

PELICAN RESOURCES LIMITED
ACN 063 388 821

PROSPECTUS

For a non-renounceable entitlements offer of 1 New Share for every 2 Shares held by Eligible Shareholders registered at the Record Date at an issue price of \$0.005 per New Share to raise up to \$603,206 (based on the number of Shares on issue as at the date of this Prospectus) (**Offer**).

Offer closes at 5.00 pm WST on 9 June 2015

Underwritten by
Capital Investment Partners Pty Ltd AFSL No. 291 416
(refer to section 8.4A of this Prospectus for a summary of the terms of the
Underwriting Agreement including the termination events)

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The New Shares offered by this Prospectus should be considered as speculative.

1. CORPORATE DIRECTORY**Directors**

Alec Pismiris
Anthony Torresan
John Hills

Registered Office

Level 1
284 Oxford Street
Leederville WA 6007

Company Secretary

John J Palermo

Telephone: + 61 8 9242 1166
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Email: jpalermo@pelicanresources.com.au
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Share Registry*

Security Transfer Registrars Pty Ltd
770 Canning Hwy
Applecross WA 6153

Solicitors

Jeremy Shervington
52 Ord Street
WEST PERTH WA 6005
Telephone: (+618) 9481 8760

Auditor*

Stantons International
Level 2
1 Walker Avenue
WEST PERTH WA 6005

Underwriter

Capital Investment Partners Pty Ltd
Level 7, BGC Centre
28 The Esplanade
PERTH WA 6000

* This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus.

2. TIMETABLE

Lodgement of Prospectus with the ASIC	18 May 2015
Lodgement of Prospectus & Appendix 3B with ASX	19 May 2015
Notice sent to Optionholders	20 May 2015
Notice sent to Shareholders	20 May 2015
Ex date	21 May 2015
Record Date for determining Entitlements	25 May 2015
Prospectus despatched to Shareholders & Company announces despatch has been completed	28 May 2015
Closing Date*	9 June 2015
Shares quoted on a deferred settlement basis	10 June 2015
ASX notified of under subscriptions	12 June 2015
Despatch of holding statements	16 June 2015
Quotation of Shares issued under the Offer*	19 June 2015

*The Directors may extend the Closing Date by giving at least 3 Business Days notice to ASX prior to the Closing Date. As such the date the Shares are expected to commence trading on ASX may vary.

3. IMPORTANT NOTES

This Prospectus is dated 18 May 2015 and was lodged with ASIC on that date. ASIC and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The New Shares the subject of this Prospectus should be considered highly speculative.

Applications for New Shares offered pursuant to this Prospectus can only be submitted on an original Entitlement and Acceptance Form.

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

3.1 Risk factors

Potential investors should be aware that subscribing for Securities in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 7 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Securities in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for New Shares pursuant to this Prospectus.

3.2 Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and our management.

We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 7 of this Prospectus.

3.3 Photographs and diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses the Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this prospectus are illustrative only and may not be drawn to scale.

4. DETAILS OF THE OFFER

4.1 The Offer

The Offer is being made as a non-renounceable entitlements offer of one (1) New Share for every two (2) Shares held by Eligible Shareholders registered at the Record Date at an issue price of \$0.005 per New Share. Fractional entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus, (and assuming no existing Options are exercised, and no additional Shares are issued, prior to the Record Date) a maximum of 120,641,180 New Shares will be issued pursuant to this Offer to raise up to \$603,206.

As at the date of this Prospectus the Company has 59,725,571 Existing Options on issue all of which may be exercised prior to the Record Date in order to participate in the Offer. Please refer to Section 6.2 of this Prospectus for information on the exercise price and expiry date of the Existing Options.

All of the New Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus.

The purpose of the Offer and the intended use of funds raised are set out in Section 5.1 of this Prospectus.

4.2 Other proposed issues of Securities

In addition to the Offer, the Company will, subject to Shareholder approval being obtained and the relevant subscription amount being paid, issue 50 million Underwriter Options. Further details in respect of the proposed issue of the Underwriter Options and the terms and conditions thereof are set out in Sections 4.7, 6.3 and 8.4.

4.3 Minimum subscription

The minimum subscription in relation to this Offer is \$603,206 being the Underwritten Amount. In the event that the minimum subscription is not achieved with 4 months of the date of this Prospectus, then the Company will repay all application money received in full and without any interest. The Company will not accept any over-subscriptions.

4.4 Acceptance

Your acceptance of the Offer must be made on the Entitlement and Acceptance Form accompanying this Prospectus. Your acceptance must not exceed your Entitlement as shown on that form. If it does, your acceptance will be deemed to be for the maximum Entitlement.

You may participate in the Offer as follows:

(a) if you wish to accept your **full** Entitlement:

- (i) complete the Entitlement and Acceptance Form; and
- (ii) attach your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the amount indicated on the Entitlement and Acceptance Form; or

(b) if you only wish to accept **part** of your Entitlement:

- (i) fill in the number of New Shares you wish to accept in the space provided on the Entitlement and Acceptance Form; and
- (ii) attach your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the appropriate application monies (at \$0.005 per New Share); or
- (c) if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

4.5 Payment by cheque/bank draft

All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to "Pelican Resources Limited – Share Application Account" and crossed "Not Negotiable".

Your completed Entitlement and Acceptance Form and cheque must reach the Company's share registry no later than 5:00pm WST on the Closing Date.

4.6 Payment by BPAY®

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (a) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form; and
- (b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your application monies.

It is your responsibility to ensure that your BPAY® payment is received by the share registry by no later than 5:00pm (WST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. Any application monies received for more than your final allocation of New Shares will be refunded. No interest will be paid on any application monies received or refunded.

The Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

4.7 Underwriting & Sub-Underwriting

4.7A Underwriting

The Company has appointed Capital Investment Partners Pty Ltd ("**CIP**") as the Underwriter to the Offer under the terms of the Underwriting Agreement.

The Offer is fully underwritten up to the value of \$603,206 ("**Underwritten Amount**"), subject to the provisions described below.

Under the Underwriting Agreement, the Underwriter is required to subscribe for 100% of the Shortfall (that is, the remaining Securities after applications made by Eligible Shareholders). By way of example:

- (a) if there is a 100% Shortfall (that is, no Eligible Shareholder subscribes for its Entitlement), the Underwriter will be required to subscribe for Securities equal to \$603,206; and

- (b) if there is a 25% Shortfall (that is, Eligible Shareholders subscribe for Entitlements equal to approximately \$452,404), the Underwriter will be required to subscribe for Securities equal to approximately \$150,802.

The Underwriter will be paid a fee for underwriting the Offer of 5%, calculated on the Underwritten Amount of \$603,206 (being \$30,160) and a management fee 1% of the Underwritten Amount of \$6,032. The Company has given the Underwriter the right, but not the obligation, to subscribe to 50 million Underwriter Options at a price of \$0.00001 being a total cost of \$500. The terms and conditions of the Underwriter Options are set out in Section 6.3.

The material terms of the Underwriting Agreement are set out in Section 8.4A.

The Underwriting Agreement provides for the appointment of sub-underwriters. Fees payable to the sub-underwriters are at the discretion of the Underwriter and the Company is not responsible for any payment of fees to sub-underwriters.

4.7B Sub-Underwriting

The Underwriter has entered into sub-underwriting agreements with Mainview Holdings Pty Ltd (a company controlled by Anthony Torresan, a Director) ("**Mainview**"), and A.C.P. Investments Pty Ltd (a company controlled by Alec Pismiris, a Director) ("**ACP**"), whereby the Underwriter may call upon them to subscribe for New Shares as sub-underwriters. Accordingly, Shareholder approval for the purposes of Listing Rule 10.10 (issues of securities to related parties) is not required for the issue of New Shares to Mainview and ACP, as an issue to a related party pursuant to an underwriting agreement is an exception to the requirement to obtain Shareholder approval (Listing Rule 10.11 Exception 2). Full details of the relevant sub-underwriting agreements are included in Section 8.4B.

In addition to the New Shares that may be issued to Mainview and ACP, the Underwriter has agreed to nominate Mainview and ACP as the recipients of 18,235,894 and 6,216,782 Underwriter Options respectively, in consideration of their sub-underwriting commitment. The Underwriter Options to be issued to Mainview and ACP will only be issued to them if Shareholder approval is obtained for this purpose. The Shareholder meeting to include the relevant resolution in this regard is expected to be held in July 2015 and a notice of meeting will be sent to Shareholders in due course.

4.8 Effect on control of the Company

(a) General

Assuming no Convertible Securities are exercised prior to the Record Date, and no additional Shares are issued prior to the Record Date, the maximum number of Shares which will be issued pursuant to the Offer is approximately 120,641,180. This equates to approximately 33.3% of all the issued Shares in the Company following completion of the Offer (on an undiluted basis).

The potential effect the Offer will have on the control of the Company's undiluted share capital will depend on the extent to which Eligible Shareholders take up their Entitlements under the Offer.

If all Eligible Shareholders take up their Entitlements in full, the Offer will have no material effect on the control of the Company.

Shareholders should be aware that if they do not participate in the Offer and the Offer is fully subscribed, their holdings are likely to be diluted by approximately 33.3% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).

(b) Underwriter and control of the Company

As set out in Sections 4.7 and 8.4A, the Offer is fully underwritten by CIP.

As at the date of this Prospectus, CIP does not have a relevant interest in any Shares or Options.

CIP has entered into various sub-underwriting agreements with sub-underwriters. In the unlikely circumstances that all Shareholders decide to not take up their Entitlement and all sub-underwriters renege on their obligations to subscribe for Shortfall Shares and the Underwriting Agreement has not been terminated, the Underwriter would be issued with 120,641,180 Shortfall Shares and its relevant interest in Shares (including its associates' holdings) would represent approximately 33.3% at completion.

(c) Substantial Shareholders and control of the Company

In the event that a substantial Shareholder (or any other party who is not the Underwriter) applies for additional Securities which become available as a result of a Shortfall (if any), the Company (in conjunction with the Underwriter) will not allocate any additional Securities to any party, such that their relevant interest in voting shares in the Company would exceed 20% of the total issued voting shares in the Company other than in accordance with the Corporations Act.

As at the date of this Prospectus, the Company had one substantial shareholder, Mr Anthony Torresan.

Mr Torresan, together with its associates, being Mainview and Monslit Pty Ltd (a company controlled by Mr Torresan) has a voting power of 23,665,029 Shares which represents 9.81 % of the total issued capital of the Company.

Mr Torresan (and his associates) will not be allocated any additional Shares, such that his relevant interest in voting shares in the Company would exceed 20% of the total issued voting shares in the Company other than in accordance with the Corporations Act.

4.9 ASX listing

Application for Official Quotation of the New Shares offered pursuant to this Prospectus will be made in accordance with the timetable set out in Section 2. If ASX does not grant Official Quotation of the New Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any New Shares and will repay all application monies for the New Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the New Shares is not to be taken in any way as an indication of the merits of the Company or New Shares the subject of the Offer.

4.10 Issue

New Shares issued pursuant to the Offer will be issued in accordance with the Corporations Act, Listing Rules and timetable set out in Section 2 of this Prospectus.

Pending the issue of the New Shares or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

Holding statements for New Shares issued under the Offer will be mailed in accordance with the Listing Rules and timetable set out in Section 2.

4.11 Overseas shareholders

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of New Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and New Shares will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

The Offer is being made in New Zealand pursuant to the Securities act (Overseas Companies) Exemption Notice 2002.

Shareholders resident in Australia or New Zealand holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up an Entitlement under the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

4.12 Enquiries

Any questions concerning the Offer should be directed to John J Palermo, Company Secretary, on +61 8 9242 1166.

5. PURPOSE AND EFFECT OF THE OFFER

5.1 Purpose of the Offer

The purpose of the Offer is to raise up to \$603,206 (before costs and based on the number of Shares on issue as at the date of this Prospectus).

The funds raised from the Offer, together with the Company's existing cash reserves as at 13 May 2015, are planned to be used in accordance with the table set out below:

Existing Cash Reserve made up	\$
Existing cash reserves	194,605
Funds raised by the Offer	603,206
Total Cash Reserve	797,811
Use of Funds	
Care & maintenance – Romblon Project	180,000
Business development	50,000
Additional project appraisal	250,000
Costs of the Offer	50,204
Working capital	267,607
Total Use of funds	797,811

Notes:

1. Refer to Section 8.8 of this Prospectus for further details relating to the estimated expenses of the Offer.
2. Assumes the Offer is fully subscribed.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events (including exploration success or failure) and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

5.2 Effect of the Offer

The principal effect of the Offer, assuming all Entitlements are accepted and no Options are exercised, and no additional Shares are issued, prior to the Record Date, will be to:

- (a) increase the cash reserves by \$603,206 (before costs) following completion of the Offer; and
- (b) increase the number of Shares on issue from 241,282,360 to 361,923,540 Shares following completion of the Offer.

5.3 Pro-forma balance sheet

The reviewed statement of financial position as at 31 December 2014 and the unaudited pro-forma statement of financial position shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma statement of financial position has been prepared assuming all Entitlements are accepted, no Options are exercised prior to the Record Date, all Underwriter Options are issued, and including expenses of the Offer.

The pro-forma statement of financial position has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	Note	Reviewed Consolidated 31 December 2014 \$	Unaudited Consolidated Pro-forma \$
Current Assets			
Cash and cash equivalents	1	519,046	1,122,252
Trade and other receivables		149,195	149,195
Other current assets		159,638	159,638
Total Current Assets		827,879	1,431,085
Non Current Assets			
Other financial assets		465	465
Plant and equipment		42,103	42,103
Mineral exploration and evaluation expenditure		2,206,315	2,206,315
Total Non Current Assets		2,248,883	2,248,883
Total Assets		3,076,762	3,679,968
Current Liabilities			
Trade and other payables		170,866	170,866
Non interest bearing liabilities		4,225	4,225
Total Current Liabilities		175,091	175,091
Non Current Liabilities			
Non interest bearing liabilities		1,122,046	1,122,046
Total Non Current Liabilities		1,122,046	1,122,046
Total Liabilities		1,297,137	1,297,137
Net Assets		1,779,625	2,382,831
Equity			
Issued capital	1	13,286,793	13,889,999
Reserves		1,658,702	1,658,702
Accumulated losses		(12,354,744)	(12,354,744)
Total parent equity interest		2,590,751	3,193,957
Non-controlling interest		(811,126)	(811,126)
Total Equity		1,779,625	2,382,831

Note to the Pro-forma Statement of Financial Position:

1. Completion of raising approximately \$603,206 (before issue costs) by the issue of 1 New Share for every 2 Shares held at an issue price of \$0.005 per New Share

5.4 Effect on capital structure

The effect of the Offer on the capital structure of the Company, assuming the Offer is fully subscribed, and no Options are exercised, the Underwriter Options are issued, and no additional Shares are issued, prior to the Record Date, is set out below.

Shares	Number
Shares currently on issue	241,282,360
New Shares offered pursuant to the Offer	120,641,180
Total Shares on issue after completion of the Offer	361,923,540

Options	Number
Existing Options currently on issue¹:	59,725,571
Options offered as part of the Offer	NIL
Underwriter Options to be issued ²	50,000,000
Total Options on issue after completion of the Offer	109,725,571

1. Options exercisable for \$0.02 on or before 30 June 2017 and otherwise on the terms and conditions set out in Section 6.2.

2. Options exercisable for \$0.01 on or before 30 June 2019 and otherwise on the terms and conditions set out in Section 6.3.

The capital structure on a fully diluted basis as at the date of this Prospectus would be 301,007,931 Shares and on completion of the Offer (assuming the Offer is fully subscribed and no Options are exercised, and no additional Shares are issued, prior to the Record Date would be 421,649,111 Shares. If the issue of the Underwriter Options is completed, the capital structure on a fully diluted basis would be 471,649,111 Shares.

5.5 Details of substantial holders

Based on publicly available information as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Anthony Torresan	23,665,029	9.81

In the event all Entitlements are accepted there will be no change to the substantial holders on completion of the Offer.

6. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

6.1 Rights and Liabilities attaching to Shares

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

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) Dividend rights

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and

conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of Securities contained in the Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

6.2 Rights and Liabilities attaching to Existing Options

The Existing Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Existing Option entitles the holder to subscribe for one Share at an exercise price of \$0.02 each.
- (b) The Existing Options are exercisable at any time on or before 30 June 2017 wholly or in part by delivering a duly completed form of notice of exercise to the Company, accompanied by payment of the exercise moneys.
- (c) All Shares allotted on the exercise of the Existing Options will rank equally in all respects with the Company's existing Shares.
- (d) The Existing Options are freely transferrable.
- (e) Application will be made to the ASX for official quotation of the Existing Options not later than 7 days after the date of issue. Application will be made to ASX for official quotation by ASX of all Shares allotted pursuant to the exercise of the Existing Options not later than 10 Business Days after the date of allotment.
- (f) Holders of Existing Options may only participate in new issues of securities to holders of Shares if an Existing Option has been exercised and Shares allotted in respect of the Existing Option before the Record Date for determining entitlements to the issue. The Company must give at least 6 Business Days' notice to holders of any Existing Options before the record date for determining entitlements to the issue in accordance with the Listing Rules of ASX.
- (g) There will be no change to the exercise price of an Existing Option or the number of Shares over which an Existing Option is exercisable in the event of the Company making a pro rata issue of Shares or other securities to the holders of Shares (other than a Bonus Issue).
- (h) If there is a bonus issue ("**Bonus Issue**") to the holders of Shares, the number of Shares over which an Existing Option is exercisable will be increased by the number of Shares which the holder would have received if the Existing Option had been exercised before the record date for the Bonus Issue ("**Bonus Shares**"). The Bonus Shares must be paid up by the Company out of the profits or reserves (as the case may be) in the same manner as was applied to the Bonus Issue and upon issue rank equally in all respects with the other Shares of that class at the date of issue of the Bonus Shares.
- (i) If, prior, to the expiry of any Existing Options, there is a reorganization of the issued capital of the Company, the Existing Options shall be reorganized in the manner set out in the Listing Rules.

6.3 Rights and Liabilities attaching to Underwriter Options

The terms of the Underwriter Options are:

- (a) Each Underwriter Option will be granted at an issue price of \$0.00001 each.
- (b) Each Underwriter Option entitles the holder to subscribe for and be allotted one Share.
- (c) The Underwriter Options may be exercisable at any time prior to 5:00pm WST on 30 June 2019 ("**Expiry Date**"). Underwriter Options not exercised on or before the Expiry Date will automatically lapse.
- (d) The exercise price of each Underwriter Option is \$0.01.

- (e) The Underwriter Options may be exercised wholly or in part by completing an application form for Shares ("**Notice of Exercise**") delivered to the Company's share registry and received by it any time prior to the Expiry Date.
- (f) The Underwriter Options are transferable and the Company will not apply to ASX to have the Underwriter Options granted Official Quotation.
- (g) Upon the exercise of an Underwriter Option and receipt of all relevant documents and payment, the holder will be allotted and issued a Share ranking *pari passu* with the then issued Shares. The Company will apply to ASX to have the Shares granted Official Quotation.
- (h) There will be no participating entitlement inherent in the Underwriter Options to participate in new issues of capital which may be offered to Shareholders during the currency of the Underwriter Options. Prior to any new pro rata issue of securities to Shareholders, Underwriter Option holders will be notified by the Company in accordance with the requirements of the Listing Rules.
- (i) There are no rights to a change in exercise price, or in the number of Shares over which the Underwriter Options can be exercised, in the event of a bonus issue by the Company prior to the exercise of any Underwriter Options.
- (j) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the Expiry Date, all rights of an Underwriter Option holder are to be changed in a manner consistent with the Listing Rules.
- (k) Shares issued pursuant to the exercise of an Underwriter Option will be issued not more than 14 days after the date of the Notice of Exercise.

7. RISK FACTORS

7.1 Introduction

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

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

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

7.2 Company specific

(a) Going concern risk

The Directors have determined that future equity raisings or debt financing arrangements may be required to assist the funding of the Company's activities to meet the Company's objectives. There is no certainty that these will be successfully completed to provide adequate working capital for the Company.

In the event that the Offer is not completed successfully there is some uncertainty as to whether the Company can continue as a going concern, and which is likely to have a material adverse effect on the Company's activities.

(b) Funding Risk

Until the Company is able to develop a project and generate appropriate cash flow therefrom, it is dependent upon being able to obtain future equity or debt funding to support long term exploration, after the expenditure of the net proceeds raised under the Offer. Neither the Company nor any of the Directors nor any other party can provide any guarantee or assurance that if further funding is required, such funding can be raised on terms favourable to the Company (or at all).

Any additional equity funding will dilute existing Shareholders. Also, no guarantee or assurance can be given as to when a project can be developed to the stage where it will generate cash flow. As such, a project would be dependent on many factors, for example exploration success, subsequent development, commissioning and operational performance.

(c) Additional requirements for capital

The Company's capital requirements depend on numerous factors. The Company will require further financing in addition to amounts raised under the Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

(d) **Licence Renewal**

The Company cannot guarantee that renewals of valid tenements will be granted on a timely basis, or at all.

(e) **Cockatoo Island Project**

The Company has an agreement with Pluton Resources Limited whereby Pluton is to pay a royalty to the Company for direct shipping iron ore derived from open cut mining on Cockatoo Island based on \$1 per tonne or 1% – 1.5% of the FOB sales price of ore shipped (depending on the prevailing FOB sales price) whichever is the greater.

In November 2014 Korda Mentha was appointed as Receiver and Manager to Pluton by General Nice Recursos Comercial Offshore De Macaw Limitada, a first ranking secured creditor of the Company. During their appointment, Korda Mentha continued shipments of iron ore from Cockatoo Island until 23 March 2015, when Pluton announced that KordaMentha had agreed to be retired as Receivers and Managers and the Board of Pluton had resumed full control of the Company

The Company has issued Notice of Defaults to Pluton and continues to negotiate with both Pluton and Korda Mentha on payment of royalty arrears on shipments of iron ore.

The arrears in royalties currently totals approximately \$960,0000 (after deducting the debt conversion) and the Company continues to negotiate with Pluton for repayment of the arrears. The Company cannot guarantee that arrears will be received in full.

(f) **Romblon Project**

The Company's Romblon project is currently the subject of Cease and Desist Order which was issued in September 2011. The Cease and Desist Order prohibits the Company from undertaking exploration or mining activities on the project. Legal counsel is pursuing legal avenues with respect to an appeal to the Mines and Geosciences Bureau of the Department of Environmental and Natural Resources in the Philippines to lift the Cease and Desist Order. There is no guarantee that the Cease and Desist Order will be lifted in a manner that is favourable to the Company, or at all. Accordingly, there can be no guarantee that operations at the Company's Romblon project will commence in the future.

7.3 Industry specific

(a) **Government approvals**

The Company's operations with respect to the Company's projects in the Philippines will, in general, be subject to approval by governmental authorities in the Philippines. Development of any of the Company's properties will be dependent on the project meeting the established rules, laws and guidelines and, where required, being approved by governmental authorities.

(b) **Exploration**

The mineral tenements of the Company are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that exploration of these tenements, or any other tenements that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company.

(c) **Exploration costs**

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

(d) **Operations**

No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests.

(e) **Tenure and access**

Mining and exploration tenements are subject to periodic renewal. There is no guarantee that current or future tenements or future applications for production tenements will be approved.

The Company's tenements are subject to the applicable mining acts and regulations in the Philippines. The renewal of the term of a granted tenement is also subject to the discretion of the relevant Minister. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising the Company's projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

(f) **Sovereign Risks**

The Company has projects located in the Philippines which is a less developed country with associated political, economic, legal and social risks. Consideration should be given to the risks associated with operating in the Philippines as the economy and legal system may be different from that of most developed countries. There can be no assurance that the systems of government and the political system will remain stable. There can be no guarantee that government regulations relating to foreign investment, repatriation of foreign currency, taxation and the mining industry will not be amended or replaced in the future to the detriment of the Company's business and/or projects. The Directors are unaware of any such proposal at the date of this Prospectus. Outcomes before courts in the Philippines may be less predictable than in Australia, which could affect the enforceability of contracts entered into by the Company in the Philippines. There can be no guarantee that civil, ethnic or military unrest will not break out in the Philippines in the near future.

(g) **Government policy changes**

Adverse changes in government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and mining and exploration activities of the Company. It is possible that the current system of exploration and mine permitting in the Philippines may change, resulting in

impairment of rights and possibly expropriation of the Company's properties without adequate compensation.

(h) Joint venture parties, agents and contractors

The Directors are unable to predict the risk of financial failure or default by a participant in any earn-in agreements or joint ventures to which the Company is at present a party or may become a party or the insolvency or managerial failure by any of the contractors (or to be used in the future) by the Company in any of its activities or the insolvency or other managerial failure by any of the other service providers used (or to be used in the future) by the Company for any activity.

(i) Access to land may be stopped

Interests in tenements in the Philippines 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 its title or interest in tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments.

(j) Equipment and availability

The Company's ability to undertake mining and exploration activities is dependent upon its ability to source appropriate contractors with access to mining equipment. Equipment is not always available and the market for mining equipment experiences fluctuations in supply and demand. If the Company is unable to source appropriate equipment economically or at all then this would have a material adverse effect on the Company's financial or trading position.

(k) Environmental risks

The operations and proposed activities of the Company are subject to State and Federal laws and regulation concerning the environment. In the Philippines, the Company's operations and activities are subject to the environmental laws and regulations of the Philippines. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. The Company attempts to conduct its activities to the highest standard of environmental obligation, including compliance with all the environmental laws.

Failure to comply with applicable laws, regulation and permitting requirements may result in enforcement actions, including orders issued by regulatory nor judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditure, installation of additional equipment, or remedial actions. Parties engaged in mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining and exploration companies, or more stringent application thereof, could have a materially adverse impact on the Company and cause increases in exploration expenditure, capital expenditures, or production costs, or reduction in levels of production at producing properties, or require abandonment or delays in development of new mining properties.

7.4 General risks

(a) Economic

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

(b) Market conditions

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

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

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

(c) Additional requirements for capital

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

(d) Dividends

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

(e) Taxation

The acquisition and disposal of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities from a taxation viewpoint and generally.

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

(f) **Reliance on key personnel**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

7.5 Speculative investment

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

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

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

8. ADDITIONAL INFORMATION

8.1 Litigation

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

8.2 Continuous disclosure obligations

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

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

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

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

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

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

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;
 - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
 - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the Listing Rules as referred to in section 674(1) of the

Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

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

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

Date	Announcement
07/05/2015	Change of Share Registry Update
30/04/2015	Change of Share Registry Notification
24/04/2015	March 2015 Quarterly Report
25/03/2015	Initial Director's Interest Notice (2)
25/03/2015	Cancellation of General Meeting of Members
25/03/2015	Reinstatement to Official Quotation
25/03/2015	Board Changes
25/03/2015	Appendix 3Z (2)
18/03/2015	Suspension from Official Quotation
16/03/2015	Request for Trading Halt
16/03/2015	Trading Halt
27/02/2015	Notice of General Meeting/Proxy Form
27/02/2015	Directorship
27/02/2015	General Meeting of Company
25/02/2015	Half Yearly Report and Accounts
11/02/2015	Corporations Act Section 249D Notice
30/01/2015	Appendix 5B December 2014 Quarterly
12/12/2014	Appendix 3Y and Change in Interests Substantial Holder
09/12/2014	Change in substantial holding
27/11/2014	Results of 2014 Annual General Meeting
30/10/2014	Quarterly Activities Report Sept 2014
20/10/2014	Notice of Annual General Meeting/Proxy Form
30/09/2014	Change of Director's Interest Notice

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

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

8.3 Market price of shares

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

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

	Price	Date
Highest	\$0.007	27 April 2015
Lowest	\$0.005	2 April 2015
Last	\$0.007	15 May 2015

8.4 Material contracts

8.4A Underwriting Agreement

On 12 May 2015, the Company and the Underwriter entered into the Underwriting Agreement pursuant to which the Underwriter agreed to fully underwrite the Offer.

Fees payable to the Underwriter have been detailed in Section 4.7. The Underwriter is entitled to be reimbursed for all reasonable out-of-pocket expenses.

The Underwriting Agreement imposes obligations on the Company including an obligation to offer the Securities in accordance with regulatory requirements. The Underwriting Agreement further contains various representations and warranties made by the Company to the Underwriter that are customary for an agreement of this nature.

8.4A.1 Termination Conditions

The Underwriting Agreement is subject to a number of termination conditions that are customary for an agreement of this nature. The Underwriter may terminate the Underwriting Agreement by notice in writing to the Company, without cost or liability to the Underwriter, immediately if, prior to close of the Offer:

- (a) **(proceedings)** ASIC or any other person proposes to conduct any enquiry, investigation or proceedings, or to take any regulatory action or to seek any remedy, in connection with the Offer or the Offer Document, or publicly foreshadows that it may do so;
- (b) **(Unable to issue Securities)** the Company is prevented from allotting and issuing the Underwritten Securities within the time required by the Timetable, Listing Rules, applicable laws, an order of a court of competent jurisdiction or a Government Agency;
- (c) **(No Quotation Approval)**: the Company fails to lodge an Appendix 3B in relation to the Underwritten Securities with ASX by the time required by the Corporations Act, the Listing Rules or any other regulation;
- (d) **(ASIC application)**: an order is made under Section 1324B or any other provision of the Corporations Act in relation to the Offer Document;
- (e) **(Authorisation)**: any authorisation which is material to anything referred to in the Offer Document is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to the Underwriter acting reasonably;
- (f) **(Indictable offence)**: a director of the Company is charged with an indictable offence;
- (g) **(Cleansing Statement)**: the Company ceases to be capable of issuing, at the date of issue of any Shortfall Shares, a notice under Section 708A(5)(e) of the Corporations Act to allow secondary trading of any Shortfall Shares; or
- (h) **(Termination Events)**: any of the following events occur:
 - i) **(Hostilities)**: there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of this Agreement involving one or

more of Australia, New Zealand, Indonesia, Japan, Russia, the United Kingdom, the United States of America, India, Pakistan, or the Peoples Republic of China or any member of the European Union, or a terrorist act is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries anywhere in the world;

- ii) **(Default):** default or breach by the Company under this Agreement of any terms, condition, covenant or undertaking;
- iii) **(Incorrect or untrue representation):** any representation, warranty or undertaking given by the Company in this Agreement is or becomes untrue or incorrect in a material respect;
- iv) **(Contravention of constitution or Act):** a contravention by a Relevant Company of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;
- v) **(Adverse change):** an event occurs which gives rise to a material adverse effect or any adverse change or any development including a prospective adverse change after the date of this Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of any Relevant Company;
- vi) **(Public statements):** without the prior approval of the Underwriter a public statement is made by the Company in relation to the Offer or the Offer Document, other than a statement the Company is required to make in order to ensure its disclosure obligations under the Listing Rules and the Corporations Act;
- vii) **(Misleading information):** any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any aspect of the Offer or the affairs of any Relevant Company is or becomes misleading or deceptive or likely to mislead or deceive;
- viii) **(Change in Act or policy):** there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy (excluding the introduction of a reasonable carbon tax policy that does not materially affect the ASX);
- ix) **(Judgment against a Relevant Company):** a judgment in an amount exceeding \$100,000.00 is obtained against a Relevant Company and is not set aside or satisfied within 7 days;
- x) **(Litigation):** litigation, arbitration, administrative or industrial proceedings are after the date of this Agreement commenced against any Relevant Company;
- xi) **(Board and senior management composition):** there is a change in the composition of the Board or a change in the senior management of the Company before the date of issue of the Underwritten Securities without the prior written consent of the Underwriter (such consent not to be unreasonably withheld);
- xii) **(Change in shareholdings):** there is a material change in the major or controlling shareholdings of a Relevant Company (other than as a result of the Offer or the Placement, a matter disclosed in the Offer Document) or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to a Relevant Company;

- xiii) **(Timetable):** there is a delay in any specified date in the Timetable which is greater than 4 Business Days, without the prior written consent of the Underwriter;
- xiv) **(Force Majeure):** a Force Majeure affecting the Company's business or any obligation under the Agreement lasting in excess of 7 days occurs;
- xv) **(Certain resolutions passed):** a Relevant Company passes or takes any steps to pass a resolution under Section 254N, Section 257A or Section 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of the Underwriter;
- xvi) **(Capital Structure):** any Relevant Company alters its capital structure in any manner not contemplated by the Offer Document;
- xvii) **(Investigation):** any person is appointed under any legislation in respect of companies to investigate the affairs of a Related Company;
- xviii) **(Breach of Material Contracts):** any of the Contracts are terminated or substantially modified;
- xix) **(Market Conditions):** a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Europe, Japan, the United Kingdom, the United States of America or other international financial markets;
- xx) **(Licences):** the revocation or forfeiture of any material licence, permit or approval relevant to the Company's exploration activities or interests in such activities; or
- xxi) **(S&P 200 Index):** between the date of this Prospectus and the Shortfall Issue Date (each inclusive), the ASX/S&P200 does not close 10% or more below the closing level on the Announcement Date for 5 or more consecutive trading days.

The Underwriter's termination rights under clause 8.4A.1(h) can only be exercised if the Underwriter reasonably believes and does believe that the matters in 8.4A.1(h)(i) to (xxi) above:

- (i) have or are likely to have a materially adverse effect on:
 - (A) the success of, ability of the Underwriter to market or sub-underwrite, or effect settlement of, the Offer (irrespective of whether or not the Offer has opened); or
 - (B) the market price of Offer Shares; or
- (ii) have given or could reasonably be expected to give rise to a contravention by, or a liability of, the Underwriter under any law or regulation.

As part of the Underwriting Agreement, the Underwriter may appoint sub-underwriters on such terms as it thinks fit, not inconsistent with those in the Underwriting Agreement.

8.4B Sub-Underwriting Agreements

Mainview and ACP (entities controlled by Anthony Torresan and Alec Pismiris (both Directors) respectively) have entered into sub-underwriting agreements with the Underwriter.

In the event of a shortfall to the subscription under the Offer, the relevant sub-underwriter is required to subscribe for New Shares in accordance with the table below.

Each sub-underwriter will be paid a sub-underwriting commitment fee of 2.5% of the total amount of the relevant sub-underwriter's sub-underwriting commitment.

In addition, in consideration of the relevant sub-underwriter making the sub-underwritten commitment, the Underwriter has agreed to nominate the relevant sub-underwriter as the recipient of Underwriter Options (at an issue price of \$0.00001 per Underwriter Option) as specified in the table below (subject to Shareholder approval being obtained).

Details of the relevant sub-underwriters, the sub-underwriting commitments, and sub-underwriting fees payable are set out in the table below.

Name	Amount Sub-Underwritten (\$)	Number of Shares Underwritten	Number of Underwriter Options	Sub-Underwriting Fee
Mainview¹	\$220,000	44,000,000	18,235,894	\$5,500
ACP²	\$75,000	15,000,000	6,216,782	\$1,875

Note: The sub-underwriting commitments will be reduced dollar for dollar by a separate application for securities under the Offer taken up under the relevant sub-underwriter's Entitlement under the Offer.

1. Mainview is an entity controlled by Anthony Torresan (a Director)
2. ACP is an entity controlled by Alec Pismiris (a Director)

8.5 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

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

Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus, together with their respective Entitlement, is set out in the table below.

Director	Shares	Existing Options	Entitlement to New Shares
Alec Pismiris	3,000,000	NIL	1,500,000
Anthony Torresan	24,065,029	9,407,667	12,032,514
John Hills	11,811,292	NIL	5,905,646

Note: In addition to the Securities set out in the table above, entities controlled by Anthony Torresan and Alec Pismiris will, subject to Shareholder approval, be issued the Underwriter Options contemplated by Section 8.4B.

The Board recommends all Shareholders take up their Entitlement and advises that:

- (a) Anthony Torresan intends to take up his Entitlement;
- (b) Alec Pismiris intends to take up his Entitlement; and
- (c) John Hills does not intend to take up his Entitlement.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$250,000 per annum.

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

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive directors.

Director	30 June 2016 (proposed)	30 June 2015 Financial Year	30 June 2014 Financial Year
Alec Pismiris	\$36,000	\$9,750	NIL
Anthony Torresan	\$120,000	\$32,500	NIL
John Hills ¹	NIL	\$27,375	\$25,578

1. John Hills will resign as a Director effective from 1 July 2015.

8.6 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (d) the formation or promotion of the Company; or
- (e) the Offer.

Jeremy Shervington has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Jeremy Shervington \$5,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Jeremy Shervington has not been paid any fees by the Company.

CIP is underwriting the Offer. The material terms of the Underwriting Agreement and the fees to be paid to CIP in relation to this Offer are set out in Sections 4.7 and 8.4A. In the two years prior to the date of this Prospectus, CIP has not been paid any other fees for other corporate advisory services.

8.7 Consents

Each of the parties referred to in this Section:

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

Jeremy Shervington has given his written consent to being named as the solicitor to the Company in this Prospectus. Jeremy Shervington has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

CIP has given his written consent to being named as the Underwriter in this Prospectus. CIP has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

8.8 Expenses of the offer

In the event that all Entitlements are accepted, the total expenses of the Offer are estimated to be approximately \$50,204 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	2,290
ASX fees	3,722
Underwriter Fees	36,192
Legal fees	5,000
Printing and distribution	3,000
Total	50,204

8.9 Electronic prospectus

Pursuant to Class Order 00/44, the ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Forms. If you have not, please phone the Company on +61 8 9242 1166 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at www.pelicanresources.com.au.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

8.10 Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

8.11 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will not be issuing share or option certificates. The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

8.12 Privacy Act

If you complete an application for Securities, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a holder of equity securities in the Company, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

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, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Securities, the Company may not be able to accept or process your application.

9. DIRECTORS' AUTHORISATION

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

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

Alec Pismiris

Director

For and on behalf of

Pelican Resources Limited

10. GLOSSARY

\$ means the lawful currency of the Commonwealth of Australia.

ACP means ACP Investments Pty Ltd.

Applicant means a Shareholder who applies for New Shares pursuant to the Offer.

Application Form means an Entitlement and Acceptance Form.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

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

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except and any other day that ASX declares is not a business day.

Closing Date means the date specified in the timetable set out at the commencement of this Prospectus (unless extended).

Company means Pelican Resources Limited (ACN 063 388 821).

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the Corporations Act 2001 (Cth).

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

Eligible Shareholder means a registered holder of Shares on the Record Date whose registered address is in Australia or New Zealand.

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form either attached to or accompanying this Prospectus.

Existing Option means an Option issued on the terms set out in Section 6.2 of this Prospectus.

Listing Rules means the listing rules of the ASX.

Mainview means Mainview Holdings Pty Ltd.

New Share means the Shares the subject of the Offer.

Offer means the non-renounceable entitlement issue of New Shares the subject of this Prospectus.

Offer Document where used in Section 8.4A.1 means this Prospectus.

Offer Shares where used in Section 8.4A.1 means the New Shares.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Prospectus means this prospectus.

Record Date means the record date for determining Entitlements as specified in the timetable set out at the commencement of this Prospectus.

Section means a section of this Prospectus.

Securities means, collectively, Shares and Options.

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

Shareholder means a holder of a Share.

Shortfall means the New Shares not applied for under the Offer (if any).

Shortfall Shares means those New Shares issued pursuant to the Shortfall.

Underwriter Options means the Options to be issued on the terms and conditions set out in Section 6.3.

Underwriting Agreement means the underwriting agreement summarised in Sections 4.7A and 8.4A.

Underwritten Amount has the meaning given to it in Section 4.7A.

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