

NICKELORE LIMITED
(TO BE RENAMED 'STONEHORSE ENERGY LIMITED')
ACN 086 972 429
SUPPLEMENTARY PROSPECTUS



Jay Stephenson
Director
5 December 2018

IMPORTANT INFORMATION

This is a supplementary prospectus (**Supplementary Prospectus**) which supplements the prospectus dated 19 November 2018 (**Prospectus**) issued by Nickelore Limited (ACN 086 972 429) (**Company**).

This Supplementary Prospectus is dated 5 December 2018 and was lodged with the ASIC on that date. The ASIC, the ASX and their respective officers take no responsibility for the contents of this Supplementary Prospectus.

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

This Supplementary Prospectus will be issued with the Prospectus as an electronic prospectus, copies of which can be downloaded from the website of the Company at www.nickelorelimited.com.au or at <https://NickelorePublicOffer.thereachagency.com>.

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

1. PURPOSE OF THIS DOCUMENT

The Supplementary Prospectus has been prepared to:

- (a) advise investors that the closing date of the Public Offer and Vendor Offer has been extended until 12 December 2018;
- (b) provide additional information to investors in relation to the Existing Assets and Proposed Assets, by way of an addendum to the Independent Title Report in Section 8 of the Prospectus; and
- (c) clarify the roles of the Board members after the readmission of the Company to Official Quotation.

2. AMENDMENTS TO THE PROSPECTUS

2.1 Timetable

The Board wishes to advise that the Closing Date of the Public Offer and the Vendor Offer has been extended until 5:00pm (WST) on 12 December 2018, and accordingly the Timetable as set out on page 11 of the Prospectus is replaced with:

KEY DATES – Indicative timetable¹

Lodgement of Prospectus with the ASIC	19 November 2018
Opening Date of the Offers	19 November 2018

Lodgement of Supplementary Prospectus	5 December 2018
Closing Date of the Public Offer and Vendor Offer	12 December 2018
Settlement of Acquisition ²	31 December 2018
Issue of Securities under the Public Offer and Vendor Offer	31 December 2018
Despatch of holding statements	3 January 2018
Closing Date of the Cleansing Offer	4 January 2018
Expected date for reinstatement to Official Quotation	9 January 2018

1. *The above dates are indicative only and may change without notice. The Company reserves the right to extend the Closing Dates (or one or more of them) or close the Offers (or one or more of them) early without prior notice. The Company also reserves the right not to proceed with the Offers at any time before the issue of Securities to Applicants.*
2. *The above stated date for settlement of the Acquisition is only a good faith estimate by the Directors and may be extended or brought forward.*

2.2 Amendment to Independent Title Report – Section 8

The Independent Title Report in Section 8 of the Prospectus is varied by:

- (a) on page 103 and page 113 of the Prospectus, deleting the wording “, and it may not be furnished to or relied upon by any other person for any purpose, without our specific prior written consent” ; and
- (b) including the information set out in Annexure 1 to this Supplementary Prospectus as an addendum to the Independent Title Report.

2.3 Clarification to role of Board members

The Board wishes to clarify that, as set out in the summary of agreements with Directors in Section 9.3 of the Prospectus, the roles of Mr Robert Gardner and Mr David Deloub will change commencing on the reinstatement of the Company's securities to Official Quotation as follows:

- (a) Mr Gardner's appointment will change from Executive Chairman to Non-Executive Chairman; and
- (b) Mr Deloub's appointment will change from Non-Executive Director to Executive Director.

Accordingly, the Prospectus is amended by:

- (a) replacing the “Directors” section of the Corporate Directory on page 5 of the Prospectus with the following:

Directors

Mr Robert Gardner¹

Executive Chairman

Mr Jay Stephenson

Non-Executive Director

Mr David Deloub¹

Non-Executive Director

Note 1 – with effect from the reinstatement of the Company's Shares to Official Quotation, Mr Gardner's appointment will change from Executive Chairman to Non-Executive Chairman, and Mr Deloub's appointment will change from Non-Executive Director to Executive Director. Please refer to Section 9.3 of this Prospectus for a summary of the proposed terms of appointment.

(b) Inserting the following wording at the end of Section 9.1 of the Prospectus:

With effect from the reinstatement of the Company's Shares to Official Quotation, Mr Gardner's appointment will change from Executive Chairman to Non-Executive Chairman, and Mr Deloub's appointment will change from Non-Executive Director to Executive Director. Please refer to Section 9.3 of this Prospectus for a summary of the proposed terms of appointment.

3. CONSENTS

Charney Brown, LLC has given its written consent to the inclusion of the Independent Title Report in Section 8 of the Prospectus in the form and context in which the report is included, including the amendments referred to in Section 2.2 of this Supplementary Prospectus. Charney Brown, LLC has not withdrawn its consent prior to the lodgement of this Supplementary Prospectus with the ASIC.

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

4. DIRECTORS' AUTHORISATION

This Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with Section 720 of the Corporations Act, each Director has consented to the lodgement of this Supplementary Prospectus with the ASIC.

Robert Gardner
Non-Executive Chairman
For and on behalf of
NICKELORE LIMITED

ANNEXURE 1 – ADDENDUM TO INDEPENDENT TITLE REPORT

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November 29, 2018

VIA EMAIL

NICKELORE LIMITED

Suite 4, 182 Claisebrook Road
Perth, WA, AUSTRALIA, 6000
Attention: David Deloub, Non Executive Director
Email: d.deloub@cicerogroup.com.au

RE: Section 52, Block 4T in Hansford County, Texas ("*Greever Project*")
Sutton #2H-52 well API No. 42-195-31925 ("*Sutton #2H-52 Well*")

NE/4 of 28-24N-23W in Ellis County, Oklahoma ("*Burgess Project*")
Burgess Project: Burgess #1-28 API No.: 35-045-23649 ("*Burgess #1-28 Well*")

Sections 7 and 18, Township 2 North, Range 2 West Bullard#
1-18/7H Well, AP# 35-049-25 I92
Garvin County, Oklahoma ("*Bullard Project*")

Section 8, Township 15 North, Range 11 West Henry
Federal 1-8-5 Well¹
Section 13, Township 15 North, Range 13 West McKinley
Unit¹
Section 34, Township 15 North, Range 13 West Randolph 34-
27XM Well¹
Section 7, Township 15 North, Range 10 West
TBD 7-15-10 Well¹
Section 27, Township 17 North, Range 11 West TBD27-
17-11 Well¹
Section 19, Township 16 North, Range 11 West Watonga 1-
19H Well¹
All in Blaine County, Oklahoma ("*Stack Project*")

Mr. Deloub:

We refer to our reports dated 10 September 2018 ("*Original Reports*") in relation to the Greever Project, Burgess Project, Bullard Project and Stack Project described above (together, the "*Projects*").

We hereby provide the following additional information relating to the tenure of the Projects.

- (1) **(Project Area):** The total area of the land underlying each Project is set out in the table in Exhibit A.
- (2) **(Expiry and Renewal dates):** As wells in production have been drilled within the Burgess, Greever and Bullard Projects, there is no expiry or renewal dates associated with these Projects. The expiry dates for the

underlying leases in the Stack Project are provided in the table in Exhibit A.

- (3) **(Expenditure Commitments):** There are no expenditure commitments in relation to the Projects. There is a requirement that during the initial term of the underlying lease, a well must be drilled within the lease area in order to maintain the lease. This requirement has been satisfied in relation to the Burgess, Greever and Bullard Projects. As set out in Section 3.4 of the Company's Prospectus dated 23 November 2018, drilling on the Stack Project is expected to commence in 4th quarter 2018.
- (4) **(Rents and rates):** No rents or rates are payable in respect of the Projects.
- (5) **(Security Bonds):** There are no security bonds required in relation to any of the Projects.
- (6) **(Reclamation Liability):** There are no significant rehabilitation obligations or liabilities relating to the Projects. The costs of any applicable rehabilitation obligations which will be incurred closer to the end of the life of the well will be met from the production cashflow. These costs are not considered imminent or material.
- (7) **(Joint venture interests):** As permitted by the terms of the *Black Mesa Drilling Program #1 Drilling Program Agreement ("Drilling Program Agreement")*, an interest acquired for the Drilling Program Agreement may be held in conjunction with other parties. As at 29 November 2018, Project interests are held in conjunction with third parties are identified in the table in Exhibit A.
- (8) **(Royalty interests):** Pursuant to the terms of the Drilling Program Agreement, it is acknowledged that Black Mesa may grant to third parties royalties or carried interests over a project. Any such burden shall be borne by the participants under the Drilling Program Agreement in accordance with their working interests, and the royalty paid out of gross production cashflow. As at 29 November 2018, the Projects are subject to the royalties as set out in the table in Exhibit A.
- (9) **(Native title):** There are no native title interests affecting the Projects.
- (10) **(Consents):** It is the obligation of the relevant operator of a well to obtain the requisite government or third parties consents necessary to enable the development and operation of the well. As far as we are aware, after consultation with Black Mesa, the relevant operators have obtained all requisite consents to develop and operate the wells on the Projects.

The opinions expressed in this letter is subject to the qualifications and limitations set out in the Original Reports.

The opinions expressed herein are as of the date first set forth above, and we do not assume or undertake any responsibility or obligation to supplement or update such opinions to reflect any facts or circumstances which may hereafter come to our attention or any changes in law which may hereafter occur.

Very truly yours


Benjamin J. Brown, Esq.
Charney Brown, LLC

EXHIBIT A

Project	Net Acres	Expiry Date	Ownership/Joint Venture interests ²	Royalty Interest ³
GREEVER	160	None - Held by production ¹	Black Mesa Production LLC (Operator) – 3.1844% LS Operating Pty Ltd – 96.8156%	22.00%
BURGESS	620.56	None - Held by production ¹	Strat Land Exploration Company (Operator) – 75% LS Operating Pty Ltd – 25%	24.50%
BULLARD	246.69	None - Held by production ¹	Rimrock Resource Operating LLC (Operator) – 79.4298% Brookside Energy Limited – 20.5702%	25.38%
STACK 34-15-13	2.475	None - Held by Shallow Production ¹	Continental Resources (Operator) – 99.7422% Brookside Energy Limited – 0.2578%	22.46%
STACK 8-15-11	66.917	None - Held by Shallow Production ¹	Continental Resources (Operator) – 94.7719% Brookside Energy Limited – 5.2281%	21.80%
STACK 19-16-11	1.685	10/11/19	Highmark Resources LLC (Operator) – 99.7359% Brookside Energy Limited – 0.2641%	25.37%
STACK 7-15-10	3.375	None - Held by Shallow Production ¹	Devon Energy (Operator) – 99.4719% Brookside Energy Limited – 0.5281%	18.41%
STACK 27-17-11	6.44	12/20/2019 + 2 Year Option to Extend	Cimarex Energy Company (Operator) – 98.9937% Brookside Energy Limited – 1.0063%	20.40%
STACK 24-15-13	12.963	None - Held by production ¹	Continental Resources (Operator) – 98.9844% Brookside Energy Limited – 1.0156%	20.10%

Notes:

1. 'Held By Production' is a mineral lease provision that extends the right to operate a lease as long as the property produces a minimum quantity of oil and gas.

2. The ownership interest of the operator is subject to change depending on the final pooling and spacing elections of minority interest holders. The Company does not have any obligations to any third-party owners or interest holders other than as set out in this addendum, the Original Reports and the Prospectus.
3. This royalty is payable to the relevant mineral owner and is a payment equal to the percentage (as shown in the table) of the Company's working interest share of revenue from the Project.