinarily be carried out by the Audit and Risk Committee under the Audit and Risk Committee Charter including the following processes to independently verify the integrity of the Company's periodic reports which are not audited or reviewed by an external auditor, as well as the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner:</p> <ul style="list-style-type: none"> (i) the Board will devote time at annual Board meetings to fulfilling the roles and responsibilities associated with maintaining the Company's internal audit function and arrangements with external auditors; and (ii) all members of the Board will be involved in the Company's audit function to ensure the proper maintenance of the entity and the integrity of all financial reporting.
<p>Recommendation 4.2</p> <p>The Board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	YES	<p>The Company's Audit and Risk Committee Charter requires the CEO and CFO (or, if none, the person(s) fulfilling those functions) to provide a sign off on these terms.</p> <p>The Board ensures that before it approved the entity's financial statements for a financial period it receives declarations that the financial records of the entity have been properly maintained and that the financial statement comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operation effectively.</p>
<p>Recommendation 4.3</p> <p>A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.</p>	YES	<p>The Company will include in its annual Corporate Governance Statement a description of the process it undertakes to verify the integrity of the information in periodic corporate reports (to the extent that the information contained in the reports are not audited or reviewed by an external auditor).</p>
<i>Principle 5: Make timely and balanced disclosure</i>		
<p>Recommendation 5.1</p> <p>A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.</p>	YES	<ul style="list-style-type: none"> (a) The Company's Corporate Governance Plan details the Company's Continuous Disclosure policy. (b) The Corporate Governance Plan, which incorporates the Continuous Disclosure policy, is available on the Company's website.
<p>Recommendation 5.2</p> <p>A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.</p>	YES	<p>Under the Company's Continuous Disclosure Policy (which forms part of the Corporate Governance Plan), all members of the Board will receive material market announcements promptly after they have been made.</p>
<p>Recommendation 5.3</p>	YES	<p>All substantive investor or analyst presentations will be released on the ASX Markets Announcement Platform ahead of such presentations.</p>

RECOMMENDATIONS (4 TH EDITION)	COMPLY	EXPLANATION
A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.		
<i>Principle 6: Respect the rights of security holders</i>		
Recommendation 6.1 A listed entity should provide information about itself and its governance to investors via its website.	YES	Information about the Company and its governance is available in the Corporate Governance Plan which can be found on the Company's website.
Recommendation 6.2 A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	YES	The Company has adopted a Shareholder Communications Strategy which aims to promote and facilitate effective two-way communication with investors. The Strategy outlines a range of ways in which information is communicated to shareholders and is available on the Company's website as part of the Company's Corporate Governance Plan.
Recommendation 6.3 A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	YES	Shareholders are encouraged to participate at all general meetings and AGMs of the Company. Upon the despatch of any notice of meeting to Shareholders, the Company Secretary shall send out material stating that all Shareholders are encouraged to participate at the meeting.
Recommendation 6.4 A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	YES	All substantive resolutions at securityholder meetings will be decided by a poll rather than a show of hands.
Recommendation 6.5 A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	YES	The Shareholder Communication Strategy provides that security holders can register with the Company to receive email notifications when an announcement is made by the Company to the ASX, including the release of the Annual Report, half yearly reports and quarterly reports. Links are made available to the Company's website on which all information provided to the ASX is immediately posted. Shareholders queries should be referred to the Company Secretary at first instance.
<i>Principle 7: Recognise and manage risk</i>		
Recommendation 7.1 The Board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (i) has at least three members, a majority of whom are independent Directors; and (ii) is chaired by an independent Director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or	YES	(a) The Company does not currently have an Audit and Risk Committee. The Company's Corporate Governance Plan contains an Audit and Risk Committee Charter that provides for the creation of an Audit and Risk Committee with at least three members, all of whom must be non-executive Directors, and majority of the Committee must be independent Directors. The Committee must be chaired by an independent Director who is not the Chair. A copy of the Corporate Governance Plan is available on the Company's website. (b) The Company does not have an Audit and Risk Committee as the Board considers the Company will not currently benefit from its establishment. In accordance with the Company's Board Charter, following the Company's admission to the ASX, the Board intends to carry out the duties that would ordinarily be carried out by the Audit and Risk Committee under the Audit and Risk Committee Charter including the following processes to oversee the entity's risk management framework. The Board will regularly devote time at Board meetings to fulfilling the

RECOMMENDATIONS (4 TH EDITION)	COMPLY	EXPLANATION
(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the process it employs for overseeing the entity's risk management framework.		roles and responsibilities associated with overseeing risk and maintaining the entity's risk management framework and associated internal compliance and control procedures.
<p>Recommendation 7.2</p> <p>The Board or a committee of the Board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the Board; and</p> <p>(b) disclose in relation to each reporting period, whether such a review has taken place.</p>	YES	<p>(a) The Audit and Risk Committee Charter requires that the Audit and Risk Committee (or, in its absence, the Board) should, at least annually, satisfy itself that the Company's risk management framework continues to be sound and that the Company is operating with due regard to the risk appetite set by the Board.</p> <p>(b) The Company's Corporate Governance Plan requires the Company to disclose at least annually whether such a review of the Company's risk management framework has taken place.</p>
<p>Recommendation 7.3</p> <p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.</p>	YES	<p>(a) The Audit and Risk Committee Charter provides for the Audit and Risk Committee to monitor and periodically review the need for an internal audit function, as well as assessing the performance and objectivity of any internal audit procedures that may be in place.</p> <p>(b) The Company does not have an internal audit function. The Board considered the process employed pursuant to the Audit and Risk Committee Charter and Risk Management Policy are sufficient for evaluating and continually improving the effectiveness of its risk management and internal control processes given the size and complexity of the current business.</p>
<p>Recommendation 7.4</p> <p>A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.</p>	YES	<p>The Audit and Risk Committee Charter requires the Audit and Risk Committee (or, in its absence, the Board) to assist management to determine whether the Company has any potential or apparent exposure to environmental or social risks and, if it does, put in place management systems, practices and procedures to manage those risks.</p> <p>The Company's Corporate Governance Plan requires the Company to disclose whether it has any potential or apparent exposure to environmental or social risks and, if it does, put in place management systems, practices and procedures to manage those risk.</p> <p>Where the Company does not have material exposure to environmental or social risks, report the basis for that determination to the Board, and where appropriate benchmark the Company's environmental or social risk profile against its peers.</p> <p>The Company will disclose this information in its Annual Report.</p>
<i>Principle 8: Remunerate fairly and responsibly</i>		
<p>Recommendation 8.1</p> <p>The Board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(i) has at least three members, a majority of whom are independent Directors; and</p> <p>(ii) is chaired by an independent Director, and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the members of the committee; and</p>	YES	<p>(a) The Company does not have a Remuneration Committee. The Company's Corporate Governance Plan contains a Remuneration Committee Charter that provides for the creation of a Remuneration Committee (if it is considered it will benefit the Company), with at least three members, a majority of whom are independent Directors, and which must be chaired by an independent Director.</p>

RECOMMENDATIONS (4 TH EDITION)	COMPLY	EXPLANATION
<p>(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for Directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>		<p>(b) The Company does not have a Remuneration Committee as the Board considers the Company will not currently benefit from its establishment. In accordance with the Company's Board Charter, following the Company's admission to the ASX the Board intends to carry out the duties that would ordinarily be carried out by the Remuneration Committee under the Remuneration Committee Charter including the following processes to set the level and composition of remuneration for Directors and senior executives and ensuring that such remuneration is appropriate and not excessive:</p> <p>(i) the Board will devote time at the annual Board meeting to assess the level and composition of remuneration for Directors and senior executives.</p>
<p>Recommendation 8.2</p> <p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive Directors and the remuneration of executive Directors and other senior executives.</p>	YES	<p>The Company's Corporate Governance Plan requires the Board to disclose its policies and practices regarding the remuneration of Directors and senior executives, which is disclosed in the remuneration report contained in the Company's Annual Report.</p>
<p>Recommendation 8.3</p> <p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	YES	<p>(a) The Company has adopted the Performance Rights and Options Plan. The Company's Corporate Governance Plan requires the Remuneration Committee (or, in its absence, the Board) to review, manage and disclose the policy (if any) under which participants to a Plan may be permitted (at the discretion of the Company) to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the Plan.</p> <p>(b) Upon issue of equity incentives, the Board will devote time at the annual Board meeting to assess the level and composition of remuneration for Directors and senior executives.</p>
<i>Additional recommendations that apply only in certain cases</i>		
<p>Recommendation 9.1</p> <p>A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.</p>	N/A	<p>As set out in the Company's Board Charter (which forms part of the Corporate Governance Plan), should the Company have a non-English speaking Director, the Company will translate all key corporate documents for the benefit of the Director. In addition, a translator will be present for all Board and Shareholder meetings.</p>
<p>Recommendation 9.2</p> <p>A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.</p>	N/A	<p>All Shareholder meetings will be held at a reasonable place and time for shareholders.</p>
<p>Recommendation 9.3</p> <p>A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.</p>	N/A	<p>The Company's Auditor will attend the Company's Annual General Meeting and will be available to answer questions from Shareholders in respect of the Company's audit.</p>