



MILLENNIUM

MINERALS LIMITED

ABN 85 003 257 556

Millennium Minerals Limited ACN 003 257 556

OFFER BOOKLET

This Offer Booklet is being issued in relation to a pro-rata renounceable entitlement offer of 1 New Share for every 8.8 Shares held at an issue price of \$0.165 per New Share to raise approximately \$15 million (before costs) (**Entitlement Offer**).

The Entitlement Offer closes at 5.00pm Sydney time on 14 March 2019. *

The Entitlement Offer is fully underwritten by Bell Potter Securities Limited (**Bell Potter**) with a sub-underwriting arrangement with IMC Resources Gold Holdings Pte Ltd (**IMC**).

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT SHOULD BE READ IN ITS ENTIRETY. IF YOU ARE IN DOUBT ABOUT WHAT TO DO, YOU SHOULD CONSULT YOUR PROFESSIONAL ADVISER WITHOUT DELAY.

THIS OFFER BOOKLET IS PROVIDED FOR INFORMATION PURPOSES AND IS NOT A PROSPECTUS OR OTHER DISCLOSURE DOCUMENT UNDER THE CORPORATIONS ACT.

AN INVESTMENT IN THE SECURITIES OFFERED IN CONNECTION WITH THIS OFFER BOOKLET SHOULD BE CONSIDERED OF A SPECULATIVE NATURE.

*The Company reserves the right, subject to the Corporations Act and Listing Rules to extend the Closing Date for the Entitlement Offer.

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IMPORTANT INFORMATION

This Entitlement Offer Booklet (**Offer Booklet**) is dated 25 February 2019. Capitalised terms have the meaning given to them in Section 5.

This Offer Booklet has been issued by Millennium Minerals Limited ACN 003 257 556.

This Entitlement Offer is being made without a prospectus in accordance with section 708AA of the *Corporations Act 2001* (Cth) (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84) to Eligible Shareholders with a registered address in Australia, New Zealand, Singapore, Hong Kong, the British Virgin Islands and the United Kingdom at 7pm Sydney time on 28 February 2019 (**Record Date**).

This Offer Booklet is not a prospectus under Australian law or under any other law. Accordingly, this Offer Booklet does not contain all of the information which a prospective investor may require to make an investment decision and it does not contain all of the information which would otherwise be required by Australian law or any other law to be disclosed in a prospectus. This Offer Booklet should be read in conjunction with the Company's other periodic and continuous disclosure announcements to ASX available at www.asx.com.au.

This Offer Booklet may contain forward-looking statements, opinions and estimates. Forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond the Company's control, and which may cause actual results to differ materially from those expressed in the statements contained in this Offer Booklet and the attached materials. You should not place undue reliance on these forward-looking statements. These forward-looking statements are based on information available to the Company as of the date of this Offer Booklet. Except as required by law or regulation (including the ASX Listing Rules) the Company undertakes no obligation to update these forward-looking statements.

Before making any decision to invest, Eligible Shareholders must make their own investigations and analyses regarding the Company, its business, financial performance, assets, liabilities and prospects, rely on their own inquiries and judgements in the light of their own personal circumstances (including financial and taxation issues) and seek appropriate professional advice.

This Offer Booklet has been prepared for publication only in Australia, New Zealand, Singapore, Hong Kong, the British Virgin Islands and the United Kingdom and may not be released to US wire services or distributed in the United States. This Offer Booklet does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

CORPORATE DIRECTORY

Directors

Mr Greg Bittar	Non-Executive Chairman
Mr Tim Kennedy	Non-Executive Director
Mr Peter Lester	Non-Executive Director
Mr Bruno Lorenzon	Non-Executive Director

Chief Executive Officer

Mr Peter Cash

Chief Financial Officer and Company Secretary

Mr Ray Parry

Registered and Principal Office

Unit 7, 140 Abernethy Road
Belmont WA 6104
Australia

Phone: +61 8 9216 9011
Fax: +61 8 9481 0288
Email: info@mmltd.com.au
Website: www.millenniumminerals.com.au

Legal Adviser

Bellanhouse
Level 19, Alluvion
58 Mounts Bay Road
Perth WA 6000

Underwriter

Bell Potter Securities Limited
Level 38, Aurora Place
88 Phillip Street
Sydney NSW 2000

Share Registry*

Link Market Services Limited
Level 12, QV1 Building
250 St Georges Terrace
Perth WA 6000

Phone: +61 1300 554 474
Fax: +61 2 9287 0303

Auditor*

KPMG
235 St Georges Terrace
Perth WA 6000

ASX Code: MOY

* These entities are included for information purposes only. They have not been involved in the preparation of this Offer Booklet.

LETTER FROM THE CHAIRMAN

Dear Shareholder,

On behalf of the Directors, I am pleased to invite you as a valued Shareholder of Millennium Minerals Limited (**Company**) to participate in a 1 for 8.8 renounceable pro rata entitlement offer of new fully paid ordinary shares in the Company (**New Shares**) at an issue price of \$0.165 per New Share (**Issue Price**) to raise up to approximately \$15 million (**Entitlement Offer**).

Entitlement Offer

Under the Entitlement Offer, Eligible Shareholders are entitled to acquire 1 New Share for every 8.8 existing fully paid ordinary shares in the Company (**Shares**) held on the record date, being 7:00pm (Sydney time) on 28 February 2019 (**Record Date**). New Shares issued under the Entitlement Offer will rank equally with existing Shares.

The Entitlement Offer is expected to raise approximately \$15 million (before costs).

Use of funds

The proceeds of the Entitlement Offer will be used to fund the development of a new underground mine at the Golden Gate Mining Centre and exploration as well as for general working capital and costs of the Entitlement Offer.

Actions required to take up your Entitlement

As an Eligible Shareholder, you may choose one of the following options:

- (a) apply for all of your Entitlement under the Entitlement Offer;
- (b) apply for all of your Entitlement under the Entitlement Offer and apply for additional New Shares in excess of your Entitlement;
- (c) apply for part of your Entitlement; or
- (d) take no action.

The Entitlement Offer closes at **5.00pm (Sydney time) on 14 March 2019**. To participate in the Entitlement Offer, you must apply for New Shares before this time in accordance with the instructions set out in Section 2 of this Offer Booklet.

It is important that you carefully read this Offer Booklet and the other publicly available information about the Company on our website (www.millenniumminerals.com.au) and consider in particular the risk factors set out in Section 3 before making any investment decision. With this Offer Booklet you will also find your Entitlement and Acceptance Form which details your Entitlement and provides instructions on how to participate in the Entitlement Offer.

On behalf of the Directors, I invite you to consider this opportunity and thank you for your continued support.

Yours sincerely

Greg Bittar
Non-Executive Chairman

KEY DATES

Event	Date
Announce Entitlement Offer Lodge Appendix 3B, Offer Booklet and s708AA Cleansing Notice with ASX	Pre-market on 25 February 2019
Notice of Entitlement Offer sent to Shareholders	26 February 2019
Shares quoted on "EX" basis Rights trading starts	27 February 2019
Record Date for determining Entitlements (7.00pm Sydney time)	28 February 2019
Offer Booklet and Entitlement and Acceptance Form despatched to Eligible Shareholders (and announce despatch)	5 March 2019
Rights trading ends	7 March 2019
Last day to extend the Entitlement Offer Closing Date	11 March 2019
Closing Date of Entitlement Offer (5.00pm Sydney time)	14 March 2019
Notification of shortfall	15 March 2019
Anticipated date for issue of the Shares under the Entitlement Offer Deferred settlement trading ends	21 March 2019
Anticipated date for commencement of Shares trading on a normal settlement basis	22 March 2019

Eligible Shareholders that wish to participate in the Entitlement Offer are encouraged to subscribe for New Shares as soon as possible after the Entitlement Offer opens. The Company reserves the right, subject to the Corporations Act, the Listing Rules and other applicable laws, to vary the dates of the Entitlement Offer (including extending the Entitlement Offer or accepting late applications) without notice.

SUMMARY OF OFFER

	Key Information
Issue Price	\$0.165 per New Share.
Discount	17.5% to the Company's closing price of Shares on 20 February 2019 of \$0.20.
Entitlement	1 New Share for every 8.8 Shares held on the Record Date (7.00pm (Sydney time) 28 February 2019).
Additional New Shares available	<p>The number of New Shares to be issued pursuant to the Entitlement Offer is 90,623,720 New Shares</p> <p>Eligible Shareholders may apply for New Shares in excess of their Entitlement.</p> <p>Shortfall will be dealt with in accordance with the Underwriting Agreement and Sub-Underwriting Agreement. Refer to Section 1.3.</p> <p>If the Company scales back applications for Additional New Shares, excess funds will be returned to applicants without interest in accordance with Section 2.8.</p>
Number of Shares on issue on completion of the Entitlement Offer	888,112,463.
Amount to be raised under the Entitlement Offer (before costs)	\$14,952,914
Underwriting and Sub-underwriting	The Entitlement Offer is fully underwritten by Bell Potter with a sub-underwriting arrangement with IMC. Refer to Section 1.5.

1. Details of the Entitlement Offer

1.1 Overview of the Entitlement Offer

The Company proposes to raise approximately \$15 million under the Entitlement Offer through the issue of approximately 90,623,720 New Shares. Under the Entitlement Offer, the Company is offering Eligible Shareholders the opportunity to subscribe for 1 New Share for every 8.8 existing Shares held at the Record Date, at an Issue Price of \$0.165 per New Share.

The Issue Price represents a discount of approximately 17.5% to the Company's closing price of Shares on 20 February 2019 of \$0.20.

Where fractions arise in the calculation of an Entitlement, they have been rounded down to the next whole number of New Share.

The Entitlement Offer comprises two parts:

- (a) **(Entitlement Offer)** under which Eligible Shareholders are being sent this Offer Booklet, together with a personalised Entitlement and Acceptance Form, and are being invited to take up all or part of their Entitlement; and
- (b) **(Shortfall Offer)** under which New Shares attributable to Entitlements not taken up by Eligible Shareholders will be offered under a Shortfall Offer to Eligible Shareholders that have exercised their full Entitlement.

The Entitlement Offer is fully underwritten by Bell Potter (**Underwriter**), with a sub-underwriting arrangement with IMC. See Section 1.5 for further details on the underwriting and sub-underwriting arrangements.

Details of the effect of the Entitlement Offer on the:

- (a) Company's capital structure are set out in Section 1.6;
- (b) Company's finances are set out in Section 1.9; and
- (c) control of the Company are set out in Section 1.10.

The use of funds is set out in Section 1.7 and details on how to apply for New Shares are set out in Section 2.

Please refer to Section 3 for the risks associated with an investment in the Company. You should also consider publicly available information about the Company available at www.asx.com.au and www.millenniumminerals.com.au.

1.2 Eligible Shareholders

Eligible Shareholders are those holders of Shares who:

- (a) are registered as a holder of Shares on the Record Date;
- (b) have a registered address in Australia, New Zealand, Singapore, Hong Kong, the British Virgin Islands or the United Kingdom;

- (c) are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent such person holds shares in the Company for the account or benefit of such person in the United States);
- (d) are eligible under all applicable securities laws to receive an offer under the Entitlement Offer without any requirement for a prospectus or offer booklet to be lodged or registered.

Shareholders that are not Eligible Shareholders are Ineligible Shareholders. The Company has determined that it is unreasonable to extend to Ineligible Shareholders the opportunity to participate in the Entitlement Offer because of the small number of such Shareholders, the number and value of Shares that they hold and the cost of complying with the applicable regulations in jurisdictions outside Australia, New Zealand, Singapore, Hong Kong, the British Virgin Islands or the United Kingdom.

The Entitlements of Eligible Shareholders who also hold options to acquire Shares or performance rights will be calculated on the basis of the number of Shares they hold on the Record Date, disregarding any options or performance rights which have not been exercised or converted before that time.

1.3 Shortfall Offer

A Shortfall Offer will allow Eligible Shareholders that have fully subscribed for their Entitlement under the Entitlement Offer to subscribe for additional New Shares in excess of their Entitlement (**Additional New Shares**). Eligible Shareholders can subscribe for Additional New Shares by completing the relevant part of the Entitlement and Acceptance Form, or through BPAY®. Please refer to Section 2.7.

Any Additional New Shares will be limited to the extent that there are sufficient New Shares from Eligible Shareholders who do not take up their full Entitlements or from New Shares that would have been offered to Ineligible Shareholders if they had been entitled to participate in the Entitlement Offer.

Shortfall will be dealt with in accordance with the Underwriting Agreement and Sub-Underwriting Agreement. Please refer to Section 4.12. If there is remaining shortfall due to a default under or termination of the Underwriting Agreement or Sub-Underwriting Agreement, the Company reserves the right to proceed to allocate shortfall within three months after the Closing Date at its absolute discretion.

There is no guarantee that Eligible Shareholders will receive the number of Additional New Shares applied for. The Company's decision on the number of New Shares and Additional New Shares to be allocated will be final. In the event of a scale back, the difference between the Application Monies received, and the number of New Shares allocated to you multiplied by the Issue Price, will be refunded by the Company, without interest, following allotment.

1.4 Ranking of New Shares

New Shares and Additional New Shares issued under the Entitlement Offer will rank equally with existing Shares.

1.5 Underwriting and Sub-Underwriting

Bell Potter has been appointed as the Underwriter to fully underwrite the Entitlement Offer up to 90,623,720 Shares (**Underwritten Shares**), in consideration for a 3.5% underwriting fee and 2.5% management and selling fee for any Underwritten Shares. An underwriting agreement has been agreed between the Underwriter and the

Company (**Underwriting Agreement**). A summary of the Underwriting Agreement is contained in Section 4.12.

The Company and the Underwriter have also entered into a sub-underwriting agreement with IMC (**Sub-Underwriting Agreement**) under which IMC has agreed to sub-underwrite the Underwritten Shares for a 5% sub-underwriting fee payable by the Company for the Sub-Underwritten Amount pursuant to the Sub-Underwriting Agreement. Under the Sub-Underwriting Agreement, IMC has also agreed that it will subscribe for its full Entitlement of 43,071,147 New Shares under the Entitlement Offer. A summary of the Sub-Underwriting Agreement is contained in Section 4.13.

1.6 Effect of the Entitlement Offer on capital structure

(a) Share capital

The proposed capital structure of the Company following the issue of New Shares in connection with the Entitlement Offer will be as follows:

Event	Shares
Shares on issue on announcement of the Entitlement Offer	797,488,743
New Shares to be issued under the Entitlement Offer	90,623,720
Shares on issue after the Entitlement Offer	888,112,463

The final number of New Shares to be issued under the Entitlement Offer is subject to reconciliation.

(b) Other securities

As at the date of this Offer Booklet, the Company has on issue 14,120,000 options and 26,581,500 performance rights. The exercise price of all options and performance rights and the number of underlying shares to which the options and performance rights relate will be readjusted in accordance with their terms and the Listing Rules following the Entitlement Offer. The options and performance rights do not carry an entitlement to participate in the Entitlement Offer.

1.7 Use of funds

The Company intends to apply the funds raised from the Entitlement Offer in accordance with the table set out below:

Item of expenditure	Amount (\$ million)	%
Development of underground mine at the Golden Gate Mining Centre	10	67
Exploration	4	27
Expenses of the Entitlement Offer	1	6
TOTAL	15	100

1.8 Directors Interests

The relevant interest of each of the Directors of the Company as at the date of this Offer Booklet, together with their Entitlement under the Entitlement Offer are set out below:

Name	Existing Securities		Entitlements
	Shares	%	
Greg Bittar	5,182,539	0.65	588,924
Peter Lester	450,000	0.06	51,136
Tim Kennedy	450,000	0.06	51,136
Bruno Lorenzon	Nil	Nil	Nil

As at the date of this Offer Booklet, each of the Directors with an existing shareholding (other than Mr Greg Bittar, who intends to take up 151,515 shares under the Entitlement Offer) intends to take up their full entitlement under the Entitlement Offer.

1.9 Pro forma consolidated statement of financial position

Set out below is:

- the unaudited consolidated statement of financial position of the Company as at 31 December 2018 (**Balance Date**);
- the unaudited significant changes since the Balance Date;
- the unaudited effects of the Entitlement Offer; and
- the unaudited pro forma statement of financial position of the Company at the Balance Date adjusted to reflect paragraphs (b) and (c), assuming the Entitlement Offer is fully subscribed.

	Unaudited Balance Sheet as at 31/12/18 (\$'000)	Significant changes since 31/12/18 (\$'000)	Effect of Offers (\$'000)	Unaudited Pro Forma Balance Sheet Post Offers (\$'000)
Current Assets				
Cash & cash equivalents	5,296	10,000	14,000	29,296
Other assets	22,269	-	-	22,269
Non Current Assets				
Other assets	36,422	-	-	36,422
Plant & equipment	18,220	-	-	18,220
Exploration & evaluation expenditure	39,894	-	-	39,894
TOTAL ASSETS	122,101	10,000	14,000	146,101
Current Liabilities				
Trade & other payables	36,989	10,000	-	46,989
Provisions	1,093	-	-	1,093
Non Current Liabilities				
Provisions & Other	19,984	-	-	19,984
TOTAL LIABILITIES	58,066	10,000	-	68,066
NET ASSETS	64,035	-	14,000	78,035
EQUITY				
Issued capital	165,408	-	15,000	180,408
Capital raising costs	-	-	(1,000)	(1,000)
Reserves	8,553	-	-	8,553
Accumulated Losses	(109,926)	-	-	(109,926)
TOTAL EQUITY	64,035	-	14,000	78,035

The statements of financial position have been prepared to provide Shareholders and potential investors with information on the assets and liabilities of the Company and the pro forma assets and liabilities of the Company as noted above. The historical and pro forma information is presented in abbreviated form; it does not include all of the disclosures required by the Australian Accounting Standards applicable to annual financial statements.

The pro forma statement of financial position has been prepared on the basis that the assets and liabilities of the Company have not been subject to any material change between 31 December 2018 and the completion of the Entitlement Offer except for the drawdown of approximately \$10 million from the Company's Revolving Credit Facility with Investec Australia Limited.

The pro forma statement of financial position assumes that the Entitlement Offer is fully subscribed (or that shortfall is placed in full).

1.10 Effect of the Entitlement Offer on control of the Company

(a) General

Section 606(1) of the Corporations Act prohibits a person, unless an exception applies, from increasing their voting power in the Company:

- (i) from 20% or below to above 20%; or
- (ii) from a starting point of above 20% and below 90%.

One of the exceptions to section 606(1) is where that increase occurs as a result of an issue to an underwriter or sub-underwriter to the issue. The Company intends that the Entitlement Offer will fall within this exception in respect of IMC.

The Company will not issue New Shares to any Applicant or other person (other than IMC) if any such issue would result in any person (and that person's associates) acquiring a relevant interest in excess of 20% of the issued capital of the Company subsequent to the Closing Date.

Without limiting the above, it is the responsibility of Eligible Shareholders to ensure that their participation in the Entitlement Offer does not result in them breaching section 606 of the Corporations Act. Eligible Shareholders, by lodging applications for New Shares, acknowledge and accept the right and obligation of the Company to not allot or issue New Shares to them which would result in any breach.

(b) IMC

As at the date of this Offer Booklet, IMC and its associates hold a relevant interest in 379,026,097 Shares, constituting a voting power of 47.53% in the Company. As set out in Section 4.13, IMC has agreed to subscribe for its full Entitlement of 43,071,147 New Shares under the Entitlement Offer, and sub-underwrite the Entitlement Offer pursuant to the Sub-Underwriting Agreement. IMC's present relevant interest and changes under several scenarios are set out in the table below.

Event	Shares held by IMC (and its associates)	Shares held by Other Shareholders ⁵	Total Shares ⁶	Voting power of IMC
Date of Offer Booklet	379,026,097	418,462,646	797,488,743	47.53%
100% subscribed ¹	422,097,244	466,015,219	888,112,464	47.53%
75% subscribed ²	433,985,388	454,127,076	888,112,464	48.87%
50% subscribed ³	445,873,531	442,238,933	888,112,464	50.20%
47.53% subscribed ⁴	469,649,818	418,462,646	888,112,464	52.88%

Note:

1. Assumes the Entitlement Offer is fully subscribed

2. Assumes 25% of IMC's sub-underwriting commitment is called upon.
3. Assumes 50% of IMC's sub-underwriting commitment is called upon.
4. Assumes no subscriptions (other than IMC's subscription) are received under the Entitlement Offer and the IMC sub-underwriting commitment is fully called upon.
5. The term "Other Shareholders" used in the above table refers to Eligible Shareholders or other participants in the Entitlement Offer (as applicable) excluding IMC and its associates.
6. Assumes no further Shares are issued or Options exercised or Performance Rights converted into Shares.

As illustrated above, the maximum voting power of IMC in the event that no other Eligible Shareholders subscribe for New Shares is 52.88%. It is highly unlikely that no Eligible Shareholders will subscribe for New Shares. The sub-underwriting obligation and therefore voting power of IMC will be reduced by a corresponding amount for the number of New Shares subscribed for by the other Eligible Shareholders. As noted in Section 4.12, any shortfall will be allocated firstly to Eligible Shareholders who apply for Additional New Shares and then to sub-underwriters other than IMC.

The Company notes the following in respect of the sub-underwriting arrangement:

- (a) IMC will not benefit from the proposed use of funds raised pursuant to the Entitlement Offer, other than as a holder of Shares;
- (b) It is the view of the Directors that Eligible Shareholders have been provided with adequate notice of the proposed Entitlement Offer and therefore will be provided with a reasonable opportunity to participate in the Entitlement Offer and the Shortfall Offer; and
- (c) Eligible Shareholders have the ability to subscribe for Additional New Shares in excess of their Entitlement, in priority to the sub-underwriting.

1.11 Withdrawal of Entitlement Offer

The Board reserves the right to withdraw all or part of the Entitlement Offer at any time before the issue of New Shares, in which case the Company will refund Application Money without payment of interest in accordance with the Corporations Act.

1.12 No cooling off rights

Cooling off rights do not apply to a subscription for New Shares under the Entitlement Offer. You cannot withdraw your application or payment once it has been accepted, except as allowed by law.

1.13 Rights Trading

The rights under the Entitlement Offer are renounceable. Accordingly, there will be trading of rights on ASX and you may dispose of your rights to subscribe for securities to any other party. If you do not take up your Entitlement to New Shares under the Entitlement Offer by the Closing Date, the offer of New Shares made to you will lapse. See Section 2.1 for further details on how to participate in the Entitlement Offer.

1.14 Minimum subscription

There is no minimum subscription for the Entitlement Offer.

1.15 Rounding of Entitlements

Where fractions arise in the calculation of Entitlements, they will be rounded down to the nearest whole number of New Shares.

1.16 Closing Date

Entitlement and Acceptance Forms and payments of Application Money must be received by no later than 5.00pm (Sydney time) on 14 March 2019, subject to the Directors being able to vary the Closing Date in accordance with the Listing Rules.

1.17 Allotment of New Shares and ASX quotation

It is expected that allotment of the New Shares will take place as soon as practicable after the Closing Date. It is expected that the New Shares will be allotted no later than 21 March 2019. However, if the Closing Date is extended, the date for allotment may also be extended. No allotment of New Shares will be made until permission is granted for their quotation by ASX.

2. How to participate

2.1 General

Before taking any action, you should carefully read this Offer Booklet and the other publicly available information about the Company on our website (www.millenniumminerals.com.au) and consider the risk factors set out in Section 3.

The number of New Shares to which Eligible Shareholders are entitled is shown on the Entitlement and Acceptance Form. If you are an Eligible Shareholder you may:

- (a) take up your Entitlement in full or in part (see Section 2.2);
- (b) sell all your Entitlement on ASX (see Section 2.3);
- (c) take up a proportion of your Entitlement and sell the balance on ASX (see Section 2.4);
- (d) take up a proportion of your Entitlement and allow the balance to lapse (see Section 2.5);
- (e) sell all or a proportion of your Entitlement other than on ASX (see Section 2.6);
- (f) take up your Entitlement in full and apply for Additional New Shares (see Sections 2.2 and 2.7); or
- (g) allow your Entitlement to lapse (See Section 2.11).

2.2 If you wish to accept your Entitlement in full or in part

Payment by cheque or bank draft

If you are paying for your New Shares by cheque, bank cheque or bank draft, complete and return the Entitlement and Acceptance form with your payment. The Share Registry must receive your completed Entitlement and Acceptance Form together with full payment for the number of New Shares for which you are applying by no later than 5.00pm (Sydney time) on 14 March 2019.

Your cheque, bank cheque or bank draft must be paid in Australian currency and be drawn on an Australian branch of an Australian financial institution. Your payment must be for the full amount required to pay for the New Shares applied for. Payments in cash will not be accepted.

Cheques must be made payable to 'Millennium Minerals Limited' and crossed 'Not Negotiable'.

You must ensure that your cheque account has sufficient funds to cover your payment, as your cheque will be presented for payment on receipt. If your bank dishonours your cheque your application will be rejected. We will not re-present any dishonoured cheques.

Pay by BPAY®

If you are paying for your New Shares by BPAY®, please refer to your personalised instructions on your Entitlement and Acceptance Form. Please note that should you choose to pay by BPAY®:

- (a) you do not need to complete or return the Entitlement and Acceptance Form but are taken to have made the declarations on that personalised Entitlement and Acceptance Form;
- (b) amounts received by the Company in excess of the Issue Price multiplied by your Entitlement (**Excess Amount**) may be treated as an application to apply for as many Additional Shares as your Excess Amount will pay for in full; and
- (c) if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares as is covered in full by your Application Money.

When completing your BPAY ® payment, please make sure to use the specific Biller Code and unique reference number provided on your personalised Entitlement and Acceptance Form. If you receive more than one personalised Entitlement and Acceptance Form (i.e. where you have multiple holdings), please only use the reference number specific to the Entitlement on that form. If you inadvertently use the same reference number for more than one of your Entitlements, you will be deemed to have applied only for New Shares on the Entitlement to which the reference number applies.

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. It is your responsibility to ensure that funds submitted through BPAY ® are received by **5.00pm (Sydney time) on 14 March 2019**.

Excess Application Money that is not sufficient to subscribe for a number of New Shares or Additional New Shares multiplied by the Issue Price will be refunded to you except where that amount is less than \$2.00, in which case it will be retained by the Company. The method by which you receive the refund will be at the discretion of the Company. No interest will be paid to Eligible Shareholders on any Application Money received or refunded.

2.3 Selling all your Entitlement on ASX

The Entitlements under the Entitlement Offer are renounceable which means that all or part of an Eligible Shareholder's rights to subscribe for New Shares under the Entitlement Offer may be traded on ASX. If you wish to sell all of your Entitlement on ASX, provide instructions to your stockbroker regarding the Entitlement you wish to sell on ASX. Trading of Entitlements will commence on ASX on 27 February 2019 and will cease on 7 March 2019.

There is no guarantee that an Eligible Shareholder will be able to sell all or any part of their Entitlement on ASX or that any particular price will be paid for the Entitlements sold on ASX.

2.4 Taking up a proportion of your Entitlement and selling the balance on ASX

If you wish to take up only part of your Entitlement, complete the accompanying personalised Entitlement and Acceptance Form for the number of Shares you wish to take up and follow the steps in section 2.2.

Subsequently, provide instructions to your stockbroker regarding the proportion of your Entitlement you wish to sell on ASX.

2.5 Taking up a proportion of your Entitlement and allowing the balance to lapse

If you wish to take up only part of your Entitlement and allow the balance to lapse, complete the accompanying personalised Entitlement and Acceptance Form for the number of Shares you wish to take up and follow the steps in section 2.2. If you take no further action, the balance of your Entitlement will lapse and you will have forfeited any potential benefit to be gained from taking up or selling that part of your Entitlement.

2.6 Selling all or a proportion of your Entitlement other than on ASX

If you are a Shareholder on the issuer sponsored subregister and you wish to transfer all or a proportion of your Entitlement to another person other than on ASX, forward a completed standard renunciation and transfer form (obtainable from the Share Registry) and the applicable transferee's cheque for the Shares they wish to subscribe for payable to the account name set out in the Entitlement and Acceptance Form and crossed "Not Negotiable" to the Share Registry (by delivery or by post at any time after the issue of this Offer Booklet and on or before the Closing Date) in accordance with the details set out in the Entitlement and Acceptance Form.

2.7 Applying for Additional New Shares

Eligible Shareholders may also apply for Additional New Shares, being New Shares in excess of their Entitlement. Please note that Additional New Shares will only be allocated to Eligible Shareholders if and to the extent that the Company will determine to do so, in their absolute discretion having regard to circumstances as at the time of the close of the Entitlement Offer. Any Additional New Shares will be limited to the extent there are sufficient New Shares from Eligible Shareholders who do not take up their full Entitlements or from New Shares that would have been offered to Ineligible Shareholders if they had been entitled to participate in the Entitlement Offer.

2.8 Over subscriptions and Scale back

The Company may scale back any application for Additional New Shares in its absolute discretion, but will not scale back any Entitlement.

In the event of a scale back, the difference between the Application Money received, and the number of New Shares allocated to you multiplied by the Issue Price, will be refunded by the Company, without interest, following allotment.

2.9 Acceptance of the Entitlement Offer

By completing, and the Company receiving, your personalised Entitlement and Acceptance Form with the requisite Application Money or making a payment by BPAY®, you:

- (a) agree to be bound by the terms of this Offer Booklet and the provisions of the Company's constitution;
- (b) authorise the Company to register you as the holder(s) of the New Shares allotted to you;
- (c) declare that all details and statements made in the Entitlement and Acceptance Form are complete and accurate;
- (d) declare that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Entitlement Offer;

- (e) acknowledge that once the Company receives the Entitlement and Acceptance Form or your payment by BPAY®, you may not withdraw it except as allowed by law;
- (f) agree to apply for, and be issued with up to, the number of New Shares that your payment will pay for at the Issue Price of \$0.165 per New Share;
- (g) authorise the Company and its officers or agents to do anything on your behalf necessary for the New Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in the Entitlement and Acceptance Form;
- (h) declare that you were the registered holder(s) at the Record Date (28 February 2019) of the Shares indicated on the Entitlement and Acceptance Form as being held by you on the Record Date;
- (i) acknowledge that the information contained in this booklet is not investment advice or a recommendation that New Shares are suitable for you, given your investment objectives, financial situation or particular needs, and that the Offer Booklet is not a prospectus, does not contain all of the information that you may require in order to assess an investment in the Company and is given in the context of the Company's past and ongoing continuous disclosure announcements to ASX;
- (j) acknowledge the statement of risks in Section 3, and that investments in the Company are subject to risks;
- (k) represent and warrant that the law of any place (other than Australia, New Zealand, Singapore, Hong Kong, the British Virgin Islands or the United Kingdom) does not prohibit you from being given this Offer Booklet or making an application for New Shares; and
- (l) represent and warrant that you are an Eligible Shareholder and have read and understood this booklet and the Entitlement and Acceptance Form and that you acknowledge the matters, and make the warranties and representations and agreements contained in this Offer Booklet and the Entitlement and Acceptance Form.

By completing, and the Company receiving, your personalised Entitlement and Acceptance Form with the requisite Application Money or making a payment by BPAY®, you will also be deemed to have acknowledged, represented and warranted on behalf of each person on whose account you are acting that you:

- (a) are not in the United States and are not acting for the account or benefit of, a person in the United States and are not otherwise a person to whom it would be illegal to make an offer or issue New Shares under the Entitlement Offer;
- (b) acknowledge that the Entitlements and the New Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction in the United States, or in any other jurisdiction outside Australia, New Zealand, Singapore, Hong Kong, the British Virgin Islands or the United Kingdom, and accordingly, the Entitlements may not be taken up, and the New Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable securities laws;

- (c) agree that if in the future you decide to sell or otherwise transfer the New Shares or Additional New Shares you will only do so in regular transactions on ASX where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, in the United States or a U.S. Person;
- (d) agree to provide (and direct your nominee and custodian to provide) any requested substantiation of your eligibility to participate in the Entitlement Offer and of your holding of Shares on the Record Date; and
- (e) have not and will not send any materials relating to the Entitlement Offer to any person in the United States, or is acting for the account or benefit of a person in the United States.

2.10 Address details and enquiries

Completed Entitlement and Acceptance Forms (including payment of Application Money) should be returned to the Company's Share Registry as follows:

By Post	By Hand
Millennium Minerals Limited C/- Link Market Services Limited GPO Box 3560 Sydney NSW 2001	Millennium Minerals Limited C/- Link Market Services Limited 1A Homebush Bay Drive Rhodes NSW 2138

If you would like further information you can:

- (a) Contact your stockbroker, accountant or other professional adviser; or
- (b) Contact the Company on +61 (08) 9216 9011 at any time from 8:30 am to 5:30 pm (Sydney time) Monday to Friday (excluding public holidays) during the Entitlement Offer period.

2.11 If you do not wish to accept all or any part of your Entitlement

If you do not wish to accept all or any part of your Entitlement, you are not obliged to do anything. The part of the Entitlement Offer that you do not accept will lapse by the Closing Date. However, you should be aware that as your Entitlement is renounceable, the Entitlement may have value should you choose to sell or trade your Entitlement on the ASX. The number of Shares you hold and the rights attached to those Shares will not be affected should you choose not to accept any of your Entitlement.

3. Risk factors

3.1 General

The New Shares offered under this Offer Booklet should be considered speculative because of the nature of the business activities of the Company. Whilst the Directors recommend the Entitlement Offer, potential investors should consider whether the New Shares offered are a suitable investment having regard to their own personal investment objectives and financial circumstances and the risk factors set out below. This list is not exhaustive and potential investors should read this Offer Booklet in its entirety and if in any doubt consult their professional adviser before deciding whether to participate in the Entitlement Offer.

The future performance of the Company and the future investment performance of the Shares may be influenced by a range of factors.

Prior to making any investment decision, investors should carefully consider the following risk factors applicable to the Company. The Directors have set out below a series of risks considered to be relevant to the Company and the Entitlement Offer as follows:

- (a) Section 3.2 sets out the key risks which are specific to the Company; and
- (b) Section 3.3 sets out other material risks relating to the Company.

Some of the risks may be mitigated by the Company using safeguards and appropriate systems and taking certain actions. Some of the risks may be outside the control of the Company and not capable of mitigation. There are also general risks associated with any investment in Shares.

3.2 Key risks specific to an investment in the Company

In addition to the other materials risks in Section 3.3, a number of specific risk factors that may impact the future performance of the Company are described below. Potential investors should note that this list is not exhaustive.

(a) Gold price

The Company principally derives its revenue from the sale of gold. Commodity prices fluctuate and are influenced by numerous factors outside the control of the Company including industrial and retail supply and demand, exchange rates, inflation, changes in global economies, confidence in the gold monetary system, forward sales of precious metals by producers and speculators as well as other global and regional political, social or economic events. The Company has implemented an active gold price hedge management structure to mitigate price risk, with approximately 40% of forecast 2019 production hedged at an average gold price of \$1,716/ounce out to December 2019.

Future production from the Company's mining operations is dependent upon the Australian dollar price of gold being sufficiently high for production to be economical, to the extent the Company is unable to mitigate its exposure through its hedging program. Price declines in the market price of gold could cause commercial production from the Company's operations to be rendered uneconomic.

(b) Mine life risk

The Company currently has Ore Reserves capable of supporting current production rates for approximately 4 years. The Nullagine Gold Project covers 116 tenements over 276 km², within which the Company has identified 6 key mineral regions. As at 31 December 2018, the Company had reported JORC Code compliant Mineral Resources of approximately 1.16 million ounces and some 7.1 million tonnes of Ore Reserves. Based on the above, the remaining mine life for the Nullagine Gold Project is approximately 5 years. The Company expects this operation to continue to be mined at a rate of around 100,000 ounces per annum. The Company has exploration assets in addition to its economic mining operations, however the Company cannot guarantee the ability to develop its current exploration assets into economic production.

(c) Uncertainty of operations, development of projects and exploration

Mining operations, associated future development activities and sustaining exploration are highly speculative, involve many risks and may be unsuccessful. The Company's ability to sustain or increase its proposed forecast levels of production is dependent on its ability to operate to set budgets and plans and the success of development of projects associated with the life of mine business plan. The Company's operating plan involves mining and processing ore from multiple deposits. The mining and processing characteristics of the ore vary between these different deposits. The actual operational results when mining and processing material from these different deposits may vary from forecasts. As a result of the uncertainties involved in these activities, the development and operation of projects may not occur on time, on budget, or at all, which would adversely affect the Company's results of operation and its financial condition.

The ability of the Company to economically mine its gold resources may be affected by a range of factors including:

- (i) unanticipated variations in equipment productivity and equipment operability;
- (ii) unavailability or shortages of equipment, spare parts and consumables;
- (iii) continued access to appropriately skilled labour, competent operation and managerial employees, contractors and consultants;
- (iv) actual mineralisation consistency, the accuracy of Ore Reserve and Mineral Resource estimates, inconsistent or poor metallurgical recovery rates, the physical characteristics of ore including unanticipated changes in grade or tonnage of ore mined and processed, or reclassification of Mineral Resources and Ore Reserves;
- (v) geotechnical, geological, metallurgical and hydrological conditions;
- (vi) availability of suitable water for processing plant operations;
- (vii) force majeure circumstances and other limitations to activities such as seasonal weather patterns and cyclone activity and other adverse weather conditions;
- (viii) industrial action, disputes or disruptions;

- (ix) unanticipated operating and technical difficulties, mechanical failure of operating plant and equipment, industrial and environmental accidents;
- (x) increases in costs and cost overruns; and
- (xi) financial failure, or default by any future alliance or service provider of the Company may require the Company to face unplanned expenditure or interrupt mining and processing operations.

(d) Risk of default on debt facilities

The Company's financing facilities identify various events which if come to fruition in the future may constitute an event of default (many of which are technical in nature), and which are standard for facilities of their type. The occurrence of an event of default may entitle the Company's lenders to exercise certain rights, including the acceleration of repayment of outstanding moneys on the facilities and the enforcement of the financiers' security interests, including against any unspent proceeds of the Entitlement Offer.

Even if the Company's lenders do not enforce their security interests, they could use the leverage they obtain due to an event of default (or any request by the Company to waive an event of default) to require the Company to use part or all of the balance of the proceeds of the Entitlement Offer to repay the Company's lenders.

The exercise of such rights could have a material adverse effect on the Company's activities and financial condition.

(e) Risk of review of debt facilities

In addition to events of default, the Company's financing facilities identify various potential events that, if manifested, may constitute a 'review event' entitling the Company's lenders to require changes to the terms of the financing facilities or repayment of the outstanding moneys on the facilities. The financiers could use the occurrence of a review event as leverage similar to the occurrence of an event of default.

The exercise of such rights could have a material adverse effect on the Company's activities and financial condition.

(f) Licences and permits

The Company's mining and exploration activities are dependent upon the grant, or as the case may be, the maintenance of appropriate licences, leases, permits and regulatory consents which may be withdrawn or made subject to limitations. The maintaining of licences, obtaining renewals, or getting licences granted, often depends on the Company being successful in obtaining required statutory approvals for its proposed activities and that the licences, leases, permits or consents it holds will be renewed as and when required. There is no assurance that such renewals will be given as a matter of course

and there is no assurance that new conditions will not be imposed in connection therewith.

(g) Mineral Resource estimates

Mineral Resource estimates are expressions of judgment based on knowledge, experience and industry practice. The Company's estimates comply with the JORC Code, however estimates which were valid when made, may change significantly when new information becomes available. In addition, Mineral Resource estimates are imprecise and depend to some extent on interpretations, judgements, industry experience and geostatistical models which may prove to be inaccurate. Should the Company encounter mineralisation or formations different from those predicted by past sampling and drilling, Mineral Resource estimates may have to be adjusted and mining plans may have to be altered in a way which could have either a positive or negative effect on the Company's operations. Consequently, no assurance can be given that any particular recovery level of gold ore will in fact be realised.

(h) Operating risks

In common with other enterprises in the minerals and mining industry, the Company's mineral exploration, development and related mining activities, including the delivery of supplies and consumables and the transportation of products are subject to conditions beyond the Company's control that can reduce production and sales and/or increase costs. These conditions include, but are not limited to: changes in legislative requirements; market conditions; government policies; exchange rates; abnormal or severe weather or climatic conditions; natural disasters; unexpected maintenance, equipment or other technical problems; key equipment failures; industrial disruption; and variations in geological conditions. An inability to secure ongoing supply of goods and services at prices assumed within production budgets and targets could potentially impact the results of the Company's operations, and in a worst-case scenario, result in the shutdown of the operation.

(i) Capital and operating costs

The Company's capital and operating costs estimates are based on the best available information at the time. Any significant unforeseen increases in the capital and operating costs associated with the Company's projects would impact the Company's future cash flow and profitability. Capital and operating costs for the development of major projects in Australia can be highly sensitive to changes, positive or negative, in raw material prices as well as in labour and contractor costs.

(j) Potential acquisitions

As part of its business strategy, the Company may make acquisitions of or significant investments in companies, products, technologies or mineral resource projects. Any such future transactions would be accompanied by the risks commonly encountered in making acquisitions of companies, products, technologies or resource projects.

(k) Hedging risks

International prices of various commodities (including gold) are denominated in United States (US) dollars, whereas the income and expenditure of the Company are in Australian dollars, exposing the Company to the fluctuations

and volatility of the rate of exchange between the US dollar and the Australian dollar as determined in international markets.

The Company has implemented an Australian Dollar gold price hedge management structure to mitigate price risk. Approximately 40% of the forecast 2019 production has been hedged out to December 2019

(l) Reliance on key contractors

The Company relies on a number of key contractors for the provision of mining, haulage and other logistics services. Any delay in contractors completing work or encountering operational difficulties may lead to a loss of revenue and increased costs. There is also a risk that the loss of one or more contracts with key contractors (including due to insolvency of the contractor) may lead to an increase in the Company's costs of production or even loss of production. The Company has considered and continues to consider various mitigants within its risk management processes to deal with the loss of a key contractor, but cannot guarantee the loss of a key contractor will not lead to an increase in costs and/or decrease in revenue.

(m) Access to land

Significant delays may be experienced in gaining access to privately owned freehold or leasehold land. Delays may be caused by weather, deference to landholders' activities such as calving and mustering, and other factors.

(n) Mining tenements

Interests in tenements in Western Australia are governed by the *Mining Act 1978 (WA) (Mining Act)* and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments.

The Company's right to explore and mine on mining tenements in respect of the Nullagine Gold Project is provided through a combination of mining tenements where:

- (i) the Company is the registered holder of those tenements and enjoys rights to explore and mine those tenements under the terms of the tenements and by virtue of the Mining Act; and
- (ii) the Company has entered into licence agreements or other agreements with the holders of the tenements, and those agreements provide the Company with the right to explore and mine the tenements.

If the Company does not comply with the minimum expenditure requirements or other applicable conditions relating to tenements where it is the registered holder, then those tenements will be at risk of forfeiture unless a total or partial exemption is granted in accordance with relevant legislation. Even if the Company is entitled to seek an exemption, it may nevertheless be subject to the attempt of a third party to claim a failure to satisfy expenditure conditions which may need to be resolved through litigation.

Where the Company is not the registered holder of the tenements, the Company is unable to predict the intentions of, or the risk of financial failure or default by, third party licence holders.

If the Company does not comply with the terms of any agreements under which it enjoys the right to explore or mine tenements, including (where applicable) making payment of any royalties due under those agreements, then there is a risk that the counterparties to those agreements may seek to terminate those agreements in which case the Company may lose its rights to explore and mine the underlying tenements.

(o) Native title

It is possible that, in relation to tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be affected.

The Directors monitor the potential effect of native title claims involving tenements in which the Company has or may have an interest.

A number of the Company's current tenements are subject to existing native title agreements which the Company may seek to or may be required to renegotiate moving forward. Such renegotiations could result in increased costs for the Company.

In addition, legislation provides for the protection of Aboriginal cultural heritage and sites that are significant to the customs and traditions of Aboriginal Australians. These sites need to be avoided during field exploration, and it is possible that some areas containing an economic resource may also contain sacred sites in which case they may remain unexploited. Moreover, any harm to Aboriginal cultural heritage caused by the Company may result in the Company incurring significant penalties.

(p) Environmental impact constraints

The Company's exploration, appraisal and project development programs will be subject to approval by government authorities. Development of the Company's projects and any future mineral resources will be dependent upon the projects meeting environmental guidelines and gaining approvals by government authorities. Gaining government approvals can take considerable time and may delay the construction or operation of the projects.

(q) Occupational health and safety risk

Mining activities have inherent risks and hazards. The Company is committed to providing a safe and healthy workplace and environment for its personnel, contractors and visitors. The Company provides appropriate instructions, equipment, preventative measures, first aid information, medical facilities and training to all stakeholders through its occupational health and safety management systems. While the Company has a strong record in achieving high quality safety performance at its sites, a serious site safety incident may expose the Company to significant penalties and the Company may be liable for compensation to the injured personnel. These liabilities may not be

covered by the Company's insurance policies or, if they are covered, may exceed the Company's policy limits or be subject to significant deductibles. Also, any claim under the Company's insurance policies could increase the Company's future costs of insurance. Accordingly, any liabilities for workplace accidents could have a material adverse impact on the Company's liquidity and financial results.

It is not possible to anticipate the effect on the Company's business from any changes to workplace occupational health and safety legislation. Changes to this legislation may have an adverse impact on the financial performance and/or financial position of the Company.

(r) Exploration and appraisal expenditure

Exploration and appraisal is a process subject to unforeseen contingencies. Exploration programs must be flexible enough to respond to the results obtained. The proposed exploration expenditure of the Company is based on certain assumptions with respect to the particular exploration targets, and method and timing of exploration activities. By their very nature, these targets, methods and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates, which are based on a broad range of assumptions. Accordingly, no assurance can be given that the cost estimates and underlying assumptions will be realised in practice.

Financial failure, or default by any future alliance or joint venture partner of the Company, may also require the Company to face unplanned expenditure or risk forfeiting relevant tenements.

(s) Future funding

The Company may have further capital requirements and the funding of any future major capital expenditure and/or growth, including potentially by acquisition, is dependent on operating cash flows, the availability of debt and equity funding and the suitability of the terms of such funding.

The Company has an existing Revolving Credit Facility with Investec Australia Limited, and in the future may need to renegotiate the terms of its loan facility or may seek further facilities or replacement facilities with alternative financiers to satisfy its capital requirements. The terms which debt financiers are willing to offer may vary from time to time depending on macroeconomic conditions, the performance of the Company and an assessment of the risks of the intended use of funds.

If the Company raises capital by further issues of Shares, or issues Shares as consideration for acquisitions, Shareholders' interests in the Company may be diluted if the Company determines an equal entitlement offer is not the most appropriate method of equity fundraising and places Shares with new investors or if Shareholders elect not to participate in entitlement offers. Any debt financing may involve financial covenants which limit the Company's operations. If the Company is unable to obtain such additional funding, the Company may be required to reduce the scope of any expansion, which could adversely affect its financial performance.

(t) Key personnel

The ability of the Company to achieve its objectives depends upon the retention of key management and operational staff who constitute its technical and operational expertise. If the Company cannot secure and retain this technical expertise or if the services of such key personnel cease to become available to the Company, this may affect the Company's ability to achieve its objectives either fully or within the timeframe and budget the Company has decided upon.

The ability of the Company to achieve its objectives depends upon the retention of certain key external contractors that provide a number of important services and operational capabilities (for example, mining fleet supply and maintenance, drill and blast services) which are an important part of the Company's overall technical and operational expertise. If the Company cannot secure and retain this technical expertise or if the services of such key external contractors cease to become available to the Company, this may affect the Company's ability to achieve its objectives either fully or within the expected timeframes and budget.

Whilst the ability of the Company to achieve its objectives may be affected by the matters mentioned above, the Company believes that appropriately skilled and experienced professionals and external contractors are available to provide services to the Company at market levels in the event some key management and operational personnel and external contractors cease to be available.

(u) Potential for dilution

On completion of the Entitlement Offer the number of Shares in the Company will increase from 797,488,743 to up to 888,112,463. This means the number of Shares on issue will increase by approximately 10.2% on completion of the Entitlement Offer on this basis. Shareholders should note that if they do not participate in the Entitlement Offer (and even if they do), their holdings may be considerably diluted (as compared to their holdings and number of Shares on issue as at the date of this Offer Booklet) and without regard to the dilution which will result if any Options are exercised.

(v) Volatility in the market price of Shares

Although the Company is listed on the official list of the ASX, there is no assurance that an active trading market for its Shares will be sustained. There is also no assurance that the market price for the Shares will not decline below the Issue price. The market price of the Company's Shares could be subject to significant fluctuations due to various external factors and events, including the liquidity of the Shares in the market, any difference between the Company's actual financial or operating results and broader market-wide fluctuations. Furthermore, any stock market volatility and weakness could result in the market price of the Shares decreasing so that they trade at prices significantly below the Issue Price, without regard to the Company's operating performance.

(w) Negative publicity may adversely affect the Share price

Any negative publicity or announcement relating to any of the Company's substantial Shareholders or key personnel may adversely affect the stock performance of the Company, whether or not this is justifiable. Examples of

this negative publicity or announcement may include involvement in legal or insolvency proceedings, failed attempts in takeovers, joint ventures or other business transactions.

(x) Insurance risks

The Company maintains insurance coverage that is substantially consistent with mining industry practice. However, there is no guarantee that such insurance or any future necessary coverage will be available to the Company at economically viable premiums (if at all) or that, in the event of a claim, the level of insurance carried by the Company now or in the future will be adequate, or that a liability or other claim would not materially and adversely affect the Company's business.

(y) Litigation risks

All industries, including the mining industry, are subject to legal claims, with and without merit. Defence and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding to which the Company may become subject could have a material effect on its financial position and financial performance.

(z) Natural risks

The Company operates in regions that are subject to unpredictable weather, geological conditions and other natural risks that could result in production delays or disruptions to our operations. The negative impacts of climate change could increase the frequency of severe weather resulting in increased natural risks.

3.3 Other material risks

Other material risks are set out below.

(a) General economic climate

Factors such as inflation, currency fluctuations, interest rates, legislative changes, political decisions and industrial disruption have an impact on operating costs and on metals prices.

The Company's future income, asset values and share price can be affected by these factors and, in particular, by the market price for gold and exchange rate movements.

(b) Stock market conditions

The market price of the New Shares when quoted on the ASX will be influenced by international and domestic factors affecting conditions in equity and financial markets. These factors may affect the prices for the securities of minerals exploration and production companies quoted on the ASX, including the Company.

The stock market has in the past and will continue to be affected by a number of matters including, but not limited to:

- (i) commodity prices;

- (ii) market confidence;
- (iii) mining industry confidence;
- (iv) supply and demand for money;
- (v) currency exchange rates; and
- (vi) global economic conditions.

(c) Commodity prices may go down

The demand for, and price of, commodities is highly dependent upon a variety of factors, including international supply and demand, the level of consumer product demand, investment sentiment, weather conditions, the price and availability of alternative commodities, actions taken by governments, investors, international cartels, and global economic and political developments. Commodity prices have fluctuated widely in recent years and may continue to fluctuate significantly in the future. Fluctuations in commodity prices and, in particular, a material decline in the price of commodities may have a materially adverse effect on the Company's business, financial condition and operations.

(d) Government regulation

The mining, processing, development and mineral exploration activities of the Company are subject to various laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people, and other matters. Although the exploration and development activities of the Company are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing operations and activities of mining or more stringent implementation thereof could have a substantial adverse impact on the Company.

(e) Foreign currency and exchange rate fluctuations

Some expenditure items of the Company are domiciled in currencies other than Australian dollars and as such expose the Company to foreign exchange movements, which may have a positive or negative influence on the Australian dollar equivalent of such revenue and expenditure.

The Company will appropriately monitor and assess such risks and may from time to time implement measures, such as foreign exchange currency hedging, to assist in managing these risks. However, the implementation of such measures may not eliminate all such risks and the measures themselves may expose the Company to related risks.

4. Important information for Shareholders

4.1 No prospectus or product disclosure statement and not investment advice

The Entitlement Offer complies with the requirements of section 708AA of the Corporations Act as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84. Accordingly, neither this Offer Booklet nor the Entitlement and Acceptance Form are required to be lodged or registered with ASIC.

It is also not investment advice and does not take into account your investment objectives, financial situation, tax position and particular needs. Before deciding whether to apply for New Shares, you should consider whether they are a suitable investment for you in light of your personal circumstances (including financial and taxation issues) and seek professional guidance before deciding whether to invest.

4.2 Shareholders outside Australia

(a) General restrictions

This Offer Booklet and accompanying Entitlement and Acceptance Form do not constitute an offer of New Shares in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. In particular, this Offer Booklet may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

The distribution of this Offer Booklet in jurisdictions outside Australia and New Zealand may be restricted by law and therefore persons who come into possession of this Offer Booklet outside Australia and New Zealand should seek advice on and observe any such restrictions. A failure to comply with these restrictions may constitute a violation of applicable securities laws.

It is the responsibility of any applicant to ensure compliance with any laws of the country relevant to their application. Return of a duly completed Entitlement and Acceptance Form and/or payment of Application Money will be taken by the Company to constitute a representation that there has been no breach of such laws and that the applicant is physically present in Australia, New Zealand, Singapore, Hong Kong, the British Virgin Islands or the United Kingdom.

(b) New Zealand

The New Shares are not being offered to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand).

This Offer Booklet has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This Offer Booklet is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

(c) Singapore

This Offer Booklet and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Offer Booklet and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares may not be issued, circulated or distributed, nor may these securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (**SFA**), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This Offer Booklet has been given to you on the basis that you are an existing holder of the Company's Shares. In the event that you are not such a Shareholder, please return this Offer Booklet immediately. You may not forward or circulate this Offer Booklet to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

(d) Hong Kong

WARNING: The contents of this Offer Booklet have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this Offer Booklet, you should obtain independent professional advice.

(e) British Virgin Islands

The New Shares may not be offered in the British Virgin Islands unless the Company or any person offering the New Shares on its behalf is licensed to carry on business in the British Virgin Islands. The Company is not licensed to carry on business in the British Virgin Islands. The securities may be offered to British Virgin Islands business companies from outside the British Virgin Islands without restriction.

(f) United Kingdom

Neither the information in this Offer Booklet nor any other document relating to the offer has been delivered for approval to the Financial Services Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (**FSMA**)) has been published or is intended to be published in respect of the New Shares.

This Offer Booklet is issued on a confidential basis to fewer than 150 persons (other than "qualified investors" (within the meaning of section 86(7) of FSMA)) in the United Kingdom, and the New Shares may not be offered or sold in the United Kingdom by means of this Offer Booklet, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) FSMA. This Offer Booklet should not be distributed, published or reproduced, in whole or in part, nor

may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 FSMA) received in connection with the issue or sale of the New Shares and options has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) FSMA does not apply to the Company.

In the United Kingdom, this Offer Booklet is being distributed only to, and is directed at, persons (i) who fall within Article 43 (members or creditors of certain bodies corporate) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005, as amended, or (ii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which this Offer Booklet relates is available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this Offer Booklet or any of its contents.

(g) United States

This Offer Booklet may not be released or distributed in the United States. This Offer Booklet does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this Offer Booklet have not been, and will not be, registered under the US Securities Act and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

4.3 Ineligible Shareholders

The Company is not extending the Entitlement Offer to Ineligible Shareholders having regard to the cost of complying with legal and regulatory requirements outside Australia, New Zealand, Singapore, Hong Kong, the British Virgin Islands or the United Kingdom, the number of Ineligible Shareholders and the number and value of New Shares which could be offered to Ineligible Shareholders.

Accordingly, Ineligible Shareholders will not be entitled to participate in the Entitlement Offer. Instead, the following arrangements will apply:

- (a) the Company will appoint Bell Potter as Nominee in relation to Ineligible Shareholders, whose appointment will be subject to ASIC approval under section 615 of the Corporations Act;
- (b) the Company will transfer to the Nominee the New Shares that would otherwise be issued to Ineligible Shareholders, had they been included in the Entitlement Offer (**Excluded Shareholder Shares**); and
- (c) the Nominee must sell the Excluded Shareholder Shares as soon as reasonably practicable and distribute to each of the Ineligible Shareholders their proportion of the proceeds of the sale, net of all expenses (including brokerage and any applicable taxes and charges).

Ineligible Shareholders should note that the sale of any Shares may affect their Australian taxation position. It is recommended that Ineligible Shareholders obtain

independent tax advice if they are in doubt as to the tax treatment of any cash proceeds they may receive.

Where this Offer Booklet has been dispatched to Ineligible Shareholders, it is provided for information purposes only.

In limited circumstances the Company may elect to treat as Eligible Shareholders certain Shareholders who would otherwise be Ineligible Shareholders, provided the Company is satisfied that it is not precluded from lawfully issuing New Shares to such Shareholders either unconditionally or after compliance with conditions which the Board in its sole discretion regards as acceptable and not unduly onerous.

4.4 Notice to nominees and custodians

Nominees and custodians which hold Shares as nominees or custodians will have received, or will shortly receive, a letter from the Company. Nominees and custodians should consider carefully the contents of the letter.

The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of securities. Where any nominee or custodian is acting on behalf a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Entitlement Offer is compatible with applicable foreign laws. Any person in the United States with a holding through a nominee may not participate in the Entitlement Offer. Nominees and custodians may not distribute any part of this Offer Booklet in the United States or in any other country outside of Australia, New Zealand, Singapore, Hong Kong, the British Virgin Islands or the United Kingdom.

4.5 Continuous disclosure

The Company is a 'disclosing entity' under the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the Listing Rules, including the preparation of annual reports and half-yearly reports.

The Company is required to notify the ASX of information about specific events and matters as they arise for the purposes of the ASX making that information available to the stock markets conducted by the ASX. In particular, the Company has an obligation under the Listing Rules (subject to certain exceptions) to notify the ASX immediately of any information which it is or becomes aware which a reasonable person would expect to have a material effect on the price value of its Shares. That information is available to the public from the ASX.

4.6 Taxation consequences

The taxation consequences of any investment in New Shares will depend upon your particular circumstances. Potential investors must make their own enquiries concerning the taxation consequences of an investment in the Company. Applicants should consult their tax adviser for advice applicable to their individual needs and circumstances. The Company and its officers, employees or other advisers do not accept any liability or responsibility in respect of any statement concerning taxation consequences, or in respect of the taxation consequences.

4.7 Privacy

If you complete an Entitlement and Acceptance Form and apply for New Shares (and Additional New Shares), you will be providing personal information to the Company, its agents, contractors and third-party service providers. The Company, its agents,

contractors and third-party service providers will collect, hold and use that information to assess your acceptance, carry out administration of your shareholding, service your needs as a Shareholder and facilitate corporate communications.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, print service providers, mail houses and the Share Registry.

Failure to provide the required personal information may mean that your acceptance is not able to be processed efficiently, if at all.

You may request access to your personal information held by (or on behalf of) the Company and by the Share Registry. You can request access to, or the updating of, your personal information by telephoning or writing to the Company or the Share Registry using the details shown in the Corporate Directory.

The collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) and the Corporations Act.

4.8 Future performance and forward-looking statements

This Offer Booklet contains certain forward-looking statements with respect to the financial condition, results of operations, projects and business of the Company. These forward-looking statements involve known and unknown risks, uncertainties and other factors which are subject to change without notice. The Company gives no assurance that the anticipated results, performance or achievements expressed or implied in those forward-looking statements will be achieved.

Forward looking statements are provided as a general guide only and there can be no assurance that actual outcomes will not differ materially from these statements. Except as required by law, and only to the extent so required, no person warrants or guarantees the future performance of the Company or any return on any investment made pursuant to this Entitlement Offer.

4.9 Past performance

Past Share price performance provides no guarantee or guidance as to future Share price performance. Past performance information given in this Offer Booklet is provided for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance. The historical information in this Offer Booklet is, or is based upon information that has been released to the market. For further information, please see past announcements released to the ASX.

4.10 Risks

Please consult with your stockbroker, accountant or other independent professional adviser if you have any queries or are uncertain about any aspect of the Entitlement Offer.

Section 3 details important factors and risks that could affect the financial and operating performance of the Company. You should consider these risk factors carefully in light of your personal circumstances, as well as any financial or taxation consequences, before making an investment decision in connection with the Entitlement Offer.

4.11 Disclaimer of representations

No person is authorised to give any information or make any representation in connection with the Entitlement Offer, which is not contained in this Offer Booklet. Any information or representation not contained in this Offer Booklet may not be relied on as having been authorised by the Company in connection with the Entitlement Offer. Except as required by law, and only to the extent so required:

- (a) none of the Company, or any person, warrants or guarantees the future performance of the Company or any return on any investment made pursuant to the information contained in this Offer Booklet; and
- (b) the Company, its officers, employees and advisers disclaim all liability that may otherwise arise due to the Offer Booklet being inaccurate or incomplete in any respect.

4.12 Underwriting Agreement

Pursuant to the Underwriting Agreement between the Underwriter and the Company, the Underwriter has agreed to fully underwrite the Entitlement Offer and the Company has agreed to pay the Underwriter a 3.5% underwriting fee and 2.5% management and selling fee for any Underwritten Shares.

The Underwriter may terminate its obligations under the Underwriting Agreement in the event of any of the termination events set out in Schedule 1. The obligations of the Underwriter under the Underwriting Agreement are conditional upon the conditions precedent set out in Schedule 2.

Pursuant to the Shortfall Offer and in accordance with the Underwriting Agreement and Sub-Underwriting Agreement, shortfall will be allocated in the following priority:

- (a) Shareholders who have subscribed for their full Entitlement of New Shares under the Entitlement Offer and subscribe for additional New Shares in excess of their Entitlement under the Entitlement Offer;
- (b) to sub-underwriters other than IMC; and
- (c) IMC pursuant to the Sub-Underwriting Agreement.

The Underwriting Agreement also contains a number of indemnities, representations and warranties from the Company to the Underwriter that are considered standard for an agreement of this type.

4.13 Sub-Underwriting Agreement

Pursuant to the Sub-Underwriting Agreement between the Company, the Underwriter and IMC, IMC has agreed to sub-underwrite the Entitlement Offer and the Company has agreed to pay IMC a 5% underwriting fee for the Sub-Underwritten Amount under the Sub-Underwriting Agreement. IMC has also agreed that it will subscribe for its full Entitlement of 43,071,147 New Shares under the Entitlement Offer.

IMC may terminate its obligations under the Sub-Underwriting Agreement in the event of any of the termination events set out in Schedule 1. The obligations of IMC under the Sub-Underwriting Agreement are conditional upon the conditions precedent set out in Schedule 2.

The Sub-Underwriting Agreement also contains a number of indemnities, representations and warranties from the Company to IMC that are considered standard for an agreement of this type.

4.14 Authorisation and disclaimers

This Offer Booklet is issued by, and is the sole responsibility of the Company.

None of the parties referred to in the Corporate Directory of the Offer Booklet (other than the Company), has:

- (a) authorised or caused the issue of this Offer Booklet; or
- (b) made or authorised the making of any statement that is included in this Offer Booklet or any statement on which a statement in this Offer Booklet is based.

To the maximum extent permitted by law, each of the parties referred to in the Corporate Directory of this Offer Booklet (other than the Company) expressly disclaims and takes no responsibility for any statements in or omissions from this Offer Booklet.

4.15 Governing law

This Offer Booklet, the Entitlement Offer and the contracts formed on acceptance of applications are governed by the laws applicable in Western Australia.

4.16 Interpretation

Some capitalised words and expressions used in this Offer Booklet have meanings as set out in Section 5.

A reference to time in this Entitlement Offer Booklet is to the local time in Sydney, Australia, unless otherwise stated. All financial amounts in this Offer Booklet are expressed in Australian dollars, unless otherwise stated.

4.17 No handling fees

There will be no handling fees payable to brokers for Entitlement and Acceptance Forms lodged by them on behalf of Eligible Shareholders.

5. Definitions

\$ means Australian dollars.

Additional New Shares means New Shares which Eligible Shareholders apply for in excess of their Entitlement pursuant to the Shortfall Offer.

Application Money means Money received in respect of an application for New Shares and Additional New Shares (if applicable).

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange, as applicable.

Board means the board of Directors.

Closing Date means the last day for payment of Application Money and return of Entitlement and Acceptance Forms being, 5pm (Sydney time) on 14 March 2019 (unless extended).

Company means Millennium Minerals Limited (ACN 003 257 556).

Company Group means the Company and each of its related bodies corporate.

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

Director means a director of the Company.

Eligible Shareholder means a Shareholder as described in Section 1.2.

Entitlement means the entitlement to 1 New Share for every 8.8 Shares held on the Record Date as shown on the personalised Entitlement and Acceptance Form.

Entitlement and Acceptance Form means the entitlement and acceptance form accompanying this Entitlement Offer Booklet.

Entitlement Offer means the pro-rata renounceable entitlement offer to subscribe for New Shares on the basis of 1 New Share for every 8.8 Shares held by Shareholders as at the Record Date.

Excluded Shareholder Shares has the meaning given in Section 4.3(b).

FSMA means the Financial Services and Markets Act 2000.

Group means the Company or any of its subsidiaries.

IMC means IMC Resources Gold Holdings Pte Ltd, a company incorporated in Singapore under registration number 201115162Z.

Ineligible Shareholder means a Shareholder who is not an Eligible Shareholder.

Issue Price means \$0.165 per New Share.

Listing Rules means the official listing rules of ASX, as amended or waived by ASX from time to time.

Material Adverse Change means a material adverse change or effect in or affecting:

- (a) the general affairs, business, operations, assets, liabilities, financial position or performance, profits, losses, prospects, earnings position, shareholder's equity, or results of operations of the Group or otherwise (taken as a whole) from the position fairly disclosed by the Company to ASX before the date of the Underwriting Agreement/Sub-Underwriting Agreement (as applicable); or
- (b) the success, marketing or settlement of the Entitlement Offer.

Mining Act means the *Mining Act 1978* (WA).

New Shares means Shares offered under the Entitlement Offer.

Offer Booklet means this Entitlement Offer booklet.

Record Date means 7.00pm (Sydney time) on 28 February 2019.

Section means a section of this Offer Booklet.

SFA means the Securities and Futures Act, Chapter 289 of Singapore.

Share means a fully paid ordinary share in the Company.

Share Registry means Link Market Services Limited (ACN 083 214 537).

Shareholder means a holder of Shares.

Shortfall Offer means the offer of Additional New Shares to Eligible Shareholders that have fully subscribed under the Entitlement Offer as described in Section 1.1(b).

Sub-Underwriting Agreement means the sub-underwriting agreement between IMC, the Company and the Underwriter.

Sydney Time means Australian Eastern Daylight Time.

Underwriting Agreement means the formal underwriting agreement between the Underwriter and the Company.

Underwriter means Bell Potter Securities Limited (ACN 006 390 772).

Underwritten Shares has the meaning given in Section 1.5.

US or United States means United States of America, its territories and possessions, any State of the United States of America and the District of Columbia.

US Securities Act means the United States Securities Act of 1933, as amended.

Schedule 1 - Termination events

The Underwriter may terminate the Underwriting Agreement, and IMC may terminate the Sub-Underwriting Agreement, in the event of any of the termination events set out below:

1. **(Delisting)** ASX announces that the Company will be removed from the official list or that its Shares will be delisted or suspended from quotation by ASX for any reason (excluding any suspensions in place in connection with the Entitlement Offer);
2. **(Market Fall)** at any time the S&P/ASX 200 Index falls to a level that is 10% or more below its level as at the close of business on the trading day prior to the date of the Underwriting Agreement/Sub-Underwriting Agreement and is at or below that level at the close of trading:
 - (a) for 2 consecutive trading days until the settlement date; or
 - (b) on the trading day immediately prior to the settlement date.
3. **(Quotation)** ASX does not, or states that it will not, agree to grant official quotation of all the New Shares on an unconditional basis (or on a conditional basis provided such condition would not, in the opinion of the Underwriter/IMC (acting reasonably), have a material adverse effect on the Entitlement Offer) by the settlement date or if permission for the official quotation of the New Shares, is granted before the date of allotment and issue of those Shares, the approval is subsequently withdrawn, qualified (other than by way of customary conditions) or withheld;
4. **(Delay)** any event specified in the timetable is delayed for more than one business day without the prior written consent of the Underwriter/IMC;
5. **(Capital Structure)** the Company alters its capital structure without the consent of the Underwriter/IMC;
6. **(Corrective Statement)** an obligation arises on the Company to give ASX a notice in accordance with section 708AA(12)(a) of the Corporations Act (as included in the Corporations Act by ASIC Corporations (Non-Traditional Rights Issue) Instrument 2016/84);
7. **(Withdrawal)** the Company withdraws the Entitlement Offer or indicates that it does not intend to or is unable to proceed with the Entitlement Offer or any part of it;
8. **(Certificate)** any Certificate which is required to be furnished by the Company under the Underwriting Agreement/Sub-Underwriting Agreement is not furnished when required or a statement in that Certificate is false, misleading, untrue or incorrect in a material respect (including by omission);
9. **(Insolvency)** any one of the following occurs:
 - (a) the Company (or any of its material Subsidiaries):
 - (i) being or stating that it is unable to pay its debts as and when they fall due; or
 - (ii) failing to comply with a statutory demand;
 - (b) any step being taken which will or is likely to result in any of the following (except, in the case of matters affecting related bodies corporate of the

Company, as part of restructuring in the ordinary course of the Company or any of its subsidiaries' (**Group**) business):

- (i) the appointment of a liquidator, provisional liquidator, administrator, receiver, receiver and manager or other similar official in relation to, or to any property of, the Company (or any of its material Subsidiaries); or
 - (ii) the Group being wound up or dissolved or entering into a scheme, moratorium, composition or other arrangement with, or to obtain protection from, its creditors or any class of them or an assignment for the benefit of its creditors or any class of them;
 - (iii) circumstances existing which would permit a presumption of insolvency in relation to the Company (or any of its material Subsidiaries) under sub-section 459C(2) of the Corporations Act, or
 - (iv) anything analogous or having a substantially similar effect occurring in relation to the Group, including under the laws of any other jurisdiction;
10. (**Material Adverse Change**) there is a Material Adverse Change, or an event occurs which is likely to give rise to a Material Adverse Change;
11. (**Force Majeure**) there is an event or occurrence, including any statute, order, rule, regulation, directive or request of any Government Agency which makes it illegal for the Underwriter/IMC to satisfy an obligation under the Underwriting Agreement/Sub-Underwriting Agreement, or to market, promote, underwrite or settle the Entitlement Offer;
12. (**Offer Materials**) a statement contained in the Offer Booklet, cleansing notice, announcements released and correspondence delivered to Shareholders in connection with the Entitlement Offer (**Offer Materials**) is or becomes misleading or deceptive in a material respect (including by omission) or likely to mislead or deceive in a material respect, or the Offer Materials omit any material information they are required to contain (having regard to section 708AA of the Corporations Act and any other applicable requirements), or any expression of opinion or intention in the Offer Materials is not fairly and properly supportable in a material respect or there are no reasonable grounds for the making of any material statement in the Offer Materials relating to future matters;
13. (**Waivers / Modifications**) ASX or ASIC withdraws or revokes any exemptions from or modifications under the Corporations Act or waivers from the Listing Rules or ASX or ASIC amends in a materially adverse respect the ASX waivers or the ASIC modifications;
14. (**Fraud**) the Company or any of its directors, Chairman, Chief Executive Officer or Chief Financial Officer are found to have engaged in any fraudulent conduct or activity whether or not in connection with the Entitlement Offer;
15. (**Indictable Offence**) a director or member of senior management of the Company is charged with an indictable offence relating to financial or corporate matters relating to the Company;
16. (**Change in Management**) a change in the board of directors or senior management of the Company occurs;
17. (**Investigation**) any of the following:

- (a) any person brings an application to the Takeovers Panel in relation to the Entitlement Offer or the Company;
 - (b) ASIC or any person, issues or threatens to issue proceedings in relation to the Entitlement Offer or commences any formal inquiry or investigation into the Entitlement Offer;
 - (c) * ASIC or any other Government Agency commences or gives notice of an intention to commence a prosecution of the Company or any director or employee of the Company; or
 - (d) * ASIC or any other Government Agency commences or gives notice of an intention to commence a hearing or investigation into the Company;
18. * **(Forecasts)** the Offer Booklet includes any forecast, expression of opinion, belief, intention or expectation which is not based on reasonable grounds (including having regard to ASIC Regulatory Guide 170);
19. * **(Breach)** the Company is in breach of any terms and conditions of the Underwriting Agreement/Sub-Underwriting Agreement;
20. * **(Representations)** any representation or warranty is or becomes incorrect, untrue or misleading;
21. * **(Information)** the due diligence report or any information supplied by or on behalf of the Company to the Underwriter/IMC for the purposes of the due diligence investigations, the Offer Materials or the Entitlement Offer, is false, misleading or deceptive (including by omission), in each case when considered in its final form and in the light of all other information so supplied in writing to the Underwriter/IMC before the date of the Underwriting Agreement/Sub-Underwriting Agreement;
22. * **(Change In Law)** there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any State of Australia a new law, or the Reserve Bank of Australia, or any Commonwealth or State authority, adopts or announces a proposal to adopt a new policy (other than a law or policy which has been announced prior to the date of the Underwriting Agreement/Sub-Underwriting Agreement) any of which does or is likely to prohibit or regulate the Entitlement Offer, capital markets or stock markets;
23. * **(Change of Control)** a scheme of arrangement or reconstruction is announced by the Company, or another offer to Shareholders is announced by another person, which, is bona fide and is reasonably capable of being completed and which, if implemented, may result in a person and their associates acquiring a beneficial interest in, or voting power of, 50% or more of the interests in the Company;
24. * **(Charges)** the Group agrees to charge the whole or a material part of the Group's respective businesses or property other than:
- (a) a charge over any fees or commissions to which the Group will be entitled;
 - (b) as disclosed in the Offer Materials; or
 - (c) as agreed with the Underwriter/IMC (acting reasonably), or as disclosed to the Underwriter/IMC prior to the date of the Underwriting Agreement/Sub-Underwriting Agreement;
25. **(Contravention of Law)** either:

- (a) * a contravention by the Company of the Corporations Act, its Constitution, any of the ASX Listing Rules, any other applicable law or regulation (as amended or varied) or order or request made by or on behalf of ASIC, ASX or any Government Agency;
- (b) * any aspect of the Entitlement Offer does not comply with the Corporations Act or the ASX Listing Rules any other applicable laws, or the ASX waivers; or
- (c) the Company is prevented from allotting and issuing the New Shares under the Listing Rules, applicable laws, an order of a court of competent jurisdiction or a Government Agency;

26. (Market Disruption):

- (a) * trading of all securities quoted on ASX, the London Stock Exchange or the New York Stock Exchange is suspended or limited in a material respect;
- (b) * a general moratorium on commercial banking activities in Australia, the United States or the United Kingdom is declared by the relevant central banking authority in any of those countries or there is a material disruption in commercial banking or share settlement or clearance services in any of those countries;
- (c) * any adverse change or disruption to the existing financial markets, political or economic conditions of Australia, Hong Kong, the European Union, the United States of America, the United Kingdom or the international financial markets or any change in national or international political, financial or economic conditions; or
- (d) * hostilities not presently existing commence (whether war has been declared or not) or a major escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more of Australia, New Zealand, the United States of America, the People's Republic of China, Russia, Japan, North Korea, the United Kingdom or any member state of the European Union;

27. (Debt Facilities);

- (a) any debt facility of the Company or Group Member is terminated by the lender or amended in a material respect without the Underwriter/IMC's prior written consent (such consent not to be unreasonably withheld or delayed);
- (b) a Group member breaches, or defaults under, any provision, undertaking, covenant or ratio of a debt or financing arrangement or any related documentation to which that entity is a party; or
- (c) an event of default or review event has resulted in a lender or financier exercising its rights to accelerate or require repayment of the debt or financing or other similar event occurs under or in respect to any such debt or financing arrangement or related documentation.

No termination event set out above and marked with an "*" entitles the Underwriter/IMC to exercise their right to terminate their obligations under the Underwriting Agreement/Sub-Underwriting Agreement unless in the actual and reasonable opinion of the Underwriter/IMC reached in good faith, the event:

- (a) has, or is likely to have, individually or in the aggregate, a material adverse effect on the success or settlement of the Entitlement Offer, the value of the Shares or the willingness of investors to subscribe for New Shares;
- (b) has, or is likely to have, individually or in the aggregate, a material adverse effect on the business, financial position or prospects of the Group; or
- (c) leads, or is likely to lead:
 - (i) to a contravention by the Underwriter/Sub-Underwriter of, or the Underwriter/Sub-Underwriter being involved in a contravention of, the Corporations Act or any other applicable law; or
 - (ii) to a liability for the Underwriter/Sub-Underwriter under the Corporations Act or any other applicable law.

Schedule 2 - Conditions Precedent

The obligations of IMC under the Sub-Underwriting Agreement are subject to the satisfaction of the following conditions precedent:

1. **(FIRB):** FIRB Approval for IMC acquiring Shares pursuant to the Sub-Underwriting Agreement is obtained and that approval is subject to no conditions or only to those conditions that IMC reasonably considers to be acceptable;
2. **(Underwriting Agreement):** the Company and Underwriter entering into the Underwriting Agreement by the lodgement date of the Offer Booklet (**Lodgement Date**) and the Underwriting Agreement remaining in full force and effect at the settlement date;
3. **(ASIC Nominee)** the Company appointing and ASIC approving pursuant to section 615 of the Corporations Act the appointment of a nominee for the Entitlement Offer;
4. **(Due diligence):** IMC being satisfied, acting reasonably, with the due diligence investigations and the due diligence results by the Lodgement Date;
5. **** (Legal sign off):** a legal sign off letter being provided to the due diligence committee by the Company's solicitors, to the satisfaction of IMC, and addressed to be for the benefit of IMC, by the Lodgement Date; and
6. **** (Sub-Underwriter's consent to be named):** IMC being satisfied with the form and content of the Offer Booklet, acting reasonably, and having given its consent to be named in the Offer Booklet by the Lodgement Date as evidence thereof.

The obligations of the Underwriter under the Underwriting Agreement are subject to the satisfaction of the following conditions precedent:

1. **(Regulatory approvals)** the Company obtaining by 9.30am on the date of announcing the Entitlement Offer (**Announcement Date**) any exemptions from or modifications under the Corporations Act or waivers from the Listing Rules which are necessary for the Company to make the Entitlement Offer, and such approvals not having been withdrawn or modified in a materially adverse manner by 11:00am on the settlement date;
2. **** (Major Shareholders' Firm Commitment)** IMC entering into a firm commitment with the Company and the Underwriter (in the form agreed prior to the date of the Underwriting Agreement) prior to 8.30am on the Announcement Date under which IMC commits to subscribe for its Entitlement under the Entitlement Offer and to sub-underwrite the remainder of the Entitlement Offer;
3. **(Due Diligence)** the due diligence investigations being substantially completed to the reasonable satisfaction of the Underwriter;
4. **** (Trading Halt)** ASX granting the Company a trading halt two trading days prior to the Announcement Date;
5. **** (ASX materials)** the Company releasing an announcement of the Offer, a cleansing notice pursuant to s708AA of the Corporations Act and Appendix 3B by 10.00am on the Announcement Date;
6. **(s615 nominee)** ASIC having approved the Underwriter's appointment as a nominee for foreign Shareholders in accordance with section 615 of the Corporations Act;

7. **(Entitlement Offer Announcement)** the results of the Entitlement Offer being announced to ASX by the time specified in the timetable in the form and substance satisfactory to the Underwriter (acting reasonably);
8. **(Shortfall Notice)** receipt by the Underwriter of a notice of shortfall;
9. **(Certificate and sign-offs)** provision of a certificate from the Company providing the Underwriter with various assurances in respect of the Company's obligations, representations and warranties under the Underwriting Agreement including that none of the termination events have occurred, as well as a no new circumstances sign off by the issue date; and
10. **(Official quotation)** ASX not indicating that it will not grant permission for the official quotation of the New Shares on or before 11.00am on the settlement date.

As at the date of this Offer Booklet, the conditions precedent set out above and marked with an "***" have been satisfied.