

Form 604

Corporations Act 2001

Section 671B

Notice of change of interests of substantial holder**To: Company Name/Scheme** Black Range Minerals Limited**ACN/ARSN** 86 009 079 047**1. Details of substantial holder (1)****Name** Azarga Resources Ltd (an entity incorporated in the British Virgin Isles), Alex Molyneux, Curt Church and Powertech Uranium Corp.**ACN/ARSN (if applicable)** N/A**There was a change in the interests of the substantial holder on:**27/8/2014 (See Annexures A and B)**The previous notice was given to the company on:**1/7/2014**The previous notice was dated:**1/7/2014**2. Previous and present voting power**

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
Ordinary fully paid shares (Ordinary Shares)	662,372,843	27.89% (based on 2,374,731,552 Ordinary Shares on issue)	518,372,843	18.56% (based on 2,792,945,079 Ordinary Shares on issue)

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
Various - See Annexure A	Azarga Resources Ltd	On-market sales	\$24,000	4,000,000 Ordinary Shares	4,000,000
22/8/14 - See Annexure B	Azarga Resources Ltd	Off-market sale of shares pursuant to the Share Sale Agreement with Empire Equity Limited attached as Annexure B.	\$1,120,000	140,000,000 Ordinary Shares	140,000,000

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (5)	Class and number of securities	Person's votes
Azarga Resources Ltd	Azarga Resources Ltd	Azarga Resources Ltd	Relevant interest under section 608(1)(a) of the Corporations Act 2001 (Cth) (Act) arising from being the holder of the securities.	518,372,843 Ordinary Shares	518,372,843

Alex Molynex	Azarga Resources Ltd	Azarga Resources Ltd	Relevant interest under section 608(3) of the Act arising from Alex Molynex having a voting power above 20% in Azarga Resources Ltd.	518,372,843 Ordinary Shares	518,372,843
Curt Church	Azarga Resources Ltd	Azarga Resources Ltd	Relevant interest under section 608(3) of the Act arising from Curt Church having a voting power above 20% in Azarga Resources Ltd.	518,372,843 Ordinary Shares	518,372,843
Powertech Uranium Corp. (Powertech)	Azarga Resources Ltd.	Azarga Resources Ltd.	Relevant interest under section 608(3) of the Act arising from Powertech having entered into a conditional merger agreement with Azarga Resources Ltd.	518,372,843 Ordinary Shares	518,372,843

5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	N/A

6. Addresses

The addresses of persons named in this form are as follows:

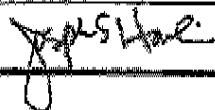
Name	Address
Azarga Resources Ltd	PO Box 173 Road Town Tortola BVI
Alex Molynex	16A Elgin Street, F/2A Central, Hong Kong
Curt Church	60 Jalan Beverly Heights, 6 Beverly Heights, Ampang, Selangor, Malaysia
Powertech Uranium Corp.	5575 DTC Parkway, Suite #140, Greenwood Village, CO. 80111 USA

Signature

print name Joseph L Havlin

capacity Director

sign here



date 27/8/14

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustees of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 571B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) include details of:
 - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or

disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.

- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

Annexure A

Re: Black Range Minerals Limited (ACN: 009 079 047)

27 August 2014

This is annexure A of 1 page referred to in form 604 'Notice of change in interests of substantial holder'

Azarga Resources Ltd. entered into a Share Sale Agreement for the sale of 140,000,000 ordinary shares of Black Range Minerals Ltd. See Annex B. Additionally, Azarga Resources Limited's relevant interest in the ordinary shares has changed since the date of its previous Form 604 through on market sales, as follows. Accordingly, as at 27 August 2014, Azarga Resources Ltd is the registered holder of 518,372,843 ordinary shares which represent 18.56% based on 2,792,945,079 issued ordinary shares.

Azarga Resources Limited

Shares Sold On Market - Black Range Minerals Limited

Date	Total Consideration	Shares Sold
21/07/2014	\$ 1,101	183,470
22/07/2014	\$ 8,700	1,450,000
23/07/2014	\$ 6,788	1,132,933
22/08/2014	\$ 7,402	1,233,597
	<u>\$ 24,000</u>	<u>4,000,000</u>

Shares Sold Off-Market - Black Range Minerals Limited

Date	Total Consideration	Shares Sold
27/08/2014	\$ 1,120,000	140,000,000
	<u>\$ 1,120,000</u>	<u>140,000,000</u>

Signed:

Name: Joseph L. Havlin

Title: Director, Azarga Resources Ltd.

Date: 27 August 2014


Annexure B

Re: Black Range Minerals Limited (ACN: 009 079 047)

27 August 2014

This is annexure B of 15 pages referred to in form 604 'Notice of change in interests of substantial holder'

SHARE SALE AGREEMENT
between
EMPIRE EQUITY LIMITED.
and
AZARGA RESOURCES LIMITED

Signed: 
Name: Joseph J. Havlin
Title: Director, Azarga Resources Ltd.
Date: 27 August 2014

**THE PERSON SET OUT IN ITEM 1 OF SCHEDULE 1
(Purchaser)**

and

**THE PERSON SET OUT IN ITEM 2 OF SCHEDULE 1
(Vendor)**

SHARE SALE AGREEMENT

THIS AGREEMENT is made the 9th day of August 2014.

BETWEEN

THE PERSON SET OUT IN ITEM 1 OF SCHEDULE 1 (Purchaser);

AND

THE PERSON SET OUT IN ITEM 2 OF SCHEDULE 1 (Vendor).

RECITALS

- A. The Vendor is the legal and beneficial owner of the Vendor Shares.
- B. The Vendor has agreed to sell and the Purchaser has agreed to purchase the Vendor Shares pursuant to the terms of this Agreement.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement:

Accrued Rights means all accretions and rights attaching to or arising from the Vendor Shares at or after the date of this Agreement, including all rights to receive dividends and to receive or subscribe for shares, notes or options, declared, paid or issued by the Company.

Agreement means the agreement constituted by this document and includes the recitals.

Business Day means a day that is not a Saturday, Sunday or public holiday in Western Australia.

CHES has the meaning given to that term in the ASX Settlement Operating Rules.

Company means the company described in Item 3 of Schedule 1.

Confidential Information means all trade and business secrets and other confidential information and documents relating to the affairs or business of a Party or its Related Body Corporate and includes, without limitation, this Deed, the Share Sale Agreement and all discussions, correspondence and negotiations relating to those documents, and all information, know-how, work or interests, trade secrets, financial information, notes, reports, business records, secret information or any other information of any nature whatsoever, whether in writing or otherwise, relating to a Party or its Body Related Corporate.

Consideration means the consideration described in Item 4 of Schedule 1 payable in the manner and on the dates specified in Item 4 of Schedule 1.

Encumbrance means any encumbrance, mortgage, pledge, charge, lien, assignment, hypothecation, security interest, title retention, preferential right or trust arrangement and any other security or agreement of any kind given or

created and including any possessory lien in the ordinary course of business whether arising by operation of law or by contract.

Event of Insolvency means:

- (a) a receiver, manager, receiver and manager, trustee, administrator, controller or similar officer is appointed in respect of a person or any asset of a person;
- (b) a liquidator or provisional liquidator is appointed in respect of the corporation;
- (c) any application (not being an application withdrawn or dismissed within 14 days) is made to a court for an order, or an order is made, or a meeting is convened, or a resolution is passed, for the purposes of:
 - (i) appointing a person referred to in paragraphs (a) or (b);
 - (ii) winding up a corporation; or
 - (iii) proposing or implementing a scheme of arrangement;
 - (iv) any event or conduct occurs which would enable a court to grant a petition, or an order is made, for the bankruptcy of an individual or his estate under any Insolvency Provision;
- (d) a moratorium of any debts of a person, or an official assignment, or a composition, or an arrangement (formal or informal) with a person's creditors, or any similar proceeding or arrangement by which the assets of a person are subjected conditionally or unconditionally to the control of that person's creditors or a trustee, is ordered, declared, or agreed to, or is applied for and the application is not withdrawn or dismissed within 14 days;
- (e) a person becomes, or admits in writing that it is, is declared to be, or is deemed under any applicable law to be, insolvent or unable to pay its debts; or
- (f) any writ of execution, garnishee order, Mareva injunction or similar order, attachment, distress or other process is made, levied or issued against or in relation to any asset of a person.

Execution Date means the date of this Agreement.

GST has the meaning given to it in the GST Act.

GST Act means A New Tax System (Goods and Services Tax) Act 1999 (Cth) and any regulations thereto or such other act or regulations of equivalent effect.

Invoice means a tax invoice as defined in and for the purposes of the GST Act or any document allowing the Recipient to claim an input tax credit under the GST Act.

Party means a party to this Agreement and **Parties** means the parties to this Agreement.

Purchaser Warranties means the warranties set out in Schedule 3 and **Purchaser Warranty** means any one of them.

Related Body Corporate has the meaning given in section 9 of the Corporations Act.

Settlement means the settlement on the Settlement Date of the sale and purchase of the Vendor Shares in accordance with the terms of this Agreement.

Settlement Date means that date which is 5 Business Days after the date of this Agreement (or such other date as is agreed between the Parties).

Taxable Supply has the meaning given to it in the GST Act.

Vendor Shares means the fully paid ordinary shares in the capital of the Company described in Item 5 of Schedule 1.

Vendor Warranties means the warranties set out in Schedule 2 and **Vendor Warranty** means any one of them.

1.2 Interpretation

In this Agreement unless the context otherwise requires:

- (a) headings are for convenience only and do not affect its interpretation;
- (b) an obligation or liability assumed by, or a right conferred on, 2 or more Parties binds or benefits all of them jointly and each of them severally;
- (c) the expression person includes an individual, the estate of an individual, a corporation, an authority, an association or joint venture (whether incorporated or unincorporated), a partnership and a trust;
- (d) a reference to any party includes that party's executors, administrators, successors and permitted assigns, including any person taking by way of novation;
- (e) a reference to any document (including this Agreement) is to that document as varied, novated, ratified or replaced from time to time;
- (f) a reference to any statute or to any statutory provision includes any statutory modification or re-enactment of it or any statutory provision substituted for it, and all ordinances, by-laws, regulations, rules and statutory instruments (however described) issued under it;
- (g) words importing the singular include the plural (and vice versa) and words indicating a gender include every other gender;
- (h) reference to parties, clauses, schedules, exhibits or annexures are references to parties, clauses, schedules, exhibits and annexures to or of this Agreement and a reference to this Agreement includes any schedule, exhibit or annexure to this Agreement;
- (i) where a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning;
- (j) a reference to \$ or dollar is to Australian currency; and
- (k) a reference to a payment is to a payment by bank cheque unless the recipient otherwise allows.

2. TRANSACTION

2.1 Agreement to buy and sell Vendor Shares

The Vendor agrees to sell the Vendor Shares together with the Accrued Rights free from Encumbrances and the Purchaser agrees to purchase the Vendor Shares for the Consideration and on the further terms and conditions set out in this Agreement.

2.2 Title and Risk

Title to and risk in the Vendor Shares passes to the Purchaser at Settlement.

3. SETTLEMENT

3.1 Time and Location of Settlement

Settlement shall take place at 10.00am (Perth time) on the Settlement Date at the offices of the Vendor in Perth, Western Australia or at such other offices as the Parties may otherwise agree and at such time as shall be agreed by the Parties.

3.2 The Vendors' obligations at Settlement

At Settlement, the Vendor must confer on the Purchaser title to the Vendor Shares and place the Purchaser in effective possession and control of the Shares. To this end, at or prior to Settlement, the Vendor covenants to deliver or cause to be delivered to the Purchaser, in accordance with the CHESS rules and procedures in force from time to time, the Vendor Shares to the account nominated by the Purchaser, in the manner reasonably required by the Purchaser.

3.3 The Purchaser's obligations at Settlement

At Settlement, the Purchaser must pay to the Vendor (or its nominee) the First Instalment by bank cheque or such other form of cleared funds as the Vendor and the Purchaser agree.

3.4 Conditions of Settlement

(a) Settlement is conditional on both the Purchaser and the Vendor complying with all of their obligations under this clause 3.

(b) If a party (Defaulting Party) fails to satisfy its obligations under this clause 3 on the day and at the place and time for Settlement then any other party (Notifying Party) may give the Defaulting Party a notice requiring the Defaulting Party to satisfy those obligations within a period of 10 Business Days from the date of the notice and declaring time to be of the essence.

(c) If the Defaulting Party fails to satisfy those obligations within those 10 Business Days the Notifying Party may, without limitation to any other rights it may have, terminate this Agreement by giving written notice to the Defaulting Party.

3.5 Settlement simultaneous

- (a) Subject to clause 3.5(b), the actions to take place under this clause 3 are interdependent and must take place, as nearly as possible, simultaneously. If one action does not take place, then without prejudice to any rights available to any Party as a consequence:
 - (i) there is no obligation on any Party to undertake or perform any of the other actions;
 - (ii) to the extent that such actions have already been undertaken, the parties must do everything reasonably required to reverse those actions; and
 - (iii) each Party must return to the other all documents delivered to it under this clause 3, and must each repay to the other all payments received by it under this clause 3, without prejudice to any other rights any Party may have in respect of that failure.
- (b) The Purchaser may, in its sole discretion, waive any or all of the actions that the Vendor is required to perform under clause 3.2.

4. POST SETTLEMENT OBLIGATIONS

- (a) Subject to Settlement occurring and clause Error! Reference source not found., the Purchaser must pay the Second Instalment, the Third Instalment and the Fourth Instalment to the Vendor on the dates specified in Item 4 of Schedule 1 by bank cheque or such other form of cleared funds as the Vendor and the Purchaser agrees.
- (b) The Purchaser may (at its sole discretion) set off all or part of its obligation to pay the Second Instalment, the Third Instalment and the Fourth Instalment against any amount then due and payable by the Vendor to the Purchaser on any account whatsoever.
- (c) If, at the time the Purchaser is required to make payment of the Second Instalment, the Third Instalment or the Fourth Instalment, there are any amounts due and payable by the Vendor to the Purchaser on any account whatsoever (Outstanding Payment), the Purchaser may suspend payment of the Second Instalment, the Third Instalment or the Fourth Instalment (as relevant) until the Purchaser has received the Outstanding Payment.

5. REPRESENTATIONS AND WARRANTIES BY THE VENDOR

5.1 Representations and Warranties

The Vendor gives the Vendor Warranties in favour of the Purchaser, on the Execution Date and on each day between the Execution Date and the Settlement Date (including at Settlement) set out in Schedule 2.

5.2 Independent Warranties

Each of the Vendor Warranties is to be construed independently of the others and is not limited by reference to any other Vendor Warranty.

6. WARRANTIES BY THE PURCHASER

6.1 Purchaser Warranties

The Purchaser gives the Purchaser Warranties in favour of the Vendor on the date of this Agreement and the Purchaser Warranties will be deemed to be repeated immediately before Settlement.

6.2 Independent Warranties

Each of the Purchaser Warranties is to be construed independently of the others and is not limited by reference to any other Purchaser Warranty.

7. CONFIDENTIALITY

7.1 Terms to remain confidential

Each Party is to keep confidential the terms of this Agreement, and any other Confidential Information obtained in the course of furthering this Agreement, or during the negotiations preceding this Agreement, and is not to disclose it to any person except:

- (a) to employees, legal advisers, auditors and other consultants requiring the information for the purposes of this Agreement;
- (b) with the prior consent of the other Parties;
- (c) if the information is, at the date of this Agreement, lawfully in the possession of the recipient of the information through sources other than any of the other Parties;
- (d) if required by law or a stock exchange;
- (e) if strictly and necessarily required in connection with legal proceedings relating to this Agreement;
- (f) if the information is generally and publicly available other than as a result of a breach of confidence; or
- (g) to a financier or prospective financier (or its advisers) of a Party.

7.2 Disclosure of Information

A Party disclosing Confidential Information must use all reasonable endeavours to ensure that persons receiving Confidential Information from it do not disclose the information except in the circumstances permitted in clause 7.1.

7.3 Public announcements

A Party may not make any public announcement relating to this Agreement (including the fact that the parties have executed this Agreement) unless the other Party has consented to the announcement, including the form and content of that disclosure, unless the announcement would be permitted under the exemption in clause 7.1 (f).

7.4 Obligations continuing

The obligations under this clause 7 contain obligations, separate and independent from the other obligations of the Parties and remain in existence for a period of two (2) years from the Execution Date, regardless of any termination of this Agreement.

8. NOTICES

8.1 Notices in writing

Each notice authorised or required to be given to a Party shall be in legible writing and in English addressed to the Party's address set out in clause 8.2 (or such other address nominated in accordance with clause 8.3).

8.2 Initial address of Parties

The initial addresses of the Parties are as set out in Schedule 1.

8.3 Change of Address

Each Party may from time to time change its address by giving notice pursuant to clause 8.1 to the other Parties.

8.4 Receipt of notice

Any notice given pursuant to clause 8.1 will be conclusively deemed to have been received:

- (a) in the case of personal delivery, on the actual day of delivery;
- (b) if sent by mail, two (2) Business Days from and including the day of posting;
- (c) if sent by facsimile, when a facsimile confirmation receipt is received indicating successful delivery; or
- (d) if sent by e-mail, when a delivery confirmation report is received by the sender which records the time that the e-mail was delivered to the addressee's e-mail address (unless the sender receives a delivery failure notification indicating that the e-mail has not been delivered to the addressee);

but if the delivery or receipt is on a day that is not a Business Day or is after 5.00pm (addressee's time) it is regarded as received at 9.00am on the following Business Day.

9. GST LIABILITY

- (a) Notwithstanding any provision in this Agreement, this clause 9 covers the GST liabilities of the parties in relation to a Taxable Supply made by one party under this Agreement (the Provider) to the other party under this Agreement (the Recipient).
- (b) The Recipient must pay to the Provider the amount equal to the amount of any GST the Provider is liable to pay on any Taxable Supply made by the Provider under this Agreement (Provider's Taxable Supply).

- (c) The Recipient must pay the Provider the amount in respect of GST the Recipient is liable to pay on each Provider's Taxable Supply at the same time and in the same manner as the Recipient is obliged to pay for the Provider's Taxable Supply provided that the Recipient may withhold payment of any amount in respect of GST until the Provider issues the Recipient with a valid Invoice covering the relevant Taxable Supply.
- (d) Unless specific reference is made, the price for each Provider's Taxable Supply provided for by this Agreement does not include GST.
- (e) The parties agree that the sale of the Vendor Shares is a financial supply and is not subject to GST.

10. NON-ASSIGNMENT

No Party may assign any or all of its rights and obligations under this Agreement to any person except with the prior written consent of the other Party which consent shall not unreasonably be withheld.

11. FURTHER ASSURANCE

Each Party shall sign, execute and do all deeds, acts, documents and things as may reasonably be required by the other Party to effectively carry out and give effect to the terms and intentions of this Agreement.

12. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the law from time to time in the State of Western Australia and the Parties agree to submit to the non-exclusive jurisdiction of the courts of Western Australia and the courts which hear appeals therefrom.

13. VARIATION

No modification or alteration of the terms of this Agreement shall be binding unless made in writing dated subsequent to the date of this Agreement and duly executed by the Parties.

14. COSTS

14.1 Stamp Duty

- (a) All Western Australian transfer duty assessed on or in respect of this Agreement shall be paid 100% by the Purchaser.
- (b) The parties agree that no Western Australian transfer duty is payable on the sale of the Vendor Shares.

14.2 Legal Costs

Each Party shall bear their own legal costs of and incidental to the preparation, negotiation and execution of this Agreement.

15. MISCELLANEOUS

15.1 Enforcement of Provisions

If any provision of this Agreement is invalid and not enforceable in accordance with its terms, all other provisions which are self-sustaining and capable of separate enforcement without regard to the invalid provision, shall be and continue to be valid and forceful in accordance with their terms.

15.2 Approvals and consents

If the doing of any act, matter or thing under this Agreement is dependent on the approval or consent of a party, that party may give conditionally or unconditionally or withhold its approval or consent in its absolute discretion, unless this Agreement expressly provides otherwise.

15.3 No merger

The Vendor Warranties, Purchaser Warranties, undertakings and indemnities in this Agreement will not merge on Settlement.

15.4 Sole Understanding

This Agreement shall constitute the sole understanding of the Parties with respect to the subject matter and replaces all other agreements with respect thereto.

15.5 Counterparts

This Agreement may be executed in any number of counterparts (including by way of facsimile) each of which shall be deemed for all purposes to be an original and all such counterparts taken together shall be deemed to constitute one and the same instrument.

15.6 Time

Time shall be of the essence in this Agreement in all respects.

EXECUTED by the Parties as an Agreement.

EXECUTED BY
Azarga Resources Limited
(an entity incorporated in the British Virgin
Islands) Company Number 1715176
in accordance with its constituent
documents:

Director

Director/Secretary

EXECUTED BY
Empire Equity Ltd
(a company registered in the United
Kingdom)
in accordance with its constituent
documents:

Director

Director/Secretary

SCHEDULE 1

Item 1 - Details of Purchaser

Name	Address	Facsimile	E-mail	Contact
Empire Equity Limited	9/3 Centro Avenue, Subiaco, Western Australia	None	p.dsylva@empireequity.co.uk	Paul D'Sylva

Item 2 - Details of Vendor

Name	Address	Facsimile	E-mail	Contact
Azarga Resources Ltd	Suite 4607-11, The Center, 99 Queen's Road Central, Hong Kong	None	alex@azargaresources.com	Alexander Molyneux

Item 3 - Company Details

Black Range Minerals Limited ACN 009 079 047

Item 4 - Consideration

A total of \$1,120,000, which shall be paid in the following instalments:

- (a) \$280,000, payable on the Execution Date (First Instalment);
 - (b) \$280,000, payable on the date that is 12 weeks after the Execution Date (Second Instalment);
 - (c) \$280,000, payable on the date that is 24 weeks after the Execution Date (Third Instalment); and
 - (d) \$280,000, payable on the date that is 36 weeks after the Execution Date (Fourth Instalment).
- (each referred to as an Instalment).

Item 5 - Vendor Shares

140,000,000 fully paid ordinary shares in the capital of the Company.

Item 6 - Vendor Bank Details

Bank: Hong Kong & Shanghai Banking Corporation Limited
Branch: 181 Queens Road, 8/F
Central District, Hong Kong S.A.R.
Account No.: 652236928838

SWIFT: HSBCHKHCHK

Account Name: Azarga Resources (HK) Limited

SCHEDULE 2 VENDORS' WARRANTIES

WARRANTIES

1. OWNERSHIP AND STRUCTURE

1.1 Ownership of the Shares

- (a) The Vendor Shares are fully paid up and have been duly issued and allotted.
- (b) The Vendor is the registered holder and beneficial owner of 100% of the Vendor Shares, which are free of any Encumbrance.
- (c) The Vendor is entitled to sell, assign and transfer the full legal and beneficial ownership of the Vendor Shares to the Purchaser on the terms set out in this Agreement (without restriction).

1.2 No Pre-Emptive Rights

No person has any pre-emptive rights with respect to any of the Vendor Shares that has not been waived.

1.3 No Agreements

No shareholder or other agreements exist between the Company and shareholders to which the Purchaser is required to become a party on Settlement.

2. POWER AND AUTHORITY

2.1 Power and Capacity

The Vendor has full power and authority to enter into and perform its obligations under this Agreement.

2.2 Authorisations

The Vendor has taken all necessary action to authorise the execution, delivery and performance of this Agreement in accordance with its terms.

2.3 No Event of Insolvency

No Event of Insolvency has occurred in relation to the Vendor, nor is there any act which has occurred or any omission made which may result in an Event of Insolvency occurring in relation to the Vendor.

2.4 No Legal Impediment

The entry into and performance of this Agreement and all documents executed pursuant to this Agreement by the Vendor does not constitute a breach of any obligation (including any statutory, contractual or fiduciary obligation), or default under any agreement or undertaking by which the Vendor is bound.

2.5 Incorporation

If the Vendor is a corporation it is validly incorporated, organised and subsisting in accordance with the laws of its place of incorporation.