

# Australasian Gold Limited

ACN 625 744 907

## SUPPLEMENTARY PROSPECTUS

### Important Information

This is a supplementary prospectus (**Supplementary Prospectus**) intended to be read with the prospectus dated 5 March 2021 (**Prospectus**) issued by Australasian Gold Limited (**Company**).

This Supplementary Prospectus is dated 27 April 2021 and was lodged with the Australian Securities and Investments Commission (**ASIC**) on that day. Neither ASIC nor ASX (and their respective officers) take any responsibility as to the contents of this Supplementary Prospectus.

To the extent of any inconsistency between this Supplementary Prospectus and the Prospectus, this Supplementary Prospectus will prevail. Unless otherwise indicated, terms defined and used in the Prospectus have the same meaning in this Supplementary Prospectus.

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

---

### 1 TERMS OF EMPLOYEE INCENTIVE SCHEME

Paragraph (c) of the Incentive Plan is deleted and replaced with the following text:

*The maximum number of Incentive Securities issued under the Plan over a 3 year period is 5% of the total number of fully paid ordinary shares on issue in the Company at any time (on a fully diluted basis), and in any event will be no more than 4,550,000 Shares or such other amount as determined by the Company's shareholders from time to time.*

---

### 2 TERMS OF PERFORMANCE RIGHTS

#### 2.1 Section 7.5

The sub-paragraphs of section 7.5 of the Prospectus are deleted and replaced with the following text:

- (a) *500,000 Performance Rights convert into Shares upon completion of the Company's first drilling program and the volume weighted average price of the Company's Shares being equal to or greater than 30 cents (over 20 consecutive trading days on which the Shares have actually traded), by no later than 1.5 years from the Company listing on ASX;*

- (b) *1,000,000 Performance Rights convert into Shares upon the Company achieving a JORC or NI 43-101 Compliant Resource of >100,000 oz Au Eq (cut-off grade > 2 g/t) at any of its projects, by no later than 3 years from the Company listing on ASX; and*
- (c) *2,000,000 Performance Rights convert into Shares upon the Company achieving a JORC or NI 43-101 Compliant Resource of >500,000 oz gold Eq (cut-off grade > 1 g/t) at any of its projects by no later than 5 years from the Company listing on ASX.*

*For the purposes of the milestones, equivalent metals to gold are silver, copper, zinc and lead.*

*For the purposes of determining whether a vesting condition is met, the Company's Directors who do not have a material personal interest in the determination will cause the Company to obtain an opinion from a suitably qualified independent expert opining on whether the condition has been met.*

## **2.2 Section 14.3**

Section 14.3 of the Prospectus is deleted and replaced with the following text:

*The terms of the Performance Rights are as follows:*

- (a) *The Performance Rights will be issued for no consideration.*
- (b) *Each Performance Right entitles the holder to be issued one Share upon satisfaction of the applicable vesting condition.*
- (c) *The vesting conditions and expiry date for the Performance Rights are as follows:*
  - (i) *500,000 Performance Rights convert into Shares upon completion of the Company's first drilling program and the volume weighted average price of the Company's Shares being equal to or greater than 30 cents (over 20 consecutive trading days on which the Shares have actually traded), by no later than 1.5 years from the Company listing on ASX;*
  - (ii) *1,000,000 Performance Rights convert into Shares upon the Company achieving a JORC or NI 43-101 Compliant Resource of >100,000 oz Au Eq (cut-off grade > 2 g/t) at any of its projects, by no later than 3 years from the Company listing on ASX; and*
  - (iii) *2,000,000 Performance Rights convert into Shares upon the Company achieving a JORC or NI 43-101 Compliant Resource of >500,000 oz gold Eq (cut-off grade > 1 g/t) at any of its projects by no later than 5 years from the Company listing on ASX.*

*For the purposes of this sub-clause, equivalent metals to gold are silver, copper, zinc and lead.*

- (d) *For the purposes of determining whether a vesting condition is met, the Company's Directors who do not have a material personal interest in the determination will cause the Company to obtain an opinion from a suitably qualified independent expert opining on whether the condition has been met.*
- (e) *All Performance Rights on issue will automatically convert into Shares on the following formula up to a maximum number that is equal to 10% of the Company's issued share capital (as at the date of any of the following events):*
  - (i) *An offeror under a takeover offer for all Shares announcing that it has achieved acceptances in respect of more than 50.1% of Shares and that the takeover bid has become unconditional; or*
  - (ii) *The Company announcing that Shareholders have at a Court convened meeting of Shareholders voted in favor, by the necessary majority, of a proposed scheme of arrangement under which all of the Company's Shares are to be either:*
    - (A) *cancelled;*
    - (B) *transferred to a third party;*
    - (C) *a Court by order approves the proposed scheme of arrangement.*
- (f) *Any Performance Right that has not been converted into a Share prior to the Expiry Date specified in paragraph (c) will automatically lapse.*
- (g) *The Performance Rights will not be quoted and are not transferable.*
- (h) *The Performance Rights confer no right to vote, except as required by law.*
- (i) *The Company will upon satisfaction of the relevant vesting condition issue that number of Shares equal to the Performance Shares vesting.*
- (j) *All Shares issued upon vesting of Performance Rights will rank equally in all respects with the Company's then issued Shares. The Company must apply to the ASX for quotation within the period specified in the Listing Rules and comply with section 708A(5) or section 708A(11) of the Corporations Act so that the Shares can be offered for sale without disclosure.*
- (k) *There are no participating rights or entitlements inherent in the Performance Rights and the holders will not be entitled to participate in new issues (including bonus) or pro-rata issues of capital to Shareholders or to receive a dividend (whether fixed or at the Directors' discretion) during the term of the Performance Rights.*

- (l) *In the event of any reconstruction (including consolidation, subdivisions, reduction or return) of the authorised or issued capital of the Company, all rights of the Performance Rights holder shall be reconstructed (as appropriate) in accordance with the ASX Listing Rules.*
- (m) *There are no rights to a return on capital, whether in a winding up, upon a reduction of capital or otherwise.*
- (n) *There are no rights to participate in the surplus profit or assets of the Company upon a winding up.*

### 2.3 Additional information required by ASX

As required by ASX and as set out in section 8(d) of ASX Guidance Note 19, the Company provides the following information

- (a) The Performance Rights are being issued in connection with the Offer to remunerate and incentivise Dr Zeng (A8G's managing director) and are not ordinary course of business remuneration securities.
- (b) Dr Zeng is the Company's sole executive and will be responsible for meeting the performance milestone. For the purposes of determining whether a vesting condition is met, the Company's Directors who do not have a material personal interest in the determination will cause the Company to obtain an opinion from a suitably qualified independent expert opining on whether the condition has been met.
- (c) The details of Dr Zeng's existing total remuneration package are set out in section 7.5 of the Prospectus, and is \$10,000 (plus GST) per month prior to the Company listing on ASX and \$20,000 (plus GST) per month thereafter.
- (d) Details of Dr Zeng's holdings are set out in section 7.3 of the Prospectus, and are as follows:

Number of securities held	Nature of consideration given by holder for issue	Issue price (if securities issued for cash)
Shares		
500,000	cash	\$0.10
3,150,000	cash	\$0.10
2,500,000	Services and relinquishment of tenement application	NIL
700,000	services	NIL

Options		
2,000,000	services	NIL
Performance Rights		
3,500,000	services	NIL

- (e) The non-executive Directors considered the Performance Rights and relevant milestones, which are linked to outcomes considered to be in the Company's and Shareholders' best interests, the most appropriate way to incentivise Dr Zeng whilst also minimising cash costs.
- (f) The number of Performance Rights was determined by the non-executive Directors in consultation with the Company's advisors, including company secretary and brokers. This both properly remunerated and incentivised Dr Zeng whilst also ensuring the overall capital structure on an undiluted basis was appropriate for a listing on ASX.

---

### 3 NO WITHDRAWAL RIGHTS

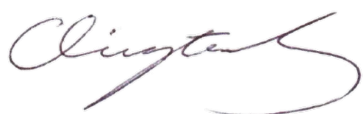
The Directors do not consider the circumstances disclosed in this Supplementary Prospectus to be materially adverse from the point of view of an investor, and no withdrawal rights will be offered to investors.

---

### 4 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 ASIC.

Dated: 27 April 2021



By Dr Qingtao Zeng  
Managing Director  
On behalf of Australasian Gold Limited