

COPPER RANGE LIMITED

ABN 38 119 047 693

PROSPECTUS

For the issue of up to 150,000,000 new Shares at an issue price of 2.2 cents each and 100,000,000 free attaching New Options on the basis of two (2) free attaching New Options for every three (3) new Shares subscribed for to raise up to approximately \$3,300,000 (**Offer**).

The offer of Shares and New Options pursuant to the Offer (Securities) is conditional on Shareholder approval to issue the Shares which will be sought at the general meeting of Shareholders to be held on 28 May 2012. Refer to Section 5.4 of this Prospectus for further details.

Joint Lead Manager to the Offer:



Joint Lead Manager to the Offer:



Corporate Advisor to the Offer:



IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Securities offered by this Prospectus should be considered as speculative.

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1. CORPORATE DIRECTORY

Directors

Mr Matthew Wood (Executive Chairman)
Mr Mark Arundell (Executive Director)
Mr Timothy Flavel (Executive Director)
Mr Brian McMaster (Executive Director)
Mr Jonathan Hart (Executive Director)

Company Secretary

Mr Timothy Flavel
Mr Aaron Bertolatti

Registered Office

Level 1, 33 Richardson Street
WEST PERTH WA 6005

Telephone: (08) 9200 4268
Facsimile: (08) 9200 4469

ASX Code

CRJ

Share Registry*

Boardroom Pty Limited
Level 7, 207 Kent Street
SYDNEY NSW 2000

Telephone: (02) 9290 9600

Auditor *

Ernst & Young
11 Mounts Bay Road
PERTH WA 6000

Joint Lead Manager to the Offer

Taylor Collison Limited
Level 16, 211 Victoria Square
ADELAIDE SA 5000

Telephone: +61 8 8217 3900
Facsimile: +61 8 8231 3506

Joint Lead Manager to the Offer

Cunningham Peterson Sharbanee
Securities Pty Ltd
Level 45, 108 St Georges Terrace
PERTH WA 6000

Telephone: +61 8 9223 2222
Facsimile: +61 8 9223 2211

Corporate Advisor to the Offer

Garrison Capital Pty Ltd
Level 1
33 Richardson Street
WEST PERTH WA 6005

Solicitors to the Company

Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street
PERTH WA 6000

* These entities have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus. Their names are included for information purposes only.

2. TIMETABLE

Timetable and Important Dates *

Lodgement of Prospectus with the ASIC and ASX	25 May 2012
Lodgement of Appendix 3B ASX	25 May 2012
Opening Date of Offer **	5:00pm (WST) 25 May 2012
Date of General Meeting of Shareholders	9.30am (WST) 28 May 2012
Closing Date of Offer **	5.00pm (WST) 8 June 2012
Expected date of Official Quotation of the Securities **	12 June 2012

Notes

* The Directors reserve the right to bring forward or extend the Closing Date at any time after the Opening Date without notice. As such, the date the Securities are expected to commence trading on ASX may vary with any change in the Closing Date.

**** The issue of the Securities offered pursuant to the Offer is conditional on Shareholder approval to issue the Shares to be sought at the general meeting of Shareholders to be held on 28 May 2012 and is therefore a conditional offer. Refer to Section 5.4 of this Prospectus for further details.**

3. IMPORTANT NOTICE

This Prospectus is dated 25 May 2012 and a copy of this Prospectus was lodged with the ASIC on that date. The ASIC takes no responsibility for the content of this Prospectus.

The Expiry Date of the Prospectus is 13 months after the date it was lodged with the ASIC. No securities will be allotted or issued on the basis of this Prospectus after the Expiry Date.

Applications for Securities offered pursuant to this Prospectus can only be submitted on an original Application Form which accompanies this Prospectus.

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

No person is authorised to give information or to make any representation in connection with 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 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.

A copy of this Prospectus can be downloaded from the website of the Company at www.copperrange.com.au. Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian resident and must only access this Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form for Securities unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company.

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 Application Form it was not provided together with the electronic Prospectus and any relevant supplementary or replacement Prospectus.

RISK FACTORS

Potential investors should be aware that subscribing for Securities in the Company involves a number of risks. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Securities 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 Securities pursuant to this Prospectus. Also, as set out in Section 5.4 of this Prospectus, the offer of Securities under this Prospectus is conditional upon the satisfaction of resolution 5, as set out in the Company's notice of general meeting dated 19 April 2012, being passed at a general meeting of Shareholders to be held on 28 May 2012.

Set out below is a summary of the key risk factors which should be considered before subscribing for Securities under this Prospectus. Full details of risks below and others are set out in Section 9 of this Prospectus.

Future Capital Requirements

The Company proposes to acquire an initial interest in Petromad Mauritius of 25% by a combination of part of the funds raised under the Prospectus and existing cash reserves (refer to Section 4.4 of this Prospectus for further details). The Company will need to raise further capital in order to comply with its contractual obligations under the Agreement, including to conduct phase 1 drilling on the Block (as summarised in Section 4.3 of this Prospectus). The funds raised through the Offer under the Prospectus will not be sufficient to successfully achieve all the objectives of the Company's overall business strategy, including phase 1 drilling on the Block after acquiring the initial interest (refer to section 4.3 of this Prospectus for further details). If the Company is unable to continue to use debt or equity to fund expansion after the substantial exhaustion of the net proceeds of the Offer there can be no assurances that the Company will have sufficient capital resources for that purpose, or other purposes, or that it will be able to obtain additional fundraising on terms acceptable to the Company or at all. Any additional equity financing may be dilutive to shareholders and any debt financing if available may involve restrictive covenants, which may limit the Company's operations and business strategy.

Madagascan Operations

Risks relating to operating in Madagascar include economic, social or political instability or change, security concerns, hyperinflation, currency non-convertibility or instability and changes of law effecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties as well as government control over mineral properties.

Madagascan Government Involvement

The Government of Madagascar and government agencies have direct requirements for oversight and approval of company activities. The Production Sharing Contract (**PSC**) suggests that the Government of Madagascar is not inclined to seek an active role either as a working interest owner, shareholder or director in exploration companies. Government actions or changes in political conditions (and the impact thereof on the domestic economy) in the future could have a significant effect on economic conditions in Madagascar, which could adversely affect Petromad Mauritius's business and its financial results.

Product Sharing Agreement

As set out in Section 4.5 of this Prospectus, Petromad Mauritius is a party to a Product Sharing Contract (**PCS**) with the Office des Mines Nationales et des Industries Stratégiques (**OMNIS**). As such, should Petromad Mauritius establish

production reserves on the Block in the future, the terms of the PSC may render production uncommercial and cause production not to be commenced on the Block. If Petromad Mauritius commences production on the Block in the future, then if at any time production becomes unprofitable as a result of the PSC then operations may be discontinued indefinitely for that reason. In either case, this will have a material adverse effect on the Company. The Company notes that operations on the Block are currently exploration operations only and there can be no guarantee that Petromad Mauritius will find profitable reserves on the Block in the future.

Contracts Risk

The Company and Petromad Mauritius is subject to a variety of contracts including contracts with contractors and joint venture parties. The Directors are unable to predict the risk of financial failure or default by a participant in any joint venture to which Petromad Mauritius or the Company is a party, insolvency or other managerial failure by any of the operators and contractors used by Petromad Mauritius or the Company in its exploration activities or insolvency or other managerial failure by any of the other service providers used by Petromad Mauritius or the Company or operators for any activity.

Speculative investment

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

4. BACKGROUND TO THE OFFER

4.1 Background

Copper Range Limited (**Company**) is an Australian public company listed on the official list of ASX (ASX code: CRJ).

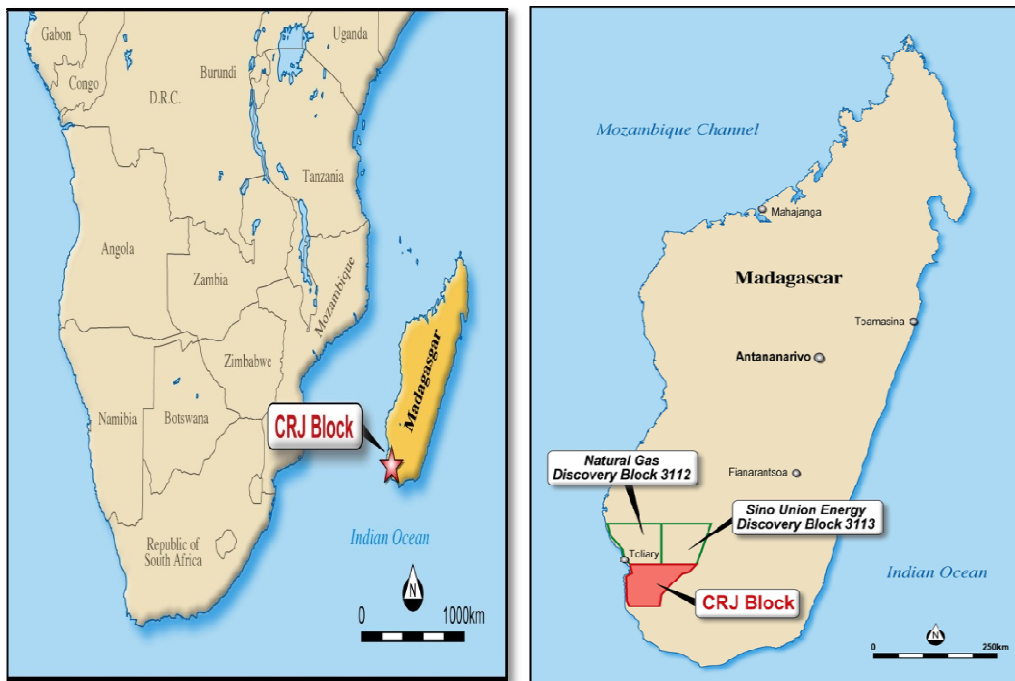
The Company operates as a mineral exploration company. The Company is currently focused on exploring copper in South Australia at the Olympic Domain Project, iron ore and lead zinc in South Australia at the Adelaide Fold Belt Project and phosphate in the Northern Territory at the Larrimah Phosphate Project.

4.2 Petromad Mauritius Limited – Farm In Agreement

On 11 April 2012, the Company announced to the ASX that it had entered into a conditional agreement (**Agreement**) to acquire up to 80% of the shares in the holder of concession block number 3114 (**Block**), known as the Bezaha concession, situated in the South West of Madagascar (**Acquisition**). The Agreement is with Petromad Mauritius Limited (**Petromad Mauritius**), a company registered in Mauritius, and the sole shareholder of Petromad Mauritius, Dr Emma Rasolovoahangy (**Vendor**).

Pursuant to the Agreement (summarised below), the Company can earn up to an 80% interest in Petromad Mauritius.

The concession constituted by the Block is approximately 10,160 sq.km onshore block located in the Morondava Basin in southern Madagascar. Of the 65 wells drilled in the Morondava Basin, 6 are offshore and 59 are onshore for a well density of one well per 4,000 square km, making the basin highly under explored.



4.3 Agreement

Under the terms of the Agreement, as summarised in the Notice of Meeting, the Company will acquire an initial interest in 25% of the fully paid ordinary share

capital of Petromad Mauritius for a payment to the Vendor of US\$2,750,000¹ in cash, the issue of 50,000,000 Shares, subject to necessary Shareholder approvals (which are being sought at the General Meeting) by 1 June 2012 and the payment of US\$200,000² to Petromad Mauritius (which amount was paid upon execution of the Agreement). The Company has also agreed to make a US\$850,000³ cash payment for the purchase of additional data on the Block from a third party supplier. Upon the initial interest being earned, the Company can appoint two nominees to the board of Petromad Mauritius, which in addition to the nominees, will only include the Vendor.

During a phase 1 exploration program on the Block by Petromad Mauritius, the Company will sole fund up to US\$5,000,000⁴ on an initial exploration program over 24 months which will include the acquisition of at least 200km of seismic data and the completion of one exploration well. Following completion of the phase 1 exploration program, the Company will earn an additional 26% interest in Petromad Mauritius.

During a phase 2 exploration program on the Block by Petromad Mauritius, the Company will sole fund up to US\$9,000,000⁵ on a further exploration program over 16 months which will include the completion of at least 2 exploration wells. Following completion of the phase 2 exploration program, the Company will earn an additional 19% interest in Petromad Mauritius.

Subject to completion of the above work programs, if an independent expert determines the existence of hydrocarbon reserves of at least 100 million barrels of oil then the Company will pay the Vendor US\$20,000,000⁶ or, at the election of the Vendor, issue the Vendor Shares valuing US\$20,000,000⁷ (each Share will be issued at a deemed issue price equal to the average market price of 1 Share over the 5 days on which sales in the Shares are recorded on the ASX immediately after the Company receiving a report from the independent expert confirming this). The Company will earn an additional 10% interest in Petromad Mauritius by making the payment or issue described above on or before 5 April 2015.

If the Company elects not to continue to sole fund expenditure on the Block in accordance with the above or fails to spend the amount required within the specified timeframe, the Vendor may elect to buy back the Company's interest in Petromad Mauritius by the repayment of the expenditure incurred by the Company as set above only. The Vendor may retain the initial consideration paid by the Company to earn a 25% interest in Petromad Mauritius.

The Agreement contains representations and warranties in respect of Petromad Mauritius and the Block typical for an agreement of this nature.

¹ Approximately AUD\$2,816,000

² Approximately AUD\$204,800

³ Approximately AUD\$870,400

⁴ Approximately AUD\$5,120,000

⁵ Approximately AUD\$ 9,216,000

⁶ Approximately AUD\$ 20,480,000

⁷ Approximately AUD\$ 20,480,000

4.4 Proceeds of the Offer

The proceeds of the Offer the subject of this Prospectus are planned to be used in accordance with the table set out below:

Proceeds of the Offer¹	Amount raised under Offer AUD\$
Payment to Vendor (together with existing cash reserves) to earn Initial Interest (25%) ²	\$1,216,000
Data acquisition from third party ² for US\$850,000	\$870,400
Exploration drilling on Australian Projects (Olympic Domain Project, Adelaide Belt Project and the Larrimah Phosphate Project)	\$621,600
Payment to the Facilitators ³	\$304,000
Working Capital	\$9,623
Capital Raising Fees ⁴	\$278,377
Total⁵	\$3,300,000

Notes:

1. USD/AUD conversions above and elsewhere in this Prospectus are on the basis of a conversion rate of 1USD/1.024AUD.
2. Payment pursuant to the Agreement summarised in Section 4.3 of this Prospectus. The payment will be made using \$1,216,000 raised pursuant to the Offer together with existing cash reserves.
3. Refer to Section 4.6 of this Prospectus for further details.
4. Refer to Section 10.5 of this Prospectus for further details relating to the estimated expenses of the Offer.
5. While the Company believes that the funds raised pursuant to the Offer will, together with existing cash reserves, provide sufficient funding to carry out its stated and immediate objectives, the Company will require additional funding in the future to undertake its business objectives, including its phase 1 drilling obligations under the Agreement (as summarised in Section 4.3 of this Prospectus).

4.5 Production Sharing Contract

On 23 October 2006, Petromad Mauritius Limited (**Petromad Mauritius**) entered into a production sharing contract with the Office des Mines Nationales et des Industries Stratégiques (**OMNIS**) (**PSC**). Under the terms of the PSC, if Petromad Mauritius finds a commercial discovery on the Block:

- (a) of less than 20,000 barrels of oil per day (**BOPD**), Petromad Mauritius will pay OMNIS 10% of the proceeds of sale;
- (b) between 21,000 to 40,000 BOPD, Petromad Mauritius will pay OMNIS 20% of the proceeds of sale;

- (c) between 41,000 to 60,000 BOPD, Petromad Mauritius will pay OMNIS 30% of the proceeds of sale;
- (d) between 61,000 to 80,000 BOPD, Petromad Mauritius will pay OMNIS 40% of the proceeds of sale;
- (e) between 81,000 to 100,000 BOPD, Petromad Mauritius will pay OMNIS 50% of the proceeds of sale; and
- (f) greater than 100,000 BOPD, Petromad Mauritius will pay OMNIS 60% of the proceeds of sale.

Petromad Mauritius must pay OMNIS administrative fees of US\$50,000⁸ per year and OMNIS personnel training fees of US\$40,000⁹ per year. Petromad Mauritius must in relation to oil, pay 8% of its proceeds to OMNIS up to 25,000 BOPD, scaled up 20% above 130,000 BOPD and in relation to gas, pay 5% of its proceeds up to 424MMcf/d scaled up 10% above 848MMcf/d.

Petromad Mauritius must pay OMNIS US\$500,000¹⁰ upon reaching 25,000 BOPD for 90 days, US\$1,000,000¹¹ upon reaching 50,000 BOPD for 90 days, US\$2,000,000¹² upon reaching 100,000 BOPD for 90 days and US\$4,000,000¹³ upon reaching 200,000 BOPD for 90 days. In the case of a gas discovery on the Block, Petromad Mauritius must pay OMNIS bonuses above in relation to the calorific equivalence of the production thresholds above.

4.6 Fee Agreement

The Company has agreed to, upon the Company earning the Initial Interest in accordance with the Agreement, issue 6,666,667 Shares and pay \$152,000 to each of EAS Holdings Limited and Resourceco Limited (together the **Facilitators**, and each a **Facilitator**) in relation to the Facilitators assistance with the Acquisition. The issues of the Shares are subject to Shareholder approval at the General Meeting. The Company has also agreed to, upon the Company earning an 80% interest in Petromad Mauritius in accordance with the Agreement, pay each Facilitator US\$800,000¹⁴.

4.7 Lead Manager to the Issue – CPS Securities

On 22 May 2012, the Company entered into a mandate agreement with Cunningham Peterson Sharbanee Securities Pty Ltd (**CPS Securities**) pursuant to which CPS Securities was appointed as the Joint Lead Manager to the Offer (**CPS Lead Manager Mandate**).

Under the CPS Lead Manager Mandate, CPS Securities will receive a fee of 6%, inclusive of GST, on all funds CPS Securities assists to raise under this Prospectus.

⁸ Approximately AUD\$51,200

⁹ Approximately AUD\$40,960

¹⁰ Approximately AUD\$512,000

¹¹ Approximately AUD\$1,024,000

¹² Approximately AUD\$2,048,000

¹³ Approximately AUD\$4,096,000

¹⁴ Approximately AUD\$819,200

4.8 Lead Manager to the Issue – Taylor Collison Limited

On 22 May 2012, the Company entered into a mandate agreement with Taylor Collison Limited pursuant to which Taylor Collison Limited was appointed as the Joint Lead Manager to the Offer (**TC Lead Manager Mandate**).

Under the TC Lead Manager Mandate, Taylor Collison Limited will receive a fee of 6%, inclusive of GST, on all funds Taylor Collison Limited assists to raise under this Prospectus.

4.9 Corporate Agreement with the Corporate Adviser

The Company has entered into an agreement with Garrison Capital Pty Ltd (**Corporate Adviser** or **Garrison Capital**) to provide corporate advisory services including the:

- (a) introduction of potential key strategic shareholders to the Company;
- (b) ongoing assistance in the provision of any due diligence materials;
- (c) formulation of a suitable prospectus, presentation and notice of meeting to approve the Offer;
- (d) negotiations and discussions regarding investment options with proposed investors; and
- (e) ongoing advice and assistance to the Company in relation to the Offer.

The Company will pay Garrison Capital \$50,000 (plus GST) payable fourteen (14) days after the successful placement of the Securities pursuant to the Offer and Garrison Capital or its nominees will be issued 15,000,000 unlisted Options with an exercise price of 3.5 cents and an expiry of 30 June 2015. The issue of the Options is subject to Shareholder approval at the General Meeting. Refer to Section 8.3 for further details of the terms and conditions of the Options.

Garrison Capital is a company associated with Directors Messrs, Brian McMaster, Tim Flavel and Matthew Wood who are directors and shareholders of Garrison Capital.

4.10 Issue of Options to Director – Jonathan Hart

The Company has agreed to issue 5,000,000 Options to Director Mr Jonathan Hart as consideration for his services in facilitating the Acquisition. Shareholder approval for the issue of the Options is being sought at the General Meeting referred to in Section 5.4 of this Prospectus.

5. DETAILS OF THE OFFER

5.1 Securities made available for Subscription

By this Prospectus, the Company invites investors to subscribe for up to a total 150,000,000 new Shares at an issue price of 2.2 cents per Share and 100,000,000 free attaching New Options on the basis of two (2) free attaching New Options for every three (3) new Shares subscribed for to raise up to approximately \$3,300,000.

The issue of the Securities offered pursuant to the Offer is conditional on Shareholders approving resolution 5 to issue the Shares at a general meeting of shareholders to be held on or about 28 May 2012. Refer to Section 5.4 for further details.

The purpose of the Offer is set out in Section 6 of this Prospectus and the use of the funds raised pursuant to the Offer is set out in Section 4.4 of this Prospectus.

All of the new Shares offered under this Prospectus will rank equally with Shares on issue at the date of this Prospectus.

All of the New Options will be issued on the terms and conditions set out in Section 8.2 of this Prospectus.

The Offer is not underwritten.

5.2 Opening and Closing Dates of the Offer

The Opening Date of the Offer will be at 5:00pm WST on 25 May 2012 and the Closing Date will be at 5:00pm WST on 8 June 2012.

The Directors reserve the right to close the Offer early or extend the Closing Date (as the case may be), should it be considered by them necessary to do so.

5.3 Application for Securities

Applications for Securities under the Offer must be made using the Application Form and the completed Application Forms and accompanying payment must reach the Company no later than 5.00pm WST on the Closing Date.

Payment for the Shares under the Offer must be made in full at the issue price of 2.2 cents per Share. Cheques should be made payable to "Copper Range Limited – Offer Account" and crossed "Not Negotiable". Applications for Shares under the Offer must be for a minimum of 90,910 Shares and thereafter in multiples of 1,000 Shares.

5.4 Condition of the Offer

The offer of up to 150,000,000 Shares and 100,000,000 New Options pursuant to the Offer is conditional upon the satisfaction of resolution 5, as set out in the Company's notice of general meeting dated 19 April 2012, being passed at a general meeting of Shareholders to be held on 28 May 2012 (**General Meeting**) (**Condition**). There is a risk that the Company may not obtain the relevant Shareholder approval. In the event Shareholder approval is not obtained then the Company will not proceed with the Offer and will repay all application monies received without interest.

5.5 Allotment of Securities

Allotment of the Securities pursuant to the Offer will take place as soon as practicable after both the Opening Date and the General Meeting. Application moneys will be held in a separate subscription account until allotment. This account will be established and kept by the Company in trust for each applicant. Any interest earned on the application moneys will be for the benefit of the Company and will be retained by the Company irrespective of whether allotment takes place and each applicant waives the right to claim any interest.

Process

For the avoidance of doubt, the process proposed is as follows:

- (a) Securities are offered pursuant to this Prospectus;
- (b) Offer opens under the Prospectus;
- (c) General Meeting held and the relevant resolution passed (as outlined in Section 5.4);
- (d) Offer closes under the Prospectus; and
- (e) up to 150,000,000 new Shares and 100,000,000 New Options offered pursuant to the Offer are issued.

The Directors in consultation with CPS Securities, Taylor Collison Limited and the Corporate Adviser will determine the allottees of all the Shares and the New Options the subject of the Offer. The Directors reserve the right to reject any application or to allocate any applicant fewer Securities under the Offer than the number applied for.

Where the number of Securities allotted is less than the number applied for, the surplus monies will be returned by cheque as soon as practicable after the Closing Date. Where no allotment is made, the amount tendered on application will be returned in full by cheque as soon as practicable after the Closing Date. Interest will not be paid on monies refunded.

No Securities the subject of the Offer will be offered on a progressive basis.

5.6 Minimum subscription

The minimum subscription for the Offer is \$3,300,000 (being the full subscription under the Offer) which is subject to the Condition being satisfied.

5.7 ASX listing

The Company's Shares are currently traded on ASX. The New Options are not currently trading on ASX. Application will be made within 7 days after the date of issue of this Prospectus to ASX for permission for the Securities issued pursuant to this Prospectus to be listed for official quotation by ASX. Application for Official Quotation of the New Options offered pursuant to this Prospectus will be made in accordance with the timetable set out in Section 2 of this Prospectus.

In the event that ASX does not grant permission for the official quotation of the Securities within 3 months after the date of issue of this Prospectus (or such period as is varied by the ASIC), none of the Securities offered by this Prospectus

will be allotted or issued and the Company will repay all application monies for the Securities within the time period set out under the Corporations Act, without interest.

5.8 Restrictions on the distribution of the Prospectus

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

This Prospectus is not intended to, and does not, constitute an offer of, or invitation to apply for, securities in any place which, or to any person to whom, the making of such offer or invitation would not be lawful under the laws of any jurisdiction outside Australia.

5.9 Clearing House Electronic Sub-Register System (“CHESS”) and Issuer Sponsorship

The Company will not be issuing share certificates. The Company participates 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. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Securities allotted to them under this Prospectus. The notice will also advise holders of their Holder Identification Number (**HIN**) and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

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

5.10 Lead Managers to the Offer

CPS Securities (Australian Financial Services Licence Number 294848) and Taylor Collison Limited (Australian Financial Services Licence Number 247083) are the joint lead managers to the Offer. The terms of the appointment of CPS Securities as Joint Lead Manager to the Offer are summarised in Section 4.7 and the terms of the appointment of Taylor Collison Limited as Joint Lead Manager to the Offer are summarised in Section 4.8. No additional fees are payable by the Company to CPS Securities and Taylor Collison Limited for acting as joint Lead Manager to the Offer.

5.11 Dividend policy

The Company’s ability to pay dividends depends on factors such as the earnings, taxation and financial position of the Company. Until the Company generates sufficient profits, it will not be in a position to declare any dividend and, accordingly, the Directors will not formulate a dividend policy until a profit is generated. The level of franking of any dividends will be determined by the level of Australian tax paid by the Company.

5.12 Taxation

The Company does not propose to give any taxation advice and neither the Company, its Directors nor its officers accept any responsibility or liability for any

taxation consequence to applicants. Applicants should consult their own professional tax advisers in regard to taxation implications of the Offer.

5.13 Privacy Act

If you complete an application for Securities, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, 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 Company share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its registry if you wish to do so at the relevant contact numbers 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 SCH Business Rules. You should note that if you do not provide the information required on the application for Securities, the Company may not be able to accept or process your application.

5.14 Enquiries

Any questions concerning the Offer should be directed to the Company Secretary, on +61 8 9200 4268.

6. PURPOSE AND EFFECT OF THE OFFER

6.1 Purpose of the Offer

The purpose of the Offer is to:

- (a) issue the Shares and New Options with disclosure for the purpose of Chapter 6D of the Corporations Act; and
- (b) raise up to \$3,300,000 before costs.

6.2 Effect of the Offer and pro forma consolidated balance sheet

Assuming the Condition is satisfied and all Shares and New Options offered under this Prospectus are issued, the principal effect of the Offer will be to:

- (a) increase cash reserves by approximately \$3,021,623 immediately after completion of the Offer and paying the estimated expenses of the Offer;
- (b) increase the number of Shares on issue from 492,612,020 Shares as at the date of this Prospectus, to 705,945,354 Shares (assuming the Offer is fully subscribed, 50,000,000 Shares are issued to the Vendor, 13,333,334 Shares are issued to the Facilitators and no Options are exercised); and
- (c) increase the number of Options on issue from 337,586,891 Options as at the date of this Prospectus, to 457,586,891 Options (including the 100,000,000 New Options to be issued under this Prospectus assuming the Offer is fully subscribed, the 15,000,000 Options to be issued to the Corporate Adviser as part consideration for acting as Corporate Adviser to the Offer and 5,000,000 Options to be issued to Director Mr Jonathan Hart as consideration for his services in facilitating the Acquisition). The Company is seeking Shareholder approval for the issue of those Options to be issued to the Corporate Adviser to the Offer and Mr Jonathan Hart at the General Meeting. Refer to Sections 4.9 and 4.10 for more details).

Set out in below is:

- (a) an unaudited consolidated balance sheet of the Company as at 31 March 2012;
- (b) an unaudited pro-forma consolidated balance sheet of the Company as at 31 March 2012 incorporating the effect of the Offer (assuming the Condition is satisfied and the Offer is fully subscribed); and
- (c) the capital structure of the Company upon completion of the Offer (assuming the Condition is satisfied and the Offer is fully subscribed).

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

PRO FORMA CONSOLIDATED BALANCE SHEET

	Unaudited as at 31 March 2012	Unaudited Proforma as at 31 March 2012
CURRENT ASSETS		
Cash and cash equivalents	1,629,266	4,650,889
Other receivables	240,437	51,383
Other current assets	9,705	9,705
TOTAL CURRENT ASSETS	1,879,408	4,711,977
Non Current Assets		
Available for sale investments	11,793	11,793
TOTAL NON CURRENT ASSETS	11,793	11,793
TOTAL ASSETS	1,891,201	4,723,770
CURRENT LIABILITIES		
Trade and other payables	163,028	163,028
TOTAL CURRENT LIABILITIES	163,028	163,028
TOTAL LIABILITIES	163,028	163,028
NET ASSETS	1,728,173	4,560,742
SHAREHOLDER EQUITY		
Issued Capital	14,961,631	17,983,254
Reserves	1,306,323	1,306,323
Accumulated Losses	(14,539,781)	(14,728,835)
TOTAL SHAREHOLDER EQUITY	1,728,173	4,560,742

The capital structure of the Company upon completion of the Offer (assuming the Condition is satisfied and the Offer is fully subscribed) is summarised below:

Shares

Shares	Number
Shares currently on issue	492,612,020
Shares to be issued to the Vendor ¹	50,000,000
Shares to be issued to the Facilitators ²	13,333,334
Shares offered pursuant to the Offer	150,000,000
Total Shares on issue after completion of the Offer	705,945,354

Notes:

- The issue of these Shares is subject to Shareholder approval to be sought at the General Meeting. These Shares are being issued under the Agreement summarised in section 4.3 of this Prospectus.

2. The issue of these Shares is subject to Shareholder approval to be sought at the General Meeting. These Shares are being issued under the fee agreement summarised in section 4.6 of this Prospectus.

Options

Options	Number
Listed Options exercisable at \$0.015 cents on or before 31/12/12	300,811,891
Unlisted Options exercisable at \$0.12 on or before 27/11/13	1,000,000
Unlisted Options exercisable at \$0.12 on or before 30/09/13	775,000
Unlisted Options exercisable at \$0.015 on or before 21/07/13	25,000,000
Unlisted Options exercisable at \$0.02 on or before 01/07/14	10,000,000
Total Options on Issue	337,586,891
Listed New Options exercisable at \$0.035 on or before 31 December 2013 offered pursuant to the Offer	100,000,000
Unlisted Options exercisable at \$0.035 on or before 30 June 2015 to be issued to Garrison Capital Pty Ltd as acting as Corporate Adviser to the Offer ²	15,000,000
Unlisted Options exercisable at \$0.035 on or before 30 June 2015 to be issued to Mr Jonathan Hart (a Director of the Company) as consideration for facilitating the Acquisition ³	5,000,000
Total Options on Completion of the Offer	457,586,891

Notes:

1. The issue of these listed New Options is conditional upon the satisfaction of resolution 5, as set out in the Company's General Meeting. For more information refer to Section 5.4 of this Prospectus.
2. The issue of these Options is subject to Shareholder approval to be sought at the General Meeting. Refer to Section 4.9 for a summary of the terms of the corporate advisory agreement with the Corporate Adviser. Refer to Section 8.3 for further details of the terms and conditions of the Options.
3. The issue of these Options is subject to Shareholder approval to be sought at the General Meeting. Refer to Section 8.3 for further details of the terms and conditions of the Options.

7. DIRECTORS AND CORPORATE GOVERNANCE

7.1 Matthew Wood – Executive Chairman

Mr Wood's role as an executive chairman at the Company includes running and overseeing the Company's operations. Mr Wood also assists Mr Flavel with satisfying the Company's corporate compliance obligations under the ASX Listing Rules and the Corporations Act.

Mr Wood has more than 16 years experience in the resource sector with both major and junior resource companies and has extensive experience in the technical and economic evaluation of resource projects throughout the world. Mr Wood's expertise is in project identification, negotiation, acquisition and corporate development. Mr Wood has an honours degree in geology from the University of New South Wales in Australia and a graduate certificate in mineral economics from the Western Australian School of Mines.

Mr Wood presently holds a number of executive and non-executive directorships in the mining and resources industry including directorships with ASX listed Haranga Resources Limited, Lindian Resources Limited, Strzelecki Resources Limited, Avanco Resources Limited and Voyager Resources Limited. Mr Wood is a director and shareholder of Garrison Capital Pty Ltd which is receiving 15,000,000 Options the subject of Shareholder approval at the General Meeting for corporate advisory services being provided to the Company in relation to the Offer. Refer to Sections 4.9 and 10.4 of this Prospectus for further details. Mr Wood does not expect that his directorships with other companies will interfere with his ability to act as the Executive Chairman of the Company.

As at the date of this Prospectus, Mr Wood is a substantial Shareholder in the Company holding Shares representing approximately 5.92% of the Company.

7.2 Mark Arundell – Executive Director

Mr Arundell's role as an executive at the Company includes running and overseeing the Company's South Australian operations at Adelaide Fold Belt and Olympic Domain and the Company's Northern Territory operations at the Larrimah Phosphate Project.

Mr Arundell is a qualified geologist with 24 years industry experience working for major companies and as a consultant. He holds a degree (Honours) in Geology from the University of Melbourne as well as a post-graduate Masters in Economic Geology from the University of Tasmania and Graduate Certificate in Management from Deakin University. Mr Arundell has led resource definition projects for RGC Ltd and North Ltd. He has considerable experience in grass roots exploration, target generation and project evaluation across Australia. Recently, he managed Industrial Mineral exploration in Australasia for Rio Tinto Limited including target generation and grassroots exploration across a range of commodities.

Mr Arundell is currently a director of ASX listed Highfield Resources Limited and Oakland Resources Limited. Mr Arundell does not expect that his directorships with other companies will interfere with his ability to act as an Executive Director to the Company.

As at the date of this Prospectus, Mr Arundell is not a nominee or a representative of a substantial Shareholder in the Company.

7.3 Tim Flavel – Executive Director

Mr Flavel's role as an executive at the Company includes satisfying the Company's corporate compliance obligations under the ASX Listing Rules and the Corporations Act.

Mr Flavel is a Chartered Accountant and Company Secretary, with more than 20 years experience in the mining industry and accounting profession both in Australia and overseas. Mr Flavel currently assists a number of resources companies operating throughout Australia and Africa with financial accounting, stock exchange compliance and regulatory activities. Mr Flavel is currently a director of ASX listed Voyager Resources Limited and Haranga Resources Limited. Mr Flavel is a director and shareholder of Garrison Capital Pty Ltd which is receiving 15,000,000 Options the subject of Shareholder approval at the General Meeting for corporate advisory services being provided to the Company in relation to the Offer. Refer to Sections 4.9 and 10.4 of this Prospectus for further details. Mr Flavel does not expect that his directorship with other companies will interfere with his ability to act as an Executive Director to the Company.

As at the date of this Prospectus, Mr Flavel is not a nominee or a representative of a substantial Shareholder in the Company.

7.4 Brian McMaster – Executive Director

Mr McMaster's role as an executive at the Company historically includes negotiating and facilitating the proposed acquisition of interests in Petromad Mauritius including overseeing the due diligence enquires on that company and its assets together with Mr Hart. Moving forward, post the Company's acquisition of the initial interest in Petromad Mauritius, Mr McMaster will manage the Company's interest in Madagascar together with Mr Hart.

Mr McMaster is a Chartered Accountant, a registered and official liquidator and has almost 20 years' experience in the area of corporate reconstruction and turnaround / performance improvement. Mr McMaster's experience includes numerous reorganisations and turnarounds, including being instrumental in the recapitalisation and listing of 12 Australian companies on the ASX. Recently, Mr McMaster was a partner of the restructuring firm Korda Mentha and prior to that was a partner at Ernst & Young. Mr McMaster's experience includes significant working periods in the United States, South America, Asia and India.

Mr McMaster is currently an executive director of ASX listed Range River Gold Limited, an ASX listing company that entered into administration on 21 April 2011 and is currently subject to a deed of company arrangement. Mr McMaster was appointed a director of the company on 12 April 2012 (after the company entered into administration). Mr McMaster is also an executive director of ASX listed Lindian Resources Limited and Strzelecki Metals Limited and a non-executive director of Alloy Steel Corporation Limited.

Mr McMaster is a director and shareholder of Garrison Capital Pty Ltd which is receiving 15,000,000 Options the subject of Shareholder approval at the General Meeting for corporate advisory services being provided to the Company in relation to the Offer. Refer to Sections 4.9 and 10.4 of this Prospectus for further details.

Mr McMaster does not expect that his directorship with Range River Gold Limited, Lindian Resources Limited, Strzelecki Metals Limited and Alloy Steel

Corporation Limited or any other company will interfere with his ability to act as an Executive Director of the Company.

As at the date of this Prospectus, Mr McMaster is not a nominee or a representative of a substantial Shareholder in the Company.

7.5 Jonathan Hart – Executive Director

Mr Hart's role as an executive at the Company historically includes negotiating and facilitating the proposed acquisition of interests in Petromad Mauritius including overseeing the due diligence enquires on that company and its assets together with Mr McMaster. Moving forward, post the Company's acquisition of the initial interest in Petromad Mauritius, Mr Hart will manage the Company's interest in Madagascar together with Mr McMaster.

Mr Hart has a Bachelor of Laws and Commerce from Murdoch University in Western Australia and has close to four years' experience as a commercial lawyer. He was admitted to practice in Perth in May 2008 and did his articles at Perth based law firm, Steinepreis Paganin.

Mr Hart's experience includes due diligence investigations, general corporate and commercial drafting, public and private mergers and acquisitions, general corporate advice in relation to capital railings, Corporations Act and ASX compliance, Australian Financial Services licenses, managed investment schemes and anti-money laundering compliance.

Mr Hart is currently a director of ASX listed Range River Gold Limited, an ASX listing company that entered into administration on 21 April 2011 and is currently subject to a deed of company arrangement. Mr Hart was appointed a director of the company on 12 April 2012 (after the company entered into administration).

Mr Hart does not expect that his directorship with Range River Gold Limited or any other company will interfere with his ability to act as an Executive Director of the Company.

As at the date of this Prospectus, Mr Hart is not a nominee or a representative of a substantial Shareholder in the Company.

7.6 Corporate Governance

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent applicable, the Company has adopted The Corporate Governance Principles and Recommendations (2nd Edition) as published by ASX Corporate Governance Council (Recommendations).

In light of the Company's size and nature, the Board considers that the current board is a cost effective and practical method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

The Company's full Corporate Governance Plan is available from the Company upon request.

8. RIGHTS ATTACHING TO SECURITIES

8.1 Rights attaching to Shares

The following is a summary of the more significant rights attaching to Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of shareholders in the Company. To obtain such a statement, persons should seek independent legal advice.

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

(a) General Meetings

- (i) Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company; and
- (ii) Shareholders may requisition meetings in accordance with Section 249D of the Corporations Act and the Constitution of the Company.

(b) 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:

- (i) each shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) 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
- (iii) 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);

(c) Dividend Rights

The Directors may from time to time declare and pay or credit a dividend in accordance with the Corporations Act. Subject to any special right as to dividends attaching to a share, all dividends will be declared and paid according to the proportion which the amount paid on the Share is to the total amount payable in respect of the Shares (but any amount paid during the period in respect of which a dividend is declared only entitles the Shareholder to an apportioned amount of that dividend as from the date of payment). The Directors may from time to time pay or credit to the Shareholders such interim dividends as

they may determine. No dividends shall be payable except out of profits. A determination by the Directors as to the profits of the Company shall be conclusive. No dividend shall carry interest as against the Company.

The Directors may from time to time grant to Shareholders or any class of shareholders the right to elect to reinvest cash dividends paid by the Company by subscribing for Shares in the Company on such terms and conditions as the Directors think fit. The Directors may, at their discretion, resolve in respect of any dividend which it is proposed to pay or to declare on any Shares of the Company, that holders of such Shares may elect to forgo their right to the whole or part of the proposed dividend and to receive instead an issue of Shares credited as fully paid to the extent and on the terms and conditions of the Constitution. The Directors may set aside out of the profits of the Company such amounts as 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.

(d) **Winding-Up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, 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, 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.

(e) **Transfer of Shares**

Generally, shares in the Company 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 Listing Rules.

(f) **Future Increase in Capital**

The allotment and issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(g) **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.

The Shares are quoted on ASX.

8.2 Rights attaching to the New Options

The New Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each New Option gives the New Option holder the right to subscribe for one Share. To obtain the right given by each New Option, the New Option holder must exercise the New Options in accordance with the terms and conditions of the New Options.
- (b) The New Options will expire at 5.00 pm (WST) on 31 December 2013 (**Expiry Date**). Any New Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) The amount payable upon exercise of each New Option will be \$0.035 (**Exercise Price**).
- (d) The New Options held by each New Option holder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion. Where less than 1,000 New Options are held, all New Options must be exercised together.
- (e) A New Option holder may exercise their New Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of New Options specifying the number of New Options being exercised; and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of New Options being exercised;

(Exercise Notice).
- (f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (g) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of New Options specified in the Exercise Notice.
- (h) All Shares allotted upon the exercise of New Options will upon allotment rank *pari passu* in all respects with other Shares.
- (i) The Company will apply for quotation of the New Options on ASX.
- (j) If at any time the issued capital of the Company is reconstructed, all rights of a New Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

- (k) There are no participating rights or entitlements inherent in the New Options and New Option holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the New Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 6 Business Days after the issue is announced. This will give New Option holders the opportunity to exercise their New Options prior to the date for determining entitlements to participate in any such issue.
- (l) Other than pursuant to term (m), a New Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the New Option can be exercised.
- (m) In the event the Company proceeds with a bonus issue of securities to Shareholders after the date of issue of the New Options, the number of securities over which an New Option is exercisable may be increased by the number of securities which the New Option holder would have received if the New Option had been exercised before the record date for the bonus issue.

8.3 Terms and Conditions of Options to be issued to the Corporate Adviser and Mr Jonathan Hart

As detailed in Section 4.9, in part consideration for acting as corporate advisor to the Offer, and subject to Shareholder approval being obtained at the General Meeting, the Company has agreed to issue the Corporate Advisor a total of 15,000,000 Options on the terms below. As detailed in Section 4.10, in consideration for facilitating the Acquisition, and subject to Shareholder approval being obtained at the General Meeting, the Company has agreed to issue Director Mr Jonathan Hart a total of 5,000,000 Options, also on the terms below.

The Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Option gives the Option holder the right to subscribe for one Share. To obtain the right given by each Option, the Option holder must exercise the Options in accordance with the terms and conditions of the Options.
- (b) The Options will expire at 5:00 pm (WST) on 30 June 2015 (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) The amount payable upon exercise of each Option will be \$0.035 (**Exercise Price**).
- (d) The Options held by each Option holder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
- (e) An Option holder may exercise their Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Options specifying the number of Options being exercised; and

- (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised;

(Exercise Notice).

- (f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (g) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- (h) All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares.
- (i) The Company will not apply for quotation of the Options on ASX.
- (j) If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (k) There are no participating rights or entitlements inherent in the Options and Option holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 6 Business Days after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (l) Other than pursuant to term (m), an Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.
- (m) In the event the Company proceeds with a bonus issue of securities to Shareholders after the date of issues of the Options, the number of securities over which an Option is exercisable may be increased by the number of securities which the Option holder would have received if the Option had been exercised before the record date for the bonus issue.

9. RISK FACTORS

9.1 General

The Securities offered under this Prospectus should be considered speculative because of the nature of the Company's business post-Acquisition. The future profitability of the Company will be dependent on the successful commercial exploitation of its business and operations.

Whilst the Directors recommend the Offer, there are numerous risk factors involved. The following is a summary of the more material matters to be considered. However, this summary is not exhaustive and potential investors should examine the contents of this Prospectus in its entirety and consult their professional advisors before deciding whether to apply for the Securities.

Factors which may affect the Company's financial position, prospects and the price of its listed securities include the following:

9.2 Risks relating to Company post Acquisition

Future Capital Requirements

The Company proposes to acquire an initial interest in Petromad Mauritius of 25% by a combination of part of the funds raised under the Prospectus and existing cash reserves (refer to Section 4.4 of this Prospectus for further details). The Company will need to raise further capital in order to comply with its contractual obligations under the Agreement, including to conduct phase 1 drilling on the Block (as summarised in Section 4.3 of this Prospectus). The funds raised through the Offer under the Prospectus will not be sufficient to successfully achieve all the objectives of the Company's overall business strategy, including phase 1 drilling on the Block after acquiring the initial interest (refer to section 4.3 of this Prospectus for further details). While the Company believes that the proceeds of the Offer will provide sufficient working capital to carry out its stated and immediate objectives, the Company will require additional funding for the Company's ongoing activities and to earn interests in Petromad Mauritius over and above the initial interest (refer to section 4.3 of this Prospectus for further details).

The funds raised through the Offer under the Prospectus will not be sufficient to successfully achieve all the objectives of the Company's overall business strategy. If the Company is unable to continue to use debt or equity to fund expansion after the substantial exhaustion of the net proceeds of the Offer there can be no assurances that the Company will have sufficient capital resources for that purpose, or other purposes, or that it will be able to obtain additional fundraising on terms acceptable to the Company or at all. Any additional equity financing may be dilutive to shareholders and any debt financing if available may involve restrictive covenants, which may limit the Company's operations and business strategy.

The Company's failure to raise capital if and when needed could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities.

Madagascan Operations

The Block is located in Madagascar, a developing country with an expanding oil and gas exploration industry. Risks relating to operating in Madagascar include

economic, social or political instability or change, security concerns, hyperinflation, currency non-convertibility or instability and changes of law effecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties as well as government control over mineral properties.

Madagascan Government Involvement in Operations

The Government of Madagascar and government agencies have direct requirements for oversight and approval of company activities. The Production Sharing Contract (**PSC**) suggests that the Government of Madagascar is not inclined to seek an active role either as a working interest owner, shareholder or director in exploration companies. Government actions or changes in political conditions (and the impact thereof on the domestic economy) in the future could have a significant effect on economic conditions in Madagascar, which could adversely affect Petromad Mauritius's business and its financial results.

Product Sharing Agreement

As set out in Section 4.5 of this Prospectus, Petromad Mauritius is a party to a PSC with the Office des Mines Nationales et des Industries Stratégiques (**OMNIS**). As such, should Petromad Mauritius establish production reserves on the Block in the future, the terms of the PSC may render production uncommercial and cause production not to be commenced on the Block. If Petromad Mauritius commences production on the Block in the future, then if at any time production becomes unprofitable as a result of the PSC then operations may be discontinued indefinitely for that reason. In either case, this will have a material adverse effect on the Company. The Company notes that operations on the Block are currently exploration operations only and there can be no guarantee that Petromad Mauritius will find profitable reserves on the Block in the future.

Political Risks in Madagascar

Madagascar experienced a period of political unrest that began in late January 2009 and continued until March that year. An interim solution was found with the installation of a transitional authority, preparatory to holding national elections within an agreed timeframe. As part of this process, an accord was reached between present and former administrations in Maputo Mozambique in early August 2009 that will advance the process of regularising government in the country. Petromad Mauritius has remained fully operational in the country since that period, inclusive of expatriate management, and no material hindrance to operations or assets has been experienced during the period of transition.

Presently the political situation in Madagascar appears relatively stable, Petromad Mauritius's operations and staff remain secure and business is being conducted on a normal day-to-day basis. Entry and exit to the country continues without impediment. Petromad Mauritius continues to monitor the situation and remains hopeful of an early completion of the stabilisation process.

Oil and Gas Exploration Risks

The business of oil and gas exploration, by its nature, contains elements of significant risk with no guarantee of success. The Block is still in its early stage and there is no guarantee of development. Ultimate and continuous success of these activities is dependent on many factors such as:

- (a) the discovery and/or acquisition of economically recoverable reserves;

- (b) access to adequate capital for project development;
- (c) securing and maintaining title to interests;
- (d) access to drilling equipment and reasonable drilling costs; and
- (e) access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants.

General Operating Risks

The current and future operations of the Company, including exploration activities in Australia and Madagascar, and the value of the Company may be affected by a range of factors, including:

- (a) adverse geological conditions;
- (b) limitations on activities due to seasonal weather patterns and cyclone activity;
- (c) unanticipated operational and technical difficulties encountered in seismic survey, drilling and production activities;
- (d) mechanical failure of operating plant and equipment;
- (e) industrial and environmental accidents, industrial disputes and other force majeure events;
- (f) unavailability of aircraft or drilling equipment to undertake airborne electromagnetic and other geological and geophysical investigations;
- (g) unexpected shortages or increases in the costs of labour, consumables, spare parts, plant and equipment;
- (h) inability to obtain necessary consents or approvals;
- (i) changes to reserve estimates may change upon receiving new information and data which may in turn result in alterations to development and production plans and operations generally;
- (j) failure to renew tenements as and when required;
- (k) economic conditions and, in particular, inflation rates, interest rates, exchange rates, commodity supply and demand factors;
- (l) financial failure or default by a participant in any joint venture or other contractual relationship to which the Company is, or becomes, a party;
- (m) industrial and landholder disputes;
- (n) unavailability of insurance cover or required premiums are considered to be excessive having regard to the benefits that would accrue; and
- (o) for Australian operations, the impact of the Native Title Act 1993 (Cth), related State Native Title legislation and Aboriginal Land Rights and Aboriginal Heritage legislation on the Company's ability to gain access to prospective exploration areas or obtain production titles in Australia.

These as well as other conditions can affect the Company's future operations, possible revenues and the price of its Securities.

Legislative Changes, Government Policy and Approvals

Changes in government regulations and policies may adversely affect the financial performance of the Company. The Company's capacity to explore and develop any reserves, may be affected by changes in government policy, which are beyond the control of the Company.

Contracts Risk

The Company and Petromad Mauritius is subject to a variety of contracts including contracts with contractors and joint venture parties. The Directors are unable to predict the risk of:

- (a) financial failure or default by a participant in any joint venture to which Petromad Mauritius or the Company is a party; or
- (b) insolvency or other managerial failure by any of the operators and contractors used by Petromad Mauritius or the Company in its exploration activities; or
- (c) insolvency or other managerial failure by any of the other service providers used by Petromad Mauritius or the Company or operators for any activity.

Commodity Price Volatility and Exchange Rate Risks

If any of the Company's projects enter into production the potential income of the Company is subject to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for commodities, technological advancements, forward selling activities and other macro-economic factors.

Environmental Risks

The Company will be subject to environmental laws, approvals and regulations in connection with operations in Australia and Madagascar. The Company and Petromad Mauritius intends to conduct its activities in an environmentally responsible manner and in accordance with all applicable laws. However, any project of the Company or Petromad Mauritius may be the subject of accidents or unforeseen circumstances that could subject the Company to extensive liability.

Security Investments

Investors should be aware that there are risks associated with any securities investment. Securities listed on the stock market, and in particular securities of mining and exploration companies have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. These factors may materially affect the market price of the securities regardless of the Company's performance.

9.3 Speculative investment

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

Therefore, the Securities 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 Securities.

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

10. ADDITIONAL INFORMATION

10.1 Continuous Disclosure Obligations

The Company is a “disclosing entity” (as defined in Section 111AC of the Corporations Act) for the purposes of Section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities. The Shares that will be issued pursuant to this Prospectus will be in the same class of Shares that have been quoted on the official list of ASX during the 12 months prior to the issue of this Prospectus.

In general terms “transaction specific prospectuses” are only required to contain information in relation to the effect of the issue of securities on the 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.

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 12 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 with the ASIC by the Company 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 documents used to notify ASX of information relating to the Company during that period in accordance with ASX Listing Rules as referred to in Section 674(1) of the Corporations Act.

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

For details of documents lodged with ASX since the date of lodgement of the Company's latest annual financial report refer to the table set out below.

Date	Description of Announcement
23/05/2012	Change of Director's Interest Notice
21/05/2012	Change in substantial holding
21/05/2012	Change of Director's Interest Notice
27/04/2012	Notice of General Meeting
24/04/2012	Becoming a substantial holder
24/04/2012	Change of Director's Interest Notice
23/04/2012	Change of Director's Interest Notice
18/04/2012	Appendix 3B
17/04/2012	Expiry of Unlisted Options
17/04/2012	Quarterly Cashflow Report
17/04/2012	Quarterly Activities Report
13/04/2012	Initial Director's Interest Notice
12/04/2012	Board Appointment
11/04/2012	Major Oil Project Investment
10/04/2012	Trading Halt
27/03/2012	Response to ASX Query
29/02/2012	Half Year Accounts
22/02/2012	Response to ASX Price Query
31/01/2012	Quarterly Activities Report
31/01/2012	Quarterly Cashflow Report
25/01/2012	Commencement of Diamond Core Drilling
02/12/2011	Initial Director's Interest Notice
02/12/2011	Board Appointment and Company Secretary Update
23/11/2011	Results of Annual General Meeting

23/11/2011	AGM Presentation
27/10/2011	Quarterly Activities Report
26/10/2011	Quarterly Cashflow Report
21/10/2011	Notice of Annual General Meeting
27/09/2011	Reinstatement to Official Quotation - Replacement
27/09/2011	Reinstatement to Official Quotation
27/09/2011	Update on East African Oil Opportunity
02/09/2011	Annual Report 2011

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

10.2 Consents

The following consents have been given in accordance with the Corporations Act and have not been withdrawn as at the date of lodgement of this Prospectus with the ASIC.

CPS Securities has given and not withdrawn its written consent to being named as the Joint Lead Manager to the Offer in the Corporate Directory of this Prospectus in the form and context in which it is named.

Taylor Collison Limited has given and not withdrawn its written consent to being named as the Joint Lead Manager to the Offer in the Corporate Directory of this Prospectus in the form and context in which it is named.

Garrison Capital Pty Ltd has given and has not withdrawn its consent to being named as Corporate Adviser to the Offer in the Corporate Directory of this Prospectus in the form and context in which it is named.

Steinepreis Paganin has given, and has not withdrawn its consent to being named as Solicitors to the Company in the Corporate Directory of this Prospectus in the form and context in which it is named.

None of the entities referred to in this Section 10.2 have authorised or caused the issue of this Prospectus and do not accept any liability to any persons in respect of any false or misleading statement in, or omission from, any part of this Prospectus.

10.3 Directors' interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any organisation in which such a Director is a partner or director, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the promotion or formation of the Company;

- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the offer of Securities pursuant to this Prospectus; or
- (c) the offer of Securities pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or shares or otherwise) to any Director or to any organisation in which any such Director is a partner or director, either to induce him to become, or to qualify him as, a Director or otherwise for services rendered by him or by the firm in connection with the promotion or formation of the Company.

Each Directors' interests in Shares and Options at the date of this Prospectus are:

Name of Director	Shares	Options
Matthew Wood	29,356,109	17,666,668 ¹
Mark Arundell	558,334	107,344 ²
Timothy Flavel	11,028,561	8,411,425 ³
Brian McMaster	4,178,476	13,333,333 ⁴
Jonathan Hart	Nil	Nil ⁵

Notes

- 8,333,333 options exercisable at \$0.015 on or before 31 December 2012 and 9,333,335 options exercisable at \$0.015 on or before 21 July 2013.
- 107,344 options exercisable at 1.5 cents on or before 31 December 2012.
- 4,000,000 options exercisable at \$0.015 on or before 21 July 2013, 4,411,425 options exercisable at \$0.015 on or before 31 December 2012.
- 10,000,000 unlisted options exercisable at 2c on or before 1 July 2014 and 3,333,333 listed options exercisable at 1.5c on or before 31 December 2012.
- Mr Jonathan Hart will be issued 5,000,000 unlisted Options exercisable at 3.5 cents per Option on or before 30 June 2015 subject to Shareholder approval at the General Meeting and otherwise on the terms and conditions set out in Section 8.3 of this Prospectus.

The Constitution of the Company provides that the non-executive Directors may be paid for their services as Directors, a sum not exceeding such fixed sum per annum as may be determined by the Company in general meeting, to be divided among the Directors and in default of agreement then in equal shares.

The Company paid to the Directors a total of \$291,510 for the year ended 31 December 2011. For the period from 31 December 2011 to the date of this Prospectus \$166,000 has been paid or is payable by the Company by way of approved remuneration for services provided by all Directors or former Directors (executive, non-executive and alternate), companies associated with those Directors or their associates in their capacity as Directors, employees, consultants or advisers (and including superannuation payments).

Directors, companies associated with the directors or their associates are also reimbursed for all reasonable expenses properly incurred in the course of conducting their duties which include, but are not in any way limited to, out of pocket expenses, travelling expenses, disbursements made on behalf of the Company and other miscellaneous expenses.

The table below sets out the expected annual remuneration payable to the Directors for the current financial year and the previous 2 financial years, inclusive of directors' fees and consultancy fees.

Director	Current Financial Year	Financial Year End 30 June 2011	Financial Year End 30 June 2010
Matthew Wood	\$90,000	\$116,650	\$120,000
Mark Arundell	\$60,000	\$68,900	\$70,4000
Timothy Flavel	\$76,000	84,000	\$96,000
Jonathan Hart	\$22,000	Nil	Nil
Brian McMaster	\$108,000	Nil	Nil

10.4 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no expert nor any organisation in which such expert has an interest, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

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

and no amounts have been paid or agreed to be paid (in cash or shares or otherwise) to any expert or to any firm in which any such expert is a partner, either to induce him to become, or to qualify him as, an expert or otherwise for services rendered by him or by the firm in connection with the promotion or formation of the Company.

CPS Securities has acted as joint Lead Manager and broker to the Offer. In respect of this work, CPS Securities will be paid such amounts as detailed in Section 4.7. During the 24 months preceding lodgement of this Prospectus at the ASIC, CPS Securities has received \$215,435.59 in fees from the Company.

Taylor Collison Limited has acted as joint Lead Manager and broker to the Offer. In respect of this work, Taylor Collison Limited will be paid such amounts as detailed in Section 4.8. During the 24 months preceding lodgement of this Prospectus at the ASIC, Taylor Collison Limited has received \$1,649.66 in fees from the Company.

The Corporate Adviser will be paid a corporate adviser fee of up to \$50,000 and will be issued 15,000,000 Options in accordance with the terms of the Corporate

Adviser Agreement summarised in Section 4.9 of this Prospectus. In the past two years, the Corporate Adviser has been paid \$285,212.27 in fees by the Company. Directors, Mr Matthew Wood, Mr Tim Flavel and Mr Brian McMaster are directors and shareholders of Garrison Capital Pty Ltd.

Steinepreis Paganin act as solicitors to the Company. Steinepreis Paganin will be paid approximately \$15,000 for services provided in relation to this Prospectus. In the last 2 years Steinepreis Paganin has been paid approximately \$61,177 for services rendered to the Company.

10.5 Estimated expenses of Offer

The estimated cash expenses of the Offer (assuming the Offer is fully subscribed and the Condition is satisfied) are as follows:

Item	\$
ASX Fees	9,240
ASIC Fees	2,137
Print and Mailing Expenses	4,000
Raising Fees	198,000
Corporate Advisory Fee	50,000
Legal	15,000
Total	<u>278,377</u>

10.6 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 Company's 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:

Highest	3.7 cents	24 April 2012
Lowest	2 cents	22 March 2012
Last	2.6 cents	24 May 2012

10.7 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.

10.8 Electronic Prospectus

Pursuant to Class Order 00/44, the ASIC has exempted compliance with certain provisions of the Corporations Act 2001 to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure

that you have received the entire Prospectus accompanied by the Entitlement and Acceptance Form. If you have not, please phone the Company and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both.

The Company reserves the right not to accept an Entitlement and Acceptance Form from a person if it has reason to believe that when that person was given access to the electronic Entitlement and Acceptance 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.

11. DIRECTORS' CONSENT

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 in writing to the lodgement of this Prospectus with the ASIC.



Brian McMaster
Director
For and on behalf of
COPPER RANGE LIMITED

12. DEFINITIONS

Acquisition means the acquisition detailed in the conditional agreement with Petromad Mauritius and the Vendor to acquire up to 80% of the shares in Petromad Mauritius, the holder of the Block as set out in Section 4.2 of this Prospectus.

Applicant means an investor that applies for Securities using an Application Form pursuant to this Prospectus.

Application Form means the application form attached to this Prospectus.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691).

Block means block number 3114, known as the Bezaha concession, situated in the South West of Madagascar.

Business Day means a day on which trading takes place on the stock market of ASX.

Closing Date means 31 May 2012.

Company or **Copper Range** means Copper Range Limited (ABN 38 119 047 693).

Condition means the condition of the Offer as defined has the meaning given to it in Section 5.4.

Constitution means the Company's Constitution as at the date of this Prospectus.

Corporate Adviser or **Garrison Capital** means Garrison Capital Pty Ltd (ACN 132 795 941).

Corporations Act means the Corporations Act 2001 (Cth).

CPS Securities means Cunningham Peterson Sharbanee Securities Pty Ltd (ACN 088 055 636) trading as CPS Securities.

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

Dollar or "\$" means Australian dollars.

General Meeting means a general meeting of Shareholders referred to in Section 5.4 of this Prospectus.

Initial Interest has the meaning as set out in Section 4.3 of this Prospectus.

Joint Lead Manager means either CPS Securities or Taylor Collison Limited or CPS Securities and Taylor Collison Limited together, depending on the context.

Listing Rules or **ASX Listing Rules** means the Listing Rules of ASX.

New Option means an Option exercisable at 3.5 cents on or before 31 December 2013, to be issued at the ratio of two (2) free attaching New Options for every three (3) new Shares subscribed for, to be listed on the ASX.

Notice of Meeting means the Company's notice of general meeting dated 18 April 2012.

Offer means the offer pursuant to this Prospectus.

Olympic Domain Project means the nine granted tenements (exploration licences) covering a total of ~2,500 km² within the South Australian region hosting the Olympic Dam, Carrapateena, Mt Gunson and other prospects.

Opening Date means the opening date for receipt of Application Forms under this Prospectus as set out in Section 5.2.

Option means an option to acquire a Share.

Petromad Mauritius means Petromad Mauritius Limited.

Prospectus means this Prospectus.

Securities means Shares and New Options to be issued under this Prospectus.

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

Shareholder means the holder of a Share.

Share Registry means Boardroom Pty Limited (ACN 003 209 836).

Taylor Collison Limited means Taylor Collison Limited (ABN 53 008 172 450).

Vendor means Dr Emma Rasolovoahangy.

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

ONLY COMPLETE THIS APPLICATION FORM IF INSTRUCTED BY CPS SECURITIES PTY LTD, TAYLOR COLLISON LIMITED, GARRISON CAPITAL PTY LTD OR THE COMPANY.

APPLICATION FORM

Copper Range Limited (ABN 38 119 047 693)

The securities to which this application form (**Application Form**) relates are fully ordinary paid shares (**Shares**) in the capital of **Copper Range Limited (Company)**. A prospectus containing information regarding investment in Shares and New Options was lodged with the Australian Securities and Investments Commission on 25 May 2012 (**Prospectus**). While the Prospectus is current, the Company will send paper copies of the Prospectus, any supplementary documents and the Application Form, free of charge to any person upon request. You should read the Prospectus before applying for Shares and New Options. A person who gives another person access to the Application Form must at the same time and by the same means give the other person access to the Prospectus and any supplementary document. The Corporations Act prohibits any person from passing onto another person an application form unless it is attached to a hard copy of the Prospectus or it accompanies the complete and unaltered version of the Prospectus.

PLEASE READ ALL INSTRUCTIONS ON THE REVERSE OF THIS FORM

Full name (PLEASE PRINT)

Title, Given Name(s) & Surname or Company Name

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Joint Applicant #2 or <designated account>

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Joint Applicant #3 or <designated account>

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Postal Address (PLEASE PRINT)

Street Number Street

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Suburb/Town

State

Post Code

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ABN, Tax File Number or Exemption

Applicant #2

Applicant #3

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CHESS HIN or Existing SRN (where applicable)

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Number of Shares applied for	Application Money enclosed at 2.2 cents per Share
	A\$.....

I/We whose full name(s) and address appear above hereby apply for the number of Shares shown above (to be allocated to me/us by the Company in respect of this Application) under the Prospectus on the terms set out in the Prospectus.

Cheque Details:

PLEASE
ENTER
CHEQUE
DETAILS
THANKYOU

Drawer	Bank	BSB or Branch	Amount

My/Our contact numbers in the case of inquiry are:

Telephone ()

Fax ()

Cheques should be made payable to "Copper Range Limited – Offer Account", crossed "NOT NEGOTIABLE".

Payment (either cheque or direct transfer) and completed Application Forms should be forwarded, **to arrive no later than 5:00pm on the Closing Date** (or such other date as is determined by the Directors) to the Company, PO Box 826 West Perth WA 6872.

GUIDE TO THE APPLICATION FORM

If an Applicant has any questions on how to complete this Application Form, please telephone the Company on (08) 9200 4468.

A. Application for Shares

The Application Form must only be completed in accordance with instructions included in Prospectus.

B. Name of Applicant

Write the Applicant's FULL NAME. This must be either an individual's name or the name of a company. Please refer to the bottom of this page for the correct form of registrable title. Applications using the incorrect form of registrable title may be rejected.

C. Name of Joint Applicants or Account Designation

If JOINT APPLICANTS are applying, up to three joint Applicants may register. If applicable, please provide details of the Account Designation in brackets. Please refer to the bottom of this page for instructions on the correct form of registrable title.

D. Address

Enter the Applicant's postal address for all correspondence. If the postal address is not within Australia, please specify Country after City/Town.

E. Contact Details

Please provide a contact name and daytime telephone number so that the Company can contact the Applicant if there is an irregularity regarding the Application Form.

F. CHES HIN or existing SRN Details

The Company participates in CHES. If the Applicant is already a participant in this system, the Applicant may complete this section with their existing CHES HIN. If the applicant is an existing shareholder with an Issuer Sponsored account, the SRN for this existing account may be used. Otherwise leave the section blank and the Applicant will receive a new Issuer Sponsored account and statement.

G. Payment Details

Make cheques payable to "Copper Range Limited – Offer Account" in Australian currency and cross them "**Not Negotiable**". Cheques must be drawn on an Australian Bank. The amount of the cheque should agree with the amount shown on the Application Form.

H. Declaration

This Application Form does not need to be signed. By lodging this Application Form and a cheque for the application money this Applicant hereby:

- (1) applies for the number of Shares specified in the Application Form or such lesser number as may be allocated by the Directors;
- (2) agrees to be bound by the constitution of the Company;
- (3) authorises the directors of the Company to complete or amend this Application Form where necessary to correct any errors or omissions;
- (4) acknowledges that he/she has received a copy of the Prospectus attached to this Application Form or a copy of the Application Form before applying for the Shares; and
- (5) acknowledges that he/she will not provide another person with this Application Form unless it is attached to or accompanied by the Prospectus.

CORRECT FORMS OF REGISTRABLE TITLE

Note that ONLY legal entities are allowed to hold securities. Application forms must be in the name(s) of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and the surname is required for each natural person. Application Forms cannot be completed by persons under 18 years of age. Examples of the correct form of registrable title are set out below.

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Individual Use given names in full, not initials	Mr John Alfred Smith	J A Smith
Company Use the company's full title, not abbreviations	ABC Pty Ltd	ABC P/L or ABC Co
Joint Holdings Use full and complete names	Mr Peter Robert Williams & Ms Louise Susan Williams	Peter Robert & Louise S Williams
Trusts Use the trustee(s) personal name(s).	Mrs Susan Jane Smith <Sue Smith Family A/C>	Sue Smith Family Trust
Deceased Estates Use the executor(s) personal name(s).	Ms Jane Mary Smith & Mr Frank William Smith <Est John Smith A/C>	Estate of late John Smith or John Smith Deceased
Minor (a person under the age of 18) Use the name of a responsible adult with an appropriate designation.	Mr John Alfred Smith <Peter Smith A/C>	Master Peter Smith
Partnerships Use the partners personal names.	Mr John Robert Smith & Mr Michael John Smith <John Smith and Son A/C>	John Smith and Son
Long Names.	Mr John William Alexander Robertson-Smith	Mr John W A Robertson-Smith
Clubs/Unincorporated Bodies/Business Names Use office bearer(s) personal name(s).	Mr Michael Peter Smith <ABC Tennis Association A/C>	ABC Tennis Association
Superannuation Funds Use the name of the trustee of the fund.	Jane Smith Pty Ltd <Super Fund A/C>	Jane Smith Pty Ltd Superannuation Fund