

## Supplementary Prospectus

### 1 Important information

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This is a supplementary prospectus (**Supplementary Prospectus**) intended to be read with the prospectus dated 9 November 2016 (**Prospectus**) issued by Ardea Resources Limited (**Company**). This is the first supplementary prospectus lodged with ASIC in relation to the Offers.

This Supplementary Prospectus is dated 18 November 2016 and was lodged with the Australian Securities and Investments Commission (**ASIC**) on that day.

This Supplementary Prospectus was lodged during the exposure period of the Prospectus (as extended by ASIC to end on 23 November 2016) and will be subject to the exposure period until it expires.

ASIC, ASX Limited (**ASX**) and their respective officers do not take any responsibility as to the contents of this Supplementary Prospectus.

Other than as set out below, all details in relation to the Prospectus remain unchanged. 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 Supplementary Prospectus will be issued with the Prospectus as an electronic prospectus and may be accessed on Ardea's website at [www.ardearesources.com.au](http://www.ardearesources.com.au). The Company will send a copy of this Supplementary Prospectus to all Applicants who have applied for Shares under the Prospectus as at the date of 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.

### 2 Reasons for the Supplementary Prospectus

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To address concerns raised by ASIC in relation to the Prospectus, the Company provides the following additional disclosure:

- (a) On page 6, in the column on the right of the heading "Non-renewal of title" and on top of the existing first paragraph, add the following as a new paragraph:

*"A number of Ardea's Tenements are subject to application or renewal, the details of which are set out in the Solicitors' Report. In particular, the Mt Zephyr project consists of 8 tenements, of which 6 are subject to grant. Of these, 3 are subject to objection, and require an access agreement with the holders of prior infrastructure tenements. There is a risk that Ardea may not acquire or retain title to these tenements."*

- (b) The Company discloses:

(i) a resource for Lewis Ponds at pages 1, 3, 5, 35, 43, 44 and 45;  
and

(ii) a resource for KNP at pages 1, 5, 15 and 59,

of the Prospectus. The categories of mineral resources (i.e. inferred, indicated and measured) are identified in the resource tables set out in the Technical Assessment Report in sections 6 of the Prospectus and are as follows:

### KNP nickel-cobalt Mineral Resources (JORC 2012)<sup>1</sup>

Resource Category	Tonnes (Mt)	Ni (%)	Co (%)
Measured	9.6	1.02	0.081
Indicated	244.0	0.75	0.052
<b>Total Measured and Indicated</b>	<b>253.6</b>	<b>0.76</b>	<b>0.052</b>
Inferred	551.7	0.68	0.046
<b>Total Resources</b>	<b>805.3</b>	<b>0.70</b>	<b>0.048</b>

<sup>1</sup> See Table 6.1 of the Technical Assessment Report (page 61) for disclosures.

### Lewis Ponds Project Mineral Resources<sup>2</sup>

Resource Category	Quantity (Mt)	Grades				
		Zn (%)	Cu (%)	Pb (%)	Au (g/t)	Ag (g/t)
<b>Indicated</b>						
Main Zone	5.82	2.1	0.1	1.1	1.5	59
Tom's Zone	0.54	5.5	0.3	3.8	1.7	172
Total Indicated	6.35	2.4	0.2	1.4	1.5	68
<b>Inferred</b>						
Main Zone	0.17	1.7	0.1	0.8	0.9	47
Tom's Zone	0.10	5.0	0.2	3.6	1.4	174
Total Inferred	0.27	3.0	0.1	1.9	1.1	96
Total Mineral Resource	6.62	2.4	0.2	1.4	1.5	69

<sup>2</sup> See Table 3.2 of the Technical Assessment Report (page 46) for disclosures.

- (c) On page 6, in the column on the right of the heading "Management" after the existing paragraph add the following as a new paragraph:

*"The loss of services of one or more Directors or senior executives may have an adverse effect on the Company's operations. Furthermore, if the Company is unable to attract, train and retain key individuals and other highly skilled employees and consultants, its business may be adversely affected."*

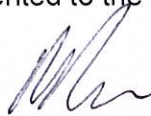
- (d) On page 22, under (b), after the existing paragraph add the following as a new paragraph:

*"The loss of services of one or more Directors or senior executives may have an adverse effect on the Company's operations. Furthermore, if the Company is unable to attract, train and retain key individuals and other highly skilled employees and consultants, its business may be adversely affected."*

### 3 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.



Matthew Painter  
Managing Director  
Signed for and on behalf of  
Ardea Resources Limited



Ian Buchhorn  
Non-Executive Director  
Signed for and on behalf of  
Heron Resources Limited