

5 October 2015

CLEANSING PROSPECTUS

On 8 September 2015, Global Metals Exploration NL ("Global Metals" or "the Company") announced the conversion of \$720,000 of convertible notes ("Notes") and \$46,389 of interest accrued ("Interest") on the Notes into fully paid ordinary shares ("Shares"). A total of 957,987,500 Shares and 447,339,375 unlisted options ("Options") (1 for 2 free attaching options) exercisable at \$0.03 each on or before 31 December 2016 were issued in full conversion of the Notes and Interest altogether. Holding locks were placed on the Shares and Options pending the lodgement of a Prospectus.

The Company has today lodged a Prospectus with the Australian Securities and Investments Commission ("ASIC") and the Australian Securities Exchange ("ASX") and advises that trading restrictions on the Shares and Options have now been removed following the lodgement of the Prospectus. The Prospectus is attached.

For and on behalf of the Board

Keith Bowker

Company Secretary

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GLOBAL METALS EXPLORATION NL ACN 124 140 889

CLEANSING PROSPECTUS

For an offer of up to 125,000 Shares at an issue price of \$0.0008 per Share to raise up to \$100 (before expenses) (**Offer**).

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

IMPORTANT INFORMATION

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

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1. CORPORATE DIRECTORY

Directors

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Non-Executive Chairman

Lia Darby
Non-Executive Director

Steven Bamford
Non-Executive Director

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Company Secretary

Keith Bowker

ASX Code

GXN

Share Registry*

Automatic Registry Services
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Ventnor Ave
West Perth WA 6005

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Solicitors

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

Auditor

Bentleys (WA) Pty Ltd
Level 1
12 Kings Park Road
West Perth WA 6005

* 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.

2. SUMMARY OF IMPORTANT DATES AND IMPORTANT NOTES

2.1 Indicative Timetable

Action	Date
Lodgement of Prospectus with the ASIC and ASX	5 October 2015
Opening Date	5 October 2015
Closing Date*	6 October 2015
Expected date for quotation of Shares issued under the Offer on ASX*	9 October 2015

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

2.2 Important Notes

This Prospectus is dated 5 October 2015 and was lodged with the ASIC on that date. The ASIC and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

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

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

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

2.3 Investment Advice

This Prospectus does not provide investment advice and has been prepared without taking account of your financial objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional investment advice before subscribing for Shares under this Prospectus.

2.4 Risk factors

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

should consider consulting their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

2.5 Applicants outside Australia

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. This Prospectus does not constitute an offer of Shares in any jurisdiction where, or to any person to whom, it would be unlawful to issue in this Prospectus.

2.6 Disclaimer

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

2.7 Forward-looking statements

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

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

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

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

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

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 6 of this Prospectus.

2.8 Website

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

3. DETAILS OF THE OFFER

3.1 The Offer

Pursuant to this Prospectus, the Company invites investors identified by the Directors to apply for up to 125,000 Shares at an issue price of \$0.0008 per Share, to raise up to \$100 (before expenses).

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

The Shares offered under this Prospectus will rank equally with the existing Shares on issue. A high-level summary of the material rights and liabilities attaching to the Shares is set out in Section 5 of this Prospectus.

3.2 Minimum subscription

There is no minimum subscription.

3.3 Oversubscriptions

No oversubscriptions will be accepted by the Company.

3.4 Purpose of the Offer

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

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

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

3.5 Applications

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

Payment for Shares must be made in full at the issue price of \$0.0008 per Share.

Completed Application Forms and accompanying cheques, made payable to “**Global Metals Exploration NL**” and crossed “**Not Negotiable**”, must be mailed or delivered to the address set out on the Application Form by no later than the Closing Date.

The Company reserves the right to close the Offer early.

3.6 Not underwritten

The Offer is not underwritten.

3.7 ASX listing

Application for Official Quotation by ASX of the Shares offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. If the Shares are not admitted to Official Quotation by ASX before the expiration of 3 months after the date of issue of this Prospectus, or such period as varied by the ASIC, the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

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

3.8 Issue

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

The Directors will determine the recipients of all the Shares. The Directors reserve the right to reject any application or to allocate any applicant fewer Shares than the number applied for. Where the number of Shares issued is less than the number applied for, or where no issue is made, surplus application monies will be refunded without any interest to the applicant as soon as practicable after the Closing Date. Interest will not be paid on moneys refunded.

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

3.9 Defects in Applications

If an Application Form is not completed correctly or if the accompanying payment is the wrong amount, the Company may, in its discretion, still treat the Application Form to be valid. The Company’s decision to treat an application as valid, or how to construe, amend or complete it, will be final.

3.10 Applicants outside Australia

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

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

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

3.11 Enquiries

Any questions concerning the Offer should be directed to Mr Keith Bowker, Company Secretary, on + 61 8 9481 0544.

4. PURPOSE AND EFFECT OF THE OFFER

4.1 Purpose of the Offer

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

Under the Offer, an amount of approximately \$100 (before expenses) will be raised. All of the funds raised from the Offer will be applied towards the expenses of the Offer. Refer to Section 7.9 of this Prospectus for further details relating to the estimated expenses of the Offer.

4.2 Effect on capital structure

The effect of the Offer on the capital structure of the Company is set out below.

Shares¹

	Number
Shares currently on issue	2,354,878,835
Shares offered pursuant to the Offer	125,000
Total Shares on completion of the Offer	2,355,003,835

Partly Paid Shares²

	Number
Partly Paid Shares currently on issue	11,590,184
Partly Paid Shares offered pursuant to the Offer	Nil
Total Partly Paid Shares on completion of the Offer	11,590,184

Options

	Number
Options currently on issue:	
Quoted at \$0.20 each on or before 1 November 2015	34,401,959
Unquoted at \$0.03 each on or before 31 December 2016	483,999,488
Unquoted at \$0.002 each on or before 30 April 2020	1,218,000,000
Options offered pursuant to the Offer	Nil
Total Options on completion of the Offer	1,736,401,447

Notes:

1. The rights attaching to the Shares are summarised in Section 5 of this Prospectus.
2. The Partly Paid Shares are paid to \$0.075 of \$0.90.

4.3 Financial effect of the Offer

After paying for the expenses of the Offer of approximately \$12,000, there will be no proceeds from the Offer. The expenses of the Offer (exceeding \$100) will be met from the Company's existing cash reserves. The Offer will have an effect on the Company's financial position, being receipt of funds of \$100 less expenses of the Offer of \$12,000.

The audited balance sheet and the unaudited pro forma balance sheet for the Company as at 30 June 2015 have been prepared on the accounting policies normally adopted by the Company to reflect the changes to its financial position. The historical and pro forma financial information is presented in abbreviated form, insofar as it does not include all of the disclosures required by the Australian Accounting Standards applicable to financial reports. They have been prepared on the assumption that all of the Shares on offer as per this Prospectus are issued after taking into consideration the conversion of all convertible notes and the accrued interest.

Actual and proposed transactions to arrive at the pro-forma unaudited balance sheet:

- (a) conversion of all convertible notes and all accrued interest (totalling \$766,389) via the issue of 957,987,500 Shares and 447,339,375 free attaching unlisted Options;
- (b) the payment of material creditors and Directors' fees since the balance date; and
- (c) the issue of 125,000 new Shares at an issue price of \$0.0008 each to raise up to \$100 (before costs) pursuant to this Prospectus.

	Note	Audited Actual	Unaudited Pro Forma
		30 June 2015 \$	30 June 2015 \$
CURRENT ASSETS			
Cash and cash equivalents	1	421,641	80,392
Trade and other receivables		20,110	20,110
Financial assets		3,770	3,770
TOTAL CURRENT ASSETS		445,521	104,272
NON-CURRENT ASSETS			
Trade and other receivables		25,568	25,568
Plant and equipment		6,601	6,601
TOTAL NON-CURRENT ASSETS		32,169	32,169
TOTAL ASSETS		477,690	136,441
CURRENT LIABILITIES			
Trade and other payables	1	431,891	102,542
Borrowings	2	760,142	-
TOTAL CURRENT LIABILITIES		1,192,033	102,542
TOTAL LIABILITIES		1,192,033	102,542
NET (LIABILITIES)/ASSETS		(714,343)	33,899

EQUITY

Issued capital	3	19,068,789	19,835,278
Reserves		2,146,253	2,146,253
Accumulated losses		(21,929,385)	(21,947,632)
TOTAL (DEFICIENCY)/EQUITY		(714,343)	33,899

Notes:

	Note	Audited Actual	Unaudited Pro Forma
		30 June 2015	30 June 2015
		\$	\$
1. Cash and cash equivalents			
Cash at bank – 30 June 2015		421,641	421,641
Payment of material creditors and director fees	(b)	-	(329,349)
Issue of Shares pursuant to this Prospectus	(c)	-	100
Expenses of the Offer		-	(12,000)
		<u>421,641</u>	<u>80,392</u>
2. Borrowings			
Balance – 30 June 2015		760,142	760,142
Accrued interest since 30 June 2015		-	6,247
Conversion of convertible notes & interest accrued	(a)	-	(766,389)
		<u>760,142</u>	<u>-</u>
3. Issued capital			
Balance – 30 June 2015		19,068,789	19,068,789
125,000 fully paid ordinary shares issued at \$0.0008 each	(c)	-	100
Conversion of convertible notes and interest	(a)	-	766,389
		<u>19,068,789</u>	<u>19,835,278</u>

5. RIGHTS ATTACHING TO SHARES

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

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

5.1 General meetings

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

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

5.2 Voting rights

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

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

5.3 Dividend rights

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

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

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

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

5.4 Winding-up

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

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

5.5 Shareholder liability

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

5.6 Transfer of Shares

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

5.7 Variation of rights

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

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

5.8 Alteration of Constitution

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

6. RISK FACTORS

6.1 Introduction

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

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

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

6.2 Specific Risks

(a) Native title and Aboriginal Heritage

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

There is currently a registered native title claim over E38/1540, E38/1541.

Further to this, it is possible that an Indigenous Land Use Agreement (**ILUA**) may be registered against one or more of the tenements in which the Company has an interest. The terms and conditions of any such ILUA may be unfavourable for, or restrictive against, the Company.

Work on the Jutson Rocks Project has been on hold pending the outcome of a proposed settlement and reworking of the access agreement on the tenements comprising the project. In June 2015, the Company submitted a revised proposal, which was accepted by the Cosmo Newberry (Aboriginal Corporation) on 29 June 2015. The revised proposal will enable the Company to consider the way forward on further exploration and evaluation work on the project.

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

(b) Funding

The Company's ability to effectively implement its business and operations plans in the future, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities and to meet any unanticipated liabilities or expenses which the Company may incur may depend in part on its ability to raise additional funds. The

Company may seek to raise further funds through equity or debt financing, joint ventures, production sharing arrangements or other means. Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of exploration, development or production on the Company's properties or even loss of a property interest. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

Further, the Company, in the ordinary course of its operations and developments, is required to issue financial assurances, particularly insurances and bond/bank guarantee instruments to secure statutory and environmental performance undertakings and commercial arrangements. The Company's ability to provide such assurances is subject to external financial and credit market assessments, and its own financial position.

Loan agreements and other financing rearrangements such as debt facilities, convertible note issue and finance leases (and any related guarantee and security) that may be entered into by the Company may contain covenants, undertakings and other provisions which, if breached, may entitle lenders to accelerate repayment of loans and there is no assurance that the Company would be able to repay such loans in the event of an acceleration. Enforcement of any security granted by the Company or default under a finance lease could also result in the loss of assets.

The Company is exposed to risks associated with its financial instruments (consisting of cash, receivables, accounts payable and accrued liabilities due to third parties from time to time). This includes the risk that a third party to a financial instrument fails to meet its contractual obligations; the risk that the Company will not be able to meet its financial obligations as they fall due; and the risk that market prices may vary which will affect the Company's income.

(c) **Financial risks and going concern**

In reviewing Company's annual report, which included the Company's consolidated statement of financial position as at 30 June 2015, Bentleys Chartered Accountants' Independent Auditor's Report was unqualified but contained the following emphasis of mater paragraph in respect of a material uncertainty regarding the Company's continuation as a going concern:

"Without qualifying our opinion, we draw attention to Note 1(a) in the financial report which indicates that the Consolidated Entity incurred a loss of \$579,561 during the financial year ended 30 June 2015. This condition, along with other matters set forth in Note 1(a), indicate the existence of a material uncertainty which may cast significant doubt about the ability of the Consolidated Entity to continue as a going concern and whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report."

Notwithstanding the 'going concern' emphasis of matter included in the financial report, the Directors consider that the Company has sufficient funds to adequately meet the Company's current short term working

capital requirements. However, it is highly likely that further funding will be required to meet the medium to long term working capital needs of the Company.

The Company is confident that it will raise sufficient funding to meet its minimum expenditure commitments and repay its debts as and when they fall due.

(d) **Contract risk**

The Company has entered into a number of agreements. The ability of the Company to achieve its objectives will depend on the performance by counter parties and their obligations under the agreements. If a counter party defaults, in the performance of its obligations, it may be necessary for the Company to approach a court to seek a legal remedy. Legal action can be costly and there can be no guarantee that a legal remedy will be ultimately granted on the appropriate terms.

(e) **Title Risk**

Tenements in which the Company has, or may in the future acquire, an interest are or will be subject to applicable local laws and regulations and the relevant conditions applying in each jurisdiction. Failure to comply with these conditions may render the licences liable to forfeiture.

All of the projects in which the Company has, may in the future acquire, an interest will be subject to application for tenement renewal from time to time. Renewal of the term of each tenement will be subject to the applicable legislation. If a tenement is not renewed for any reason, the Company may suffer significant damage through the loss of the opportunity to develop and discover any mineral resources on that tenement.

(f) **Failure to satisfy Expenditure Commitments**

Interests in tenements in Western Australia are governed by the mining acts and regulations that are current in Western Australia and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in the tenements in which it has, or may in the future have, an interest if licence conditions are not met or if insufficient funds are available to meet expenditure commitments.

(g) **Joint Venture Risk**

The Company is subject to the risk that changes in the status of any of the Company's joint ventures (including changes caused by financial failure or default by a participant in the joint venture) may adversely affect the operations and performance of the Company.

(h) **Operational Risk**

The current and future operations of the Company may be affected by a range of factors, including:

- (i) failure to locate or identify mineral deposits;

- (ii) failure to achieve predicted grades in exploration and mining;
- (iii) adverse geological conditions;
- (iv) limitations on activities due to seasonal weather patterns and cyclone activity;
- (v) unanticipated operational and technical difficulties encountered in commissioning and operating plant and equipment;
- (vi) mechanical failure of operating plant and equipment;
- (vii) industrial and environmental accidents, industrial disputes and other force majeure events;
- (viii) unavailability of equipment to undertake construction and development;
- (ix) unexpected shortages or increases in the costs of labour, consumables, spare parts, plant and equipment; and
- (x) inability to obtain necessary consents or approvals.

The likelihood of any of these changes, and their possible effects, if any, cannot be determined by the Company with any clarity at the present time, but they may include disruption, increased costs and, in some cases, total inability to establish or to continue to operate construction or development activities.

(i) **Reliance on Key Personnel**

The Company's progress in pursuing its exploration and mining programmes within the time frames and within the costs structure as currently envisaged could be dramatically influenced by the loss of existing key personnel and a failure to secure and retain additional key personnel as the Company's mining development programme develops. The resulting impact from such loss would be dependent upon the quality and timing of suitable replacement. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

6.3 Industry specific

(a) **Exploration Success**

The mineral tenements, in which the Company has an interest, as described in this Prospectus, are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.

There can be no assurance that exploration of the Projects, or any other tenements that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that the deposit can be economically exploited.

The exploration costs described in the two Independent Geologist's Report are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost

estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

(b) **Industrial Risk**

Industrial disruptions, work stoppages and accidents in the course of the Company's operations could result in losses and delays, which may adversely affect profitability.

(c) **Environmental Risk**

The Company's operations and projects are subject to State and Federal laws and regulation regarding the environment. These laws and regulations set various standards regulating certain aspects of health and environmental quality and provide for penalties and other liabilities for the violation of such standards. Significant liability could be imposed on the Company for damages, clean-up costs, or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of property acquired by the Company, or non-compliance with environmental laws or regulations. The Company intends to minimise these risks by conducting its activities in an environmentally responsible manner, in accordance with applicable laws and regulations and where possible, by carrying appropriate insurance coverage.

(d) **Exploration Risk**

Potential investors should understand that gold, nickel and copper exploration and development is a high-risk undertaking. There can be no assurance that exploration of the Company's Projects, or any other tenements that may be acquired in the future, will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company. All of these factors may also affect exploration costs incurred by the Company. There is risk that exploration costs are higher than budgeted.

The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its tenements and obtaining all required approvals for its activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the tenements, a reduction in the cash reserves of the Company and possible relinquishment of the tenements.

6.4 General risks

(a) **General Economic Conditions**

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 economic climate

include the general level of economic activity, introduction of tax reform, new legislation, movements in interest rates and inflation rates and currency exchange rates and other economic factors.

(b) **Legislative Change**

Changes in Australian and foreign government regulation and policies may adversely affect the financial performance or the current and proposed operations generally of the Company. The Company is not aware of any current or proposed material changes in relevant regulations or policy.

(c) **Competition Risk**

The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.

(d) **Unforeseen Expenses**

While the Company is not aware of any expenses that may need to be incurred that have not been taken into account, if such expenses are subsequently incurred, the expenditure proposal of the Company may be adversely affected.

(e) **Taxation**

The Company is subject to the tax regimes Australia. Generally, changes in tax laws and regulations or their interpretation and application could adversely affect the tax liabilities of the Company.

(f) **Insurance Arrangements**

While the Company ensures that insurance is maintained within ranges of coverage that the Company believes to be consistent with industry practice and having regard to the nature of activities conducted, there is no assurance that the Company will be able to obtain such insurance coverage at reasonable rates or that any coverage it arranges will be adequate and available to cover any such claims.

(g) **Market conditions**

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

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

(vi) terrorism or other hostilities.

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

6.5 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 Shares offered under this Prospectus.

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

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

7. ADDITIONAL INFORMATION

7.1 Litigation

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

7.2 Continuous Disclosure Obligations

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

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

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

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

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

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

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

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

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

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

Date	Description of Announcement
30/09/2015	Appendix 4G and Corporate Governance Statement
30/09/2015	2015 Annual Report

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

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

7.3 Market price of shares

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

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

	(\$)	Date
Highest	\$0.001	6 July 2015 to 2 October 2015
Lowest	\$0.001	6 July 2015 to 2 October 2015
Last	\$0.001	2 October 2015

7.4 Substantial Shareholders

Based on substantial shareholder notices lodged prior to the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Novac International Pty Ltd <Nine-Eleven Investment A/C>	33,835,625	14.18%
Odina Pty Ltd <The O.P.M Investments A/C>	333,835,625	14.18%
Casuarina Capital Pte Ltd	200,000,000	8.49%

7.5 Interests of Directors

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

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

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

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

Security Holdings

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

Director	Shares	Partly Paid Shares ¹	Options
Lia Darby	2,005,394	1,022,290	269,182 ²
Steven Bamford	Nil	Nil	Nil
Peter Wall	40,500,000	Nil	20,250,000 ³

Notes:

- The Partly Paid Shares are paid to \$0.075 of \$0.90.
- Each Option is quoted and exercisable at \$0.20 each on or before 1 November 2015.
- Each Option is unquoted and exercisable at \$0.03 each on or before 31 December 2016.

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

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is determined by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director.

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

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

Director	Year ended 30 June 2014	Year ended 30 June 2015	Year ended 30 June 2016 (Proposed)
Peter Wall ¹	\$Nil	\$6,000	\$36,000
Lia Darby	\$87,500 ²	\$89,964 ³	\$36,000
Steven Bamford ⁴	\$Nil	\$3,000	\$36,000

Notes:

1. Mr Wall was appointed on 30 April 2015. Mr Wall is also a Partner at Steinepreis Paganin who has acted as Australian legal advisers to the Company. Steinepreis Paganin will be paid fees for work in relation to this Prospectus.
2. In addition, \$49,067 has been accrued and is owing to Ms Darby. An amount of \$92,493 was forgiven by Ms Darby. Superstructure Energy Pty Ltd, an entity of which Ms Darby is a director, was paid \$13,035 for consulting services. Proto Resources & Investments Ltd, an entity of which Ms Darby is a director, was paid \$24,503 for management services/rent.
3. In addition, Superstructure Energy Pty Ltd, an entity of which Ms Darby is a director, was paid \$17,638 and \$4,400 has been accrued and is owing to Superstructure Energy Pty Ltd for consulting and office services.
4. Mr Bamford was appointed on 31 December 2013.

7.6 Director's Disclosure regarding directorships

Lia Darby is a director of Proto Resources & Investments Ltd (subject to deed of company arrangement) (**Proto**). On 13 June 2014, Barry Anthony Taylor and Todd Andrew Gammel of HLB Mann Judd were appointed voluntary administrators of Proto. At a reconvened second meeting of creditors of Proto held on 22 August 2014, creditors resolved that a deed of company arrangement (**DOCA**) be executed by Proto. Proto subsequently executed a DOCA on 12 September 2014. As a consequence of execution of the DOCA, control of Proto was returned to Proto's board of directors. The DOCA was wholly effectuated on 22 January 2015.

On 17 June 2015, Daniel Bredenkamp and Bryan Hughes of Pitcher Partners were appointed as joint and several administrators of Proto by Inosite Limited, an entity with security over the whole or substantially the whole of Proto's assets. At

a second meeting of creditors of Proto, the creditors resolved in favour of Proto executing a DOCA. Proto subsequently executed a DOCA on 11 August 2015. As at the date of this Prospectus, Proto remains in administration.

The non-associated Directors have considered the above circumstances surrounding Ms Darby's involvement in Proto, and are of the view that Ms Darby's involvement in Proto in no way impacts on her appointment and contribution as a Director of the Company.

7.7 Interests of Experts and Advisers

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

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

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

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

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

- (a) the formation or promotion of the Company; or
- (b) the Offer.

Steinepreis Paganin has acted as the Australian solicitors to the Company in respect of the Prospectus. The Company estimates it will pay Steinepreis Paganin \$8,000 (excluding GST and disbursements) for these services. Subsequently, fees will be charged in accordance with normal charge out rates.

7.8 Consents

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this section; and
- (b) to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to

its name and a statement included in this Prospectus with the consent of that party as specified in this section.

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

Bentleys Chartered Accountants has given its written consent to being named as the auditor of the Company in this Prospectus and the inclusion in Section 6.2(c) of reference to the independent auditor's report accompanying the consolidated entity's financial report for the year ended 30 June 2015 containing an emphasis of matter paragraph in respect of a material uncertainty regarding the consolidated entity's continuation as a going concern and Section 4.3 to the audited consolidated statement of financial position as at 30 June 2015 and to all references to the independent auditor's report and the consolidated statement of financial position in the form and context in which those references appear in this Prospectus and has not withdrawn its consent before lodgement of this Prospectus with the ASIC.

7.9 Expenses of the Offer

The total expenses of the Offer are estimated to be approximately \$12,000 (excluding GST) and are expected to comprise legal fees, printing and other administrative expenses, including ASIC fees. The estimated expenses will be paid out of the Company's existing working capital.

7.10 Electronic Prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please contact the Company and the Company will send you, for free, either a hard copy or a further electronic copy of this Prospectus or both. Alternatively, you may obtain a copy of this Prospectus from the website of the Company at www.gmetex.com.au.

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

7.11 Clearing House Electronic Sub-Register System (CHESS) and Issuer Sponsorship

The Company will apply to participate in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company.

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

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation.

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

7.12 Privacy statement

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

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

You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the share registry at the relevant contact number set out in this Prospectus.

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

8. DIRECTORS' AUTHORISATION

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

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



Mr Peter Wall
Chairman
For and on behalf of
GLOBAL METALS EXPLORATION NL

9. GLOSSARY

\$ means an Australian dollar.

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

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

ASIC means Australian Securities & Investments Commission.

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

ASX Listing Rules means the official listing rules of ASX.

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

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

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

Company means Global Metals Exploration NL (ACN 124 140 889).

Constitution means the constitution of the Company.

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

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

Offer means the offer of Shares referred to in Section 3.

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

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

Option means an option to acquire a Share.

Projects means the Jutson Rocks Project and the Leonora Project.

Prospectus means this prospectus.

Section means a section of this Prospectus.

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

Shareholder means a holder of Shares.

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