

## 1. IMPORTANT INFORMATION

This supplementary prospectus (**Supplementary Prospectus**) is dated 20 November 2020 and is supplementary to the prospectus dated 3 November 2020 (**Prospectus**) issued by Rincon Resources Limited (ACN 628 003 538) (**Rincon** or the **Company**). This Supplementary Prospectus was lodged with the ASIC on 20 November 2020. ASIC, the ASX and their respective officers take no responsibility for the contents of this Supplementary Prospectus.

This Supplementary Prospectus must be read together with the Prospectus. Other than as set out below, all details in relation to the Prospectus remain unchanged. Terms and abbreviations defined in the Prospectus have the same meaning in this Supplementary Prospectus. To the extent of a conflict between the Prospectus and the Supplementary Prospectus, this Supplementary Prospectus will prevail.

This Supplementary Prospectus will be issued with the Prospectus as an electronic prospectus, copies of which can be downloaded from the website of the Company at [www.rinconresources.com.au](http://www.rinconresources.com.au).

This is an important document and should be read in its entirety. If you do not understand it, you should consult your professional advisers without delay.

## 2. REASONS FOR THE SUPPLEMENTARY PROSPECTUS

The Company and the Joint Lead Managers have agreed to vary the terms and conditions of the JLM Mandate in order to re-structure the fees payable to the Joint Lead Managers in connection with the Offer.

The Supplementary Prospectus has been prepared to provide investors with updated information in relation to the fees payable to the Joint Lead Managers, and consequential changes to the information in the Prospectus regarding the Company's capital structure, pro forma financial information and related disclosures.

As the content of this Supplementary Prospectus is not considered by the Company to be materially adverse to investors, no action needs to be taken by investors who have already subscribed under the Prospectus to the date of this Supplementary Prospectus.

## 3. AMENDMENTS TO THE PROSPECTUS

The Prospectus is amended as set out below.

### 3.1 Key Offer Information

The table and notes set out immediately beneath '**KEY STATISTICS OF THE OFFER**' in Section 2 of the Prospectus are deleted and replaced with the following:

	Minimum Subscription (\$5,000,000) <sup>1</sup>	Maximum Subscription (\$6,000,000) <sup>2</sup>
Offer Price per Share	\$0.20	\$0.20
Shares currently on issue <sup>3</sup>	13,599,611	13,599,611
Conversion of Convertible Loans <sup>4</sup>	2,857,143	2,857,143
Shares to be issued on exercise of all Options <sup>5</sup>	3,650,000	3,650,000
Joint Lead Manager Shares <sup>6</sup>	1,025,000	1,230,000
Shares to be issued under the Offer	25,000,000	30,000,000
Gross Proceeds of the Offer	\$5,000,000	\$6,000,000
<b>Shares on issue Post-Listing<sup>7</sup></b>	<b>46,131,754</b>	<b>51,336,754</b>
<b>Market Capitalisation Post-Listing<sup>8</sup></b>	<b>\$9,226,351</b>	<b>\$10,267,351</b>

**Notes:**

1. Assuming the Minimum Subscription of \$5,000,000 is achieved under the Offer.
2. Assuming the Maximum Subscription of \$6,000,000 is achieved under the Offer.
3. On a post-Consolidation basis.
4. Refer to Section 9.1.2 for further details of the Convertible Loan Agreements.
5. The Company has entered into an agreement with each holder of Options, pursuant to which each Optionholder agrees to exercise all of their Options prior to the Company's admission to the Official List.
6. Comprising the following Shares issued pursuant to the JLM Mandate (summarised at Section 9.1.1):
  - (a) between 275,000 and 330,000 Shares at Minimum Subscription and Maximum Subscription (respectively), being an amount of Shares equal to 1.1% of the Shares to be issued under the Offer, which the Joint Lead Managers will subscribe for at \$0.0001 per Share; and
  - (b) Between 750,000 and 900,000 Shares at Minimum Subscription and Maximum Subscription (respectively) which the Company has agreed to issue to PAC Partners in lieu of its portion of the management fee and selling fee (as further set out in Section 9.1.1), rather than in cash.
7. Certain Shares on issue post-listing will be subject to ASX-imposed escrow. Refer to Section 5.9 for a disclaimer with respect to the likely escrow position.
8. Assuming a Share price of \$0.20, however the Company notes that the Shares may trade above or below this price.

**3.2 What are the significant interests of advisors to the Company?**

The following is inserted in the section labelled 'what are the significant interests of advisors to the Company?' set out in Part D of Section 3 of the Prospectus:

*"As at the date of this Prospectus, PAC Partners do not hold any interest in the capital of the Company. However, PAC Partners has loaned \$11,000 to the Company pursuant to a Convertible Loan Agreement (the material terms and conditions of which are summarised at Section 9.1.2). On conversion of the Convertible Loan (and subject to receipt of Shareholder approval at the Company's upcoming annual general meeting), PAC Partners (or its nominees) will be issued 78,572 Shares (on a post-Consolidation basis)."*

**3.3 Use of Funds**

The table set out at Section 5.5 is deleted and replaced with the following:

<b>Funds available</b>	<b>Minimum Subscription (\$5,000,000)</b>	<b>Percentage of Funds</b>	<b>Maximum Subscription (\$6,000,000)</b>	<b>Percentage of Funds</b>
Available cash <sup>1</sup>	\$611,329	10.52%	\$611,329	8.98%
Funds raised from the Offer	\$5,000,000	86.05%	\$6,000,000	88.10%
Exercise of Options	\$199,200	3.43%	\$199,200	2.92%
<b>Total</b>	<b>\$5,810,529</b>	<b>100%</b>	<b>\$6,810,529</b>	<b>100%</b>
<b>Allocation of funds</b>				
South Telfer Exploration <sup>2</sup>	\$3,060,000	52.66%	\$3,820,000	56.09%
Laverton Exploration <sup>2</sup>	\$850,000	14.63%	\$1,030,000	15.12%
Laverton completion payment <sup>3</sup>	\$25,000	0.43%	\$25,000	0.37%
Kiwirrkura Exploration <sup>2</sup>	\$280,000	4.82%	\$280,000	4.11%
Expenses of the Offer <sup>4</sup>	\$400,000	6.88%	\$430,000	6.31%
Administration costs <sup>5</sup>	\$750,000	12.91%	\$750,000	11.01%

Funds available	Minimum Subscription (\$5,000,000)	Percentage of Funds	Maximum Subscription (\$6,000,000)	Percentage of Funds
Working capital <sup>6</sup>	\$445,529	7.67%	\$475,529	6.98%
<b>Total</b>	<b>5,810,529</b>	<b>100%</b>	<b>\$6,810,529</b>	<b>100%</b>

**Notes:**

1. Comprising \$235,329 in cash as at 30 June 2020, plus \$400,000 raised through the Convertible Loan seed raising, less \$24,000 in capital raising fees paid for the Convertible Loan seed raising. Refer to the Financial Information set out in Section 6 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 Offer of which various amounts will be payable prior to completion of the Offer.
2. Refer to Section 5.4 and the Independent Technical Assessment Report in Annexure A for further details with respect to the Company's proposed exploration programs at the Projects.
3. Refer to Section 9.2 for further details.
4. The Company has agreed with PAC Partners that its portion of the management fee and selling fee (as further set out in Section 9.1.1) for the Offer will be paid in Shares at the price of the Offer, being \$0.20 per Share. This arrangement will reduce the cash expenses payable by the Company in connection with the Offer by between \$150,000 at Minimum Subscription and \$180,000 at Maximum Subscription. Refer to Section 10.6 for further details of the cash expenses associated with the Offer.
5. 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.
6. To the extent that:
  - (a) the Company's exploration activities warrant further exploration activities; 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 following the Company's quotation on ASX.

### 3.4 Capital Structure

Section 5.7 is deleted in its entirety and replaced with the following:

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

**Shares<sup>1</sup>**

	Minimum Subscription	Maximum Subscription
Shares currently on issue <sup>2</sup>	13,599,611	13,599,611
Conversion of Convertible Loans <sup>3</sup>	2,857,143	2,857,143
Exercise of existing options <sup>4</sup>	3,650,000	3,650,000
Shares to be issued pursuant to the Offer <sup>5</sup>	25,000,000	30,000,000
Joint Lead Manager Shares <sup>6</sup>	1,025,000	1,230,000
<b>Total Shares on completion of the Offer</b>	<b>46,131,754</b>	<b>51,336,754</b>

**Notes:**

1. The rights attaching to the Shares are summarised in Section 10.2
2. As at the date of this Prospectus, the Company's Share capital is comprised of Shares issued to the Company's founders, Shares issued on conversion of loans and in lieu of various fees, Shares issued as

partial consideration for the acquisition of the Projects, and Shares issued pursuant to seed capital raisings which the Company has undertaken since its incorporation.

3. Refer to Section 9.1.2 for further details of the Convertible Loan Agreements.
4. Each Optionholder has undertaken to exercise all of their Options following receipt of conditional listing approval from ASX.
5. Between 25,000,000 and 30,000,000 Shares to be issued at an issue price of \$0.20 per share to raise a minimum of \$5,000,000 and up to a maximum of \$6,000,000 under the Offer (before costs).
6. Comprising the following Shares issued pursuant to the JLM Mandate (summarised at Section 9.1.1):
  - (a) between 275,000 and 330,000 Shares at Minimum Subscription and Maximum Subscription (respectively), being an amount of Shares equal to 1.1% of the Shares to be issued under the Offer, which the Joint Lead Managers will subscribe for at \$0.0001 per Share; and
  - (b) Between 750,000 and 900,000 Shares at Minimum Subscription and Maximum Subscription (respectively), which the Company has agreed to issue to PAC Partners in lieu of its portion of the management fee and selling fee (as further set out in Section 9.1.1), rather than in cash.

### 3.5 Substantial Shareholders

The tables and notes below 'On completion of the issue of Shares under the Offer with Minimum Subscription (assuming no existing substantial Shareholder subscribes and receives additional Shares pursuant to the Offer) are deleted and replaced with the following:

**On completion of the issue of Shares under the Offer with Minimum Subscription (assuming no existing substantial Shareholder subscribes and receives additional Shares pursuant to the Offer)**

Shareholder	Shares	Percentage (%) <sup>1</sup>
Gunsynd PLC	4,461,943	9.67
Geoffrey McNamara	2,901,820	6.29

**Notes:**

1. Assuming conversion of the Convertible Loans and that all existing Options are exercised following receipt of conditional listing approval, per the undertakings of all Optionholders.

**On completion of the issue of Shares under the Offer with Maximum Subscription (assuming no existing substantial Shareholder subscribes and receives additional Shares pursuant to the Offer)**

Shareholder	Shares	Percentage (%) <sup>1</sup>
Gunsynd PLC	4,461,943	8.69
Geoffrey McNamara	2,901,820	5.65

**Notes:**

1. Assuming conversion of the Convertible Loans and that all existing Options are exercised following receipt of conditional listing approval, per the undertakings of all Optionholders.

### 3.6 Restricted Securities

The last paragraph of Section 5.9 and 'Will any Shares be subject to escrow?' at Part F of Section 3 of the Prospectus are deleted and replaced with the following:

*"The Company's 'free float' (being the percentage of Shares not subject to escrow and held by Shareholders that are not related parties of the Company (or their associates) at the time of admission to the Official List) will be approximately 66.13% at Minimum Subscription, and approximately 69.38% at Maximum Subscription, comprising all shares issued (assuming that no related parties of the Company or their associates participate in the Offer) other than Shares subject to ASX imposed escrow or held by Directors or promoters."*

### 3.7 Historical and Pro Forma Statement of Financial Position

Sections 6.5 and 6.6 are deleted and replaced with the following:

**"6.5 Historical and Pro Forma Statement of Financial Position**

*The table below sets out the historical consolidated statement of financial position as at 30 June 2020, extracted without adjustment from the Company's audited financial statements, and the Pro Forma Statement of Financial Position assuming both the Minimum and Maximum Subscription under the Offer.*

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 its future financial position.

		Audited	Subsequent events	Minimum Pro forma adjustments	Minimum Pro forma adjustments	Maximum Pro forma adjustments	Maximum Pro forma adjustments
	Note	30-Jun-20	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
		\$	\$	\$	\$	\$	\$
<b>Assets</b>							
<b>Current assets</b>							
Cash and cash equivalents	6.8(a)	235,329	376,000	4,799,200	5,410,529	5,769,200	6,380,529
Other receivables		3,119	-	-	3,119	-	3,119
Other		9,623	-	-	9,623	-	9,623
<b>Total current assets</b>		<b>248,071</b>	<b>376,000</b>	<b>4,799,200</b>	<b>5,423,271</b>	<b>5,769,200</b>	<b>6,393,271</b>
<b>Non-current assets</b>							
Exploration and evaluation		571,746	-	-	571,746	-	571,746
<b>Total non-current assets</b>		<b>571,746</b>	<b>-</b>	<b>-</b>	<b>571,746</b>	<b>-</b>	<b>571,746</b>
<b>Total assets</b>		<b>819,817</b>	<b>376,000</b>	<b>4,799,200</b>	<b>5,995,017</b>	<b>5,769,200</b>	<b>6,965,017</b>
<b>Liabilities</b>							
<b>Current liabilities</b>							
Trade and other payables	6.8(b)	226,765	(30,570)	-	196,195	-	196,195
Borrowings	6.8(c)	80,766	319,234	(400,000)	-	(400,000)	-
<b>Total current liabilities</b>		<b>307,531</b>	<b>288,664</b>	<b>(400,000)</b>	<b>196,195</b>	<b>(400,000)</b>	<b>196,195</b>
<b>Total liabilities</b>		<b>307,531</b>	<b>288,664</b>	<b>(400,000)</b>	<b>196,195</b>	<b>(400,000)</b>	<b>196,195</b>
<b>Net assets</b>		<b>512,286</b>	<b>87,336</b>	<b>5,199,200</b>	<b>5,798,822</b>	<b>6,169,200</b>	<b>6,768,822</b>
<b>Equity</b>							
Issued capital	6.8(d)	775,523	111,336	5,667,017	6,553,876	6,632,000	7,518,859
Reserves	6.8(e)	-	311,710	(311,710)	-	(311,710)	-
Accumulated losses	6.8(f)	(263,237)	(335,710)	(156,107)	(755,054)	(151,090)	(750,037)
<b>Total equity</b>		<b>512,286</b>	<b>87,336</b>	<b>5,199,200</b>	<b>5,798,822</b>	<b>6,169,200</b>	<b>6,768,822</b>

## 6.6 Description of pro forma adjustments

The Pro Forma Statement of Financial Position has been derived from the audited historical statement of financial position as at 30 June 2020, after reflecting the Directors' pro forma adjustments for the following subsequent events and other transactions which are proposed to occur immediately before or following completion of the Offer, as if they had occurred at 30 June 2020.

The following pro forma adjustments have been made in relation to events subsequent to 30 June 2020:

- (a) on 9 July 2020 the Company settled director fees of \$15,000 due to Shannon Coates and \$15,570 of fees due to Ironside Capital Pty Ltd through the issue of 1,841,566 Shares at an issue price of \$0.0166 per Share (409,237 Shares at \$0.0747 on a post-Consolidation basis);
- (b) on 13 July 2020 the Company settled shareholder and related party borrowings totalling \$80,766 through the issue of 4,865,421 Shares at an issue price of \$0.0166 per Share (1,081,205 Shares at \$0.0747 on a post-Consolidation basis);
- (c) on 23 July 2020 the Company issued to nominees of Ironside 12,000,000 Options to subscribe for Shares at an exercise price of \$0.0166 per Share (on a pre-Consolidation basis) with an expiry date of 23 July 2023, for proceeds of \$0.0001 per Option;
- (d) on 22 October 2020 the Company entered into agreements with the Optionholders to vary the terms of the option agreements to:
  - (i) consolidate the Options on a 1:3.288 basis, resulting in a total of 3,650,000 Options being on issue with an exercise price of \$0.05457 per Share (on a post-consolidation basis); and
  - (ii) require the Optionholders to exercise the Options in conjunction with the IPO;
- (e) between 22 and 30 October 2020, the Company borrowed \$400,000 from various parties under Convertible Loan Agreements, with the loan amounts automatically converting to Shares on the Company receiving conditional approval from the ASX for its admission to the Official List, at a conversion price of \$0.14 per Share (on a post-Consolidation basis); and

(f) the Company incurred cash costs of \$24,000 in relation to the Convertible Loan Agreements.

The following pro forma transactions are yet to occur, but are proposed to occur immediately before or following completion of the Offer:

- (g) the consolidation of the Company's issued share capital on a 2:9 basis;
- (h) the issue of between 25,000,000 and 30,000,000 Shares at \$0.20 per Share to raise between \$5,000,000 (Minimum Subscription) and \$6,000,000 (Maximum Subscription) before costs, pursuant to the Offer;
- (i) the payment of cash costs related to the Offer of between \$400,000 (Minimum Subscription) and \$430,000 (Maximum Subscription);
- (j) the conversion of Convertible Loans of \$400,000 into 2,857,143 Shares at a conversion price of \$0.14 per Share;
- (k) the exercise of options by existing Optionholders to acquire 3,650,000 Shares at an exercise price of \$0.05457 per Share; and
- (l) the issue of between 1,025,000 Shares (Minimum Subscription) and 1,230,000 Shares (Maximum Subscription) to the Joint Lead Managers (or their nominees).

### 3.8 Additional notes to the Financial Information

Sections 6.8(a), (d) and (f) are deleted and replaced with the following:

“(a) Cash and cash equivalents

	Note	Audited 30-Jun-20 \$	Minimum Pro forma Unaudited 30-Jun-20 \$	Maximum Pro forma Unaudited 30-Jun-20 \$
Cash and cash equivalents		235,329	5,410,529	6,380,529
Rincon cash and cash equivalents as at 30 June 2020			235,329	235,329
<i>Subsequent events are summarised as follows:</i>				
Issue of Convertible Notes	6.6(e)		400,000	400,000
Convertible Notes raising costs	6.6(f)		(24,000)	(24,000)
			376,000	376,000
<i>Adjustments arising in the preparation of the pro forma statement of financial position are summarised as follows:</i>				
Proceeds from the Offer pursuant to the Prospectus	6.6(h)		5,000,000	6,000,000
Capital raising costs	6.6(i)		(400,000)	(430,000)
Exercise of Options (Exercise Price)	6.6(k)		199,200	199,200
			4,799,200	5,769,200
<b>Pro forma cash and cash equivalents</b>			<b>5,410,529</b>	<b>6,380,529</b>

(d) Issued capital

	Note	Minimum		Maximum	
		Pro forma Unaudited 30-Jun-20			
		No. of Shares	\$	No. of Shares	\$
Issued share capital as at 30 June 2020		46,131,754	6,553,876	51,336,754	7,518,859
Rincon issued capital as at 30 June 2020		54,491,261	775,523	54,491,261	775,523
<i>Subsequent events are summarised as follows:</i>					
Settlement of Fees	6.6(a)	1,841,566	30,570	1,841,566	30,570
Settlement of Loans	6.6(b)	4,865,421	80,766	4,865,421	80,766
		6,706,987	111,336	6,706,987	111,336
<i>Adjustments arising in the preparation of the pro forma statement of financial position are summarised as follows:</i>					
Share Consolidation	6.6(g)	(47,598,637)	-	(47,598,637)	-
Proceeds from the Offer	6.6(h)	25,000,000	5,000,000	30,000,000	6,000,000
Cash costs associated with the Offer	6.6(i)	-	(243,893)	-	(278,910)
Conversion of Convertible Notes	6.6(j)	2,857,143	400,000	2,857,143	400,000
Exercise of Options (Exercise Price)	6.6(k)	3,650,000	199,200	3,650,000	199,200
Exercise of Options (Fair Value)	6.6(k)	-	311,710	-	311,710
Issue of Lead Manager Shares	6.6(l)	1,025,000	205,000	1,230,000	246,000
Issue of Lead Manager Shares Cost	6.6(l)	-	(205,000)	-	(246,000)
		(15,066,494)	5,667,017	(9,861,494)	6,632,000
<b>Pro forma issued share capital</b>		<b>46,131,754</b>	<b>6,553,876</b>	<b>51,336,754</b>	<b>7,518,859</b>

(f) Accumulated losses

	Note	Audited 30-Jun-20 \$	Minimum	Maximum
			Pro forma Unaudited 30-Jun-20 \$	Pro forma Unaudited 30-Jun-20 \$
Accumulated losses		(263,237)	(755,054)	(750,037)
Rincon accumulated losses as at 30 June 2020			(263,237)	(263,237)
<i>Subsequent events are summarised as follows:</i>				
Convertible Notes raising costs	6.6(f)		(24,000)	(24,000)
Issue of Options	6.6(d)		(311,710)	(311,710)
			(335,710)	(335,710)
<i>Adjustments arising in the preparation of the pro forma statement of financial position are summarised as follows:</i>				
Listing costs expensed	6.6(i)		(156,107)	(151,090)
			(156,107)	(151,090)
<b>Pro forma accumulated losses</b>			<b>(755,054)</b>	<b>(750,037)</b>

### 3.9 Disclosure of Interests

The tables and notes labelled 'Post-completion of the Offer – Minimum Subscription' and 'Post-completion of the Offer – Maximum Subscription' at Section 8.3 and 'What are the significant interests of Directors in the Company?' at Part D of Section 3 of the Prospectus are deleted and replaced with the following:

#### Post-completion of the Offer – Minimum Subscription

Director	Shares <sup>1</sup>	Percentage (%) <sup>1</sup>
Geoffrey McNamara	2,901,820	6.29
Zeffron Reeves	1,381,526	2.99
Blair Sergeant	562,797	1.22
Edward Mason	-	-

#### Notes:

1. Assuming that all existing Options are exercised following receipt of conditional listing approval, per the undertakings of all Optionholders.

## Post-completion of the Offer – Maximum Subscription

Director	Shares <sup>1</sup>	Percentage (%) <sup>1</sup>
Geoffrey McNamara	2,901,820	5.65
Zeffron Reeves	1,381,526	2.69
Blair Sergeant	562,797	1.10
Edward Mason	-	-

### Notes:

1. Assuming that all existing Options are exercised following receipt of conditional listing approval, per the undertakings of all Option holders.

## 3.10 Joint Lead Manager Mandate

### 3.10.1 Introduction

The first paragraph of Section 9.1.1 of the Prospectus is deleted and replaced with the following:

*“On 17 September 2020, the Company entered into a mandate letter with PAC Partners and Ironside, pursuant to which PAC Partners and Ironside agreed to act as the Joint Lead Managers to the Offer and to a pre-IPO convertible loan raising (refer to Section 9.1.2). The JLM Mandate was varied by the agreement of the Company, PAC Partners and Ironside on 18 November 2020. The material terms and conditions of the mandate are summarised below:”*

### 3.10.2 Joint Lead Manager Fees

The second paragraph of Section 9.1.1 of the Prospectus labelled 'Fees'; and 'who are the joint lead managers to the Offer?' set out in Part F of Section 3 of the Prospectus are deleted and replaced with the following:

*“The Company has agreed to pay the following fees to the Joint Lead Managers:*

#### **Corporate Advisory Fees**

- \$8,000 (plus GST) per month up until the Company's successful listing on the ASX; and
- \$6,000 (plus GST) per month for a period of 12 months from the successful listing of the Company on the ASX,

*to be split equally between the Joint Lead Managers and payable in Shares or cash at the election of the Joint Lead Managers.*

#### **Management and Selling Fees**

- a 1% management fee on the gross proceeds raised under the Offer, to be split equally between the Joint Lead Managers; and
- a 5% selling fee on the gross proceeds raised under the Offer, reflecting each Joint Lead Manager's respective contributions.

*The Company has agreed with PAC Partners that its portion of the Management Fee and Selling Fee for the Offer will be paid in Shares at the price of the Offer, being \$0.20 per Share.*

*The Joint Lead Managers will determine the amount of, and be responsible for paying (at their own cost), any fees to be paid to any other participating brokers.*

*The Joint Lead Managers received the same selling and management fees for the Convertible Loan raising.*

#### **Shares**

*The Joint Lead Managers will be subscribe for between 275,000 and 330,000 Shares at a price of \$0.0001 per Share (depending on how much is raised under the Offer), being an amount equal to 1.1% of the Shares issued under the Offer. 60% of these Shares will be issued to PAC Partners (or its nominees), with the remaining 40% to be issued to Ironside (or its nominees). Additionally, the Company has agreed with PAC Partners that its portion of the management fee and selling fee in Shares rather than cash and, accordingly, PAC Partners will receive between 750,000 Shares and 900,000 Shares at Minimum Subscription and Maximum Subscription (respectively).*

Outside of the JLM Mandate, as at the date of this Prospectus, Ironside currently holds Options which will convert into 608,334 Shares in the Company on exercise (which will occur prior to listing).

PAC Partners do not hold any interest in the capital of the Company. However, PAC Partners has loaned \$11,000 to the Company pursuant to a Convertible Loan Agreement (the material terms and conditions of which are summarised at Section 9.1.2). On conversion of the Convertible Loan (and subject to receipt of Shareholder approval at the Company's upcoming annual general meeting), PAC Partners will be issued 78,572 Shares (on a post-Consolidation basis)."

#### **Reimbursement**

The Company will reimburse the Joint Lead Managers for any reasonable disbursements and out of pocket expenses, to be agreed in advance for expenses exceeding \$2,000.

### **3.11 Cash Expenses of the Offer**

Section 10.6 is deleted in its entirety and replaced with the following:

The total cash expenses of the Offer (excluding GST) are estimated to be approximately \$400,000 for Minimum Subscription or \$430,000 for Maximum Subscription and are expected to be applied towards the items set out in the table below:

<b>Item of Expenditure</b>	<b>Minimum Subscription (\$)</b>	<b>Maximum Subscription (\$)</b>
ASIC fees	3,206	3,206
ASX fees	73,536	77,326
Joint Lead Manager Fees	150,000	180,000
Legal Fees	80,000	80,000
Independent Geologist's Fees	26,000	26,000
Investigating Accountant's Fees	14,000	14,000
Auditor's Fees	7,500	7,500
Miscellaneous	45,758	41,968
<b>TOTAL</b>	<b>400,000</b>	<b>430,000</b>

### **3.12 Investigating Accountant's Report**

As a result of the changes to the Pro Forma Statement of Financial Position as set out in this Supplementary Prospectus, RSM Corporate Australia Pty Ltd has re-issued its Investigating Accountant's Report as at the date of this Supplementary Prospectus, which is attached to this Supplementary Prospectus as Annexure A.

## **4. CONSENTS**

The Company confirms that as at the date of this Supplementary Prospectus, each of the parties that have been named as having consented to being named in the Prospectus have not withdrawn that consent.

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**5. DIRECTORS' AUTHORISATION**

This Supplementary 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 Supplementary Prospectus with the ASIC.



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**Geoffrey McNamara**

**Director**

**For and on behalf of**

**RINCON RESOURCES LIMITED**

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## ANNEXURE A – INVESTIGATING ACCOUNTANT’S REPORT

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**RSM Corporate Australia Pty Ltd**

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[www.rsm.com.au](http://www.rsm.com.au)

20 November 2020

The Directors  
Rincon Resources Limited  
Suite 5, 62 Ord Street  
PERTH WA 6005

Dear Directors

## INVESTIGATING ACCOUNTANT'S REPORT

### **Independent Limited Assurance Report (“Report”) on Rincon Resources Limited Historical and Pro Forma Historical Financial Information**

#### **Introduction**

We have been engaged by Rincon Resources Limited (“Rincon” or the “Company”) to report on the historical and pro forma financial information of the Company for the 11 months ended 30 June 2019 and the year ended 30 June 2020 included in the prospectus (“Prospectus”) of Rincon dated 3 November 2020 and in a supplementary prospectus (“Supplementary Prospectus”) of Rincon to be dated on or about 20 November 2020.

The Prospectus and Supplementary Prospectus are in connection with Rincon’s initial public offering and listing on the Australian Securities Exchange (“ASX”), pursuant to which the Company is offering between 25,000,000 and 30,000,000 ordinary shares at an issue price of \$0.20 per share to raise between \$5 million and \$6 million before costs (“Offer”).

Expressions and terms defined in the Prospectus and Supplementary Prospectus have the same meaning in this Report.

The future prospects of the Company, other than the preparation of Pro Forma Historical Financial Information, assuming completion of the transactions summarised in Section 6.6 of the Supplementary Prospectus, are not addressed in this Report.

#### **Background**

Rincon Resources Limited is a public company which was incorporated on 7 August 2018. The Company has two wholly owned subsidiaries, South Telfer Mining Pty Ltd and Lyza Mining Pty Ltd, and is focused on the exploration and development of resource projects in Western Australia, with a focus on gold and base metals.

#### **THE POWER OF BEING UNDERSTOOD** AUDIT | TAX | CONSULTING

RSM Corporate Australia Pty Ltd is beneficially owned by the Directors of RSM Australia Pty Ltd. RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Corporate Australia Pty Ltd ABN 82 050 508 024 Australian Financial Services Licence No. 255847

## Scope

### Historical financial information

You have requested RSM Corporate Australia Pty Ltd (“RSM”) to review the historical financial information of the Company included in Section 6 of the Prospectus (as modified by the content of the Supplementary Prospectus), and comprising:

- the consolidated statement of profit or loss and consolidated statement of cash flows of the Company for the period from 7 August 2018 to 30 June 2019 and for the year ended 30 June 2020; and
- the consolidated statement of financial position of the Company as at 30 June 2020.

(together the “Historical Financial Information”).

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

The Historical Financial Information has been extracted from the financial statements of the Company for the period 7 August 2018 to 30 June 2019 and for the year ended 30 June 2020, which were audited by RSM Australia Partners in accordance with Australian Auditing Standards and the *Corporations Act 2001*. The audit reports issued for these financial statements included unmodified opinions.

The audit reports issued by RSM Australia Partners with respect to the financial statements for the 11 month period ended 30 June 2019 and the year ended 30 June 2020 included an emphasis of matter in relation to material uncertainty that may cast significant doubt on the Company’s ability to continue as a going concern. However, the audit opinions were not modified in this regard.

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

### Pro forma historical financial information

You have requested RSM to review the Company’s pro forma historical statement of financial position as at 30 June 2020 (“the Pro Forma Historical Financial Information”), as set out in the Supplementary Prospectus.

The Pro Forma Historical Financial Information has been derived from the Historical Financial Information of the Company after adjusting for the effects of the pro forma adjustments described in the Supplementary Prospectus. The stated basis of preparation is the recognition and measurement principles of Australian Accounting Standards applied to the Historical Financial Information and the events or transactions to which the subsequent events and pro forma adjustments relate, as described in the Supplementary Prospectus, as if those events or transactions had occurred as at the date of the Historical Financial Information. Due to its nature, the Pro Forma Historical Financial Information does not represent the Company’s actual or prospective financial position or statement of financial performance.

## Directors’ responsibility

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

## Our responsibility

Our responsibility is to express a limited assurance conclusion on the Historical Financial Information and the Pro Forma Historical Financial Information based on the procedures performed and the evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagements ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. Our procedures included:

- A consistency check of the application of the stated basis of preparation to the Historical and Pro Forma Historical Financial Information;
- A review of the Company's and its auditor's work papers, accounting records and other documents;
- Enquiry of directors, management personnel and advisors;
- Consideration of the pro forma adjustments described in the Supplementary Prospectus; and
- Performance of analytical procedures applied to the Pro Forma Historical Financial Information.

A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the Historical Financial Information or the Pro Forma Historical Financial Information.

## Conclusions

### Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Historical Financial Information, as set out in Section 6 of the Prospectus (as modified by the content of the Supplementary Prospectus), and comprising:

- the consolidated statement of profit or loss and consolidated statement of cash flows of the Company for the period from 7 August 2018 to 30 June 2019 and for the year ended 30 June 2020; and
- the consolidated statement of financial position of the Company as at 30 June 2020;

is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 6.2 of the Prospectus.

### Pro Forma Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical Financial Information, as set out in the Supplementary Prospectus, and comprising the pro forma consolidated statement of financial position of the Company as at 30 June 2020, is not presented fairly in all material respects, in accordance with the stated basis of preparation, as described in Section 6.2 of the Prospectus.

## Restriction on Use

Without modifying our conclusions, we draw attention to the purpose of the financial information, being for inclusion in the Prospectus and Supplementary Prospectus. As a result, the financial information may not be suitable for use for another purpose.

## Responsibility

RSM has consented to the inclusion of this assurance report in the Supplementary Prospectus in the form and context in which it is included. RSM has not authorised the issue of the Supplementary Prospectus. Accordingly, RSM makes no representation regarding, and takes no responsibility for, any other documents or material in, or omissions from, the Supplementary Prospectus.

### Disclosure of Interest

RSM does not have any pecuniary interest that could reasonably be regarded as being capable of affecting its ability to give an unbiased conclusion in this matter. RSM will receive a professional fee for the preparation of this Report.

Yours faithfully

A handwritten signature in black ink that reads "Justin Audcent". The signature is written in a cursive style with a long horizontal stroke extending to the right.

JUSTIN AUDCENT  
Director