

**Spur Ventures Inc.
(ARBN 600 024 397)**

Information Memorandum

for an application for admission to the official list of ASX Limited

26 June 2014

1 Purpose of this Information Memorandum

This Information Memorandum is dated 26 June 2014 and has been prepared by Spur Ventures Inc. (ARBN 600 024 397) (**Spur**) for the purposes of ASX Listing Rule 1.1 Condition 3 in connection with its application for:

- (a) admission to the official list of ASX Limited (ABN 98 008 624 691) (**ASX**);
- (b) official quotation of CHESS Depository Interests in respect of Spur common shares on the stock market conducted by ASX (**Spur Common Share CDIs**); and
- (c) official quotation of CHESS Depository Interests in respect of warrants in respect of unissued Spur common shares on the stock market conducted by ASX (**Spur Share Purchase Warrant CDIs**).

The Spur Common Share CDIs and Spur Share Purchase Warrant CDIs are to be issued in accordance with the proposed scheme of arrangement between Atlantic Gold NL (ABN 82 062 091 909) (**Atlantic**) and its members under Part 5.1 of the *Corporations Act 2001* (Cth) (**Scheme**).

This document is not a prospectus or other disclosure document complying with the *Corporations Act 2001* (Cth) (**Corporations Act**) and will not be lodged with the Australian Securities & Investments Commission (**ASIC**) under the Corporations Act.

Neither ASIC or ASX take any responsibility for the contents of this Information Memorandum.

This document does not constitute or contain any offer of Spur Shares, Spur Warrants, Spur Common Share CDIs or Spur Share Purchase Warrant CDIs for subscription or purchase or an invitation to subscribe for or purchase Spur Shares, Spur Warrants, Spur Common Share CDIs or Spur Share Purchase Warrant CDIs.

Terms defined in the scheme booklet prepared by Atlantic dated 26 June 2014 (**Scheme Booklet**) have the same meanings when used in this Information Memorandum, unless the context requires otherwise.

2 Incorporation of documents by reference

This Information Memorandum should be read in conjunction with the Scheme Booklet.

The Scheme Booklet is incorporated into this Information Memorandum by reference, subject to the allocations of responsibility set out under the heading 'Important notices' on the inside cover of the Scheme Booklet.

A copy of the Scheme Booklet is attached to this Information Memorandum as Appendix A and is available free of charge to any person who asks for one. To request a copy, call Atlantic on +61 (0)2 9410 0993. A copy of the Scheme Booklet can also be viewed on the ASX website: www.asx.com referenced under Atlantic (ASX Code: ATV).

3 Application to be admitted to the official list of ASX

An application will be made to ASX on or about the date of this Information Memorandum for Spur to be admitted to the official list of ASX and for the Spur Common Share CDIs and Spur Share Purchase Warrant CDIs to be granted official quotation on the stock market conducted by ASX.

The fact that ASX may admit Spur to the official list of ASX and permit Spur Common Share CDIs and Spur Share Purchase Warrant CDIs to be quoted on the stock market conducted by ASX is not to be taken, in any way, as an indication of the merits of Spur.

ASX accepts no responsibility for any statement in this Information Memorandum.

Details of the rights, privileges and restrictions attaching to Spur Shares, Spur Warrants, Spur Common Share CDIs and Spur Share Purchase Warrant CDIs are set out in section [8.3] of the Scheme Booklet.

4 Current capital structure

The capital structure of Spur as at the date of this Information Memorandum is described in section 4.9 of the Scheme Booklet.

Details of the proposed capital structure of the Merged Group following the implementation of the Scheme are set out in section 5.9 of the Scheme Booklet.

Other than through the proposed issue of Spur Shares, Spur Warrants, Spur Common Share CDIs and Spur Share Purchase Warrant CDIs under the Scheme, Spur has not raised any capital in Australia for the three months before the date of this Information Memorandum and will not need to raise any capital in Australia for the three months after the date of this Information Memorandum.

5 Employment, service or consultancy agreements

Other than the employment, service or consultancy agreements referred to below, Spur has not entered into any employment, service or consultancy agreements with:

- (a) its chief executive officer (or equivalent);
- (b) any of its directors or proposed directors; or
- (c) any other person or entity who is a related party of the persons referred to in (a) or (b) above.

5.1 John Morgan

Under an employment agreement (the **Morgan Agreement**) dated 27 March 2012, Mr John Morgan agreed to an initial salary of C\$240,000 per annum for his services in the capacity of President and Chief Executive Officer, with provision for an annual bonus of up to 100% of annual salary and an initial allocation of stock options. The bonus is based upon Spur meeting key criteria each year, as mutually agreed between Mr Morgan and the Compensation Committee.

The Morgan Agreement also contains a change in control provision. For the purposes of the Morgan Agreement, a 'change of control' is evidenced by the election or appointment of a majority of new directors of Spur or the acquisition by any person or by any person

and such person's affiliates or associates, as such terms are defined in the *Securities Act* (British Columbia), and whether directly or indirectly, of common shares of Spur which, when added to all other common shares of Spur at the time held by such person and such person's affiliates and associates, totals for the first time, fifty (50%) percent or more of the outstanding common shares of Spur. On a 'change of control' of Spur, Mr Morgan will have the right at any time to the date that is sixty days following the date of the change of control, to provide Spur with written notice to terminate employment, whereupon Spur will pay to Mr Morgan an amount equal to 12 months' salary together with the maximum annual bonus payable.

5.2 Steven Dean

Sirocco Advisory Services Ltd. (**Sirocco**), a company controlled by Steven Dean, has an agreement (the **Sirocco Agreement**) dated 1 January 2004 with Spur pursuant to which Sirocco provides management and operational consulting services to Spur for an amended base fee of C\$7,140 plus applicable taxes per month. Sirocco may also be paid a performance bonus at the discretion of Spur's compensation committee. Steven Dean has an agreement to act as officer (**Dean Officer Agreement**) of Spur dated 1 January 2004. Under the terms of the Dean Officer Agreement, Mr Dean is to carry out duties as the Chairman of Spur which are not required to be performed under the Sirocco Agreement. As compensation, Spur has agreed to grant stock options to Mr Dean from time to time in accordance with the terms of Spur's fixed stock option plan, as well as allowing Mr Dean to participate in Spur's employee benefit plan.

For the purposes of the Sirocco Agreement a 'change of control' is evidenced by the election or appointment of a majority of new directors of Spur or the acquisition by any person or by any person and such person's affiliates or associates, as such terms are defined in the *Securities Act* (British Columbia), and whether directly or indirectly, of common shares of Spur which, when added to all other common shares of Spur at the time held by such person and such person's affiliates and associates, totals for the first time, fifty (50%) percent or more of the outstanding common shares of Spur. In the event of a change of control of Spur, Sirocco has the right within 60 days to terminate the Sirocco Agreement whereupon Spur will pay Sirocco two years equivalent of the amended base fee then in effect. Other than for cause, Spur may terminate the Sirocco Agreement on 12 months' notice.

6 Disclosure of interests

6.1 Directors' interests over the last 2 years

The table in Schedule 1 details the remuneration for directors and proposed directors of Spur for the previous 2 years, together with the proposed remuneration following implementation of the Scheme.

Section 4.12(1) of the Scheme Booklet details the interests of Spur directors in Spur securities as at the date of this Information Memorandum.

On implementation of the Scheme, Wally Bucknell (a proposed director of Spur) will be granted 556,400 Spur Options pursuant to the arrangements described in section 7.8 of the Scheme Booklet.

Spur's directors are reimbursed for all reasonable business related expenses resulting from service to the board of Spur.

During the year ended 31 December 2013:

- (a) Spur incurred geological consulting fees of US\$19,419 (2012: US\$nil) to Metallica Consulting Co. (**Metallica**), a company controlled by a director of Spur. As at 31 December 2013, Spur owed US\$4,936 to Metallica (31 December 2012: US\$nil);
- (b) Spur charged office lease and administrative expenditures to Oceanic Iron Ore Corp. (**Oceanic**), a company with an officer and a director in common. During the year ended 31 December 2013, office lease and administrative expenditures billed to Oceanic amounted to US\$132,249 (2012: US\$123,234). As at 31 December 2013, Spur was owed US\$33,543 from Oceanic (31 December 2012: US\$29,791);
- (c) Spur charged office lease and administrative expenditures to Cassius Ventures Ltd. (**Cassius**), a company with an officer and a director in common. During the year ended 31 December 2013, office lease and administrative expenditures billed to Cassius amounted to US\$17,368 (2012: US\$35,511). As at 31 December 2013, Spur was owed US\$25,733 from Cassius (31 December 2012: US\$9,159); and
- (d) Spur charged office lease and administrative expenditures to Sierra Metals Inc. (**Sierra**), a company with a director in common. During the year ended 31 December 2013, office lease and administrative expenditures billed to Sierra amounted to US\$50,764 (2012: US\$50,747). As at 31 December 2013, Spur was owed US\$10,569 from Sierra (31 December 2012: US\$11,967).

During the year ended 31 December 2012, Spur shared office lease and administrative expenditures with three related companies with directors and officers in common (see above). During the year ended 31 December 2012, office lease and administrative expenditures billed to related parties amounted to US\$209,492 (2011: US\$158,806). Amounts due from related parties at 31 December 2012 were US\$51,668 (2011: US\$63,106).

Other than as set out in this Information Memorandum (including in the Scheme Booklet), no director or proposed director of Spur, or any entity in which the director or proposed director is a member or partner, has at the date of this Information Memorandum, or has had within the 2 years prior to the date of this Information Memorandum, any interest in the promotion of Spur or in any property acquired or proposed to be acquired by Spur, and no amounts (whether in cash or securities or otherwise) have been paid or agreed to be paid by any person to any director or proposed director of Spur, or to any entity in which the director or proposed director is a member or partner, either to induce them to become or to qualify them as a director, or otherwise for services rendered by them or by the entity in connection with the promotion or formation of Spur.

6.2 Experts

Except for the fees and amounts to be paid or agreed to be paid and the interests set out in the Scheme Booklet, no expert named in the Scheme Booklet, or any entity in which any such expert is a partner or member, has any interest in the promotion of Spur or in any property acquired or proposed to be acquired by Spur, and no amounts (whether in cash or securities or otherwise) have been paid or agreed to be paid by any person to any such expert or to any entity in which any such expert is a partner or member for services rendered by them or by the entity in connection with the promotion or formation of Spur.

7 Consents

The Independent Expert's Report and the Investigating Accountant's Report contained in the Scheme Booklet:

- (a) are not incorporated by reference into this Information Memorandum; and
- (b) have been prepared for and given in the context of the Scheme Booklet and not for the purposes of this Information Memorandum.

8 Additional information

Spur will become a 'Mining entity' through its acquisition of Atlantic and, accordingly, is required to submit an 'Appendix 1A Information Form and Checklist Annexure I (Mining Entities)' (**Mining Entity Information Form and Checklist**) as part of its ASX listing application. The appendices referred to in Spur's Mining Entity Information Form and Checklist are included in this Information Memorandum at Appendix B, C and D.

9 Directors' consent

The directors and proposed directors of Spur have unanimously given (and not withdrawn) their consent to lodgement of this Information Memorandum with ASX.

Signed for and on behalf of the directors and proposed directors of Spur Ventures Inc.



John Morgan
President, Chief Executive Officer, and Director

Dated: 26 June 2014

Schedule 1

Director remuneration

Name	Position	Salary / fees for the financial year ending 31 December 2012 (C\$)	Salary / fees for the financial year ending 31 December 2013 (C\$)	Proposed salary / fees (C\$)
Steven Dean ¹	Executive Chairman	85,680	85,680	85,680
John Morgan ²	President and Chief Executive Officer	151,000	240,000	240,000
Robert Atkinson	Vice Chairman and Director	20,000	20,000	20,000
William Armstrong ³	Director	0	6,000	15,000
David Black	Director	20,000	20,000	20,000
Donald Siemens	Director	20,000	20,000	20,000
Wally Bucknell ⁴	Director	0	0	15,000

¹ The salary / fees payable in respect of the services provided by Steven Dean are paid as corporate consulting fees to Sirocco Advisory Services Ltd., a company controlled by Steven Dean.

² John Morgan was appointed as a director of Spur in April 2012.

³ William Armstrong was appointed as a director of Spur in September 2013.

⁴ Wally Bucknell is proposed to be appointed a director of Spur on implementation of the Scheme.

Appendix A

Scheme Booklet

[Attached]