

HIPO RESOURCES LIMITED
ACN 147 106 974

CLEANSING PROSPECTUS

For the offer of:

- (a) up to 50,000 Shares at an issue price of \$0.02 per Share to raise up to \$1,000 (before expenses) (**Share Offer**); and
- (b) up to 50,000 Quoted Options at an issue price of \$0.01 per Share to raise up to \$500 (before expenses) (**Option Offer**);

(together, the **Offers**).

This Prospectus has been prepared primarily for the purpose of section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of Securities issued by the Company prior to the Closing Date.

IMPORTANT INFORMATION

This is an important document that should be read in its entirety. If you do not understand it you should consult your professional advisers without delay. **The Securities offered by this Prospectus should be considered highly speculative.**

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1. CORPORATE DIRECTORY

Directors

Mr Maurice Feilich
Executive Chairman

Mr Sam Jarvis
Non-Executive Director

Mr Daniel Smith
Non-Executive Director

Registered Office

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West Perth WA 6005

Telephone: +61 8 9321 7277
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Email: info@hiporesources.com.au
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Company Secretary

Mr Daniel Smith

ASX Code

HIP

Share Registry*

Computershare Investor Services Pty
Limited
Level 11, 172 St Georges Terrace
Perth WA 6000

Telephone: 1300 850 505

Solicitors

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

Auditors*

RSM Australia Partners
Level 32, Exchange Tower
2 The Esplanade
Perth WA 6000

* These entities have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus. Their names are included for information purposes only.

2. SUMMARY OF IMPORTANT DATES AND IMPORTANT NOTES

2.1 Indicative Timetable

Action	Date
Lodgement of Prospectus with the ASIC and ASX	19 July 2018
Opening Date	19 July 2018
Closing Date*	20 July 2018
Expected date for quotation of Securities issued under the Offers on ASX*	20 July 2018

** The above dates are indicative only and may change without notice. The Directors reserve the right to vary these dates, including the Closing Date, without notice. The Company also reserves the right not to proceed with the Offers at any time before the issue of Securities to applicants.*

2.2 Important Notes

This Prospectus is dated 19 July 2018 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.

The Offers are only available to those who are personally invited to accept the Offers. Applications for Securities offered pursuant to this Prospectus can only be submitted on an original Application Form which accompanies this Prospectus.

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

2.3 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.

2.4 Risk factors

Potential investors should be aware that subscribing for Securities in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in the Section 6 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Securities in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

2.5 Applicants outside Australia

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. This Prospectus does not constitute an offer of Securities in any jurisdiction where, or to any person to whom, it would be unlawful to issue in this Prospectus.

2.6 Disclaimer

No person is authorised to give information or to make any representation in connection with the Offers described in 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 the Offers. You should rely only on information in this Prospectus.

2.7 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 our 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 our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 6 of this Prospectus.

2.8 Website

No document or information included on the Company's website is incorporated by reference into this Prospectus.

3. DETAILS OF THE OFFERS

3.1 Offers

(a) Share Offer

Pursuant to this Prospectus, the Company invites investors identified by the Directors to apply for up to 50,000 Shares at an issue price of \$0.02 per Share to raise up to \$1,000 (before expenses).

The Share Offer will only be extended to specific parties on invitation from the Directors. Application Forms will only be provided by the Company to these parties.

The Shares offered under this Prospectus will rank equally with the existing Shares on issue. A summary of the material rights and liabilities attaching to the Shares is set out in Section 5.1.

(b) Option Offer

Pursuant to this Prospectus, the Company invites investors identified by the Directors to apply for up to 50,000 Quoted Options at an issue price of \$0.01 per Quoted Option to raise up to \$500 (before expenses).

The Option Offer will only be extended to specific parties on invitation from the Directors. Application Forms will only be provided by the Company to these parties.

The Quoted Options offered under this Prospectus will rank equally with the existing Quoted Options on issue. A summary of the material rights and liabilities attaching to the Quoted Options is set out in Section 5.2.

3.2 Minimum subscription

There is no minimum subscription.

3.3 Oversubscriptions

No oversubscriptions will be accepted by the Company.

3.4 Purpose of the Offers

The primary purpose of this Prospectus is to remove any trading restrictions that may have attached to Securities issued by the Company prior to the Closing Date (including prior to the date of this Prospectus).

Relevantly, section 708A(11) of the Corporations Act provides that a sale offer does not need disclosure to investors if:

- (a) the relevant securities are in a class of securities that are quoted securities of the body; and
- (b) either:
 - (i) a prospectus is lodged with the ASIC on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or

- (ii) a prospectus is lodged with ASIC before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the prospectus is for an offer of securities issued by the body that are in the same class of securities as the relevant securities.

3.5 Applications

Applications for Securities under the Offers must only be made by investors at the direction of the Company and using the Application Form accompanying this Prospectus. By completing an Application Form, you will be taken to have declared that all details and statements made by you are complete and accurate and that you have received personally the Application Form together with a complete and unaltered copy of the Prospectus.

Payment for Securities must be made in full at the issue price of \$0.02 per Share. Completed Application Forms and accompanying cheques, made payable to "**Hipo Resources Limited**" and crossed "**Not Negotiable**", must be mailed or delivered to the address set out on the Application Form by no later than the Closing Date.

The Company reserves the right to close the Offers early.

3.6 Not underwritten

The Offers are not underwritten.

3.7 ASX listing

Application for Official Quotation by ASX of the Securities offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. If the Securities 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 Securities and will repay all application monies for the Securities within the time prescribed under the Corporations Act, without interest.

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

3.8 Issue

The issue of Securities offered by this Prospectus will take place as soon as practicable after the Closing Date. Pending the issue of the Securities 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 will determine the recipients of all the Securities. The Directors reserve the right to reject any application or to allocate any applicant fewer Securities than the number applied for. Where the number of Securities issued is less than the number applied for, or where no issue is made, surplus application monies will

be refunded without any interest to the applicant as soon as practicable after the Closing Date. Interest will not be paid on moneys refunded.

The Company's decision on the number of Securities to be allocated to an Applicant will be final.

3.9 Defects in Applications

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.

3.10 Applicants outside Australia

The distribution of this Prospectus outside the Commonwealth of Australia may be restricted by law.

The Offers do not, and are not intended to, constitute offers in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

Residents of countries outside Australia should consult their professional advisers as to whether any government or other consents are required, or whether any formalities need to be observed should they wish to make an application to take up Securities on the basis of this Prospectus. The return of a duly completed Application Form will be taken to constitute a representation and warranty that there has been no breach of such laws and that all approvals and consents have been obtained.

3.11 Enquiries

Any questions concerning the Offers should be directed to Mr Daniel Smith, Company Secretary, on +61 8 9321 7277.

4. PURPOSE AND EFFECT OF THE OFFERS

4.1 Purpose of the Offers

The primary purpose of this Prospectus is to remove any trading restrictions that may have attached to Securities issued by the Company without disclosure under Chapter 6D of the Corporations Act prior to the Closing Date (including prior to the date of this Prospectus).

Under the Offers, an amount of approximately \$1,500 (before expenses) may be raised. All of the funds raised (if any) from the Offers will be applied towards the expenses of the Offers. Refer to Section 7.8 for further details relating to the estimated expenses of the Offers.

4.2 Effect on capital structure

The effect of the Offers on the capital structure of the Company are set out below.

Shares

	Number
Shares currently on issue	382,760,456
Shares offered pursuant to the Share Offer	50,000
Total Shares on issue on completion of the Offers	382,810,456

On 19 July 2018, the Board resolved to issue 3,750,000 Shares to two additional applicants under the shortfall offer that formed part of the Company's entitlement issue pursuant a prospectus dated 12 April 2018 (as supplemented by a supplementary prospectus dated 8 May 2018) (**Shortfall Shares**) (**Shortfall Offer**). The Company will issue the Shortfall Shares to the applicants on the same terms as the Shortfall Offer shortly following lodgement of this Prospectus using the Company's issue capacity under ASX Listing Rule 7.1.

Options

	Number
Options currently on issue:	97,333,873
Quoted Options: Exercisable at \$0.02 each on or before 30 June 2020	95,333,873
Unquoted Options: Exercisable at \$0.05 each on or before 30 April 2020	2,000,000
Quoted Options to be issued under the Option Offer	50,000
Total Options on issue on completion of the Offers	97,383,873

Notes:

- On 1 June 2018, the Company announced:
 - the conversion of 535,000 convertible notes through the issue of 26,750,000 Shares (further details with respect to the terms of these convertible notes is set out in the Company's notice of meeting dated 27 June 2017) (**Convertible Notes**); and
 - the conversion of loans for an aggregate sum of \$500,000 (**Convertible Loan**) through the issue of 27,500,000 Shares together with one attaching Quoted Option for every two Shares issued.

The Board has subsequently agreed that the holders of the Convertible Notes will be entitled to one attaching Quoted Option for every two Shares issued, being a total of 14,462,500 Quoted Options, such that the Convertible Notes have the same terms of conversion as the convertible loans converted on the same date.

The Company anticipates issuing 9,212,500 Quoted Options shortly following lodgement of the Prospectus, with the balance (being 5,250,000 Quoted Options) to be subject to the receipt of prior Shareholder approval as they are to be issued to certain of the Directors, as follows:

- (a) Maurice Feilich (or nominees) – 2,500,000 Quoted Options; and
- (b) Sam Jarvis (or nominees) – 2,750,000 Quoted Options.

The Company will convene a general meeting of Shareholders with respect to the issue of these Quoted Options at a later date.

2. On 19 July 2018, the Board resolved to issue 1,875,000 quoted options to two additional applicants of the Shortfall Offer (**Shortfall Options**). Following the lodgement of the Prospectus the Board will issue and allot the Shortfall Options to the Applicants on the same terms as the Shortfall Offer. The Company will issue the Shortfall Options out of their capacity under ASX Listing Rule 7.1.
3. The Board has received a proposal from a UK based investor relations firm to assist the Company with online public relations (**Proposal**). Pursuant to the Proposal the Company will issue the following unlisted options after the lodgement of the Prospectus:
 - (a) 2 million unlisted options with an exercise price of \$0.02 each once the Company achieves a 10 day VWAP of \$0.045 per share;
 - (b) 2.5 million unlisted options with an exercise price of \$0.02 each once the Company achieves a 10 day VWAP of \$0.065 per share; and
 - (c) 2.5 million unlisted options with an exercise price of \$0.02 each once the Company achieves a 10 day VWAP of \$0.085 per share,

for a total of 7,000,000 unlisted options expiring October 31, 2020. The Company will issue the Options using its placement capacity under ASX Listing Rule 7.1.

4.3 Financial effect of the Offers

After paying for the expenses of the Offers of approximately \$5,000, there will be no proceeds from the Offers. The expenses of the Offers (exceeding \$1,500) will be met from the Company's existing cash reserves. The Offers will have an effect on the Company's financial position, being receipt of funds of \$1,500 less expenses of the Offers of \$5,000.

5. RIGHTS ATTACHING TO SECURITIES

5.1 Rights attaching to Shares

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

Full details of the rights 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.

5.2 **Rights attaching to Quoted Options**

(a) **Entitlement**

Each Quoted Option entitles the holder to subscribe for one Share upon exercise of the Quoted Option.

(b) **Exercise Price**

Subject to paragraph (j), the amount payable upon exercise of each Quoted Option will be \$0.02 (**Exercise Price**)

(c) **Expiry Date**

Each Quoted Option will expire at 5:00 pm (WST) on 30 June 2020 (**Expiry Date**). A Quoted Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Quoted Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Quoted Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Quoted Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Quoted Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Quoted Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Quoted Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things

necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Quoted Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Quoted Options rank equally with the then issued shares of the Company.

(i) **Quotation of Shares issued on exercise**

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Quoted Options.

(j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of a Quoted Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(k) **Participation in new issues**

There are no participation rights or entitlements inherent in the Quoted Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Quoted Options without exercising the Quoted Options.

(l) **Change in exercise price**

A Quoted Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Quoted Option can be exercised.

(m) **Transferability**

The Quoted Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

6. RISK FACTORS

6.1 Introduction

The Securities offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the key specific risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this Section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Securities.

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

6.2 Specific Risks

(a) Risks associated with operating in Uganda

The Company's principal focus is on projects located in Uganda, a country considered to have high political and sovereign risk. Changes in legislative and administrative regimes, taxation laws, interest rates, other legal and government policies in Uganda may have an adverse effect on the assets, operations and ultimately the financial performance of the Company and the market price of the Company's Securities. Any material adverse changes in government policies or legislation in Uganda may affect the viability and profitability of the Company. Possible sovereign risks associated with operating in Uganda include, without limitation, changes to the terms of mining legislation, changes to royalty arrangements, changes to taxation rates and concessions and changes to the ability to enforce legal rights. The Company's operations in Uganda require the granting and maintenance of appropriate licences, permits and regulatory consents, authorisations (including those related to interests in mining and exploration licenses), which may not be granted or may be withdrawn or be made subject to limitations at the discretion of government or regulatory authorities. The Company also relies on authorisations pursuant to some of its contracts with various counterparties in relation to its ongoing operations and development activities. Although such authorisations may be renewed following expiry or granted (as the case may be), there can be no assurance that such authorisations will be continued, renewed or granted, or of terms of renewals or grants. If there is a failure to obtain or retain the appropriate authorisations or there is a material delay in obtaining or renewing them or they are granted subject to onerous conditions, then the Company's ability to conduct its exploration, development or operations may be adversely affected.

(b) Uganda Projects – risk of unforeseeable events

The Company's operations and development activities at the Uganda Projects could be affected by various unforeseeable events and circumstances.

The Company's activities at the Busumbu Phosphate Project and other early stage exploration activities on copper, iron, zircon and rare earths targets on the Uganda Projects could be affected by various unforeseeable events and circumstances, which may result in increased costs, lower production levels and, following on from that, lower revenue levels. The Company could be adversely affected by disruptions to operations or future proposed mine development or operations caused by adverse climatic conditions (including weather/natural disasters and other force majeure events), hydrological, geological, geotechnical, seismic and mining conditions, breakdown of equipment, industrial accidents, labour disputes, transport accidents occupational safety and health issues, port delays and potential substantial costs associated with environmental remediation and rehabilitation (and associated damage control and losses).

The Company will seek to minimise the potential damage that could arise from the occurrence of some of these risks by obtaining appropriate insurance cover for certain events and appropriate indemnities from suppliers and contractors. As to mitigating environmental risks, the Company aims to conduct its operations and activities to the highest standard of environmental obligation, including compliance with all environmental laws and regulations. However, the Company is unable to predict any future changes to environmental laws and regulations, which may materially increase the Company's cost of doing business or affect its operations. Any negative outcomes flowing from these operational risks could have an adverse effect on the Company's business, financial condition, profitability and performance.

The Company's Ugandan Projects are subject to operating risks that could result in increased costs and reduced revenues and, as a result, one or more mineral deposits becoming unprofitable or uneconomic. If any one or more of these operating risks eventuates, it could result in increased production costs for the Company and may materially impact on the Company's competitive position or ability to derive profits. In particular, mining costs may be materially impacted by adverse mining and geological conditions.

These potential risks in relation to both disruptions to operations and operating risks generally, should they eventuate, could adversely affect the Company's business, financial condition, profitability and performance. This may include loss of revenue due to lower production than expected, higher operation and maintenance costs or on-going unplanned capital expenditure.

The Company is proposing to complete further detailed exploration work at the Busumbu Phosphate Project including, resource definition drilling, preliminary mine planning and optimisation studies, broad sampling and metallurgical test work and preliminary processing plant optimisation studies. There is a risk that the Company may not be able to identify sufficient reserves to meet any increased exploration expenditure.

Further mine planning and optimisation studies, processing plant test work and optimisation studies and further feasibility work will all need to be completed by the Company with respect to the Busumbu Phosphate Project.

(c) **'Going concern' Risk**

While completing the audit review of the Company's half yearly financial report for the half-year ended 31 December 2017, the Company's auditor, noted the following:

"...these events or conditions, along with other matters as set out in Note 1 indicate that a material uncertainty exists that may cast significant doubt on the consolidated entity's ability to continue as a going concern"

Notwithstanding the 'going concern' qualification included in the half yearly financial report, the Directors believe that the Company will have sufficient funds to adequately meet the Company's current exploration commitments and short term working capital requirements following its recently completed capital raising activities.

(d) **Contractual Risks**

The Company is yet to enter a number of formal agreements with respect to the following exclusive options:

- (i) exclusive 90 day due diligence option to earn (by way of farm-in) a 60% legal and beneficial interest in mining permits located in south-east of Manono lithium province, Democratic Republic of Congo, from Crown Mining Sarl; and
- (ii) exclusive 45 day due diligence option to earn (by way of farm-in) a 75% beneficial interest in Exploration Licences located in in south-east of Manono lithium province, Democratic Republic of Congo, from Cooperative Miniere de Development de Dikuluwe.

The farm-in terms are yet to be negotiated and finalised during the due diligence option periods. There is no guarantee that the Company will enter into formal agreements or exercise its farm-in rights under these agreements, and this will be decided after the Company has undertaken due diligence. If the Company does not enter these agreements, the Company would not obtain an interest in these additional tenements and the associated lithium rights.

(e) **Exchange Rates**

A significant portion of the Company's operating expenses are denominated in Ugandan Shillings. Furthermore, the Company holds a portion of its cash balance in US dollars and Australian dollars at any given time.

Accordingly, the Company's income from, and the value of its business, will be affected by fluctuations in the rates by which the US dollar is exchanged with Ugandan shilling and Australian dollars. For example, a weakening in the value of the US dollar as compared to the Ugandan shilling and Australian dollar, would have an effect of reducing the Ugandan shilling value of US dollar sales. Although steps may be undertaken by the Company to manage currency risk (for example via hedging strategies to be implemented under the Company's Hedging Policy), adverse movements in the Ugandan shilling and Australian dollar against the US dollar may have an adverse impact on the Company.

Combined with other factors, this could lead to a deterioration in the Company's financial performance and competitive position.

(f) **Uganda is land locked**

Uganda is a land locked country and the export of the Company's products to its customers is subject to access to infrastructure and the stability of and regulation in the countries neighbouring Uganda.

The Company's operations in Uganda require access to road and rail haulage and transportation operations through Uganda and Kenya, and access to relevant infrastructure and its use of port facilities at Mombasa and the Company relies on the granting and maintenance of appropriate licences, permits and regulatory consents and authorisations, which may not be granted or may be withdrawn or be made subject to limitations at the discretion of government or regulatory authorities.

Although the authorisations may be granted or renewed following expiry (as the case may be), there can be no assurance that such authorisations will be continued, renewed or granted, or as to the terms of renewals or grants. If there is a failure to obtain or retain these authorisations or there is a material delay in obtaining or renewing them or they are granted subject to onerous conditions, then the Company's ability to export its products, access road and rail haulage and transportation operations through Uganda and Kenya, access relevant infrastructure or use the port facilities at Mombasa for export may be adversely affected.

(g) **Exploration, mining, operational and technical difficulties**

The Company's exploration and production activities may be impacted by exploration and mining, operational and technical difficulties.

The Company's exploration and production may be hampered by adverse developments in mining laws, environmental legislation, industrial accidents, industrial disputes, cost overruns, failure to achieve predicted grades in exploration and operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, land claims and compensation and other unforeseen contingencies.

The success of the Company is also impacted by the discovery of economically recoverable reserves and resources, the availability and cost of required development capital, movement in the price of commodities, securing and maintaining title to its exploration and mining tenements as well as obtaining all necessary consents and approvals of the conduct of its exploration and production activities.

Exploration and production on the Company's existing exploration and mining licenses may prove unsuccessful resulting in a reduction of the value of those licenses and a diminution in the cash flow and cash reserves of the Company as well as possible relinquishment of the exploration and mining licenses.

Risks involved in mining operations include unusual and unexpected geologic formations, seismic activity, cave-ins, flooding and other conditions involved in the drilling and removal of any material, any of which could result in damage to life or property, environmental damage

and possible legal liability. Further, weather conditions over a prolonged period can damage infrastructure, including haulage roads, and adversely affect exploration, production, mining and drilling operations and the timing of earning revenues.

Whether income will result from projects undergoing exploration and development programs depends on the successful establishment of mining operations. Factors including costs, actual mineralisation, consistency, quality and reliability of ore grades and commodity prices affect successful project development. The design and construction of efficient processing facilities, the existence of competent operational management and prudent financial administration, as well as the availability and reliability of appropriately skilled and experienced consultants also can affect successful project development.

(h) **Environmental and other regulatory risks**

Environmental legislation is evolving in a manner which will likely require stricter standard and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There can be no assurance that future changes in environmental regulations in Uganda, if any, will not materially and adversely affect the Company's business, prospects, financial condition and results of operations.

Various governmental approvals and permits will also be required in connection with various aspects of the Company's operations from time to time. To the extent such approvals or permits are required and not obtained, the Company may be delayed or prevented from proceeding with planned exploration or development.

(i) **Additional requirements for capital risk**

The Company may require further financing in addition to amounts recently raised. 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, the Company may be required to reduce the scope of its operations and scale back its mining and 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.

(j) **Competition risk**

The Company will be participating in a highly competitive market, however the Directors are of the view that there are few, if any, specific competitors who have a dominant market share and dictate the structure or practices in the market.

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.

(k) **Reliance on key personnel and the need to attract qualified staff**

The Company's success depends on the core competencies of its Directors and management team to operate in the resource and mining industry. The loss of one or more of these persons could adversely affect the growth prospects, operating results and financial performance of the Company. There can be no assurance that the Company will be able to attract or retain sufficiently qualified personnel on a timely basis or retain its key management personnel.

Further, in order to undertake the Company's planned development activities, it may require additional financial, administrative, permitting and operational personnel. While the Company believes that it will be successful in attracting and retaining qualified personnel, there can be no assurance of such success.

6.3 General risks

(a) **Economic**

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

(b) **Market conditions**

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

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

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

(c) **Additional requirements for capital**

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing. 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.

(d) **Dividends**

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the 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.

(e) **Taxation**

The acquisition and disposal of Securities 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 Securities from a taxation viewpoint and generally.

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

6.4 Investment speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Securities offered under this Prospectus.

Therefore, the Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities.

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

7. ADDITIONAL INFORMATION

7.1 Litigation

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

7.2 Continuous Disclosure Obligations

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

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

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

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

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

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

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

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

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

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

Date	Description of Announcement
13/07/2018	Completion of Kamola Lithium Project Due Diligence
03/07/2018	Expiry of Unlisted Options
19/06/2018	Change Of Company Name and ASX Code
15/06/2018	BMZ Secures Farm-in Partner For Ugandan Phosphate
15/06/2018	Initial Director's Interest Notice - Jarvis
15/06/2018	Initial Director's Interest Notice - Smith
15/06/2018	Final Director's Interest Notice - Grant-Rennick
15/06/2018	Final Director's Interest Notice - Bechis
13/06/2018	Restructure Complete Focus On Lithium & Ugandan Exploration
01/06/2018	Change of Director's Interest Notice - S. Grant-Rennick
01/06/2018	Change of Director's Interest Notice - M. Feilich
01/06/2018	Section 708A(5)(e) Notice
01/06/2018	Update and Appendix 3B
28/05/2018	Change of Director's Interest Notice - M. Feilich
18/05/2018	Results of Non-Renounceable Entitlement Issue
15/05/2018	Technical Due Diligence Update
14/05/2018	Results of Meeting
08/05/2018	Supplementary Prospectus
01/05/2018	Quarterly Activities and Cash Flow Report
20/04/2018	Dispatch of Prospectus Complete
13/04/2018	Letters to Shareholders
12/04/2018	Letter to Optionholders
12/04/2018	Appendix 3B - Entitlement Issue
12/04/2018	Entitlement Issue Prospectus

12/04/2018	Non-Renounceable Entitlement Issue
12/04/2018	Notice of General Meeting/Proxy Form
05/04/2018	BMZ Raises \$500,000 & Enters DD on Lithium Project in DRC
19/03/2018	Financial Report for the Half Year Ended 31 December 2017

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

The announcements are also available through the Company's website at www.hiporesources.com.au.

7.3 Market price of Securities

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

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

Shares

	(\$)	Date
Highest	0.033	4 June 2018
Lowest	0.021	27, 28 and 29 June and 3, 4, 10, 11 and 12 July 2018
Last	0.022	18 July 2018

Quoted Options

	(\$)	Date
Highest	0.015	4 June 2018
Lowest	0.008	22, 23 and 28 May 2018
Last	0.010	18 July 2018

7.4 Substantial Shareholders

Based on substantial Shareholder notices lodged prior to the date of this Prospectus and the Company's annual financial report for the year ended 30 June 2017, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Richmond Partners Masters Limited	27,973,727	7.31

7.5 Interests of Directors

Other than as set out below or elsewhere 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:

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

Security Holdings

Directors are not required under the Company's Constitution to hold any Shares to be eligible to act as a director. The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus is set out in the table below:

Director	Shares	Options
Mr Maurice Feilich ¹	15,453,374	3,925,844
Mr Sam Jarvis ²	13,500,000	6,750,000
Mr Daniel Smith	Nil	Nil

Notes:

1. Mr Feilich holds a relevant interest in these securities in the manner set out below:
 - (a) Filmrim Pty Ltd (Maurice Feilich is a Director and Shareholder of this entity) – 7,653,374 Shares and 3,225,844 Quoted Options;
 - (b) Filmrim Pty Ltd <Majufe Super A/C> (Maurice Feilich is a Director and shareholder of trustee and beneficiary) – 3,900,000 Shares and 350,000 Quoted Options;
 - (c) Chaley Holdings Pty Ltd <Rubben Family A/C> (Maurice Feilich is a Director and shareholder of trustee & beneficiary) – 3,300,000 Shares and 200,000 Quoted Options; and
 - (d) Notegrin Pty Ltd (Maurice Feilich is a Director and shareholder) – 600,000 Shares and 150,000 Quoted Options.

As set out in Section 4.2, Mr Feilich may be issued an additional 2,500,000 Quoted Options, subject to receipt of prior Shareholder approval.

Mr Jarvis has a relevant interest in 13,500,000 Shares and 6,750,000 Quoted Options his interest in Claymore Ventures Limited (of which he is a director and shareholder). As set out in Section 4.2, Mr Jarvis may be issued an additional 1,662,500 Quoted Options, subject to receipt of prior Shareholder approval.

No Director or any of their associates intend to participate in the Offers.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is determined 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 will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$300,000 per annum.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the annual remuneration paid to both executive and non-executive Directors inclusive of superannuation for the past financial year and the proposed remuneration for the financial year ended 30 June 2018.

	Financial year ended 30 June 2017	Financial year ended 30 June 2018	Financial year ended 30 June 2019
Mr Maurice Feilich ¹	Nil ¹	\$105,000	\$36,000
Mr Sam Jarvis ²	Nil ²	Nil	\$36,000
Mr Daniel Smith ³	Nil ³	Nil	\$36,000

Notes:

- ¹ Mr Feilich was appointed as a Non-Executive Director on 1 July 2017.
- ² Mr Jarvis was appointed as a Non-Executive Director on 13 June 2018.
- ³ Mr Smith was appointed as a Non-Executive Director on 13 June 2018.

Daniel Smith Disclosure

Mr Smith was a director of York Energy NL, a company which was placed into voluntary administration on 9 September 2013 when the company was unable to secure the funds required to maintain its interest in its main asset, the Kangwane North coal project in South Africa. The administration resulted in a \$2.5 million shortfall to creditors.

7.6 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
- (a) 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:

- (b) the formation or promotion of the Company; or
- (c) the Offers.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offers and associated due diligence process. The Company estimates it will pay Steinepreis Paganin \$3,000 (excluding GST and disbursements) for these services.

7.7 Consents

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- (b) to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

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

7.8 Expenses of the Offers

The total expenses of the Offers are estimated to be approximately \$5,000 (excluding GST) and are expected to comprise legal fees, printing and other administrative expenses, including ASIC fees. The estimated expenses will be paid out of the Company's existing working capital.

7.9 Electronic Prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please contact the Company and the Company will send you, for free, either a hard copy or a further electronic copy of this Prospectus or

both. Alternatively, you may obtain a copy of this Prospectus from the website of the Company at www.hiporesources.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.

7.10 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.

7.11 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.

8. 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.

Daniel Smith
Director and Company Secretary
For and on behalf of
HIPO RESOURCES LIMITED

9. GLOSSARY

\$ means an Australian dollar.

Applicant means an investor that applies for Securities under the Offers using an Application Form pursuant to this Prospectus.

Application Form means the application form attached to or accompanying this Prospectus relating to the Offers.

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.

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

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

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

Company means Hipo Resources Limited (ACN 147 106 974).

Constitution means the constitution of the Company.

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

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

Offers means the offers of Securities referred to in Section 3.

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

Opening Date means the opening date of the Offers as set out in the indicative timetable in the Section 2.1.

Option means an option to acquire a Share.

Prospectus means this prospectus.

Quoted Option means an Option on the terms and conditions set out in Section 5.2.

Section means a section of this Prospectus.

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

Shareholder means a holder of Shares.

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