



# Metal Bank Limited

ACN 127 297 170

## Non-Renounceable Right Issue Offer Booklet

Pursuant to s708AA(2) Corporations Act 2001 (Cth)

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A non-renounceable rights issue to Eligible Shareholders of Metal Bank Limited of one New Share for every ten Shares held on the Record Date (30 September 2016) at an issue price of \$0.03 per New Share to raise approximately \$1.9 million before costs of the Offer

### **Important Notice**

This document is not a prospectus. This document does not contain all of the information that an investor may require in order to make an informed decision regarding the New Shares offered by this document. The New Shares offered by this document should be considered speculative.

If you are an Eligible Shareholder you should read this Offer Booklet in its entirety before deciding whether to apply for New Shares. If you do not understand any part of this Offer Booklet, or are in any doubt as to how to deal with it or your Entitlement, you should consult your financial or other professional adviser.

The Offer is not underwritten.

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN WHOLE OR IN PART IN OR INTO THE UNITED STATES, OR TO US PERSONS

# Important Information

## About this document

This Offer Booklet relates to an Offer of New Shares to Eligible Shareholders of Metal Bank Limited (**MBK** or the **Company**) by way of a non-renounceable rights issue. This Offer Booklet is dated 4 October 2016 and was lodged with ASX on that date. The ASX does not take any responsibility for the contents of this Offer Booklet.

This Offer Booklet is important and requires your immediate attention. You should read this Offer Booklet carefully in its entirety, with emphasis on the risk factors detailed in Section 3, having regard to your own investment parameters, and if required, obtain independent professional investment advice, before deciding to accept the Offer.

The Offer is being made in accordance with Section 708AA of the Corporations Act (as modified by ASIC Instrument 2016/84). Accordingly, this document is not a prospectus (and has not been, and will not be, lodged with ASIC) and does not contain all information which an investor may require to make an informed investment decision.

## Information about MBK

The Investor Presentation lodged with ASX on 19 September 2016 includes information about MBK and its current activities as at the date stated on it. It is information in summary form and does not purport to be complete. It should be read in conjunction with MBK's other periodic and continuous disclosure announcements to ASX available at [www.asx.com.au](http://www.asx.com.au) or [www.metalbank.com.au](http://www.metalbank.com.au).

## Forward-looking statements

This Offer Booklet and the Investor Presentation contain forward looking statements with respect to the financial condition, projects and business of MBK and certain plans and objectives of the management of MBK. These forward looking statements are based on expectations, estimates and projections as of the date of the Presentation or this Offer Booklet, as the case may be. These statements are subject to risks and uncertainties. The forward looking information should not be relied upon as representing the view of MBK after the date of this presentation. There may be risks, uncertainties and other factors that cause actions, events or results not to be as anticipated, estimated or intended and that could cause actual actions, events or results to differ materially from current expectations. There can be no assurance that the forward looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements.

## Foreign jurisdictions

This Offer Booklet contains an Offer to Eligible Shareholders in Australia, New Zealand and Singapore. It does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. It is your responsibility to ensure that you comply with any laws of your jurisdiction which are applicable to you and which are relevant to your applying for New Shares under the Rights Issue. The distribution of this Offer Booklet (including an electronic copy) outside Australia, New Zealand and Singapore may be restricted by law. You should observe such restrictions and should seek your own advice on such restrictions. Any non-compliance with these restrictions may contravene applicable securities law.

This Offer Booklet and any other materials relating to the Offer has not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore, and will be specifically distributed to Eligible Shareholders of the Company with a registered address in Singapore pursuant to the prospectus exemption under Section 273(1)(cd) of the Securities and Futures Act, Chapter 289 of Singapore. They are not for general circulation in Singapore under any circumstances.

In making this Offer to Eligible Shareholders in New Zealand, the Company is relying on the Securities (Overseas Companies) Exemption Notice 2013 by virtue of which this Offer Document is not required to be registered in New Zealand.

Neither the Rights, nor New Shares have been or will be registered under the US Securities Act of 1933 and may only be offered, sold or resold in, or to persons in, the United States in accordance with an available exemption from registration.

## Notice to Nominees and Custodians

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

## Disclaimer of representations

No person is authorised to give any information, or to make any representation, in connection with the Offer that is not contained in this Offer Booklet or the Associated Offer Announcements. Any information or representation that is not contained in this Offer Booklet or the Associated Offer Announcements may not be relied on as having been authorised by MBK in connection with the Rights Issue. Except as required by law, and only to the extent so required, none of MBK, or any other person, warrants or guarantees the future performance of MBK or any return on any investment made pursuant to the Offer.

## No financial product advice

This Offer Booklet is not financial product advice, does not purport to contain all the information that you may require to make an investment decision, and has been prepared without taking into account your personal investment objectives, financial situation or needs.

Before deciding whether to apply for New Shares under the Offer, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. If after reading this Offer Booklet, you have any questions about the Offer, you should contact your financial or other professional adviser.

**Definitions and references to time**

Capitalised words and expressions in this Offer Booklet have the meanings given in Section 6. A reference to time in this Offer Booklet is to Melbourne time, unless otherwise stated.

All financial amounts in this Offer Booklet are references to Australian currency, unless otherwise stated.

**For any enquiries please call the Share Registry on +61 2 8096 3502, or contact your stockbroker, accountant or other professional adviser.**

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## Chair's Letter

4 October 2016

Dear Shareholder

On behalf of the Board, I am pleased to invite you to participate in a pro rata, non-renounceable rights issue offering one new fully paid ordinary share in the Company (**New Shares**) for every ten Shares held by you on the Record Date (7.00 pm (Melbourne time) on Friday 30 September 2016 at an issue price of \$0.03 per New Share (**Offer**) to raise approximately \$1.9 million before costs.

On 19 September 2016, MBK announced an equity raising of up to \$5.4 million, comprising a placement to certain institutional and sophisticated investors to raise \$3.5 million (**Placement**) and this Offer (together, the **Equity Raising**). The Placement successfully completed on Thursday 29 September 2016. This Offer Booklet relates to the Offer.

Funds raised from the Equity Raising (after costs) will be used to fund further exploration activities at the Triumph Project and working capital.

### Overview of Offer

The Offer is being made to all eligible shareholders (**Eligible Shareholders**) who are registered as a holder of MBK Shares as at 7.00 pm (Melbourne time) on Friday 30 September 2016 (**Record Date**).

Under the Offer, Eligible Shareholders have the opportunity to subscribe for one New Share for every ten Shares of which they are the registered holder at 7.00 pm (Melbourne time) on the Record Date at an issue price of \$0.03 per New Share (**Issue Price**). The Offer is non-renounceable. Eligible Shareholders are also invited to apply for additional New Shares in excess of their Entitlement under the Top-Up Facility if there is a shortfall between applications received from Eligible Shareholders and the number of New Shares proposed to be issued under the Offer.

The Issue Price represents a discount of 14.3% to the price of MBK shares as at the close of trading on 16 September 2016, being the last day of trading of MBK shares before the Equity Raising was announced.

Further information about MBK is also contained in the Investor Presentation in connection with the Equity Raising, which was released to the ASX on 19 September 2016. A copy of the Investor Presentation is available from the ASX website ([www.asx.com.au](http://www.asx.com.au)) and on MBK's website ([www.metalbank.com.au](http://www.metalbank.com.au)).

### Underwriting Arrangements

The Offer will not be underwritten. The Offer is lead managed by Taylor Collison (**Lead Manager**).

### Action you should take

The Offer is currently scheduled to close at **5.00 pm (Melbourne time) on Friday 14 October 2016**. If you wish to subscribe for New Shares, you must ensure that your application and payment is received by this time in accordance with the instructions set out in Section 2.2.



This Offer Booklet contains important information regarding the Offer, and I encourage you to read it carefully before making any investment decision. If you have any questions, you should consult your financial or other professional adviser.

For any enquiries please call the Share Registry on +61 2 8096 3502, or contact your stockbroker, accountant or other professional adviser.

A handwritten signature in blue ink, appearing to read 'Inés Scotland', is shown within a light blue rectangular box.

Inés Scotland  
**Chair**  
Metal Bank Limited

## Key Dates

Event	Date
Announcement of the Offer and Placement	19 September 2016
Shares traded on an “ex” entitlement basis	29 September 2016
Settlement of Placement	29 September 2016
Issue and Allotment of Placement Shares	30 September 2016
Record Date for eligibility to participate in the Offer	7.00 pm (Melbourne time) Friday 30 September 2016
Despatch of Offer Booklet and Entitlement and Acceptance Form to Eligible Shareholders	4 October 2016
Offer opens	4 October 2016
<b>Offer closes</b>	<b>5.00 pm (Melbourne time) Friday 14 October 2016</b>
New Shares quoted on deferred settlement	Monday 17 October 2016
Shortfall (if any) announced to ASX	Wednesday 19 October 2016
Settlement of New Shares under the Offer	Friday 20 October 2016
Issue of New Shares and despatch of Holding Statements	Friday 21 October 2016
New Shares commence trading on a normal settlement	Monday 24 October 2016

Dates and times in this Offer Booklet are indicative only and subject to change. Any material changes will be notified to ASX. All dates and times are references to Melbourne time.

MBK reserves the right to amend any or all of these dates and times, subject to the Corporations Act, the ASX Listing Rules and other applicable laws and regulations. In particular, MBK reserves the right to extend the Closing Date and/or accept late Applications under the Offer without prior notice. Any extension of the Closing Date may have a consequential impact on the date that New Shares are issued and commence trading on the ASX.

# 1. Overview of the Offer

## 1.1 Summary

The Offer is a pro rata offer of approximately 62,620,330 New Shares at \$0.03 per New Share to raise approximately \$1.9 million before costs and expenses.

Eligible Shareholders are entitled to subscribe for one New Share for every ten Shares held by them at 7.00 pm (Melbourne time) on the Record Date.

The Offer is non-renounceable, which means that to the extent that any entitlement under the Offer is not taken up by any Eligible Shareholder prior to the Closing Date, the entitlement will lapse.

The choices available to Eligible Shareholders in respect of the Offer are described in Section 2.

The Offer is currently scheduled to close at 5.00 pm (Melbourne time) on Friday 14 October 2016.

## 1.2 Eligible Shareholders

Unless the Company otherwise determines, the Offer is being made to those Shareholders who:

- (a) are registered as a holder of MBK's Shares as at the Record Date;
- (b) have a registered address in Australia, New Zealand, and Singapore; and
- (c) are eligible under all applicable securities laws to receive an offer under the Offer.

MBK is of the view that it is unreasonable to make an offer under the Offer to shareholders outside of Australia, New Zealand, and Singapore having regard to:

- (a) the number of Shareholders outside of Australia, New Zealand, and Singapore as a proportion of total Shareholders in MBK;
- (b) the number and value of the New Shares that would have been offered to those Shareholders outside of Australia, New Zealand, and Singapore; and
- (c) the cost of complying with the legal requirements and requirements of regulatory authorities in the overseas jurisdictions.

Accordingly, MBK is not required to make offers under the Offer to Shareholders outside of Australia, New Zealand, and Singapore.

## 1.3 What is the entitlement of an Eligible Shareholder?

The number of New Shares to which you are entitled under the Offer is shown in the personalised Entitlement and Acceptance Form which accompanies this Offer Booklet. In calculating each Eligible Shareholder's entitlement, fractional entitlements to New Shares have been rounded up to the nearest whole number of New Shares. Eligible Shareholders can subscribe for all, or part, of their pro rata entitlement under the Offer. Detailed instructions on how to accept all, or part of, your pro rata entitlement are set out in Section 2.

Please note that if you choose not to take up your pro rata entitlement, your percentage shareholding in MBK will be diluted to the extent that the Offer is taken up by other persons.

## 1.4 Top-Up Facility

Eligible Shareholders may, in addition to taking up their entitlements in full, apply for additional New Shares (**Additional Shares**) in excess of their entitlement (**Top-Up Facility**). Additional Shares will only be available where there is a shortfall between applications received from Eligible Shareholders and the number of New Shares proposed to be issued under the Offer (**Shortfall**). Additional Shares will be issued at the Issue Price of \$0.03 per New Share.



MBK proposes to adopt the following allocation policy for allocating Shortfall:

Any shortfall will be placed at the discretion of the Directors in consultation with the Lead Manager, within 3 months of the Closing Date (**Shortfall Placement**).

Eligible Shareholders who apply for Additional Shares may be allocated a lesser number of Additional Shares than applied for in which case excess application money will be refunded without interest. If you wish to subscribe for Additional Shares in addition to your Entitlement then you should nominate the maximum number of Additional Shares you wish to subscribe for on the Entitlement and Acceptance Form and make corresponding payment for your full Entitlement plus the Additional Shares (at \$0.03 per Additional Share).

For avoidance of doubt, the Corporations Act 20% relevant interest level applies to limit the acquisition of Additional Shares through the Top-Up Facility or the acquisition of Shortfall Shares allocated by the Directors.

The Board will take into account applications for shortfall shares by shareholders but may also issue and allot Shortfall Shares to sophisticated investors and professional investors introduced to the Company by the Company's advisors and/or invited by the Company to participate in the Shortfall Placement. In the event of a significant shortfall, the Board reserves the right to engage one or more brokers to act as lead manager(s) to the placement of Shortfall Shares.

To the extent that is commercially practicable and taking into account MBK's requirement for funds, the Directors (working in conjunction with the lead manager(s) if applicable) will endeavour to allot the Shortfall Shares to a spread of investors, in order to mitigate any control effects which may arise from issuing the Shortfall Shares to a single or small number of investors. In any event, no subscriber will be permitted to acquire Shares under the Shortfall Placement to the extent that such acquisition would result in that subscriber having a voting power in MBK in excess of 20% (on a post Rights Issue and Shortfall Placement basis).

No Shortfall Shares will be allocated to related parties of the Company.

## **1.5 No trading of entitlements**

Entitlements under the Offer are non-renounceable and will not be tradeable on the ASX or otherwise transferable. Shareholders who do not take up their entitlement in full will not receive any value in respect of that part of the entitlement that they do not take up.

## **1.6 Underwriting of the Offer**

The Offer is not underwritten. The Offer will be lead managed by Taylor Collison.

Taylor Collison will be entitled to a fee of up to 6% on any portion of the Shortfall placed by them.

## **1.7 Issue of New Shares**

MBK currently expects that New Shares will be issued on Friday 21 October 2016. The issue of New Shares will only be made after permission for their quotation on ASX has been obtained. The fact that New Shares have been admitted to quotation on ASX is not to be taken in any way as an indication of the merits of MBK or the New Shares.

## **1.8 Ranking of New Shares**

When issued, the New Shares will be fully paid and will rank equally with existing Shares.

## **1.9 Withdrawal of the Offer**

MBK reserves the right to withdraw all or part of the Offer, and this Offer Booklet, at any time, subject to applicable laws. In that case, MBK will refund application monies in relation to New Shares not already issued in accordance with the Corporations Act and without payment of interest.

To the fullest extent permitted by law, you agree that any application monies paid by you to MBK will not entitle you to receive any interest and that any interest earned in respect of application monies will belong to MBK.

### 1.10 Speculative nature of Offer and projects and relevant risk factors

The New Shares offered under the Offer should be considered speculative. In deciding whether to take up some or all of your entitlements under the Offer, you should:

- (a) have regard to the high risk, speculative nature of MBK's projects and activities and to the risks discussed in Section 3 of this Offer Booklet and the section headed Risk Factors of the Investor Presentation lodged with ASX on 19 September 2016; and
- (b) read this Offer Booklet carefully and in its entirety and have regard to your own investment parameters, and if required, obtain independent professional investment advice, before deciding to invest in MBK.

### 1.11 Purpose and use of funds

MBK intends to use the funds from the equity raising as follows:

Cash as at 31 August 2016		\$ 100,000
Share Placement		\$3,500,000
Rights Issue		\$1,878,610
		\$5,478,610
Exploration Triumph Gold Project - 12 month programme		(3,000,000)
Company overheads X 24 months		(800,000)
Costs of the offer – up to		(328,610)
To be allocated to project exploration based on Triumph results		(1,350,000)
		(5,478,610)

Further details are set out in the Investor Presentation lodged with ASX on Monday 19 September 2016, which is available from the ASX website ([www.asx.com.au](http://www.asx.com.au)) and on MBK's website ([www.metalbank.com.au](http://www.metalbank.com.au)).

### 1.12 Financial Impact

The proceeds from the Equity Raising, before allowing for costs and expenses, will amount to approximately \$5.4 million.

### 1.13 Effect on Capital Structure

The principal effect of the Equity Raising on MBK's issued share capital will be to increase the total number of issued Shares. The following table sets out the number of issued Shares on the Announcement Date and, subject to the rounding of fractional entitlements under the Offer, the total number of issued Shares at the completion of the Offer:

Shares	Number
Shares on issue at the Announcement Date	509,536,630
Shares offered under the Placement	116,666,667
Shares offered under the Offer	62,620,330*
Total Shares on issue on completion of the Offer	688,823,626*

\* The number of New Shares to be issued under the Offer is subject to the rounding of fractional entitlements to New Shares. **[Note - the above table assumes the Offer is fully subscribed.]**

#### 1.14 Effect of the Offer on the Control of MBK

The potential effect the Offer will have on the control of MBK is as follows:

- (a) If all Eligible Shareholders take up their entitlements under the Offer, then the Offer will have no effect on the control of MBK.
- (b) If some Eligible Shareholders do not take up all of their entitlements under the Offer, then the interests of those Eligible Shareholders will be diluted.
- (c) The proportional interests of shareholders who are not Eligible Shareholders will be diluted because such shareholders are not entitled to participate in the Offer.

In the event that no Eligible Shareholders subscribe for New Shares under the Offer and all Shortfall Shares are placed in the Shortfall Placement, the maximum dilution on existing Shareholders will be 10%.

The current substantial shareholders of MBK as at the date of this Offer Booklet, according to substantial holding notices lodged with the Company are as follows:

Shareholder	Shares	%
Aristo Jet Capital Limited	43,702,313	8.58%
Celtic Stars Capital Limited	41,202,314	8.09%
Indigo Pearl Capital Limited	71,785,647	14.09%
Greenvale Asia Limited	72,360,647	14.20%

As at the date of this Booklet, the substantial shareholders have indicated intentions as follows: Indigo Pearl Capital Limited will not participate in the Rights Issue. Aristo Jet Capital Limited and Celtic Stars Capital Limited intend to take up part of their Entitlement under the Offer and Greenvale Asia Limited intends to take up all of its Entitlement under the Offer and may apply for additional Shares under the Top Up Facility. These intentions are subject to final decision and approval of the relevant shareholders and their respective boards and may change. No representations are made by the Directors of Metal Bank in this regard.

#### 1.15 Directors' intentions in respect of the Offer

As at the date of this Offer Booklet, the following Directors have either a direct or indirect interest in Shares set out in the table below:

	Ordinary Shares
Inés Scotland	71,785,647
Anthony Schreck	14,584,678
Guy Robertson	-

Indigo Pearl Capital Limited in which Ms Scotland has an interest does not intend to take its Entitlement to New Shares. A superannuation fund in which Ms Scotland has an interest does intend to take up its Entitlement to New Shares. The holders of Shares in which Mr Schreck has an interest intent to take up part of their Entitlements.

#### *Conversion of Loan Funds to Equity*

On 3 February 2015 the Company entered into a Loan Agreement with Celtic Stars Capital Ltd (subsequently replaced as lender by Indigo Pearl Capital limited, a related party of the Company's Chair, Ms Scotland) (**Lender**) for advances of up to \$US500,000 (refer ASX Announcement: 3 February 2015). The loan was subsequently fully drawn down and is due for repayment (together with interest) in cash on or before 3 February 2017. The Company has reached agreement with the Lender to repay the Loan and interest as at 19 September 2016, being the date of Announcement of the Placement and this Offer, in the sum of approximately AUD\$700,000 in exchange for Shares in the Company at the Issue Price under the Equity Raising. The issue of such shares will be subject to and conditional on approval of the Company's Shareholders at the next General Meeting of the Company, which is expected to be the 2016 Annual General Meeting.

## 2. Choices available to Eligible Shareholders

### 2.1 Your choices

Before taking any action, you should read this Offer Booklet in its entirety and, if you have any questions, consult your financial or other professional adviser. If you are an Eligible Shareholder, the following choices are available to you:

Option	See Section
Take up all or part of your entitlement under the Offer	2.2(a)
Take up all of your entitlement under the Offer and apply for Additional Shares under the Top-Up Facility	2.2(b)
Take no action	2.7

### 2.2 How to participate in the Offer

#### (a) Taking up all or part of your entitlement

To subscribe for New Shares offered to you under your pro rata allocation, please complete the accompanying Entitlement and Acceptance Form according to the instructions on the form for all, or that part, of your pro rata entitlement you wish to subscribe for.

#### (b) Applying for Additional Shares under the Top-Up Facility

If you wish to apply for Additional Shares in excess of your entitlement, please complete your personalised Entitlement and Acceptance Form accordingly and follow the instructions set out on the form or below.

Your application for additional New Shares may not be successful (wholly or partially). The decision in relation to the number of additional New Shares in excess of your entitlement to be allocated to you will be final. No interest will be paid on any application monies received and returned.

#### (c) Payment

The Issue Price of \$0.03 per New Share is payable in full on application.

Payments must be received by 5pm (Melbourne time) on the Closing Date (14 October 2016) and must be in Australian currency and made by:

- (i) cheque drawn on and payable at any Australian bank;
- (ii) bank draft or money order drawn on and payable at any Australian bank; or
- (iii) BPAY®.

If you wish to pay by BPAY®, you do not need to return the Entitlement and Acceptance Form. You simply need to follow the instructions on the Entitlement and Acceptance Form. Different financial institutions may implement earlier cut-off times with regards to electronic payment, so please take this into consideration when making payment by BPAY®. It is your responsibility to ensure that funds submitted through BPAY® are received by no later than 5.00 pm (Melbourne time) on the Closing Date.

MBK will treat you as applying for as many New Shares as your payment will pay for in full.

Cheques, bank drafts and money orders must be made payable to “Metal Bank Limited” and crossed ‘Not Negotiable’. Cash payments will not be accepted. Receipts for payment will not be provided.

MBK will not be responsible for any postal or delivery delays or delay in the receipt of your BPAY® payment.

Application monies will be held in trust in a subscription account until New Shares are issued. Any interest earned on application monies will be for the benefit of MBK and will be retained by MBK irrespective of whether any issue of New Shares takes place.

(d) Return completed Entitlement and Acceptance Form and payment

Unless you are paying by BPAY®, completed Entitlement and Acceptance Forms and payment of application money should be forwarded to the Share Registry by mail in the enclosed prepaid envelope or, if you are outside of Australia or do not use the prepaid envelope, by mail addressed to:

Advanced Share Registry Services  
PO Box Q1736  
Queen Victoria Building  
NSW 1230

Completed Entitlement and Acceptance Forms and payments must be received by 5.00 pm (Melbourne time) on the Closing Date.

Please note that all acceptances, once received, are irrevocable.

If you wish to pay by BPAY®, you do not need to return the Entitlement and Acceptance Form. Please see Section 2.2(c) above for details.

Any application for New Shares under the Offer (including by way of payment through BPAY), once lodged, cannot be withdrawn.

## 2.3 Representations you will be taken to make by acceptance

By completing and returning your Entitlement and Acceptance Form or making a payment by BPAY®, you will be deemed to have:

- (a) acknowledged that you have fully read and understood this Offer Booklet and the Entitlement and Acceptance Form in their entirety and you acknowledge the matters and make the warranties and representations and agreements contained in this Offer Booklet and the Entitlement and Acceptance Form;
- (b) agreed to be bound by the terms of the Offer, the provisions of this Offer Booklet and MBK’s constitution;
- (c) authorised MBK to register you as the holder of the New Shares allotted to you;

- (d) warranted that you are an Eligible Shareholder and that you are not in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States and are not otherwise a person to whom it would be illegal to make an offer or issue of New Shares under the Offer;
- (e) declared that you were the registered holder at the Record Date of the Shares indicated in the Entitlement and Acceptance Form as being held by you on the Record Date;
- (f) agreed to apply for and be issued up to the number of New Shares and Additional Shares specified in the Entitlement and Acceptance Form, or for which you have submitted payment of any application monies via BPAY®, at the Issue Price per New Share;
- (g) authorised MBK, the Share Registry and their respective officers, employees or agents to do anything on your behalf necessary for New Shares to be issued to you;
- (h) acknowledged that the information contained in this Offer Booklet and your Entitlement and Acceptance Form is not investment advice nor a recommendation that the New Shares are suitable for you given your investment objectives, financial situation or particular needs;
- (i) acknowledged that this Offer Booklet is not a prospectus, does not contain all of the information that you may require in order to assess an investment in MBK and is given in the context of MBK's past and ongoing continuous disclosure announcements to the ASX;
- (j) acknowledged the statement of risks in the 'Risk Factors' Section of this Offer Booklet and that investments in MBK are subject to risk;
- (k) acknowledged that none of MBK or its related bodies corporate, affiliates and none of its or their respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantees the performance of MBK, nor do they guarantee the repayment of capital; and
- (l) authorised MBK to correct any errors in your Entitlement and Acceptance Form.

## **2.4 No minimum subscription**

There is no minimum subscription for an Eligible Shareholder under the Offer.

## **2.5 No cooling off rights**

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your application once it has been made.

## **2.6 Refunds of excess application monies**

Any application monies received for more than the number of New Shares issued to you will be refunded as soon as reasonably practicable following the close of the Offer. No interest will be paid on any application monies. Payment of any refund will be made by cheque mailed to your address as last recorded in MBK's register of members.

## **2.7 If you do nothing**

If you do not apply for Shares pursuant to the Offer, your Entitlement under the Offer will lapse.

If you do not apply for Shares pursuant to the Offer, your percentage ownership in MBK will be diluted because the issue of New Shares to other Eligible Shareholders under the Offer will increase the total number of Shares on issue.

### 3. Risk Factors

MBK's activities are subject to a number of risks which may impact future financial performance and the market price at which New Shares trade. Exploration for minerals is both speculative and subject to a wide range of risks and, unless MBK makes a commercial discovery, potential investors may lose the entire value of their investment. Some of these risks can be mitigated by the use of safeguards and appropriate controls. However, others are outside MBK's control and cannot be mitigated. Therefore, investors who acquire New Shares may be exposed to a number of risks. Broadly, these risks can be classified as risks that are general to investing in the share market and risks specific to an investment in Shares and MBK's underlying business.

A detailed summary of the key risks associated with investing in New Shares is contained in the Investor Presentation in connection with the Equity Raising lodged with ASX on 26 September 2016. A copy of the Investor Presentation is available from the ASX website ([www.asx.com.au](http://www.asx.com.au)) and on MBK's website ([www.metalbank.com.au](http://www.metalbank.com.au)).

This list is not exhaustive and investors should read this Offer Booklet and the Investor Presentation in their entirety before making an investment decision. Investors should also have regard to their own investment objectives and financial circumstances, and should consider seeking appropriate independent investment advice before deciding whether to invest in the New Shares.

### 4. Further Information

#### 4.1 Taxation

Taxation implications of participating in the Offer will vary depending on the particular circumstances of individual Eligible Shareholders. Eligible Shareholders are advised to obtain their own professional taxation advice before making a decision in relation to the Offer.

#### 4.2 This Offer Booklet is not a prospectus

The Offer is being conducted in accordance with Section 708AA of the Corporations Act (as modified by ASIC Instrument 2016/84). In general terms, Section 708AA relates to rights issues by certain companies that do not require the preparation of a prospectus or other disclosure document. Accordingly, the level of disclosure in this Offer Booklet is less than the level of disclosure required in a prospectus.

As a result, in deciding whether or not to accept the Offer, you should rely on your own knowledge of MBK, refer to disclosures made by MBK to the ASX (which are available for inspection on the ASX website [www.asx.com.au](http://www.asx.com.au) and on MBK's website at [www.metalbank.com.au](http://www.metalbank.com.au)) and seek the advice of your professional adviser.

#### 4.3 Holding Statements and trading of New Shares

MBK participates in the Clearing House Electronic Sub-Register System (**CHES**), in accordance with ASX Listing Rules and operates an electronic issuer-sponsored sub-register and an electronic CHES sub-register. The two sub-registers together make up MBK's principal register. Consequently, MBK will not issue certificates to security holders but they will be provided with a holding statement, which will set out the number of Shares allotted to them under this Offer.

It is your responsibility to determine your holding of New Shares before trading to avoid the risk of selling New Shares you do not own. To the maximum extent permitted by law, MBK disclaims any liability to persons who trade New Shares before they receive their holding statements, whether on the basis of confirmation of the allocation provided by MBK or the Registry or otherwise, or who otherwise trade or purport to trade New Shares in error or which they do not hold or are not entitled to.

#### 4.4 Treatment of excluded shareholders

This Offer Booklet and the accompanying Entitlement and Acceptance Form are being sent only to shareholders with registered addresses in Australia, New Zealand and Singapore, and will not be sent to and does not constitute an offer in any other jurisdiction. MBK is of the view that it is unreasonable to extend the offer to other shareholders (**Excluded Shareholders**) having regard to their small number and the value of shares which would be offered to them and the cost of complying with the legal requirements and requirements of the regulatory authorities in those overseas jurisdictions.

#### 4.5 Foreign shareholders

(a) General restrictions

This Offer Booklet and the accompanying Entitlement and Acceptance Form do 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. The distribution of this Offer Booklet in jurisdictions outside Australia, New Zealand and Singapore may be restricted by law and persons who come into possession of this Offer Booklet outside the above jurisdictions should observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. No action has been taken to register or qualify the New Shares or to otherwise permit an offering of New Shares outside Australia.

Return of the Entitlement and Acceptance Form or your BPAY® payment will be taken by MBK as a representation by you that there has been no breach of any such laws. Eligible Shareholders who are nominees, trustees or custodians are advised to seek independent advice as to how to proceed.

(b) New Zealand

The New Shares are not being offered to the public within New Zealand other than to existing shareholders of MBK with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand).

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

(c) Singapore

This Offer Booklet and any other materials relating to the New Shares has not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore, and will be specifically distributed to Eligible Shareholders of the Company with a registered address in Singapore pursuant to the prospectus exemption under Section 273(1)(cd) of the Securities and Futures Act, Chapter 289 of Singapore. They are not for general circulation in Singapore under any circumstances.

The distribution of this Offer Booklet outside Australia, New Zealand and Singapore may be restricted by law. Persons who come into possession of this Offer Booklet should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

#### 4.6 Custodians and nominees

- (a) The Offer is being made to all Eligible Shareholders. MBK is not required to determine whether or not any Eligible Shareholder is acting as a nominee, trustee or custodian or the identity or residence of any beneficial owners of Shares. Where any registered holder that qualifies as an Eligible Shareholder is acting as a nominee for a foreign person, that registered holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Offer is compatible with applicable foreign laws.



- (b) Any person in the United States or any person that is, or is acting for the account or benefit of a U.S. person with a holding through a nominee may not participate in the Offer and the nominee must not take up any Entitlement or send any materials into the United States or to any person that is, or is acting for the account or benefit of, a U.S. person.

#### **4.7 Privacy**

By submitting an Entitlement and Acceptance Form, you will be providing personal information to MBK (directly or through the Share Registry). MBK collects, holds and will use that information to assess and process your application, administer your shareholding in MBK and to provide related services to you. MBK may disclose your personal information for purposes related to your shareholding in MBK, including to the Share Registry, MBK's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory bodies. You can obtain access to personal information that MBK holds about you. To make a request for access to your personal information held by (or on behalf of) MBK, please contact MBK through the Share Registry.

#### **4.8 Governing law**

This Offer Booklet, the Offer and the contracts formed on acceptance of the Offer are governed by the laws applicable in Victoria, Australia. Each applicant for New Shares submits to the non-exclusive jurisdiction of the courts of Victoria, Australia.

## **5. Directors' Statement**

This Offer Booklet is issued by Metal Bank Limited. Each director has consented to the lodgement of the Offer Booklet with ASX.

Signed on the date of this Offer Booklet on behalf of Metal Bank Limited:



.....  
Inés Scotland  
Chair  
Metal Bank Limited

## 6. Glossary and interpretation

### 6.1 Definitions

In this Offer Booklet, the following words have the following meanings unless the context requires otherwise:

<b>\$ or A\$</b>	Australian dollars
<b>Additional Shares</b>	New Shares applied for by an Eligible Shareholder that are in excess of the Eligible Shareholder's entitlement
<b>Announcement Date</b>	19 September 2016
<b>Applicant</b>	a Shareholder as at the Record Date applying for New Shares under this Offer
<b>ASIC</b>	the Australian Securities and Investments Commission.
<b>Associated Offer Announcements</b>	the announcements released to the ASX by MBK on Monday 4 October 2016
<b>ASX</b>	ASX Limited or, as the context requires, the financial market known as the Australian Securities Exchange operated by it
<b>ASX Listing Rules</b>	the official listing rules of the ASX as amended or replaced from time to time
<b>Board</b>	the board of directors of MBK
<b>Business Day</b>	means a day which is not a Saturday, Sunday or a public holiday in Victoria, Australia
<b>Closing Date</b>	the deadline for accepting the Offer, being <b>5.00 pm (Melbourne time) on Friday 14 October 2016</b> (subject to change)
<b>Company or MBK</b>	Metal Bank Limited (ACN 127 297 170)
<b>Corporations Act</b>	Corporations Act 2001 (Cth)
<b>Directors</b>	the directors of MBK
<b>Eligible Shareholder</b>	has the meaning given in Section 1.2
<b>Entitlement</b>	means the right of Eligible Shareholders to subscribe for New Shares under the Offer
<b>Entitlement and Acceptance Form</b>	the personalised entitlement and acceptance form to subscribe for New Shares accompanying this Offer Booklet
<b>Offer</b>	the pro rata non-renouncement offer of New Shares to Eligible Shareholders in accordance with the terms of this Offer Booklet
<b>Issue Price</b>	the price payable for each New Share under the Offer, being \$0.03
<b>Lead Manager</b>	Taylor Collison Limited ABN 53 008 172 450
<b>New Shares</b>	the Shares offered pursuant to the Offer
<b>Offer Booklet</b>	this offer booklet dated 4 October 2016
<b>Placement</b>	the placement of Shares to certain institutional and sophisticated investors to raise \$3.5 million, announced on the Announcement Date
<b>Record Date</b>	7.00 pm (Melbourne time) on Friday 30 September 2016
<b>Share</b>	a fully paid ordinary share in the capital of MBK
<b>Shareholder</b>	a registered holder of Shares
<b>Share Registry</b>	Advanced Share Registry Limited [ABN 14 127 175 946]
<b>Shortfall or Shortfall Shares</b>	Those New Shares not validly applied for any Eligible Shareholders under the Offer by the Closing Date, and which will revert to the Shortfall allocation process described in Section 1.4
<b>Shortfall Placement</b>	has the meaning given to it in Section 1.4(c)

<b>Subsidiary</b>	a body corporate that is a subsidiary of MBK within the meaning of the Corporations Act
<b>Top-Up Facility</b>	the mechanism by which Eligible Shareholders can apply for Additional Shares as described in Section 1.4

## 6.2 Interpretation

In this Offer Booklet, unless the context otherwise requires:

- (a) the singular includes the plural, and vice versa;
- (b) words importing one gender include other genders;
- (c) other parts of speech and grammatical forms of a word or phrase defined in this document have corresponding meanings;
- (d) terms used in this document and defined in the Corporations Act have the meanings ascribed to them in the Corporations Act;
- (e) other grammatical forms of a word or phrase defined in this document have a corresponding meaning; and
- (f) a reference to a Section is a reference to a Section of this Offer Booklet.

# Corporate Directory

## DIRECTORS

Inès Scotland (Non-Executive Chairman)

Anthony Schreck (Executive Director)

Guy Robertson (Executive Director)

## COMPANY SECRETARY

Sue-Ann Higgins

## REGISTERED OFFICE

Suite 2508, Level 25

31 Market Street

Sydney NSW 2000

AUSTRALIA

Ph: (02) 8268 8691

Fax: (02) 8268 8699

## Mailing Address

GPO Box 128

Queen Victoria Building

NSW 1230

AUSTRALIA

## SHARE REGISTRY

Advanced Share Registry Ltd

110 Stirling Highway,

NEDLANDS WA 6009

Ph: (08) 9389 8033

Fax: (08) 9262 3723

[www.advancedshare.com.au](http://www.advancedshare.com.au)

## WEBSITE

[www.metalbank.com.au](http://www.metalbank.com.au)

## ENTITLEMENT AND ACCEPTANCE FORM

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

The Offer is a pro rata non-renounceable offer of approximately 62,620,330 New Shares at \$0.03 per New Share to raise approximately \$1.9 million before costs and expenses. Eligible Shareholders are entitled to subscribe for one New Share for every ten Shares held by them at 7.00 pm (Melbourne time) on the Record Date.


### NON-RENOUCEABLE OFFER CLOSING 5.00 PM (MELBOURNE TIME) ON FRIDAY 14 OCTOBER 2016

#### To the Directors

#### METALBANK LIMITED

- I/We the above mentioned, being registered on 30 September 2016 as the holder(s) of ordinary shares in your Company hereby accept the below mentioned securities in accordance with the enclosed Offer Booklet;
- I/We hereby authorise you to place my/our name(s) on the register of shareholders in respect of the number of New Shares allotted to me/us and;
- I/We agree to be bound by the Constitution of the Company.

ENTITLEMENT			
(A)	(B)	(C)	(D)
Number of New Shares applied for (being not more than the Entitlement shown above)	Number of additional New Shares applied for (in excess of the entitlement shown above)	Total New Shares applied for	Amount Payable (C) * \$0.03
			\$

METHOD OF ACCEPTANCE					
You can apply for New Shares and make your payment utilising either cheque/bank draft or BPAY® (further details overleaf). Please indicate which payment option you have chosen by marking the relevant box below.					
<input type="checkbox"/>	Please enter cheque or bank draft details	Drawer	Bank	Branch	Amount
					\$
OR					
<input type="checkbox"/>			You can pay by BPAY®. If you choose to pay by BPAY®, you do not need to return this Entitlement and Acceptance Form. Please refer overleaf for details.		

NOTE: Cheques should be made payable to **"METAL BANK LIMITED"**, crossed **"NOT NEGOTIABLE"** and forwarded to Advanced Share Registry Ltd (address details overleaf) to arrive no later than **5.00 pm (Melbourne time) on Friday 14 October 2016**.

CONTACT DETAILS	
Name:	
Telephone:	
Email:	

**PLEASE REFER OVERLEAF FOR INSTRUCTIONS**

# METAL BANK LIMITED

REGISTERED OFFICE: Suite 2508, Level 25, 31 Market Street, Sydney NSW 2000, AUSTRALIA  
SHARE REGISTRY: Advanced Share Registry Ltd, 110 Stirling Highway, Nedlands, Western Australia 6009

## EXPLANATION OF ENTITLEMENT

1. The front of this form sets out the number of New Shares which you are entitled to accept.
2. Your Entitlement may be accepted either in full or in part. There is no minimum acceptance.
3. The price payable on acceptance of each New Share is \$0.03.
4. Please complete the Entitlement and Acceptance Form overleaf.

## APPLICATION INSTRUCTIONS

### Payment Details

You can apply for New Shares by utilising the payment options detailed below. There is no requirement to return this Entitlement and Acceptance Form if you are paying by BPAY®. By making your payment using either BPAY® or by cheque/bank draft, you confirm that you agree to all of the terms and conditions of the Metalbank Limited Entitlement Offer as outlined on this Entitlement and Acceptance Form and within the accompanying Offer Booklet.

Your cheque/bank draft should be made payable to “**METAL BANK LIMITED**” in Australian currency, crossed “**Not Negotiable**” and drawn on an Australian branch of a financial institution. Please complete cheque/bank draft details overleaf and ensure that you submit the correct amount as incorrect payments may result in your Application being rejected.

Cheques will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques returned unpaid may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s)/bank draft(s) to the Entitlement and Acceptance Form. Cash will not be accepted. A receipt for payment will not be forwarded.

If the amount you pay is insufficient to pay for the number of New Shares you apply for, you will be taken to have applied for such lower number of New Shares as that amount will pay for, or your Application will be rejected. If the amount you pay is more than the amount payable for your full Entitlement, you will be taken to have applied for the maximum number of New Shares you are entitled to apply for. The excess money will be considered as your payment for an Application for additional New Shares under the Top Up Facility.

### Contact Details

Please enter your contact details where requested overleaf. These details will only be used in the event that the Share Registry has a query regarding this Entitlement and Acceptance Form.

### Lodgement of Application

If you are applying for New Shares and your payment is being made by BPAY®, you do not need to return this Entitlement and Acceptance Form however you are encouraged to return it to the Share Registry for reconciliation purposes – in that case you can post or send by facsimile (details below). Your payment must be received by no later than 5.00pm (Melbourne time) on Friday 14 October 2016. Applicants should be aware that their own financial institution may implement earlier cut off times with regard to electronic payment and should therefore take this into consideration when making payment. It is the responsibility of the Applicant to ensure that funds submitted through BPAY® are received by this time.

If you are paying by cheque/bank draft, your Application must be received by the Share Registry by no later than 5.00pm (Melbourne time) on Friday 14 October 2016. You should allow sufficient time for this to occur. Please return your Entitlement and Acceptance Form with cheque/bank draft attached.

Neither the Share Registry nor the Company accepts any responsibility if you lodge the Entitlement and Acceptance Form at any other address or by any other means.

### Privacy Statement

Personal information is collected on this form by the Share Registry, as registrar for the securities' issuer, for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to the Share Registry's related bodies corporate, to external service companies such as print or mail service providers, or as otherwise required or permitted by law. If you would like details of your personal information held by the Share Registry, or you would like to correct information that is inaccurate, incorrect or out of date, please contact the Share Registry. In accordance with the Corporations Act, you may be sent material (including marketing material) approved by the securities' issuer in addition to general corporate communications. You may elect not to receive marketing material by contacting the Share Registry, using the details provided on this form.

**If you have any enquiries concerning this Entitlement and Acceptance Form, please contact the Share Registry on  
telephone +61 8 9389 8033 or fax +61 8 9262 3723.**



### Telephone & Internet Banking – BPAY®

Call your bank, credit union or building society to make this payment from your cheque or savings account. More info: [www.bpay.com.au](http://www.bpay.com.au).

### By Mail

Metalbank Limited  
c/- Advanced Share Registry Ltd  
PO Box 1156  
Nedlands WA 6909

or

### Hand Delivered

110 Stirling Highway  
Nedlands WA 6009