



# parker resources NL

ACN 148 142 634

## PROSPECTUS

For the offer of 15,000,000 ordinary Shares at an offer price of 20 cents each to raise up to \$3,000,000 with a Minimum Subscription of \$2,500,000.

Oversubscriptions of up to a further 2,500,000 Shares at an issue price of 20 cents each to raise up to a further \$500,000 may be accepted.

**LEAD MANAGER**  
**PATERSONS SECURITIES LTD**

### **Important Information**

This Prospectus provides important information to assist prospective investors in deciding whether or not to invest in the Company. It should be read in its entirety. If you do not understand it, you should consult your professional advisers.

THE SHARES OFFERED UNDER THIS PROSPECTUS ARE OF A SPECULATIVE NATURE.

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Application Form and Instructions to Applicants

## CORPORATE DIRECTORY

### Directors

Brian Thomas          Non-Executive Chairman  
Paul Davey             Non-Executive Director  
Jay Stephenson        Non-Executive Director

### Joint Company Secretaries

Jay Stephenson  
Julia Beckett

### Registered Office

6/34 York Street  
NORTH PERTH WA 6006

Telephone:            +61 (0)8 6468 0388  
Facsimile:            +61 (0)8 9228 0704

Website:              www.parkerresources.com.au  
Email:                 info@parkerresources.com.au

### Share Registrar

Computershare Investor Services Pty Ltd  
Level 2  
45 St Georges Terrace  
PERTH WA 6000

Telephone:            1300 557 010  
Telephone:            +61 (0) 3 9415 4000 Outside Australia  
Facsimile:            +61 (0) 8 9323 2033  
Email:                 web.queries@computershare.com.au

### Lead Manager

Patersons Securities Limited  
Level 23, Exchange Plaza  
2 The Esplanade  
PERTH WA 6000

Telephone:            +61 (0) 8 9263 1111  
Facsimile:            +61 (0) 8 9325 6454

### Solicitors (Australia)

Steinepreis Paganin  
Level 4  
16 Milligan Street  
PERTH WA 6000

### Independent Geologist

Ravensgate  
29 Ord Street  
WEST PERTH WA 6005

### Corporate Adviser

Wolfstar Group Pty Ltd  
6/34 York Street  
NORTH PERTH WA 6006

### Investigating Accountant

Pendragon Capital Limited  
Barringtons House  
283 Rokeby Road  
SUBIACO WA 6008

## IMPORTANT INFORMATION

This Prospectus is dated 4 July 2011 and was lodged with the Australian Securities and Investments Commission ("ASIC") on that date. Neither ASIC nor ASX Limited ("ASX") takes any responsibility for the contents of this Prospectus. No Shares will be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus. The Directors of, and advisers to the Company do not guarantee the success of the Company, the repayment of capital, the payment of dividends or the price at which Shares will trade on ASX.

Application will be made to ASX within seven (7) days of the date of this Prospectus for Quotation of the Shares the subject of this Prospectus. It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Shares subject of this Prospectus should be considered speculative.

### Electronic Prospectus

This Prospectus will be issued in paper form and as an electronic Prospectus which may be accessed on the internet at [www.parkerresources.com.au](http://www.parkerresources.com.au). The Offer of Shares pursuant to the electronic Prospectus is only available to persons receiving an electronic version of this Prospectus in Australia. The Corporations Act prohibits any person passing onto another person the Application Form unless it is attached to, or accompanied by, the complete and unaltered version of the Prospectus. During the Offer Period, any person may obtain a hard copy of this Prospectus by contacting the Company by email at [info@parkerresources.com.au](mailto:info@parkerresources.com.au).

### Foreign Jurisdictions

This Prospectus does not constitute an offer in any place in which, or to persons to whom, it would not be lawful to make an offer. Distribution of this Prospectus in jurisdictions outside Australia may be restricted by law, and persons who come into possession of this Prospectus should seek advice and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

### Exposure Period

This Prospectus will be circulated during the Exposure Period. The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of funds. Potential investors should be aware that this examination may result in the identification of deficiencies in the Prospectus and, in those circumstances, any application that has been received may need to be dealt with in accordance with Section 724 of the Corporations Act.

Applications for Shares under this Prospectus will not be processed by the Company until after the expiry of the Exposure Period. No preference will be conferred on persons who lodge Applications prior to the expiry of the Exposure Period.

### Website Address

The Prospectus can be downloaded from [www.parkerresources.com.au](http://www.parkerresources.com.au).

### Photographs and Diagrams

Items and undertakings depicted in photographs and diagrams in this Prospectus are not assets of the Company, unless otherwise stated. Diagrams appearing in this Prospectus are illustrative only and may not be drawn to scale.

### Definitions

Throughout this Prospectus abbreviations and defined terms are used. Those relevant to mineral exploration are contained in the Glossary located in the Independent Geologist Report in Section 4 of this Prospectus, and other abbreviations and legal terms are contained in the Definitions in Section 10 of this Prospectus. Defined terms are generally identified by the uppercase first letter.

## CHAIRMAN'S LETTER

Dear Investor

On behalf of the Directors of Parker Resources NL ("Parker" or "the Company"), it is my pleasure to introduce this Prospectus to you and invite you to become a shareholder in the Company.

This Prospectus has been issued by Parker for the purpose of the offer of 15,000,000 Shares at an issue price of \$0.20 each to raise up to \$3,000,000, with oversubscriptions of up to a further \$500,000 before costs.

On 1 June 2011 the Company entered into a Farmin and Joint Venture Agreement with Excelsior Gold Limited to acquire up to a 70% interest in the Allambi Project in the Northern Territory. The Allambi Project covers an area of 702km<sup>2</sup> and is located 72 kilometres southeast of Alice Springs.

This Prospectus contains detailed information about Parker and its project, in addition to independent professional reports. Please read this Prospectus carefully before you make your investment decision and, where necessary, consult your professional advisers.

Prospective investors in the Company should be aware that subscribing for Shares the subject of this Prospectus involves a number of risks. The risks are set out in the Investment Overview section of the Prospectus and in Section 3 of the Prospectus and investors are urged to consider those risks carefully (and, if necessary, consult their professional advisers) before deciding whether to invest in the Company.

Once again, on behalf of the Board, I invite you to become a shareholder in Parker and thereby be part of this exciting investment opportunity.

Yours sincerely



**Brian Thomas**  
**CHAIRMAN**

## INVESTMENT OVERVIEW

The information in this Section is summary of the key points only and is not intended to provide comprehensive details of the Offer. You should read the full text of this Prospectus and, if in any doubt, you should consult with your professional advisers before deciding whether to apply for Shares. The Shares offered under this Prospectus carry no guarantee in respect of return of capital, return on investment, payment of dividends or the future value of the Shares.

### THE COMPANY

The Company was incorporated on 10 January 2011 for the primary purpose of exploring for uranium in various jurisdictions with the aim of discovering commercially significant mineral deposits.

While the Company's initial exploration focus will be on uranium, the Company will also review the potential for economic mineralisation of various other commodities, including precious metals. The Company has not yet conducted any exploration activities on the Tenement.

### THE PROJECT

Parker Resources NL is an Australian base metal mineral exploration company formed for the purpose of acquiring and developing highly prospective mineral properties in Australia and overseas.

The Company is focussed on exploring for uranium on the Allambi Project (Exploration License 25347). The Allambi Project covers an area of 702km<sup>2</sup> located 72km to the south east of Alice Springs.

Access to EL25347 is good with the Allambi area served by a minor road from Alice Springs to Deep Well and then through the tenement area onto Allambi Station. Numerous tracks are present within the tenement area.

The tenement is situated within the Amadeus Basin, between the Orange Creek and Camel Flat synclines to the north-west and south-east respectively and geological mapping suggest a complex folding and faulting regime within the tenement.

### THE OBJECTIVES

The Company's main objectives on completion of the Offer are the:

- exploration and appraisal of the Project; and
- assessment and, if appropriate, acquisition of additional projects that are considered by the Board to add value to the Company.

### KEY RISKS

The business, assets and operations of the Company are subject to certain risk factors that have the potential to influence the operating and financial performance of the Company in the future. These risks can impact on the value of an investment in the securities of the Company.

The Board aims to manage these risks by carefully planning its activities and implementing risk control measures. Some of the risks are, however, highly unpredictable and the extent to which they can effectively manage them is limited.

Set out below are specific risks that the Company is exposed to, and that may have a direct influence on the Company and its activities or assets.

#### **Further risks associated with an investment in the Company are outlined in Section 3:**

- **Title – equitable interest only**

The Company does not have a registered interest in the Tenement. It only has an equitable interest pursuant to the Joint Venture and Farmin Agreement (as summarised in Part II of the Legal Report set out in Section 6 of this Prospectus) to earn a 70% interest in the Tenements.

The only right available to the Company to protect its interest in the Tenement is lodgment of a caveat over the Tenement pursuant to the *Mining Act (Northern Territory)*. A caveat prevents the registration of any transfer or mortgage over the Tenement without first giving notice to the Company. As at the date of this Prospectus, the Company has not yet lodged a caveat with the Northern Territory Department of Resources over the Tenement.

- **Uranium Mining**

The Company will be exploring for uranium at its Allambi Project. Uranium mining in Australia is subject to extensive regulation by Commonwealth, State and Territory Governments in relation to exploration, development, production, exports, taxes and royalties, labour standards, occupational health, waste disposal, protection and rehabilitation of the environment, mine reclamation, mine safety, toxic and radioactive substances, native title and other matters. Accordingly, the approval processes for uranium mining are more rigorous than for the mining of other metals. Compliance with such laws and regulations will increase the costs of exploring, drilling, developing, constructing, operating and closing mines and other production facilities.

The Federal Government currently permits the mining and export of uranium under strict international agreements designed to prevent nuclear proliferation. The export of uranium is tightly controlled by the Federal Government through its licensing process and Australian uranium can only be exported to those countries who undertake to use it for peaceful purposes.

Whilst the Company is not restricted from exploration and evaluation of its uranium deposits, the development of uranium deposits will be subject to the strict conditions outlined above. Future changes in governments, regulations and policies may have an adverse impact on the Company.

- **Reliance on Key Personnel and Lack of Executive Directors**

The Company has three non executive directors. The Board is aware of the need to have sufficient management to properly supervise the exploration and (if successful) for the development of the projects in which the Company has, or will in the future have, an interest and the Board will continually monitor the management roles in the Company.

As the Company's projects require an increased level of involvement the Board will look to appoint additional management and/or consultants when and where appropriate to ensure proper management of the Company's projects. However, there is a risk that the Company may not be able to secure personnel with the relevant experience at the appropriate time which may impact on the Company's ability to complete all of its preferred exploration programmes in its preferred timetable.

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on the Board. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these Directors cease their employment.

- **Contractual and Joint Venture Risk**

In order for the Company to be able to achieve its objectives, it is reliant on the registered holder of the Tenements to comply with its contractual obligations under the Joint Venture and Farmin Agreement.

The Directors are unable to predict the risk of financial failure or default by a participant in any joint venture to which the Company may be, or may become, a party; or insolvency or other managerial failure by any of the contractors used by the Company in any of its activities; or insolvency or other managerial failure by any of the other service providers used by the Company for any activity. Any such failure could adversely affect the operations and performance of the Company.

- **Exploration risks**

To date, there has been limited exploration on the Tenements and there is not presently any JORC Code compliant resources on the Tenements. Potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that exploration of the Tenements, or any other tenements that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

- **Future requirements for capital**

There can be no guarantees that the funds raised by this Offer will be sufficient to successfully achieve all of the Company's objectives.

The funds raised by the Offer will be used to carry out work on the Company's projects as detailed in this Prospectus. If the Company incurs unexpected costs or is unable to generate sufficient operating income, further funding may be required. The Company may require additional funding to carry out further exploration, undertake feasibility studies, develop mining operations and/or acquire new projects. Any additional financing through share issues may dilute shareholdings acquired under this Prospectus. Debt financing may not be available to support the scope and extent of proposed developments. If available, it may impose restrictions on operating activities or anticipated expansion of the Company's operations.

- **Limited History**

The Australian company was only recently incorporated (10 January 2011) and has no operating history and limited historical financial performance. Exploration has previously been conducted on the area of land the subject of the Tenement, however, no assurance can be given that the Company will achieve commercial viability through the successful exploration and/or mining of the Project. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

## THE OFFER

The Company invites applications for up to 15,000,000 ordinary Shares at an issue price of 20 cents each to raise up to \$3,000,000 with a minimum subscription of \$2,500,000. Oversubscriptions to raise up to a further \$500,000 may be accepted. The key information relating to the Offer and references to further details are set out below.

### Indicative Timetable\*

Lodgement of this Prospectus with ASIC	4 July 2011
Opening Date of the Offer	12 July 2011
Expected Closing Date of the Offer	8 August 2011
Dispatch of Holding Statements	16 August 2011
Expected date for Shares to commence trading on ASX	24 August 2011

\*The above dates are indicative only and may change without notice. The Company reserves the right to extend the Closing Date or close the Offer early without notice.

KEY INFORMATION	FURTHER DETAILS
<p><b>Type of security being offered and its rights and liabilities</b> Fully paid ordinary shares in the capital of the company ranking equally with existing Shares on issue.</p>	Section 1.2
<p><b>Minimum Subscription of the Offer</b> \$2,500,000</p>	Section 1.2
<p><b>How to apply for Shares</b> Complete and return the Application Form together with payment in full for the quantity of Shares being applied for. Applications must also be for a minimum of 10,000 Shares and thereafter in multiples of 1,000 Shares.</p>	Section 1.4
<p><b>Will the securities be listed?</b> Application for Official Quotation by ASX of the Shares offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus.</p>	Section 1.8
<p><b>How will Shares be allocated?</b> The Directors will determine the allottees in their sole discretion.</p>	Section 1.5
<p><b>Where will the Offer be made?</b> No action has been taken to register or qualify the Shares, or, otherwise permit a public offering of the Shares the subject of this Prospectus, in any jurisdiction outside Australia. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.</p>	Section 1.10
<p><b>Broker commissions</b> The Company reserves the right to pay a commission of amounts subscribed through any licensed securities dealers or Australian financial services licensee and accepted by the Company.</p>	Section 1.6
<p><b>CHESS &amp; Issuer Sponsorship</b> The Company will apply to participate in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company.</p>	Section 1.9
<p><b>Who should I contact with queries?</b> Any questions concerning the Offer should be directed to the Company by telephone on +61 (0) 8 6468 0388</p>	

## PURPOSE OF THE OFFER

The purpose of the offer is to facilitate an application by the Company for admission of the Company to the official list of the ASX and position the Company to seek to achieve the objectives set out above.

## USE OF FUNDS

The company intends to apply funds raised from the Offer together with existing cash reserves over the first two years following admission of the Company to the official list of ASX as follows:

Use of Funds	Notes	Minimum Subscription \$2,500,000	% of funds raised	Full Subscription \$3,000,000	% of funds raised	Maximum Subscription \$3,500,000	% of funds raised
Pre-offer cash		130,803		130,803		130,803	
Total raised in the Offer	2	2,500,000		3,000,000		3,500,000	
<b>Total Funds Available</b>		<b>2,630,803</b>		<b>3,130,803</b>		<b>3,630,803</b>	
Exploration expenditure	3	1,250,000	50.0%	1,500,000	50.0%	1,750,000	50.0%
Expenses of the Offer	4	134,100	5.3%	139,100	4.6%	144,100	4.1%
Application handling fees	4	150,000	5.2%	180,000	4.3%	210,000	3.7%
Repayment of Loans		130,000	6.0%	130,000	6.0%	130,000	6.0%
Administration		691,415	27.7%	691,415	23.0%	691,415	19.8%
General working capital	5	275,288	11.0%	490,288	16.3%	705,288	20.2%
<b>Total funds applied</b>		<b>2,630,803</b>		<b>3,130,803</b>		<b>3,630,803</b>	

### Notes:

1. If the Company raises more than the minimum subscription, but less than the maximum subscription of \$3,500,000, the Company intends to apply these funds first to the application handling fee and secondly to exploration expenditure.
2. If the Company raises more than the full subscription, the Company intends to apply these funds first to the application handling fee and secondly to exploration expenditure.
3. Exploration expenditure is described in more detail in Section 2.4 of this Prospectus.
4. Refer to the breakdown of the expenses of the Offer below and details of the application handling fees set out in the Agreements with Directors or Related Parties section in Prospectus.
5. Unallocated working capital will be conserved to allow for evaluation of and securing of new exploration opportunities.
6. All allocated exploration expenditure is proposed to be spent on granted tenements.

The above table and the exploration programmes and associated expenditure outlined in Section 2 of this Prospectus are statements of current intentions at the date of the lodgement of this Prospectus with the ASIC. As with any budget, intervening events (including exploration success or failure) and new circumstances have the potential to affect the ultimate way funds will be applied. The Board reserves the right to alter the way funds are applied in these circumstances.

## CAPITAL STRUCTURE

The capital structure of the Company following completion of the Offer is summarised below:

	<b>Minimum Subscription \$2,500,000</b>	<b>Full Subscription \$3,000,000</b>	<b>Over Subscription \$3,500,000</b>
Offer price per Share	\$0.20	\$0.20	\$0.20
Shares currently on issue	300,000	300,000	300,000
Vendor Shares	250,003	250,003	250,003
Shares pursuant to this Offer	12,500,000	15,000,000	17,500,000
Total Shares on issue on listing on ASX <sup>2</sup>	13,050,003	15,550,003	18,050,003
Partly Paid Shares <sup>2</sup>	8,000,000	8,000,000	8,000,000
Options <sup>3</sup>	1,000,000	1,000,000	1,000,000

1. Refer to the Investigating Accountant's Report and Section 1.5 for further information.
2. Rights attaching to the Shares and Partly Paid Shares are summarised in Section 8.4 of this Prospectus.
3. Terms and Conditions of Options are summarised in Section 8.5 of this Prospectus.

Potential investors should be aware that 300,000 Shares currently on issue were issued to Charities at a nominal issue price of 20 cents per share.

## SUBSTANTIAL SHAREHOLDERS

At the date of this Prospectus each of the Charities holds 75,000 Shares (with each Charity holding approximately 25% of the Company's Shares on issue). On completion of the Offer (assuming full subscription and allotment of the 250,000 Vendor Shares) it is anticipated none of the Charities will hold an interest in excess of 5% of the Company's Shares on issue.

Entities associated with Adam Davey and Keith Coughlan (neither of who are related parties of the Company), each own 50% of the Partly Paid Shares. These entities are also parties to the loan deeds, described more fully in Section 7.3 of this Prospectus.

The Company will announce to the ASX details of its top 20 Shareholders (following completion of the Offer) prior to the Shares commencing trading on ASX.

## RESTRICTED SECURITIES

Subject to the Company being admitted to the Official List, certain of the Shares and Options on issue prior to the Offer and certain of the Shares issued on the exercise of the Options on issue prior to the Offer, are likely to be classified by ASX as restricted securities and will be required to be held in escrow. During the period in which these securities are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner.

The Company will announce to the ASX full details of the quantity and duration for the Shares and Options required to be held in escrow prior to the Shares commencing trading on ASX.

## FINANCIAL INFORMATION

The Company was only recently incorporated (10 January 2011) and has no operating history and limited historical financial performance. The Company is yet to conduct its own exploration activities on the area of land the subject of the Tenements.

As a result, the Company is not in a position to disclose any key financial ratios other than its balance sheet which is included in the Investigating Accountant's Report set out in Section 5 of this Prospectus.

## TAXATION

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.

## DIVIDEND POLICY

The Company anticipates that significant expenditure will be incurred in the evaluation and development of the Company's projects. These activities, together with the possible acquisition of interests in other projects, are expected to dominate the two year period following the date of this Prospectus. Accordingly, the Company does not expect to declare any dividends during that period.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of distributable earnings and operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

## DIRECTORS & KEY PERSONNEL

### **Brian Thomas BSc, MBA, SAFin, MAusIMM, MAICD**

#### **Non-Executive Chairman**

Mr Brian Thomas is a geologist and mineral economist with extensive experience as both an executive and non-executive director with small to mid market capitalisation publicly listed resources companies. He was previously in a senior business development role with a major Australian bank sourcing energy and resources financing opportunities, which followed a period with a global investment banking group. This was preceded by a period as a corporate stockbroker with two major Australian based firms. The shift to the finance industry followed over 20 years in both production and exploration operational management roles in the resources sector. He is currently a Non-Executive Director of Condoto Platinum Ltd, Noble Mineral Resources Ltd, Charter Pacific Corporation Ltd and Transit Holdings Ltd.

Mr Thomas does not expect that his directorships with other companies or other business activities will affect his ability to act as Non-Executive Chairman of the Company.

### **Paul Davey**

#### **Non-Executive Director**

Mr Paul Davey has been a director of R & I Electronics, an electronic service company, since 1985. The company is a key service provider to several major international manufacturers and Paul has overseen the continued growth of the company in Western Australia. He has been pivotal in the transformation of the company over the past two decades to meet shifting industry needs and dynamics. Paul is a previous director of ASX listed Namibian Copper NL. Paul brings with him commercial skills and business acumen relevant to a board of management.

Mr Davey does not expect that his other business activities will affect his ability to act as Non-Executive Director of the Company.

### **Jay Stephenson MBA, FCPA, CMA, FCIS, MAICD**

#### **Non-executive Director and Joint Company Secretary**

Mr Jay Stephenson holds a Master of Business Administration, is a Fellow Certified Practising Accountant, a Certified Management Accountant (Canada), a Fellow of the Chartered Institute of Secretaries and is a Member of the Australian Institute of Company Directors.

Jay has been involved in business development for over 20 years including approximately 16 years as Director, Chief Financial Officer and Company Secretary for various listed and unlisted entities in resources, manufacturing, wine, hotels and property. He has been involved in business acquisitions, mergers, initial public offerings, capital raisings, business restructuring as well managing all areas of finance for companies.

Jay is currently a non-executive Chairman of Quintessential Resources Limited, and is a Director of Drake Resources Ltd, Doray Minerals Ltd, Strategic Minerals Corporation NL, Nickelore Limited and Aura Energy Ltd as well as Company Secretary for a number of ASX listed resource and industrial companies.

Mr Stephenson does not expect that his directorships with other companies or other business activities will affect his ability to act as Non-Executive Director of the Company.

**Julia Beckett**

**Joint Company Secretary**

Ms Julia Beckett holds a Certificate in Governance Practice and Administration and is a Certificated Member of Chartered Secretaries Australia.

Julia has extensive project management experience in both public institution and company administration, the past 4 years more specifically focusing on corporate governance and compliance. She has been involved in business acquisitions, mergers, initial public offerings, capital raisings as well as statutory and financial reporting.

Julia is currently Company Secretary of Frontier Resources Ltd.

**Management and Consultants**

The Company is aware of the need to have sufficient management to properly supervise the exploration and (if successful) for the development of the projects in which the Company has, or will in the future have, an interest and the Board will continually monitor the management roles in the Company. As the Company's projects require an increased level of involvement the Board will look to appoint additional management and/or consultants when and where appropriate to ensure proper management of the Company's projects.

**CORPORATE GOVERNANCE**

To the extent applicable, in light of the Company's size and nature, the Company has adopted The Corporate Governance Principles and Recommendations (2nd Edition) as published by ASX Corporate Governance Council (**Recommendations**).

The Company's main corporate governance policies and practices as at the date of this Prospectus are outlined in Section 8 of this Prospectus and the Company's compliance and departures from the Recommendations are set out in Section 8 of this Prospectus.

In addition, the Company's full Corporate Governance Plan is available from the Company's website ([www.parkerresources.com.au](http://www.parkerresources.com.au)).

**DISCLOSURE OF INTERESTS**

The Company has paid no remuneration to its Board since incorporation to the date of this Prospectus and no remuneration will be paid or accrue until such time as the Company is admitted to the Official List.

For each of the Directors, the proposed annual remuneration for the financial year following the Company being admitted to the Official List together with the relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus is set out in the table below.

<b>Director</b>	<b>Remuneration</b>	<b>Shares</b>	<b>Options</b>
Brian Thomas	60,000	1	nil
Paul Davey	30,000	1	nil
Jay Stephenson <sup>1</sup>	30,000	1	nil

1. Jay Stephenson is a Director of Wolfstar Group Pty Ltd ("Wolfstar Group"). The Company engaged the Wolfstar Group for the period of up to six months (or such longer period as the parties may agree) to act as manager of its initial public offering, and to provide financial and corporate advice and assistance in connection with the Offer. For details of the fees payable to the Wolfstar Group see Agreements with Directors or Related Parties section in this Prospectus.

## EXPENSES OF THE OFFER

The total expenses of the Offer are estimated to be \$319,100 (plus GST) and are expected to be applied towards to following items set out below:

<b>Based on \$3,000,000</b>	
Application Handling Fees <sup>1-2</sup>	180,000
Investigating Accountants' Report	7,500
Legal Expenses	25,000
Independent Geologist's Report	17,000
ASX and ASIC fees	37,100
Corporate Adviser Fees	24,000
Share Registry	10,000
Printing, marketing and distribution	18,500
<b>Total</b>	<b>319,100</b>

Notes:

1. Broker commissions will only be paid on applications made through a licensed securities dealers or Australian financial services licensee and accepted by the Company (refer to Section 1.7 of this Prospectus for further information). The amount calculated is based on 100% of applications being made in this manner. For those applications made directly to and accepted by the Company no broker commissions will be payable and the expenses of the Offer will be reduced and the additional funds will be put towards working capital.
2. Pursuant to the Lead Manager Agreement (details set out in section 7.3), Patersons Securities Pty Ltd will also be issued 1,000,000 Options. For terms and conditions of the Options, refer to Section 8.5 of this Prospectus.

## AGREEMENTS WITH DIRECTORS OF RELATED PARTIES

The Company's policy in respect of related party arrangements is:

- (a) a Director with a material personal interest in a matter is required to give notice to the other Directors before such a matter is considered by the Board; and
- (b) for the Board to consider such a matter, the Director who has a material personal interest is not present while the matter is being considered at the meeting and does not vote on the matter.

### **Service Agreement with Wolfstar Agreement**

On 20 June 2011, the Company engaged Wolfstar Group Pty Ltd ("Wolfstar Group") for a minimum period of four months and a maximum period of six months (or such longer period as the parties may agree) from 1 May 2011 to act as manager of its initial public offering, and to provide financial and corporate advice and assistance in connection with the Offer.

In consideration for the services provided, Wolfstar Group is entitled to the following fees:

- (a) a monthly retainer of \$6,000 (plus GST) for a maximum of six months prior to the Offer;

The Company will reimburse Wolfstar Group for all reasonable out-of-pocket expenses incurred including, but not limited to, printing, courier, and travel, and of any other advisers and consultants which may be required.

### **Indemnity, Insurance and Access Deeds**

The Company has entered an Indemnity, Insurance and Access Deed with each Director.

Pursuant to the Deed:

The Director is indemnified by the Company against any liability incurred in that capacity as an officer of the Company to the maximum extent permitted by law subject to certain exclusions.

The Company must keep a complete set of company documents until the later of:

- the date which is seven years after the Director ceases to be an officer of the Company; and
- the date after a final judgment or order has been made in relation to any hearing, conference, dispute, enquiry or investigation in which the Director is involved as a party, witness or otherwise because the Director is or was an officer of the Company ("**Relevant Proceedings**").

The Director has the right to inspect and/or copy a company document in connection with Relevant Proceedings during the period referred to above.

Subject to the next sentence, the Company must maintain an insurance policy insuring the Director against liability as a director and officer of the Company while the Director is an officer of the Company and until the later of:

- the date which is seven years after the Director ceases to be an officer of the Company; and
- the date any Relevant Proceedings commenced before the date referred to above have been finally resolved.

The Company may cease to maintain the insurance policy if the Company reasonably determines that the type of coverage is no longer available.

## 1. DETAILS OF THE OFFER

### 1.1 Introduction

The information set out in this Section is not comprehensive and should be read together with the other information in this Prospectus.

### 1.2 The Offer and Subscription

Pursuant to this Prospectus, the Company invites applications for up to 15,000,000 Shares at an issue price of \$0.20 per Share to raise up to \$3,000,000 with a minimum subscription of \$2,500,000. Oversubscriptions of up to a further 2,500,000 Shares to raise up to a further \$500,000 may be accepted.

All Shares issued pursuant to this Prospectus will be issued as fully paid ordinary Shares and will rank equally in all respects with the Shares already on issue. The rights attaching to the Shares are summarised in Section 8.4 of this Prospectus.

If the minimum subscription of \$2,500,000 for the Offer is not achieved within four months of the date of this Prospectus, or such longer period as is permitted under the Corporations Act, the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

### 1.3 Offer Period

The Offer will open on the Opening Date and will remain open until 5.00 pm (WST) on the Closing Date. The Company reserves the right to close the Offer at an earlier time or date or to extend the time or date without prior notice. Applicants are encouraged to submit their Applications as early as possible.

### 1.4 How to Apply

Applications under the Offer may be made, and will only be accepted, in one of the following forms:

- on the relevant Application Form accompanying this Prospectus; or
- on a paper copy of the relevant electronic Application Form which accompanies the electronic version of this Prospectus, both of which can be found at and can be downloaded from [www.parkerresources.com.au](http://www.parkerresources.com.au).

Application Forms must be accompanied by a personal cheque or a bank draft, payable in Australian dollars, for an amount equal to the number of Shares for which the Applicant wishes to apply multiplied by the Application Price of 20 cents per Share. Cheques or bank drafts should be made payable to "Parker Resources NL Share Account" and crossed "Not Negotiable". No brokerage or stamp duty is payable by Applicants. The amount payable on Application will not vary during the period of the Offer.

Applicants should ensure that cleared funds are available at the time the Application is lodged, as dishonoured cheques will result in the Application being rejected. Application monies will be held in trust in a subscription account established and controlled by the Company until the allotment of Shares has taken place.

Completed Application Forms should be delivered or posted to:

Parker Resources NL Share Issue  
c/o Computershare Investor Services Pty Ltd  
GPO Box D182  
PERTH WA 6840

Application Forms must be received at the above address by no later than 5.00pm (WST) on the Closing Date.

Detailed instructions on how to complete paper Application Forms are set out on the reverse of those forms. Applicants are not required to sign the Application Form.

### 1.5 Allocation and Allotment of Shares

Subject to ASX granting conditional approval for quotation of the Shares and the minimum subscription being raised, the allotment of Shares will occur as soon as practicable after the Offer closes. All Shares issued pursuant to the Offer will rank equally in all respects with the existing Shares of the Company. Holding statements will be dispatched as required by ASX. It is the responsibility of Applicants to determine their allocation prior to trading in Shares.

The Directors will determine the allottees of all the Shares in their sole discretion. The Directors reserve the right to reject any Application or to allot a lesser number of Shares than subscribed for in an Application Form. If the number of Shares allocated is less than that applied for, or no allotment is made, the surplus Application Money will be promptly refunded to the Applicant without interest.

### 1.6 Sponsoring Broker

Patersons Securities has acted as Lead Manager to the Offer. Total fees payable to Patersons Securities Limited are outlined in Section 7.3.

### 1.7 Brokerage and Handling Fees

Brokerage and/or handling fees on Applications will be payable by the Company to member firms of ASX or licensed investment advisers on such Application Forms bearing their stamp and accepted by the Company.

### 1.8 Stock Exchange Listing

Application will be made to ASX within seven days after the date of this Prospectus for Quotation of the Shares issued pursuant to this Prospectus. If the Shares are not admitted to Quotation within 3 months after the date of this Prospectus, or such longer period as varied by the ASIC, the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act.

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

### 1.9 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company participates in CHES, operated by ASX Settlement Pty Ltd ("ASPL"), a wholly owned subsidiary of ASX, in accordance with the Listing Rules and the ASPL Settlement Rules.

Under this system, the Company will not issue certificates to investors in relation to their Shares. Instead, Shareholders will receive a statement of their shareholdings in the Company.

If an investor is broker sponsored, ASPL will send them CHES statements. The CHES statements will set out the number of Shares allotted to each investor under this Prospectus, give details of the Shareholder's holder identification number ("HIN") and give the participant identification number of the sponsor.

Alternatively, if an investor is registered on the issuer sponsored sub register, the statements will be dispatched by the Share Registrar and will contain the number of Shares allotted under this Prospectus and the Shareholder's security holder reference number ("SRN").

A CHES statement or issuer sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their holding changes. A Shareholder may request a statement at any other time, however a charge may be made for additional statements.

### 1.10 Overseas Investors

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. Lodgement of a duly completed Application Form will be taken by the Company as constituting a representation that there has been no breach of such laws.

No action has been taken to register or qualify the Shares, or the Offer, or otherwise to permit a public offering of the Shares, in any jurisdiction outside Australia.

The Offer pursuant to an electronic Prospectus is only available to persons receiving an electronic version of this Prospectus within Australia.

### 1.11 Privacy Act

The Company collects information about each Applicant from the Application Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's shareholding in the Company.

By submitting an Application Form, each Applicant agrees that the Company may use the information in the Application Form for the purposes set out in this Prospectus and may disclose it for those purposes to the Share Registrar, the Company's related bodies corporate, agents, contractors and third party service providers (including mailing houses), ASX, ASIC and other regulatory authorities.

If an Applicant becomes a Shareholder of the Company, the Corporations Act requires the Company to include information about the Shareholder (name, address and details of the Shares held) in its public registers. This information must remain in the registers even if that person ceases to be a Shareholder of the Company. Information contained in the Company's registers is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its Shareholders) and compliance by the Company with legal and regulatory requirements. Successful Applicants may request access to their personal information held by (or on behalf of) the Company by telephoning or writing to the Company Secretary.

If you do not provide the information required on the Application Form, the Company may not be able to accept or process your Application.

### 1.12 Not Underwritten

The Offer is not underwritten.

### 1.13 Taxation

The Australian taxation consequences of any investment in Shares will depend upon an investor's particular circumstances. It is an obligation of investors to make their own enquiries concerning the taxation consequences of an investment in the Company. If you are in doubt as to the course of action you should take, you should consult your professional advisers.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability or responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.

### 1.14 Dividend Policy

The Company does not yet have a dividend policy. The Company has no immediate intention to declare or distribute dividends. Payment of future dividends will depend upon the future profitability and financial position of the Company.

### 1.16 Financial Forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company, being a mineral exploration company, are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

### 1.17 Investor Enquiries

This document is important and should be read in its entirety. If you are in doubt as to the course of action to be followed then you should consult your stockbroker, solicitor, accountant or other professional adviser without delay.

Additional copies of this Prospectus or further advice on how to complete the Application Form can be obtained from the Share Registrar by telephone on 1300 557 010.

Questions relating to the Offer can be directed to the Company by telephone on +61 (0) 8 6468 0388.

## 2. OVERVIEW OF THE COMPANY AND PROJECTS

### 2.1 Company Background and Strategy

Parker Resources NL (“Parker” or the “Company”) is an Australian based mineral exploration company formed for the purpose of acquiring and developing prospective mineral properties in Australia.

The Company is focussed on exploring for uranium and other base metal mineralisation in its Allambi project.

The Company will also search for outstanding projects that will add considerably to its portfolio of projects. All potential commercialisation options for the Company’s assets will be considered with the ultimate aim of creating and maximising shareholder value.

In June 2011, the Company entered into the Joint Venture and Farmin Agreement to acquire up to a 70% interest in the Allambi project by issuing Excelsior Gold Limited with 250,000 fully paid ordinary shares in the Company and by sole funding \$400,000 of exploration expenditure within three years from the date of listing on the ASX.

### 2.2 Uranium Industry Overview

Uranium is part of Australia’s mining heritage, though only three mines are currently operating. More are planned.

Australia’s uranium reserves are the world’s largest, with 23% of the total. Production and exports averaged 9600 tonnes of uranium oxide (8140 tU) per year since 2004. In 2009 Australia exported over 9700 tonnes of uranium oxide concentrate with a value of over A\$ 1.1 billion. It is the world’s third-ranking producer, behind Kazakhstan and Canada. Currently Australia does not use nuclear power, however with carbon constraints on electricity generation likely, it remains a strong possibility in the future.

The Northern Territory is a favourable jurisdiction for uranium exploration as it has had operating uranium mines since the 1950’s and has been a significant exporter of uranium since the 1980’s. The Northern Territory Government actively encourages uranium exploration and mining.

Australia’s uranium is sold strictly for electrical power generation only, and safeguards are in place to ensure this. Australia is a party to the Nuclear Non-Proliferation Treaty (“NPT”) as a non-nuclear weapons state. Its safeguards agreement under the NPT came into force in 1974 and it was the first country in the world to bring into force the Additional Protocol in relation to this - in 1997. In addition to these international arrangements Australia requires customer countries to have entered a bilateral safeguards treaty which is more rigorous than NPT arrangements.

The World Nuclear Association reports that countries to which Australia exports uranium include Japan, South Korea, France, Spain, Sweden, the United Kingdom, the United States of America, Canada, Belgium and Finland. Agreements to underpin exports to China and Russia have more recently been entered into by Australia.

### 2.3 Exploration Project

The Allambi project comprises one granted Exploration Licence (EL 25347) located 72km to the south east of Alice Springs and covers 702km<sup>2</sup>.

Access to EL25347 is good with the Allambi area served by a minor road from Alice Springs to Deep Well and then through the tenement area onto Allambi Station. Numerous tracks are present within the tenement area.

A geological mapping exercise utilising hyperspectral scanning imagery was initiated. HyVista Corporation flew HyMap imagery over the entire tenement area in April 2008. Further evaluation of this survey and all historic geochemical data and available geophysical data was undertaken to assist with exploration target definition of the tenement.

Exploration will target sandstone style mineralisation within Amadeus Basin sediments similar the Pamela and Angela deposits 40km to the north-west and the Orange Creek uranium occurrence 30km to the west.

Calcareous Tertiary sediments in the north-west may be prospective for calcrete style mineralisation.

Interpretation of existing geochemical and geophysical data indicates low order uranium anomalies in several areas in the north and central southern part of the tenement would require further evaluated by soil and rock chip sampling and ground radiometric traverses to refine exploration targets.

Tertiary deposits along the western margin of the tenement also warrant further evaluation. These deposits are formed along the interpreted contact of the prospective Undandita Sandstone and the Hermannsburg Sandstone and may be prospective for calcrete style mineralisation.

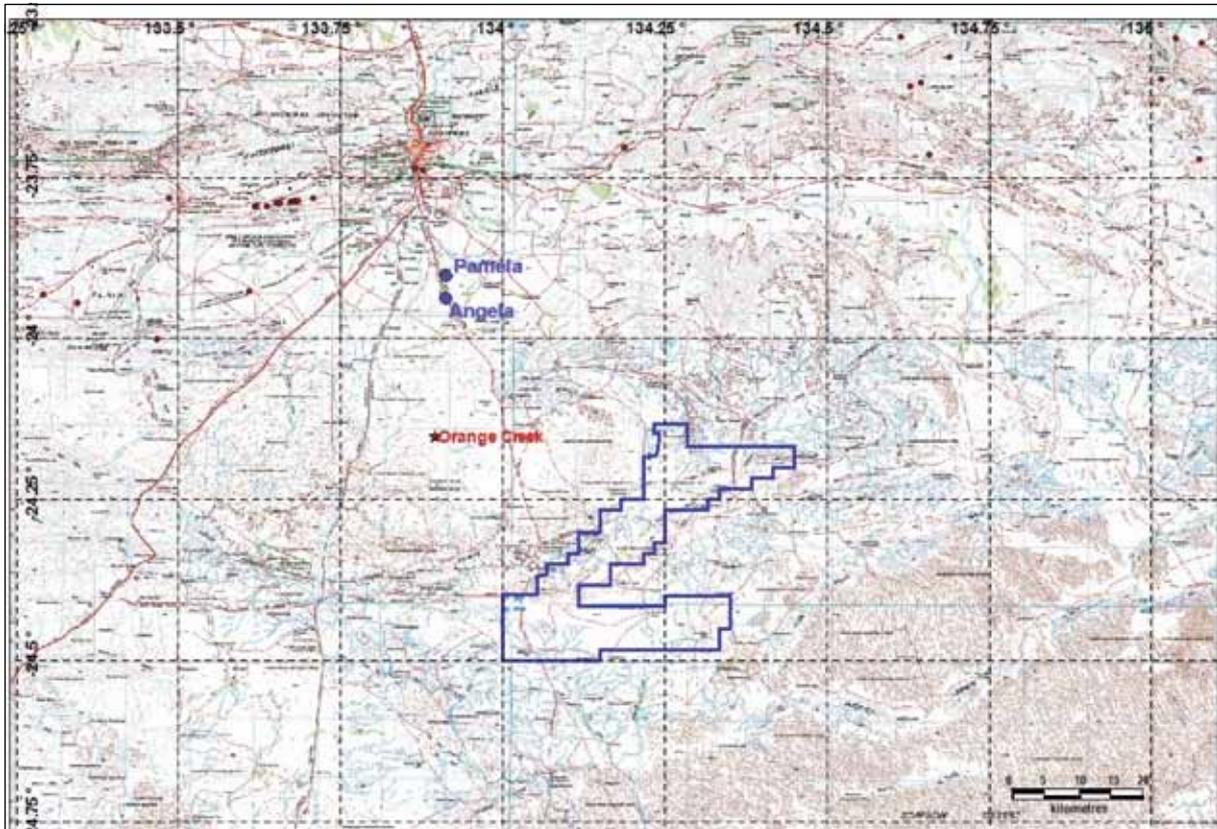


Figure 1. EL25347 Location and Topography Plan.

### Regional Geology

The Amadeus Basin in the southern portion of the Northern Territory of Australia covers approximately 170 000km<sup>2</sup> in area. It is at the heart of a series of intracratonic basins on the Australian continent that share their origins in the breakup of the supercontinent Rodinia at about 1Ga. Due to strong stratigraphic ties with each other, the Amadeus, Officer, Ngalia and Georgina Basins are collectively referred to as the Centralian Superbasin.

The Amadeus Basin sediments range in age from late Proterozoic (>800 Ma) to late to middle Devonian (~350 Ma). Lithologies within the basin include dolostones, limestones, quartzites, shales, diamictites and siliciclastics.

The Amadeus Basin succession begins with sheet-like, tidally influenced deposits of the Heavitree Quartzite. A subsequent increase in accommodation space led to the deposition of thick, shallow marine anoxic rocks of the Bitter Springs Formation

A basin-wide hiatus at the top of the Bitter Springs Formation coincided with the first of nine tectonic events in the basin. During the Areyonga Movement sedimentary sub-basins and a central ridge were formed. This hiatus was followed by deposition of a succession of glacial and interglacial deposits including equivalents of the southern Australian Sturtian (Areyonga Formation) and Marinoan (Olympic Formation) glaciations. The Proterozoic age was brought to close with the deposition of the marine-influenced clastics and carbonates of the Pertatataka, Winnall and Julie Formations.

Movement associated with the Petermann Ranges Orogeny (520–580 Ma) rearranged basin palaeogeography and further localised sedimentation, introducing foreland basin-style deposition to the southwest and extensive fluvial tongues of Arumbera Sandstone to the north and east. While clastics continued to be deposited in the south and west, the overlying Cambrian succession of the Chandler and Giles Creek formations in the north and east is dominated by marine and marginal marine deposits of dolomite and evaporitic mudstone that incorporate organic-rich facies.

Relatively restricted clastic deposits in the Ordovician of the Amadeus Basin include the marginal marine Pacoota Sandstone, shallow marine Horn Valley Siltstone, and tidally influenced Stairway Sandstone. The Horn Valley Siltstone is the source rock for the most important petroleum system in the basin.

The Alice Springs Orogeny (320 Ma) is represented in the east and across the northern margin of the Amadeus Basin by pronounced foreland basin-style sedimentary deposits including fluvial and lacustrine lithofacies of the Pertnjarra Group.

The top of the Pertnjarra Group is marked by Brewer Conglomerate which hosts uranium mineralization in the Udandita Sandstone member. The Amadeus Basin hosts commercial petroleum fields at Mereenie and Palm Valley and has significant potential for further discoveries. The basin also contains gold, evaporites and sandstone-type uranium deposits, and a number of small base metal occurrences.

The Amadeus Basin is overlain by the Musgrave Block in the south, and is overlain by the Perdika Basin in the south east.

The Musgrave Block is an extensive Mesoproterozoic basement inlier in central Australia in South Australia, Western Australia and the Northern Territory.

The Woodroffe Thrust separates Musgravian granulite facies gneiss (south) from amphibolite facies gneiss (north). Deep crustal rocks were exhumed along the Woodroffe Thrust in the south west of the area in the latter phase of the Petermann Orogeny. The mid to upper crustal expression of the Petermann Orogeny includes complex interleaving of Musgravian rocks with the basal sediments of the Amadeus Basin in the Petermann Nappe Complex.

The Perdika Basin succession is an intracratonic basin with potential for oil and gas. It is relatively unexplored for most other commodities. It is comprised essentially of Late Carboniferous and Early Permian fluvio-glacial, lacustrine and coal swamp deposits.

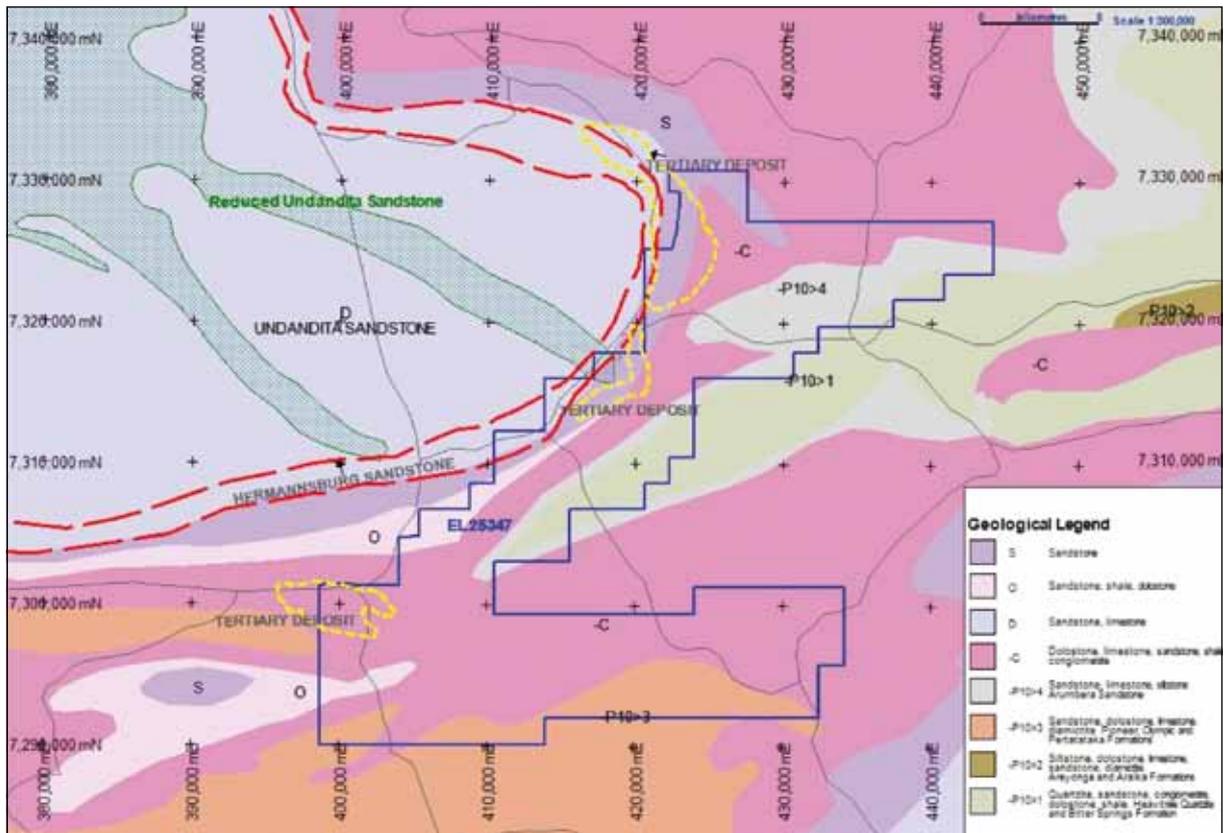


Figure 2. EL25347 - Interpreted Geology.

### Local Geology

The tenement is situated within the Amadeus Basin, just to the north east of the Camel Flat Syncline.

Outcropping stratigraphy comprises the Bitter Springs Formation, a succession of sandstone, siltstone, limestone, dolomite, shale and minor volcanics. Unconformably overlying the Bitter Springs Formation is the Areyonga Formation. This thin formation comprises conglomerates and conglomeratic sandstones and siltstones with minor dolomite and intercalated red chert.

Conformably overlying this is the Ringwood Member (algal dolomites, limestones, siltstones) and the Julie Member (dolomite, limestone lenses of calcareous sandstone). The Pertakaka Formation conformably overlies the Ringwood and Julie Members, and marks the end of the Proterozoic age. The Pertatataka Formation has been duplicated in this region due to thrusting and results in an abnormally thick succession. Draped across the top of the Pertatataka Formation are remnants of the Arumbera Sandstone (red brown sandstone, conglomeratic sandstone, siltstone, trace fossils) The Arumbera Sandstone marks the beginning of the Cambrian Age.

The Mereenie Sandstone (Devonian) unconformably overlies the Arumbera Sandstone (late Cambrian) and represents a break of 400 Ma between sedimentation of the two units. The Mereenie Sandstone consists of white cross bedded sandstone.

The Carboniferous Pertnajara Group sandstones are the uppermost members of the Amadeus Basin sedimentary units and host most known uranium mineralization to the west of EL25347. The Hermannsburg Sandstone marks the top of the Pertnajara group on the western margin of the tenement and the more prospective Undandita Sandstone member of the Brewer Conglomerate has been mapped immediately to the west of the tenement boundary. Figure 2 illustrates interpreted boundaries of the Undandita and Hermannsburg sandstones in relation to EL25347.

Interpretation of existing geochemical and geophysical data indicates low order uranium anomalies in several areas in the north and central southern part of the tenement would require further evaluated by soil and rock chip sampling and ground radiometric traverses to refine exploration targets.

Tertiary deposits along the western margin of the tenement also warrant further evaluation. These deposits are formed along the interpreted contact of the prospective Undandita Sandstone and the Hermannsburg Sandstone and may be prospective for calcrete style mineralisation. Airborne radiometric surveys do not highlight any elevated uranium signature over these deposits but field mapping, ground radiometric traversing and rock chip sampling is recommended to evaluate the potential of the Tertiary units.

### Exploration Strategy and Budget

It is planned that the following activities will be carried out over the Allambi project:

1. Comprehensive compilation and review of existing exploration and mine data;
2. Conduct detailed geological outcrop mapping at a minimum of 1:1,000;
3. Detailed structural mapping to better define the controls on the plunging ore shoots;
4. Bedrock geochemical;
5. Surface geophysical surveys to assist with the definition of the controlling structures identified above and within the known ore structures, specifically magnetic and induced polarisation (IP) surveys; and
6. Reverse circulating (RC) drilling of the structural targets identified to discover the mineralised structures and the potential for high grade shoots.

### 2.4 Exploration Programme and Budget

The proposed budget for granted tenure for the first two years is summarised in the following table.

Project	Minimum Subscription \$2,500,000		Full Subscription \$3,000,000		Over Subscription \$3,500,000	
	Year 1	Year 2	Year 1	Year 2	Year 1	Year 2
Allambi Project	625,000	625,000	750,000	750,000	875,000	875,000
2 Year Total	1,250,000		1,500,000		1,750,000	

## 3. RISK FACTORS

### 3.1 Introduction

***THE RISKS CONTAINED BOTH IN THE INVESTMENT OVERVIEW SECTION AND THIS SECTION 3 SHOULD BE CONSIDERED CAREFULLY BY POTENTIAL INVESTORS.***

The Shares offered under this Prospectus should be considered speculative because of the nature of the commercial activities of the Company. Whilst the Directors commend the Offer, potential investors should be aware that an investment in the Company involves risks, which may be higher than the risks associated with an investment in other companies.

There are numerous widespread risks associated with investing in any form of business and with investing in the share market generally. There is also a range of specific risks associated with the Company's activities and its involvement in the exploration industry. These risk factors are largely beyond the control of the Company and its Directors because of the nature of the proposed activities of the Company.

Persons considering whether or not to invest in the Company should read the whole of this Prospectus in order to fully appreciate such matters and the manner in which the Company intends to operate, before any decision is made to apply for Shares. Prospective investors should consider whether the Shares offered are a suitable investment for them having regard to their own personal investment objectives and financial circumstances and the risk factors set out below. If in any doubt, they should consult with their professional advisers before deciding whether to apply for Shares.

The following, which is not exhaustive, identifies some of the major risks associated with an investment in the Company, of which potential investors need to be aware before making a decision on whether or not to invest in the Shares.

### 3.2 KEY RISKS

The Key Risks identified in the Investment Overview section of the Prospectus are as follows:

- Title – equitable interest only;
- Mining for Uranium;
- Reliance on Key Personnel and Lack of Executive Directors;
- Contractual and Joint Venture Risk;
- Exploration risks;
- Resource Estimations;
- Future requirements for capital; and
- Limited History.

***INVESTORS SHOULD NOTE THAT DETAIL RELATING TO THESE RISK FACTORS HAS NOT BEEN REPEATED IN THIS SECTION.***

### 3.3 General

General risks associated with investment in the Company may include:

- fluctuation of the price at which the Shares trade due to market factors;
- price volatility of the Shares in response to factors such as:
  - o additions or departures of key personnel;
  - o lack of an executive director and executive management team;
  - o current lack of executive directors;
  - o press newspaper or other media reports; and
  - o actual or anticipated variations in the Company's operating results.

## INDUSTRY SPECIFIC RISKS

### 3.4 Development and Mining

Possible future development of mining operations at any of the Company's projects is also subject to numerous risks. The Company's operations may be delayed or prevented as a result of weather conditions, mechanical difficulties, shortage of technical expertise or equipment. There may be difficulties with obtaining government and/or third party approvals, operational difficulties encountered with extraction and production activities, unexpected shortages or increase in the price of consumables, plant and equipment, cost overruns or lack of access to required levels of funding.

If the Company commences production, its operations may be curtailed or disrupted by a number of risks beyond its control such as environmental hazards, industrial accidents and disputes, technical failures, unusual or unexpected geological conditions, adverse weather conditions, fires, explosions and other accidents.

The Company's operations may be adversely affected by higher than anticipated ore treatment costs, worse than anticipated metallurgical conditions, fluctuations in metal prices or lack of availability of smelter capacity.

No assurance can be given that the Company will achieve commercial viability through development of any of its projects.

### 3.5 Resource Estimations

The exploration costs of the Company described in the Independent Geologist's Report are based on certain assumptions with respect to the method and timing of exploration. Resource estimates are inherently imprecise as they are expressions of judgement at a particular time based on available information, interpreted using experience and resource modelling techniques. The estimates, while made by qualified professionals, may change over time as other information becomes available which differs from information known or predicted by past drilling, sampling and geological interpretation. Estimates remain subject to change and no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

### 3.6 Commodity and Currency Price Volatility

Commodity prices are subject to influencing factors beyond the control of the Company and can be subject to significant fluctuations. Just some of these influencing factors include: -

- world demand for particular commodities;
- the level of production costs in major commodity producing regions; or
- expectations regarding inflation, interest rates and US dollar exchange rates.

Any significant and/or sustained fluctuation in exchange rates or commodity prices could have a materially adverse affect on the Company's operations and its financial position.

### 3.7 Economic

General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

## COMPANY SPECIFIC RISKS

### 3.8 Tenure and Access

Mining and exploration tenements are subject to periodic renewal. There is no guarantee that current or future tenements or future applications for production tenements will be approved.

Tenements are subject to numerous State-specific legislation conditions. The renewal of the term of a granted tenement is also subject to the discretion of the relevant Minister. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

### 3.9 Compulsory Work Obligations

Tenements are subject to expenditure and work commitments which must be met in order to keep such tenements in good standing. These commitments may be varied on application by the tenement holder but any such variation is at the sole discretion of the Minister administering the relevant State mining legislation. If no variation is approved, and there is failure to meet the commitments, this could lead to forfeiture of the tenement.

### 3.10 Environmental

The Project is subject to both the relevant State and also Commonwealth laws and regulations relating to environmental matters. Should the Company proceed to development of one or more mines, it could be expected that such developments would have numerous environmental impacts which would require various statutory approvals to be put in place. There is no guarantee that such approvals would be granted. The Company intends to conduct its operations in an environmentally responsible manner and in accordance with relevant legislation. However, the Company is unable to predict the effect of future changes to environmental legislation or policy and the cost effect of such changes on its operations and financial position.

## 4. INDEPENDENT GEOLOGIST'S REPORT



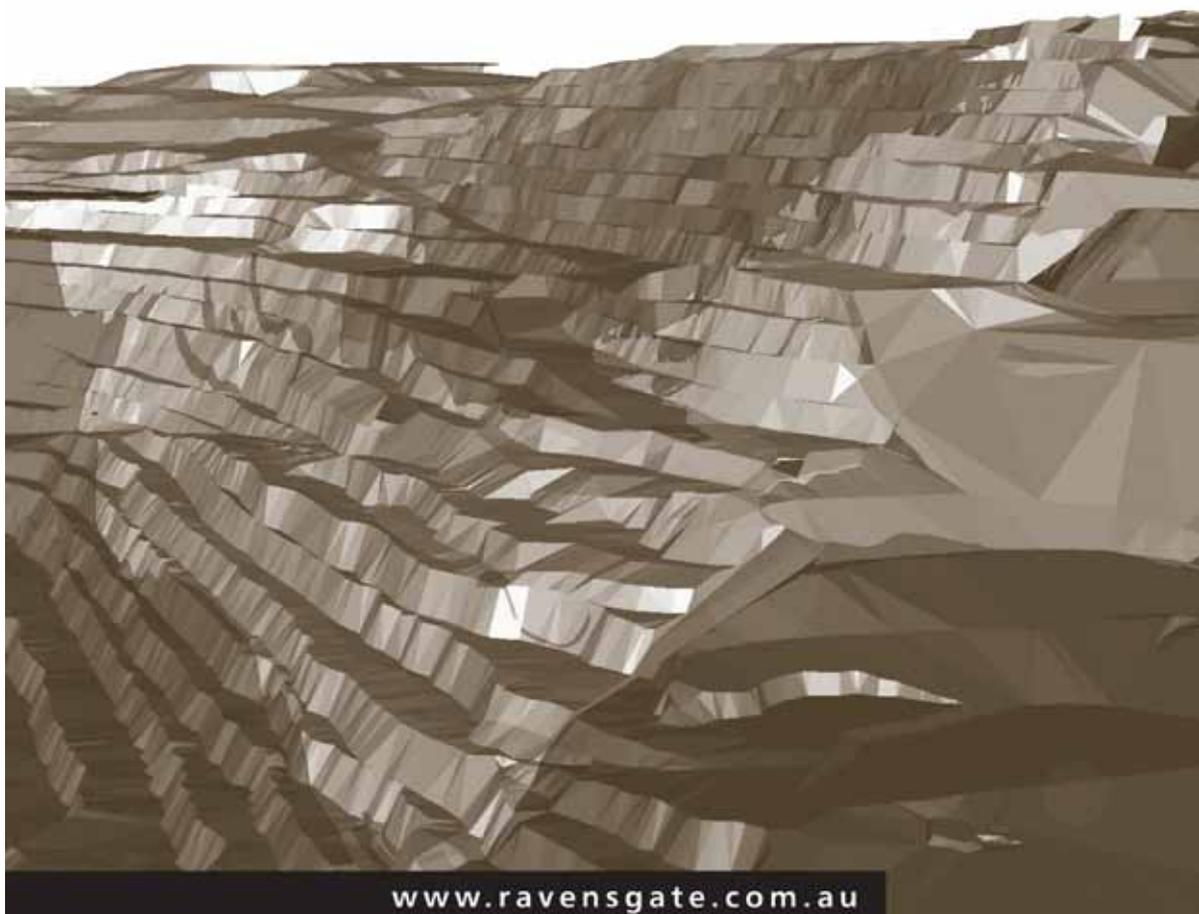
### INDEPENDENT GEOLOGIST'S REPORT

on

The Allambi Mineral Property in Northern Territory

for

Parker Resources NL





15 June 2011

Parker Resources NL  
6/34 York Street  
North Perth WA 6006

Dear Sir

***Independent Geologist's Report on the mineral assets of Parker Resources NL***

Corvidae Pty Ltd as Trustee for Ravensgate Unit Trust Trading as Ravensgate ('Ravensgate') has been commissioned by Parker Resources NL ('Parker') (ACN: 148 142 634) to provide an Independent Geologist's Report on Parker's Allambi Project near Alice Springs in the Northern Territory. This report is to be included in a prospectus ('Prospectus') to be lodged by Parker with the Australian Securities and Investments Commission ('ASIC'), offering for subscription a minimum of 12,500,000 to a maximum of 17,500,000 million fully paid ordinary shares in the Company at an issue price of \$0.20 per share, to raise a minimum of \$2,500,000 and up to a maximum of \$3,500,000 (before costs associated with the issue). The funds raised will be used for the purpose of exploration, development and evaluation of Parker's Allambi mineral property.

This review is based on information provided by the title holders, other previous tenement holders, technical reports and other relevant published and unpublished data for the area. A listing of the principal sources of information is included in the reference section of this report. Ravensgate has endeavoured, by making all reasonable enquiries, to confirm the authenticity, accuracy and completeness of the technical data upon which this report is based. Parker was given a final draft of this report and thereby given an opportunity to identify any material errors or omissions in it. Ravensgate has not verified the status of tenure or any related access issues, which are addressed elsewhere in the Prospectus. Parker provided Ravensgate with detailed information including several technical reports completed as regulatory annual reports to government bodies and announcements released to the Australian Securities Exchange (ASX). Ravensgate has made all reasonable enquiries to verify the exploration and associated data provided by Parker.

This report has been prepared in accordance with the rules and guidelines issued by such bodies as the ASIC and the ASX, which pertain to Independent Expert Reports. If statements made in this report have been attributed to third parties, Ravensgate warrants that consent has been obtained and not withdrawn before lodgement of the Prospectus with ASIC.

In consideration of the definitions provided by the ASX and in the JORC Code, the Allambi mineral property referred to, is classified as an exploration project which is inherently speculative in nature. The property is considered to be sufficiently prospective although subject to varying degrees of risk, to warrant further exploration and development of the economic potential consistent with the programs proposed by Parker.

Parker intends to raise a minimum of \$2.5 million and up to a maximum of \$3.5 million and approximately half of the liquid assets held, or funds proposed to be raised by the Company are understood to be committed to the exploration and development of the property. Ravensgate considers the proposed exploration program to be consistent with the status and mineral potential of the project. The planned exploration expenditure is considered to be sufficient to meet the costs of the exploration program and is adequate to meet the statutory annual expenditure requirements for the tenements. This independent geologist's report has been compiled based on information available up to and including the date of this report. Mr Sam Ulrich (author), who is a Member of the Australian Institute of Mining and Metallurgy, has sufficient experience which is relevant to the



style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Ulrich, (BSc (Hons) Geology, GDAppFin, MAusIMM, FFin) is employed by Ravensgate.

Consent has been given for the distribution of this report in the form and context in which it appears.

Ravensgate and its employees are not, nor intend to be, directors, officers or employees of Parker and have no material interest in the project or Parker. The relationship with Parker is solely one of professional association between client and independent consultant. The review work and this report are prepared in return for professional fees based upon agreed commercial rates and the payment of these fees is in no way contingent on the results of this Report.

Yours faithfully



Sam Ulrich  
For and on behalf of:  
**RAVENSGATE**



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## **INDEPENDENT GEOLOGIST'S REPORT**

on

**The Allambi Mineral Property in Northern Territory**

for

**Parker Resources NL**

15 June 2011



## INDEPENDENT GEOLOGIST'S REPORT

Prepared by RAVENSGATE on behalf of:

Parker Resources NL

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<b>Author(s):</b>	Sam Ulrich	Principal Consultant	BSc (Hons) Geology, GDAppFin, MAusIMM, FFin.
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Sam Ulrich  
For and on behalf of:  
RAVENSGATE



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## 1. EXECUTIVE SUMMARY

Ravensgate was requested by Parker Resources NL (Parker) to complete an Independent Geologist's Report (IGR) on its Allambi mineral asset in the Northern Territory. Parker is seeking to list on the Australian Securities Exchange (ASX) in order to raise working capital to fund the future technical assessment of its project. Parker has one extensive uranium project, referred to as the Allambi Project, located in the Northern Territory, approximately 72 kms southeast of Alice Springs, covering a total of 702km<sup>2</sup>.

The Allambi Project is located in the Northern Territory, Australia, approximately 72km south east of Alice Springs. Access from Alice Springs to the licence is via the Old South Road. The licence is covered by numerous tracks. There are no known mineral deposits within the project area. The project area is comprised of one granted exploration licence EL25347 with an area of 702km<sup>2</sup>.

In the Amadeus Basin, uranium mineralisation is associated with redox boundaries, in arkosic and lithic sandstones of the Undandita Member of the Brewer Conglomerate (Pertnjara Group). The Pertnjara Group is characterized by east-trending, upright open folds. There are known uranium prospects (Angela and Pamela, Figure 4) to the north west of the licence.

The main focus of past exploration in the project area has been on copper and zinc rather than exploration for uranium. From CRA Explorations rock chip sampling (119 samples) program the maximum uranium results returned were 35ppm U, 12.5ppm U and 10.5ppm U.

Excelsior undertook a recent geological mapping exercise utilising hyperspectral scanning imagery. Further evaluation of this survey and all historic geochemical data and other available geophysical data was undertaken to assist with exploration target definition of the tenement.

Ravensgate considers that the tenement area can be classified as an "Exploration Area" Mineral Asset where potential uranium mineralisation from exploration results has been identified from CRA Exploration's rock chip sampling program. Tertiary limestone and dolomite deposits may host uranium mineralisation although these do not stand out as uranium highs on the radiometric map.

The licence has a similar structural setting to the Angela and Pamela uranium prospects. There are indications that the sandstone units of the Brewer Conglomerate are present on the western margin of the licence area, although their extent has not been fully established. Further detailed geological mapping aided by hyperspectral mapping is recommended to delineate the extent of these units which could host uranium mineralisation of the sandstone hosted type.

The existing geological information, geochemical and geophysical data indicate that there is potential for uranium mineralisation on the licence. Exploration targets can be generated using soil and rock chip sampling as well as radiometric traverses.

Tertiary age lithologies on the western margin of the licence area also have the potential for uranium mineralisation of the calcrete hosted type. Further work involving mapping, ground radiometrics and rock chip sampling can be used to evaluate the potential of these units. Parker Resources' exploration program will initially be remote sensing and geophysics oriented and based on the targets generated they will be then be verified by geological mapping and soil and/or rock chip sampling.

An outline Parker's exploration work program would be as follows for the first two years of Parker Resources' involvement in this Project;

- Processing and evaluation of HyMap survey data - this will require involvement of HyVista Corporation to enhance and manipulate the data.
- Ground radiometric traversing of targets generated through HyMap data interpretation.
- Confirmatory geological ground mapping, including field logistics costs.
- Rock chip and/or soil sampling in selected target areas.
- Scout air core drilling

Parker are understood to have committed over half of the funds intended to be raised in the IPO to the exploration and development of their mineral properties. Parker have indicated they will undertake a systematic, staged approach with respect to their exploration program, and will be



carefully monitoring, assessing and refocussing their exploration programs as necessary. Ravensgate considers the proposed exploration program to be consistent with the status and mineral potential of the projects and Parker's initial objectives. The proposed expenditure is sufficient to meet the costs of the exploration programme and meet statutory tenement expenditure requirements.

## 2. INTRODUCTION

### 2.1 Terms of Reference

Ravensgate was requested by Parker to complete an Independent Geologist's Report (IGR) on its Allambi mineral asset in Northern Territory, Australia. The company is seeking to list on the Australian Securities Exchange (ASX) in order to raise working capital to fund the future technical assessment of its project. A requirement of listing is the completion of an IGR detailing the mineral assets of the company.

This report has been prepared in accordance with the Code and Guidelines for Assessment and Valuation of Mineral Assets and Mineral Securities for Independent Expert Reports (The VALMIN Code, 2005) and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code, 2004).

Ravensgate has not attempted to establish the legal status of tenements within the project area or ownership with respect to Native Title claims. Ravensgate has not independently verified ownership and current standing of the tenements and is not qualified to make legal assessment or representations in this regard. Details of the legal ownership of the mineral assets are dealt with elsewhere in the Prospectus.

The Independent Geologist's Report is based on information available up to and including the date of this report. Ravensgate has endeavoured, by making all reasonable enquiries, to confirm the authenticity, accuracy and completeness of the technical data upon which this report is based. Consent has been given for the distribution of this report in the form and context in which it appears.

### 2.2 Qualifications, Experience.

Ravensgate is an independent, privately owned consulting firm and has been providing exploration, mining and mineral resource consulting services to the minerals industry since 1997.

**Author: Sam Ulrich, Principal Consultant. BSc (Hons) Geology, GDAppFin, MAusIMM, FFin.**

**Sam Ulrich** is a geologist with over 14 years experience in near mine and regional mineral exploration, resource development and the management of exploration programs. He has worked in a variety of geological environments in Australia, Indonesia, Laos and China primarily in gold, base metals and uranium. Prior to joining Ravensgate Sam worked for Manhattan Corporation Ltd a uranium exploration and resource development company in a senior management position. Mr. Ulrich holds the relevant qualifications and professional associations required by the ASX, JORC and VALMIN Codes in Australia.

**Co-author: H. Kate Holdsworth, Senior GIS Geologist. BSc (Hons) Geology, MAusIMM**

**Kate Holdsworth** is a senior GIS geologist with over 17 years GIS experience who joined the Ravensgate team in September 2006. During her tenure at Ravensgate, she has contributed to the compilation of numerous Independent Geologists Reports, Valuation Reports, GIS projects as well as having assisted clients with their exploration reporting requirements and QA/QC investigations into client's data quality. Prior to joining Ravensgate, she worked for Giscoe Pty Ltd, a GIS company in Johannesburg, for ten years, where she was involved in diverse GIS projects, including database creation, database population and data validation. Kate has four years experience in GIS with the Geological Survey of South Africa, where she was a member of their GIS database design team.



**Peer Reviewer: Stephen Hyland, Principal Consultant and Director. BSc Geology, MAusIMM, CIMM, GAA, MAICD.**

Stephen Hyland has had extensive experience of over 20 years in exploration geology and resource modelling and has worked extensively within Australia as well as offshore in Africa, Eastern and Western Europe, Central and South East Asia, modelling base metals, gold, precious metals and industrial minerals. Stephen's extensive resource modelling experience commenced whilst working with Eagle Mining Corporation NL in the diverse and complex Yandal Gold Province where for three and half years he was their Principal Resource Geologist. The majority of his time there was spent developing the historically successful Nimary Mine. He also assisted the regional exploration group with preliminary resource assessment of Eagle's numerous exploration and mining leases. Since 1997, Stephen has been a full time consultant with the minerals industry consulting firm Ravensgate where he is responsible for all geological modelling and reviews, mineral deposit evaluation, computational modelling, resource estimation, resource reporting for ASX / JORC and other regulatory compliance areas. Primarily, Stephen specialises in Geological and Resource Block Modelling generally with the widely used MEDSystem / MineSight® 3D mine-evaluation and design software. Stephen Hyland holds the relevant qualifications and professional associations required by the ASX, JORC and VALMIN Codes in Australia. He is a Qualified Person under the rules and requirements of the Canadian Reporting Instrument NI43-101.

### 2.3 Independence

Neither Ravensgate nor any of its employees or associates is an insider, associate or affiliate of Parker or any associated company. Neither Ravensgate nor any of its affiliates have acted previously in any capacity for Parker or any of its associates or affiliates.

Ravensgate's professional fees are based on time charged for work actually carried out, and are not contingent on any prior understanding concerning the conclusions to be reached.

The authors of this report, are not, nor intend to be, a director, officer or other direct employee of Parker and have no material interest in the project of Parker. The relationship with Parker is solely one of professional association between client and independent consultant. Neither Ravensgate nor any of its employees or associates is an insider, associate or affiliate of Parker or any associated company.

This report has been compiled based on information available up to and including the date of this report. Consent has been given by Ravensgate for the distribution of this report by Parker in the form and context in which it appears.

### 2.4 Principal Sources of Information

This review is based on the information provided by Parker Resources NL, the current title holders, the technical reports of consultants and previous explorers, as well as other published and unpublished data relevant to the area.

Ravensgate has carried out, to a limited extent, its own independent assessment of the quality of the geological data. The status of agreements, royalties or tenement standing pertaining to the assets was, however, not investigated and Ravensgate is not required to do so. This report is based on public information, some of which was supplied by Parker, or other publicly sourced data. Ravensgate has yet to complete a technical site visit review, however as no Mineral Resources are involved in the geological report and as such Ravensgate considers there is currently adequate information on the project area to consider that a site visit at this stage would not significantly enhance project understanding. Ravensgate is of the opinion that any site inspection would not identify material concerns or problems with respect to the current geological and exploration data or conceptual exploration targets.

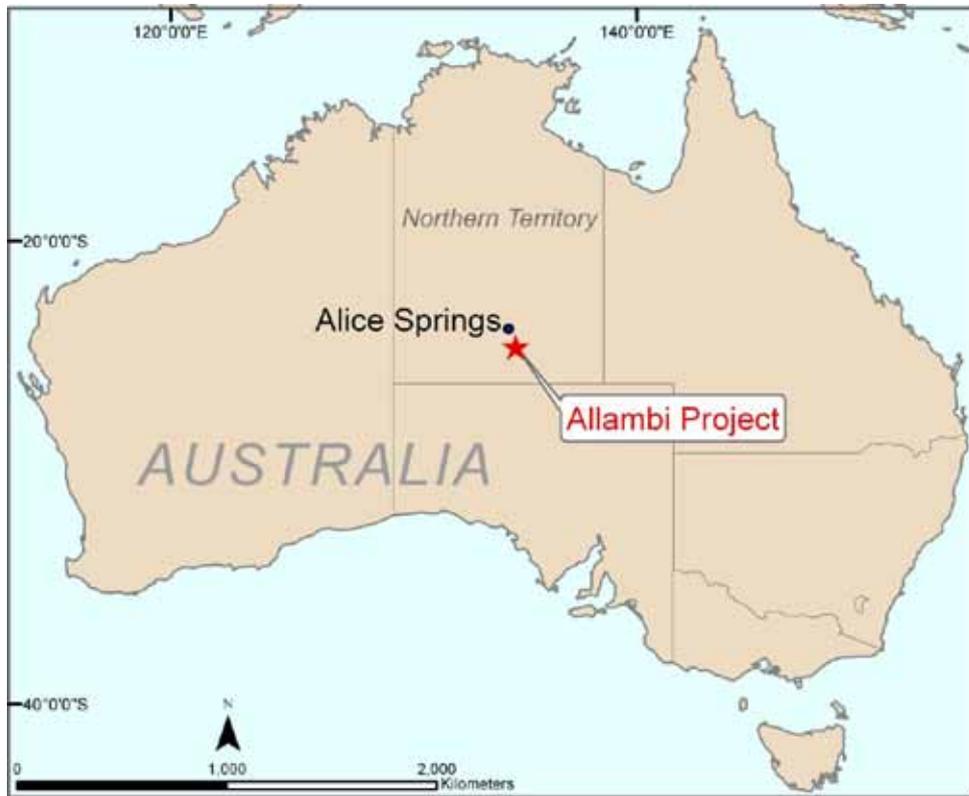
The authors have endeavoured, by exercising reasonable due diligence along with other associated enquiries, to confirm the authenticity and completeness of the technical data upon which this report is based. Parker was given a final draft of this report and requested to identify any material errors or omissions prior to its ultimate lodgement.



**2.5 Background Information**

Parker is an unlisted public minerals resource company which was incorporated on 10<sup>th</sup> January 2011. The company has acquired the rights to a sole exploration property in the Northern Territory of Australia and consequently proposes to raise a minimum of A\$2.5 million and a maximum of A\$3.5 million by way of a placement of shares through an initial public offering (IPO). The reader is referred to the Solicitor’s Report which is included in this Prospectus for a summary of the tenement status. The Allambi uranium project is located south east of the major town Alice Springs in the Northern Territory (Figure 1). Refer to Table 1 and Figure 3 for the tenement details and Table 3 for details of previous exploration activity at the project location.

**Figure 1 Locality Map for the Allambi Project**



**Table 1 Tenement Schedule**

Tenement	Grant Date	Expiry Date	Area (square kilometres)	Comment
EL 25347	12 <sup>th</sup> March 2007	12 <sup>th</sup> March 2013	702.1	Exemption from further relinquishment until March 2012



Ravensgate notes that historically reported exploration values may have been variously recorded in terms of ppm uranium (“U”), ppm U<sub>3</sub>O<sub>8</sub>, kg/t U, kg/t U<sub>3</sub>O<sub>8</sub> or %U<sub>3</sub>O<sub>8</sub>. For the ease of the reader, the conversions between measurements are tabled below (Table 2). In some historical reports, values are expressed in terms of kg/t eU<sub>3</sub>O<sub>8</sub>, where the determination of the concentration of uranium has been through ‘calibrated’ radiometric measurement rather than through chemical analytical techniques. Whilst eU<sub>3</sub>O<sub>8</sub> is usually a reliable measurement, the confidence level of calibrated radiometric measurement is less than that of analytical laboratory measurement of samples directly. It is the authors considered opinion that reference to counts per second (cps) should only be taken to show that anomalous radiation has been detected, unless there is clear and concise documentation on the analytical or calibrated radiometric measurement comparison available. Finally, unless otherwise indicated, all references to dollars (\$) in this report refer to the currency of Australia (AUD).

<i>Table 2 Conversions &amp; Comparisons</i>							
Uranium Grade Conversion & in Situ Value							
ppm U	ppm U <sub>3</sub> O <sub>8</sub>	Kg/t U	Kg/t U <sub>3</sub> O <sub>8</sub>	% U	% U <sub>3</sub> O <sub>8</sub>	lb/ton	lb/ short ton
100	118	0.10	0.12	0.01	0.01	0.22	0.20

## 2.6 Northern Territory Uranium legislation

The Northern Territory is regarded as containing prospective regions for the occurrence of uranium mineralisation. Mining legislation and political comment are beyond the scope of this report and the reader is advised to seek their own independent analysis of both the mining legislation in regards to uranium exploration and mining, and of the political position of the territorial, state and federal governments in regards to mining, production and the sale of uranium mineral products.

## 3. MINERALISATION STYLES

Uranium deposition has been proven to occur in a variety of environments of many different origins, and as many diverse ore types. Uranium deposits occur in a variety of geological environments. These include:

- Primary magmatic intrusions e.g. Rossing-alaskite (Namibia), Olympic Dam (Australia);
- Ancient placers e.g. Elliot Lake (Canada), Witwatersrand (South Africa);
- Vein-related e.g. Jachymov (Czech Republic) and Shinkolobwe (Zaire);
- Unconformity-related e.g. Athabaska (Canada), Alligator River (Australia);
- Sandstone-hosted ‘roll front’ e.g. Grants Mineral Field (New Mexico, USA);
- Calcrete drainage and playa lake e.g. Yeelirrie (Australia).

The latter three groups are of particular significance to the Parker project. All three have the overriding characteristic of a uranium-rich source area; an erosion and transport mechanism for secondary uranium and a suitable chemical and physical trap to enable a concentration or secondary enrichment of uranium to develop.

### 3.1 Unconformity Related

Unconformity deposits are typically Proterozoic in age and are developed in association with major structural dislocation and thrusting on the margins of basement ridges. Reactive metasedimentary rocks such as marble, calc silicate and graphitic schists within and proximal to thrust zones, are the preferred host lithologies especially where overlain unconformably by sheet

sandstone sequences. The uranium is considered to be eroded initially from the high background levels in the basement and deposited within the overlying porous sandstone sequences. Subsequent fluid flow dissolves the uranium and transports it to suitable chemical and physical trap sites at the unconformable base of the sandstone and within underlying basement structures. Accompanying the uranium mineralisation is chlorite and hematite alteration which destroys magnetite and associated magnetic responses. Unconformity deposits can be of relatively high grade and of significant tonnage. Examples of unconformity related deposits are Ranger, Nabarlec, Koongara and Rum Jungle in the Pine Creek Geosyncline of Australia and Cigar Lake, Gaertner and Midwest Lake in the Athabasca region of Canada.

### 3.2 Sandstone-hosted roll front

Some of the largest known uranium deposits are of a sedimentary origin, and in particular from roll front deposition. The roll front deposition mechanism depends upon the geochemical cycle of uranium. At low temperature and pressures, uranium in rocks and minerals undergoing weathering and leaching is oxidised from  $U^{+4}$  to  $U^{+6}$ . This is then soluble in ground waters as the  $(UO_2)^{+2}$  ion. As long as the ground water remains oxidizing, the uranium ions remain mobile; when the water percolates through a reducing environment the uranyl ions are re-precipitated as crystalline uraninite, or coliform bands of pitchblende, or in some cases as the silicate coffinite. The uranium may also bond with vanadium to produce other uranium / vanadium minerals.

Roll front deposits generally form in porous sandstone units confined between impervious clay or shale layers in arid continental environments. They are Tertiary to Recent in age and typically occur in clusters. This style of uranium deposit was the major source of uranium for the USA from 1950 to the 1970s. Other examples of roll front deposits are the Beverley Mine in South Australia the Manyingee deposit Western Australia and the Kayelekera deposit in Malawi. They generally require the presence of easily weathered tuffs or other uranium-rich source rocks in outcrop which are actively undergoing oxidation and leaching. Uranium is released into the groundwater and transported down the hydrological gradient within the sandstone aquifer. When the migrating 'tongue' of oxidised fluid meets reduced waters at depth at the chemical interface known as the redox boundary various uranium minerals may be deposited where the ground waters become reduced. The uranium and associated elements precipitate out of solution and form a roll front deposit which may take the form of tabular ore bodies or develop as lobate structures around the progressive roll front as it migrates forward with the ground water flow.

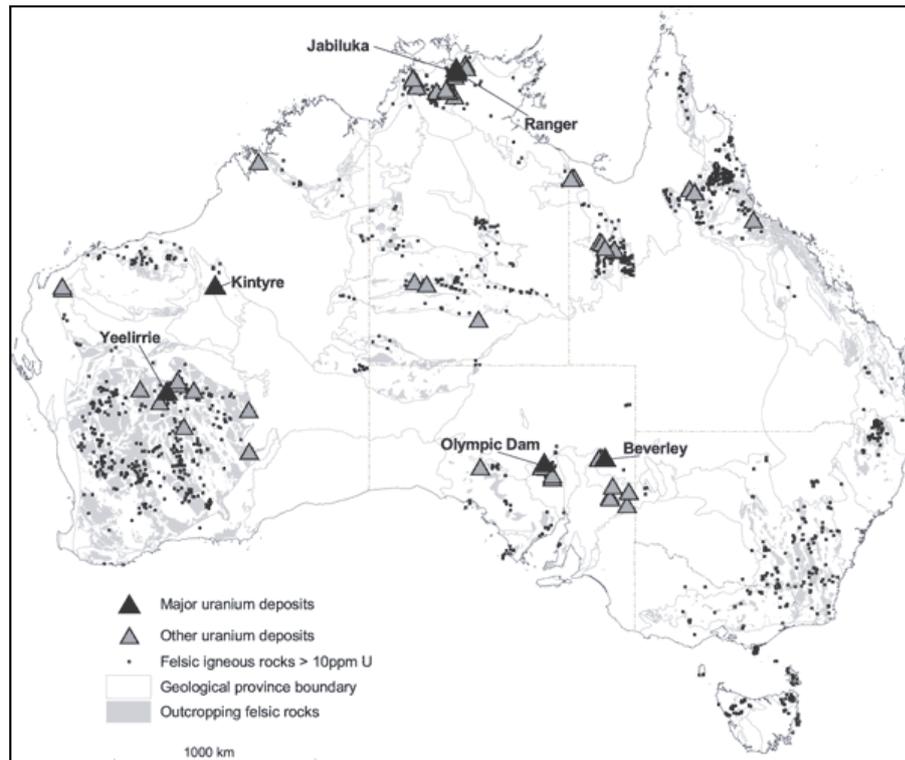
### 3.3 Calcrete hosted

Calcrete uranium deposits ultimately have a similar origin to the roll front deposits in that they require leachable uranium bearing source rocks within the bounding catchment in which they are hosted. They differ from the roll front style in that the enrichment of uranium is primarily driven by evaporative and precipitation processes near the surface rather than purely redox chemical reactions at depth below the water table. The deposits are generally Tertiary to Recent in age and are frequently associated with calcrete depositional terrains in arid continental areas such as the north east Yilgarn in Western Australia. Extensive areas of ancient granite with high background uranium subjected to prolonged arid zone weathering form a suitable source provenance area tapped by an established internal saline drainage system (e.g. Figure 2).

The deposits occur in evaporite sequences within and marginal to playa (salt) lakes or in tributary calcretes. This type of mineralisation is in the form of carnotite which occurs as yellow coatings on void and fracture walls within calcretes, associated sediments, and on partings in salt lake sediments. The mineral carnotite contains uranium, vanadium and potassium. Potassium is widespread in granitic terranes but for carnotite to form, a local source of vanadium, usually from greenstones or mafic lithologies, is required. The zones of mineralisation are generally associated with present and past water tables and may extend for several kilometres along the drainage. Examples of this deposit style are Yeelirrie in Western Australia and the Langer Heinrich deposit in Namibia.



Figure 2 Plan of Australian uranium deposits in relation to occurrences of felsic igneous rocks known to have at least 10 ppm uranium



Source Geoscience Australia, December 2005 - (<http://www.ga.gov.au/ausgeonews/ausgeonews200512/uranium.jsp>).



**4. THE ALLAMBI PROJECT**

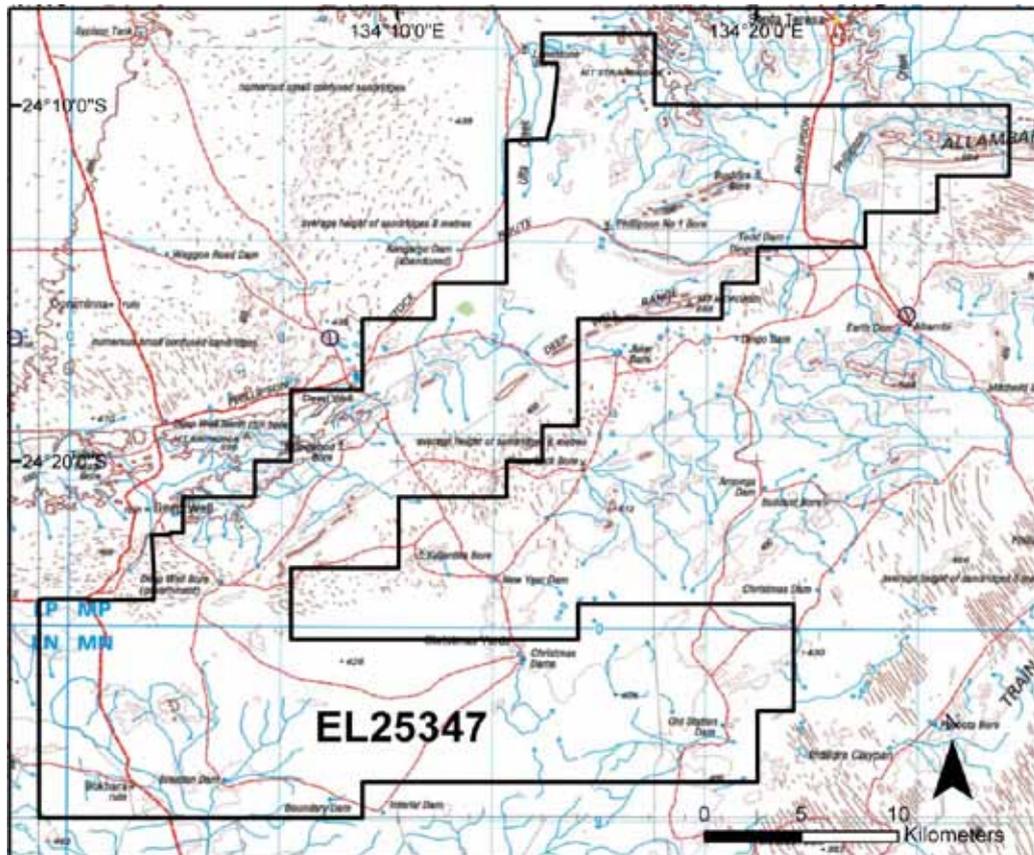
**4.1 Introduction**

The Allambi Project is located in the Northern Territory, Australia, approximately 72km south east of Alice Springs. Access from Alice Springs to the licence is via the Old South Road. The licence is covered by numerous tracks. There are no known mineral deposits within the project area.

**4.2 Tenure**

The project area is comprised of one granted exploration licence EL25347 with an area of 702km<sup>2</sup>. Refer to Table 1 for the licence details.

**Figure 3 Allambi Tenement Area - EL25347**



Source: Geoscience Australia, 1:250,000 Topographic Map Series.



#### 4.3 Regional Geology

The Amadeus Basin occupies most of the southern portion of the Northern Territory and extends about 150km into Western Australia covering approximately 170,000 km<sup>2</sup> in area. It is a large intracratonic sedimentary basin that locally has a maximum sediment thickness of 14,000m. The sediments range in age from Neoproterozoic (850 Ma) to Late Devonian-Carboniferous (~350 Ma). The basin margins are well defined to the north and south by igneous and metamorphic rocks of the Precambrian Arunta Province and Musgrave Block. The Amadeus Basin is overlain by the Perdika Basin in the south east. Sedimentary lithologies within the Amadeus basin include dolostone, limestone, shale, quartzite, evaporite, diamictite and conglomerate.

The Musgrave Block was exhumed during the Petermann Orogen (~550-530 Ma) dividing at the time a single contiguous basin into the Amadeus and Officer basins. The Musgrave Block is an extensive Mesoproterozoic basement inlier in central Australia in South Australia, Western Australia and the Northern Territory. The Arunta Province was exhumed during the Alice Springs Orogeny (~400-350 Ma). Prior to the Alice Springs Orogeny the Amadeus, Georgina, Wiso and Ngalia sedimentary basins were contiguous.

The Woodroffe Thrust separates the Musgravian granulite facies gneiss (south) from amphibolite facies gneiss (north). Deep crustal rocks were exposed along the Woodroffe Thrust in the south west of the area in the latter phase of the Petermann Orogeny. The mid to upper crustal expression of the Petermann Orogeny includes complex interleaving of Musgravian rocks with the basal sediments of the Amadeus Basin in the Petermann Nappe Complex.

The Amadeus Basin stratigraphic succession begins with sheet-like, tidally influenced deposits of the Heavitree Quartzite comprising of silicified sandstone, discontinuous units of siltstone, shale, and conglomerate at base; silty conglomerate in the middle; well-sorted sandstone and minor siltstone near top. A subsequent increase in depositional accommodation space led to the development of thick, shallow marine anoxic rocks of the Bitter Springs Formation comprising of crystalline dolostone, dolomitic limestone, siltstone, sandstone, evaporites, stromatolites and minor mafic volcanics.

A basin-wide hiatus at the top of the Bitter Springs Formation coincided with the first of nine tectonic events in the basin. During the Areyonga Movement sedimentary sub-basins and a central ridge were formed. This hiatus was followed by the deposition of glacial and interglacial sediments including the Areyonga Formation comprising of diamictite (tillite) and rare interbeds of sandstone, conglomerate and dolostone, and the Olympic Formation comprising of diamictite with clasts of dolomite, sandstone and crystalline rocks; feldspathic sandstone and pink marker dolomite at the top in places. The Areyonga Formation and Olympic Formation are correlative to the Sturtian and Marinoan glacial successions of the South Australian Geosyncline. The Proterozoic age was brought to a close with the deposition of the marine-influenced clastics and carbonates of the Pertatataka (red and green siltstone, shale and, feldspathic sandstone), Winnall and Julie Formations (dolomite, limestone, sandstone and minor siltstone).

The Petermann Orogen rearranged basin palaeogeography and further localised some sedimentation, and introduced foreland basin-style deposition to the southwest and development of extensive fluvial tongues of the Arumbera Sandstone (brown, thinly bedded fine and medium micaceous feldspathic sandstone; minor pebble conglomerate and micaceous siltstone) to the north and east. While clastics continued to be deposited in the south and west, the overlying Cambrian succession of the Chandler Formation (laminated and locally contorted limestone and dolomite with numerous chert laminae, shale and evaporites in subsurfaces) and Giles Creek Dolostone (fossiliferous dolomite and limestone, minor siltstone and shale) in the north and east were dominated by marine and marginal marine deposition of dolomite and evaporitic mudstones that incorporated organic-rich facies.

Relatively restricted clastic deposits in the Ordovician of the Amadeus Basin include the marginal marine Pacoota Sandstone (sandstone, conglomeratic sandstone and marine fossils), shallow marine Horn Valley Siltstone (green laminated siltstone with fine sandstone interbeds, fossiliferous limestone; mud-rich sedimentary rock containing an abundance of fossils; rich petroleum source), and the tidally influenced Stairway Sandstone (thinly bedded, fine to medium

clean sandstone; minor interbedded sandy limestone, coarse sandstone, medium silty sandstone and phosphorite).

Sedimentation associated with the Alice Springs Orogeny is represented in the east and across the northern margin of the Amadeus Basin by pronounced foreland basin-style sedimentary deposits including fluvial and lacustrine lithofacies of the Pertnjara Group (sandstone, siltstone, conglomerate, some limestone). The top of the Pertnjara Group is marked by the Brewer Conglomerate (polymictic conglomerate with sedimentary clasts, sandstone lenses) which hosts uranium mineralization in the Undandita Sandstone member.

The Amadeus Basin hosts the commercial Mereenie oil and gas field and Palm Valley gas field and has significant potential for further gas producing fields such as at the Dingo, Orange and Ooraminna gas fields. The basin also contains sandstone-type uranium deposits at Angela and Pamela (Figure 4) and gold at White Range in the Arltunga Nappe Complex. Minor base metal and small-scale mines are also present.

The Perdika Basin succession is an intracratonic basin also with the potential for oil and gas. It is comprised essentially of Late Carboniferous and Early Permian fluvio-glacial, lacustrine and coal swamp deposits. It is relatively unexplored for most other metalliferous commodities.

#### 4.4 Local Geology and Mineralisation

Tenement EL25347 is situated within the intracratonic Amadeus Basin, just to the north east of the Camel Flat Syncline. The generalized local geology for the licence area is indicated on Figure 5.

Outcropping stratigraphy comprises the Bitter Springs Formation, a succession of crystalline dolostone, dolomitic limestone, siltstone, sandstone, evaporites, stromatolites and minor mafic volcanics. Unconformably overlying the Bitter Springs Formation is the Areyonga Formation a glacial and interglacial sequence. This thin formation comprises diamictite (tillite) and rare interbeds of sandstone, conglomerate and dolostone.

Conformably overlying this is the Ringwood Member of the Aralka Formation (dolomite and limestone, stromatolitic and pisolitic in part; calcarenite; minor siltstone; rare breccia), which in turn is overlain by the Pertatataka Formation (red and green siltstone, shale and, feldspathic sandstone). The Pertatataka Formation is locally abnormally thick due to thrusting replicating this formation. The Julie Member conformably overlies the Pertatataka Formation and marks the end of the Proterozoic age. Draped across the top of the Pertatataka Formation and Julie Member are remnants of the Arumbera Sandstone (brown, thinly bedded fine and medium micaceous feldspathic sandstone; minor pebble conglomerate and micaceous siltstone). The Arumbera Sandstone marks the beginning of the Cambrian Age.

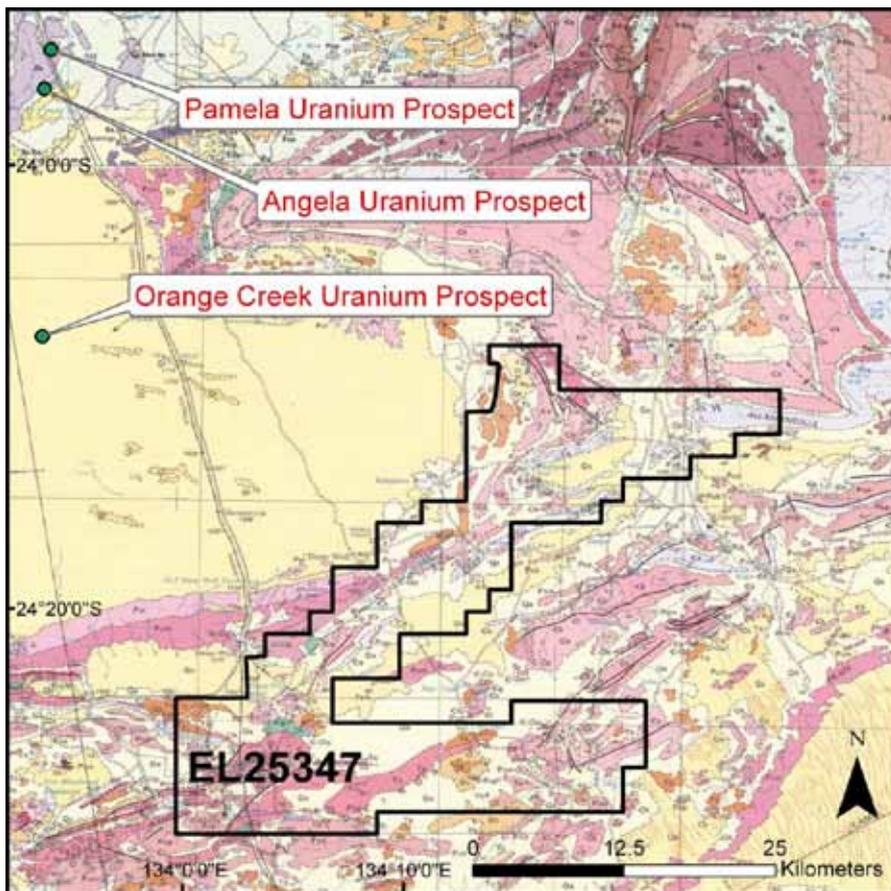
The Devonian Mereenie Sandstone (porous, white to pale-brown, fine grained, well sorted quartz sandstone and minor conglomerate) unconformably overlies the Late Cambrian Arumbera Sandstone and represents a break of 400 Ma between sedimentation of the two units. The Mereenie Sandstone locally consists of white cross bedded sandstone.

The Devonian-Carboniferous Pertnjara Group sediments (sandstone, siltstone, conglomerate, some limestone) are the uppermost members of the Amadeus Basin sedimentary units and host most of the known uranium mineralisation to the west of EL25347. The Hermannsburg Sandstone (poorly bedded, poorly sorted lithic and feldspathic quartz sandstone) marks the top of the Pertnjara group on the western margin of the licence and the more prospective Undandita Sandstone member (conglomerate with sedimentary clasts, sandstone lenses and organic matter) of the Brewer Conglomerate which has been mapped immediately to the west of the licence boundary. Figure 8 illustrates Excelsior's interpreted boundaries of the Undandita and Hermannsburg sandstones in relation to EL25347 (Hamlyn, 2011).

In the Amadeus Basin, uranium mineralisation is associated with redox boundaries, in arkosic and lithic sandstones of the Undandita Member of the Brewer Conglomerate (Pertnjara Group). The Pertnjara Group is characterized by east-trending, upright open folds. There are known uranium prospects (Angela and Pamela, Figure 4) to the north west of the licence.

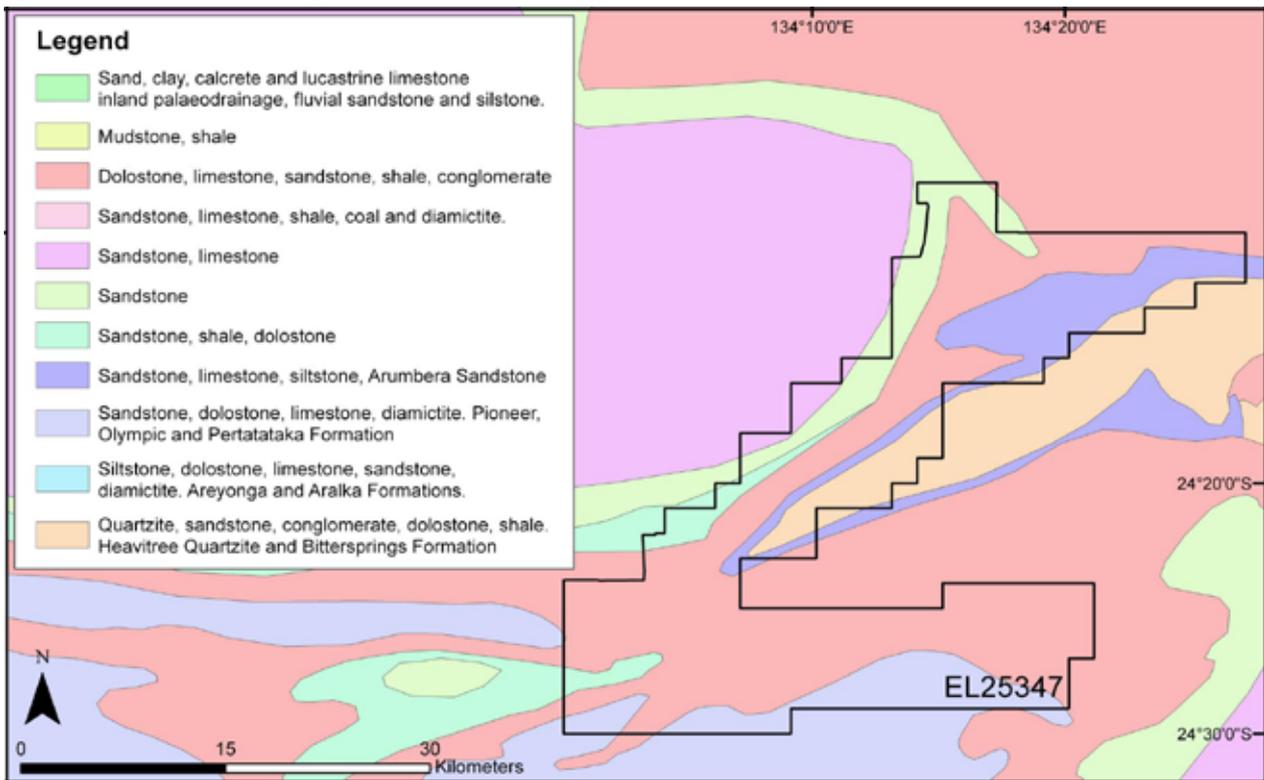


Figure 4 Regional Geology



Source: 1:250,000 geological map series Mosaic Northern Territory Geological Survey.

Figure 5 Generalised Local Geology in relation to EL25347



Source: 1:250,000 geological map series Northern Territory Geological Survey.



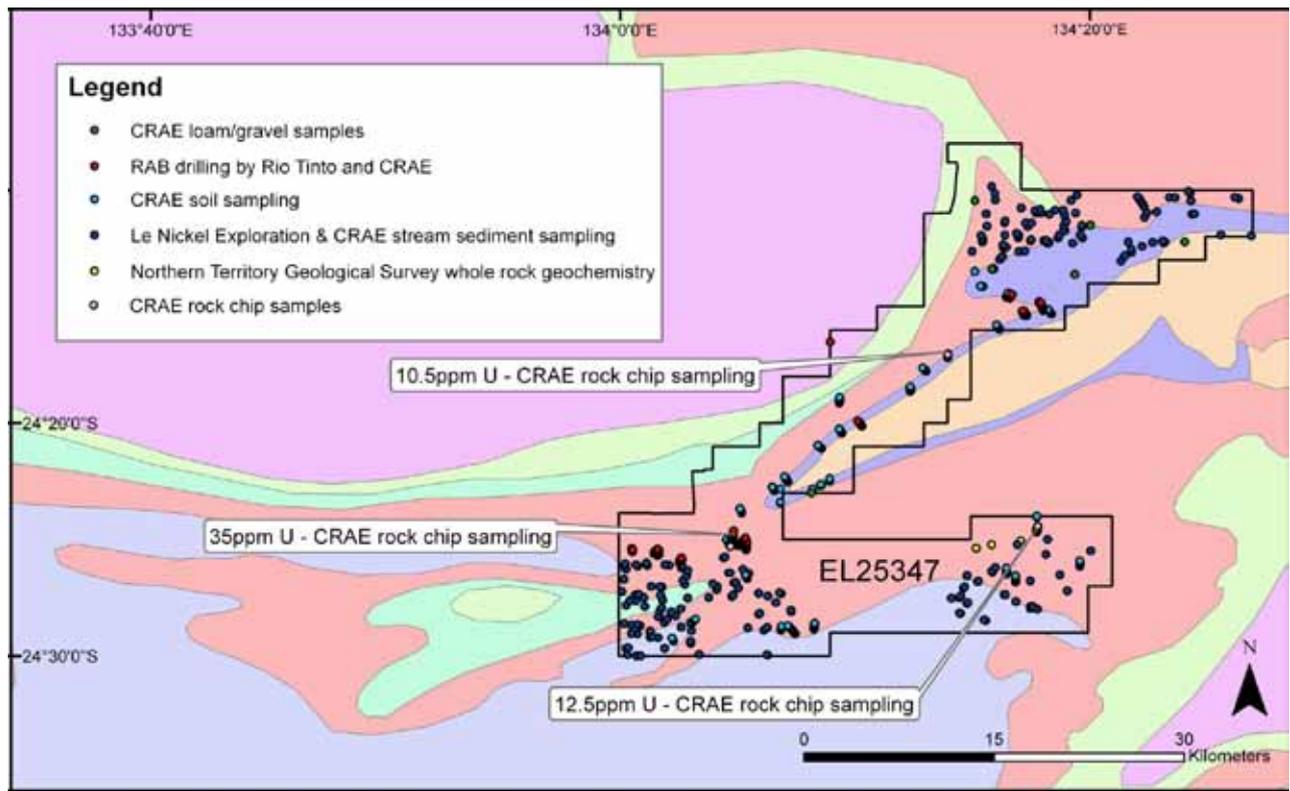
#### 4.5 Exploration History and Historical Mining

The main focus of past exploration in the project area has been on copper and zinc rather than exploration for uranium. A summary of exploration has been tabulated in Table 3. Historic exploration is indicated on Figure 6.

<b>Table 3 Allambi Project: Exploration History</b>		
<b>Date</b>	<b>Company</b>	<b>Findings</b>
1971	CRA Exploration	Conducted exploration for high grade zinc silicate deposits and concluded the area is unlikely to host an economic zinc deposit.
1972	Le Nickel Exploration	Work consisted of geological mapping, sedimentological analyses, stream sediment and rock chip sampling. Occurrences of anomalous Zn, Cu, Ni and Co were noted.
1977-1981	Uranerz Australia Pty Ltd	<p>Uranium prospecting was conducted on EL1345 and EL1416 (Source: 1:250,000 geological map series Northern Territory Geological Survey.</p> <p>Figure 7) which included geological mapping, airborne spectrometry, vacuum drilling (703 holes for 6,341m) and percussion drilling (15 holes for 812m and a second program of 48 holes for 3,061m). The drilling defined an environment that was considered favourable for uranium mineralisation. From the second percussion drilling program (48 holes for 3,061m) only six intersections of uranium, with equivalent grades exceeding 500ppm, were encountered ranging from 578 to 864ppm eU<sub>3</sub>O<sub>8</sub> over 0.2 to 0.45m and one result of 1,061ppm eU<sub>3</sub>O<sub>8</sub> over 0.25m, none of these intersections have been validated by geochemical analyses.</p>
1991-1992	CRA Exploration	Exploration consisted of magnetic and radiometric surveys, geochemical sampling programs and rock chip sampling. A magnetic anomaly was drilled and intersected magnetic gravels.
1996 - 1998	CRA & Rio Tinto Exploration	Exploration was conducted for sediment hosted Cu deposits which were considered to have potential in the area. This was undertaken on licences EL9334, EL9336, EL9338, EK9339, indicated on Figure 7. A total of 896 soil samples were collected but no Co, Pb, Zn, Ni and Co anomalies were identified. A stream sediment sampling program (109 samples) identified a weak Cu, Pb, Zn, Co anomaly on (EL25347) with the highest sample assaying at 640ppm Co, 200ppm Cu, 7ppm U another sample assayed at 480ppm Zn and a further sample assayed at 290ppm Pb. However rock chip sampling (119 samples) did not indicate any anomalies, the maximum uranium results returned were 35ppm U, 12.5ppm U and 10.5ppm U indicated on Figure 6. RAB drilling (301 holes, 1,132 samples assayed) on the anomalies returned a value of 650ppm Cu but associated Fe and Mn indicate this is a false anomaly (scavenging effect).
2005	Tennant Creek Gold	A Stream sediment sampling program indicated no significant results for Ni, Co, Cu, Pb and Zn. Geophysical interpretation indicates there is a greater than 1km depth magnetic body on the northern boundary.



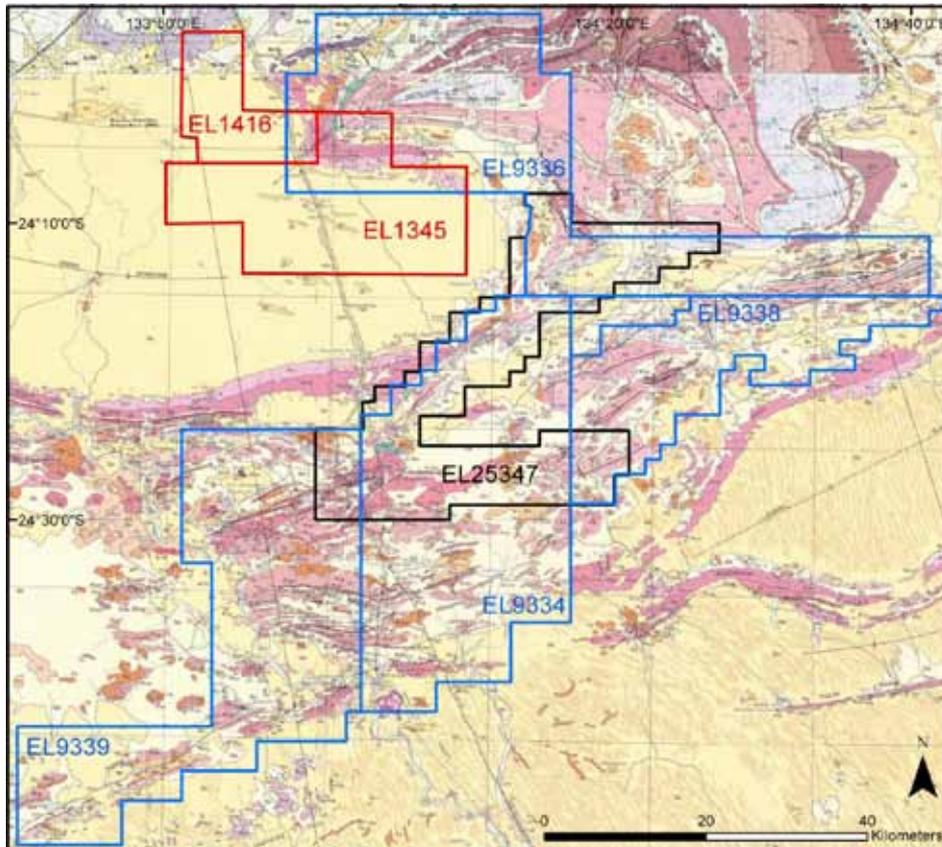
Figure 6 - Locations of soil sampling, rock chip sampling and stream sediment sampling undertaken on EL25347 by various companies.



Source: 1:250,000 geological map series Northern Territory Geological Survey.



Figure 7 Historic licences in red explored by Uranerz Australia Pty Ltd 1977-1981 and blue by CRAE and Rio Tinto Exploration 1996-1998.



Source: 1:250,000 geological map series Mosaic Northern Territory Geological Survey.



#### 4.6 Recent Exploration

The recent exploration undertaken on the project was by Excelsior Gold since 2008. They investigated the project for sandstone-hosted uranium mineralisation similar to the mineralisation style found at the Angela and Pamela Prospects and the Orange Creek occurrence. Their localities are indicated on Figure 4.

##### **2008**

Excelsior Gold acquired and processed HyMap airborne hyperspectral scanner imagery for the project area. A review of the existing geological mapping for the project area was also undertaken. From these reviews it was noted that the Brewer Conglomerate within the project area is limited to the western margin of the licence. It is within the Brewer Conglomerate that the Undandita Sandstone is located, this sandstone hosts the uranium mineralisation at the Angela and Pamela prospects. Excelsior Gold concluded that the Hyperspectral analysis from the survey flown in 2008 generally supports previous geological interpretations (Hamlyn, 2011).

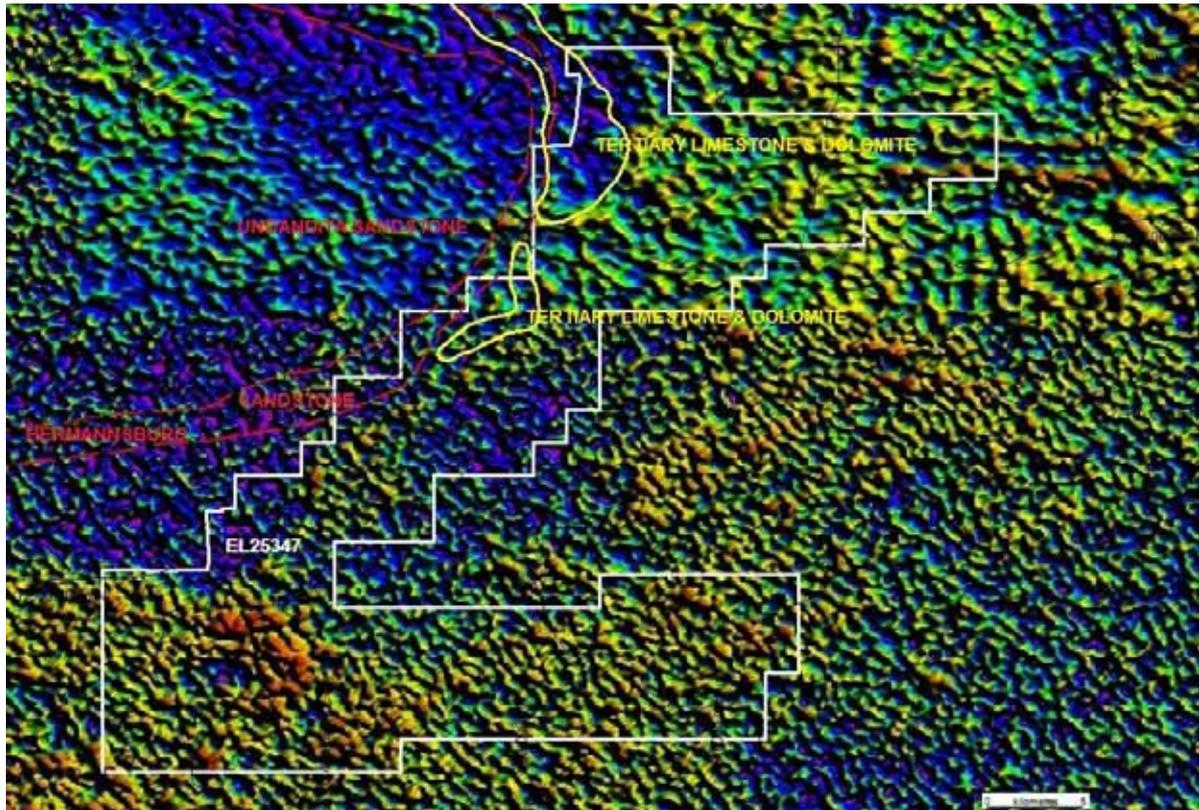
##### **2009**

Excelsior Gold reviewed past exploration data and generated target sites for field investigation thus a total of 13 samples were collected from 10 waterbores and analysed for 16 elements which included uranium, gold, silver, copper, lead and zinc. A rock chip sampling program (18 samples) was also undertaken but the program concentrated on previous areas of interest for Mn and Co. The samples were analysed for 48 elements. The maximum results returned were from two samples, ALRC0012, 12.6% Mn & 887ppm Co and ALRC0013, 18.8% Mn & 1,065ppm Co. No elevated uranium was recorded. The samples were collected from a dolomite/sandstone contact.

##### **2010**

Excelsior Gold relinquished part of the licence in February 2010 that was considered less prospective for uranium.

Figure 8 Northern Territory Geological Survey Uranium Radiometric Map in relation to EL25347 with Excelsior's interpretation of the Undandita Sandstone, Hermannsburg Sandstone and Tertiary limestone and dolomite (after Hamlyn, 2011)





#### 4.7 Exploration Potential

Ravensgate considers that the tenement area can be classified as an “Exploration Area” Mineral Asset where potential uranium mineralisation from exploration results has been identified at localities indicated on Figure 6.

It is Ravensgate’s opinion that the Mn, Co, Zn anomalies encountered in Excelsior Gold’s geochemical exploration program are probably false anomalies caused by the scavenging effect / co-precipitation of Fe-Mn oxides with transition elements. According to the Northern Territory Geological Survey uranium radiometric map (Figure 8) there is a radiometric high in the south west part of the licence which may warrant further attention. Additionally Tertiary limestone and dolomite deposits may host uranium mineralisation although these do not stand out as uranium highs on the radiometric map. One should remember that in very young uranium deposits secular equilibrium between uranium and its daughter decay products may not have been reached - hence high uranium may not manifest itself as a radiometric anomaly since the decay of  $^{214}\text{Bi}$  is usually measured as a proxy for uranium. Conversely secular equilibrium can be disrupted by the removal of mobile elements (U, Rn) in the regolith.

The licence has a similar structural setting to the Angela and Pamela uranium prospects. There are indications that the sandstone units of the Brewer Conglomerate are present on the western margin of the licence area, although their extent has not been fully established. Further detailed geological mapping aided by hyperspectral mapping is recommended to delineate the extent of these units which could host uranium mineralisation of the sandstone hosted type.

The existing geological information, geochemical and geophysical data indicate that there is potential for uranium mineralisation on the licence. Exploration targets can be generated using soil and rock chip sampling as well as radiometric traverses.

Tertiary age lithologies on the western margin of the licence area also have the potential for uranium mineralisation of the calcrete hosted type. Further work involving mapping, ground radiometrics and rock chip sampling can be used to evaluate the potential of these units.

#### 4.8 Exploration Strategy and Budget

Parker Resources’ exploration will initially be remote sensing and geophysics oriented and based on the targets generated they will be then be verified by geological mapping and soil and/or rock chip sampling. Should the geophysical anomalies generated still withstand geological investigation then there will be follow up scout (RAB and/or Aircore and/or RC) drilling. The intention of the company is to undertake exploration as expeditiously as possible to get to the drilling stage within 12 months of its ASX-listing.

An outline of the exploration work programme would be as follows for the first two years of Parker Resources’ involvement in this Project;

- Processing and evaluation of HyMap survey data - this will require involvement of HyVista Corporation to enhance and manipulate the data.
- Ground radiometric traversing of targets generated through HyMap data interpretation.
- Confirmatory geological ground mapping, including field logistics costs.
- Rock chip and/or soil sampling in selected target areas.
- Scout air core drilling

A summary of exploration expenditure is given in the Table 4 below and note that the Budget will vary dependent on the success of the capital raising.



**Table 4 Exploration Expenditure**

Activity	Minimum Subscription			Maximum Subscription			Over-Subscription		
	Year 1	Year 2	Total	Year 1	Year 2	Total	Year 1	Year 2	Total
Access & Compensation	\$25,000	\$25,000	\$50,000	\$25,000	\$25,000	\$50,000	\$25,000	\$25,000	\$50,000
Data Review	\$50,000	-	\$50,000	\$50,000	-	\$50,000	\$50,000		\$50,000
Geophysics	\$100,000	\$50,000	\$150,000	\$100,000	\$50,000	\$150,000	\$175,000	\$125,000	\$300,000
RC/RAB/Air Core Drilling & assaying.	\$350,000	\$450,000	\$800,000	\$450,000	\$550,000	\$1,000,000	\$450,000	\$550,000	\$1,000,000
Assays -soil & rock chip	\$25,000	\$25,000	\$50,000	\$25,000	\$25,000	\$50,000	\$25,000	\$25,000	\$50,000
Geological	\$75,000	\$75,000	\$150,000	\$100,000	\$100,000	\$200,000	\$150,000	\$150,000	\$300,000
<b>Total</b>	<b>\$625,000</b>	<b>\$625,000</b>	<b>\$1,250,000</b>	<b>\$750,000</b>	<b>\$750,000</b>	<b>\$1,500,000</b>	<b>\$875,000</b>	<b>\$265,000</b>	<b>\$1,750,000</b>



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## 6. GLOSSARY

<i>Aeromagnetic</i>	A survey undertaken by helicopter or fixed-wing aircraft for the purpose of recording magnetic characteristics of rocks by measuring deviations of the Earth's magnetic field.
<i>Alluvium</i>	Clay silt, sand, gravel, or other rock materials transported by flowing water and deposited in comparatively recent geologic time as sorted or semi-sorted sediments in riverbeds, estuaries, and flood plains, on lakes, shores and in fans at the base of mountain slopes and estuaries.
<i>Anomalies</i>	An area where exploration has revealed results higher than the local background level.
<i>Archaean</i>	Older than 2500 million years before present. The oldest subdivision of the Precambrian Era.
<i>Arkose ( arkosic)</i>	A sandstone formed from the disintegration of granite or gneiss, and characterized by feldspar fragments.
<i>Assayed auger drilling</i>	The testing and quantification metals of interest within a sample. A rotary drilling technique which uses a blade drill bit and screw auger shaft to return sample to the surface.
<i>autunite</i>	A yellowish, fluorescent minor ore of uranium with the composition $\text{Ca}(\text{UO}_2)_2(\text{PO}_4)_2 \cdot 10\text{-}12\text{H}_2\text{O}$ .
<i>base metals basin</i>	A non-precious metal, usually referring to copper, lead and zinc. A large depression within which sediments are sequentially deposited and lithified.
<i>bedrock breccia</i>	Any solid rock underlying unconsolidated material. Rock consisting of angular fragments enclosed in a matrix, usually the result of persistent fracturing by tectonic or hydraulic means.
<i>Cainozoic</i>	An era of geological time spanning the period from 65 million years ago to the present.
<i>calcite</i>	A mineral of composition $\text{CaCO}_3$ (calcium carbonate) it is an essential component of limestones and marbles.
<i>calcrete</i>	Superficial residual deposits cemented by or precipitated from groundwater as secondary calcium carbonate as a result of evaporation.
<i>carbonate</i>	Rock of sedimentary or hydrothermal origin, composed primarily of calcium, magnesium or iron and $\text{CO}_3$ . Essential component of limestones and marbles.
<i>carnotite</i>	Yellow, strongly radioactive, potassium, uranium vanadate $\text{K}_2(\text{UO}_2)_2(\text{VO}_4)_2 \cdot 3\text{H}_2\text{O}$ , usually occurring as a secondary uranium mineral deposited or precipitated from meteoric waters.
<i>chert chlorite</i>	Fine grained sedimentary rock composed of cryptocrystalline silica. A green coloured hydrated aluminium-iron-magnesium silicate mineral (mica) common in metamorphic rocks.
<i>clastic clays</i>	Pertaining to a rock made up of fragments or pebbles (clasts). A fine-grained, natural, earthy material composed primarily of hydrous aluminium silicates.
<i>coffinite</i>	A naturally occurring uranium ore mineral, $\text{U}(\text{SiO}_4)_1\text{-x}(\text{OH})_4\text{x}$ , commonly fine-grained and mixed with organic matter and other minerals.
<i>colluvium</i>	A loose, heterogeneous and incoherent mass of soil material deposited by slope processes.



<i>conglomerate</i>	A rock type composed predominantly of rounded pebbles, cobbles or boulders deposited by the action of water.
<i>contact</i>	Surface which marks the change between rocks of different type.
<i>craton</i>	Large, usually ancient, stable mass of the earth's crust.
<i>Cretaceous</i>	The third and final period of the Mesozoic era, between 141 and 65 million years ago.
<i>daughter decay product</i>	A nuclide produced by radioactive decay.
<i>depletion</i>	The lack of a mineral in the near-surface environment due to leaching processes during weathering.
<i>diamond drill hole</i>	Mineral exploration hole completed using a diamond set or diamond impregnated bit for retrieving a cylindrical core of rock.
<i>dip</i>	The angle at which a rock stratum or structure is inclined from the horizontal.
<i>dolomite</i>	A rock or mineral composed of calcium and magnesium carbonate.
<i>electromagnetic survey</i>	A geophysical technique whereby transmitted electromagnetic fields are used to energise and detect conductive material beneath the earth's surface.
<i>erosional</i>	The group of physical and chemical processes by which earth or rock material is loosened or dissolved and removed from any part of the Earth's surface.
<i>euxenite</i>	An ore mineral of uranium, (Y,Ca,Ce,U,La,Th)(Nb,Ta,Ti)2O6, commonly found in pegmatites.
<i>fluvialite</i>	Material transported and deposited in rivers and streams.
<i>geochemical</i>	Pertains to the concentration of an element.
<i>geophysical</i>	Pertains to the physical properties of a rock mass.
<i>granitoid</i>	A general term to describe coarse grained felsic intrusive igneous rocks resembling granite.
<i>gummite</i>	A mixture of yellow or orange secondary uranium oxides formed as a result of the alteration of uraninite (pitchblende).
<i>hematite</i>	Iron oxide mineral, Fe <sub>2</sub> O <sub>3</sub> .
<i>horizon</i>	A time - plane discernable in rocks by some characteristic feature such as lithology.
<i>hydrothermal fluids</i>	Pertaining to hot aqueous solutions, usually of magmatic origin, which may transport metals and minerals in solution.
<i>intra-cratonic</i>	Situated between or within cratons.
<i>Kaolinite</i>	A white clay mineral or hydrous aluminium silicate, usually formed by the weathering of aluminous feldspar.
<i>lacustrine</i>	Lake environment.
<i>laterite</i>	A cemented residuum of weathering, generally leached in silica with a high alumina and/or iron content.
<i>leaching</i>	Removal of elements from soil by their dissolution in water and moving downward in the ground.
<i>limestone</i>	A sedimentary rock containing at least 50% calcium or calcium-magnesium carbonate.
<i>magnetic anomaly</i>	Zone where the magnitude and orientation of the earth's magnetic field differs from adjacent areas.
<i>metasediment</i>	A rock formed by metamorphism of sedimentary rocks.
<i>orogen</i>	A belt of deformed rocks, usually comprising metamorphic and intrusive igneous rocks, mostly occurring along the collision zone between cratons.
<i>outcrops</i>	Surface expression of underlying rocks.
<i>oxidising</i>	Where oxidizing agents (oxidants) e.g. oxygen are present.
<i>oxidizing agents</i>	Species that gain electrons when they oxidize reduced species.



<i>(oxidants)</i>	
<i>palaeochannel</i>	An ancient preserved stream or river.
<i>palaeodrainage</i>	A preserved, inactive river system in-filled with partially consolidated fluvial sediments that may continue to carry water in the subsurface.
<i>pedogenic</i>	A product of soil processes.
<i>pisolitic</i>	Describes the prevalence of rounded manganese, iron or alumina-rich chemical concretions, frequently comprising the upper portions of a laterite profile.
<i>pitchblende</i>	Oxide ore of uranium containing UO <sub>2</sub> and UO <sub>3</sub> , representing a thorium poor variety of uraninite.
<i>playa lake</i>	Broad shallow lakes that quickly fill with water and quickly evaporate, characteristic of deserts.
<i>polymictic</i>	Referring to coarse sedimentary rocks, typically conglomerate, containing clasts of many different rock types.
<i>Quaternary</i>	0 - 2 million years, the latest period of time in the stratigraphic column.
<i>radioactivity</i>	The spontaneous decay or disintegration of an unstable atomic nucleus, accompanied by the emission of radiation.
<i>radiometric</i>	Data relating to the radioactivity emitted by rocks at or near the earth's surface, usually collected by helicopter or aircraft.
<i>radiometric logging</i>	The collection and recording of data relating to the radioactivity emitted by rocks at, near or below the earth's surface.
<i>RC drilling</i>	A drilling method in which the fragmented sample is brought to the surface inside the drill rods, thereby reducing contamination.
<i>reducing</i>	Where reducing agents (reductants) e.g. carbon are present
<i>reducing agents (reductants)</i>	Species that lose electrons when they reduce oxidized species.
<i>regolith</i>	The layer of unconsolidated material which overlies or covers in situ basement rock.
<i>residual</i>	Soil and regolith which has not been transported from its point or origin.
<i>resources</i>	In situ mineral occurrence from which valuable or useful minerals may be recovered.
<i>saline</i>	Salty
<i>sandstone</i>	Sedimentary rock comprising predominantly of sand.
<i>saprock</i>	Zone of weathered rock preserved within the weathered profile.
<i>saprolite</i>	Disintegrated, in-situ rock, partially decomposed by the chemical and physical processes of oxidation and weathering.
<i>satellite imagery</i>	The images produced by photography of the Earth's surface from satellites.
<i>secular equilibrium</i>	A state achieved with time in a closed system where the parent nucleus and daughter decay products all have the same activity.
<i>sedimentary</i>	A term describing a rock formed from sediment.
<i>silcrete</i>	Superficial deposit or precipitate formed by low temperature chemical processes associated with ground waters, and composed of fine grained, hydrated minerals of silica.
<i>Tertiary</i>	This is the time period from the end of the Cretaceous to the present time. 65 million years in duration.
<i>torbernite</i>	A radioactive, green phosphate mineral, found as a secondary mineral in granites and other uranium-bearing deposits.
<i>transition zone</i>	Material or partly oxidised ore intermediate between the oxide zone and the primary zone.
<i>U</i>	Chemical symbol for uranium.



<i>U<sub>3</sub>O<sub>8</sub></i>	Uranium oxide.
<i>unconformably</i>	Having the relation of uniformity to the underlying rocks; not succeeding the underlying strata in immediate order of age or parallel position.
<i>unconformity</i>	A term applied to a contact between stratigraphic units emplaced in an interrupted succession and not in parallel position.
<i>Uraninite</i>	A complex brownish-black mineral, UO <sub>2</sub> , forming the chief ore of uranium and containing variable amounts of radium, lead, thorium, and other elements.
<i>uranium-channel</i>	Radioactive data relating to the radioactivity emitted exclusively by uranium within rocks at or near the earth's surface.

## 5. INVESTIGATING ACCOUNTANT'S REPORT

1 July 2011



The Directors  
Parker Resources NL  
6/34 York Street  
NORTH PERTH WA 6006

Dear Sirs

### Investigating Accountant's Report – Parker Resources NL

#### 1. Introduction

This Investigating Accountant's Report ("Report") has been prepared at the request of the directors of Parker Resources Limited ACN 148 142 634 ("Parker Resources" or "the Company"). The Report has been prepared based on the historical financial information of the Company for inclusion in a Prospectus dated on or around 1 July 2011 inviting participation in the Initial Public Offer ("IPO") by Parker Resources of 15,000,000 ordinary shares at an issue price of 20 cents per share to raise up to \$3,000,000. The minimum subscription has been set at \$2,500,000 (12,500,000 shares). The Company may accept oversubscriptions of \$500,000 (2,500,000 shares).

All amounts are expressed in Australian Dollars unless otherwise stated. Unless otherwise stated, terms have the same meaning as in the Prospectus.

#### 2. Background

The Company was incorporated on 10 January 2011 for the primary purpose of exploring for uranium in various jurisdictions with the aim of discovering commercially significant mineral deposits. Specific information on the Company's activities to date can be found in Section 2 of the Prospectus.

#### 3. Capital Structure

The expected capital structure of the Company following the completion of the IPO (assuming full subscription) is as follows:

	Number of Shares	Number of Options	\$
Issued Capital of 3 Shares at \$1.00	3		3
Issued Capital of 300,000 Shares at \$0.20 (Note 1)	300,000		60,000
Issued Capital of 250,000 Shares at \$0.20 to Vendor (Note 2)	250,000		50,000
Issued Capital of 15,000,000 Shares at \$0.20 to Public	15,000,000		3,000,000
Issue of 8,000,000 Partly Paid Shares at \$0.20 (Note 3)	8,000,000		800
Issue of 1,000,000 Options to Lead Broker (Note 4)		1,000,000	-
Estimated Capital Raising Costs			(319,100)
GST on Capital Raising Costs			(28,200)
Equity on completion of IPO	<u>23,550,003</u>	<u>1,000,000</u>	<u>2,763,503</u>

Pendragon Capital Ltd

Note 1. Shares issued to four charities at a notional issue price of \$0.20.

Note 2. Shares to be allotted to Excelsior Gold Limited pursuant to the Farmin and Joint Venture Agreement dated 1 June 2011. Shares are subject to a restriction agreement restricting their issue for a period of 12 months from the date of allotment.

Note 3. Partly Paid Shares issued at a price of \$0.20 each, of which \$0.0001 is paid on issue and the balance is payable at the election of the holder at any time within 5 years of issue. The shares will not be subject to calls by the company during this period.

Note 4. Options exercisable at \$0.20 each within a period of 5 years from the date of listing.

#### **4. Basis of Preparation**

This Report has been included in this Prospectus to provide investors and their financial advisors with information on the pro forma income statement and balance sheet of Parker Resources as set out in Appendix 1. The pro forma financial information is presented in a summarised form and does not reflect all the disclosure requirements of financial statements prepared using Australian Accounting Standards in accordance with the Corporations Act 2001. This report does not address the rights attaching to the shares to be issued in accordance with the Prospectus, nor the risks associated with the investment. Pendragon Capital Limited ("Pendragon") has not been engaged to report on the prospects of Parker Resources, the pricing of shares or the benefits and risks of becoming a shareholder in the Company. Risk factors are set out in Section 4 of the Prospectus. Pendragon bears no responsibility for those matters or for any matter or omission in the Prospectus, other than responsibility for this report.

#### **5. Scope**

Pendragon has been requested to prepare a report covering the following financial information:

##### *Pro forma Financial Information*

- Pro forma Unaudited Statement of Comprehensive Income as at date of listing.
- Pro forma Unaudited Balance Sheet as at date of listing.
- Pro forma Unaudited Statement of Changes in Equity as at date of listing.
- Pro forma Unaudited Statement of Cash Flows for the period to date of listing.
- Notes to and forming part of the pro forma financial statements.

The pro forma unaudited financial information has been derived from historical financial information after adjusting for the following transactions as if they had occurred at the date of listing:

- The issue of 15,000,000 shares in Parker Resources to raise \$3,000,000 pursuant to the Prospectus.
- Incurring of costs directly attributable to the offer, estimated at \$319,100 (Plus GST), which has been offset against the proceeds of the offer.
- Issue of 250,000 shares in Parker Resources to Excelsior Gold Limited pursuant to the Farmin and Joint Venture Agreement dated 1 June 2011. Shares are subject to a restriction agreement restricting their issue for a period of 12 months from the date of allotment.
- Reimbursement of \$20,328 by Parker Resources to Excelsior Gold Limited for annual rent of the Tenement.
- Repayment of borrowings by the Company, totalling \$130,000, to fund expenses of the offer.
- Donation of 300,000 shares to charities at a nominal issue price of \$0.20 each.

The financial information is set out in Appendix 1 to this report.

#### **6. Review**

Pendragon has conducted an independent review of the financial information listed above and set out in Appendix 1 to this report. The review has been conducted in accordance with auditing and assurance standard ASRE 2405 "Review of historical financial information other than a financial report".

Our review was limited primarily to the following procedures performed as our professional judgement considered reasonable in the circumstances:

- Review of historical financial information;
- Review of assumptions used to compile the financial information;
- Review of any adjustments made to financial information;
- Performance of certain limited verification procedures;
- Comparison of consistency in application of accounting standards and policies adopted by the Company; and
- Enquiry of Company officeholders and other relevant employees or consultants.

These procedures do not provide all the evidence that would be required in an audit, and thus the level of assurance provided is less than that given in an audit. As we have not performed any audit activity, we do not express an audit opinion.

The Directors of Parker Resources are responsible for the preparation and presentation of financial information that has formed the basis of our review.

Pendragon disclaims any responsibility for any reliance on this report or the financial information on which it is based for any purpose other than for which it was prepared.

## **7. Review Statement**

Based on our review, which was not an audit, nothing has come to our attention which causes us to believe that the historical and pro forma financial information set out in Appendix 1 is not presented fairly, in accordance with the measurement and recognition requirements (but not the disclosure requirements) of applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the accounting policies adopted by Parker Resources as disclosed in Note 1 of Appendix 1.

## **8. Subsequent Events**

To the best of our knowledge and belief there have been no other material items, transactions or events outside the Company's ordinary business subsequent to 28 June 2011 that require comment or adjustment to our report or that would cause such information to be misleading or deceptive.

## **9. Declarations and Disclosures**

- i) Pendragon is the holder of an Australian Financial Services Licence (number 237 549).
- ii) Pendragon will be paid a fee estimated to be \$7,500 (plus GST) based upon normal charge out rates for professional time incurred in the preparation and compilation of this report.
- iii) Pendragon has not been involved in any other aspect of the preparation of the Prospectus. Pendragon has issued its consent to include this report in the Prospectus.
- iv) This report has been prepared to provide general advice to investors only and does not take into account the specific financial needs, objectives and situation of individual investors. The giving of consent to include this report in the Prospectus should not be taken as an endorsement by Pendragon of Parker Resources or the offer.
- v) The Financial Services Guide from Pendragon is available to investors upon request.

Yours sincerely



**Rick Hopkins**  
Director

## APPENDIX 1 PARKER RESOURCES NL

	Note	Unaudited 28 June 2011 \$	Unaudited Pro Forma as at date of listing \$
<b>STATEMENT OF COMPREHENSIVE INCOME</b>			
Revenue		-	-
Expenses from ordinary activities		60,000	60,000
<b>Loss from ordinary activities before related income tax</b>		60,000	60,000
Income tax expenses relating to ordinary activities		-	-
<b>Loss after income tax expense</b>		60,000	60,000
Other Comprehensive Income		-	-
<b>Total Comprehensive Income (Loss) for the period</b>		(60,000)	(60,000)
<b>BALANCE SHEET</b>			
<b>Current Assets</b>			
Cash assets	2	130,803	3,000,803
Total Current Assets		130,803	3,000,803
<b>Non-Current Assets</b>			
Investment in mining tenements		20,328	70,328
Total Non-Current Assets		20,328	70,328
<b>Total Assets</b>		151,131	3,071,131
<b>Current Liabilities</b>			
Loans		130,000	-
Creditor – Excelsior Gold Limited		20,328	20,328
Estimated Capital Raising Costs (including GST)		-	347,300
Total Current Liabilities		150,328	367,628
<b>Total Liabilities</b>		150,328	367,628
<b>Net Assets</b>		803	2,703,503
<b>Equity</b>			
Issued Capital (net of issue costs)	3	60,803	2,763,503
Accumulated Profit (Loss)		(60,000)	(60,000)
<b>Total Equity</b>		803	2,703,503

The Balance Sheet is to be read in conjunction with the notes set out in this section.

The unaudited pro forma financial statements have been prepared assuming full subscription but no over subscription.

## APPENDIX 1 PARKER RESOURCES NL

	<b>Unaudited 28 June 2011 \$</b>	<b>Unaudited Pro Forma as at date of listing \$</b>
<b>STATEMENT OF CHANGES IN EQUITY</b>		
<b>Total Equity at the beginning of period</b>	-	-
Share Capital issued for the period (net of issue costs)	60,803	2,713,503
Profit(Loss) for the period	(60,000)	(60,000)
<b>Total Equity at end of the period</b>	<u>803</u>	<u>2,653,503</u>
<b>STATEMENT OF CASH FLOW</b>		
<b>Cash flows from operating activities</b>		
Increase (decrease) in creditors and accruals	-	347,300
Decrease (increase) in debtors	-	-
Expenses incurred in the course of business	-	-
Net cash provided by operating activities	<u>-</u>	<u>347,300</u>
<b>Cash flows from investing activities</b>		
Interest Received	-	-
Interest Paid	-	-
Net cash provided by investing activities	<u>-</u>	<u>-</u>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares (net of issue costs)	803	2,653,503
Proceeds and (Repayment) of Short Term Borrowings	<u>130,000</u>	<u>-</u>
Net cash provided by financing activities	<u>130,803</u>	<u>2,653,503</u>
Net increase / (decrease) in cash held	130,803	3,000,803
Cash at the beginning of the period	-	-
<b>Cash at the end of the period</b>	<u>130,803</u>	<u>3,000,803</u>

The Statement of Cash Flow is to be read in conjunction with the notes set out in this section.

The unaudited pro forma financial statements have been prepared assuming full subscription but no over subscription.

## **APPENDIX 1 PARKER RESOURCES NL NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The significant policies which have been adopted in the preparation of the historical and pro forma historical financial information (collectively referred to as the “financial statements”) are:

#### **a) Basis of preparation**

The financial statements are a special purpose financial report which has been prepared in accordance with the recognition and measurement principles prescribed in Australian Accounting Standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Standards Board and the Corporations Act 2001.

They have been prepared on the basis of historical costs and do not take into account changing money values, or except when stated, current valuations of non-current assets.

The accounting policies have been consistently applied by the Company unless otherwise stated.

#### **b) Revenue recognition**

##### *Interest revenue*

Interest is recognised as it accrues.

#### **c) Income Tax**

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: initial recognition of goodwill, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

#### **d) Exploration evaluation and development expenditure**

Exploration, evaluation and development costs are accumulated in respect of each separate area of interest.

Exploration and evaluation costs are carried forward where right of tenure of the area of interest is current and costs are expected to be recouped through sale or successful development and exploitation of the area of interest, or, where exploration and evaluation activities in the area of interest have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

## **APPENDIX 1 PARKER RESOURCES NL NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)**

### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Development costs relating to an area of interest are carried forward to the extent that they are expected to be recouped either through sale or successful exploitation of the area of interest.

When an area of interest is abandoned or the directors decide that it is not commercial, any accumulated costs in respect of that area are written off in the financial period that the decision is made.

#### **e) Payables**

Trade payables and other accounts payables are recognised when the entity becomes obliged to make future payments resulting from the purchase of goods and services.

#### **f) Receivables**

Receivables are carried at amounts due. The collectability of debts is assessed throughout the year and a specific provision is made for any doubtful accounts.

#### **g) Goods and services tax**

Revenues, expenses and assets are recognised net of the amount of goods and services tax ("GST"), except where the amount of GST incurred is not recoverable from the Australian Tax Office ("ATO"). In these circumstances the GST is recognised as part of a cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities, that are recoverable from, or payable to, the ATO, are classified as operating cash flows.

#### **h) Recoverable amount of non-current assets**

The carrying amounts of all non-current assets other than exploration expenditure are reviewed at least annually to determine whether they are in excess of their recoverable amount. If the carrying amount of a non-current asset exceeds the recoverable amount, the asset is written down to the lower value. In assessing recoverable amounts the relevant cash flows have not been discounted to their present value.

#### **i) Acquisition of assets**

All assets acquired other than goodwill are initially recorded at their costs of acquisition at the date of acquisition, being the fair value of the consideration provided plus the incidental costs directly attributed to the acquisition. When equity instruments comprising share and options are issued as consideration, their market price at the date of acquisition is used to determine a fair value except when the notional price at which they could be placed in the market is a better indication of fair value. Options issued for no consideration are not recognised. Transaction costs arising on the issue of equity instruments are recognised directly in equity subject to the extent of proceeds received unless otherwise expensed.

**APPENDIX 1 PARKER RESOURCES NL  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)**

	<b>Unaudited 28 June 2011 \$</b>	<b>Unaudited Pro Forma as at date of listing \$</b>
<b>NOTE 2 – CASH ASSETS</b>		
Cash at bank and on hand	130,803	3,000,803
Adjustments to the pro forma cash balance are summarised as follows:		
Balance as at 28 June 2011		130,803
Payment of estimated capital raising costs		(319,100)
GST on capital raising costs		(28,200)
Increase in Creditors		347,300
Repayment of Loan		(130,000)
Proceeds from the issue of 15,000,000 shares		3,000,000
Unaudited pro forma cash balance		3,000,803
<b>NOTE 3 - CONTRIBUTED EQUITY</b> (net of issue costs)		
300,003 fully paid ordinary shares and 8,000,000 shares paid to \$0.0001 each (pro forma 23,550,003 fully paid ordinary shares and 8,000,000 shares paid to \$0.0001 each)	60,803	2,763,503
<b>Reconciliation of contributed equity</b>		
<b>Historical financial information:</b>		
Balance at beginning of period	-	-
Issued Capital	60,803	3,110,803
Estimated Capital Raising Costs	-	(319,100)
GST on Capital Raising Costs	-	(28,200)
Balance at end of period	60,803	2,763,503

**APPENDIX 1 PARKER RESOURCES NL  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)**

**NOTE 4 – SUBSEQUENT EVENTS**

Subsequent to 28 June 2011, the Company intends to raise \$3,000,000 through an initial public offer and list on the Australian Stock Exchange. Other than this, there has not arisen any item or transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

**NOTE 5 - RELATED PARTIES**

**Directors**

The directors in the office as at listing are:

Brian Thomas – Non-Executive Chairman  
Paul Davey – Non-Executive Director  
Jay Stephenson – Non-Executive Director & Secretary

**Directors' interests in shares and options**

The aggregate number of shares and options in the Company held by directors and their director related entities as at date of the Prospectus are:

<b>Director</b>	<b>Fully Paid Shares</b>	<b>Partly Paid Shares</b>	<b>Options</b>
Brian Thomas	1	-	-
Paul Davey	1	-	-
Jay Stephenson	1	-	-
Total	<u>3</u>	<u>-</u>	<u>-</u>

## 6. LEGAL REPORT

**STEINPREIS PAGANIN**   
Lawyers & Consultants

Level 4, The Read Buildings  
16 Milligan Street  
Perth WA 6000  
GPO Box 2799  
Perth WA 6001  
Telephone: +61 8 9321 4000  
Facsimile: +61 8 9321 4333  
Web: www.steinpag.com.au

4 July 2011

Parker Resources NL  
Unit 6  
34 York Street  
NORTH PERTH WA 6006

Dear Sirs

### **SOLICITOR'S REPORT ON TENEMENTS**

This Report is prepared for inclusion in a prospectus for the offer of 15,000,000 fully paid ordinary shares (**Shares**) in the capital of Parker Resources NL (**Company**) at an offer price of \$0.20 cents per share, to raise up to \$3,000,000 (**Prospectus**).

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#### **1. SCOPE**

We have been requested to report on mining tenement EL25347 which the Company has an interest (**Tenement**).

The Tenement is located in the Northern Territory. Details of the Tenement are set out in Part I of the attached Schedule, which forms part of this Report.

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#### **2. SEARCHES**

For the purposes of this Report, we have conducted searches and made enquiries in respect of the Tenement as follows:

- (a) we have obtained searches of the Tenement from the registers maintained by the Northern Territory Department of Resources (**NT Department**). These searches were conducted on 22 June 2011. Key details on the status of the Northern Territory Tenement are set out in Part I of the Schedule;
- (b) we have obtained extracts of registered native title claims and native title determinations that apply to the Tenement, as determined by the National Native Title Tribunal (**NNTT**). This material was obtained on 22 June 2011. Details of native title claims and determinations are set out in Section 7 of this Report and Part II of the Schedule; and

- (c) we have reviewed the material agreement relating to the Tenement provided to us by the Company and have summarised the material terms (details of which are set out in Part III following this Report (**Farm-in Agreement**)).

On the basis of the searches conducted and our review of the Agreement, subject to the enforceability of such Agreement, we consider that this report (and the Schedules) provides an accurate statement as to the status of the Tenement as at the date the relevant searches were obtained.

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### 3. OPINION

As a result of our searches and enquiries, but subject to the assumptions and qualifications set out in this Report, we are of the view that, as at the date of the relevant searches:

- (a) **(Company's Interest)**: this Report provides an accurate statement as to the Company's interest in the Tenement;
- (b) **(Good Standing)**: this Report provides an accurate statement as to the validity and good standing of the Tenement; and
- (c) **(Third party interests)**: this Report provides an accurate statement as to third party interests, including encumbrances, in relation to the Tenement.

---

### 4. EXECUTIVE SUMMARY

Subject to the qualifications and assumptions in this Report, we consider the following to be material issues in relation to the Tenement:

- (a) **(Company's Interest)**: The Company does not have a registered interest in the Tenement. It only has an equitable interest pursuant to the Farm-in Agreement (as summarised in Part III of this Report) to earn up to a 70% interest in the Tenement. The Company is therefore reliant on the registered holder of the Tenement to comply with its contractual obligations under the Farm-in Agreement with respect to maintaining the Tenement in full force and effect, free from any liability to forfeiture or non-renewal.
- (b) **(Applicants and holders of the Tenement)**: Excelsior Gold Limited (**Excelsior**) is the registered holder of the Tenement.
- (c) **(Rent/Expenditure)**: There are currently no material issues with regards to rent or expenditure requirements affecting the Tenement.
- (d) **(Applications for Forfeiture)**: There are currently no applications for forfeiture affecting the Tenement.
- (e) **(Third Party Interests)**: There are currently no third party interests affecting the Tenement.
- (f) **(Bonds)**: There are currently no bonds affecting the Tenement.
- (g) **(Caveats)**: There are currently no caveats lodged against the Tenement.
- (h) **(Native Title)**: There is currently 1 (one) registered Indigenous Land Use Agreement (**ILUA**). The Tenement is overlapped by ILUA DI2007/007 between the Central Petroleum and others and Central Land Council.

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## 5. TENEMENTS

### 5.1 Northern Territory Tenement

The Tenement is an exploration licence application applied for under the *Mining Act 1980 (NT)* (**NT Mining Act**).

If granted, the holder of an exploration licence is authorised to conduct exploration activity on the Tenement with any equipment as may be necessary for the purpose of exploring for minerals.

An exploration licence may be granted for a term not exceeding 6 years and may be renewed for 2 further periods of 2 years at the Minister's discretion.

The area of land in respect of which an exploration licence may be granted must be contained in a single licence area and must not exceed 500 blocks. Under the *NT Mining Act*, the area of an exploration licence must be reduced by 50% after two years from the date of the grant of the exploration licence, and for each year after that, a further 50% of the remaining area must be relinquished, subject to the discretion of the Minister.

An exploration licence is granted subject to certain standard conditions under the *NT Mining Act* and includes obligations relating to rehabilitation, payment of rent, minimum expenditure and reporting requirements.

Under the *Mining Management Act 2001 (NT)*, any activity on tenure (other than for exploration that does not involve substantial disturbance) requires the Minister to grant ministerial authorisation before that activity can commence. Any such activity would need to be undertaken in accordance with a mining management plan, which is integral with the Ministerial authorisation and must deal with safety, health and environmental issues.

The *Mineral Royalty Act 1982 (NT)* levies a royalty at a rate of 18 per cent of the net value of mineral commodities sold or removed from a mine, regardless of the type of mineral commodity or whether the mine is situated on Crown, freehold, leasehold or Aboriginal land.

Outlined below is a summary of the key provisions of the *NT Mining Act* that relate to exploration licences within the Northern Territory:

- (a) **Rights:** The holder of an exploration licence is authorised to conduct exploration activity on the tenement with any equipment as may be necessary for the purpose of exploring for minerals.
- (b) **Term:** An exploration licence may be granted for a term not exceeding six years and may be renewed for two further periods of two years at the Minister's discretion.
- (c) **Area:** The area of land in respect of which an exploration licence may be granted must be contained in a single licence area and must not exceed 500 blocks. Under the *NT Mining Act*, the area of an exploration licence must be reduced by 50% after two years from the date of the grant of the exploration licence, and for each year after that, a further 50% of the remaining area must be relinquished, subject to the discretion of the Minister.
- (d) **General Conditions:** An exploration licence is granted subject to certain standard conditions under the *NT Mining Act* and includes obligations

relating to rehabilitation, payment of rent, minimum expenditure and reporting requirements.

- (e) **Rent:** The prescribed rent for an exploration licence in the Northern Territory, for the purposes of the *NT Mining Act*, are set out in Section 7 of the *Mining Regulations (NT)* (**NT Regulations**). Section 7 states that rent, after the date of grant of the exploration licence, shall be:
- (i) \$10 for each block in the first year and second year;
  - (ii) \$20 for each block in the third year;
  - (iii) \$40 for each block in the fourth year;
  - (iv) \$80 for each block in the fifth year;
  - (v) \$160 for each block in the sixth year; and
  - (vi) \$320 for each block per year in the period of renewal.

Pursuant to Section 171 of the *NT Mining Act*, the Minister may cancel an exploration licence where the holder of the licence fails to comply with a provision of rent required by the *NT Regulations*.

- (f) **Expenditure:** In accordance with Section 24 of the *NT Mining Act*, every exploration licence shall, unless expressly waived, varied or suspended in writing by the Minister, be granted subject to the conditions imposed by or under Section 166 of the *NT Mining Act* and to the condition that the licensee will expend not less than the minimum amount of expenditure specified in the licence in carrying out exploration activities on the licence area.

The holder of an exploration licence may apply in writing to the Minister for a waiver, variation or suspension of, or exemption from the need to comply with, a condition of his exploration licence.

Pursuant to Section 171 of the *NT Mining Act*, the Minister may cancel an exploration licence where the holder of the licence fails to comply with a provision of rent required by the *NT Regulations*.

- (g) **Ministerial Consent:** Under the *Mining Management Act 2009* (NT), any activity on tenure (other than for exploration that does not involve substantial disturbance) requires the Minister to grant ministerial authorisation before that activity can commence. Any such activity would need to be undertaken in accordance with a mining management plan and risk management plan under the *Workplace Health and Safety Act 2007* (NT), which is integral with the Ministerial Authorisation and must deal with safety, health and environmental issues.
- (h) **Transfer:** Section 173 of the *NT Mining Act* precludes the registration of an interest in respect of an application for a tenement until the relevant tenement is granted. Accordingly, an application for a tenement is not capable of being transferred until the relevant tenement is granted.

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## 6. URANIUM MINING – AUSTRALIAN GOVERNMENT REGULATION AND POLICY

The Company's Northern Territory Projects involve exploration for uranium.

Uranium mining is subject to extensive regulation by State and Federal governments in relation to exploration, development, production, exports, taxes and royalties, labour standards, occupational health, waste disposal, protection and rehabilitation of the environment, mine reclamation, mine safety, toxic and radioactive substances, native title and other matters. Compliance with such laws and regulations will increase the time to obtain necessary regulatory approvals and increase costs of exploring, drilling, developing, constructing, operating and closing mines and other production facilities.

Pursuant to the *Atomic Energy Act 1953* (Cth) and the *Northern Territory Self-Government) Regulations 1978* (Cth) the Commonwealth has reserved its powers on uranium mining in the Northern Territory. The NT Mining Act requires that the Northern Territory Minister for Mines must consult with the Commonwealth Minister for Industry, Tourism and Resources before granting a mining title that relates to uranium, and must act in accordance with any advice that the Commonwealth Minister provides.

The Federal Government currently permits the mining and export of uranium under strict international agreements designed to prevent nuclear proliferation. The export of uranium is tightly controlled by the Federal Government through its licensing process and Australian uranium can only be exported to those countries which undertake to use it for peaceful purposes. The Federal Government cannot override State Government policy on this issue.

We do not express any opinion on the current or future policy of either the state or federal governments having jurisdiction over the Tenements.

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## 7. ABORIGINAL HERITAGE

We have undertaken searches with the NT Department. Those searches indicate that there are a number of previously recorded prescribed Aboriginal archaeological sites located within or just on the boundary of the Tenement. Details of the Aboriginal archaeological sites are contained within Part I of the Schedule below.

The Company must ensure that it does not breach the Commonwealth and applicable State legislation relating to Aboriginal heritage as set out below. To ensure that it does not contravene such legislation, it would be prudent for the Company (and it would accord with industry practice and Aboriginal expectations) to conduct heritage surveys to determine if any Aboriginal sites or objects exist within the area of the Tenements. Any interference with these sites or objects must be in strict conformity with the provisions of the relevant legislation. It may also be necessary for the Company to enter into separate arrangements with the traditional owners of the sites.

### 7.1 Commonwealth Legislation

The *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (Cth) (**Commonwealth Heritage Act**) is aimed at the preservation and protection of any Aboriginal areas and objects that may be located on the Tenements.

Under the Commonwealth Heritage Act, the Minister for Aboriginal Affairs may make interim or permanent declarations of preservation in relation to significant Aboriginal areas or objects, which have the potential to halt exploration activities. Compensation is payable by the Minister for Aboriginal Affairs to a

person who is, or is likely to be, affected by a permanent declaration of preservation.

It is an offence to contravene a declaration made under the Commonwealth Heritage Act.

## 7.2 NT Legislation

It is an offence under Sections 33, 34 and 39 of the *Heritage Conservation Act 1991* (NT) (**NT Heritage Act**) to carry out work on or damage a heritage place or heritage object, or place or object subject to an interim conservation order including archaeological places and objects (collectively refer to as "archaeological sites"), without consent.

"Heritage places" and "heritage objects" are places and objects that have been declared to be such pursuant to Section 26 of the NT Heritage Act. Broadly, an "archaeological place" includes a place pertaining to the past occupation by Aboriginal or Macassan people that has been modified by the activity of such people and in or on which the evidence of such activity exists (Section 4 NT Heritage Act). An "archaeological object" generally includes a relic pertaining to the past occupation by Aboriginal or Macassan people of any part of Australia which is now in the Northern Territory (Section 4, NT Heritage Act).

The *Northern Territory Aboriginal Sacred Sites Act (NT)* (**NT Sacred Sites Act**) also applies to the Tenement. It is an offence under Part IV of the NT Sacred Sites Act to enter onto, work on or desecrate a sacred site other than in accordance with the NT Sacred Sites Act.

The Company should conduct searches of the Register maintained by the Northern Territory Heritage Advisory Council and the Register of Sacred Sites maintained by the Aboriginal Areas Protection Authority prior to commencement of exploration operations to ensure that no breaches of the *NT Heritage Act* or the *NT Sacred Sites Act* occur.

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## 8. NATIVE TITLE

### 8.1 Introduction

This section of the Report examines the effect of native title on the Tenements.

The existence of native title rights held by indigenous Australians was first recognised in Australia in 1992 by the High Court in the case *Mabo v. Queensland (no.2)* (1992) 175 CLR 1 (**Mabo no.2**).

*Mabo no. 2* held that certain land tenure existing as at the date of that case, including mining tenements, where granted or renewed without due regard to native title rights, were invalid.

As a result of *Mabo no. 2*, the *Native Title Act 1993* (Cth) (**NTA**) was passed to:

- (a) provide a process for indigenous people to lodge claims for native title rights over land, for those claims to be registered by the National Native Title Tribunal (**NNTT**) and for the Courts to assess native title claims and determine if native title rights exist. Where a Court completes the assessment of a native title claim, it will issue a native title determination that specifies whether or not native title rights exist;

- (b) provide (together with associated State legislation) that any land tenures granted or renewed before 1 January 1994 were valid despite Mabo no. 2. This retrospective validation of land tenure was subsequently extended by the NTA to include freehold and certain leasehold (including pastoral leases) granted or renewed before 23 December 1996;
- (c) provide that an act that may affect native title rights (such as the grant or renewal of a mining tenement) carried out after 23 December 1996 (a **Future Act**) must comply with certain requirements for the Future Act to be valid under the NTA; and
- (d) provide a mechanism for negotiation (**Right to Negotiate**) between government, native title and non-native title parties in relation to Future Acts, and provide for native title parties to claim compensation for Future Acts extinguishing or impairing native title rights.

In the Northern Territory, the grant of a tenement under the NT Mining Act, is a future act that invokes the Right to Negotiate procedures of the NTA, unless the expedited procedures in section 237 of the NTA are engaged.

The requirements under the NTA which relate to Future Acts are called the **Future Act Provisions**.

The Future Act Provisions are summarised in Section 8.2 below, following which the Report identifies:

- (a) Native title claims and determinations that are registered against the Tenement (see Section 8.3);
- (b) Any ILUA registered over the Tenement (see Section 8.4);
- (c) Tenements which have been granted after 23 December 1996 and as such will need to have been granted following compliance with the Future Act Provisions to be valid under the NTA. This Report assumes that the Future Act Provisions have been complied with in relation to these Tenements (see Section 8.5); and
- (d) Tenements which are yet to be granted and which may need to comply with the Future Act Provisions in order to be valid under the NTA (see Section 8.5).

Note that the grant of a Tenement does not need to comply with the Future Act Provisions if in fact native title has never existed over the land covered by the Tenement, or has been validly extinguished prior to the grant of the Tenement. We have not undertaken the extensive research needed to determine if in fact native title does not exist, or has been validly extinguished in relation to the Tenements.

Unless it is clear that native title does not exist (eg in relation to freehold land), the usual practice of the State is to comply with the Future Act Provisions when granting a Tenement. This ensures the grant will be valid in the event a court determines that native title rights do exist over the land subject to the Tenement and as such, the Future Act Provisions apply.

Where a Tenement has been retrospectively validated or validly granted under the NTA, the rights under the Tenement prevail over any inconsistent native title rights.

## 8.2 Future Act Provisions

The Future Act Provisions vary depending on the Future Act to be carried out. In the case of the grant of a mining tenement, typically there are three alternatives: the Right to Negotiate, an Indigenous Land Use Agreement (**ILUA**) and the Expedited Procedure. These are summarised below.

### Right to Negotiate

The Right to Negotiate involves a formal negotiation between the State, the applicant for the Tenement and any registered native title claimants and holders of native title rights. The aim is to agree the terms on which the Tenement can be granted. The applicant for the Tenement is usually liable for any compensation that the parties agree to pay to the registered native title claimants and holders of native title. The parties may also agree on conditions that will apply to activities carried out on the Tenement (eg in relation to heritage surveys).

If agreement is not reached to enable the Tenement to be granted, the matter may be referred to arbitration before the NNTT, which has six (6) months to decide whether the Tenement can be granted and if so, on what conditions. The NNTT usually requires the parties to have had at least 6 months of negotiations before it will accept a referral for arbitration.

### ILUA

An ILUA is a contractual arrangement that must be negotiated with all registered native title claimants for a relevant area. The State and the applicant for the Tenement are usually the other parties to the ILUA.

An ILUA must set out the terms on which a tenement can be granted. An ILUA will also specify conditions on which activities may be carried out within the tenement. The applicant for a tenement is usually liable for any compensation that the parties agree to pay to the registered native title claimants and holders of native title in return for the grant of the tenement being approved. These obligations pass to a transferee of the tenement.

Once an ILUA is agreed and registered, it binds the whole native title claimant group and all holders of native title in the area (including future claimants), even though they may not be parties to it.

### Expedited Procedure

The NTA establishes a simplified process for the carrying out of a Future Act that is unlikely to adversely affect native title rights (**Expedited Procedure**). The grant of a tenement can occur under the Expedited Procedure if:

- (a) the grant will not interfere directly with the carrying on of the community or social activities of the persons who are the holders of native title in relation to the land;
- (b) the grant is not likely to interfere with areas or sites of particular significance, in accordance with their traditions, to the persons who are holders of native title in relation to the land; and
- (c) the grant is not likely to involve major disturbance to any land or waters concerned or create rights whose exercise is likely to involve major disturbance to any land.

If the above criteria are satisfied, the Expedited Procedure can be commenced in accordance with the NTA. Persons have a period of objection after notification to take steps to become a registered native title claimant or native title holder in relation to the land to be subject to the Tenement.

If there is no objection lodged by a registered native title claimant or a native title holder, the State may grant the Tenement.

If one or more registered native title claimants or native title holders object within the notice period, the NNTT must determine whether the grant is an act attracting the Expedited Procedure. If the NNTT determines that the Expedited Procedure applies, the State may grant the Tenement. Otherwise, the Future Act Provisions (eg Right to Negotiate or ILUA) must be followed before the Tenement can be granted.

### **8.3 Registered Native Title Claims and Determinations**

Our searches indicate that there are no registered native title claims or determination over the Tenements. ILUA

### **8.4 ILUA**

Our searches indicate that one ILUA is registered over the Tenement.

The Details of this ILUA is summarised in Part II of the Schedule.

### **8.5 Validity of Tenements in relation to the Future Act Provisions**

The sections below examine the validity of the Tenements in relation to the Future Act Provisions.

#### **Tenements granted after 23 December 1996**

Our searches indicate that the following Tenement was granted after 23 December 1996.

<b>Tenement</b>	<b>Date of Grant</b>
EL25347	12/03/2007

We have assumed that this Tenement was granted in accordance with Part IV of the NT Mining Act.

#### **Tenements renewed after 23 December 1996**

Our searches indicate that the Tenement is due to expire on 11 March 2013. Given that the Tenement was lodged after 23 December 1996, the next application for renewal can be made 3 months before the expiry date, being 11 January 2013. Such an application may need to comply with the Future Act Provisions. We have assumed that the Future Act Provisions will be complied with to the extent necessary.

#### **Valid grant of Applications for Tenements**

The Future Act Provisions or the alternative procedure found in Part XIII of the NT Mining Act must be complied with when granting any Tenement application.

This will ensure that the newly granted Tenements are valid under the NT Mining Act.

Note that the grant of any tenements in the future in relation to the Tenements (eg the grant of a mining lease from an exploration licence) will also need to comply with the Future Act Provisions.

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## 9. QUALIFICATIONS AND ASSUMPTIONS

This Report is subject to the following qualifications and assumptions:

- (a) we have assumed the accuracy and completeness of all Tenement searches, register extracts and other information or responses which were obtained from the relevant department or authority including the NNTT;
- (b) we assume that the registered holder of a Tenement has valid legal title to the Tenement;
- (c) this Report does not cover any third party interests, including encumbrances, in relation to the Tenements that are not apparent from our searches and the information provided to us;
- (d) we have assumed that any agreements provided to us in relation to the Tenements are authentic, were within the powers and capacity of those who executed them, were duly authorised, executed and delivered and are binding on the parties to them;
- (e) with respect to the granting of the Tenements, we have assumed that the State and the applicant for the Tenements complied with the applicable Future Act Provisions;
- (f) we have assumed the accuracy and completeness of any instructions or information which we have received from the Company or any of its officers, agents and representatives;
- (g) unless apparent from our searches or the information provided to us, we have assumed compliance with the requirements necessary to maintain a Tenement in good standing;
- (h) with respect to the application for the grant of a Tenement, we express no opinion as to whether such application will ultimately be granted and that reasonable conditions will be imposed upon grant, although we have no reason to believe that any application will be refused or that unreasonable conditions will be imposed;
- (i) references in the Schedule to any area of land are taken from details shown on searches obtained from the relevant department. It is not possible to verify the accuracy of those areas without conducting a survey; and
- (j) the information in the Schedule is accurate as at the date the relevant searches were obtained. We cannot comment on whether any changes have occurred in respect of the Tenements between the date of the searches and the date of the Prospectus.

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**10. CONSENT**

This report is given solely for the benefit of the Company and the directors of the Company in connection with the issue of the Prospectus and is not to be relied on or disclosed to any other person or used for any other purpose or quoted or referred to in any public document or filed with any government body or other person without our prior consent.

Yours faithfully



**STEINEPREIS PAGANIN**

**PART I**

**TENEMENT SCHEDULE**

**Northern Territory Tenement**

TENEMENT	REGISTERED HOLDER / APPLICANT	SHARES HELD	APPLICATION DATE	GRANT DATE	CURRENT AREA SIZE (Blocks)	ANNUAL RENT (NEXT RENTAL YEAR)	ENCUMBRANCES / DEALINGS	BONDS	ABORIGINAL ARCHAEOLOGICAL SITES	NATIVE TITLE CLAIMS / DETERMINATIONS / ILUAS	NOTES
EL25347	Excelsior Gold Limited	100	08/05/2006	12/03/2007	231 sub-blocks	\$9,240 (4 <sup>th</sup> year) \$18,480 (5 <sup>th</sup> year)	None current	None	Deep Well Gulch: Stone artefact, scatter, grindstone portable Bulls Head Gate: Stone artefact scatter Ikpa Cave: Unknown Ikpa Occupation: Stone artefact scatter, grindstone portable. Ikpa Occupation: Rock art, grinding place non-portable Ikpa Occupation: Rock art, grindstone portable, grinding place on-portable Ikpa Occupation: Rock art, Kweripe: Stone artefact scatter, rock art, grindstone portable, grinding place non-portable Bokhara Cave: Stone artefact scatter, grindstone portable	D12007/007 Central Petroleum and others and Central Land Council ILUA (re Exploration Permits 82, 112, 118 and 125)	(a) to (g) below

NT Mining Act outlines the conditions pursuant to which the grant of an exploration licence is made. Those conditions include: Every exploration licence shall, unless expressly waived, varied or suspended in writing by the Minister, be granted subject to the conditions imposed by or under the NT Mining Act and to the condition that the licensee will:

- (a) for the purposes of exploring for minerals, carry out geological, geochemical or geophysical surveys or any combination of those surveys, on the licence area;
- (b) not extract or remove from the licence area any amount of ore, material or other substance other than amounts for sampling purposes authorized by or under section 23(c);
- (c) expend not less than the minimum amount of expenditure specified in the licence in carrying out exploration activities on the licence area;
- (d) within 28 days after confirmation of their discovery, report in writing to the Secretary all minerals of possible economic or scientific interest discovered on the licence area;
- (e) obtain and send to the Secretary such water samples and data on underground water encountered during exploratory drilling as the Secretary, in writing, directs;
- (f) conduct exploration programmes and other activities in such a way as not to interfere with existing roads, railways, telephone or telegraph lines, power lines and cables, water pipelines or dams or reservoirs or gas, oil, slurry or tailings pipelines or storage containers, situated on the licence area, or the lawful activities or rights of any person on or in relation to land adjacent to the licence area; and
- (g) not interfere with any historical site or object, or any Aboriginal sacred site or object, declared as such under a law in force in the Territory, otherwise than in accordance with that law.

In addition to the conditions imposed by or under the NT Mining Act, an exploration licence is subject to the conditions that the Minister determines (whether in accordance with a recommendation of the Tribunal or otherwise) and endorses on the licence. Conditions may include a condition about ways of minimising the impact of the grant of the exploration licence on registered native title rights and interests in relation to the land concerned, including about any access to the land or the way in which anything authorised by the grant might be done.

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## PART II

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### STATUS OF NATIVE TITLE CLAIMS

None

### ILUAs

TRIBUNAL NUMBER	NAME	Registration date
DI2007/007	Central Petroleum and others and Central Land Council ILUA (re Exploration Permits 82, 112, 118 and 125)	13/06/2008

### NOTES ON ILUA

The term of the ILUA shall end on the date upon which the last of the Permits (as defined below) or any Retention Licence granted in respect of the Permits expires (whether by effluxion of time, surrender, revocation or cancellation).

Should the Company apply for and be granted a Production Licence over any portion of the original Permit Area then the ILUA will continue for the term of the Production Licence unless an applicable Production Agreement is entered into.

The ILUA provides as follows:

**Article 3.1:** To the extent that an Authorised Act (as defined below) is a future act as defined by the Native Title Act 1993, the Land Council consents to it subject to the terms and conditions set out in the ILUA.

**Article 3.8:** The Parties acknowledge and agree that Subdivision P of Division 3 of Part 2 of the Native Title Act 1993 [which relates to the Right to Negotiate] does not and is not intended to apply to an Authorised Act under the ILUA.

**Article 3.9:** The ILUA covers all matters relating to the grant and use of the Permits and the terms and conditions applicable for any future Production Agreements on the Permit Area. Without limiting the generality of the foregoing, this includes:

1. The validity of the grant of the Permits and all lawful exploration activities undertaken thereon in accordance with the provision of the Petroleum Act;
2. The grant of a retention licence over any part of the Area in the event that such grant is a future act to which Subdivision P of Division 3 of Part 2 of the Act applies.

#### Definitions:

**"Authorised Act"** means the grant of the Permits or any other thing authorised or required by the ILUA, but does not include the grant of a Production Licence in respect of the Original Permit Area.

**"Permit"** means exploration permits numbered 82,112,118 and 125 granted by the Northern Territory Mining Minister.

**"Permit Area"** means the whole area of land the subject of the Permits from time to time.

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## PART III

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### FARMIN AND JOINT VENTURE AGREEMENT SUMMARY

On 1 June 2011, the Company entered into a farm-in and joint venture agreement with Excelsior Gold Limited (ACN 123 629 863) (the **Vendor**) pursuant to which the Company has been granted by the Vendor the right to acquire up to a 70% interest in NT Tenement EL25347 (**Tenement**) (**Farm-in Agreement**).

**(Consideration):** Under the Farm-in Agreement, the Company has agreed to issue to reimburse the Vendor the amount of \$20,328 (being that amount previously paid by the Vendor in relation to the Tenement) and issue to the Vendor 250,000 fully paid ordinary shares (**Parker Shares**).

The Farm-in Agreement is conditional on:

- (a) the Company receiving conditional approval to be admitted to the official list of the ASX; and
- (b) the Vendor entering into a restriction agreement relating to the Parker Shares for a period of 12 months or for any other period required by ASX,

by 30 November 2011 (**Conditions**).

**(Joint Venture):** The Vendor and the Company will form an unincorporated joint venture for the purpose of exploring, developing, and if thought fit, mining the area the subject of the Tenement (**Joint Venture**).

The Company's initial interest in the Joint Venture will be 0%. The Company may sole fund \$250,000 of Joint Venture expenditure prior to that date which is two (2) years from the commencement of the Farm-In Agreement (being when the Company meets the last of the Conditions) in order to earn a 51% Joint Venture Interest (**Initial Farm-in**).

Following the Initial Farm-In the Company may elect to either:

- (a) sole fund a further \$150,000 of Joint Venture expenditure, within 1 year of the Initial Farm-in, to earn an additional 19% Joint Venture interest (being a total Joint Venture interest of 70%) (**Second Farm-in**); or
- (b) not continue to sole fund Joint Venture Expenditure, in which case the parties will contribute to Joint Venture expenditure in proportion to their respective Joint Venture interests.

The Joint Venture interest of the Vendor will be free carried (**Sole Funding Period**) until such time when the Company:

- (a) elects to proceed on the basis of holding a 51% Joint Venture interest;
- (b) elects and completes the Second Farm-in; or
- (c) fails to complete the Second Farm-in.

On completion of the Second Farm-in the Joint Venture interests of the Vendor and the Company will be at 30% and 70% respectively.

If the Company does not complete the Second Farm-in, or elects not to proceed with the Second Farm-in, the Joint Venture interests of the Vendor and the Company will stay at 49% and 51% respectively.

On and from the end of the Sole Funding Period the parties' will be required to contribute to expenditure in accordance with their Joint Venture interests, and if either party fails to make the required payments, their Joint Venture interest will be diluted.

The parties also agree that any tenements in a defined extended area surrounding the Tenement that may be acquired by the parties will be transferred to the Joint Venture.

**(Termination):** If the Company does not receive conditional approval for admission to the Official List of the ASX by 30 November 2011, the Vendor has the right to terminate the Farm-in Agreement by notice in writing to the Company. Any payments made by the Company on the date of termination will not be refundable.

The Company is entitled to withdraw from the Farm-in Agreement at any time. However, if the Company wishes to withdraw before completion of the Initial Farm-in Period, the Company must contribute at least the minimum annual expenditure in relation to the Tenement for that period expiring 2 years from the commencement date of the Farm-in Agreement.

## 7. MATERIAL CONTRACTS

Set out below are summaries of the more important provisions of contracts to which the Company is a party and which are or may be material in terms of the Offer or the operations of the Company or otherwise are or may be relevant to an investor who is contemplating the Offer.

To fully understand all rights and obligations in the material contracts it is necessary to read them in full. A copy of each of these contracts may be inspected during normal business hours at the registered office of the Company.

### 7.1 Agreements affecting the Tenements

A summary of the agreement affecting the Tenement, being the agreement the Company has entered into to acquire the Tenement described in this Prospectus are summarised in Part II of the Legal Report in Section 6 of this Prospectus.

### 7.2 Agreements with related parties

A summary of each of the agreements with related parties of the Company is set out on pages 13 to 14 of this Prospectus in the "Investment Overview" Section.

### 7.3 Other Material Contracts

#### Lead Manager Agreement

By letter agreement dated 20 June 2011 from Patersons Securities Limited has agreed to act as Lead Manager to the Offer and to use its reasonable endeavours to place shares under this Prospectus.

Patersons will be paid the following fees:

- a) a management fee of 1% of the gross amount raised pursuant to the Offer on completion of the Offer; and
- b) a selling fee of 5% of the gross amount raised under the Offer, being (excluding GST).

Patersons is also entitled to out of pocket expenses related to services rendered under the agreement, including legal expenses, marketing and promotional expenses and travel and accommodation costs. Such costs and expenses (excluding legal costs) are not to exceed \$2,000 without the prior approval of the Company.

Patersons (or their nominee) will also receive 1 million unlisted options, exercisable at 20 cents each and expiring 5 years from the date of the listing.

The Company may terminate the agreement by giving 10 days' written notice to Patersons, however it must pay the outstanding Fee and expenses leading up to the date of termination and those payable in the future (as if termination had not occurred).

Where the amount raised falls between the amounts raised for the Company the total number of options issued will be calculated pro rata.

#### Loan Deeds

On 16 June and 23 June 2011 the Company entered into Loan Deeds with entities associated with Adam Davey and Keith Coughlan whereby the Company agreed to borrow \$65,000 from each for working capital until the Company raised sufficient funds pursuant to the Company's proposed initial public offer (Loans). The Loans are interest free and repayable upon the Company being admitted to the Official List.

The Loan Deeds contain standard terms and conditions expected to be included in an agreement of this nature.

The Directors consider the Loan Deeds to be on arm's length terms.

## 8. ADDITIONAL INFORMATION

### 8.1 Tax Status and Financial Year

The Company is taxed in Australia as a public company. The financial year of the Company ends on 30 June annually.

### 8.2 Corporate Governance

The Board of Directors of the Company will be responsible for the corporate governance of the Company including its strategic development. The format of this Section is guided by the ASX Corporate Governance Council's best practice recommendations. The Company's corporate governance principles and policies are therefore structured as follows:

*Principle 1 Lay solid foundations for management and oversight*

*Principle 2 Structure the Board to add value*

*Principle 3 Promote ethical and responsible decision making*

*Principle 4 Safeguard integrity in financial reporting*

*Principle 5 Make timely and balanced disclosure*

*Principle 6 Respect the rights of Shareholders*

*Principle 7 Recognise and manage risk*

*Principle 8 Remunerate fairly and responsibly*

#### 8.2 (a) Board Responsibilities

The Board will be accountable to the Shareholders for the performance of the Company and will have overall responsibility for its operations. Day to day management of the Company's affairs, and the implementation of the corporate strategy and policy initiatives, will be formally managed by the Directors of the Company.

The key responsibilities of the Board will include:

- approving the strategic direction and related objectives of the Company and monitoring management performance in the achievement of these objectives;
- adopting budgets and monitoring the financial performance of the Company;
- overseeing the establishment and maintenance of adequate internal controls and effective monitoring systems;
- overseeing the implementation and management of effective safety and environmental performance systems;
- ensuring all major business risks are identified and effectively managed; and
- ensuring that the Company meets its legal and statutory obligations.

For the purposes of the proper performance of their duties, the Directors are entitled to seek independent professional advice at the Company's expense, unless the Board determines otherwise. The Board schedules meetings on a regular basis and other meetings as and when required.

#### 8.2(b) Size and Composition of the Board

The Directors consider the size and composition of the Board is appropriate given the size and status of the Company. However, the composition of the Board will be subject to review in a number of ways.

- The Constitution provides that at every annual general meeting, one third of the Directors shall retire from office but may stand for re-election.
- Board composition will be also reviewed periodically either when a vacancy arises or if it is considered the Board would benefit from the services of a new director, given the existing mix of skills and experience of the Board, which should match the strategic demands of the Company. Once it has been agreed that a new director is to be appointed, a search will be undertaken, sometimes using the services of external consultants. Nominations would then be received and reviewed by the Board.

#### 8.2(c) Ethics and Independence

The Board recognises the need for Directors and employees to observe the highest standards of behaviour and business ethics when engaging in corporate activity. The Company intends to maintain a reputation for integrity. The Company's officers and employees are required to act in accordance with the law and with the highest ethical standards.

The Board is conscious of the need for independence and ensures that where a conflict of interest may arise, the relevant Director(s) leave the meeting to ensure a full and frank discussion of the matter(s) under consideration by the rest of the Board. Those Directors who have interests in specific transactions or potential transactions do not receive Board papers related to those transactions or potential transactions, do not participate in any part of a Directors' meeting which considers those transactions or potential transactions, are not involved in the decision making process in respect of those transactions or potential transactions, and are asked not to discuss those transactions or potential transactions with other Directors.

Corporate Governance Council Recommendation 2.1 requires a majority of the Board to be independent directors. In addition, Recommendation 2.2 requires the chairperson of the Company to be independent. The Corporate Governance Council defines independence as being free from any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of unfettered and independent judgement. In accordance with this definition, all Directors are considered to be independent.

The Company considers industry experience and specific expertise to be important attributes of its Board members and therefore believes that the composition of the Board is appropriate given the size and development of the Company at the present time.

#### **8.2(d) Board Committees**

It is the role of the Board to oversee the management of the Company and it may establish appropriate committees to assist in this role. The composition of the committees shall be as follows:

- the committees will consist of all members of the Board so long as there are three Directors;
- each committee will have a charter approved by the Board; and
- each committee will maintain minutes of each meeting of the committee, which will be circulated to all Directors.

The Board will initially establish an audit, risk and compliance committee. At the present time no other committees will be established because of the size of the Company and the involvement of the Board in the operations of the Company. The Board takes ultimate responsibility for the operations of the Company including remuneration of Directors and executives and nominations to the Board.

##### *Audit, Risk and Compliance Committee*

The audit committee will initially be comprised of the Board. The Board will annually confirm the membership of the committee.

As noted above, the Directors are considered as independent when applying the Council's definition of independence.

The committee's primary responsibilities are to:

- oversee the existence and maintenance of internal controls and accounting systems;
- oversee the management of risk within the Company;
- oversee the financial reporting process;
- review the annual and half-year financial reports and recommend them for approval by the Board of Directors;
- nominate external auditors;
- review the performance of the external auditors and existing audit arrangements; and
- ensure compliance with laws, regulations and other statutory or professional requirements, and the Company's governance policies.

The size and nature of the activities of the Company does not presently require the services of a chief financial officer. It is proposed that the Director, Mr Jay Stephenson, will initially provide accounting and financial support to the Company. Mr Stephenson will be required to state in writing to the Board that the Company's financial reports present a true and fair view, in all material respects, of the Company's financial condition and operational results are in accordance with relevant accounting standards. Included in this statement will be confirmation that the Company's risk management and internal controls are operating efficiently and effectively.

### **8.2(e) Shareholder Communication**

The Board strives to ensure that Shareholders are provided with sufficient information to assess the performance of the Company and its Directors and to make well-informed investment decisions. Information is communicated to Shareholders through:

- annual and half-yearly financial reports and quarterly reports;
- annual and other general meetings convened for Shareholder review and approval of Board proposals;
- continuous disclosure of material changes to ASX for open access to the public; and
- the Company maintains a website where all ASX announcements, notices and financial reports are published as soon as possible after release to ASX.

The auditor is invited to attend the annual general meeting of Shareholders. The Chairman will permit Shareholders to ask questions about the conduct of the audit and the preparation and content of the audit report.

### **8.2(f) Identification and Management of Business Risk**

The Board has identified the significant areas of potential business and legal risk of the Company. The identification, monitoring and, where appropriate, the reduction of significant risk to the Company will be the responsibility of the Board.

The Board reviews and monitors the parameters under which such risks will be managed. Management accounts will be prepared and reviewed at subsequent Board meetings. Budgets are prepared and compared against actual results.

### **8.2(g) Remuneration**

The Chairman and the Directors are entitled to draw Directors fees and receive reimbursement of reasonable expenses for attendance at meetings. The Company is required to disclose in its annual report details of remuneration to Directors. The maximum aggregate annual remuneration which may be paid to non-executive Directors is \$250,000. This amount cannot be increased without the approval of the Company's shareholders. A detailed explanation of the basis and quantum of Directors remuneration is set out in Section 8.7 of this Prospectus.

### **8.2(h) Securities Trading Disclosure**

The Company has a formal policy for dealing in the Company's securities by Directors, employees and contractors. This sets out their obligations regarding disclosure of dealing in the Company's securities. The Constitution permits Directors to acquire securities in the Company, however Company policy prohibits Directors and senior management from dealing the Company's securities at any time whilst in possession of price sensitive information and for 7 days prior and 2 days after:

- any major announcements;
- the release of the Company's annual and half yearly financial results to the ASX; and
- the annual general meeting.

Directors must advise the Chairman of the Board before buying or selling securities in the Company. All such transactions are reported to the Board. In accordance with the provisions of the Corporations Act and the Listing Rules, the Company advises ASX of any transaction conducted by Directors in the securities of the Company.

### **8.2(i) Departures from Recommendations**

Following admission to the Official List of ASX, the Company will be required to report any departures from the Recommendations in its annual financial report.

With the exception of the departures from the Corporate Governance Council recommendations in relation to the establishment of a nomination committee (Recommendation 2.4) and that management report in writing to the Board regarding the integrity of the Company's financial reports (Recommendation 4), the corporate governance practices of the Company are compliant with the Council's best practice recommendations.

The Company's compliance and departures from the Recommendations as at the date of this Prospectus are set out on the following pages.

Principles and Recommendations	Comment
<b>1. Lay solid foundations for management and oversight</b>	
1.1 Companies should establish the functions reserved to the board and those delegated to senior executives and disclose those functions.	<p>The Company's Corporate Governance Plan includes a Board Charter, which discloses the specific responsibilities of the Board.</p> <p>The Board will be accountable to the Shareholders for the performance of the Company and will have overall responsibility for its operations. Day to day management of the Company's affairs, and the implementation of the corporate strategy and policy initiatives, will be formally managed by the directors of the Company.</p>
1.2 Companies should disclose the process for evaluating the performance of senior executives.	<p>The Company's Corporate Governance Plan includes a section on performance evaluation practices adopted by the Company.</p> <p>The chair will monitor the Board and the Board will monitor the performance of any senior executives who are not directors, including measuring actual performance against planned performance.</p>
1.3 Companies should provide the information indicated in the <i>Guide to reporting on Principle 1</i> .	<p>Explanation of departures from Principles and Recommendations 1.1 and 1.2 (if any) are set out above. The Company will also explain any departures from Principles and Recommendations 1.1 and 1.2 (if any) in its future annual reports.</p> <p>No senior executives have been appointed to date.</p> <p>Future annual reports will disclose whether such a performance evaluation has taken place in the relevant reporting period and whether it was in accordance with the process disclosed.</p> <p>The Corporate Governance Plan, which includes the Board Charter, is posted on the Company's website.</p>
<b>2. Structure the board to add value</b>	
2.1 A majority of the board should be independent directors.	<p>The Board is currently composed of entirely independent directors.</p>
2.2 The chair should be an independent director.	<p>The chair is an independent director.</p>
2.3 The roles of chair and chief executive officer should not be exercised by the same individual.	<p>The Company does not yet have a Managing Director (considered to be the Chief Executive Officer).</p>
2.4 The board should establish a nomination committee.	<p>No formal nomination committee has been established by the Company as yet. The Board, as a whole, currently serves as the nomination committee.</p> <p>The Company's Corporate Governance Plan includes a Nomination Committee Charter, which discloses the specific responsibilities of the committee.</p> <p>Where necessary, the Board seeks advice of external advisers in connection with the suitability of applicants for Board membership.</p>
2.5 Companies should disclose the process for evaluating the performance of the board, its committees and individual directors.	<p>The Company's Corporate Governance Plan includes a section on performance evaluation practices adopted by the Company.</p> <p>The chair will review the performance of the Board, its committees (if any) and individual directors to ensure that the Company continues to have a mix of skills and experience necessary for the conduct of its activities.</p>

- 2.6 Companies should provide the information indicated in the *Guide to reporting on Principle 2*.
- The Company has provided details of each director, such as their skills, experience and expertise relevant to their position in this Prospectus and will also provide these details on its website and in future annual reports.
- Explanation of departures from Principles and Recommendations 2.1, 2.2, 2.3, 2.4 and 2.5 (if any) are set out above. The Company will also explain any departures from Principles and Recommendations 2.1, 2.2, 2.3, 2.4 and 2.5 (if any) in its future annual reports.
- The Company has not yet appointed a Chief Executive Officer (or any other executive directors). As the Board is of the view that the current size and level of the Company's operations is not sufficient to justify the appointment of additional directors for the sole purpose of satisfying this recommendation as it would be cost prohibitive and counterproductive. As the operations of the Company develop the Board will reassess the need for executive directors and senior management.
- No performance evaluation of the Board, its committees and individual directors has taken place to date as this process is conducted annually and the first year has not been completed. Future annual reports will disclose whether such a performance evaluation has taken place in the relevant reporting period and whether it was in accordance with the process disclosed.
- The Corporate Governance Plan, which includes the Nomination Committee Charter, is posted on the Company's website.
- 3. Promote ethical and responsible decision-making**
- 3.1 Companies should establish a code of conduct and disclose the code or a summary of the code as to:
- the practices necessary to maintain confidence in the company's integrity
  - the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders
  - the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.
- 3.2 Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the board to establish measurable objectives for achieving gender diversity and for the board to assess annually both the objectives and progress in achieving them.
- The Company's Corporate Governance Plan includes a 'Diversity Policy', which provides a framework for establishing measurable objectives for achieving gender diversity and for the Board to assess annually both the objectives and progress in achieving them.
- 3.3 Companies should disclose in each annual report the measurable objectives for achieving gender diversity set by the board in accordance with the diversity policy and progress in achieving them.
- This disclosure has not yet been made as the first year has not been completed. Future annual reports will disclose the measurable objectives for achieving gender diversity set by the board in accordance with the diversity policy and progress in achieving them.

3.4	Companies should disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the board.	This disclosure has not yet been made as the first year has not been completed. Future annual reports will disclose the proportion of women employees in the whole organisation, women in senior executive positions and women on the board.
3.5	Companies should provide the information indicated in the <i>Guide to reporting on Principle 3</i> .	Explanation of departures from Principles and Recommendations 3.1, 3.2, 3.3 and 3.4 (if any) are set out above. The Company will also explain any departures from Principles and Recommendations 3.1, 3.2, 3.3 and 3.4 (if any) in its future annual reports.
<b>4.</b>	<b><i>Safeguard integrity in financial reporting</i></b>	The Corporate Governance Plan, which includes the Corporate Code of Conduct and Diversity Policy, is posted on the Company's website.
4.1	The board should establish an audit committee.	No formal audit committee has been established by the Company as yet. The Board, as a whole, currently serves as the audit committee.
4.2	The audit committee should be structured so that it: <ul style="list-style-type: none"> <li>• consists only of non-executive directors</li> <li>• consists of a majority of independent directors</li> <li>• is chaired by an independent chair, who is not chair of the board</li> <li>• has at least three members.</li> </ul>	Whilst the audit committee is not structured in the manner set out in the Principles and Recommendations, the Board is of the view that the experience and professionalism of the persons on the Board is sufficient to ensure that all significant matters are appropriately addressed and actioned. Further, the Board does not consider that the Company is of sufficient size to justify the appointment of additional directors for the sole purpose of satisfying this recommendation as it would be cost prohibitive and counterproductive. As the operations of the Company develop the Board will reassess the formation of the audit committee.
4.3	The audit committee should have a formal charter.	The Company's Corporate Governance Plan includes an Audit and Risk Committee Charter, which discloses its specific responsibilities.
4.4	Companies should provide the information indicated in the <i>Guide to reporting on Principle 4</i> .	Explanation of departures from Principles and Recommendations 4.1, 4.2 and 4.3 (if any) are set out above. The Company will also explain any departures from Principles and Recommendations 4.1, 4.2 and 4.3 (if any) in its future annual reports.
		The Corporate Governance Plan, which includes the Audit & Risk Committee Charter, is posted on the Company's website.
<b>5.</b>	<b><i>Make timely and balanced disclosure</i></b>	
5.1	Companies should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies.	The Company has a continuous disclosure program in place designed to ensure the compliance with ASX Listing Rule disclosure and to ensure accountability at a senior executive level for compliance and factual presentation of the Company's financial position.
5.2	Companies should provide the information indicated in <i>Guide to Reporting on Principle 5</i> .	The Company has not currently departed from Principle and Recommendation 5.1. The Company will provide an explanation of any departures from Principle and Recommendation 5.1 (if any) in its future annual reports. The Corporate Governance Plan, which includes a continuous disclosure program, is posted on the Company's website.

<p><b>6. Respect the rights of shareholders</b></p>	<p>Companies should design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose their policy or a summary of that policy.</p>	<p>The Company's Corporate Governance Plan includes a shareholders communication strategy, which aims to ensure that the shareholders are informed of all major developments affecting the Company's state of affairs.</p>
<p>6.1</p>	<p>Companies should provide the information indicated in the <i>Guide to reporting on Principle 6</i>.</p>	<p>The Company has not currently departed from Principle and Recommendation 6.1. The Company will provide an explanation of any departures from Principle and Recommendation 6.1 (if any) in its future annual reports.</p> <p>The Corporate Governance Plan, which includes a shareholders communication strategy, will be posted on the Company's website.</p>
<p>6.2</p>	<p><b>7. Recognise and manage risk</b></p>	<p>The Company's Corporate Governance Plan includes a risk management policy.</p> <p>The Board determines the Company's "risk profile" and is responsible for overseeing and approving risk management strategy and policies, internal compliance and internal control.</p> <p>The Company's Corporate Governance Plan includes a risk management policy.</p> <p>The Board will require either the Managing Director or the Chief Financial Officer to provide a report at the relevant time.</p>
<p>7.1</p>	<p>Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies.</p>	<p>The Company's Corporate Governance Plan includes a risk management policy.</p>
<p>7.2</p>	<p>The board should require management to design and implement the risk management and internal control system to manage the company's material business risks and report to it on whether those risks are being managed effectively. The board should disclose that management has reported to it as to the effectiveness of the company's management of its material business risks.</p>	<p>The Board will require either the Managing Director or the Chief Financial Officer to provide a report at the relevant time.</p>
<p>7.3</p>	<p>The board should disclose whether it has received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.</p>	<p>If this is relevant, the Board will disclose this at the relevant time.</p>
<p>7.4</p>	<p>Companies should provide the information indicated in <i>Guide to Reporting on Principle 7</i>.</p>	<p>The Company has not currently departed from Principles and Recommendations 7.1, 7.2 and 7.3. The Company will provide an explanation of any departures from Principles and Recommendations 7.1, 7.2 and 7.3 (if any) in its future annual reports.</p> <p>The Corporate Governance Plan, which includes a risk management policy, is posted on the Company's website.</p>

## 8. Remunerate fairly and responsibly

<p>8.1</p> <p>The board should establish a remuneration committee.</p>	<p>The Board has not established a formal remuneration committee at this point in the Company's development. It is considered that the size of the Board along with the level of activity of the Company renders this impractical and the Board, acting without the affected director participating in the decision making process, currently serves as a remuneration committee.</p> <p>The Company's Corporate Governance Plan includes a Remuneration Committee Charter, which discloses its specific responsibilities.</p> <p>Remuneration to the current directors is by way of director fees only, with the level of such fees, having been set by the Board to an amount it considers to be commensurate for a company of its size and level of activity.</p> <p>There is currently no link between performance and remuneration, however, it is the intention of the Board to re-assess this once the Company commences operations. Further there are no schemes for retirement benefits in existence.</p>
<p>8.2</p> <p>The remuneration committee should be structured so that it:</p> <ul style="list-style-type: none"> <li>• consists of a majority of independent directors</li> <li>• is chaired by an independent director</li> <li>• has at least three members</li> </ul>	<p>Although no formal remuneration committee has been established, the Board currently serves as the remuneration committee.</p> <p>The Board is comprised of entirely independent directors, and is chaired by an independent director and has at least three members.</p>
<p>8.3</p> <p>Companies should clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives.</p>	<p>The Company does not currently have any senior executives or executive directors.</p> <p>The Company's constitution provides that the remuneration of non-executive Directors will be not be more than the aggregate fixed sum set by the constitution and subsequently varied by resolution at a general meeting of shareholders.</p> <p>The Board will be responsible for determining the remuneration of executive directors and senior executives (without the participation of the affected director). It is the Board's objective to provide maximum stakeholder benefit from the retention of a high quality Board and executive team by remunerating executive directors and senior executives fairly and appropriately with reference to relevant employment market conditions and by linking the nature and amount of executive directors' and senior executives emoluments to the Company's financial and operational performance.</p>
<p>8.4</p> <p>Companies should provide the information indicated in the <i>Guide to reporting on Principle 8</i>.</p>	<p>Explanation of departures from Principles and Recommendations 8.1, 8.2 and 8.3 (if any) are set out above. The Company will also provide an explanation of any departures from Principles and Recommendations 8.1, 8.2 and 8.3 (if any) in its future annual reports.</p> <p>The Corporate Governance Plan, which includes the Remuneration Committee Charter, is posted on the Company's website.</p>

### 8.3 Litigation

The Directors are not aware of any legal proceedings which have been threatened or actually commenced against the Company.

### 8.4 Rights Attaching To Shares

The Shares to be issued under this Prospectus will rank equally with the issued fully paid ordinary Shares in the Company. The rights attaching to Shares are set out in the Company's Constitution and, in certain circumstances, are regulated by the Corporations Act, the Listing Rules and general law.

#### *Shares*

The following is a summary of the more significant rights of the holders of Shares. This summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities attaching to Shares:

- General Meeting

Each member is entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive all notices, accounts and other documents required to be sent to members under the Company's Constitution, the Corporations Act or the Listing Rules.

- Voting

Subject to any rights or restrictions for the time being attached to any class or classes of Shares whether by the terms of their issue, the Constitution, the Corporations Act or the Listing Rules, at a general meeting of the Company every holder of fully paid ordinary Shares present in person or by a representative has one vote on a show of hands and every such holder present in person or by a representative, proxy or attorney has one vote per share on a poll. A person who holds an ordinary share which is not fully paid is entitled, on a poll, to a fraction of a vote equal to the proportion which the amount paid bears to the total issue price of the Share. A member is not entitled to vote unless all calls and other sums presently payable by the member in respect of Shares in the Company have been paid. Where there are two or more joint holders of the Share and more than one of them is present at a meeting and tenders a vote in respect of the Share (whether in person or by proxy or attorney), the Company will count only the vote cast by the member whose name appears before the other(s) in the Company's register of members.

- Issues of Further Shares

The Directors may, on behalf of the Company, issue, grant options over or otherwise dispose of unissued Shares to any person on the terms, with the rights, and at the times that the Directors decide. However, the Directors must act in accordance with the restrictions imposed by the Company's Constitution, the Listing Rules, the Corporations Act and any rights for the time being attached to the Shares in special classes of Shares.

- Variation of Rights

At present, the Company has on issue one class of Shares only, namely ordinary Shares. The rights attached to the Shares in any class may be altered only by a special resolution of the Company and a special resolution passed at a separate meeting of the holders of the issued Shares of the affected class, or with the written consent of the holders of at least three quarters of the issued Shares of the affected class.

- Transfer of Shares

Subject to the Company's Constitution, the Corporations Act, the ASX Settlement Business Rules and the Listing Rules, ordinary Shares are freely transferable.

The Shares may be transferred by a proper transfer effected in accordance with ASX Settlement Business Rules, by any other method of transferring or dealing introduced by ASX and as otherwise permitted by the Corporations Act or by a written instrument of transfer in any usual form or in any other form approved by the Directors that is permitted by the Corporations Act. The Company may decline to register a transfer of Shares in the circumstances described in the Company's Constitution and where permitted to do so under the Listing Rules. If the Company declines to register a transfer, the Company must, within five business days after the transfer is lodged with the Company, give the lodging party written notice of the refusal and the reasons for refusal. The Directors must decline to register a transfer of Shares when required by law, by the Listing Rules or by the ASX Settlement Business Rules.

- Dividends

The Company in general meeting may declare a dividend if the Directors have recommended a dividend, and a dividend shall not exceed the amount recommended by the Directors. The Directors may authorise the payment to the members of such interim dividends as appear to the Directors to be justified by the Company's profits and for that purpose may declare such interim dividends.

Subject to the rights of members entitled to Shares with special rights as to dividend (if any), all dividends in respect of Shares (including ordinary Shares) are to be declared and paid proportionally to the amount paid up or credited as paid up on the Shares.

- Winding Up

Subject to the rights of holders of Shares with special rights in a winding up, if the Company is wound up, members (including holders of ordinary Shares) will be entitled to participate in any surplus assets of the Company in proportion to the Shares held by them respectively irrespective of the amount paid up or credited as paid up on the Shares.

### *Partly Paid Shares*

The Directors may, subject to compliance with the Company's Constitution, the Corporations Act and the Listing Rules, issue partly paid Shares upon which amounts are or may become payable at a future time(s) in satisfaction of all or part of the unpaid issue price.

The following is a summary of the more significant rights of the holders of Partly Paid Shares. This summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities attaching to Partly Paid Shares:

1. Each Partly Paid Share is issued at a price of 20 cents of which 0.01 cent is paid on issue with the balance of the issue price payable at the election of the holder at any time within 5 years of issue, and subject to, points 2 and 3 below.
2. The holder shall have the right to pay calls in advance on the Partly Paid Shares issued. Any notice of payment of calls in advance by the holder (**Payment Notice**) shall be in writing and delivered to the registered office of the Company. The Payment Notice shall specify the number of Partly Paid Shares in respect of which such payment is being made, the amount per share which is being paid up, and shall be accompanied by the appropriate payment for the number of partly paid shares specified in the Payment Notice. The Directors of the Company must, within 3 days after receipt of the Payment Notice, accept payment, credit the amount paid up and issue the appropriate holding statement for fully paid shares in respect of any shares which have been fully paid up.
3. The Partly Paid Shares will not be subject to calls by the Company for a period of 5 years from the date of issue. After 5 years from issue, the Directors (at their sole and absolute discretion) may make calls on the Partly Paid Shares in accordance with the Constitution.
4. A statement of holding will be issued for the Partly Paid Shares and will be forwarded to the holder together with the terms and conditions of the Partly Paid Shares.
5. Dividends may be declared in respect of any of the Partly Paid Shares notwithstanding that the issue price of such Partly Paid Shares has not been paid in full. The Partly Paid Shares will participate in any dividends so declared with all other shares pro-rata to the proportion which the portion of the issue price paid up on the Partly Paid Shares bears to the issue price.
6. The holder will be entitled to exercise any vote attaching to a Partly Paid Share at general meetings of members in accordance with the Constitution of the Company. Under the Constitution, on a poll, partly paid shares have a vote pro-rata to the proportion of the total issue price paid up. Amounts paid in advance of a call will be ignored when calculating the proportion.
7. Partly Paid Shares allotted to the holder will participate in all issues of securities (including issues of shares, options and convertible notes) made to shareholders of the Company pro-rata to the proportion of the total issue price paid up. In respect of an issue of bonus securities, amounts paid in advance of a call will be ignored when calculating the proportion.
8. The Company will ensure that, at least 9 business days before the record date to determine entitlement to any such new issue, the Company will notify the holder of the proposed new issue. This will afford the holder an opportunity to pay up all or some of the partly paid shares prior to the record date of any such new issue.
9. In the event of a reconstruction (including consolidation, sub division, reduction or return) of the issued capital of the Company, the number of partly paid shares shall be reconstructed in accordance with the Listing Rules.
10. Subject to the Partly Paid Shares becoming fully paid, the Company will apply for listing of the fully paid shares on the ASX.

11. In the event of death of the holder, the right of the holder to pay up the Partly Paid Shares which are not at the time of the death of the holder fully paid up, will vest in the holder's executor and/or administrator as the case may be and such executor and/or administrator shall have the same rights to pay up the Partly Paid Shares as such deceased holder would have had but for the holder's death.
12. Upon becoming fully paid, each Partly Paid Share will rank equally in all respects with the other issued fully paid ordinary shares in the Company.
13. Subject to the ASX Listing Rules, the Partly Paid Shares, whilst partly paid, shall not be capable of transfer or assignment either in whole or in part without the approval of the Directors.

### 8.5 Terms and Conditions of Options

As at the date of this Prospectus, the Company has granted 1,000,000 Options to the Lead Broker on the following terms and conditions:

The options held by the Optionholder are exercisable in whole or in part on or before 5 years from date of listing ("**Exercise Period**"). Options not exercised before the expiry of the Exercise Period will lapse.

Options are exercisable by notice in writing to the Board delivered to the registered office of the Company and payment of the exercise price of \$0.20 per option in cleared funds.

The Company will not apply for official quotation on ASX of the Options. An application may be lodged at a later date to list the options in the sole discretion of the Board of the Company should the Board considers that there is sufficient spread of option holders to result in a market for the options on ASX.

The Company will make application for official quotation on ASX of new shares allotted on exercise of the Options. Those Shares will participate equally in all respects with existing issued ordinary shares, and in particular new shares allotted on exercise of the options will qualify for dividends declared after the date of their allotment.

Options are not transferable, except that if at any time before expiry of the Exercise Period the Optionholder dies, the legal personal representative of the deceased Optionholder may:

- elect to be registered as the new holder of the options,
- whether or not he becomes so registered, exercise those options in accordance with the terms and conditions on which they were granted, and
- if the deceased has already exercised options, pay the exercise price in respect of those options.

An Optionholder may only participate in new issues of securities to holders of ordinary shares in the Company if the option has been exercised and shares allotted in respect of the option before the record date for determining entitlements to the issue.

If there is a bonus issue to the holders of ordinary shares in the capital of the Company, the number of ordinary shares over which the option is exercisable will be increased by the number of ordinary shares which the holder of the option would have received if the option had been exercised before the record date for the bonus issue.

If the Company makes a rights issue (other than a bonus issue), the exercise price of options on issue will not change.

If, during the currency of the options the issued capital of the Company is reorganised, those options will be reorganised to the extent necessary to comply with ASX Listing Rules and the Corporations Act at the time of reorganisation.

### 8.6 Employee Share Option Scheme

The Company has established an employee incentive Option scheme ("**Scheme**"). The Scheme is designed to provide eligible participants with an ownership interest in the Company and to provide additional incentives for eligible participants to increase profitability and returns to Shareholders.

The summary of the Scheme is set out below for the information of potential investors in the Company. The detailed terms and conditions of the Scheme may be obtained free of charge by contacting the Company.

### *General*

The Board may from time to time, in its absolute discretion, offer to grant options to eligible participants under the Scheme.

Each Option will be issued for no consideration and will carry the right in favour of the Optionholder to subscribe for one (1) Share in the capital of the Company.

The Board may determine the exercise price of the options in its absolute discretion provided the exercise price shall not be less than the weighted average of the last sale price of the Company's Shares on ASX at the close of business on each of the five business days immediately preceding the date on which the Directors resolve to grant the options.

### *Eligible Participants*

Full time employees, part time employees and consultants of the Company or an associated body corporate (the "**Group**") are eligible to participate in the Scheme.

### *Lapse of Options*

Unless the Board in its absolute discretion determines otherwise, options shall lapse immediately on:

- (a) the expiry of the exercise period;
- (b) the Optionholder ceasing to be within the category of eligible participant by reason of dismissal, resignation or termination of employment, office or services for any reason, except the Directors may resolve within 30 days of such dismissal, resignation or termination, that the Options shall lapse on other terms they consider appropriate;
- (c) the expiry of 1 year after the Optionholder ceases to be within the category of eligible participant by reason of retirement; and
- (d) a determination by the Directors that the Optionholder has acted fraudulently, dishonestly or in breach of his or her obligations to the Company or an associated body corporate.

### *Participation in Future Issues*

There are no participating rights or entitlements inherent in the options and 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 7 business days after the issue is announced. This will give optionholders the opportunity to exercise their options prior to the date for determining entitlements to participate in any such issue.

If the Company makes a pro rata issue of securities (except a bonus issue) to the holders of Shares (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the exercise price of the options shall be reduced in accordance with the formula in ASX Listing Rule 6.22.2.

In the event of a bonus issue of Shares being made pro-rata to Shareholders (other than an issue in lieu of dividends), the number of Shares issued on exercise of each Option will include the number of bonus Shares that would have been issued if the Option had been exercised prior to the record date for the bonus issue. No adjustment will be made to the exercise price per Option.

### *Reorganisation*

The terms upon which options will be granted will not prevent them being reorganised as required by the Listing Rules on the reorganisation of the capital of the Company.

### *Trigger Events*

Upon the occurrence of certain trigger events (for example the receipt by the Company of a bidder's statement in respect of the Company), the Directors may determine:

- (a) that the options may be exercised at any time from the date of such determination, and in any number until the date determined by the Directors acting bona fide so as to permit the Optionholder to participate in any change of control arising from a trigger event, provided that the Directors will forthwith advise in writing each holder of such determination. Thereafter, the Options shall lapse to the extent they have not been exercised; or

(b) to use their reasonable endeavours to procure that an offer is made to Optionholders on like terms (having regard to the nature and value of the Options) to the terms proposed under the trigger event in which case the Directors shall determine an appropriate period during which the Optionholder may elect to accept the offer and, if the Optionholder has not so elected at the end of that period, the Options shall immediately become exercisable and if not exercised within 10 days, shall lapse.

## 8.7 Directors' Interests

Except as disclosed in this Prospectus, no Director (whether individually or in consequence of a Director's association with any company or firm or in any material contract entered into by the Company) has now, or has had, in the 2 year period ending on the date of this Prospectus, any interest in:

- the formation or promotion of the Company; or
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer of the Shares; or
- the Offer of the Shares.

Except as disclosed in this Prospectus, no amounts of any kind (whether in cash, Shares, Options or otherwise) have been paid or given or agreed to be paid or given to any Director or to any company or firm with which a Director is associated to induce him or her to become, or to qualify as, a Director, or otherwise for services rendered by him or her or any company or firm with which the Director is associated in connection with:

- the formation or promotion of the Company; or
- the Offer of the Shares.

### (a) Remuneration of Directors

Each Director is entitled to such remuneration from the Company as the Directors decide, but the total amount provided to all non-executive Directors must not exceed in aggregate the amount fixed by the Company in a general meeting. The aggregate remuneration for all non-executive Directors has been set at an amount of \$250,000 per annum. The Directors have resolved that non-executive directors' fees will be \$60,000 per annum for the Chairman and \$30,000 to the non-executive Directors.

### (b) Director interests in contracts

Mr Stephenson is a Director of Wolfstar Group Pty Limited, Corporate Advisor to the issue. The terms of the agreement with Wolfstar Group Pty Ltd are detailed in the Investment Overview Section of this Prospectus.

All Directors are entitled to be paid all travelling and other expenses properly incurred by them in attending, participating in and returning from meetings of the Directors or any committee of the Directors or general meetings of the Company or otherwise in connection with the business of the Company.

### (c) Directors' Interests in the Company's Securities

The direct and indirect interests of the Directors in the securities of the Company as at the date of this Prospectus are as follows:

<b>Director</b>	<b>Shares</b>	<b>Options</b>
Brian Thomas	1	Nil
Paul Davey	1	Nil
Jay Stephenson	1	Nil

### (d) Shareholding Qualifications

The Directors are not required to hold any Shares under the Constitution of the Company.

(e) Indemnity, Insurance and Access

The Company has entered into an Indemnity, Insurance and Access Deed with each of the Directors as referred to in the Agreements with Directors or Related Parties section in Prospectus.

(f) Insurance

The Company maintains Directors' and Officers' Liability Insurance on behalf of the Directors and Officers of the Company.

## 8.8 Interests of Experts and Advisors

Except as disclosed in this Prospectus, no promoter, underwriter, expert or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of this Prospectus, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with, has now, or has had, in the 2 year period ending on the date of this Prospectus, any interest in:

- the formation or promotion of the Company; or
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer of the Shares; or
- the Offer of the Shares.

Except as disclosed in this Prospectus, no amounts of any kind (whether in cash, Shares, Options or otherwise) have been paid or given or agreed to be paid or given to any promoter, underwriter, expert or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of this Prospectus, or to any firm in which any of those persons is or was a partner or to any company in which any of those persons is or was associated with, for services rendered by that person in connection with the formation or promotion of the Company or the Offer under this Prospectus.

Pendragon Capital Limited has acted as the investigating accountant in relation to the Offer. As investigating accountant, Pendragon Capital Limited have been involved in undertaking due diligence in relation to financial and taxation matters and preparing pro-forma financial accounts, and has prepared the Investigating Accountant's Report which has been included in this Prospectus. In respect of this work the Company has agreed to pay Pendragon Capital Limited a total of \$7,500 (exclusive of GST) for these services. Pendragon Capital Limited has not received fees from the Company for any other service.

Steinepreis Paganin Lawyers has acted as the solicitors to the Company in relation to the Offer, and in that capacity and otherwise assisting the Company with the preparation of this Prospectus, Steinepreis Paganin Lawyers has been involved in undertaking certain due diligence enquiries in relation to legal matters, the preparation of the Legal Report and providing legal advice to the Company in relation to the Offer. In respect of this work, the Company has agreed to pay Steinepreis Paganin \$25,000 (exclusive of GST) for these services up to the date of this Prospectus. In addition, Steinepreis Paganin Lawyers has not received any professional fees from the Company to date.

Ravensgate will receive professional fees of \$17,000 (exclusive of GST) for the provision of the Independent Geologist's Report. Ravensgate has not received any other fees from the Company.

Wolfstar Group Pty Ltd has acted as Corporate Adviser to the Company in relation to this Prospectus. In respect of this work, Wolfstar Group Pty Ltd is estimated to receive fees of \$24,000 (exclusive of GST). Wolfstar Group Pty Ltd has not received any fees from the Company to date.

Patersons Securities has acted as Lead Manager to the Offer. Details of the agreement with Paterson Securities are set out in Section 7.2 of this Prospectus. The fee is a commission rate of 5% of all application monies received plus a management fee of 1% of all application monies received. During the 24 months preceding the lodgement of this Prospectus with ASIC, Patersons Securities has not received any other fees from the Company.

## 8.9 Consents

Each of the parties referred to in this Section:

- a) does not make, or purport to make, any statement in this Prospectus or on which a statement made in the Prospectus is based, other than as specified in this Section; and
- b) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

Pendragon Capital Limited has given its written consent to the inclusion in Section 5 of this Prospectus of its Investigating Accountant's Report in the form and context in which the report is included, and to being named as Investigating Accountant, and has not withdrawn such consent before lodgement of this Prospectus with ASIC.

Steinepreis Paganin has given its written consent to the inclusion in Section 6 of this Prospectus of their Legal Report and to all statements referring to that report in the form and context in which they are included in this Prospectus, and to being named as Solicitor to the Company in this Prospectus, and has not withdrawn such consent before lodgement of this Prospectus with ASIC.

Ravensgate has given its written consent to the inclusion in Section 4 of this Prospectus of his Independent Geologist's Report in the form and context of which it is included, and to all statements elsewhere in the Prospectus referring to that report in the form and context in which they appear, and to being named as the Independent Geologist, and has not withdrawn such consent before lodgement of this Prospectus with ASIC.

Wolfstar Group Pty Ltd has given and as at the date hereof has not withdrawn its written consent before lodgement of this Prospectus with ASIC, to be named in this Prospectus as the Corporate Adviser to the Company in the form and context in which it is named.

Computershare Investor Services Pty Ltd has given and, as at the date hereof, has not withdrawn its written consent to be named as Share Registrar in the form and context in which it is named. Computershare Investor Services Pty Ltd has had no involvement in the preparation of any part of this Prospectus other than being named as Share Registrar to the Company. Computershare Investor Services Pty Ltd has not authorised or caused the issue of any part of this Prospectus.

Patersons Securities has given its written consent to being named in the Prospectus as the Lead Manager of the Offer and to the distribution of paper and electronic versions of the Prospectus. The consent of Patersons Securities is given on the basis that Patersons Securities has given and not withdrawn their consent to being named in the Prospectus as Lead Manager to the Company as at the date of lodgement of the Prospectus with the ASIC, has not authorised or caused the issue of the Prospectus or the making of the Offer, and makes no representation regarding and takes no responsibility for any statements in or omissions from any part of the Prospectus.

There are a number of other persons referred to in this Prospectus who are not experts and who have not made statements included in this Prospectus nor are there any statements made in this Prospectus on the basis of any statements made by those persons. These persons did not consent to being named in this Prospectus and did not authorise or cause this issue of the Prospectus.

## 8.10 Electronic Prospectus

Pursuant to Class Order 00/44, ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus on the basis of a paper prospectus lodged with ASIC and the issue of securities in response to an electronic application form subject to compliance with certain provisions.

If a person has received this Prospectus as an electronic prospectus they should ensure that they have received the entire Prospectus accompanied by the Application Form. If they have not, they should email the Company at [info@parkerresources.com.au](mailto:info@parkerresources.com.au) and the Company will send to that person, for free, either a hard copy or a further electronic copy of this Prospectus or both.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with this Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered. In such case, the Application Monies received will be dealt with in accordance with section 722 of the Corporations Act.

### 8.11 Continuous Disclosure Obligations

Following admission of the Company to the Official List, the Company will be a “disclosing entity” (as defined in Section 111AC of the Corporations Act) and, as such, will be subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company will be 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.

Price sensitive information will be publicly released through ASX before it is disclosed to shareholders and market participants. Distribution of other information to shareholders and market participants will also be managed through disclosure to the ASX. In addition, the Company will post this information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

## 9. DIRECTORS' CONSENTS

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

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

Dated: 4 July 2011

Signed for and on behalf of the Company



**Brian Thomas**  
**CHAIRMAN**

## 10. DEFINITIONS

In this Prospectus, unless the context otherwise requires:

**"A\$" and "\$"** means Australian dollars, unless otherwise stated.

**"Applicant"** means a person who submits an Application Form under this Prospectus.

**"Application"** means a valid application to subscribe for Shares.

**"Application Form"** means the application form contained in this Prospectus or a copy of the application form contained in this Prospectus or a direct derivative of the application form which is contained in this Prospectus.

**"Application Money"** means 20 cents being the amount payable in respect of each Share under the Offer.

**"ASIC"** means Australian Securities and Investments Commission.

**"ASX"** means ASX Limited (ACN 008 624 691).

**"Board of Directors"** and **"Board"** means the Board of Directors of the Company as constituted from time to time.

**"Business Day"** means a day on which the trading banks are open in Perth, Western Australia.

**"Charities"** means Foundation of the Association for the Blind of Western Australia, Sids and Kids Western Australia, Teen Challenge Foundation Inc and Telethon Institute for Child Health Research, or any one of them as the context requires.

**"Company"** means Parker Resources NL (ACN 148 142 634).

**"Completion of the Offer"** means the allotment of at least 12,500,000 Shares offered under this Prospectus.

**"Constitution"** means the constitution of the Company.

**"Corporations Act"** means the Corporations Act 2001 of Australia.

**"Directors"** means the directors of the Company.

**"EL"** and **"Exploration Licence"** means an area granted under the Mining Act in respect to mineral exploration.

**"Exposure Period"** means the period of seven days (or longer as ASIC may direct) from the date of lodgement of the Prospectus with ASIC.

**"Joint Venture and Farmin Agreement"** means the joint venture and farmin agreement between the Company and Excelsior Gold Limited (ACN 123 629 863) and as further described in the Legal Report set out in Section 6 of this Prospectus.

**"Full Subscription"** means \$3,000,000 or 15,000,000 Shares.

**"HIN"** means holder identification number.

**"Issue"** means the issue of Shares pursuant to this Prospectus.

**"Issuer Sponsored"** means securities issued by an issuer that are held in uncertificated form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHESS.

**"Listing Rules"** means listing rules of the ASX.

**"Maximum Subscription"** means \$3,500,000 or 17,500,000 Shares.

**"Minimum Subscription"** means \$2,500,000 or 12,500,000 Shares.

**"Offer Period"** means the period commencing on the Opening Date and ending on the Closing Date.

**"Offer Price"** means 20 cents being the amount payable in respect of each Share under the Offer.

**“Offer”** means the invitation to apply for Shares pursuant to this Prospectus.

**“Official List”** means the Official List of the ASX.

**“Opening Date”** means the date immediately following the expiry of the Exposure Period.

**“Option”** means a right to subscribe for a Share.

**“Optionholder”** means a holder of an Option.

**“Over Subscription”** means \$3,500,000 or 17,500,000 Shares.

**“Parker” or “Parker Resources NL”** means the Company.

**“Partly Paid Share”** means a partly paid ordinary share in the capital of the Company.

**“Prospectus”** means this disclosure document.

**“Quotation”** means quotation of the Shares on the Official List.

**“Share Registrar”** means Computershare Investor Services Pty Ltd.

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

**“Shareholder”** means a holder of Shares in the Company.

**“Subscription”** means \$3,000,000 or 15,000,000 Shares.

**“Tenement”** means an EL, ELA or any other form of mineral licence or title held or applied for by the Company or in which the Company has an interest.

**“WST”** means Western Standard Time, Perth Western Australia.



Registry Use Only

### Application Form

This Application Form is important. If you are in doubt as to how to deal with it, please contact your stockbroker or professional adviser without delay. You should read the entire prospectus dated 4 July 2011 (Prospectus) carefully before completing this form. To meet the requirements of the Corporations Act, this Application Form must not be distributed unless included in, or accompanied by, the Prospectus.

Broker Code

Adviser Code

**A** I/we apply for

Number of Shares in Parker Resources NL at A\$0.20 per Share or such lesser number of Shares which may be allocated to me/us

**B** I/we lodge full Application Money

A\$

**C** Individual/Joint applications - refer to naming standards overleaf for correct forms of registrable title(s)

Title or Company Name	Given Name(s)	Surname
<input type="text"/>	<input type="text"/>	<input type="text"/>

Joint Applicant 2 or Account Designation

<input type="text"/>	<input type="text"/>
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Joint Applicant 3 or Account Designation

<input type="text"/>	<input type="text"/>
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**D** Enter your postal address - Include State and Postcode

Unit	Street Number	Street Name or PO Box / Other Information
<input type="text"/>	<input type="text"/>	<input type="text"/>

<input type="text"/>	<input type="text"/>
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City / Suburb / Town	State	Postcode
<input type="text"/>	<input type="text"/>	<input type="text"/>

**E** Enter your contact details

Contact Name	Telephone Number - Business Hours / After Hours
<input type="text"/>	<input type="text"/>

**F** CHES Participant

Holder Identification Number (HIN)

**X**

Please note that if you supply a CHES HIN but the name and address details on your form do not correspond exactly with the registration details held at CHES, your application will be deemed to be made without the CHES HIN, and any securities issued as a result of the IPO will be held on the Issuer Sponsored subregister.

**Payment details – Please note that funds are unable to be directly debited from your bank account**

G	Drawer	Cheque Number	BSB Number	Account Number	Amount of cheque
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	A\$ <input type="text"/>

**Make your cheque or bank draft payable to Parker Resources NL - IPO A/C**

By submitting this Application Form, I/we declare that this application is completed and lodged according to the Prospectus and the declarations/statements on the reverse of this Application form and I/we declare that all details and statements made by me/us (including the declaration on the reverse of this Application Form) are complete and accurate. I/we agree to be bound by the Constitution of the Company.

See back of form for completion guidelines



# How to complete this form

<p><b>A Shares Applied for</b> Enter the number of Shares you wish to apply for. The application must be for a minimum of 10,000 Shares. Applications for greater than 10,000 Shares must be in multiples of 1,000 Shares.</p> <p><b>B Application Monies</b> Enter the amount of Application Monies. To calculate the amount, multiply the number of Shares by the price per Share.</p> <p><b>C Applicant Name(s)</b> Enter the full name you wish to appear on the statement of share holding. This must be either your own name or the name of a company. Up to 3 joint Applicants may register. You should refer to the table below for the correct forms of registrable title. Applications using the wrong form of names may be rejected. Clearing House Electronic Subregister System (CHES) participants should complete their name identically to that presently registered in the CHES system.</p> <p><b>D Postal Address</b> Enter your postal address for all correspondence. All communications to you from the Registry will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.</p> <p><b>E Contact Details</b> Enter your contact details. These are not compulsory but will assist us if we need to contact you.</p>	<p><b>F CHES</b> Parker Resources NL (the Company) will apply to the ASX to participate in CHES, operated by ASX Settlement and Transfer Corporation Pty Ltd, a wholly owned subsidiary of Australian Securities Exchange Limited. In CHES, the company will operate an electronic CHES Subregister of security holdings and an electronic Issuer Sponsored Subregister of security holdings. Together the two Subregisters will make up the Company's principal register of securities. The Company will not be issuing certificates to applicants in respect of Shares allotted. If you are a CHES participant (or are sponsored by a CHES participant) and you wish to hold Shares allotted to you under this Application on the CHES Subregister, enter your CHES HIN. Otherwise, leave this section blank and on allotment, you will be sponsored by the Company and allocated a Securityholder Reference Number (SRN).</p> <p><b>G Payment</b> Make your cheque or bank draft payable to Parker Resources NL - IPO A/C in Australian currency and cross it Not Negotiable. Your cheque or bank draft must be drawn on an Australian Bank.  Complete the cheque details in the boxes provided. The total amount must agree with the amount shown in box B. <b>Please note that funds are unable to be directly debited from your bank account.</b>  <b>Cheques will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques returned unpaid may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the Application Form where indicated. Cash will not be accepted. Receipt for payment will not be forwarded.</b></p>
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Before completing the Application Form the applicant(s) should read this Prospectus to which this application relates. By lodging the Application Form, the applicant agrees that this application for Shares in Parker Resources NL is upon and subject to the terms of the prospectus and the Constitution of Parker Resources NL agrees to take any number of Shares that may be allotted to the Applicant(s) pursuant to the Prospectus and declares that all details and statements made are complete and accurate. It is not necessary to sign the Application Form.

## Lodgement of Application

Application Forms must be received by Computershare Investor Services Pty Limited Perth by no later than 5pm AWST on the closing date. You should allow sufficient time for this to occur. Return the Application Form with cheque(s) attached to:

Computershare Investor Services Pty Limited  
GPO Box D182  
PERTH WA 6840

Neither CIS nor the Company accepts any responsibility if you lodge the Application Form at any other address or by any other means.

## Privacy Statement

Personal information is collected on this form by Computershare Investor Services Pty Limited ("CIS"), as registrar for securities issuers ("the issuer"), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to external service companies such as print or mail service providers, or as otherwise required or permitted by law. If you would like details of your personal information held by CIS, or you would like to correct information that is inaccurate, incorrect or out of date, please contact CIS. In accordance with the Corporations Act 2001, you may be sent material (including marketing material) approved by the issuer in addition to general corporate communications. You may elect not to receive marketing material by contacting CIS. You can contact CIS using the details provided on the front of this form or e-mail [privacy@computershare.com.au](mailto:privacy@computershare.com.au)

If you have any enquiries concerning your application, please contact the Computershare Investor Services Pty Limited on 1300 850 505.

## Correct forms of registrable title(s)

Note that ONLY legal entities are allowed to hold Shares. Applications must be made in the name(s) of natural persons, companies or other legal entities in accordance with the Corporations Act. At least one full given name and the surname is required for each natural person. The name of the beneficial owner or any other registrable name may be included by way of an account designation if completed exactly as described in the examples of correct forms of registrable title(s) below.

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Individual - Use given name(s) in full, not initials	Mr John Alfred Smith	J.A Smith
Joint - Use given name(s) in full, not initials	Mr John Alfred Smith & Mrs Janet Marie Smith	John Alfred & Janet Marie Smith
Company - Use company title, not abbreviations	ABC Pty Ltd	ABC P/L ABC Co
Trusts - Use trustee(s) personal name(s) - Do not use the name of the trust	Ms Penny Smith <Penny Smith Family A/C>	Penny Smith Family Trust
Deceased Estates - Use executor(s) personal name(s) - Do not use the name of the deceased	Mr Michael Smith <Est John Smith A/C>	Estate of Late John Smith
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>	Peter Smith
Partnerships - Use partners personal name(s) - Do not use the name of the partnership	Mr John Smith & Mr Michael Smith <John Smith & Son A/C>	John Smith & Son
Clubs/Unincorporated Bodies/Business Names - Use office bearer(s) personal name(s) - Do not use the name of the club etc	Mrs Janet Smith <ABC Tennis Association A/C>	ABC Tennis Association
Superannuation Funds - Use the name of trustee of the fund - Do not use the name of the fund	John Smith Pty Ltd <Super Fund A/C>	John Smith Pty Ltd Superannuation Fund

