

**MOD RESOURCES LIMITED
ACN 003 103 544**

PROSPECTUS

FOR

A non-renounceable pro rata entitlement issue of one New Share for every five Shares held by Shareholders at the Record Date at an issue price of \$0.006 per New Share (together with one free attaching New Option for every two New Shares subscribed for and issued) to raise up to \$1,236,883

**THE ENTITLEMENT OFFER IS CURRENTLY EXPECTED TO CLOSE AT 5:00PM (WST) ON
15 OCTOBER 2015**

VALID ACCEPTANCES MUST BE RECEIVED BEFORE THAT TIME.

**PLEASE READ THE INSTRUCTIONS IN THIS PROSPECTUS AND ON THE
ACCOMPANYING ENTITLEMENT AND ACCEPTANCE FORM REGARDING THE
ACCEPTANCE OF YOUR ENTITLEMENT UNDER THE ENTITLEMENT OFFER.**

**THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION IT
SHOULD BE READ IN ITS ENTIRETY. IF YOU ARE IN DOUBT ABOUT WHAT TO DO, YOU
SHOULD CONSULT YOUR PROFESSIONAL ADVISER.**

**AN INVESTMENT IN THE SECURITIES OFFERED BY THIS PROSPECTUS SHOULD BE
CONSIDERED HIGHLY SPECULATIVE IN NATURE.**

IMPORTANT INFORMATION

General

This Prospectus is dated, and was lodged with ASIC on, 22 September 2015. Neither ASIC nor ASX nor their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities will be issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus).

The Company will apply to ASX within seven days of the date of this Prospectus for Official Quotation by ASX of the New Securities offered by this Prospectus.

A copy of this Prospectus is available for inspection at the Australian registered office of the Company at First Floor, 1304 Hay Street, West Perth, Western Australia during normal business hours. The Company will provide a copy of this Prospectus to any person on request. The Company will also provide copies of other documents on request (refer to Sections 7.1 and 7.13). Eligible Shareholders only can obtain a copy of this Prospectus during the period of the Entitlement Offer on the Company's website.

No person or entity is authorised to give any information or to make any representation in connection with the Offers which is not contained in this Prospectus. Any information or representation not contained in this Prospectus should not be relied on as having been made or authorised by the Company or the Directors in connection with the Offers.

Application Forms

The Application Forms accompanying this Prospectus are important. Application for New Shares under the Offers can only be submitted on an Application Form. If acceptance is by BPAY® there is no need to return an original Application Form. The Entitlement and Acceptance Form sets out an Eligible Shareholder's Entitlement. Please refer to instructions in Section 4 regarding the acceptance of your Entitlement and completion of the Entitlement and Acceptance Form.

By returning an Application Form, you acknowledge that you have received and read this Prospectus and you have acted in accordance with the terms of the Offers detailed in this Prospectus.

Foreign Investors

No action has been taken to permit the offer of Securities under this Prospectus in any jurisdiction other than Australia and New Zealand. The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and therefore persons into whose possession this Prospectus comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws. This Prospectus does not constitute an offer of Securities in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

Continuously Quoted Securities

In preparing this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and their professional advisers. This Prospectus is issued pursuant to section 713 of the Corporations Act. 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 information that would be included in a prospectus for an initial public offering.

Exposure Period

No exposure period applies to the Offers.

Speculative Investment

An investment in the Securities offered under this Prospectus should be considered highly speculative. Refer to Section 5 for details of the key risks applicable to an investment in the Company.

Persons wishing to apply for Securities offered under this Prospectus should read this Prospectus in its entirety in order to make an informed assessment of the assets and liabilities, financial position and performance, profits and losses and prospects of the Company and the rights and liabilities attaching to the Securities offered pursuant to this Prospectus.

This Prospectus does not take into account the investment objectives, financial or taxation or particular needs of any Applicant. Before making any investment in the Company, each Applicant should consider whether such an investment is appropriate to his/her particular needs, and considering their individual risk profile for speculative investments, investment objectives and individual financial circumstances. If persons considering apply for Securities offered pursuant to this Prospectus have any questions, they should consult their stockbroker, solicitor, accountant or other professional adviser.

There is no guarantee that the Securities offered under this Prospectus will make a return on the capital invested, that dividends will be paid on the New Shares or that there will be an increase in the value of the New Shares in the future.

Forward-looking Statements

This Prospectus contains forward-looking statements which may be identified by words such as "believes", "estimates", "expects", "intends", "may", "will", "would", "could", or "should" and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management of the Company. Key risk factors associated with an investment in the Company are detailed in Section 5. These and other factors could cause actual results to differ materially from those expressed in any forward-looking statements.

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

The Company cannot and does not give assurances that the results, performance or achievements expressed or implied in 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.

Competent person's statements and consents

The information in this Prospectus that relates to geological data and exploration results at the Mahumo Copper/Silver Project is reviewed and approved by Jacques Janse van Rensburg, BSc (Hons), General Manager Exploration (Africa) for the Company. He is registered as a professional natural scientist with the South African Council for Natural Scientific Professions (SACNASP) No. 400101/05 and has reviewed the technical information in this report. Mr Janse van Rensburg has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and the activity which it is undertaking to qualify as a Competent Person. Mr Janse van Rensburg consents to the inclusion in this Prospectus of the matters based on information in the form and context in which it appears.

The Competent Person responsible for the geological interpretation, mineral resource estimation and classification of the Mahumo Copper/Silver Project is Mr A.I. Pretorius, who is a full-time employee of Sphynx Consulting CC and registered with SACNASP (400060/91). Mr Pretorius has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person. Mr Pretorius consents to the inclusion in this Prospectus of the matters based on his information in the form and context in which it appears.

The information in this Prospectus that relates to geological data and exploration results at the Sams Creek Gold Project is based on and fairly represents information compiled by Mr Paul Angus, Project Manager of Sams Creek Gold Project and a Director of the Company's subsidiary, Sams Creek Gold Ltd. Mr Angus is a member of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person. Mr Angus consents to the inclusion in this Prospectus of the matters based on information in the form and context in which it appears.

Information in this Prospectus relates to previously released exploration data disclosed under the 2004 edition of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves. It has not been updated to comply with the 2012 edition of the JORC Code on the basis that the information has not materially changed since it was last reported and is based on and fairly represents information reviewed and approved by Mr Jacques Janse van Rensburg and Mr Paul Angus.

Website

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

Diagrams

Any diagrams used in this Prospectus are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the date of this Prospectus.

Currency

All financial amounts contained in this Prospectus are expressed as Australian dollars unless otherwise stated.

Rounding

Any discrepancies between totals and sums and components in tables contained in this Prospectus are due to rounding.

Time

All references to time in this Prospectus are references to WST, unless otherwise stated.

Glossary

Defined terms and abbreviations used in this Prospectus are detailed in the glossary of terms in Section 9.

CORPORATE DIRECTORY

Directors

Mr Mark Clements Executive Chairman/Company Secretary
Mr Julian Hanna Managing Director
Mr Simon Lee AO Non-executive Director
Mr Steven McGhee Non-executive Director

Lawyers

DLA Piper Australia
Level 31
152 - 158 St Georges Terrace
Perth WA 6000

MOD Resources Limited Registered Office

First Floor, 1304 Hay Street
West Perth WA 6005
Tel: +61 8 9322 8233
Fax: +61 8 9322 8077
Email: administrator@modresources.com.au
Website: www.modresources.com.au
ASX Code: MOD

Auditor*

Grant Thornton Audit Pty Ltd
Level 1, 10 Kings Park Road
West Perth WA 6005

Share Registry

Security Transfer Registrars Pty Ltd
770 Canning Highway
Applecross WA 6153
Tel: +61 8 9315 2333
Fax: +61 8 9315 2233
Email: registrar@securitytransfer.com.au

Lead Manager

Patersons Securities Limited
Level 23, Exchange Plaza
2 The Esplanade
Perth 6000
Western Australia

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

INDICATIVE TIMETABLE

Event	Date
Lodgement of Prospectus with ASIC and provision of a copy to ASX	22 September 2015
Company sends letter to Foreign Shareholders	22 September 2015
Company sends letter to Eligible Shareholders	22 September 2015
"Ex" Date	25 September 2015
Record Date (at 5.00pm WST)	29 September 2015
Prospectus despatched to Eligible Shareholders	1 October 2015
Opening Date	1 October 2015
Closing Date (at 5.00pm WST)	15 October 2015
Securities quoted on a deferred settlement basis	16 October 2015
Anticipated issue date of New Shares and New Options	22 October 2015
Anticipated date for despatch of holding statements	22 October 2015
Deferred settlement trading ends	22 October 2015
Anticipated date for commencement of trading of New Shares	23 October 2015

The above timetable is indicative only and subject to change. Subject to the Listing Rules, the Directors reserve the right to vary these dates, including the Closing Date, without prior notice. Any extension of the Closing Date will have a consequential effect on the anticipated date for issue of the New Shares. The Directors also reserve the right not to proceed with the whole or part of the Offers at any time prior to allotment. In that event, the relevant Application Monies will be returned without interest.

CHAIRMAN'S LETTER

Dear Shareholder

On behalf of the board of MOD Resources Limited, I am pleased to invite you to participate in this Entitlement Offer to progress with the proposed development pathway at the Mahumo Copper/Silver Project and explore MOD's significant interests in the wider Botswana Kalahari Copper Belt.

Despite challenging times in the global resource market, MOD has been able to make significant progress at the Mahumo Copper/Silver Project and our extensive holdings in the Kalahari Copper Belt and maintain the good standing of the Sams Creek Gold Project. In line with market conditions the Board and management team has been able to reduce costs to a minimum whilst continuing to achieve major milestones.

The Stage One scoping study to evaluate potential future underground mining at Mahumo is nearing completion and has produced positive early results based on a 40,000 tonnes per month mining model. The scoping study has considered both toll treating and standalone processing of ore. The proposed Stage Two Resource drilling program is intended to test the potential for significant extensions below current drilling to provide further weight to the standalone development strategy. Metallurgical test work conducted as part of the scoping study also confirmed the outstanding characteristics of the Mahumo ores with copper recoveries up to 96% achieved into very high grade and low impurity concentrates.

Subject to the results of the scoping study and resource extension drilling program the Company expects to make a decision to progress towards commencement of pre-feasibility studies at Mahumo at which time we will commence our engagement with leading global service provider Sedgman Limited (ASX: SDM). Sedgman has agreed to inject up to US\$1.5M in design and engineering services at Mahumo, at no cost to MOD. In return, Sedgman can earn up to 10% in Mahumo and have certain rights to design, construct and operate a processing plant, subject to separate contracts. The US\$1.5M of services to be provided by Sedgman will not only reduce the amount of funding required by MOD to complete the proposed feasibility studies but enable us to utilise the resources of this well regarded organisation.

We have recently announced that we are finalising a proposed transaction to acquire a number of prospecting licences in the immediate area of the Mahumo high grade copper/silver project. This acquisition is considered an important part of future growth plans for the Mahumo area and covers any possible extensions to the deposit.

Although we remain strongly focused on advancing the Botswana assets, MOD also recently announced two important developments at the Sams Creek Gold Project in New Zealand which were achieved at minimal cost to the Company. MOD increased its interest in the Sams Creek Joint Venture to 80% following confirmation from OceanaGold Corporation that MOD had already met the required milestone. In addition, preliminary remodelling of the current 1.0Moz gold resource at a higher cut-off grade (2.0 g/t) has identified potentially significant higher grade mineralisation within the Main Zone deposit. The Board is considering a range of options with a view to maximising shareholder value at Sams Creek to enable the majority of activities and funding to be directed to the Company's substantial copper/silver assets in Botswana.

We have also reached agreement with SHL Pty Ltd to extend the repayment date for its existing \$2 million secured loan to 4 April 2016. If MOD does not have the capacity to repay the loan on this date, the parties have agreed that the repayment date for the loan will be extended a further three months to 4 July 2016.

CHAIRMAN'S LETTER

Shareholders may apply for New Shares and New Options in excess of their Entitlement. The Company has appointed Patersons Securities Limited as lead manager to assist with the placement of Shortfall (if any).

Participation in the Entitlement Offer is entirely voluntary and before deciding whether or not to accept your Entitlement it is important for you to read this Prospectus carefully and seek professional advice if required. MOD directors intend to apply for their full rights under this Offer (refer Section 7.3).

Yours faithfully

MARK CLEMENTS

Executive Chairman

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1. Investment Overview

Topic	Summary	More Information
What is the Entitlement Offer?	One New Share for every five Shares held by Shareholders on the Record Date at an issue price of \$0.006 per New Shares (together with one free attaching New Option for every two New Shares subscribed for and issued).	Section 2.1
What is the purpose of the Entitlement Offer?	<p>The purpose of the Entitlement Offer is to raise up to approximately \$1,236,883 (before associated costs).</p> <p>Funds raised will be applied to commence the resource extension drilling program at the Mahumo Copper/Silver Project and progress towards the proposed pre-feasibility studies.</p> <p>Subject to completion of the Acquisition of various licences near Mahumo as announced on 9 September 2015, the Company together with the London Stock Exchange AIM-listed investment company also plans to undertake an exploration program directed toward priority targets in the immediate area of the Mahumo Copper/Silver Project on the newly acquired licences.</p>	Section 2.2
What are the key investment highlights?	<ul style="list-style-type: none"> • The Company is focused on directing the majority of activities and funding to the Company's substantial copper/silver assets in Botswana which are located in an emerging exploration province where large copper and silver discoveries have been made on adjacent properties. • The Board is finalising a proposed transaction to acquire a number of prospecting licences in the immediate area of MOD's 100% owned Mahumo high grade copper/silver project in Botswana which is an important part of future growth plans for the Mahumo area and covers any possible extensions to the Mahumo deposit. • All licences comprising the wider Botswana Copper Project are considered to have significant exploration potential. • The Company has an 80% interest in one of New Zealand's largest underdeveloped gold resources, Sams Creek, which is a 1.0Moz porphyry hosted gold deposit. 	
What are key risks associated with an investment in the Company?	<p>The key risks that may affect the Company are:</p> <ul style="list-style-type: none"> • Loan Security Risk. • Future Capital Needs and Additional Funding. • Acquisition Risk <p>See Section 5 for further risks affecting the Company.</p>	<p>Section 5.1(a)</p> <p>Section 5.1(b)</p> <p>Section 5.1(c)</p>
What is the effect of the Offers on the	The maximum number of Securities that will be issued under the Offers is 206,147,294 New Shares and 103,073,647 New	Section 3.1

Topic	Summary	More Information
Company?	Options.	
Is the Entitlement Offer subject to a minimum subscription?	No.	Section 2.3
What are the terms of the New Options?	The New Options will be listed on ASX and have an exercise price of \$0.01 and an expiry date of 1 May 2018. The terms and conditions of the New Options are set out in Section 6.2.	Section 6.2.
Who can participate in the Entitlement Offer?	Eligible Shareholders, being Shareholders on the Record Date with a registered address in Australia or New Zealand on the Share Register, may participate in the Entitlement Offer.	Section 2.4
How do I accept my Entitlement?	All Eligible Shareholders are entitled to participate in the Entitlement Offer. If you wish to take up all or part of your Entitlement, you must complete your Entitlement and Acceptance Form that accompanies this Prospectus and send it to the Share Registry together with payment by cheque or follow the instructions to pay via BPAY®.	Section 4.1
How will Shortfall Securities be allocated?	Shortfall Securities not applied for under the Entitlement Offer will form part of the Shortfall Offer and be allocated at the absolute discretion of the Directors. Shortfall Securities will be allocated within three months after the Closing Date. Eligible Shareholders may apply for Shortfall Securities by completing the relevant section of their Entitlement and Acceptance Form.	Section 2.5
Key Dates	Ex-Date 25 September 2015 Record Date (at 5:00pm WST) 29 September 2015 Opening Date 1 October 2015 Closing Date (at 5.00pm WST) 15 October 2015 Issue date 22 October 2015 Trading commences 23 October 2015	See Indicative Timetable on page 2
Enquiries concerning Prospectus	Enquiries relating to this Prospectus should be directed to the Company Secretary on +61 (08) 9322 8233.	Section 2.17

2. Details of the Offers

2.1 The Entitlement Offer

The Entitlement Offer is a non-renounceable pro rata entitlement issue of one New Share for every five Shares held by Shareholders on the Record Date at an issue price of \$0.006 per New Share (together with one free attaching New Option for every two New Shares subscribed for and issued) to raise up to \$1,236,883 (before associated costs) (**Entitlement Offer**).

Under this Prospectus, Eligible Shareholders on the Record Date are eligible to participate in the Entitlement Offer.

At the date of this Prospectus, the Company has 1,030,736,472 Shares on issue. Accordingly, the Entitlement Offer is for the issue of up to approximately 206,147,294 New Shares and 103,073,647 New Options.

Where the determination of the Entitlement of any Shareholder results in a fraction of a New Security, such fraction will be rounded up to the nearest whole New Security.

All of the Shares offered under this Prospectus will rank equally with the Shares on issue at this date of this Prospectus. All Shares issued on the conversion of New Options will rank equally with the Shares on issue at the date of this Prospectus. Refer to Section 6.1 for a summary of the rights attaching to New Shares. Refer to Section 6.2 for a summary of the rights attached to New Options.

2.2 Reasons for the Entitlement Offer and Funding Allocation

The purpose of the Entitlement Offer is to raise up to approximately \$1,236,883 (before associated costs).

The majority of funds raised through the Offers are intended to be applied to commence the resource extension drilling program at the Mahumo Copper/Silver Project and progress towards the proposed pre-feasibility studies.

On completion of the proposed transaction announced by the Company on 9 September 2015 to acquire a number of prospecting licences in the immediate area of the Mahumo Copper/Silver Project (**Acquisition**), the Company together with the London Stock Exchange AIM-listed investment company also plans to undertake an exploration program directed toward priority targets in the immediate area of the Mahumo Copper/Silver Project on the newly acquired licences.

The funds raised under the Offers are proposed to be expended as follows:

Description of Cash Outflows	\$ ⁽¹⁾	%
Mahumo Copper/Silver Project - resource extension drilling and related studies	550,000	45%
Exploration on new Botswana Acquisition (MOD 70% share)	115,000	9%
Acquisition costs of new Botswana Acquisition (MOD share)	39,000	3%
Sams Creek Gold Project - remodel resource to JORC Code (2012)	60,000	5%
Finance cost on loan from SHL Pty Ltd	140,000	11%
Working capital	300,000	24%
Associated expenses of the Offers	32,883	3%
Total funds raised under the Offers	1,236,883	100%

Note:

⁽¹⁾ Assuming the Entitlement Offer is fully subscribed.

Actual expenditure may differ significantly from the above estimates due to a number of factors including market conditions, the development of new opportunities, the results obtained from the staged approach to exploration, appraisal and development activities and other factors (including the risk factors outlined in Section 5).

If less than \$500,000 is raised pursuant to the Offers, the Company will firstly pay the associated expenses of the Offers and then scale back funds available for exploration expenditure and working capital.

2.3 Minimum Subscription

There is no minimum subscription for the Entitlement Offer.

2.4 Opening and Closing Dates

The Company will accept Entitlement and Acceptance Forms in respect to the Entitlement Offer from Eligible Shareholders from the Opening Date until 5:00pm (WST) on the Closing Date or such other date as the Directors in their absolute discretion shall determine, subject to the requirements of the Listing Rules.

2.5 Shortfall Offer

Any New Securities under the Entitlement Offer that are not applied for will form the Shortfall Securities. The offer to issue Shortfall Securities is a separate offer under this Prospectus (**Shortfall Offer**).

Under this Prospectus, the Company offers to issue the Shortfall Securities to investors at the same price of \$0.006 per New Share as that offered under the Entitlement Offer (together with one free attaching New Option for every two New Shares subscribed for and issued). The Shortfall Shares will have the same rights as the New Shares as detailed in Section 6.1. The Shortfall Options will have the same rights as the New Options as detailed in Section 6.2.

Eligible Shareholders may apply for Shortfall Securities by completing the relevant section of their Entitlement and Acceptance Form (refer to Section 4.4 for further details). Other investors may also apply for Shortfall Securities by completing the Shortfall Application Form upon invitation from the Company.

Shortfall Securities may be allocated to any Eligible Shareholder or to other investors who applies for Shortfall Securities under the Shortfall Offer, at the absolute discretion of the Directors.

An Application for Shortfall Securities accompanied by payment of the Application Monies does not guarantee the allotment of any Shortfall Securities. The Shortfall Securities will be allocated within three months after the Closing Date.

In relation to the Shortfall Offer, the Company reserves the right to issue to an Applicant a lesser number of Shortfall Securities than the number applied for, reject an Application or not proceed with the issuing of the Shortfall Securities or part thereof. If the number of Shortfall Securities issued is less than the number applied for, surplus Application Monies will be refunded in full. Interest will not be paid on Application Monies refunded.

2.6 Risks of the Offers

As with any securities investment, there are risks associated with investing in the Company. However, having regard to the matters detailed in Section 2.2 and the risk applicable to the Company and its business detailed in Section 5, Eligible Shareholders should be aware that an investment for the Securities offered under this Prospectus should be considered highly speculative and there exists a risk that you may, in the future, lose some or all of the value of your investment.

Before deciding to invest in the Company, investors should read this Prospectus in its entirety, in particular the specific risks associated with an investment in the Company (detailed in Section 5), and should consider all factors in light of their personal circumstances and seek appropriate professional advice.

2.7 Application Forms and BPAY® Payments

Acceptance of a completed Application Form, or alternatively, a BPAY® payment, to the Company creates a legally binding contract between the Applicant and the Company for the number of New Securities accepted by the Company. The Application does not need to be signed to be a binding acceptance of New Securities.

If the Application Form is not completed correctly it may still be treated as valid. The Directors' decision whether to treat the acceptance as valid and how to construe, amend or complete the Application Form is final.

2.8 Issue and Despatch

New Shares and New Options under the Entitlement Offer are expected to be issued, and security holder statements despatched, on or before the date in the Indicative Timetable.

Shortfall Shares and Shortfall Options may be issued within three months after the Closing Date.

2.9 Application Monies held on trust

All Application Monies will be held on trust in a bank account maintained solely for the purpose of depositing Application Monies received pursuant to this Prospectus until the New Securities are issued. All Application Monies will be returned (without interest) if the New Securities are not issued.

2.10 ASX Quotation

Application will be made to ASX no later than seven days after the date of this Prospectus for Official Quotation of the New Securities offered pursuant to this Prospectus. If ASX does not grant Official Quotation of the New Securities offered by this Prospectus within three months after the date of this Prospectus (or such period as the ASX allows), no New Securities will be issued or allotted under the Entitlement Offer and the Company will repay, as soon as practicable, without interest, all Application Monies received pursuant to this Prospectus.

ASX takes no responsibility for the contents of this Prospectus. The fact that ASX may grant Official Quotation is not to be taken in any way as an indication of the merits of the Company or the New Securities offered pursuant to this Prospectus.

2.11 Withdrawal

The Directors may at any time decide to withdraw this Prospectus and the Offers, in which case, the Company will return all Application Monies (without interest) in accordance with the provisions of the Corporations Act.

2.12 CHESS

The Company participates in the Clearing House Electronic Subregister System, known as CHESS. ASX Settlement, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and Securities Clearing House Business Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of Securities.

If you are broker sponsored, ASX Settlement will send you a CHESS statement.

The CHESS statement will set out the number of Securities issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the Securities.

If you are registered on the Issuer Sponsored subregister, your statement will be dispatched by Security Transfer Registrars and will contain the number of Securities issued to you under this Prospectus and your security holder reference number.

A CHESS statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their Shareholding changes. Shareholders may request a statement at any other time, however, a charge may be made for additional statements.

2.13 Foreign Shareholders

The Entitlement Offer is not being extended to any Shareholders whose registered address is outside Australia or New Zealand. The Company is of the view that it is unreasonable to make the Entitlement Offer to Shareholders outside Australia and New Zealand, having regard to:

- (a) the number of those Shareholders;
- (b) the number and value of Shares to be offered to those persons; and
- (c) the cost of complying with overseas legal requirements.

The Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer other than for Shareholders in Australia and New Zealand. The Company is not required to make offers under the Prospectus to Shareholders other than in Australia and New Zealand. Where the Prospectus has been despatched to Shareholders domiciled outside Australia or New Zealand and where the country's securities code or legislation prohibits or restricts in any way the making of the offer contemplated by the Prospectus, the Prospectus is provided for information purposes only.

Shareholders resident in Australia and New Zealand holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up Entitlements under the Entitlement 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.

2.14 Taxation Implications

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of subscribing for Securities under this Prospectus.

The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders. Shareholders should consult their own professional taxation advisers to obtain advice in relation to the taxation laws, regulations and implications applicable to their personal circumstances.

2.15 Major Activities and Financial Information

A summary of the major activities and financial information relating to the Company for the financial year ended 31 December 2014 is in the Annual Report which is available on the Company's website at www.modresources.com.au.

A summary of the major activities and financial information relating to the Company for the half-year ended 30 June 2015 is in Half-Year Financial Report which is available on the Company's website at www.modresources.com.au

The Company's continuous disclosure notices (i.e. ASX announcements) since the lodgement of its Annual Report for the year end 31 December 2014 with ASX on 1 April 2015 are detailed in Section 7.1.

Copies of these documents are available free of charge from the Company or the Company's website: www.modresources.com.au. Directors strongly recommend that Shareholders review these and all other announcements prior to deciding whether or not to participate in the Entitlement Offer.

2.16 Privacy

The Company collects information about each Applicant provided on an Application Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's security holding in the Company.

By submitting an Application Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Application Form for the purposes detailed in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

If you do not provide the information required on Application Form, the Company may not be able to accept or process your Application.

An Applicant has an entitlement to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

2.17 Enquiries concerning Prospectus

Enquiries relating to this Prospectus should be directed to the Company Secretary on +61 (08) 9322 8233.

3. Effect of the Offers

3.1 Capital Structure on completion of the Offers

On the basis that the Company completes the Offers on the terms in this Prospectus, the Company's capital structure will be as follows:

(a) Shares

	Number of Shares ⁽¹⁾	Number of Options ⁽²⁾
Balance as at the date of this Prospectus	1,030,736,472	91,000,000
Offers	206,147,294	103,073,647
TOTAL	1,236,883,766	194,073,647

Notes:

- (1) Assuming the Offers are fully subscribed, the New Shares issued under the Offers represent approximately 17% of the enlarged issued share capital of the Company following the Offers.
- (2) Options currently on issue:
- 21,000,000 unlisted options exercisable at \$0.20 on or before 12 June 2016.
 - 63,000,000 unlisted options exercisable at \$0.06 on or before 4 March 2017.
 - 2,000,000 unlisted options exercisable at \$0.075 on or before 20 June 2017.
 - 5,000,000 unlisted options exercisable at \$0.01 on or before 21 May 2018.

3.2 Pro-Forma Statement of Financial Position

Set out on the following pages are the Company's Consolidated Statement of Financial Position as at 30 June 2015 (reviewed) and the Company's Pro-Forma Consolidated Statement of Financial Position as at 30 June 2015 (unaudited) (**Statements**).

The Statements are presented in abbreviated form insofar as they do not include all the disclosures that are present in annual financial reports as required by Australian Accounting Standards. The significant accounting policies that underpin the Statements are the same policies as those outlined in the Company's Annual Report.

The Pro-Forma Statement of Financial Position has been prepared on the basis that there are no material movements in the assets and liabilities of the Company between 30 June 2015 and the completion of the Offers except for;

- at full subscription, the issue of 206,147,294 New Shares at \$0.006 each and 103,073,647 New Options to raise up to \$1,236,883; and
- estimated costs of the Offers of \$32,883.

No allowance has been made for expenditure incurred in the normal course of business from 30 June 2015 to the Closing Date.

**UNAUDITED PRO-FORMA CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS AT 30 JUNE 2015**

	CONSOLIDATED (Reviewed) \$	PROFORMA (Unaudited) \$
Assets		
Current Assets		
Cash and cash equivalent	332,273	1,536,273
Receivables	33,395	33,395
Other current assets	19,303	19,303
Total Current Assets	384,971	1,588,971
Non-current Assets		
Property, plant and equipment	50,152	50,152
Exploration and evaluation	11,555,658	11,555,658
Total non-current Assets	11,605,810	11,605,810
Total Assets	11,990,781	13,194,781
Liabilities		
Current Liabilities		
Payables		
Trade	(145,624)	(145,624)
Related party payables	(195,371)	(195,371)
Other payables	(35,407)	(35,407)
Interest bearing liabilities	(2,000,000)	(2,000,000)
Provisions	(38,992)	(38,992)
Total Current Liabilities	(2,415,394)	(2,415,394)
Non-Current Liabilities		
Payables		
Related party payables	(86,098)	(86,098)
Total Non-current Liabilities	(86,098)	(86,098)
Total Liabilities	(2,501,492)	(2,501,492)
Net Assets	9,489,289	10,693,289
Equity		
Contributed equity	61,953,158	63,157,158
Reserves	1,411,960	1,411,960
Options reserves	475,580	475,580
Retained earnings	(54,351,409)	(54,351,409)
Total Equity	9,489,289	10,693,289

4. Action required by Shareholders

4.1 Eligible Shareholders

Your entitlement to participate in the Offers will be determined on the Record Date. The number of New Shares and New Options which Eligible Shareholders are entitled to is shown on the accompanying Entitlement and Acceptance Form.

If you do not take up your Entitlement, then your percentage holding in the Company will be diluted.

If you are an Eligible Shareholder you may either:

- (a) take up all or part of your Entitlement in accordance with this Prospectus;
- (b) take up all of your Entitlement and apply for New Securities in excess of your Entitlement by applying for Shortfall Securities in accordance with this Prospectus;
- (c) decline to exercise all or part of your Entitlement and allow it to lapse.

If you are an Eligible Shareholder and wish to take up all or part of your Entitlement:

- (a) carefully read this Prospectus in its entirety;
- (b) consider the risks associated with the an investment in the Company (refer to Section 5) in light of your personal circumstances;
- (c) complete the personalised Entitlement and Acceptance Form in accordance with the instructions detailed on the form; and
- (d) return the completed Entitlement and Acceptance Form together with the Application Monies (in full) in accordance with Section 4.7, to the following address so that it is received by no later than 5:00pm (WST) on the Closing Date:

Security Transfer Registrars Pty Ltd
PO Box 535
Applecross WA 6953
Email: registrar@securitytransfer.com.au

4.2 Non-Eligible Shareholders – Foreign Shareholders

If you are a Foreign Shareholder, you may not take up any of, or do anything in relation to, your Entitlement. Refer to Section 2.13 for treatment of Foreign Shareholders.

4.3 Acceptance of all of your Entitlement

If you wish to accept all of your Entitlement, then applications for Securities under this Prospectus must be made on the Entitlement and Acceptance Form in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form. Please read the instructions carefully.

Please complete the personalised Entitlement and Acceptance Form in accordance with the instructions detailed on the form and return the completed form, together with the Application Monies (in full), in accordance with Section 4.7 to the Share Registry so that

it is received at the following address by no later than 5:00pm (WST) on the Closing Date:

Security Transfer Registrars Pty Ltd
PO Box 535
Applecross WA 6953
Email: registrar@securitytransfer.com.au

4.4 Acceptance of all of your Entitlement and applying for Shortfall Securities

If you wish to accept all of your Entitlement and apply for New Securities in excess of your Entitlement by applying for Shortfall Securities, then applications for Shortfall Securities must be made by completing the relevant sections on the Entitlement and Acceptance Form, in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form. Please read the instructions carefully.

Please complete the personalised Entitlement and Acceptance Form in accordance with the instructions detailed on the form and return the completed form, together with the Application Monies (in full), in accordance with Section 4.7 to the Share Registry so that it is received at the following address by no later than 5:00pm (WST) on the Closing Date:

Security Transfer Registrars Pty Ltd
PO Box 535
Applecross WA 6953
Email: registrar@securitytransfer.com.au

4.5 Taking up part of your Entitlement and allowing the balance to lapse

If you wish to take up part of your Entitlement and allow the balance to lapse, complete the personalised Entitlement and Acceptance Form in accordance with the instructions detailed on the form, including the number of Securities you wish to accept and the Application Monies (calculated at \$0.006 per New Share accepted) and return the completed Entitlement and Acceptance Form together with the Application Monies (in full) in accordance with Section 4.7 to the Share Registry so that it is received at the following address by no later than 5:00pm (WST) on the Closing Date:

Security Transfer Registrars Pty Ltd
PO Box 535
Applecross WA 6953
Email: registrar@securitytransfer.com.au

If you take no further action, the balance of your Entitlement will lapse.

4.6 Allow all or part of your Entitlement to lapse

If you do not wish to accept any of your Entitlement, you are not obliged to do anything.

The number of Shares you currently hold and the entitlement attaching to those Shares will not be affected should you choose not to accept any part of your Entitlement.

4.7 Payment

The offer price of New Shares under the Entitlement Offer or Shortfall Offer is \$0.006 per New Share.

For all Eligible Shareholders, payments must be received by 5:00pm (WST) on the Closing Date.

Completed Application Forms must be accompanied by a cheque, drawn in Australian dollars, made payable to "MOD Resources Limited" and crossed "Not Negotiable".

For Eligible Shareholders, if you wish to pay via BPAY® you must follow the instructions in the Entitlement and Acceptance Form. You will be deemed to have accepted your Entitlement upon receipt of the BPAY® payment by the Company.

If paying via BPAY®, Eligible Shareholders should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and it is the responsibility of Eligible Shareholders to ensure that funds are submitted through BPAY® by the date and time mentioned above. If you elect to pay via BPAY®, you must follow the instructions for BPAY® set out in the Entitlement and Acceptance Form and you will not need to return the Entitlement and Acceptance Form.

The Company shall not be responsible for any postal or delivery delays or delay in the receipt of the BPAY® payment.

4.8 Brokerage

No brokerage or stamp duty is payable by Shareholders who accept their Entitlement to Shares.

4.9 Enquiries concerning your Entitlement

If you have any queries concerning your Entitlement please contact the Company Secretary on +61 (08) 9322 8233.

5. Risk factors

The Securities offered under this Prospectus are considered highly speculative and carry no guarantee with respect to the payment of dividends or returns of capital. An investment in the Company is not risk free and the Directors strongly recommend that potential investors consult their professional advisers and consider the risks factors described below, together with information contained elsewhere in this Prospectus, before deciding whether to apply for Securities pursuant to this Prospectus.

The following list of risk factors ought not to be taken as exhaustive of all the risks faced by the Company or by Shareholders. The proposed future activities of the Company are subject to a number of risks and other factors which may impact its future performance. Some of these risks can be managed and mitigated by planning and the use of safeguards and appropriate controls. However, many of the risks are outside the control of the Company or the Directors and cannot be mitigated.

5.1 Company Specific Risk

(a) Loan Security Risk

On 8 July 2013, the Company secured a \$2 million loan from SHL Pty Ltd, a company controlled by a related party of MOD director Simon Lee, AO. The \$2 million loan was unsecured for an initial 12-month period at an interest rate of 8% per annum, payable monthly in arrears. A Deed of Extension and Variation was signed on 5 May 2014 so as to extend the loan to 4 January 2015. The

Company exercised its option to extend the term of the loan for a further 12 month period at a reduced interest rate of 7% per annum with the Company having the right to repay the loan early without incurring any penalty. As announced on 27 March 2015, ASX granted the Company a waiver to Listing Rule 10.1 to permit the SHL Pty Ltd loan to be a secured loan.

The Company has reached an agreement with SHL Pty Ltd to extend the repayment date for the loan to 4 April 2016, with the agreement to be documented in a further deed of extension and variation. The Company and SHL Pty Ltd have agreed that the Company will repay all or part of the loan on 4 April 2016, subject to the Company having the financial capacity. If the Company does not have the financial capacity to repay the loan on 4 April 2016 the parties have agreed to extend the repayment date a further three months to 4 July 2016. The Company is considering a number of funding alternatives to repay the loan and discharge the security on or before 4 April 2016. There is a risk that if the Company is unable to secure funding alternatives, it may be unable to repay the loan to SHL Pty Ltd when due.

(b) Future Capital Needs and Additional Funding

The future capital requirements of the Company will depend on many factors including its business development activities. The Company believes its available cash and the net proceeds of under the Offers should be adequate to fund the commencement of the resource extension drilling program at the Mahumo Copper/Silver Project and progress towards the proposed pre-feasibility studies and other Company objectives in the short term as stated in this Prospectus.

Should the Company require additional funding there can be no assurance that additional financing will be available on acceptable terms, or at all. Any inability to obtain additional finance, if required, would have a material adverse effect on the Company's business and its financial condition and performance.

(c) Acquisition Risk

As announced on 9 September 2015, the Company is finalising a proposed transaction to acquire a number of prospecting licences in the immediate area of the Mahumo Copper/Silver Project. While the terms of the Acquisition have been accepted in principle, the Acquisition remains subject to finalisation of legal documentation and satisfaction of certain conditions precedent which are normal for a transaction of this nature. Although the Company is committed to concluding the Acquisition within a reasonable time frame there remains a risk that a binding agreement for the Acquisition may not be concluded or that the conditions precedent to the Acquisition are not satisfied. There is also a risk that the counterparty to the Acquisition may not perform its obligations to complete the Acquisition after a binding agreement is entered into. If this occurs, the Company will not acquire the relevant prospecting licences in the immediate area of the Mahumo Copper/Silver Project.

(d) Botswana

There are risks attaching to the exploration and mining operations in a developing country which are not necessarily present in a developed country which can impact on a range of factors such as sovereign risk, safety, security, costs, ability to operate, country policy, fiscal provisions and laws and can lead to delays or even the suspension of operations. Any future material adverse changes in government policies or legislation in Botswana that affect mineral

exploration, development or mining activities, may affect the viability and profitability of the Company.

(e) **New Zealand**

There are risks attaching to the exploration and mining operations in other countries (eg New Zealand) which are not necessarily present in Australia which can impact on New Zealand, which can impact on a range of factors such as sovereign risk, safety, security, costs, ability to operate, country policy, fiscal provisions and laws and can lead to delays or even the suspension of operations. Any future material adverse changes in government policies or legislation in New Zealand that affect mineral exploration, development or mining activities, may affect the viability and profitability of the Company.

(f) **Expiry of Licences**

In accordance with the provisions of the relevant Mining Acts, the Company will apply to the Botswana and New Zealand authorities for renewal of certain licences as and when they are due to expire depending upon the outcome of the exploration activities on each licence. There are risks that these licences may or may not be granted as determined by the Botswana and New Zealand authorities, at their discretion. Should the licences not be renewed by the Botswana or New Zealand authorities, the consequences are that the Company will have no further right to conduct any exploration on these licences and all funds previously invested in exploration activities on these licences will be lost. Any deferred exploration expenditure relating to any licences which may not be renewed in Botswana or New Zealand and which is capitalised in the consolidated accounts of the Company will be written off, thereby impacting the consolidated statement of financial position.

(g) **Minimum Expenditure Requirements**

In order to maintain an interest in the exploration licences in which the Company is involved, MOD is committed to meet the conditions under which the licences were granted and the obligations of MOD are subject to minimum expenditure commitments required by Botswana and New Zealand mining legislation. The extent of work performed on each exploration licence may vary depending upon the results of the exploration programme which will determine the prospectivity of the relevant area of interest. As at the date of this Prospectus, the Company is not in breach of its minimum expenditure commitments. There is a risk that if the Company fails to satisfy these minimum expenditure requirements at the time of expiry, the Company may be required to relinquish part or all of its interests in these licences. Accordingly, whilst there is no guarantee that the Botswana or New Zealand authorities will grant the Company an extension of the licences, the Company is not aware of any reason why the licences would not be renewed upon expiry.

(h) **Risks Associated with Technical Studies**

The Company is currently undertaking a scoping study to evaluate potential open pit and underground mining options and on-site processing for the Mahumo Copper/Silver Project. Subject to the results of the scoping study, the Company intends to progress towards completion of pre-feasibility studies for the Mahumo Copper/Silver Project. The Company cannot guarantee that the technical studies undertaken in relation to the technical and economic viability of any of its projects will produce positive findings. Further, the results of

technical studies do not provide any guarantee that the conclusions from these studies will be realised.

(i) **New Application Risks**

To the extent that the Company may apply for additional licences in Botswana, the risk exists that those licences may not be granted or that they may be offered for grant subject to conditions which are unacceptable to the Company.

(j) **Ability to Attract Personnel**

The Company's success depends, in part, on its ability to identify, attract, motivate and retain suitably qualified management personnel. Competition for qualified and experienced staff is strong. The inability to access and retain the services of a sufficient number of qualified and experienced staff could be disruptive to the Company's development efforts or business development and could materially adversely affect its operating results.

(k) **Contract Risks**

The Company's subsidiaries may operate through a series of contractual relationships with operators and sub-contractors. All contracts carry risks associated with the performance by the parties thereto of their obligations as to time and quality of work performed. Any disruption to services or supply may have an adverse effect on the financial performance of the Company's operations.

(l) **Regulatory Risk**

Operations by the Company may require approvals from regulatory authorities which may not be forthcoming or which may not be able to be obtained on terms acceptable to the Company. While the Company has no reason to believe that all requisite approvals will not be forthcoming and whilst the Company's obligations for expenditure will be predicated on any requisite approvals being obtained, Applicants should be aware that the Company cannot guarantee that any requisite approvals will be obtained. A failure to obtain any approvals would mean that the ability of the Company to develop or operate any project, or possibly acquire any project, may be limited or restricted either in part or absolutely.

The regulatory environment for the Company's operations could change in ways that could substantially increase the Company's liabilities, tax liability or costs of compliance. This could materially and adversely affect the Company's financial position.

(m) **Equipment Risk**

The operations of the Company could be adversely affected if essential equipment fails.

(n) **Foreign Operations and Sovereign Risk**

The Company's exploration activities are to be carried out in Botswana and New Zealand. As a result, the Company will be subject to political, social, economic and other uncertainties including, but not limited to, changes in policies or the personnel administering them, foreign exchange restrictions, changes of law affecting foreign ownership, currency fluctuations, royalties and

tax increases in that country. Other potential issues contributing to uncertainty such as repatriation of income, exploration licensing, environmental protection and government control over mineral properties should also be considered.

Potential risk to the Company's activities may occur if there are changes to the political, legal and fiscal systems which might affect the ownership and operation of the Company's interests in Botswana and New Zealand. This may also include changes in exchange control systems, expropriation of mining rights, changes in government and in legislative and regulatory regimes.

(o) **Litigation**

Neither the Company nor any of its subsidiaries are presently involved in litigation and the Directors are not aware of any basis on which any litigation against the Company or any of its subsidiaries may arise.

(p) **HIV/AIDS**

Botswana has one of the highest HIV infection rates in the world. The exact impact of increased mortality rates due to HIV/AIDS related deaths on the cost of doing business in Botswana and the potential growth in the economy is unclear at this time although employee related costs in Botswana could increase as a result of the HIV/AIDS epidemic. The Company's results may be adversely affected by the loss of productivity and increased costs arising from any effect of HIV/AIDS on the Company's workforce.

5.2 Industry Risk

(a) **Exploration and Development Risks**

Mineral exploration and mining are high-risk enterprises, only occasionally providing high rewards. In addition to the normal competition for prospective ground, and the high average costs of discovery of an economic deposit, factors such as demand for commodities, stock market fluctuations affecting access to new capital, sovereign risk, environmental issues, labour disruption, project financing difficulties, foreign currency fluctuations and technical problems all affect the ability of a company to profit from any discovery.

There is no assurance that exploration and development of the mineral interests owned by the Company, or any other projects that may be acquired in the future can be profitably exploited.

(b) **Operational Risks**

The operations of the Company may be disrupted by a variety of risks and hazards which are beyond the control of the Company, including environmental hazards, industrial accidents, technical failures, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement or hazardous weather conditions, fire, explosions and other incidents beyond the control of the Company.

These risks and hazards could also result in damage to, or destruction of, production facilities, personal injury, environmental damage, business interruption, monetary losses and possible legal liability. While the Company currently intends to maintain insurance within ranges of coverage consistent with industry practice, no assurance can be given that the Company will be able

to obtain such insurance coverage at reasonable rates (or at all), or that any coverage it obtains will be adequate and available to cover any such claims.

(c) **Occupational Health and Safety Risk**

The Company is committed to providing a healthy and safe environment for its personnel, contractors and visitors. Mining activities have inherent risks and hazards. The Company provides appropriate instructions, equipment, preventative measures, first aid information and training to all stakeholders through its occupational, health and safety management systems.

(d) **Mining and Prospecting Rights**

Acquisition and retention of prospecting rights and mining rights in Botswana and New Zealand is a detailed and time-consuming process. A wide range of factors and principles must be taken into account by the Minister when considering applications for mining rights, if the Company develops the licences for this stage. The factors taken into account include the applicant's access to financial resources, the applicant's technical ability to conduct the proposed mining operation optimally in accordance with the mining work program, the mining must not result in unacceptable pollution, ecological degradation or damage to the environment, the applicant must provide financially and otherwise for the prescribed social and labour plan. In addition, the grant of a mining or prospecting right may be disputed or challenged by third parties in the event that the correct procedures were not followed.

(e) **Resource Estimates**

Resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates that were valid when made may change significantly when new information becomes available.

In addition, resource estimates are necessarily imprecise and depend to some extent on interpretations, which may prove to be inaccurate. Should the Company encounter mineralisation or formations different from those predicted by past drilling, sampling and similar examinations, resource estimates may have to be adjusted and mining plans may have to be altered in a way which could adversely affect the Company's operations.

(f) **Water Supply**

Water supply for the Mahumo Copper/Silver Project and the wider Botswana Copper Project, and any future projects, will be sourced from individual locations. The Company will be required to apply for and obtain water use licences from the relevant government authorities. The process for obtaining a water use licence is a lengthy one and the Company's operations may be adversely affected in the event that the relevant licences are not obtained in a timely fashion. An inadequate water supply would negatively affect the Mahumo Copper/Silver Project and the wider Botswana Copper Project and any future projects.

(g) **Payment Obligations**

Under the licences and certain other contractual agreements to which the Company is or may in the future become party, the Company is or may become subject to payment and other obligations. In particular, mineral licence holders are required to expend the funds necessary to meet the minimum work

commitments attaching to the licences. Failure to meet these work commitments will render the licence liable to be cancelled.

(h) **Commodity Price Volatility**

It is anticipated that any future revenues derived from mining will primarily be derived from the sale of copper/silver and other minerals. Consequently, any future earnings are likely to be closely related to the price of copper and silver.

Commodity prices fluctuate and are affected by numerous factors beyond the control of the Company. These factors include world demand for base metals, forward selling by producers, and production cost levels in major metal-producing regions.

Moreover, commodity prices are also affected by macroeconomic factors such as expectations regarding inflation, interest rates and global and regional demand for, and supply of, the commodity as well as general global economic conditions. These factors may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

(i) **Competition**

The Company competes with other companies, including major mineral exploration and production companies. Some of these companies have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business opportunities. Many of the Company's competitors not only explore for and produce minerals, but also carry out refining operations and other products on a worldwide basis. There can be no assurance that the Company can compete effectively with these companies.

(j) **Title**

All of the Licences in which the Company has or may earn an interest in will be subject to applications for renewal or grant (as the case may be). The renewal or grant of the term of each tenement or licence is at the discretion of the relevant government authorities in Botswana or New Zealand.

If a licence is not granted or received, the Company may suffer significant damage through the loss of the opportunity to develop and discover mineral deposits on that licence.

(k) **Environmental**

The Company's projects are subject to various environmental laws. As with all exploration and mining projects, the Mahumo Copper/Silver Project, the wider Botswana Copper Project and Sams Creek Gold Project have a variety of environmental impacts. The Company intends to conduct its activities in an environmentally responsible manner and in accordance with applicable laws.

The cost and complexity of complying with the applicable environmental laws and regulations may prevent the Company from being able to develop potentially economically viable mineral deposits.

Although the Company believes that it is in compliance in all material respects with all applicable environmental laws and regulations, there are certain risks

inherent to its activities, such as accidental spills, leakages or other unforeseen circumstances, which could subject the Company to extensive liability.

Further, the Company may require approval from the relevant authorities before it can undertake activities that are likely to impact the environment. Failure to obtain such approvals will prevent the Company from undertaking its desired activities. The Company is unable to predict the effect of additional environmental laws and regulations, which may be adopted in the future, including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations in any area.

There can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Company to incur significant expenses and undertake significant investments in such respect which could have a material adverse effect on the Company's business, financial condition and results of operations.

5.3 General Risk

(a) Securities investments

There are risks associated with any securities investment. The prices at which the Securities trade may fluctuate in response to a number of factors. Furthermore, the stock market, and in particular the market for mining and exploration companies, has experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of such companies. There can be no guarantee that trading prices will be sustained. These factors may materially affect the market price of the Securities regardless of the Company's operational performance.

(b) Share Market Conditions

Share market conditions may affect the value of the Company's Shares regardless of the Company's operating performance. Share market conditions are affected by many factors including but not limited to the following:

- (i) General economic outlook.
- (ii) Interest rates and inflation rates.
- (iii) Currency fluctuations.
- (iv) Mineral price fluctuations.
- (v) Changes in investor sentiment toward particular market sectors.
- (vi) The demand for, and supply of, capital.
- (vii) Terrorism or other hostilities.
- (viii) Other factors beyond the control of the Company.

The market price of the Shares may fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource 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) **Economic Risk**

Changes in the general economic climate in which the Company operates may adversely affect the financial performance of the Company. Factors that may contribute to that general economic climate include the level of direct and indirect competition against the Company, industrial disruption, the rate of growth of gross domestic product in Australia, Botswana or New Zealand, interest rates, exchange rates and the rate of inflation.

(d) **Policies and Legislation**

Any material adverse changes in government policies or legislation of Australia, Botswana and New Zealand or any other country that the Company has economic interests may affect the viability and profitability of the Company.

5.4 Investment Speculative

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

The Securities offered 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.

6. Rights attaching to Securities

6.1 Rights Attaching to Shares

A summary of the rights attaching to Shares in Company is set out below. This summary is qualified by the full terms of Company's Constitution (a full copy of the Constitution is available from Company on request free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of Constitution with statutory and common law requirements. For a Shareholder to obtain a definitive assessment of the rights and liabilities which attach to shares in any specific circumstances, the Shareholder should seek legal advice.

(a) **Voting**

At a general meeting, on a show of hands every Shareholder present in person has one vote. At the taking of a poll, every Shareholder present in person or by proxy and whose Shares are fully paid has one vote for each of his or her Shares. On a poll, the holder of a partly paid Share has a fraction of a vote with respect to the Share. The fraction is equivalent to the proportion which the amount paid (not credited) bears to the total amount paid and payable (excluding amounts credited).

(b) **General Meetings**

Each Shareholder is entitled to, receive notice of, attend and vote at general meetings of Company and to receive all notices, financial statements and other documents required to be sent to Shareholders under the constitution of Company, the Corporations Act and the Listing Rules.

(c) **Dividends**

The Directors may pay to Shareholders any interim and final dividends as, in the Directors' judgement, the financial position of the Company justifies. The Directors may fix the amount, the record date for determining eligibility and the method of payment. All dividends must be paid to the Shareholders in proportion to the number and the amount paid on the Shares held.

(d) **Transfer of Shares**

Generally, all Shares in the Company are freely transferable subject to the procedural requirements of the constitution, and to the provisions of the Corporations Act, the Listing Rules and the ASX Settlement Rules. The Directors may decline to register an instrument of transfer received where the transfer is not in registrable form or where refusal is permitted under the Listing Rules or the ASX Settlement Rules. If the Directors decline to register a transfer the Company must give reasons for the refusal. The Directors must decline to register a transfer when required by the Corporations Act, the Listing Rules or the ASX Settlement Rules.

(e) **Variation of Rights**

The Company may only modify or vary the rights attaching to any class of Shares with the prior approval by a special resolution of the holders of Shares in that class at a meeting of those holders, or with the written consent of the holders of at least three-fourths of the issued Shares of that class.

(f) **Directors**

The minimum number of Directors is three (3) and the maximum is ten (10). Currently, there are four (4) Directors. Directors must retire on a rotational basis so that one-third of Directors must retire at each annual general meeting. Any other Director who has been in office for three or more years must also retire. A retiring Director is eligible for re-election. The Directors may appoint a Director either in addition to existing Directors or to fill a casual vacancy, who then holds office until the next annual general meeting.

(g) **Decisions of Directors**

Questions arising at a meeting of Directors are decided by a majority of votes. The Chairman has a casting vote.

(h) **Issue of Further Shares**

Subject to the Company's constitution, the Corporations Act and the Listing Rules, the Directors may issue, or grant options in respect of, Shares to such persons on such terms as they think fit. In particular, the Directors may issue preference shares, including redeemable preference shares, and may issue shares with preferred, deferred or special rights or restrictions in relation to dividends, voting, return of capital and participation in surplus on winding up.

(i) **Officers' Indemnity**

To the full extent permitted by the law and to the extent not covered by insurance, Company must indemnify each officer of Company against all losses and liabilities incurred by the person as an officer of Company, including costs and expenses incurred in defending proceedings in which judgement is given in favour of the person or in which the person is acquitted or in connection with relief granted to the person in an application under the Corporations Act in respect to such proceedings.

(j) **Alteration to the Constitution**

The Company's constitution can only be amended by a special resolution passed by at least 75% of Shareholders present and voting at a general meeting. At least twenty eight (28) days' notice of the intention to propose the special resolution must be given.

6.2 Rights Attaching to New Options

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph 6.2(j), the amount payable upon the exercise of the each New Option will be \$0.01 (**Exercise Price**)

(c) **Expiry Date**

Each New option will expire at 5:00 pm (WST) on 1 May 2018 (**Expiry Date**). A New Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

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

(e) **Notice of Exercise**

The New Options may be exercised during the Exercise Period by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each New Option being exercised in Australian currency by electronic fund transfer or other means of payment acceptable to the Company in accordance with the requirements in the Notice of Exercise.

(f) **Exercise Date**

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

(g) **Timing of the Issue of Shares on Exercise**

Within 15 Business Days after the Exercise Date the Company will allot and issue the number of Shares required under these terms and conditions in respect of the number of New Options specified in the Notice of Exercise and which cleared funds have been received by the Company.

(h) **Shares Issued on Exercise**

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

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

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

(j) **Reconstruction of Capital**

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

(k) **Participation in New Issues**

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

(l) **Change in Exercise Price**

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

(m) **Quotation of New Options**

The Company will apply for quotation of the New Options on ASX.

(n) **Transferability**

The New Options are transferable.

6.3 Dividend Policy

The Company does not intend to declare or pay any dividends in the immediately foreseeable future.

Any future determination as to the payment of dividends by the Company will be at the sole discretion of the Directors and will depend on the availability of distributable earnings and operating results and 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.

7. Additional Information

7.1 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. The New Shares which will be issued pursuant to this Prospectus are in the same class as Shares that have been quoted on the official list of the ASX during the three months prior to the issue of this Prospectus.

This Prospectus is a "transaction specific prospectus" to which the special content rules under section 713 of the Corporations Act apply. That provision allows the issue of a more concise prospectus in relation to an offer of securities, or operation to acquire securities, in a class which has been continuously quoted by ASX in the three months prior to the date of the prospectus. In general terms "transaction specific prospectuses" are only required to contain information in relation to the effect of the issue of New Securities on the Company and the rights attaching to the New Securities. It is not necessary to include general information in relation to all of the assets and liabilities, the 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 three 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 of the Entitlement Offer:
 - (i) the annual financial report of the Company for the financial year ended 31 December 2014 being the most recent annual financial report of the

Company lodged with the ASIC before the issue of this Prospectus;
and

- (ii) any documents used to notify ASX of information relating to the Company in the period from lodgement of the financial statements referred to in paragraph (i) above until the issue of the Prospectus in accordance with the Listing Rules as referred to in section 674(1) of the Corporations Act.

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.

The Company has lodged the following announcements with ASX since the lodgement of its annual report on 1 April 2015:

Date	Description of Announcement
9 April 2015	Share Purchase Plan Acceptances
9 April 2015	Section 708A Notice
15 April 2015	Section 708A Notice and Appendix 3B
15 April 2015	Change of Director's Interest Notices
15 April 2015	Notice of Annual General Meeting/Proxy Form
15 April 2015	Mahumo - Stage One Mineral Resource Statement
24 April 2015	Quarterly Cashflow Report
24 April 2015	Quarterly Activities Report
1 May 2015	Expiry Unlisted Options
1 May 2015	Section 708A Notice
15 May 2015	Results of Meeting
22 May 2015	Section 708A Notice
22 May 2015	Change of Director's Interest Notices
27 May 2015	Outstanding Metallurgical Test Work Results at Mahumo
1 June 2015	Ceasing to be a substantial holder
6 July 2015	Exceptional Copper Recoveries as Scoping Study Progresses
15 July 2015	Sedgman To Conduct Services To Earn Into Mahumo Project
31 July 2015	Quarterly Activities Report
31 July 2015	Quarterly Cashflow Report

Date	Description of Announcement
7 September 2015	Trading Halt
9 September 2015	MOD Set to Expand Holdings Around Mahumo Deposit
11 September 2015	Half Year Report for the period ended 30 June 2015
18 September 2015	MOD earns 80% of Sams Creek Gold Project
22 September 2015	Non-Renounceable Rights Issue to Raise Up to \$1.2 Million

7.2 Interests of Directors

Except as disclosed in this Prospectus, no Director (or entity in which they are a partner or director) has, or has had in the two years before the date of this Prospectus, any interests in:

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

no amounts have been paid or agreed to be paid and no value or other benefit has been given or agreed to be given to:

- (d) any Director to induce him or her to become, or to qualify as, a Director; or
- (e) any Director of the Company for services which he or she (or entity in which they are a partner or director) has provided in connection with the formation or promotion of the Company or the Entitlement Offer.

7.3 Directors' Interests

As at the date of this Prospectus, the relevant interests of the Directors and their associated entities in the Securities are as follows:

Director	Shares held	Options held	Entitlement to subscribe for New Shares under Entitlement Offer	Entitlement to subscribe for New Options under Entitlement Offer
Mark Clements ⁽¹⁾	20,289,116	5,000,000	4,057,823	2,028,912
Julian Hanna ⁽²⁾	36,438,069	8,000,000	7,287,614	3,643,807
Simon Lee AO ⁽³⁾	30,965,978	-	6,193,196	3,096,598
Steven McGhee ⁽⁴⁾	27,840,979	15,625,000	5,568,196	2,784,098

Notes:

- (1) Unlisted options exercisable for \$0.20 on or before 12 June 2016.
- (2) Unlisted options exercisable for \$0.20 on or before 12 June 2016.
- (3) Direct holding of 30,965,978 fully paid ordinary shares. Phoenix Properties International Pty Ltd (PPI) is a Trustee of the Wellington Place Property Trust is the holder of 92,906,477 fully paid ordinary shares. Mr Lee AO is not a director, shareholder or involved in the management of Phoenix Properties International Pty Ltd as trustee for the Wellington Place Property Trust. He is only a direct and indirect contingent beneficiary of this trust and therefore has no influence as to whether PPI will take up their Entitlements.
- (4) Unlisted options exercisable for \$0.06 on or before 4 March 2017.

As at the date of the Prospectus, each Director intends to take up their Entitlements under the Entitlement Offer and may participate in any shortfall that may arise, subject to shareholder approval.

7.4 Directors' Remuneration

The remuneration (including superannuation) of existing Directors for the past two financial years (31 December year-end) and payments received for the half-year to 30 June 2015 are as follows:

Director	Title	Half Year to 30 June 2015	Financial Year to 31 December 2014	Financial Year to 31 December 2013
Mark Clements ⁽²⁾	Executive Chairman and Company Secretary	\$30,000	\$90,000	\$120,000
Julian Hanna ⁽²⁾	Managing Director	\$54,750	\$254,781	\$267,997
Simon Lee AO ⁽²⁾	Non-executive director	-	\$35,904	\$65,475
Steven McGhee ⁽¹⁾⁽²⁾	Non-executive director	\$27,375	\$43,775	-
TOTAL		\$112,125	\$424,460	\$453,472

Notes:

- (1) Commencement date 30 April 2014.
- (2) In line with market conditions, the Board and management team has been able to reduce costs to a minimum whilst continuing to achieve major milestones. In 2015, the Board resolved to write-off director fees totalling \$61,498 (Mr Clements \$23,196; Mr Hanna \$25,185; Mr Lee AO \$11,475 and Mr McGhee \$1,642) in relation to amounts owed by the Company from 1 September 2014 to the date of this Prospectus. The directors have continued to provide their support to the Company by undertaking to defer payment of amounts payable as at 30 June 2015 of \$86,098 until 30 September 2016 or earlier if the Group has the capacity to meet part or all of these payments as determined by the Board and subject to shareholder approval, convert up to \$71,571 to fully paid ordinary shares on the same terms as offered to shareholders in the Entitlement Offer.

7.5 Lead Manager Mandate

The Company has entered into a lead manager mandate with Patersons pursuant to which Patersons has been appointed as lead manager to the Offers. Patersons will assist the Company in marketing and facilitating demand for the Offers. Patersons will be paid a lead manager fee of \$40,000 and a selling fee of 6% of the dollar amount of Shortfall Shares placed by Patersons under the Shortfall Offer, excluding any Shortfall Shares applied for or introduced by the Directors. The Lead Manager fee may be satisfied through the issue of New Shares and New Options to Patersons.

The lead manager mandate with Patersons contains other terms and conditions considered standard for an agreement of this type, including warranties, representations and indemnities in favour of Patersons that are standard for services of the kind that Patersons is providing to the Company.

7.6 Interests of Other Persons

No promoter or other person named in this Prospectus as having performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus (or entity in which they are a partner or director) do not

hold, have, and have not had in the two years before the date of this Prospectus, any interest in:

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

and no amounts have been paid or agreed to be paid and no value or other benefit has been given or agreed to be paid to a promoter or any person named in this Prospectus as having performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus (or entity in which they are a partner or director), provided in connection with the formation or promotion of the Company or the Offers, except as disclosed in this Prospectus and as follows:

- (a) DLA Piper has acted as the Australian lawyers to the Company for the Offers. In respect of this work the Company will pay approximately \$12,000. During the two years before the date of this Prospectus, DLA Piper has not provided the Company with any legal services;
- (b) Patersons has been engaged to manage the Offers. In respect of this work the Company will pay Patersons a Lead Manager fee of \$40,000 and selling fee of 6% of the dollar amount of Shortfall Shares placed by Patersons under the Shortfall Offer, excluding any Shortfall Shares applied for or introduced by the Directors. The Lead Manager fee may be satisfied through the issue of New Shares and New Options to Patersons. During the two years before the date of this Prospectus, Patersons provided the Company with underwriting services and were paid approximately \$47,500 for these services; and
- (c) Security Transfer Registrars conducts the Company's share registry functions and will provide administrative services in respect to the proposed Share applications pursuant to this Prospectus. Security Transfer Registrars will be paid for these services on standard industry terms and conditions.

The amounts disclosed above are exclusive of GST.

7.7 Related Party Transactions

At the date of this Prospectus, no material transactions with related parties and Directors interests exist that the Directors are aware of, other than those disclosed in this Prospectus.

7.8 Market Price of Shares

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

Highest: \$0.007 (7 July 2015)

Lowest: \$0.003 (29 June 2015)

The latest available market sale price of the Shares on ASX prior to the date of lodgement of this Prospectus with ASIC was \$0.006 per Share on 21 September 2015.

7.9 Expenses of the Offers

The expenses of the Offers payable by the Company are as follows:

	\$
ASIC lodgement fee	2,320
ASX quotation fee	5,327
Lead manager fee ⁽ⁱ⁾	-
Legal expenses	12,000
Printing, mailing, and other administration expenses	13,236
Total	32,883

Note:

(i) Patersons Securities Limited has been engaged to manage the Offers. In respect of this work the Company will pay Patersons a Lead Manager Fee of \$40,000 and Selling Fee of 6% of the dollar amount sold as shortfall under the Shortfall Offer excluding any director/director related applications. The Lead Manager Fee may be satisfied through the issue of New Shares and New Options.

7.10 Taxation Implications

The acquisition and disposal of Shares will have taxation consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in Company are urged to take independent financial advice about the taxation and any other consequences of acquiring and selling the Shares.

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

7.11 Litigation and Claims

So far as the Directors are aware, there is no current or threatened civil litigation, arbitration proceedings or administrative appeals, or criminal or governmental prosecutions of a material nature in which the Company (or any other member of the Group) is directly or indirectly concerned which is likely to have a material adverse effect on the business or financial position of the Company or the Group.

7.12 Consents

Each of the parties referred to in this Section 7.12:

- (a) has given the following consents in accordance with the Corporations Act which have not been withdrawn as at the date of lodgement of this Prospectus with ASIC;
- (b) makes no express or implied representation or warranty in relation to the Company, this Prospectus or the Offers ;
- (c) makes no, and purports to have made no, statement in this Prospectus or on which a statement in this Prospectus is based except as set out in this Section; and
- (d) to the maximum extent permitted by law, expressly disclaims and takes 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.

None of the parties referred to in this Section 7.12 authorised or caused the issue of this Prospectus or the making of the Offers.

Name	Role
DLA Piper	Lawyers
Patersons Securities Limited	Lead Manager
Security Transfer Registrars	Share Registry

Each of the Directors has given their written consent to being named in this Prospectus in the context in which they are named and have not withdrawn their consent prior to lodgement of this Prospectus with ASIC.

7.13 Documents Available for Inspection

The following documents are available for inspection during normal business hours at the registered office of the Company:

- (a) this Prospectus; and
- (b) the Constitution.

7.14 Information Excluded from Continuous Disclosure Notices

There is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules, and which is required to be set out in this Prospectus.

7.15 Determination by ASIC

ASIC has not made a determination which would prevent the Company from relying on section 713 of the Corporations Act in issuing the Securities offered under this Prospectus.

7.16 Electronic Prospectus

Pursuant to Regulatory Guide 107, ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic copy of this Prospectus on the basis of a paper Prospectus lodged with ASIC and the issue of New Shares in response to an electronic Entitlement and Acceptance Form, subject to compliance with certain provisions. If you have received an electronic copy of this Prospectus, please ensure that you have received the entire Prospectus accompanied by the Entitlement and Acceptance Form. If you have not, please contact the Company and the Company will send to you, free of charge to you, either a hard copy or a further electronic copy of this Prospectus or both.

The Company reserves the right not to accept an Entitlement and Acceptance Form from an Applicant if it has reason to believe that when that Applicant was given access to the electronic Entitlement and Acceptance Form, it was not provided together with an electronic copy of this Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered. In such a case, the Application Monies shall be held by the Company on trust and returned (without interest) to the Applicant as soon as practicable.

8. Authorisation

This Prospectus is authorised by each of the Directors.

This Prospectus is signed for and on behalf of the Company, pursuant to a resolution of the Board, by:

MARK CLEMENTS
Executive Chairman

22 September 2015

9. Glossary

In this Prospectus, unless the context otherwise requires:

Acquisition has the meaning given to that term in Section 2.2.

Annual Report means the financial report lodged by the Company with ASIC in respect to the year ended 31 December 2014 and includes the corporate directory, review of activities, Shareholder information, financial report of the Company and its controlled entities for the year ended 31 December 2014, together with a Directors' report in relation to that financial year and the auditor's report for the period to 31 December 2014.

Applicant means a person who submits an Entitlement and Acceptance Form or Shortfall Application Form (as applicable).

Application means a valid application for New Securities under the Entitlement Offer made pursuant to an Entitlement and Acceptance Form or Shortfall Securities under the Shortfall Offer made pursuant to a Shortfall Application Form (as applicable).

Application Form means an Entitlement and Acceptance Form or Shortfall Application Form (as applicable).

Application Monies means application monies for the New Shares received by the Company from an Applicant.

ASIC means the Australian Securities & Investments Commission.

ASTC means ASX Settlement and Transfer Corporation Pty Ltd ACN 008 504 532.

ASX means ASX Limited ABN 98 008 624 691 and where the context permits, the Australian Securities Exchange operated by ASX Limited.

ASX Settlement Rules means ASX Settlement Operating Rules of the ASX

Board means the board of Directors.

Botswana Copper Project means the Company's exploration licences that are located in Botswana other than the Mahumo Copper/Silver Project.

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

CHESS means ASX Clearing House Electronic Subregistry System.

Closing Date means the date referred to in the Indicative Timetable.

Company or **MOD** means MOD Resources Limited ACN 003 103 544.

Competent Person has the meaning given to that term in the JORC Code.

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 at the date of this Prospectus.

DLA Piper means DLA Piper Australia.

Eligible Shareholder means a person who:

- (a) is a Shareholder at 5:00pm (WST) on the Record Date; and
- (b) has a registered address in Australia or New Zealand as recorded with the Share Registry as at the Record Date.

Entitlement means a Shareholder's entitlement to subscribe for New Shares under the Entitlement Offer.

Entitlement Offer has the meaning given to that term in Section 2.1.

Entitlement and Acceptance Form means the entitlement and acceptance form attached to, or accompanying this Prospectus, that sets out the entitlement of an Eligible Shareholder to subscribe for New Securities pursuant to the Entitlement Offer.

Exercise Date has the meaning given to that term in Section 6.2(f).

Exercise Period has the meaning given to that term in Section 6.2(d)

Exercise Price has the meaning given to that term in Section 6.2(b).

Expiry Date has the meaning given to that term in Section 6.2(c).

Foreign Shareholder means any Shareholder who is not an Eligible Shareholder.

Group means the Company and each of its subsidiaries.

Indicative Timetable means the indicative timetable on page 2 of this Prospectus.

Investment Company means a London Stock Exchange AIM-listed investment company which the Company has entered into an agreement with to fund the initial upfront payment for the Acquisition in return for a 30% interest in the prospecting licences to be acquired.

Issuer Sponsored means securities issued by an issuer that are held in uncertificated form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHES.

JORC Code means the 2012 edition of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves, which is available at www.jorc.org.

Listing Rules means the official listing rules of ASX.

Offers means the Entitlement Offer and Shortfall Offer.

Official Quotation means quotation of Shares on the official list of ASX.

Opening Date means the date referred to in the Indicative Timetable.

Option means an option to acquire a Share

Mahumo Copper/Silver Project or **Mahumo** means the Company's Mahumo project that is located in Botswana.

New Option means a listed Option offered pursuant to this Prospectus.

New Securities means a New Share or New Option.

New Share means a Share offered pursuant to this Prospectus.

Notice of Exercise has the meaning given to that term in Section 6.2(e)

Patersons means Patersons Securities Limited.

Prospectus means this prospectus dated 22 September 2015.

Record Date means the date referred to in the Indicative Timetable.

Sams Creek Gold Project means the Company's Sams Creek gold project that is located approximately 100km north of the Reefton gold field on New Zealand's South Island.

Section means a section of this Prospectus.

Securities means any securities including Shares and Options issued by the Company pursuant to this Prospectus.

Security Transfer Registrars means Security Transfer Registrars Pty Ltd ACN 008 894 488

Sedgman means Sedgman Limited.

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

Share Registry means Security Transfer Registrars.

Shareholder means a registered holder of Shares.

Shortfall means the New Shares not applied for under the Entitlement Offer before the Closing Date.

Shortfall Application Form means the application form attached to, or accompanying this Prospectus, to be used for the purposes of applying for Shortfall Securities.

Shortfall Offer has the meaning given to that term in Section 2.5.

Shortfall Options means the New Options constituting the Shortfall.

Shortfall Securities means Securities issued pursuant to the Shortfall Offer.

Shortfall Shares means the New Shares constituting the Shortfall.

Statements has the meaning given to that term in Section 3.2.

Voting Power has the meaning given in section 610 of the Corporations Act.

WST means Western Standard Time, being the time in Perth, Western Australia.

ENTITLEMENT AND ACCEPTANCE APPLICATION FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

REGISTERED OFFICE:

First Floor
1304 Hay Street
SUBIACO, WA, 6005
AUSTRALIA

MOD RESOURCES LTD

ABN: 78 003 103 544

SHARE REGISTRY:

Security Transfer Registrars Pty Ltd

All Correspondence to:

PO BOX 535,
APPLECROSS WA 6953 AUSTRALIA

770 Canning Highway,

APPLECROSS WA 6153 AUSTRALIA

T: +61 8 9315 2333 F: +61 8 9315 2233

E: registrar@securitytransfer.com.au

W: www.securitytransfer.com.au

«HOLDER_NAME»
«ADDRESS_LINE_1»
«ADDRESS_LINE_2»
«ADDRESS_LINE_3»
«ADDRESS_LINE_4»
«ADDRESS_LINE_5»

Code: MOD

Holder Number:

Eligible Holding as at 5.00pm WST
on 29 September 2015:

Entitlement to Securities 1:5 basis:

Amount payable on acceptance
@ \$0.006 per Security:

NON-RENOUCEABLE PRO RATA RIGHTS ISSUE CLOSING AT 5.00PM WST ON 15 OCTOBER 2015
ISSUE PRICE OF \$0.006 PER SHARE WITH 1 FREE ATTACHING LISTED OPTION
(EXPIRING 1 MAY 2018 @ \$0.01) FOR EVERY 2 SHARES ISSUED.

(1) I/We the above named being registered at 5.00pm WST on the 29 September 2015 as holder(s) of Shares in the Company hereby accept as follows:

	NUMBER OF NEW SHARES ACCEPTED/APPLIED FOR	AMOUNT ENCLOSED @ \$0.006 PER SHARE
Entitlement or Part Thereof	<input type="text"/> , <input type="text"/> , <input type="text"/>	\$ <input type="text"/> , <input type="text"/> , <input type="text"/> . <input type="text"/>
Additional new Shares *	<input type="text"/> , <input type="text"/> , <input type="text"/>	\$ <input type="text"/> , <input type="text"/> , <input type="text"/> . <input type="text"/>
TOTAL	<input type="text"/> , <input type="text"/> , <input type="text"/>	TOTAL \$ <input type="text"/> , <input type="text"/> , <input type="text"/> . <input type="text"/>

(* refer to the section 2.5 of the prospectus)

(2) I/We have enclosed/made payment for amount shown above (following the payment instructions as detailed overleaf).

(3) I/We understand that if any information on this form is not completed correctly, or if the accompanying payment is for the wrong amount, it may still be accepted.

Any decision of the Directors as to whether to accept this form, and how to construe, amend or complete it shall be final.

(4) I/We authorise the Company to send me/us a substituted form if this form ceases to be current.

(5) I/We declare that I/we have received a full and unaltered version of the Prospectus either in an electronic or paper format.

(6) My/Our contact details in case of enquiries are:

NAME TELEPHONE NUMBER

 ()

EMAIL ADDRESS

BPAY PAYMENT OR THE RETURN OF THIS DOCUMENT WITH THE REQUIRED REMITTANCE WILL CONSTITUTE YOUR ACCEPTANCE OF THE OFFER.

You do not need to return this form if you have made payment via BPAY.

PAYMENT INFORMATION - Please also refer to payment instructions overleaf.



Billers code: 159483

Ref: EFT_REFERENCE_NUMBER

CHEQUE / MONEY ORDER

All cheques (expressed in Australian currency) are to be
made payable to MOD RESOURCES LTD and crossed
"Not Negotiable".

BPAY® this payment via internet or phone banking.

Your BPAY® reference number is unique to this offer and is not to be used for any other offer.

REGISTRY DATE STAMP

E & O.E.

<SEQUENCE_N

LODGEMENT INSTRUCTIONS**CHEQUE / MONEY ORDER**

All cheques should be drawn on an Australian bank and expressed in Australian currency and crossed "Not Negotiable".

Sufficient cleared funds should be held in your account as your acceptance may be rejected if your cheque is dishonoured.

Cheques or bank drafts drawn on overseas banks in Australian or any foreign currency will NOT be accepted. Any such cheques will be returned and the acceptance deemed to be invalid.

Do not forward cash as receipts will not be issued.

When completed, this form together with the appropriate payment should be forwarded to the share registry:

Security Transfer Registrars Pty Ltd
PO Box 535, APPLECROSS WA 6953.

Applications must be received by Security Transfer Registrars Pty Ltd no later than 5.00pm WST on the closing date.

PAYMENT INFORMATION

Bill code: 159483

BPAY® this payment via internet or phone banking.
Your reference number is quoted on the front of this form.

Multiple acceptances must be paid separately.

Applicants should be aware of their financial institution's cut-off time (the time payment must be made to be processed overnight) and ensure payment is processed by their financial institution on or before the day prior to the closing date of the offer. BPAY applications will only be regarded as accepted if payment is received by the registry from your financial institution on or prior to the closing date. It is the Applicant's responsibility to ensure funds are submitted correctly by the closing date and time.

Your BPAY reference number will process your payment to your entitlement electronically and you will be deemed to have applied for such Securities for which you have paid.

EXPLANATION OF ENTITLEMENT

1. The front of this form sets out the number of Securities and the price payable on acceptance of each Security.
2. Your entitlement may be accepted either in full or in part. There is no minimum acceptance.

ENQUIRIES

All enquiries should be directed to the Company's share registry:

Security Transfer Registrars Pty Ltd

PO Box 535, Applecross WA 6953 AUSTRALIA

770 Canning Highway, Applecross WA 6153 AUSTRALIA

Telephone +61 8 9315 2333

Facsimile +61 8 9315 2233

Email: registrar@securitytransfer.com.au

PRIVACY STATEMENT

Personal information is collected on this form by Security Transfer Registrars Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Registrars Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.