



27 October 2015

Atherton Resources Limited
Unit 5, Level 3, St James Place
155 Denham Street
TOWNSVILLE QLD 4810

Market Announcements Office
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

By Fax: 1300 135 638

Dear Sir

**Atherton Resources Ltd (ASX: ATE)
Notice of Change of Interest of Substantial Holder – ASIC Form 604**

Pursuant to section 671B of the Corporations Act 2001 (Cwlth), please find enclosed notice of change of interest of substantial holder in respect of the above named company issued by Kagara Ltd (in liquidation) and its related entities, on ASIC Form 604.

Yours faithfully
For and on behalf of
Kagara Ltd (In liquidation)

A handwritten signature in black ink, appearing to read 'M Ryan'.

**Michael Ryan
Joint and Several Liquidator**

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Form 604

Corporations Act 2001
Section 671B

Notice of change of interests of substantial holder

To Company Name/Scheme Atherton Resources Ltd ("ATE")
ACN/ARSN ACN 136 606 338

1. Details of substantial holder (1)

Name Kagara Ltd (in liquidation) ("KZL") and its related entities listed in Annexure A ("Associates")
ACN/ARSN (if applicable) ACN 008 988 583

There was a change in the interests of the substantial holder on 27/10/2015

The previous notice was given to the company on 7/9/2015

The previous notice was dated 7/9/2015

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
Ordinary Fully Paid Shares	176,478,391	63.12%	214,899,276	67.55%

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
27/10/15	Kagara Ltd (in liquidation)	Pursuant to the Convertible Note Deed Poll dated 31 July 2014 between ATE, KZL and Mungana Pty Ltd (in liquidation) (ACN 101 738 096) ("MPL") ("CN Deed Poll") which was attached as Annexure B of Form 604 notice dated 10 November 2014, KZL was on 27 October 2015 issued 13,898,115 fully paid ordinary shares in ATE ("KZL Shares") upon the conversion of Tranche B convertible notes ("KZL Notes") and as interest on KZL Notes accrued prior to the conversion.	The KZL Shares were issued for conversion of Tranche B convertible notes held by KZL and the payment of interest up to date of conversion. See ATE announcement on 27 October 2015 for details.	Together with MPL (a wholly-owned subsidiary of KZL), KZL has obtained an interest in additional 38,420,885 ordinary fully paid shares in ATE, which brings KZL's total interest in ATE to 214,899,276 ordinary fully paid shares.	Together with MPL (a wholly-owned subsidiary of KZL), KZL has a voting interest in ATE of 67.55%.
27/10/15	Mungana Pty Ltd (in liquidation)	Pursuant to the CN Deed Poll, MPL was on 27 October 2015 issued 24,522,770 fully paid ordinary shares in ATE ("MPL Shares") upon the conversion of Tranche B convertible notes ("MPL Notes") and as interest on MPL Notes accrued prior to the conversion.	The MPL Shares were issued for the conversion of the Tranche B convertible notes held by MPL and payment of interest up to date of conversion. See ATE announcement on 27 October 2015 for details.	Together with KZL (of which MPL is a wholly-owned subsidiary), MPL has obtained an interest in additional 38,420,885 ordinary fully paid shares in ATE, which brings MPL's total interest in ATE to 214,899,276 ordinary fully paid shares.	Together with KZL (of which MPL is a wholly-owned subsidiary), MPL has a voting interest in ATE of 67.55%.

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
Mungana Pty Ltd (in liquidation)	Mungana Pty Ltd (in liquidation)	Mungana Pty Ltd (in liquidation)	Issue of shares pursuant to the conversion of MPL Notes and shares issued by ATE as interest on the MPL Notes.	Together with KZL, MPL's total interest in ATE is 214,899,276 ordinary fully paid shares.	Together with KZL, MPL has a voting interest in ATE of 67.55%.
Kagara Ltd (in liquidation)	Kagara Ltd (in liquidation)	Kagara Ltd (in liquidation)	Issue of shares pursuant to the conversion of KZL Notes and shares issued by ATE as interest on the MPL Notes.	Together with MPL, KZL's total interest in ATE is 214,899,276 ordinary fully paid shares.	Together with MPL, KZL has a voting interest in ATE of 67.55%.

5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	N/A

6. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Kagara Ltd (in liquidation) ACN 008 988 583	c/- FTI Consulting, Level 6, 30 The Esplanade, Perth, WA 6000
Associates	See Annexure A

Signature

print name MICHAEL RYAN

Capacity JOINT AND SEVERAL LIQUIDATOR

sign here



date 27 / 10 /2015

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
 - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.

- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (8) If the substantial holder is unable to determine the identity of the person (eg if the relevant interest arises because of an option) write "unknown".
- (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

KAGARA LTD (in liquidation)

ACN 008 988 583

'ANNEXURE A'

This page is Annexure A referred to in Form 604: Notice of change of interests of substantial holder.

This page contains a list of associates and related body corporates of Kagara Ltd (in liquidation). Each of these entities, except Atherton Resources Ltd, may be contacted at c/- FTI Consulting, level 6, 30 The Esplanade, Perth, WA 6000. Atherton Resources Ltd may be contacted at Unit 5, Level 3 St James Place, 155 Denham Street, Townsville, Queensland, 4810.

Kagara Ltd (in liquidation) associates	Nature of association	Ownership interest (%)
Mungana Pty Ltd (in liquidation)	Wholly owned subsidiary of Kagara Ltd (in liquidation)	100
Kagara Copper Pty Ltd (in liquidation)	Wholly owned subsidiary of Kagara Ltd (in liquidation)	100
Einisleigh Mining Pty Ltd (in liquidation)	Wholly owned subsidiary of Kagara Ltd (in liquidation)	100
Atherton Resources Ltd	Controlled by Mungana Pty Ltd (in liquidation) and Kagara Ltd (in liquidation)	67.55%

Name: MICHAEL RYAN

Signature



Capacity: JOINT AND SEVERAL LIQUIDATOR

Date 27 / 10 / 2015