



**BIG RIVER GOLD LIMITED**  
**ACN 106 641 963**

**PROSPECTUS**

**THIS PROSPECTUS IS BEING ISSUED FOR THE OFFER OF 100 SHARES AT AN ISSUE PRICE OF \$0.012 PER SHARE.**

**THIS PROSPECTUS HAS BEEN PREPARED PRIMARILY FOR THE PURPOSE OF SECTION 708A(11) OF THE CORPORATIONS ACT TO REMOVE ANY TRADING RESTRICTIONS ON SHARES ISSUED PRIOR TO THE CLOSING DATE.**

**THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT SHOULD BE READ IN ITS ENTIRETY.**

**IF YOU ARE IN DOUBT ABOUT WHAT TO DO, YOU SHOULD CONSULT YOUR PROFESSIONAL ADVISER WITHOUT DELAY.**

**THE SHARES OFFERED BY THIS PROSPECTUS ARE OF A SPECULATIVE NATURE.**

## IMPORTANT INFORMATION

This Prospectus is dated 12 August 2019 and was lodged with the ASIC on that date with the consent of all Directors. Neither ASIC nor ASX nor their respective officers take any responsibility for the contents of this Prospectus.

No Shares will be issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus). The Company will apply for Official Quotation by ASX of the Shares offered by this Prospectus.

A copy of this Prospectus is available for inspection at the registered office of the Company at Level 29, 221 St Georges Terrace, Perth, Western Australia during normal business hours. The Prospectus will also be made available in electronic form. The Company will provide a copy of this Prospectus to any person on request. The Company will also provide copies of other documents on request (see Section 4.3). The Offer is only available to those who are personally invited to accept the Offer. Applications for Shares under the Offer can only be submitted on an original Application Form which accompany this Prospectus.

No person is authorised to give any information or to make any representation in connection with the Offer which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offer. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws. This Prospectus does not constitute an offer of Shares in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

Definitions of certain terms used in this Prospectus are contained in Section 6. All references to currency are to Australian dollars and all references to time are to WST unless otherwise indicated. Revenues and expenditures disclosed in this Prospectus are recognised exclusive of the amount of goods and services tax, unless otherwise disclosed.

## CORPORATE DIRECTORY

### Directors

Mr Stephen Copulos Non-Executive Chairman  
Mr Andrew Richards Executive Director  
Mr John Evans Non-Executive Director

### Share Registry\*

Security Transfer Australia Pty Ltd  
770 Canning Highway  
APPLECROSS WA 6959

**Company Secretary & Chief Financial Officer**  
Mr Andrew Beigel

Telephone: 1300 992 916

**Registered Office & Principal Place of Business**  
Level 29, 221 St Georges Terrace  
PERTH WA 6000

### Auditor\*

Deloitte Touche Tohmatsu  
Tower 2, Brookfield Place  
123 St Georges Terrace  
PERTH WA 6000

Telephone: + 61 8 9480 3708  
Email: admin@bigrivergold.com.au  
Website: www.bigrivergold.com.au

### Lawyers\*

Bellanhouse  
Level 19, Alluvion  
58 Mounts Bay Road  
PERTH WA 6000

**ASX Code:** BRV

\*These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus.

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## TIMETABLE

Event	Date*
Lodgement of Prospectus with ASIC and ASX	12 August 2019
Opening Date of Offer	12 August 2019
Issue of Placement Shares	12 August 2019
Closing Date of Offer	13 August 2019

\* These dates are indicative only and subject to change. Subject to the Corporations Act and the Listing Rules, the Directors reserve the right to vary these dates, including the Closing Date, without prior notice.

## INVESTMENT OVERVIEW

This Section is intended to highlight key information for potential investors. It is an overview only, and is not intended to replace the Prospectus. Potential investors should read the Prospectus in full before deciding to invest in Shares.

Key Information	Further Information
<p><b>Transaction specific prospectus</b></p> <p>This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.</p>	Section 4.2
<p><b>Offer</b></p> <p>This Prospectus is for an offer of 100 Shares to selected investors at an issue price of \$0.012 each.</p> <p>The primary purpose of this Prospectus is to remove any trading restrictions on Shares issued prior to the Closing Date.</p>	Section 1.1
<p><b>Effect of the Offer</b></p> <p>The Offer will result in the Company's issued capital increasing by 100 Shares. It is not expected that the Offer will have any effect on the control of the Company.</p> <p>After paying the expenses of the Offer of approximately \$7,206, there will be no proceeds from the Offer. The expenses of the Offer will be met from the Company's existing cash reserves. The Offer will have a nominal effect on the Company's financial position of reducing the cash balance by the costs of the Offer.</p>	Section 2
<p><b>Risk factors</b></p> <p>Potential investors should be aware that subscribing for Shares in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 3, including (but not limited to) risks in respect of:</p> <ul style="list-style-type: none"> <li>• <b>Future funding:</b> The Group's exploration and development strategy, principally at the Company's Borborema Gold Project in Brazil, is dependent on raising additional funds in the near future. Further funding will be required by the Company to support its ongoing activities and operations. Furthermore, the Group's capital requirements may vary materially from its current plans, and the Company may require significant additional financing. The Company's ability to raise further capital within an acceptable time, of a sufficient amount and on terms acceptable to the Company will vary according to a number of factors, including prospectivity of projects (existing and future), the results of exploration, subsequent</li> </ul>	Section 3

Key Information	Further Information
<p>feasibility studies, development and mining, share market and industry conditions and the price of relevant commodities and exchange rates. No assurance can be given that any future funding will be available to the Company on favourable terms (or at all). If adequate funds are not available on acceptable terms the Company may not be able to pursue its strategy in the short term or develop its projects and it may be required to reduce the scope of its operations or to cease trading. It may also impact on the Company's ability to continue as a going concern. Any additional equity financing will dilute Shareholders and debt financing, if available, may restrict the Company's financing and operating activities.</p> <ul style="list-style-type: none"> <li>• <b>Copulos Group Notes:</b> As at the date of this Prospectus, \$1,500,000 has been advanced to the Company pursuant to the Copulos Group Notes. Conversion of the Copulos Group Notes into Shares is at the election of the noteholder. In the event that the Copulos Group Notes are not converted before the period ending 10 business days before the relevant maturity date, the Copulos Group Notes will be repayable in cash on the maturity date. The maturity date is 12 months after the date of issue of the respective Copulos Group Notes. In the event Copulos Group elect not to convert the notes in full, or an event of default occurs, the Company will need to repay the Copulos Group Notes. If the Company is required to repay the Copulos Group Notes in cash and the Company does not have sufficient funding available, it will be required to raise funding to satisfy its obligations. There is no certainty that such funding would be available, or available on acceptable terms. The Company's obligations under the Copulos Group Notes are secured by a security interest over the assets of the Company. Accordingly, if the Company is unable to satisfy its obligations, the Copulos Group may seek to enforce the security over the Company and its assets, and the Company may become an externally-administered body corporate.</li> <li>• <b>Risks associated with operating in foreign jurisdictions:</b> The Group's exploration and mining projects are located in Brazil. The Group is therefore subject to the socio-economic conditions, as well as the laws and regulations governing the mining industry in Brazil. Although this jurisdiction is generally perceived as being stable, inherent risks with conducting operations in foreign jurisdictions can include, but are not limited to: high rates of inflation; military repression; war or civil war; social and labour unrest; organised crime; hostage taking; terrorism; violent crime; extreme fluctuations in currency exchange rates; expropriation and nationalisation; renegotiation or nullification of existing concessions, licences, permits and contracts; illegal mining; changes in taxation policies; restrictions on foreign exchange and repatriation; and changing political norms, currency controls and governmental regulations that favour or require the Group to award contracts in, employ citizens of, or purchase supplies from, a particular jurisdiction. In addition, the legal systems operating in foreign jurisdictions may be less developed than those in more established countries, which may result in risks such as: political difficulties in obtaining effective legal redress in the courts; a higher degree of discretion on the part of governmental agencies; a lack of political or administrative guidance on implementing applicable rules</li> </ul>	

Key Information	Further Information
<p>and regulations; inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions; or relative inexperience of the judiciary and courts in such matters.</p> <ul style="list-style-type: none"> <li>• <b>Litigation:</b> Legal proceedings may arise from time to time in the course of the Group's activities. Other than as set out in Section 4.8, the Group is not currently involved, either directly or indirectly, as claimant or defendant, in any material litigation, claim, arbitration or dispute, that has or could have a material effect on its financial position, and save as set out in Section 4.8, the Directors do not know of any proceedings pending or threatened or of any facts likely to give rise to any proceedings which might materially and adversely affect the Group's position or business. There can be no assurance that there will be no such further proceedings in the future that could affect the reputation, business or performance of the Group. Defence and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, there can be no assurance that the resolution of any particular legal proceeding or any adverse publicity surrounding such claim will not have a material adverse effect on the Group's business, reputation, prospects, financial condition or results of operations.</li> <li>• <b>Development risks:</b> Future development of a mining operation at any of the Company's projects, is dependent on a number of factors including, but not limited to, favourable geological conditions, receiving and retaining the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding, and contracting risk from third parties providing essential services. The Company's operations may be disrupted by a variety of risks and hazards which are beyond its control, including environmental hazards, industrial accidents, technical failures, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement of hazardous weather conditions and fires, explosions or accidents. The Company intends to progress the development of the Borborema Gold Project through the undertaking of a definitive feasibility study. There is a risk that the outcomes of the study may not be economic, or if they are, that the Company will not achieve the outcomes of the definitive feasibility study. However, having taken the Posse iron ore project through feasibility, the Company has significant Brazilian permitting experience. No assurance can be given that the Company will achieve commercial viability through the development or mining of its projects and treatment of ore.</li> </ul>	

Key Information	Further Information																
<p><b>Directors' interests in Securities</b></p> <p>The relevant interest of each of the Directors in Securities as at the date of this Prospectus, together with their respective Entitlement is set out in the table below:</p> <table border="1" data-bbox="220 461 1195 763"> <thead> <tr> <th data-bbox="220 461 517 564">Name</th> <th data-bbox="520 461 743 564">Shares</th> <th data-bbox="746 461 970 564">Quoted Options</th> <th data-bbox="973 461 1195 564">Unquoted Options</th> </tr> </thead> <tbody> <tr> <td data-bbox="220 568 517 629">Mr Stephen Copulos</td> <td data-bbox="520 568 743 629">350,871,102</td> <td data-bbox="746 568 970 629">110,000,001</td> <td data-bbox="973 568 1195 629">18,134,472</td> </tr> <tr> <td data-bbox="220 633 517 694">Mr Andrew Richards</td> <td data-bbox="520 633 743 694">11,500,000</td> <td data-bbox="746 633 970 694">-</td> <td data-bbox="973 633 1195 694">-</td> </tr> <tr> <td data-bbox="220 698 517 763">Mr John Evans</td> <td data-bbox="520 698 743 763">1,200,000</td> <td data-bbox="746 698 970 763">-</td> <td data-bbox="973 698 1195 763">-</td> </tr> </tbody> </table> <p>Further details of the Directors' Security holdings are in Section 4.10(b).</p>	Name	Shares	Quoted Options	Unquoted Options	Mr Stephen Copulos	350,871,102	110,000,001	18,134,472	Mr Andrew Richards	11,500,000	-	-	Mr John Evans	1,200,000	-	-	<p>Section 4.10(b)</p>
Name	Shares	Quoted Options	Unquoted Options														
Mr Stephen Copulos	350,871,102	110,000,001	18,134,472														
Mr Andrew Richards	11,500,000	-	-														
Mr John Evans	1,200,000	-	-														
<p><b>Forward looking statements</b></p> <p>This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.</p> <p>These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are considered reasonable.</p> <p>Such forward-looking statements are not guarantee of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the management.</p> <p>The Directors cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.</p> <p>The Directors have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.</p> <p>These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 3.</p>	<p>Important Information and Section 3</p>																

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## 1. Details of the Offer

### 1.1 Summary of the Offer

The Company is offering, pursuant to this Prospectus, 100 shares (**Shares**) at an issue price of \$0.012 each (**Offer**).

The Offer will only be extended to specific parties unrelated to the Company on invitation of the Directors. An Application Form will only be provided by the Company to these parties, together with a copy of this Prospectus.

Shares issued under the Offer will be issued as fully paid ordinary shares and will rank equally in all respects with the existing Shares on issue. Refer to Section 4.1 for a summary of the rights and liabilities attaching to the Shares under the Offer.

The Shares issued under the Offer will be issued under the Company's existing placement capacity under Listing Rule 7.1. The Company will raise \$1.20 under the Offer (before costs). The total estimated expenses of the Offer of \$7,206 will be paid by the Company from its cash reserves.

### 1.2 Previous issue of Shares

On 5 August 2019, the Company announced that it would be undertaking a placement of approximately 125 million Shares (**Placement Shares**) at \$0.012 each to institutional and sophisticated investors to raise approximately \$1.5 million (before costs) (**Placement**). Funds raised from the Placement will be applied towards exploration and evaluation of existing tenements (adjacent to the Borborema deposit and the surrounding Serido belt), pre-construction activities to accelerate the development of Borborema and working capital.

The Placement Shares are intended to be issued on or about 12 August 2019 and before the Offer under this Prospectus is closed, using the Company's existing placement capacity under Listing Rule 7.1.

### 1.3 Purpose of the Prospectus

Generally, section 707(3) of the Corporations Act requires that a prospectus is issued in order for a person to whom securities were issued without disclosure under Part 6D of the Corporations Act to on-sell those securities within 12 months of the date of their issue.

Section 708A(5) of the Corporations Act provides an exception to section 707(3) where an entity issues a 'cleansing' notice under section 708A(5). The Company has been suspended from trading on the ASX for more than 5 days in the last 12 months and as a result is precluded from issuing a 'cleansing' notice in accordance with section 708A(5) of the Corporations Act.

Section 708A(11) of the Corporations Act provides another exemption from the general requirement under section 707(3) where:

- (a) the relevant securities are in a class of securities of the company that are already quoted on ASX;
- (b) a prospectus is lodged with ASIC either:

- (i) on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
  - (ii) before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the prospectus is for an offer of securities issued by the company that are in the same class of securities as the relevant securities.

The primary purpose of this Prospectus is to comply with section 708A(11) of the Corporations Act to remove any trading restrictions that may have attached to Shares issued by the Company prior to the Closing Date, including the Placement Shares, so that the holders of the Placement Shares may, if they choose to, sell such Shares within twelve months from the date of their issue without the issue of a prospectus.

Accordingly, the purpose of this Prospectus is to make the Offer and ensure that any on-sale of the Placement Shares does not breach section 707(3) of the Corporations Act.

#### **1.4 Closing Date**

The Closing Date for the Offer is 13 August 2019. The Company reserves the right, subject to the Corporations Act and the Listing Rules, to extend the Closing Date without prior notice. If the Closing Date is varied, subsequent dates may also be varied accordingly.

#### **1.5 Underwriting and minimum subscription**

There is no minimum subscription for the Offer and the Offer is not underwritten.

#### **1.6 Application Forms**

The Offer is being extended to investors who are invited by the Company to subscribe for Shares and is not open to the general public. The Company may determine in its discretion whether to accept any or all Applications.

Applications must be made using the Application Form attached to this Prospectus. To the maximum extent permitted by law, the Directors will have discretion over which Applications to accept.

Completed Application Forms, together with application monies, must be received by the Company prior to the Closing Date. Application Forms should be delivered to the Company in accordance with the instructions on the Application Form. If you are in doubt as to the course of action, you should consult your professional advisor.

Acceptance of a completed Application Form by the Company creates a legally binding contract between the Applicant and the Company for the number of Shares accepted by the Company. The Application Form does not need to be signed to be a binding acceptance of the Shares under the Offer.

If the Application Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the acceptance as valid and how to construe, amend or complete the Application Form is final.

## **1.7 Issue and dispatch**

Subject to the Corporations Act and the Listing Rules, the Company intends to issue the Shares under the Offer on or about 13 August 2019. Shareholder statements will be dispatched as soon as possible after the issue of the Shares under the Offer.

## **1.8 Application Monies held on trust**

All Application Monies received for the Shares under the Offer will be held on trust in a bank account maintained solely for the purpose of depositing Application Monies received pursuant to this Prospectus until the Shares are issued. All Application Monies will be returned (without interest) if the Shares are not issued.

## **1.9 ASX quotation**

Application will be made to ASX no later than 7 days after the date of this Prospectus for official quotation of the Shares under the Offer. If permission is not granted by ASX for the Official Quotation of the Shares offered by this Prospectus within 3 months after the date of this Prospectus (or such period as the ASX allows), the Company will repay, as soon as practicable, without interest, all Application Monies received pursuant to this Prospectus.

## **1.10 CHESS**

The Company participates in the Clearing House Electronic Sub-register System, known as CHESS, operated by ASX Settlement Pty Limited (a wholly owned subsidiary of ASX), in accordance with the Listing Rules and ASX Settlement Operating Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of Shares. If you are broker sponsored, ASX Settlement Pty Limited will send you a CHESS statement. The CHESS statement will set out the number of Shares issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the Shares. If you are registered on the Issuer Sponsored sub-register, your statement will be dispatched by the Company's share registry and will contain the number of Shares issued to you under this Prospectus and your security holder reference number.

A CHESS statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their Shareholding changes. Shareholders may request a statement at any other time; however, a charge may be made for additional statements.

## **1.11 Residents outside Australia**

This Prospectus and any accompanying Application Form do not, and are not intended to, constitute an offer of Shares in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. 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.

## **1.12 Risk factors**

An investment in Shares of the Company should be regarded as speculative. In addition to the general risks applicable to all investments in listed securities, there are specific risks associated with an investment in the Company which are detailed in Section 3.

## **1.13 Taxation implications**

The Directors do not consider it appropriate to give Applicants advice regarding the taxation consequences of subscribing for Shares under this Prospectus. The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders or potential investors. As a result, Applicants should consult their professional tax adviser in connection with subscribing for Shares under this Prospectus.

## **1.14 Major activities and financial information**

A summary of the major activities and financial information relating to the Company can be found in the Company's Annual Financial Report for the financial year ended 31 December 2018 lodged with ASX on 4 April 2019 (**Annual Report**). For completeness, Section 4.3 contains an outline of the continuous disclosure notices (i.e. ASX announcements) made by the Company since the lodgement of the Annual Report.

Copies of these documents are available free of charge from the Company. The Directors strongly recommend that Applicants review these and all other announcements prior to deciding whether or not to participate in the Offer.

## **1.15 Privacy**

Applicants will be providing personal information to the Company (directly or by the Company's share registry) on the Application Forms. The Company collects, holds and will use that information to assess the Application, service Shareholders' needs, facilitate distribution payments and corporate communications to Shareholders and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

Shareholders can access, correct and update the personal information the Company holds about them by contacting the Company or its share registry at the relevant contact numbers set out in this Prospectus. A fee may be charged for access. Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules.

Applicants should note that if they do not provide the information required on the Application Form, the Company may not be able to accept or process their Application.

## **1.16 Enquiries concerning Prospectus**

All enquiries concerning the Application Form and the Prospectus, please contact the Company Secretary on +61 8 9480 3708.

## 2. Effect of the Offer

### 2.1 Capital structure on completion of the Offer

	Shares	Quoted Options <sup>1</sup>	Unquoted Options <sup>2</sup>
Balance at the date of this Prospectus	1,034,318,003	179,082,512	85,377,144
To be issued under the Placement	125,000,000	-	-
To be issued under the Offer	100	-	-
<b>Balance after the Offer<sup>3</sup></b>	<b>1,159,318,103</b>	<b>179,082,512</b>	<b>85,377,144</b>

**Notes:**

1. Quoted Options currently on issue (ASX: BRVO) are exercisable at \$0.02 each and expire on 30 June 2022.
2. Unquoted Options currently on issue are comprised of:
  - (a) 5,000,000 unquoted Options exercisable at \$0.195 each on or before 23 December 2019;
  - (b) 5,000,000 unquoted Options exercisable at \$0.26 each on or before 23 December 2019; and
  - (c) 75,377,144 unquoted Options exercisable at \$0.055 each on or before 31 May 2020.
3. Assuming completion of the Placement and Offer, and that no further Securities are issued or Options exercised. The Company also has on issue 15 Copulos Group Notes which can convert to a maximum of 162,000,000 Shares (including Shares issued in satisfaction of interest payable). A summary of the material terms of the Copulos Group Notes is set out in the May Prospectus.

### 2.2 Financial effect of the Offer

After paying the expenses of the Offer of approximately \$7,206, there will be no proceeds from the Offer. The expenses of the Offer will be met from the Company's existing cash reserves. The Offer will have the nominal effect on the Company's financial position of reducing the cash balance by the costs of the Offer.

Please refer to Section 4.13 for further details on the estimated expenses of the Offer.

Set out below is:

- (a) the unaudited consolidated statement of financial position of the Company as at 30 June 2019 (**Balance Date**);
- (b) the unaudited significant changes since the Balance Date;
- (c) the unaudited effects of the Offer and the Placement; and
- (d) the unaudited pro forma statement of financial position of the Company at the Balance Date adjusted to reflect paragraphs 2.2(b) and 2.2(c).

The statements of financial position have been prepared to provide Shareholders with information on the assets and liabilities of the Company and the pro forma assets and liabilities of the Company as noted below. The historical and pro forma information is presented in abbreviated form; it does not include all of the disclosures required by the Australian Accounting Standards applicable to annual financial statements.

	Unaudited Balance Sheet as at the Balance Date	Significant changes since the Balance Date	Effect of Offer and Placement	Unaudited Pro Forma Balance Sheet post significant changes, Offer and Placement
	(A\$'000)	(A\$'000)	(A\$'000)	(A\$'000)
<b>Current assets</b>				
Cash and cash equivalents	1,225	1,788	1,400	4,413
Trade and other receivables	78	-	-	78
Other current assets	258	-	-	258
Other financial assets	1,200	300	-	1,500
<b>Total Current Assets</b>	<b>2,761</b>	<b>2,088</b>	<b>1,400</b>	<b>6,249</b>
<b>Non-Current Assets</b>				
Exploration and evaluation assets	19,664	205	-	19,869
Property, plant & equipment	103	-	-	103
<b>Total Non-Current Assets</b>	<b>19,767</b>	<b>205</b>	<b>-</b>	<b>19,972</b>
<b>Total Assets</b>	<b>22,528</b>	<b>2,293</b>	<b>1,400</b>	<b>26,221</b>
<b>Current Liabilities</b>				
Trade and other payables	1,692	(472)	-	1,220
Loans	2,143	(723)	-	1,420
<b>Total Current Liabilities</b>	<b>3,835</b>	<b>(1,195)</b>	<b>-</b>	<b>2,640</b>
<b>Non-Current Liabilities</b>				
Trade and other payables	637	-	-	637
<b>Total Non-Current Liabilities</b>	<b>637</b>	<b>-</b>	<b>-</b>	<b>637</b>
<b>Total Liabilities</b>	<b>4,472</b>	<b>(1,195)</b>	<b>-</b>	<b>3,277</b>
<b>Net Assets</b>	<b>18,056</b>	<b>3,488</b>	<b>1,400</b>	<b>22,944</b>
<b>Shareholders Equity</b>				
Issued/to be issued capital	87,794	3,488	1,400	92,682
Reserves	10,421	957	-	11,378
Retained earnings	(80,159)	(957)	-	(81,117)
<b>Total Shareholders Equity</b>	<b>18,056</b>	<b>3,488</b>	<b>1,400</b>	<b>22,944</b>

The pro forma statement of financial position has been prepared on the basis that the assets and liabilities of the Company have not been subject to any material change between 30 June 2019 and the completion of the Offer except for:

- (a) the receipt of \$4,112,472 (before costs) under the Company's entitlement issue, with the issue of 411,247,201 Shares and 137,082,512 attaching Options

(exercisable at \$0.02 each and expiring 30 June 2022), and 42,000,000 Options issued to the underwriters; and

- (b) movements in working capital from transactions incurred in the normal course of business including corporate costs, employee entitlements and exploration activities.

The pro-forma statement of financial position has not been subject to an audit or review.

### **2.3 Effect of the Offer on control of the Company**

The Company is of the view that the Offer will not affect the control (as defined by section 50AA of the Corporations Act) of the Company. No new investor or existing Shareholder will have a voting power greater than 20% as a result of the completion of the Offer.

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### **3. Risk factors**

Activities in the Company and its controlled entities, as in any business, are subject to risks, which may impact on the Company's future performance. The Company and its controlled entities have implemented appropriate strategies, actions, systems and safeguards for known risks; however, some are outside its control.

The Directors consider that the following summary, which is not exhaustive, represents some of the major risk factors which potential investors need to be aware of in evaluating the Company's business and the risks of investing in the Company. Investors should carefully consider the following factors in addition to the other information presented in this Prospectus.

The principal risks include, but are not limited to, the following:

#### **3.1 Risks specific to the Company**

##### **(a) Future funding**

The Group's exploration and development strategy, principally at the Company's Borborema Gold Project in Brazil, is dependent on raising additional funds in the near future.

Further funding will be required by the Company to support its ongoing activities and operations. Furthermore, the Group's capital requirements may vary materially from its current plans, and the Company may require significant additional financing. The Company's ability to raise further capital within an acceptable time, of a sufficient amount and on terms acceptable to the Company will vary according to a number of factors, including prospectivity of projects (existing and future), the results of exploration, subsequent feasibility studies, development and mining, share market and industry conditions and the price of relevant commodities and exchange rates.

No assurance can be given that any future funding will be available to the Company on favourable terms (or at all). If adequate funds are not available on acceptable terms the Company may not be able to pursue its strategy in the short term or develop its projects and it may be required to reduce the scope of its operations or to cease trading. It may also impact on the Company's ability to continue as a going concern.

Any additional equity financing will dilute Shareholders and debt financing, if available, may restrict the Company's financing and operating activities.

##### **(b) Budget risks**

The Company's operating budget and proposed use of funds is based on the assumption that certain cost reductions implemented earlier in the year remain in place.

The Board considers that these cost reductions can continue without restricting the Company's abilities to continue with its present operations. However, there is no guarantee that the Company will be able to implement these cost reductions in the manner intended, or that there will not be any unexpected adverse consequences resulting from the cost reductions.

(c) **Copulos Group Notes**

As at the date of this Prospectus, \$1,500,000 has been advanced to the Company pursuant to the Copulos Group Notes.

Conversion of the Copulos Group Notes into Shares is at the election of the noteholder. In the event that the Copulos Group Notes are not converted before the period ending 10 business days before the relevant maturity date, the Copulos Group Notes will be repayable in cash on the maturity date. The maturity date is 12 months after the date of issue of the respective Copulos Group Notes, with the notes maturing over the period between November 2019 to February 2020 (unless extended).

In the event Copulos Group elect not to convert the notes in full, or an event of default occurs, the Company will need to repay the Copulos Group Notes.

If the Company is required to repay the Copulos Group Notes in cash and the Company does not have sufficient funding available, it will be required to raise funding to satisfy its obligations. There is no certainty that such funding would be available, or available on acceptable terms.

The Company's obligations under the Copulos Group Notes are secured by a security interest over the assets of the Company. Accordingly, if the Company is unable to satisfy its obligations, the Copulos Group may seek to enforce the security over the Company and its assets, and the Company may become an externally-administered body corporate.

(d) **Risks associated with operating in foreign jurisdictions**

The Group's exploration and mining projects are located in Brazil. The Group is therefore subject to the socio-economic conditions, as well as the laws and regulations governing the mining industry in Brazil. Although this jurisdiction is generally perceived as being stable, inherent risks with conducting operations in foreign jurisdictions can include, but are not limited to: high rates of inflation; military repression; war or civil war; social and labour unrest; organised crime; hostage taking; terrorism; violent crime; extreme fluctuations in currency exchange rates; expropriation and nationalisation; renegotiation or nullification of existing concessions, licences, permits and contracts; illegal mining; changes in taxation policies; restrictions on foreign exchange and repatriation; and changing political norms, currency controls and governmental regulations that favour or require the Group to award contracts in, employ citizens of, or purchase supplies from, a particular jurisdiction. In addition, the legal systems operating in foreign jurisdictions may be less developed than those in more established countries, which may result in risks such as: political difficulties in obtaining effective legal redress in the courts; a higher degree of discretion on the part of governmental agencies; a lack of political or administrative guidance on implementing applicable rules and regulations; inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions; or relative inexperience of the judiciary and courts in such matters.

Changes in mining or investment policies or legislation or shifts in political attitude in any of the jurisdictions in which the Group operates may adversely affect the Group's operations or profitability. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, importation of parts and supplies, income and other taxes,

expropriation of property, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety.

Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure could result in loss, reduction or expropriation of entitlements, or the imposition of local or foreign parties as joint venture partners with carried or other interests. In addition, changes in government laws and regulations, including taxation, royalties, the repatriation of profits, restrictions on production, export controls, changes in taxation policies, environmental and ecological compliance, expropriation of property and shifts in the political stability of the country, could adversely affect the Group's exploration, development and production initiatives in these countries.

The Brazilian mining legal and regulatory regime has recently been amended with changes having been made to the royalty rates for mining companies and the appointment of a new mining regulator; the National Mining Agency (Agência Nacional de Mineração) (**ANM**) in place of Departamento Nacional de Producao Mineral (**DNPM**) on 1 January 2018. The replacement of the DNPM with the ANM is intended to increase the independence, transparency and economic resources available to the Brazilian mining regulator. The ANM also has increased powers of oversight, including the ability to require biannual reports on the progress of exploration activities and increased supervision over the environmental licensing procedure preceding the grant of a mining concession. The reform has also increased the amounts of previously existing penalties for the breach of mining laws and regulations. Fines now vary from R\$2,000 to R\$30 million. Additional enforcement powers include: (i) the imposition of daily fines of R\$100 to R\$50,000; (ii) temporary suspension, in whole or in part, of mining activities; and (iii) the seizure of minerals, assets and equipment, in addition to the cancellation of mining rights.

The Group continues to monitor developments and policies and the impact thereof to its operations; however they cannot be accurately predicted over time and could have an adverse effect on the Group's operations or profitability.

(e) **Risks related to the sale of the Posse iron ore project**

The Group entered into an agreement to dispose of the Posse iron ore assets and related contracts to Inter Invest B.P. S/A in July 2017, which was conditional on approval of the transfer of the Posse mineral tenement being granted by the relevant Brazilian regulatory authorities. The agreement was subsequently amended on 1 August 2017 and 20 December 2017, amongst other things, to include a further entity, CNS Empreendimentos Em Transportes E Minerios Eireli (**CNS**), as the buyer, which is jointly liable with Inter Invest (together, the **Posse Buyer**). The approval of the relevant Brazilian authorities was granted in February 2018, such that title transferred to CNS. Since 13 March 2018, the Company has not been legally responsible for the Posse mine.

Under the original agreement, the consideration of R\$8,005,000 to be paid to the Company was to be paid by an initial payment of R\$1 million, with the balance being paid in 15 equal monthly instalments and the final instalment due to be paid in November 2018.

As at the date of this Prospectus, R\$2,270,000 has been paid to the Company.

As a result of the failure by the Posse Buyer to pay the instalments, the Company and the Posse Buyer undertook negotiations with a view to bringing forward the payment of the total consideration. Although the negotiations were positive, they did not ultimately result in an agreement. Accordingly, the Company commenced legal proceedings on 19 June 2018 regarding the payment of the amounts owed and the obligations of the Posse Buyer (amounting to a claim of R\$14,466,379 in aggregate). These requests include an injunction for the suspension of activities at Posse until payment is made in full of the amount agreed upon, as well as the payment of a daily fine if there is no suspension of activities.

As part of the conciliation process required under Brazilian law, the parties reached an agreement for an aggregate settlement amount of \$R9,500,000 on the following key terms:

- (i) sign-on payment of R\$200,000 (which has been paid);
- (ii) a R\$200,000 instalment paid in November 2018;
- (iii) a R\$250,000 instalment payable in each of December 2018 and February 2019;
- (iv) a R\$200,000 instalment payable in March 2019;
- (v) eight monthly instalments of R\$1,018,750 from April 2019 to November 2019; and
- (vi) R\$190,000 in consideration of legal fees incurred to be paid in stages beginning at sign-on and ending on the last instalment.

As announced on 30 October 2018, this agreement has been confirmed by a judgement of the Brazilian courts.

On 28 March 2019 the Company executed an agreement with the Posse Buyer varying the schedule of instalments to the following:

- (i) immediate payment of R\$450,000 (which has been paid); and
- (ii) 50 monthly instalments of R\$175,000 from April 2019 to May 2023.

Based on an exchange rate of R\$1:AUD\$0.36, AUD\$3.1m remains outstanding.

The Company cautions that there can be no certainty that the Posse Buyer will make payments in accordance with schedule of instalments. In that event, the Company would be required to take further action. Such action would incur further costs and diversion of management attention. The loss of incoming funding would also require the Board to take mitigating action in seeking to defer elements of the Company's current operational plan.

In addition to the above matter, the Company has the benefit of indemnities from the Posse Buyer in respect of certain liabilities relating to the project, including (amongst other things) liabilities related to termination arrangements for existing employees, employment matters (such as the outsourcing of activities which are considered to be within the core business of the company), product liability, use of intellectual property, civil and criminal proceedings, as well as environmental proceedings. There is a risk that the Posse Buyer will be unable to meet its payment obligations in respect

of all or any of the consideration payable under the agreement as amended, or as may be amended in future by agreement between the parties. In addition, the Posse Buyer may be unable or unwilling to meet its obligations to indemnify the Company under the sale agreement. In the latter circumstance, the Company may face legal proceedings in respect of the underlying claim or liability which was the subject of the indemnity, which may have an adverse effect on the Group's financial position.

Similarly, in the event that claims or liabilities arise which relate to the Company's period of operation and are not the subject of an indemnity nor assumed by the Posse Buyer by operation of law, they may also have an adverse effect on the Group's financial position.

**(f) Title**

All of the permits or licences in which the Group holds interests will be subject to applications for renewal or grant (as the case may be). The renewal or grant of the terms of each permit or licence is usually at the discretion of the relevant government authority.

There may be divergences between the practices adopted by any such government authority and the strict requirements of law. Additionally, permits are subject to a number of government specific legislative conditions. The inability to meet these conditions, or a government authority having acted outside of its powers, could affect the standing of a permit or restrict its ability to be renewed. If a permit or licence is not renewed or granted, or is made subject to additional limitations the Group may suffer significant damage through loss of the opportunity to develop and discover any mineral resources on that permit or licence.

The Group holds certain of its interests through a trust or similar arrangement. In the event that any third-party trustee is unwilling to recognise the terms of such trust arrangement, or becomes insolvent or bankrupt, the Group may experience difficulty in securing absolute title to such interests, may incur costs in enforcing its rights and ultimately may be unable to exploit such interests (in whole or in part).

**(g) Payment obligations**

Under the exploration permits and licences and certain other contractual agreements to which the Group is, or may in the future become party, the Group is or may become subject to payment and other obligations. In particular, the permit holders are required to expend the funds necessary to meet the minimum work commitments attaching to the permits and licences. Failure to meet these work commitments will render the permit liable to be cancelled. Further, if any contractual obligations are not complied with when due to be performed, in addition to any other remedies which may be available to other parties, this could result in dilution or forfeiture of interests held by the Group and have a material adverse effect on its business, financial condition and prospects.

**(h) Resource and reserve estimates**

The Company has previously announced ore reserve and mineral resource estimates for its Borborema Gold Project.

Reserve and resource estimates involve subjective judgements and determinations and are based on available geological, technical, contractual and economic information and are based on knowledge, experience and industry practice. These are not exact determinations. Estimates that were valid when originally made may alter significantly when new information or techniques become available.

In addition, by their very nature, reserve and resource estimates are imprecise and depend on interpretations which may prove to be inaccurate, and whilst the Company employs industry-standard techniques including compliance with the JORC Code 2012 to reduce the reserve and resource estimation risk, there is no assurance that this approach will alter the risk. As further information becomes available through additional fieldwork and analysis, reserve and resource estimates may change. This may result in alterations to mining and development plans which may in turn adversely affect the Group's business, reputation, prospects, financial condition and results of operations.

**(i) Capital expenditure estimates may not be accurate**

Estimated capital expenditure requirements are estimates based on anticipated costs and are made on certain assumptions. Should the Group's capital expenditure requirements turn out to be higher than currently anticipated (for example, if there are unanticipated difficulties in drilling or price rises) the Group or its partners may need to seek additional funds which it may not be able to secure on reasonable commercial terms to satisfy the increased capital expenditure requirements. If this happens, the Group's business plan, financial condition and operations may be materially adversely affected.

**(j) Foreign exchange risk**

Currency fluctuations may affect the Group's capital and operating expenses and the cash flow that the Group hopes to realise from its operations. The Company currently reports its financial results in Australian dollars and its operating and capital expenses are largely incurred in Brazilian reais, while the market for gold and other base metals is predominately denominated in US dollars. The Group's assets and liabilities will be subject to exchange rate fluctuations which could have a material adverse effect on the Group. Fluctuations in exchange rates between currencies in which the Group is exposed to relative to Australian dollars may cause fluctuations in its financial results. In addition, once the Group has commenced production, the appreciation of the Brazilian real, against the United States dollar would increase the costs of gold production at such mining operations, which could materially and adversely affect the Group's earnings and financial condition. The Group may also be exposed to foreign currency risk from investments, costs, revenues and borrowings in a variety of international currencies. The Group does not currently hedge against foreign currency risk. As the Group cannot predict the effect of exchange rate fluctuations upon future operating results, there can be no assurance that exchange rate fluctuations will not have a material adverse effect on its business, operating results or financial condition.

**(k) Litigation**

Legal proceedings may arise from time to time in the course of the Group's activities. Other than as set out in Section 4.8, the Group is not currently involved, either directly or indirectly, as claimant or defendant, in any

material litigation, claim, arbitration or dispute, that has or could have a material effect on its financial position, and save as set out in Section 4.8, the Directors do not know of any proceedings pending or threatened or of any facts likely to give rise to any proceedings which might materially and adversely affect the Group's position or business. There can be no assurance that there will be no such further proceedings in the future that could affect the reputation, business or performance of the Group. Defence and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, there can be no assurance that the resolution of any particular legal proceeding or any adverse publicity surrounding such claim will not have a material adverse effect on the Group's business, reputation, prospects, financial condition or results of operations.

**(l) Remote operations**

Certain project interests of the Group may be located in remote parts of Brazil which subjects the Group to risks, including unexpected transportation logistics and other unexpected delays that each could singly or collectively materially negatively impact upon the Group's financial performance and position. Whilst the Group's primary asset at Borborema is not located in a remote location, any future assets that are may be susceptible to limitations associated with costs and availability of transportation, availability of personnel, specialist services, parts, equipment and supplies on a timely basis.

**(m) Joint venture risks**

The Company may in the future become a party to joint venture agreements governing the exploration and development of its projects.

There are risks that a joint venture partner may:

- (i) have economic or business interests or targets that are inconsistent with those of the Group;
- (ii) take action contrary to the Group's policies or objectives with respect to their investments, for instance by veto of proposals in respect of joint venture operations;
- (iii) be unable or unwilling to fulfil their obligations under the joint venture or other agreements; or
- (iv) experience financial or other difficulties.

Any of the foregoing may have a material adverse effect on the results of operations or financial condition of the Group. In addition, the termination of these joint venture agreements, if not replaced on similar terms, could have a material adverse effect on the results of operations or financial condition of the Group.

In addition, in certain circumstances, the Group may be liable for the acts or omissions of its partners. If a third party pursues claims against the Group or against a joint venture vehicle in which the Group has an interest as a result of the acts or omissions of the Group's partners, the Group's ability to recover from such partners may be limited. Recovery under such arrangements may involve delay, management time, costs and expenses or may not be possible

at all which, in each case, could adversely affect the Group's financial performance and condition.

(n) **Dividends are not anticipated in the near future**

The Company has never paid cash dividends on its Shares. The Company may choose to retain some or all of its future earnings, if any, to fund the development and growth of its business, thus reducing or eliminating the payment of cash dividends on Shares for the foreseeable future. The payment of any future dividends will depend upon earnings and the Company's financial condition, current and anticipated cash needs and such other factors as the Board considers appropriate. As a result, Shareholders may have to rely on capital appreciation, if any, to earn a return on investment in Shares in the foreseeable future. The declaration, payment and amount of any future dividends of the Company are subject, in the case of a final dividend, to the approval of the Shareholders and, in the case of an interim dividend, to the decision of the Board, and will depend upon, among other things, the Company's earnings, financial position, cash requirements, availability of profits, as well as provisions for relevant laws or generally accepted accounting principles from time to time. Furthermore, the Company may in the future become subject to contractual restrictions on, or prohibitions against, the payment of dividends.

### **3.2 General mining industry risks**

(a) **Exploration success**

While extensive exploration activities have been conducted over the Borborema Gold Project, resulting in the declaration of an ore reserve estimate, exploration activities continue to be taken over the remainder of the Company's projects.

Whilst the Company is of the view that exploration to date over the Company's projects have yielded results that justify further exploration, the Company is subject to exploration risk.

Mineral exploration and project development are high risk undertakings. There can be no assurance that further exploration on the Company's projects 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. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

(b) **Drilling and exploration programs**

There are operational risks associated with the Company's planned drilling and exploration programs. Any planned surface sampling, drilling and exploration programs may be affected by a range of factors, including (but not limited to): geological and ground access conditions; unanticipated operational and technical difficulties encountered in sampling and drilling activities; adverse weather conditions, environmental accidents; unexpected shortages or increases in the costs of consumables, spare parts, and labour; mechanical failure of operating plant and equipment; prevention of access by reason of political or civil unrest, outbreak of hostilities, outbreak of disease, inability to obtain regulatory consents or approvals; terms imposed by government bodies on the development of mining projects, including conditions such as

equity participation, royalty rates and taxes; and risks of default or non-performance by third parties providing essential services.

No assurance can be given that planned and future exploration will be successful or that a commercial mining operation will eventuate at any of the Group's projects.

**(c) Development risks**

Future development of a mining operation at any of the Company's projects, is dependent on a number of factors including, but not limited to, favourable geological conditions, receiving and retaining the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding, and contracting risk from third parties providing essential services.

The Company's operations may be disrupted by a variety of risks and hazards which are beyond its control, including environmental hazards, industrial accidents, technical failures, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement of hazardous weather conditions and fires, explosions or accidents.

The Company intends to progress the development of the Borborema Gold Project through the undertaking of a definitive feasibility study. There is a risk that the outcomes of the study may not be economic, or if they are, that the Company will not achieve the outcomes of the definitive feasibility study. However, having taken the Posse iron ore project through feasibility, the Company has significant Brazilian permitting experience.

No assurance can be given that the Company will achieve commercial viability through the development or mining of its projects and treatment of ore.

**(d) Operational and technical risks**

The operations of the Company may be affected by various factors, including failure to achieve predicted grades and/or resources in exploration and mining, operational and technical difficulty encountered in mining and extraction, difficulties in re-commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical or recovery problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes, and unexpected shortages or increases in the costs of consumables spare parts, plant and equipment.

**(e) Commercial risks of mineral exploration and extraction**

Even if the Group recovers quantities of minerals, there is a risk the Group will not achieve a commercial return. The Group may not be able to sell the minerals to customers at a price and quantity which would cover its operating and other costs. The Group may be subject to all the risks inherent in the establishment of a new mining operation with respect to the Group's mineral assets that in the future move to the development phase. No assurances can be given to the level of viability that the Group's operations may achieve.

(f) **Environmental**

The exploration for minerals, development of mines and production of metals can be hazardous to the environment and environmental damage may occur that is costly to remedy. If the Group is responsible for any environmental damage, the Group may incur substantial remediation costs or liabilities to third parties.

All phases of the Group's operations are subject to some form of environmental and safety regulation. These regulations mandate, among other things, air and water quality standards, land reclamation, the generation, transportation, storage and disposal of hazardous waste, labour regulations and worker safety.

Environmental and safety legislation is evolving in a manner that will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that the Group has been or will at all times be in full compliance with all environmental laws and regulations or hold, and be in full compliance with, all required environmental and health and safety permits. The potential costs and delays associated with compliance with such laws, regulations and permits could prevent the Group from proceeding with the development, operation or further development of a project, and any non-compliance therewith may adversely affect the Group's business, financial condition and results of operations.

Environmental hazards may also exist on the properties on which the Group holds interests that are unknown to the Group at present and that have been caused by previous or existing owners or operators of the properties. Government environmental approvals and permits are currently, and may in the future be, required in connection with the Group's operations. To the extent such approvals are required and not obtained, the Group may be curtailed or prohibited from proceeding with planned exploration or development of mineral properties. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations, including the Group, may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Group and cause increases in exploration expenses, capital expenditures or production costs, reduction in levels of production at producing properties, or abandonment or delays in development of new mining properties.

The Group will be required to submit, for government approval, a reclamation plan for its mining projects prior to being granted an installation licence and the commencement of construction. The reclamation plan establishes the Group's obligation to reclaim property after minerals have been mined from the sites. The Group may incur significant reclamation costs which may materially exceed the provisions the Group has made for such reclamation. The Group may also be required to provide or procure financial assurances as

security to ensure performance of the required reclamation activities. In addition, the potential for additional regulatory requirements relating to reclamation or additional reclamation activities may have a material adverse effect on the Group's financial condition, liquidity or results of operations.

The mineral exploration activities of the Group are subject to various laws governing exploration, development, production, taxes, labour standards and occupational health, mine safety, toxic substances and other matters. Although the Group believes that its exploration activities are currently carried out in accordance with all applicable rules and regulations, new rules and regulations may be enacted or existing rules and regulations may be applied in a manner that could limit or curtail production or development of the Group's properties. Amendments to current laws and regulations governing the operations and activities of the Group or more stringent implementation thereof could have a material adverse effect on the Group's business, financial condition and results of operations.

**(g) Commodity price volatility**

It is anticipated that any revenues derived from mining will primarily be derived from the sale of precious and base metals. Consequently, any future earnings are likely to be closely related to the price of these commodities and the terms of any offtake agreements which it enters into. Metal prices fluctuate and are affected by numerous factors beyond the control of the Group. These factors include world demand for minerals and metals, forward selling by producers, and production cost levels in major mineral producing regions. Moreover, metal prices are also affected by macroeconomic factors such as expectations regarding inflation, interest rates and global and regional demand for, and supply of, the metal as well as general global economic conditions. These factors may have an adverse effect on the Group's exploration, development and production activities, as well as on its ability to fund those activities. The market price of gold, in particular, can be volatile and, in addition to the factors above, purchases and sale of bullion holdings by central banks or other large holders or dealers may also have an impact on the market and price. Consequently, price forecasting can be difficult to predict or be imprecise. Sustained downward movements in gold market prices and/or the adverse effect of currency exchange rates or controls could render less economic, or uneconomic, some or all of the gold exploration and/or extraction activities to be undertaken by the Group. Adverse commodity price movement could have a material adverse effect on its business, financial condition and prospects.

**(h) Competition**

The mining industry is intensely competitive in all of its phases and the Group will compete with many companies possessing greater financial and technical resources than the Group. Competition in the minerals and mining industry is primarily for mineral rich properties that can be developed and produced economically; the technical expertise to find, develop, and operate such properties; the labour to operate the properties; and the capital for the purpose of funding such properties. Many competitors not only explore for minerals, but conduct refining and marketing operations on a global basis. Such competition may result in the Group being unable to acquire desired properties, to recruit or retain qualified employees or to acquire the capital necessary to fund its operations and develop its properties. Existing or future competition in the mining industry could materially adversely affect the Group's prospects for mineral exploration and success in the future.

### **3.3 General risks**

(a) **Market conditions and other economic risks**

General economic conditions, movements in interest and inflation rates, commodity prices and currency exchange rates may have an adverse effect on the Company's operations and any future development activities, as well as on its ability to fund those activities. The price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(b) **Unforeseen expenditure risk**

Expenditure may need to be incurred that has not been taken into account by the Company. Although the Company is not aware of any such additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of the Company.

(c) **Insurance**

While the Group may obtain insurance against certain risks in such amounts as it considers adequate, the nature of these risks are such that liabilities could exceed policy limits or that certain risks could be excluded from coverage. There are also risks against which the Group cannot insure against or which it may elect not to insure. The potential costs that could be associated with any liabilities not covered by insurance or in excess of insurance coverage may cause substantial delays and require significant capital outlays, adversely affecting the Group's earnings and competitive position in the future and, potentially, its financial position. In addition, the potential costs that could be associated with compliance with applicable laws and regulations may also cause substantial delays and require significant capital outlays, adversely affecting the Group's operating results, competitive position and potentially, its financial condition.

(d) **Security risk**

The business of the Company may be materially impacted by breaches of security, on-site or via technology, either by unauthorized access, theft, destruction, loss of information or release of confidential data. The Company's security measures may not be sufficient to detect or prevent such breaches of security.

### **3.4 Investment Speculative**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares. Shareholders should consider that the investment in the Company is high risk and should consult their professional adviser before deciding whether to apply for Shares pursuant to this Prospectus.

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## **4. Additional information**

### **4.1 Rights and liabilities attaching to Shares**

A summary of the rights attaching to Shares in the Company is below. This summary is qualified by the full terms of the Constitution (a full copy of the Constitution is available from the Company on request free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements. For a Shareholder to obtain a definitive assessment of the rights and liabilities which attach to Shares in any specific circumstances, the Shareholder should seek legal advice.

**(a) General meeting and notices**

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 Constitution, the Corporations Act or the Listing Rules.

**(b) Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at a general meeting of the Company every holder of fully paid Shares present in person or by an attorney, representative or proxy has one vote on a show of hands (unless a member has appointed 2 proxies) and one vote per Share on a poll.

A person who holds a 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.

**(c) 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 Constitution, the Listing Rules, the Corporations Act and any rights for the time being attached to the Shares in any special class of those Shares.

**(d) Variation of rights**

At present, the Company has on issue one class of Shares only, namely ordinary Shares. Unless otherwise provided by the Constitution or by the terms of issue of a class of Shares, the rights attached to the Shares in any class may be varied or cancelled only with the written consent of the holders of at least three-quarters of the issued Shares of the affected class, or by special resolution passed at a separate meeting of the holders of the issued Shares of the affected class.

**(e) Transfer of Shares**

Subject to the Constitution, the Corporations Act and the Listing Rules, ordinary Shares are freely transferable.

**(f) Dividends**

Subject to the Corporations Act, the Listing Rules and the rights attaching to Shares issued on special conditions (at present there are none), the Directors may from time to time declare that a dividend is payable to the holders of ordinary Shares in proportion to the number of Shares held by them respectively and are paid proportionately to the amounts paid or credited as paid on Shares.

**(g) Winding up**

Subject to the Constitution, the Corporations Act and the rights of holders of Shares with special rights in a winding-up (at present there are none), on a winding-up of the Company, the liquidator may, with the sanction of a special resolution of the Company, divide among the Shareholders in kind the whole or any part of the property of the Company and may for that purpose set the value the liquidator considers fair upon any property to be so divided and may determine how the division is to be carried out as between members or different classes of members.

**(h) Dividend reinvestment and share plans**

The Directors may grant to Shareholders or any class of Shareholders the right to elect that dividends payable by the Company be reinvested, including by way of subscription for fully paid Shares in the Company or by foregoing any dividends that may be payable on all or some of the Shares held by that member and to receive instead some other entitlement, including the issue of Shares.

**(i) Directors**

The Constitution states that the minimum number of Directors is three.

**(j) Powers of the Board**

Except as otherwise required by the Corporations Act, any other law, the Listing Rules or the Constitution, the Directors have power to manage the business of the Company and may exercise all powers of the Company as are not required by the Corporations Act, Listing Rules or Constitution, required to be exercised by the Company at general meeting.

**(k) Unmarketable parcels**

The Constitution permits the Company to sell the Shares held by a Shareholder if they comprise less than a marketable parcel within the meaning of the Listing Rules.

If a Shareholder does not want its Shares sold, that Shareholder may notify the Company accordingly.

**(l) Capitalisation of profits**

The Company may capitalise profits, reserves or other amounts available for distribution to members. Subject to the Constitution and the terms of issue of Shares, members are entitled to participate in a capital distribution in proportion to the number of Shares held by them.

(m) **Preference Shares**

The Company may issue preference shares including preference shares that are liable to be redeemed. The rights attaching to preference shares include, without limitation, those in the Constitution.

#### 4.2 **Company is a disclosing entity**

The Company is a disclosing entity under the Corporations Act. It is subject to regular reporting and disclosure obligations under both the Corporations Act and the Listing Rules. These obligations require the Company to notify ASX of information about specific events and matters as they arise for the purpose of ASX making the information available to the stock market conducted by ASX. In particular, the Company has an obligation under the Listing Rules (subject to certain limited exceptions), to notify ASX once it is, or becomes aware of information concerning the Company which a reasonable person would expect to have a material effect on the price or value of the Shares.

The Company is also required to prepare and lodge with the ASIC yearly and half-yearly financial statements, accompanied by a Directors' statement and report and an audit review or report. Copies of documents lodged with the ASIC in relation to the Company may be obtained from, or inspected at, an ASIC office (see Section 4.3 below). Copies of all documents announced to the ASX can be found at [www.bigrivergold.com.au](http://www.bigrivergold.com.au).

#### 4.3 **Copies of documents**

Copies of documents lodged by the Company in connection with its reporting and disclosure obligations may be obtained from, or inspected at, an office of the ASIC. The Company will provide free of charge to any person who requests it during the period of the Offer, a copy of:

- (a) the financial statements of the Company for the financial year ended 31 December 2018 and the half year ended 30 June 2018, being the last two financial statements of the Company lodged with ASIC before the issue of this Prospectus; and
- (b) the following continuous disclosure notices given by the Company to notify ASX of information relating to the Company since the Company lodged its Annual Report and before the date of issue of this Prospectus:

<b>Date lodged</b>	<b>Subject of Announcement</b>
8/08/2019	Change of Director's Interest Notice - AR
5/08/2019	Placement to Institutional and Sophisticated Investors
1/08/2019	Trading Halt
31/07/2019	Ceasing to be a substantial holder
30/07/2019	Quarterly Activities Report
30/07/2019	Quarterly Cashflow Report
23/07/2019	Update on Progress - Appointment of Consultants

<b>Date lodged</b>	<b>Subject of Announcement</b>
11/07/2019	Change in substantial holding
11/07/2019	Change of Director's Interest Notice x3
9/07/2019	Reinstatement to Official Quotation
8/07/2019	Entitlement Issue Closed and Recommencement of Trading
8/07/2019	Annual Mineral Resource and Ore Reserve Statement
25/06/2019	Entitlement Offer Closed
17/06/2019	Company Name Change to Big River Gold Limited
12/06/2019	Results of Meeting
4/06/2019	Notice of Initial Substantial Holder of MEI
31/05/2019	Sale of Juruena Gold Project Completed
31/05/2019	MEI: Brazilian Gold Acquisition Completed
28/05/2019	Notice of Initial Substantial Holder
24/05/2019	Letter to Ineligible Shareholders - Entitlement Offer
24/05/2019	Letter to Eligible Shareholders - Entitlement Offer
23/05/2019	Appendix 3B - Entitlement Offer - Amended
23/05/2019	Letter to Optionholders - Entitlement Offer
23/05/2019	Appendix 3B - Entitlement Offer
23/05/2019	Prospectus - Entitlement Offer
23/05/2019	Non-Renounceable Entitlement Offer to Raise Approx. \$4.1M
22/05/2019	ASX Waiver from Listing Rule 10.13.3
9/05/2019	Extension of time to hold AGM
8/05/2019	Notice of AGM / Proxy Form & Independent Expert's Report
30/04/2019	Quarterly Activities Report
30/04/2019	Quarterly Cashflow Report
26/04/2019	Borborema Installation Permit Granted
26/04/2019	Proposed name change to Big River Gold Limited
15/04/2019	Juruena Share Sale Agreement executed

<b>Date lodged</b>	<b>Subject of Announcement</b>
11/04/2019	Appendix 3B - Amended
8/04/2019	Change of Registered Office
4/04/2019	Annual Report to Shareholders

The following documents are available for inspection throughout the period of the Offer during normal business hours at the registered office of the Company:

- (a) this Prospectus;
- (b) the Constitution; and
- (c) the consents provided by the Directors to the issue of this Prospectus.

#### **4.4 Information excluded from continuous disclosure notices**

There is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules and which is required to be set out in this Prospectus.

#### **4.5 Determination by ASIC**

ASIC has not made a determination which would prevent the Company from relying on section 713 of the Corporations Act in issuing the Shares under this Prospectus.

#### **4.6 Market price of Shares**

The Company's Shares were suspended from official quotation on ASX between 1 October 2018 and 9 July 2019.

The highest and lowest closing market sale prices of the Shares on ASX during the 3 months immediately preceding 1 October 2018 and the respective dates of those sales were:

Lowest: \$0.02 (on various days in September 2018)

Highest: \$0.035 (on 15 August 2018)

The highest and lowest closing market sale prices of the Shares on ASX during the month immediately preceding the date of lodgement of this Prospectus with ASIC and the respective dates of those sales were:

Highest: \$0.023 per Share on 8 August 2019

Lowest: \$0.008 per Share on 22 July 2019

The latest available closing market sale price of the Shares on ASX prior to the date of lodgement of this Prospectus with ASIC was \$0.02 per Share on 9 August 2019.

## 4.7 Dividend policy

The Directors are not able to say when and if dividends will be paid in the future as the payment of any dividends will depend on the future profitability, financial position and cash requirements of the Company.

## 4.8 Current litigation

Save as set out below, no member of the Group is involved in any governmental, legal or arbitration proceedings which may have a significant effect on the Group's financial position or profitability, nor, so far as the Group is aware, are any such proceedings pending or threatened:

- (a) as at the date of this Prospectus, a small number of labour disputes (less than a dozen) involving entities of the Group are currently at varying stages of litigation or settlement proceedings in Brazil:
  - (i) the Group is dealing with a number of claims from employees or former employees for the payment of overtime or similar additional entitlements, where the amount claimed is less than \$25,000 per claim. The relevant Group entity has agreed settlement amounts and/or is appealing many of these claims;
  - (ii) one of the claims is for approximately \$108,000, which relates to a person seeking to be recognised as an employee. The Group is awaiting a further hearing at which the Group intends to defend against the claim; and
  - (iii) an additional claim, for approximately \$52,000, from a former employee claiming a work bonus and a permanent disability from a lung condition. The applicant did not appear at a hearing scheduled in March 2019 and the Company is awaiting the Judge's decision;
- (b) the Group has also been served with a claim alleging that it has been exploring an area owned by the claimants (being part of the Juruena tenements) without payment for damages and drilling activities. The Company is disputing this claim as it had, and continues to have, agreements with the claimants and several other local land owners, to whom payments for exploration activities have been made. In its preliminary decision, the court ordered the suspension of further exploration activities. The Group has since appealed against that decision and is awaiting the court's judgment. The total amount claimed is approximately \$180,000;
- (c) the Group has also commenced proceedings against three customers of the Posse project for debts which remain unpaid. These claims are for amounts of approximately \$180,000, \$13,000, and \$11,000;
- (d) the Group was added to an inquiry conducted by the attorney general's office of Rio Grande do Norte in May 2017, which originally was opened in 2014, to investigate the circumstances surrounding a potential contamination of a natural water reservoir and spring system which supplies water to the city of Currais Novos. No allegations of water contamination by the Group have been made;
- (e) the Group has also received a notice of violation from FEAM (the Brazilian environmental authority) and the Town Hall of Sabara in relation to the discharge of materials in an unlicensed area, by a contractor of the Group

involved in the operation of the Posse mine. The estimated liability is between approximately \$10,000 and \$15,000. In addition, the Group received an infraction notice from the ANM in June 2016 in relation to alleged overproduction and potential safety issues in respect of the Posse mine. The Group lodged an appeal in November 2016. The Group estimates the potential liability in the event of an adverse finding as being approximately \$65,000. Whilst such liabilities are to be assumed by the Posse Buyer, there can be no guarantee that the Posse Buyer will have the means to meet its obligations; and

- (f) whilst not the subject of formal proceedings, the Group has agreed scheduled payment plans with the Brazilian tax authorities in respect of withholding tax to be paid by various of its Brazilian subsidiaries which, in aggregate, amount to approximately \$49,000. These payment plans provide for payments over a period of between 6 months and 60 months.

#### 4.9 Substantial Shareholders

Based on available information as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Substantial Shareholder	Shares	Voting power
Copulos Group	350,871,102	33.92%
Chris Retzos	82,304,909	7.96%

Copulos Group is associated with Chairman Mr Stephen Copulos. Copulos Group also hold 15 convertible notes with a principal amount of \$100,000 each (**Copulos Group Notes**). Funds provided from the issue of the Copulos Group Notes are to be used by the Company for general working capital purposes. A summary of the material terms of the Copulos Group Notes is set out in the May Prospectus. The maximum number of Shares that may be issued on conversion of the Copulos Group Notes (including Shares issued in lieu of interest payments) is 162,000,000.

#### 4.10 Interests of Directors

(a) **Information disclosed in this Prospectus**

Except as disclosed in this Prospectus, no Director and no firm in which a Director or proposed director is a partner:

- (i) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the Shares offered under this Prospectus or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Shares offered under this Prospectus; or
- (ii) has been paid or given or will be paid or given any amount or benefit to induce him or her to become, or to qualify as, a Director, or otherwise for services rendered by him or her in connection with the formation or promotion of the Company or the Shares offered under this Prospectus.

(b) **Security holdings**

The Directors and their associates have the following relevant interests in the securities as at the date of this Prospectus:

Directors	Shares	Voting power	Quoted Options	Unquoted Options <sup>1</sup>
Stephen Copulos <sup>2</sup>	350,871,102	33.92%	110,000,001	18,134,472
Andrew Richards	11,500,000	1.11%	-	-
John Evans	1,200,000	0.12%	-	-

**Notes:**

1. Unquoted Options exercisable at \$0.055 each on or before 31 May 2020.
2. The Copulos Group also hold 15 Copulos Group Notes which can convert to a maximum of 162,000,000 Shares (including Shares issued in satisfaction of interest payable). A summary of the material terms of the Copulos Group Notes is set out in the May Prospectus.

(c) **Remuneration**

The Constitution provides that the Directors shall be paid out of the funds of the Company by way of remuneration for their services as Directors such sum as may from time to time be determined by the Company in general meeting, to be divided among the Directors in such proportions as they shall from time to time agree or, in default of agreement, equally. The remuneration of the Directors shall not be increased except pursuant to a resolution passed at a general meeting of the Company. The aggregate sum available for remuneration of Non-Executive Directors is currently \$460,000 per annum as approved at a general meeting of Shareholders on 19 May 2016.

Where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. A Director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

Directors received the following remuneration for the previous two financial years:

Director	FY	Salary, fees and other benefits	Super-annuation	Share-based payments	TOTAL
John Evans	2018	60,833	2,890	-	63,723
	2017	60,000	2,850	-	62,850
Andrew Richards <sup>1</sup>	2018	-	-	-	-
	2017	-	-	-	-

Director	FY	Salary, fees and other benefits	Super-annuation	Share-based payments	TOTAL
Stephen Copulos <sup>2</sup>	2018	35,667	-	-	35,667
	2017	120,000	-	-	120,000
Andrew Vickerman <sup>3</sup>	2018	84,767	-	-	84,767
	2017	-	-	-	-
Marcus Engelbrecht <sup>4</sup>	2018	481,348	-	20,625	501,973
	2017	52,287	-	-	52,287
Mauricio Ferreira <sup>5</sup>	2018	21,288	-	-	21,288
	2017	60,000	-	-	60,000
Jim Rodgers <sup>6</sup>	2018	17,667	-	-	17,667
	2017	60,000	-	-	60,000
Paul Stephen <sup>7</sup>	2018	350,000	19,657	-	369,657
	2017	350,000	18,783	-	373,732
Robert Smakman <sup>8</sup>	2018	-	-	-	-
	2017	612,358	-	9,898	622,256

**Notes:**

1. Mr Richards was appointed as an Executive Director on 28 February 2019. Pursuant to his agreement with the Company, Mr Richards will be paid a gross annual base salary of \$50,000.
2. Mr Copulos resigned from his role as Chairman on 17 April 2018 and was re-appointed on 28 February 2019. Mr Copulos will be paid an annual director's fee of \$50,000.
3. Mr Vickerman was appointed to the role of Chairman on 16 April 2018 and resigned on 28 February 2019. Mr Vickerman was paid entitlements in accordance with his contract.
4. Mr Engelbrecht resigned from his role as Managing Director on 28 February 2019. Mr Engelbrecht was paid entitlements in accordance with his contract.
5. Mr Ferreira resigned from his role as Non-Executive Director on 16 April 2018.
6. Mr Rodgers resigned from his role as Non-Executive Director on 16 April 2018.
7. Mr Stephen resigned from his role as Executive Director on 30 January 2019.
8. Mr Smakman resigned from his role as Managing Director on 20 November 2017.

#### 4.11 Related party transactions

There are no related party transactions involved in the Offer that are not otherwise described in the Prospectus.

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.

#### 4.12 Interests of other persons

Except as disclosed in this Prospectus, no expert, promoter or other person named in this Prospectus as performing a function in a professional, advisory or other capacity:

- (a) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the Offer or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- (b) has been paid or given or will be paid or given any amount or benefit in connection with the formation or promotion of the Company or the Offer.

#### 4.13 Expenses of Offer

<b>Estimated expenses of the Offer</b>	<b>A\$</b>
ASIC lodgement fee	3,206
Preparation expenses	4,000
<b>TOTAL</b>	<b>7,206</b>

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## 5. Directors' statement and consent

This Prospectus is authorised by each of the Directors.

This Prospectus is signed for and on behalf of Company by:



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**Andrew Richards**  
**Executive Director**  
Big River Gold Limited

Dated: 12 August 2019

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## 6. Glossary of Terms

These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

**\$** means Australian dollars.

**Annual Report** has the meaning given in Section 1.14.

**Applicant** means a person who submits an Application Form.

**Application** means a valid application for Shares made on an Application Form.

**Application Form** means the application form provided by the Company with a copy of this Prospectus.

**Application Monies** means the amount of money in dollars and cents payable for Shares pursuant to the Offer.

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

**ASX** means ASX Limited ACN 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.

**Board** means the Directors meeting as a board.

**CHESS** means ASX Clearing House Electronic Sub-registry System.

**Closing Date** means the date specified in Section 1.4, as extended or shortened in accordance with that Section.

**Company** means Big River Gold Limited ACN 106 641 963.

**Constitution** means the constitution of the Company as at the date of this Prospectus.

**Copulos Group** means the following entities associated with Mr Stephen Copulos: Copulos Superannuation Pty Ltd, Eyeon Investments Pty Ltd, Eyeon No 2 Pty Ltd, Spacetime Pty Ltd, Citywest Corp Pty Ltd, Supermax Pty Ltd and Copulos Foundation Pty Ltd.

**Copulos Group Notes** means has the meaning given in Section 4.9.

**Corporations Act** means *Corporations Act 2001* (Cth).

**Directors** mean the directors of the Company as at the date of this Prospectus.

**Group** means the Company and its subsidiaries.

**Issuer Sponsored** means Securities issued by an issuer that are held in uncertified 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 the official listing rules of ASX and any other rules of ASX which are applicable while any Shares are admitted to the Official List, each as amended or replaced from time to time, except to the extent of any express written waiver by ASX.

**May Prospectus** means the Company's prospectus dated 23 May 2019.

**Offer** means the offer under this Prospectus of up to 100 Shares at \$0.012 per Share.

**Official List** means the official list of ASX.

**Official Quotation** means quotation of Securities on the Official List.

**Option** means an option to acquire a Share, subject to certain terms and conditions.

**Placement** means the proposed placement of Placement Shares at \$0.012 each to institutional and sophisticated investors to raise approximately \$1.5 million on or about 12 August 2019.

**Placement Shares** means approximately 125 million Shares to be issued under the Placement.

**Prospectus** means this prospectus dated 12 August 2019.

**R\$** means Brazilian real.

**Section** means a section of this Prospectus.

**Securities** means any equity securities, including Shares and Options, issued or granted by the Company.

**Shares** means ordinary fully paid shares in the capital of the Company.

**Shareholder** means a holder of Shares.

**WST** means Australian Western Standard Time, being the time in Perth, Western Australia.