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OzAurum Resources Limited

ACN 643 244 544

Prospectus

For the offer of 40,000,000 Shares at an issue price of \$0.25 per Share to raise \$10,000,000 (before costs). Oversubscriptions of up to a further 8,000,000 Shares at an issue price of \$0.25 per Share to raise up to a further \$2,000,000 may be accepted.



This Prospectus is an important document and should be read in its entirety. Please consult your professional advisor if you have any questions about this Prospectus.

Investment in the Shares offered pursuant to this Prospectus should be regarded as highly speculative in nature.

Corporate Directory

Board of Directors

Mr Andrew Pumphrey
Managing Director and Chief Executive Officer

Mr Jeffrey Williams
Non-Executive Director and Chairman

Mr Martin C Holland
Non-Executive Director

Mr Andrew Tudor
Non-Executive Director

Company Secretary

Mr Stephen Hewitt-Dutton

Proposed ASX Code

OZM

Share Registry

Automic Pty Ltd
Level 2, 267 St Georges Terrace
Perth WA 6000

T: 1300 288 664
www.automicgroup.com.au

Registered Office

42 Hannan Street
Kalgoorlie WA 6430

T: +61 (0) 8 6211 5099
E: info@ozaurumresources.com
www.ozaurumresources.com

Legal Advisor

Henry William Lawyers
Level 29, 420 George Street
Sydney NSW 2000

Auditor

Ernst & Young
The EY Centre
Level 34, 200 George Street
Sydney NSW 2000

Investigating Accountant

Ernst & Young
The EY Centre
Level 34, 200 George Street
Sydney NSW 2000

Lead Manager

Canaccord Genuity (Australia) Limited
Level 4, 60 Collins Street
Melbourne VIC 3000

Independent Geologist

Geomin Services Pty Ltd
8 Katherine Place
Helena Valley WA 6056

Tenement Solicitor

Price Sierakowski Corporate
Level 24, St Martin's Tower
44 St Georges Terrace
Perth WA 6000

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Important Information

1. DATE

This Prospectus (**Prospectus**) of OzAurum Resources Limited ACN 643 244 544 (**OzAurum Resources** or the **Company**) is dated 10 December 2020. It was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date.

The Offer set out in this Prospectus is an invitation to apply for fully paid ordinary shares in the capital of the Company (**Shares**). This Prospectus is issued by the Company for the purposes of Chapter 6D of the *Corporations Act 2001* (Cth) (**Corporations Act**). Neither ASIC nor ASX Limited ACN 008 624 691 (**ASX**) takes any responsibility for the contents of this Prospectus. No Shares will be allotted or issued on the basis of this Prospectus after the date being 13 months after the date of this Prospectus.

2. APPLICATION FOR OFFICIAL QUOTATION

Application will be made within seven days after the date of this Prospectus for permission for the Shares offered by this Prospectus to be listed for Official Quotation on the securities market operated by ASX.

3. PROSPECTUS DOES NOT PROVIDE INVESTMENT ADVICE

The information provided in this Prospectus is not investment or financial product advice and has been prepared without taking into account your investment objectives, financial situation or particular needs (including with respect to financial and taxation issues). It is important that you read this Prospectus carefully and in full before deciding whether to invest in the Company and consider the risks that could affect the performance of the Company.

In particular, you should consider the assumptions underlying the Company's financial information (see Section 9 of this Prospectus) and the investment risks (see Section 7 of this Prospectus) that could affect the business, financial condition and financial performance of the Company. You should carefully consider these risks in light of your personal circumstances (including your investment objectives, financial circumstances and tax position) and seek professional advice from your accountant, financial advisor, stockbroker, lawyer or other professional advisor before deciding whether to invest in Shares. There may be risks in addition to these that should be considered in light of your personal circumstances.

Except as required by law, and only to the extent required, no person named in this Prospectus, nor any other person, warrants or guarantees the performance of the Company or the repayment of capital by the Company or any return on investment in Shares made pursuant to this Prospectus.

4. ELECTRONIC PROSPECTUS

This Prospectus will be issued in paper form and as an electronic Prospectus, which may be accessed within Australia by eligible investors via the Company's website at www.ozaurumresources.com. If you access an electronic copy of this Prospectus, the following conditions apply:

- the offer of Shares pursuant to the electronic Prospectus is only available to residents of Australia and is not available to persons in other jurisdictions in which it may not be lawful to make an offer under this Prospectus; and
- you must access, download and read the electronic Prospectus in full.

The Corporations Act prohibits any person passing onto another person the Application Form unless it is attached to, or accompanied by, the complete and unaltered version of the Prospectus. During the Offer Period, any eligible person may obtain a hardcopy of this Prospectus at no cost by contacting the Company by email at: info@ozaurumresources.com.

5. FOREIGN JURISDICTIONS

This Prospectus does not constitute an offer in any place in which, or to persons to whom, it would not be lawful to make the Offer. Distribution of this Prospectus (in electronic or hardcopy form) in jurisdictions outside Australia may be restricted by law, and persons who come into possession of this Prospectus outside Australia should seek advice and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. The Shares have not been and will not be registered under the *US Securities Act of 1933*, as amended (**Securities Act**) or the securities laws of any state or other jurisdiction of the United States and may not be offered, sold or resold in the United States or to, or for the benefit of, any "US Person" (as defined in Regulation S under the Securities Act) except pursuant to an effective registration statement or an exemption from the registration requirements of the Securities Act. Neither this Prospectus nor any Application Form or other materials relating to the Offer may be distributed in the United States. The return of a duly completed Application Form will be taken by the Company to constitute a representation and warranty made by the applicant to the Company that there has been no breach of such laws and that all necessary approvals and consents have been obtained.

Hong Kong

WARNING: This Prospectus has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the **SFO**). No action has been taken in Hong Kong to authorise or register this Prospectus or to permit the distribution of this Prospectus or any documents issued in connection with it. Accordingly, the Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this Prospectus have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the Offer. If you are in doubt about any contents of this Prospectus, you should obtain independent professional advice.

New Zealand

This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the **FMC Act**). The Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Singapore

This Prospectus and any other materials relating to the Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Shares, may not be issued, circulated or distributed, nor may the Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the **SFA**), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This Prospectus has been given to you on the basis that you are (i) an “institutional investor” (as defined in the SFA) or (ii) an “accredited investor” (as defined in the SFA). If you are not an investor falling within one of these categories, please return this Prospectus immediately. You may not forward or circulate this Prospectus to any other person in Singapore.

Any offer is not made to you with a view to the Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

United Kingdom

Neither this Prospectus nor any other document relating to the Offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (**FSMA**)) has been published or is intended to be published in respect of the Shares.

The Shares may not be offered or sold in the United Kingdom by means of this Prospectus or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This Prospectus is issued on a confidential basis in the United Kingdom to “qualified investors” within the meaning of Article 2(e) of the Prospectus Regulation (2017/1129/EU). This Prospectus may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this Prospectus is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (**FPO**), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together, **relevant persons**). The investment to which this Prospectus relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this Prospectus.

6. NO AUTHORITY

No person is authorised to give any information or to make any representation regarding the Offer. Any information or representation in relation to the Offer which is not contained in this Prospectus may not be relied upon as having been authorised by OzAurum Resources or its Directors.

7. EXPOSURE PERIOD

This Prospectus is subject to an Exposure Period of seven days from the date of lodgement with ASIC in accordance with Chapter 6D of the Corporations Act. This Exposure Period may be extended by ASIC for a further period of up to seven days.

If this Prospectus is found to be deficient, Applications received during the Exposure Period will be dealt with in accordance with section 724 of the Corporations Act.

Applications received prior to the expiration of the Exposure Period will not be processed until after the end of the Exposure Period. No preference will be conferred on Applications received during the Exposure Period and all Applications received during the Exposure Period will be treated as if they were simultaneously received on the date that the Offer opens.

8. SPECULATIVE

Any investment in the Shares offered under this Prospectus is highly speculative in nature. The Shares offered under this Prospectus carry no guarantee in respect of return of capital, return on investment, payment of dividends or the future value of the Shares. Applicants should read this document in its entirety and carefully consider whether the Shares offered under this Prospectus are an appropriate investment for them in light of their personal circumstances, including their financial and taxation position. Refer to Section 7 of this Prospectus for details of key risks applicable to an investment in the Shares.

If prospective investors have any doubt or have any questions about any aspect of the Offer under this Prospectus or the Shares, they should consult with their professional advisors before deciding whether to apply for Shares.

Persons wishing to subscribe for Shares offered under this Prospectus should read this Prospectus in its entirety in order to make an informed assessment of the assets and liabilities, financial position and performance, profits and losses and prospects of the Company, as well as the rights and liabilities attached to the Shares offered under this Prospectus.

9. PRIVACY STATEMENT

If you make an Application, you will be required to provide the Company and the Share Registry with certain personal information to:

- facilitate the assessment of the Application;
- enable the Company to assess the needs of applicants and provide appropriate facilities and services for applicants; and
- carry out appropriate administration.

The Corporations Act and Australian tax laws require some of this personal information to be collected.

The Company and the Share Registry may be required to disclose this information to:

- third parties who carry out functions on behalf of the Company; and
- other third parties to whom disclosure is required by law.

Applicants may request access to their personal information held by (or on behalf of) the Company by telephoning or writing to the Company Secretary.

By submitting an Application Form, you agree that the Company may use the information that you provided on the Application Form for the purposes detailed in this privacy statement and may disclose it for those purposes to the Share Registry, the Company's related bodies corporate, agents, contractors and third party providers, including mailing houses and professional advisors, and to ASX and regulatory authorities.

If an applicant becomes a shareholder, the Corporations Act requires the Company to include information about its shareholders (including name, address and details of the Shares held) in its public register. The information contained in the Company's public register must remain there even if that person ceases to be a shareholder. Information contained in the Company's register is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its shareholders) and compliance by the Company with its legal and regulatory requirements.

10. MARKET AND INDUSTRY DATA

This Prospectus (and in particular Section 4 of this Prospectus) contains statistics, data and other information (including forecasts and projections) relating to the industry, segment and end-market of the Company (**Industry Data**).

The Company has obtained significant portions of the Industry Data from databases and research prepared by third parties, including reports and information prepared by independent experts and other third parties, and other sources. The Industry Data contained in Section 4 of this Prospectus, has been commissioned by the Company and prepared by CRU, an independent consulting company that provides data and market analysis on mineral and metal industries. Industry publications, surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of included information.

Investors should note that Industry Data is inherently speculative, subject to uncertainty and not necessarily reflective of actual market conditions. There is no assurance that any of the forecasts or projections in the Industry Data referred to in this Prospectus, including those of CRU, will be achieved.

The Industry Data has not been independently prepared or verified by the Company and no representation or warranty is given as to its accuracy or the accuracy of the underlying assumptions used to estimate such Industry Data. The market and industry estimates involve risks and uncertainties and are subject to change based on various factors, including those described in the investment risks set out in Section 7 of this Prospectus.

11. COMPETENT PERSONS STATEMENT

Information in this Prospectus (including the Independent Geologist Report which has been included in Section 5 of this Prospectus) that relates to exploration targets, exploration results and Mineralisation is based on information that has been prepared by Geomin Services Pty Ltd and was compiled by Dr Dennis Gee, who is a member of the Australian Institute of Geoscientists. Dr Gee is a consultant to Geomin Services Pty Ltd and has sufficient experience which is relevant to the style of Mineralisation and type of mineral deposit under consideration, and to the activity being undertaken to qualify as a '**Competent Person**' as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the **JORC Code**). Dr Dennis Gee consents to the inclusion in this Prospectus of the matters based on his information in the form and context in which it appears.

12. FORWARD LOOKING STATEMENTS

This Prospectus contains forward-looking statements which are generally identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', 'considers' or 'intends' and other similar words associated with risks and uncertainties.

These forward-looking statements are based on an assessment by the Company 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 expected to take place.

Forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors that could cause actual results, performance, events or

outcomes to differ materially from the results, performance, events or outcomes expressed or anticipated in these statements, many of which are beyond the control of OzAurum Resources and the Directors. Some of the key risk factors that should be considered by prospective investors are set out in Section 7 of this Prospectus.

The Company and 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.

These forward-looking statements speak only as of the date of this Prospectus and, except where required by law, the Company does not intend to update or revise any 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.

13. RISKS

You should read this Prospectus in its entirety and, if in any doubt, consult your professional advisor before deciding whether to apply for Shares under this Prospectus. There are risks associated with an investment in the Company, and the Shares offered under this Prospectus must be regarded as a speculative investment. Please refer to Section 7 of this Prospectus for details relating to risk factors.

These and other factors could cause actual results to differ materially from those expressed in any forward-looking statements.

14. PHOTOGRAPHS AND DIAGRAMS

Photographs used in this Prospectus that do not have descriptions are for illustration only and should not be interpreted to mean that any person shown in those photographs endorse this Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the date of this Prospectus.

15. CONDITIONS PRECEDENT

The Offer made under this Prospectus and the issue of Shares pursuant to this Prospectus are subject to and conditional on the Company raising the Minimum Subscription of \$10,000,000 and satisfying the ASX Listing Rules.

16. MISCELLANEOUS

All financial amounts contained in this Prospectus are expressed as Australian currency unless otherwise stated. Conversions may not reconcile due to rounding. All references to "\$" or "A\$" are references to Australian dollars.

All references to date and time in this Prospectus are references to Australian Western Standard Time, being the date and time in Perth, Western Australia, unless otherwise stated.

Defined terms and abbreviations used in this Prospectus are detailed in Section 13 of this Prospectus.

Chairman's Letter

Dear Investor,

On behalf of the Board of Directors, it is my great pleasure to invite you to become a shareholder of OzAurum Resources Limited (**OzAurum Resources** or **Company**).

OzAurum Resources was established to identify and explore, with a view to potentially developing, two gold projects in Western Australia. I am delighted to offer our Prospectus, which sets out the Board's strategic plan for exploring the Tenements. The Company's strategy is focused on creating value for its shareholders through self-funded exploration of the Tenements in the hope of discovering an economic gold deposit with production potential.

OzAurum Resources is a story of persistence. The Managing Director and CEO, Andrew Pumphrey, began securing tenements at Mulgabbie, Western Australia, from as early as 1990. Over a 30-year period, Mr Pumphrey, together with his associates, compiled a portfolio of Tenements that comprise the Mulgabbie Project and Patricia Project, which are now owned by OzAurum Mines Pty Ltd, a wholly-owned subsidiary of OzAurum Resources.

Both the Mulgabbie and Patricia Projects are located within the Norseman-Wiluna Greenstone Belt of the Eastern Goldfields Province of the Yilgarn Craton. The projects are situated approximately 100km north-east of Kalgoorlie, and closely neighbour a number of existing mining operations and a gold processing plant.

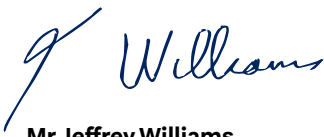
OzAurum Resources has assembled a skilled Board, comprising Directors who have a wide range of experience, with a proven track record of successful mineral exploration, discovery and development.

This Prospectus contains an offer to the public of 40,000,000 Shares at an issue price of \$0.25 per Share to raise \$10,000,000 before costs, with the right to accept oversubscriptions of up to a further 8,000,000 Shares at an issue price of \$0.25 per Share to raise up to a further \$2,000,000. The Company intends to allocate the majority of the funds raised under the Offer directly to explorative drilling and geological assessments over the next two years to progress the projects, with the remaining funds being allocated to working capital requirements and other administrative expenses.

On behalf of the Board, we look forward to welcoming you as a shareholder of OzAurum Resources, should you decide to participate in the Offer.

Any investment in the Company should be considered a speculative investment. This Prospectus contains detailed information about the Offer and the current and proposed operations of the Company, as well as the risks pertaining to an investment in the Company. Potential investors in the Company should carefully consider those risks (which are detailed in Section 7 of this Prospectus). You should also seek professional advice before making an investment in the Company.

Yours Sincerely



Mr Jeffrey Williams
Chairman and Non-Executive Director

Key Offer Details

KEY DATES – INDICATIVE TIMETABLE *

Lodgement of Prospectus with ASIC	10 December 2020
Exposure Period begins	10 December 2020
Exposure Period ends	17 December 2020
Offer Opening Date	18 December 2020
Offer Closing Date	15 January 2021
Issue of Shares under the Prospectus	18 January 2021
Despatch of holding statements	20 January 2021
Expected date for Official Quotation on ASX	5 February 2021

* *The above dates are indicative only and may change without notice. The Exposure Period may be extended by ASIC by no more than seven days pursuant to section 727(3) of the Corporations Act. The Company reserves the right to vary any and all of the above dates without notice including, subject to the ASX Listing Rules and the Corporations Act, to extend the Closing Date, close the Offer early, to accept late Applications, and/or to cancel or withdraw the Offer at any time before the issue of Shares to applicants, in each case without notice. If the Offer is cancelled or withdrawn before the issue of Shares, then all Application Monies will be refunded in full (without interest) as soon as possible in accordance with the requirements of the Corporations Act. Investors are encouraged to submit their Applications as soon as possible after the Offer opens.*

HOW TO INVEST

Applications for Shares can only be made by completing and lodging an Application Form. Instructions on how to apply for Shares are set out in Section 2.11 of this Prospectus and on the back of the Application Form.

KEY OFFER DETAILS

PRO FORMA CAPITAL STRUCTURE	MINIMUM SUBSCRIPTION (\$10,000,000)	MAXIMUM SUBSCRIPTION (\$12,000,000)
Securities on issue as at the date of this Prospectus	66,500,000 Shares	66,500,000 Shares
Offer price per Share	\$0.25	\$0.25
Shares offered under the Offer	40,000,000 Shares	48,000,000 Shares
Total Securities on issue on Completion of the Offer	106,500,000 Shares	114,500,000 Shares
Total Unlisted Options ¹ on issue	8,000,000 Unlisted Options	8,000,000 Unlisted Options
Total Broker Options ² to be issued to Lead Manager on Completion of the Offer	5,325,000 Broker Options	5,725,000 Broker Options
Gross proceeds of the Offer (before costs)	\$10,000,000	\$12,000,000
Market capitalisation based on the Offer price (on an undiluted basis)	\$26,625,000	\$28,625,000

Notes:

1. The Unlisted Options that have been issued to the Directors are exercisable at \$0.375 per Unlisted Option and expire five years after the date of the Company's Admission to the Official List. The terms of the Unlisted Options are summarised in Section 11.3 of this Prospectus.
2. The Broker Options to be issued to the Lead Manager are exercisable at \$0.375 per Broker Option and expire three years after the date of the Company's Admission to the Official List. The terms of the Broker Options are summarised in Section 11.4 of this Prospectus.

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Section 1

Investment Highlights

This Section is not intended to provide all of the information relating to the Offer or the Shares offered under this Prospectus. This Prospectus and the experts' reports as set out in Section 4 (Industry Overview), Section 5 (Independent Geologist Report), Section 6 (Solicitor's Report on Tenements) and Section 9 (Financial Information), should be read and considered in their entirety.

The Shares offered pursuant to this Prospectus carry no guarantee in respect of return on investment, return of capital, payment of dividends or the future value of the Shares.

1.1 COMPANY

Topic/Question	Summary/Response	Further Information
Who is the issuer under the Prospectus?	OzAurum Resources Limited ACN 643 244 544 (the Company or OzAurum Resources) is the issuer of this Prospectus.	Section 3
Who is the Company and what does it do?	<p>The Company is an Australian public company that was incorporated with ASIC on 5 August 2020 as a proprietary company limited by shares. The Company converted from a proprietary company limited by shares to a public company limited by shares on 22 October 2020.</p> <p>The Company was incorporated for the purpose of identifying, evaluating and pursuing various exploration and/or mining opportunities in the gold sector and to ultimately list on ASX.</p> <p>The Company's strategy and purpose for the Offer is to:</p> <ul style="list-style-type: none"> ▪ systematically undertake exploration and evaluation of the Company's projects, aimed at a discovery of a mineral resource within those projects; ▪ continue to seek out additional opportunities to grow or advance the projects by acquiring areas adjacent to, or surrounding, the projects; ▪ implement a growth strategy to seek out further exploration opportunities which complement the Company's focus on gold; and ▪ provide working capital for the Company. 	Section 3

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Topic/Question	Summary/Response	Further Information
Who is OzAurum Mines?	<p>OzAurum Mines Pty Ltd ACN 645 117 111 (OzAurum Mines) is an Australian proprietary company limited by shares that was incorporated with ASIC on 14 October 2020.</p> <p>OzAurum Mines is a wholly-owned subsidiary of the Company. OzAurum Mines has acquired a 100% interest in the Tenements and Tenement Applications.</p>	Section 3
What are the Company's major assets?	The Company's major assets are its 100% shareholding in OzAurum Mines, which is the owner of the Tenements and Tenement Applications.	Section 3
What is the Company's business model?	<p>The Company's business model is aimed at generating value from the discovery of gold Mineralisation and gold resources. It involves identifying projects aligned to the Company's strategy (outlined in Section 3.10 of this Prospectus), then developing project specific exploration programs designed to quantify a project's mineral potential.</p> <p>An important part of the Company's proposed business model is to assess exploration results on an ongoing basis against the current exploration strategies, other projects, funding options and other opportunities.</p>	Section 3.10
What is the proposed program of works?	<p>The proposed exploration program for the Mulgabbie Project is outlined in Sections 3.5 to 3.8 of this Prospectus, and will involve undertaking air-core (AC) drilling, reverse circulation (RC) drilling, diamond drilling, geological studies and detailed mapping.</p> <p>The proposed exploration program for the Patricia Project is outlined in Section 3.9 of this Prospectus, and will involve undertaking open pit de-watering, RC drilling, diamond drilling, resource modelling and petrological, metallurgical and geotechnical studies.</p> <p>Section 3.11 of this Prospectus sets out a two-year exploration budget, which will be spread across both the Mulgabbie and Patricia Projects, in order to carry out the exploration works outlined above.</p>	Section 3
What is the Company's proposed use of funds raised under the Prospectus?	<p>The size of the Offer at the Minimum Subscription is \$10,000,000 and at the Maximum Subscription is \$12,000,000.</p> <p>The Company proposes to use the funds raised under the Offer as follows:</p> <ul style="list-style-type: none"> ■ to fund its exploration programs for the Mulgabbie Project and the Patricia Project; ■ to provide the Company with working capital, which can be used to cover its corporate and administrative costs; and ■ to pay for the expenses incurred by the Company arising from the Offer. <p>To the extent that the Company raises funds in excess of the Minimum Subscription, the majority of additional funds will be applied towards exploration costs.</p>	Section 2.6

Topic/Question	Summary/Response	Further Information
What is the Minimum Subscription?	The Minimum Subscription to be raised under this Prospectus is \$10,000,000. The Company will not issue any Shares pursuant to this Prospectus if the Minimum Subscription is not met.	Section 2.2
What is the Maximum Subscription?	The Company is offering 40,000,000 Shares at an issue price of \$0.25 to raise \$10,000,000, with the right to accept oversubscriptions of up to a further 8,000,000 Shares at an issue price of \$0.25 to raise up to a further \$2,000,000. Therefore, the Maximum Subscription that may be raised under this Prospectus is \$12,000,000.	Section 2.3
What is the proposed capital structure of the Company?	Following Completion of the Offer, the proposed capital structure of the Company will be as set out in Section 2.13 of this Prospectus, with the expected substantial shareholdings following Completion of the Offer set out in Section 2.14 of this Prospectus.	Section 2.13 Section 2.14
What is the Company's strategy?	<p>Upon Completion of the Offer, the Company will focus on:</p> <ul style="list-style-type: none"> ■ the exploration of the Mulgabbie Project and the Patricia Project, with the objective of discovering an economic gold deposit capable of being developed; and ■ undertaking all necessary steps with a view to obtaining the successful grant of the existing Tenement Applications. <p>The Company intends to actively consider and pursue acquisitions that are strategic in terms of the overall objective of the Company, as well as complimentary to its existing operations. The Company currently intends for any future acquisitions to be either in the gold or mineral resource sector, and may seek to expand its tenement holding within and outside of Western Australia.</p>	Section 3
Is there an independent technical assessment report by a geologist?	The Company has engaged Geomin Services Pty Ltd to provide an Independent Geologist Report on the Tenements and Tenement Applications. Dr Dennis Gee, an experienced geologist, and a consultant of Geomin Services Pty Ltd, has compiled this report. The Independent Geologist Report is set out in Section 5 of this Prospectus.	Section 5

1.2 SUMMARY OF KEY INVESTMENT RISKS

Potential investors should be aware that subscribing for Shares under this Prospectus involves a number of risks. The risk factors set out in Section 7 of this Prospectus, and other general risks applicable to all investments in listed securities, may positively or negatively impact the value of an investment in Shares. An investment in the Company should be considered highly speculative.

Although the Board intends to implement risk control measures to oversee and manage these risks, some of the broader macro risks are unpredictable and the extent to which the Company can effectively manage them is limited.

This Section summarises the key risks to the Company, its activities and assets. Investors should refer to Section 7 of this Prospectus for a more detailed summary of the risks associated with an investment in the Company.

Topic/Question	Summary/Response	Further Information
Limited history	The Company was incorporated on 5 August 2020 and therefore has limited operational and financial history on which to evaluate its business and prospects. The prospects of the Company must be considered in light of all of the risks, expenses and difficulties frequently encountered by resource companies in their early stages of development, particularly in the gold exploration sector, which has a high level of inherent uncertainty.	Section 7.2(a)
	No assurance can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its current projects or any future projects. Even if an apparently viable gold deposit is identified, there is no guarantee that it can be profitably exploited. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses. Refer to Section 9.2(d) of this Prospectus for further information regarding the Company's ability to continue as a going concern.	Section 9.2(d)
Transfer risk	<p>OzAurum Mines acquired 100% legal and beneficial ownership of the Tenements and Tenement Applications on 27 October 2020. However, as at the date of this Prospectus, OzAurum Mines is not the <u>registered</u> owner of the Tenements or the Tenement Applications.</p> <p>The OzAurum Group has lodged the transfer forms with the Western Australia Office of State Revenue for the assessment of Duty and stamping. Transfer of the Tenements cannot be registered until such time as the Duty is paid, and the stamped documents are received. See Section 10.1 of this Prospectus for an overview of the Option Agreements.</p> <p>With respect to the Tenement Applications, the Sellers will hold them on trust for OzAurum Mines, pursuant to the Option Agreements, until such time as the Tenement Applications are granted. If and when the Tenement Applications are granted, OzAurum Mines will apply to become the registered owner of those tenements.</p> <p>The Board has no reason to believe that the transfers of the Tenements in the name of OzAurum Mines will not be completed in the ordinary course of business.</p>	Section 7.2(b)

Topic/Question	Summary/Response	Further Information
Renewal risk	Tenements P28/1302, P28/1303 and P28/1304, which form part of the Mulgabbie Tenements, are due to expire on 2 January 2021. The OzAurum Group is undertaking all steps necessary to renew these Tenements and has no reason to expect that the renewals will not be granted. However, there is no guarantee that the renewals will be granted prior to the expiry date. For further information on this risk, please see the Solicitor's Report on Tenements contained in Section 6 of the Prospectus.	Section 7.2(c) Section 6
Exploration and development risks	<p>A risk for the Company is that the proposed exploration programs may not result in exploration success. The projects are in the exploration stage only, and there is no guarantee that any economically viable gold resources will be discovered at either of the projects.</p> <p>Gold exploration, by its nature, is a high-risk endeavour and consequently, there can be no assurance that exploration of the projects described in this Prospectus, or any other projects that may be acquired in the future, will result in discovery of an economic mineral deposit. Should a discovery be made, there is no guarantee that it will be commercially viable.</p>	Section 7.2(d)
Potential for dilution	In the future, the Company may elect to issue Shares or other Securities. While the Company will be subject to the constraints of the ASX Listing Rules regarding the issue of Shares or other Securities, shareholders may be diluted as a result of such issues of Shares or other Securities.	Section 7.2(e)
Future capital requirements	<p>Exploration and development costs will reduce the cash reserves of the Company. The Company has no operating revenue and is unlikely to generate any operating revenue unless and until the projects are successfully developed and production commences. The future capital requirements of the Company will depend on many factors, including its business development activities. The Company believes its available cash and the net proceeds from the Offer should be adequate to fund its business objectives and working capital requirements as stated in this Prospectus.</p> <p>In order to successfully develop the projects, and for production to commence, the Company may be dependent on the need to secure further financing in the future, in addition to the amounts raised pursuant to the Offer, if the estimates in the budget prove to be insufficient, or unforeseen circumstances arise. The Company may then seek development capital through equity, debt, joint venture financing or through the sale or possible syndication of its mineral properties.</p>	Section 7.2(g)
Valuation of Tenements	<p>As at the date of this Prospectus, no valuation has been completed of the projects or the Shares of the Company. The Company makes no representation in this Prospectus as to the value of the Tenements, the Tenement Applications or the projects.</p> <p>It is recommended that intending investors and their advisors make their own assessment as to the value of the projects.</p>	Section 7.2(h)

Topic/Question	Summary/Response	Further Information
Conflicts of interest	<p>The Directors and officers of the Company may also serve as directors and/or officers of other companies involved in natural resource exploration and development and consequently there exists the possibility for such directors and officers to be in a position of conflict.</p> <p>Further to the above, Mr Andrew Pumphrey retains alluvial prospecting rights in respect of the Tenements (see Section 10.2 of this Prospectus for an overview of the Prospecting Agreements between OzAurum Mines and the Sellers).</p> <p>To manage any conflict that may arise between Mr Pumphrey's position as a Director of the Company and of OzAurum Mines, and the rights that he has under the Prospecting Agreements, the Company has adopted a Related Party Transactions and Conflicts of Interest Policy to ensure that any such conflict is appropriately dealt with and managed (see Section 8.6 of this Prospectus for an overview of the Related Party Transactions and Conflicts of Interest Policy).</p>	Section 7.2(m)
Major shareholders	<p>Immediately following Admission:</p> <ul style="list-style-type: none"> ■ Mr Andrew Pumphrey is expected to hold 40.50% of the total Shares (on an undiluted basis) if the Minimum Subscription is raised, and 37.67% of the total Shares (on an undiluted basis) in the event that the Maximum Subscription is raised; and ■ Holland International Pty Ltd as trustee for the Holland Family Trust (an entity owned and controlled by Mr Martin C Holland) is expected to hold 9.77% of the total Shares (on an undiluted basis) if the Minimum Subscription is raised, and 9.08% of the total Shares (on an undiluted basis) in the event that the Maximum Subscription is raised (taking into account its intention to subscribe for 400,000 Shares under the Offer). <p>Following Admission, the above shareholders will together hold, on an undiluted basis, between 50.27% of the total Shares under the Minimum Subscription raised and 46.76% of the total Shares on issue in the event that the Maximum Subscription is raised. As a result, these shareholders will be able to exercise a degree of influence over matters requiring shareholder approval, including election of Directors and significant corporate transactions.</p> <p>The concentration of ownership may have the effect of deterring or delaying any change in control of the Company, could have an impact on any potential sale of the Company or may affect the value of Shares. Any major shareholder may sell all or part of their holdings of Shares in the future. Any such sale may adversely affect the value of Shares.</p>	Section 7.2(n)

Topic/Question	Summary/Response	Further Information
Title risk	<p>The renewal of Tenements upon expiry of their current term and the granting of applications for exploration licences, exploration permits or mining leases is subject to Ministerial discretion. Non-approval or a delay in the approval process could have a negative impact on exploration or mining conducted by the OzAurum Group, as well as the Share price of the Company.</p> <p>Various conditions may also be imposed as a condition of renewal. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of part of the tenement areas comprising the OzAurum Group's projects. The Company makes no assurance that the renewal applications will be granted or the Tenement Applications approved.</p>	Section 7.3(a)
Tenements	<p>Interests in tenements in Western Australia are governed by legislation and are evidenced by the granting of leases and licences by the State. The OzAurum Group is subject to the <i>Mining Act 1978 (WA)</i> (Mining Act) and the OzAurum Group has an obligation to meet conditions that apply to the Tenements, including the payment of rent and prescribed annual expenditure commitments.</p> <p>The Tenements are subject to annual review and periodic renewal. While it is the OzAurum Group's intention to satisfy the conditions that apply to the Tenements, there can be no guarantees made that, in the future, the Tenements that are subject to renewal will be renewed or that minimum expenditure and other conditions that apply to the Tenements will be satisfied. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the Tenements. There is also a risk that the Tenement Applications will not be granted to OzAurum Mines. These events could have a materially adverse effect on the Company's prospects and the value of its assets.</p>	Section 7.3(b)
Operating risk	<p>Gold exploration and development are high-risk undertakings. There can be no assurance that future exploration of the projects, or any other projects that may be acquired in the future, will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited.</p> <p>Some of the Tenements have been granted exploration permits only. In the event that the Company, or its subsidiaries, successfully delineates economic deposits on any of the Tenements, it will need to apply for a mining lease. There is no guarantee that the Company or its subsidiaries will be granted a mining lease if it applies for one.</p> <p>No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of the Tenements. Unless and until the Company is able to realise value from the Tenements, it is likely to incur ongoing operating losses.</p>	Section 7.3(c)

Topic/Question	Summary/Response	Further Information
Native title	<p>The OzAurum Group's activities in Australia are subject to the <i>Native Title Act 1993</i> (Cth) and associated legislation relating to native title, which are discussed in the Solicitor's Report on Tenements in Section 6 of this Prospectus. There is significant uncertainty associated with native title issues in Australia and this may impact on the Company's future plans.</p> <p>The existence of a native title claim is not an indication that native title in fact exists on the land covered by the claim, as this is a matter ultimately determined by the Federal Court of Australia.</p> <p>If a native title claim exists or is made, or native title rights are determined to exist over areas covered by the Tenements or Tenement Applications, the ability of the OzAurum Group to gain access to the Tenements or areas currently covered by Tenement Applications (if they are approved), or to progress from the exploration phase to the development and mining phases of operations, may be adversely affected.</p>	Section 7.3(f) Section 6
Aboriginal sites of significance	<p>Commonwealth and State legislation obliges the OzAurum Group to identify and protect sites of significance to Aboriginal custom and tradition. Further details of this legislation are set out in the Solicitor's Report on Tenements in Section 6 of this Prospectus.</p> <p>The Tenements and Tenement Applications are subject to the provisions of the <i>Aboriginal and Torres Strait Islander Heritage Protection Act 1984</i> (Cth) and the <i>Aboriginal Heritage Act 1972</i> (WA). Accordingly, any destruction or harming of such sites and artefacts may result in the OzAurum Group incurring significant fines and court injunctions, which may adversely impact on exploration and mining activities.</p> <p>Some sites of significance may be identified within the Tenements or Tenement Applications. It is therefore possible that one or more sites of significance will exist in an area which the Company considers to be prospective. The OzAurum Group's policy is to carry out surveys prior to conducting exploration which would cause a disturbance to the land surface.</p> <p>For example, as noted in the Solicitor's Report on Tenements in Section 6 of this Prospectus, E31/1083, E28/2477, M31/487, P31/2063 and L31/73 encroach upon registered Aboriginal heritage sites. These registered Aboriginal heritage sites may prevent or delay the granting of exploration and mining tenements, or affect the ability of the OzAurum Group to explore, develop and commercialise the resources on the Tenements.</p>	Section 7.3(g) Section 6

Topic/Question	Summary/Response	Further Information
<p>Currently no market</p>	<p>There is currently no public market for the Company's Shares. The price of its Shares is subject to uncertainty, and there can be no assurance that an active market will develop or continue after Completion of the Offer.</p> <p>There can be no guarantee that an active market in the Company's Shares will develop or that the price of the Shares will increase.</p> <p>There is no guarantee that there will be an ongoing liquid market for the Company's Securities. If the Shares become illiquid, there is a risk that shareholders will be unable to realise their investment in the Company at the time they wish to do so or at a price they consider reasonable.</p>	<p>Section 7.4(b)</p>
<p>Speculative nature of investment</p>	<p>The risk factors set out in Section 7 of this Prospectus ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company.</p> <p>These risk factors, and others not specifically referred to in this Prospectus, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus. Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.</p> <p>Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisors before deciding whether to apply for Shares in the Company pursuant to this Prospectus.</p>	<p>Section 7.4(p)</p>

1.3 DIRECTORS, RELATED PARTY INTERESTS AND SUBSTANTIAL HOLDERS

Topic/Question	Summary/Response	Further Information
Who are the Directors?	<p>On Admission, the Board of the Company will consist of:</p> <ul style="list-style-type: none"> ▪ Mr Andrew Pumphrey, Managing Director and CEO; ▪ Mr Jeffrey Williams, Chairman and Non-Executive Director; ▪ Mr Martin C Holland, Non-Executive Director; and ▪ Mr Andrew Tudor, Non-Executive Director. 	Section 8.1
What are the interests of the Board in the Company?	The interests of the Directors in the Company are set out in Section 8.3 of this Prospectus.	Section 8.3
What important contracts with related parties is the Company party to?	<p>On Admission, the Company will be a party to the following related party agreements:</p> <ul style="list-style-type: none"> ▪ Option Agreements; ▪ the Prospecting Agreements between OzAurum Mines and the Sellers (to which Mr Andrew Pumphrey is a party in his capacity as a Seller); ▪ Deeds of Access, Insurance and Indemnity with each of the Directors; ▪ Escrow Agreements with each related party that holds Restricted Securities; ▪ Executive Employment Agreement with Mr Andrew Pumphrey; and ▪ Non-Executive Director Agreements with each of Mr Jeffrey Williams, Mr Martin C Holland and Mr Andrew Tudor. 	<p>Section 10.1</p> <p>Section 10.2</p> <p>Section 10.3</p> <p>Section 10.4</p> <p>Section 10.7</p> <p>Section 10.8</p>
Who will be substantial holders of the Company?	<p>Upon Completion of the Offer, based on the Company raising the Minimum Subscription:</p> <ul style="list-style-type: none"> ▪ Mr Andrew Pumphrey is expected to hold 40.50% of total Shares on issue on an undiluted basis and 37.67% of total Shares on issue on a fully diluted basis; and ▪ Holland International Pty Ltd as trustee for the Holland Family Trust is expected to hold 9.77% of total Shares on issue on an undiluted basis and 10.35% of total Shares on issue on a fully diluted basis (taking into account its intention to subscribe for 400,000 Shares under the Offer). <p>In the event that the Maximum Subscription is raised, these shareholders will have their shareholdings in the Company further diluted.</p>	Section 2.14

Topic/Question	Summary/Response	Further Information
What fees are payable to the Lead Manager?	<p>Canaccord Genuity (Australia) Limited ACN 075 071 466 (Canaccord or Lead Manager) has been appointed as the lead manager to the Offer. In consideration for acting as Lead Manager, the Lead Manager will receive a total fee of \$650,000 under the Minimum Subscription raised and up to \$770,000 if the Maximum Subscription is raised.</p> <p>In addition to the fee described above, the Lead Manager will be granted with the Broker Options upon the Completion of the Offer. Under the Minimum Subscription raised, 5,325,000 Broker Options will be issued to the Lead Manager. In the event that the Maximum Subscription is raised, 5,725,000 Broker Options will be issued to the Lead Manager.</p>	Section 2.10
What are the terms of the Broker Options that will be granted to the Lead Manager?	The Broker Options have an exercise price of \$0.375 per Broker Option and expire three years from the date of Admission. The terms of the Broker Options are set out in Section 11.4 of this Prospectus.	Section 11.4

1.4 KEY OFFER DETAILS

Topic/Question	Summary/Response	Further Information
What is being offered?	The Company invites applications under this Prospectus for 40,000,000 Shares at an issue price of \$0.25 per Share to raise \$10,000,000 before costs. Oversubscriptions of up to a further 8,000,000 Shares at an issue price of \$0.25 per Share to raise a further \$2,000,000 may be accepted at the discretion of the Directors.	Section 2.1
Who is eligible to participate in the Offer?	<p>This Prospectus does not constitute an offer or invitation in any place in which, or to any person, to whom, it would not be lawful to make such an offer or invitation.</p> <p>No action has been taken to register or qualify the Shares, or the Offer, or otherwise to permit a public offering of the Shares in any jurisdiction outside of Australia.</p>	Section 2.22
Will the Shares be quoted?	The Company will apply to ASX for its Admission to the Official List and Official Quotation of Shares on ASX (expected to be under the code "OZM") within seven days of the date of this Prospectus.	Section 2.15

Topic/Question	Summary/Response	Further Information
How do I apply for Shares under the Offer?	<p>Applications must be for a minimum number of 8,000 Shares (for an issue price of \$2,000 based on \$0.25 per Share) and thereafter in multiples of 2,000 Shares (\$500).</p> <p>Applications may only be made by completing the Application Form attached to this Prospectus. Applications may be made, and will only be accepted, if they are made:</p> <ul style="list-style-type: none"> ▪ on the Application Form accompanying this Prospectus; or ▪ on a paper copy of the Application Form which accompanies the electronic version of this Prospectus, which can be downloaded from www.ozaurumresources.com. 	Section 2.11
What are the Offer Conditions?	<p>The Offer is conditional on each of the following events occurring:</p> <ul style="list-style-type: none"> ▪ the Company raising the Minimum Subscription under the Offer (being \$10,000,000); ▪ the Company receiving a letter from ASX confirming that ASX will approve the Shares for Official Quotation, on terms which are acceptable to the Company, acting reasonably; and ▪ the Official Quotation of the Shares on ASX. 	Section 2.4
Are there any escrow arrangements?	<p>As a condition of admitting the Company to the Official List, ASX may classify certain Shares held prior to the date of this Prospectus as Restricted Securities, which are subject to escrow agreements or restriction notices, in accordance with Chapter 9 of the ASX Listing Rules. See Section 10.4 of this Prospectus for further details on these escrow agreements.</p>	Section 10.4
Is the Offer underwritten?	No, the Offer is not underwritten.	Section 2.20
What are the key dates for the Offer?	<p>The key dates for the Offer are set out in the indicative timetable in the Key Offer Details Section of this Prospectus. These dates are indicative only and may change without notice.</p>	Key Offer Details Section

1.5 ADDITIONAL INFORMATION

Topic/Question	Summary/Response	Further Information
Will the Company be adequately funded after Completion of the Offer?	The Directors are of the opinion that if the Minimum Subscription of \$10,000,000 is raised from the Offer, the Company will have sufficient working capital to carry out its stated business objectives.	Section 2.8
What rights and liabilities attach to the Securities on issue?	<p>A summary of the material rights attaching to the Shares offered under the Offer is set out in Section 11.2.</p> <p>A summary of the material rights attaching to the Unlisted Options on issue as at the date of this Prospectus is set out in Section 11.3.</p>	<p>Section 11.2</p> <p>Section 11.3</p>
What is the Company's dividend policy?	<p>Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors, in accordance with the Constitution, and will depend on a range of factors considered relevant by the Directors. Such factors will include but are not limited to the availability of distributable earnings, operating results, the financial condition of the Company and future capital requirements.</p> <p>The Company gives no assurance in relation to the payment of dividends or franking credits attaching to dividends. The Company does not expect to pay dividends in the near future, as its focus will primarily be on exploration of the projects and future acquisitions.</p>	Section 2.17
How can I find out more about the Prospectus or the Offer?	Questions relating to the Offer and the completion of an Application Form can be directed to the Company Secretary by email at info@ozaurumresources.com .	

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Alluvial gold from the Mulgabbie Project

Section 2

Details of the Offer

2.1 DESCRIPTION OF THE OFFER

The Company invites applications under this Prospectus for 40,000,000 Shares at an issue price of \$0.25 per Share to raise \$10,000,000 before costs (**Minimum Subscription**). Oversubscriptions of up to a further 8,000,000 Shares at an issue price of \$0.25 per Share to raise a further \$2,000,000 may be accepted at the discretion of the Directors (the **Offer**).

The maximum amount that may be raised under this Offer is \$12,000,000, based on the issue of a total of 48,000,000 Shares at an issue price of \$0.25 per Share (**Maximum Subscription**).

All Shares issued pursuant to this Prospectus will be issued as fully paid ordinary shares and will rank equally in all respects with the Shares on issue as at the date of this Prospectus. The rights attaching to the Shares are summarised in Section 11.2 of this Prospectus.

2.2 MINIMUM SUBSCRIPTION

The Minimum Subscription to be raised under this Prospectus is \$10,000,000. The Company will not issue any Shares pursuant to this Prospectus until the Minimum Subscription is met.

Should the Minimum Subscription not be reached within four months after the date of this Prospectus (or such longer period as permitted by law), the Company will not issue any Shares and will repay all Application Monies for the Shares in accordance with the Corporations Act.

2.3 OVERSUBSCRIPTIONS

Oversubscriptions for the Offer of up to a further 8,000,000 Shares at an issue price of \$0.25 per Share to raise up to a further \$2,000,000 may be accepted by the Company, at the discretion of the Directors.

2.4 CONDITIONS OF THE OFFER

The Offer is conditional upon each of the following events occurring:

- the Company raising the Minimum Subscription under the Offer (being \$10,000,000);
- the Company receiving a letter from ASX confirming that ASX will approve the Shares for Official Quotation, on terms which are acceptable to the Company, acting reasonably; and
- the Official Quotation of the Shares on ASX,

(each an **Offer Condition** and together the **Offer Conditions**).

If any of the Offer Conditions are not satisfied, the Company will not proceed with the Offer and the Company will repay all Application Monies received for Shares within the timeframe prescribed under the Corporations Act, without interest.

2.5 OFFER PERIOD

The proposed opening date for the Offer is 18 December 2020 or such later date as prescribed by ASIC. The Offer will remain open until the proposed Closing Date, which is 5:00pm (Australian Western Standard Time) on 15 January 2021 (unless the Offer Period is extended or the Directors resolve to close the Offer early).

2.6 USE OF FUNDS

The Company intends to apply funds raised from the Offer, together with existing cash reserves, over the first two years following Admission as set out in Table 2.1 below.

Table 2.1 Proposed use of existing funds and funds raised from the Offer over the first two years after Admission

	Minimum Subscription		Maximum Subscription	
	Minimum Subscription (\$10,000,000)	Percentage of funds (%)	Maximum Subscription (\$12,000,000)	Percentage of funds (%)
Funds available				
Existing cash reserves ¹	\$350,000	3.4%	\$350,000	2.8%
Funds raised from the Offer	\$10,000,000	96.6%	\$12,000,000	97.2%
Total Funds	\$10,350,000	100.0%	\$12,350,000	100.0%
Allocation of Funds				
Exploration – Mulgabbie Project ²	\$5,227,200	50.5%	\$6,294,200	51.0%
Exploration – Patricia Project ³	\$1,727,000	16.7%	\$2,024,000	16.4%
Working capital ⁴	\$2,319,800	22.4%	\$2,834,800	23.0%
Expenses of the Offer ⁵	\$1,076,000	10.4%	\$1,197,000	9.7%
Total Funds	\$10,350,000	100.0%	\$12,350,000	100.0%

Notes:

- This figure reflects the Company's estimated existing cash reserves as at the date of this Prospectus.*
- Details of the Mulgabbie Project, as well as particulars of planned expenditure and rationale for the planned expenditure, are set out in Section 3 of this Prospectus as well as the Independent Geologist Report contained in Section 5 of this Prospectus.*
- Details of the Patricia Project, as well as particulars of planned expenditure and rationale for the planned expenditure, are set out in Section 3 of this Prospectus as well as the Independent Geologist Report contained in Section 5 of this Prospectus.*
- Working capital costs include general costs associated with the management and operation of the Company's business, including administration expenses, management salaries, directors' fees and other associated operational costs.*
- Refer to Section 11.5 of this Prospectus to see the individual expenses of the Offer.*

The above table is a statement of current intentions as at the date of this Prospectus. As with any budget, intervening events (including exploration success or failure) and new circumstances have the potential to affect the manner in which the funds are ultimately applied (including some or all of the risk factors outlined in Section 7 of this Prospectus). The Board reserves the right to alter the way funds are applied on this basis.

Details of the exploration programs proposed and associated expenditures are provided in Section 3 (Company and Project Overview) and Section 5 (Independent Geologist Report) of this Prospectus.

2.7 ADDITIONAL PROJECTS

If future opportunities that the Board consider appropriate arise, the Company may apply for or acquire additional projects.

2.8 CAPITAL ADEQUACY

The Directors are of the opinion that if the Minimum Subscription of \$10,000,000 is raised from the Offer, the Company will have sufficient working capital to carry out its stated business objectives.

2.9 ALLOCATION POLICY/ALLOTMENT AND ALLOCATION OF SHARES

Subject to ASX granting approval for the Company to be admitted to the Official List, the allotment of Shares to applicants will occur as soon as practicable after the Offer is closed. Following this, statements of shareholdings will be dispatched. Pending the issue of the Shares or return of the Application Monies, the Application Monies will be held in trust for the applicants.

It is the responsibility of applicants to determine their allocation prior to trading in Shares. Applicants who sell their Shares before they receive their holding statements will do so at their own risk.

The Company has the right to allocate the Shares under the Offer as it sees fit. No applicant under the Offer has any assurance of being allocated all or any Shares they apply for. The Company may reject any Application or allocate to any applicant fewer Shares than they apply for under the Offer.

The Company will take the following factors into account when determining how to allocate Shares amongst applicants:

- the number of Shares applied for in total and by each individual applicant;
- the overall level of demand for the Offer;
- the desire for spread of investors, including to ensure that the Company meets the shareholder spread requirements under the ASX Listing Rules; and
- the desire for an informed and active market for trading Shares following Completion of the Offer.

If an Application is not accepted, or is accepted in part only, the relevant part of the Application Monies will be refunded. Interest will not be paid on Application Monies refunded. The Company will not be liable to any person not allocated Shares or not allocated the full amount applied for in their Application.

2.10 INTEREST OF LEAD MANAGER IN THE OFFER

Canaccord has been appointed as lead manager to the Offer under the terms of the Lead Manager Mandate, which is summarised in Section 10.6 of this Prospectus.

Fees payable

On Admission, the Company will pay Canaccord the following fees:

- (a) a management fee of A\$50,000 (**Management Fee**);
- (b) a lead manager fee of 2.0% of all funds raised under the Offer (**Lead Manager Fee**); and
- (c) a capital raising fee of 4.0% of all funds raised under the Offer, excluding any amounts raised from existing shareholders, or investors that are introduced to the Offer by the Company (**Capital Raising Fee**).

A total of the minimum and maximum fees payable to Canaccord are set out in Table 2.2 below.

Table 2.2 Lead Manager fees

Description of Fee	Minimum Subscription (\$10,000,000)	Maximum Subscription (\$12,000,000)
Management Fee	\$50,000	\$50,000
Lead Manager Fee	\$200,000	\$240,000
Capital Raising Fee ¹	\$400,000	\$480,000
TOTAL	\$650,000	\$770,000

Notes:

1. This is the maximum Capital Raising Fee payable to the Lead Manager. It does not take into account any amounts raised from any existing shareholders or any investors that are introduced to the Offer by the Company.

Broker Options

In addition to the fees set out above, Canaccord will also be issued with Broker Options on Admission, equating to 5% of the share capital of the Company (on a fully diluted basis), with an exercise price of \$0.375 per Broker Option, and an expiry of three years from the date of Admission. The terms of the Broker Options are set out in Section 11.4 of this Prospectus.

The number of Broker Options that will be issued to Canaccord on the date of Admission are set out in the table below.

Table 2.3 Broker Options to be issued to Canaccord on Admission

	Minimum Subscription (\$10,000,000)	Maximum Subscription (\$12,000,000)
Number of Broker Options	5,325,000	5,725,000

Interests in Securities

The Lead Manager, or any of its associates, have not participated in a placement of Securities by the Company in the two years preceding lodgement of this Prospectus.

2.11 APPLICATIONS FOR SHARES

Applications must be for a minimum number of 8,000 Shares (for an issue price of \$2,000 based on \$0.25 per Share) and thereafter in multiples of 2,000 Shares (\$500).

If you do not understand this Prospectus, you should consult your stockbroker, accountant or other professional advisor in order to satisfy yourself as to the contents and meaning of this Prospectus. The Company reserves the right to reject any Application or to allocate any applicant with fewer Shares than the number that they have applied for.

Applications may only be made by completing the Application Form attached to this Prospectus. Applications may be made, and will only be accepted if they are made:

- on the Application Form accompanying this Prospectus; or
- on a paper copy of the Application Form which accompanies the electronic version of this Prospectus, which can be downloaded from www.ozaurumresources.com.

Detailed instructions on how to complete the paper Application Forms are set out on the reverse of those forms. You are not required to sign the Application Form. It is important to note that the Corporations Act prohibits any person from passing on to another person the Application Form, unless it is accompanied by or attached to a complete and unaltered copy of this Prospectus, whether in paper or electronic form.

Paper Application Forms, whether accompanying a paper copy of this Prospectus or an electronic version downloaded from the Company's website, must be accompanied by a personal cheque or a bank draft payable in Australian dollars drawn on an Australian branch of an Australian registered bank, or confirmation of electronic funds transfer, for an amount equal to the number of Shares for which you wish to apply, multiplied by the issue price of \$0.25 per Share. Cheques or bank drafts should be made payable to "OzAurum Resources Limited" and crossed "Not Negotiable".

Applicants should ensure that cleared funds are available at the time the Application is lodged, as dishonoured cheques will result in the Application being rejected. Applicants should return their completed Application Forms to the Share Registry by no later than 5.00pm (Australian Western Standard Time) on the Closing Date.

2.12 ELECTRONIC PROSPECTUS AND APPLICATION FORMS

This Prospectus will be issued in paper form and as an electronic Prospectus which may be accessed via the Company's website at www.ozaurumresources.com. Persons having received a copy of this Prospectus in its electronic form may obtain an additional paper copy of this Prospectus and the relevant Application Form (free of charge) from the Company's registered office during the Offer Period by contacting the Company. Contact details for the Company and details of the Company's registered office are set out in the Corporate Directory at the front of this Prospectus.

The Corporations Act prohibits any person passing onto another person the Application Form unless it is attached to, or accompanied by, the complete and unaltered version of this Prospectus.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus or any of those documents were incomplete or altered.

2.13 PROFORMA CAPITAL STRUCTURE

The proforma capital structure of the Company is set out below, reflecting the issued and paid-up capital structure of the Company following the Completion of the Offer, both at the Minimum Subscription and Maximum Subscription. It is calculated assuming that the Company completes the Offer on the terms set out in this Prospectus, and that no further Securities are issued or Options are exercised. On Admission, the Company's capital structure will be as follows:

Table 2.4 Projected capital structure on Admission

Shares	Type	Number of Shares (Minimum Subscription)	Number of Shares (Maximum Subscription)
Existing Shares	ORD	66,500,000	66,500,000
Shares to be issued pursuant to this Prospectus	ORD	40,000,000	48,000,000
Total Shares on issue at time of Admission	ORD	106,500,000	114,500,000

The number of Unlisted Options on issue at Admission are set out in Table 2.5 below.

Table 2.5 Unlisted Options on issue at Admission

Number of Unlisted Options	Expiry	Exercise Price	Percentage of total Securities (Minimum Subscription) ¹	Percentage of total Securities (Maximum Subscription) ¹
8,000,000	Five years after Admission of the Company to the Official List	\$0.375 per Unlisted Option	6.68%	6.24%

Notes:

1. This assumes that the Broker Options have been issued to the Lead Manager on Completion of the Offer.

The number of Broker Options to be issued to the Lead Manager on Completion of the Offer are set out below in Table 2.6.

Table 2.6 Broker Options to be issued to Lead Manager on Completion of the Offer

	Number of Broker Options	Percentage of total Securities	Expiry	Exercise Price
Minimum Subscription (\$10,000,000)	5,325,000	4.44%	Three years after Admission of the Company to the Official List	\$0.375 per Broker Option
Maximum Subscription (\$12,000,000)	5,725,000	4.46%		

2.14 SUBSTANTIAL SHAREHOLDERS

Shareholders holding 5% or more of the Shares on issue both as at the date of this Prospectus and on Admission (taking into account the Shares to be issued under the Offer) are set out in the table below.

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Table 2.7 Shareholders holding 5% or more of the Shares on issue at the date of this Prospectus and on Admission

Shareholder	Number of Shares currently held	Options currently held	Number of Shares expected to be issued to the shareholder under the Offer	Expected undiluted percentage of Shares post-Offer based on the Minimum Subscription ¹	Expected fully diluted percentage of Shares post-Offer based on the Minimum Subscription ²
Andrew Pumphrey	43,136,500 Shares	2,000,000 Unlisted Options	Nil	40.50%	37.67%
Holland International Pty Ltd as trustee for the Holland Family Trust ³	10,000,000 Shares	2,000,000 Unlisted Options	400,000 Shares	9.77%	10.35%

Notes:

1. This is based on the Minimum Subscription of \$10,000,000 being raised based on the issue of 40,000,000 Shares and does not take into account any oversubscriptions that the Directors may approve, up to a further 8,000,000 Shares to raise a further \$2,000,000, in which case these substantial holders will be further diluted on Completion of the Offer.
2. This assumes that all Broker Options to be issued to the Lead Manager on Completion of the Offer and all Unlisted Options are exercised and converted to Shares.
3. This is an entity that is owned and controlled by Mr Martin C Holland.

2.15 ASX LISTING

Within seven days after the date of this Prospectus, application will be made to ASX for the Company to be admitted to the Official List and for the Shares offered pursuant to this Prospectus to be granted Official Quotation under the code "OZM". The Company is not currently seeking a listing of its Shares on any stock exchange other than ASX. If approval for Official Quotation of the Shares on ASX is not granted within three months after the date of this Prospectus (or any later date permitted by law or varied by ASIC), the Company will not issue any Shares pursuant to the Offer and will refund all Application Monies without any interest as soon as practicable (in accordance with sections 722 to 725 of the Corporations Act).

The Company will be required to comply with ASX Listing Rules, subject to any waivers obtained by the Company from time to time.

ASX takes no responsibility for this Prospectus or the investment to which it relates. The fact that ASX may admit the Company to its Official List is not to be taken in any way as an indication of the merits of the Company or the Shares offered pursuant to this Prospectus.

2.16 CHES

The Company intends to become a participant in the Clearing House Electronic Subregister System (**CHES**), operated by ASX Settlement Pty Ltd (**ASX Settlement**), a wholly-owned subsidiary of ASX, in accordance with the ASX Listing Rules and ASX Settlement Operating Rules. CHES is an electronic transfer and settlement system for transactions in securities quoted on ASX under which transfers are effected in an electronic form.

Under CHES, the Company will not issue certificates to investors. Instead, shareholders will receive a statement of their holdings in the Company. If an investor is a participant for the purpose of CHES, ASX Settlement will send them a CHES statement.

2.17 COMPANY'S DIVIDEND POLICY

The Board anticipates that significant expenditure will be incurred by the Company in the development of its business, as set out in Table 2.1 in Section 2.6 of this Prospectus. These high levels of expenditure are expected to last for a period of at least two years after the date of this Prospectus. Accordingly, the Company does not expect to declare any dividends for the foreseeable future.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors, in accordance with the Constitution, and will depend on a range of factors considered relevant by the Directors, including but not limited to the availability of distributable earnings, operating results, the financial condition of the Company and future capital requirements. No assurance in relation to the payment of dividends, or franking credits attaching to dividends, can be given by the Company.

2.18 TAXATION

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. It is not possible to provide a comprehensive summary of the possible taxation positions of all potential applicants. As such, all potential investors in the Company are urged to obtain independent financial and tax advice about the consequences of acquiring Shares, both from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability or responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus. No brokerage, commission or Duty is payable by applicants on the acquisition of Shares under the Offer.

2.19 WITHDRAWAL OF OFFER

The Offer may be withdrawn at any time. In this event, the Company will return all Application Monies (without interest) in accordance with the Corporations Act.

2.20 NOT UNDERWRITTEN

The Offer is not underwritten.

2.21 ESCROW ARRANGEMENTS

ASX will classify certain existing Securities on issue in the Company as being subject to the restricted securities provisions of the ASX Listing Rules (**Restricted Securities**). Restricted Securities would be required to be held in escrow for a period of up to 24 months from Admission and would not be able to be sold, mortgaged, pledged, assigned or transferred for that period, without the prior approval of ASX. During the period in which these Restricted Securities are prohibited from being transferred, trading in Securities may be less liquid, which may impact on the ability of a Security holder to dispose of their Securities in a timely manner.

None of the Shares issued pursuant to the Offer are expected to be Restricted Securities.

The Company anticipates that on Admission, approximately 62,500,000 Shares will be classified as Restricted Securities by ASX, which:

- on an undiluted basis, comprises approximately 58.7% of the issued Shares based on the Minimum Subscription being raised under the Offer, and approximately 54.6% of the issued Shares in the event that the Maximum Subscription is raised under the Offer; and
- on a fully diluted basis (assuming all Options are issued and exercised and that no other Securities are issued), comprises approximately 52.2% of the issued Shares based on the Minimum Subscription being raised under the Offer, and approximately 48.7% of the issued Shares in the event that the Maximum Subscription is raised under the Offer.

Prior to the Company's Shares being admitted to Official Quotation, the Company will enter into escrow agreements with the holders of any Restricted Securities, or otherwise issue restriction notices to these holders, in accordance with Chapter 9 of the ASX Listing Rules (see Section 10.4 of this Prospectus for a summary of these escrow arrangements), and the Company will announce to ASX full details (quantity and duration) of the Restricted Securities required to be held in escrow.

The Company's free float at the time of Admission will not be less than 20%.

2.22 OVERSEAS INVESTORS

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

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

The Shares have not been and will not be registered under the *US Securities Act of 1933*, as amended (**Securities Act**) or the securities laws of any state or other jurisdiction of the United States and may not be offered, sold or resold in the United States or to, or for the benefit of, any "US Person" (as defined in Regulation S under the Securities Act) except pursuant to an effective registration statement or an exemption from the registration requirements of the Securities Act. Neither this Prospectus nor any Application Form or other materials relating to the Offer may be distributed in the United States.

2.23 PRIVACY

The Company, and/or the Share Registry, may collect, hold and use information about each applicant from the Application Form for the purposes of processing the Application and, if the Application is successful, to administer the applicant's shareholding in the Company.

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

If an applicant becomes a shareholder of the Company, the Corporations Act requires the Company to include information about the shareholder (name, address and details of the Shares held) in its public register. This information must remain in the register even if that person ceases to be a shareholder of the Company.

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

2.24 UPDATING PERSONAL INFORMATION

You can access your personal information in connection with the Company by contacting the Share Registry or by request to the Company.

2.25 ENQUIRIES

This Prospectus provides information for potential investors in the Company, and should be read in its entirety. If, after reading this Prospectus, you have any questions about any aspect of an investment in the Company, please contact your stockbroker, accountant or independent financial advisor.

Questions relating to the Offer and the completion of an Application Form should be directed to the Company Secretary by email at info@ozaurumresources.com.

3



RC Drill Rig on-site at Mulgabbie North, October 2020

Section 3

Company and Project Overview

3.1 COMPANY BACKGROUND AND BUSINESS OVERVIEW

The Company was incorporated on 5 August 2020 as a proprietary company limited by shares, for the purpose of pursuing gold exploration opportunities and to ultimately list on ASX. The Company since converted from a proprietary company to an unlisted public company on 22 October 2020, in anticipation of its proposed listing on ASX.

The Company's wholly-owned subsidiary, OzAurum Mines Pty Ltd ACN 645 117 111 (**OzAurum Mines**), was incorporated on 14 October 2020.

Over the past 30 years, Mr Andrew Pumphrey, together with his associates (the **Sellers**), compiled a portfolio of tenements that comprise the Mulgabbie Project and Patricia Project. These projects are located within the Greenstone belts of the Eastern Goldfields Province of the Yilgarn Craton, north-east of Kalgoorlie in Western Australia (see Figures 3.1 and 3.2 below).

On 19 October 2020, the OzAurum Group entered into Option Agreements with the Sellers, pursuant to which the OzAurum Group was granted the option to acquire 100% ownership of the Mulgabbie Tenements and the Patricia Tenements (see Section 10.1 of this Prospectus for an overview of the Option Agreements).

OzAurum Mines has acquired a 100% interest in all of the Tenements and Tenement Applications pursuant to completion of the Option Agreements that occurred on 27 October 2020. While, as at the date of this Prospectus, OzAurum Mines is not the registered owner of the Tenements or Tenement Applications:

- registered ownership of the Tenements is expected to transfer from the Sellers to OzAurum Mines once Duty on the acquisition has been assessed by the Western Australia Office of State Revenue and paid by the Company; and
- the Tenement Applications are held on trust by the Sellers for OzAurum Mines, until such time as they are granted by DMIRS and, if they are granted, OzAurum Mines will apply to become the registered owner of these tenements.

The OzAurum Group's two projects, the Mulgabbie Project and Patricia Project, together cover an area of approximately 70.6km².

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Figure 3.1 Geographic location of the Mulgabbie Project and Patricia Project

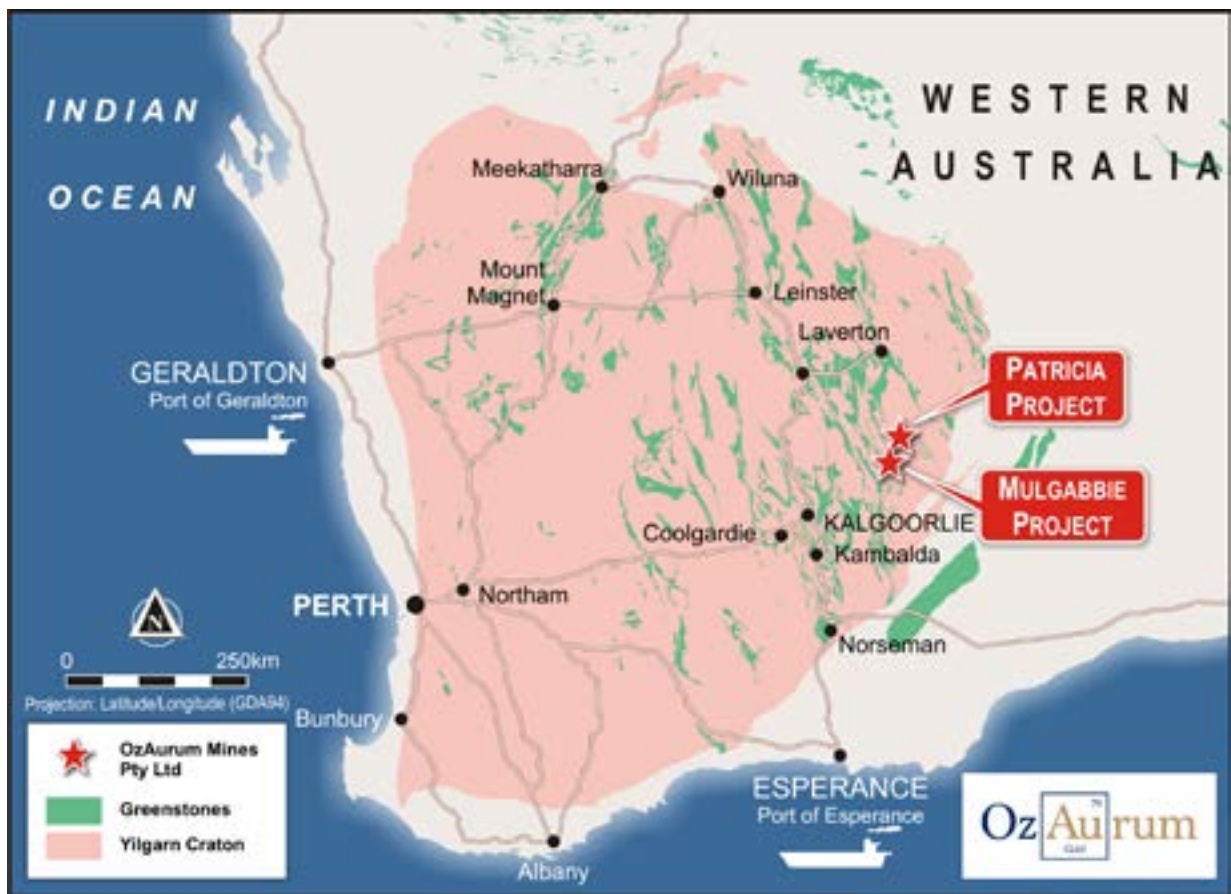
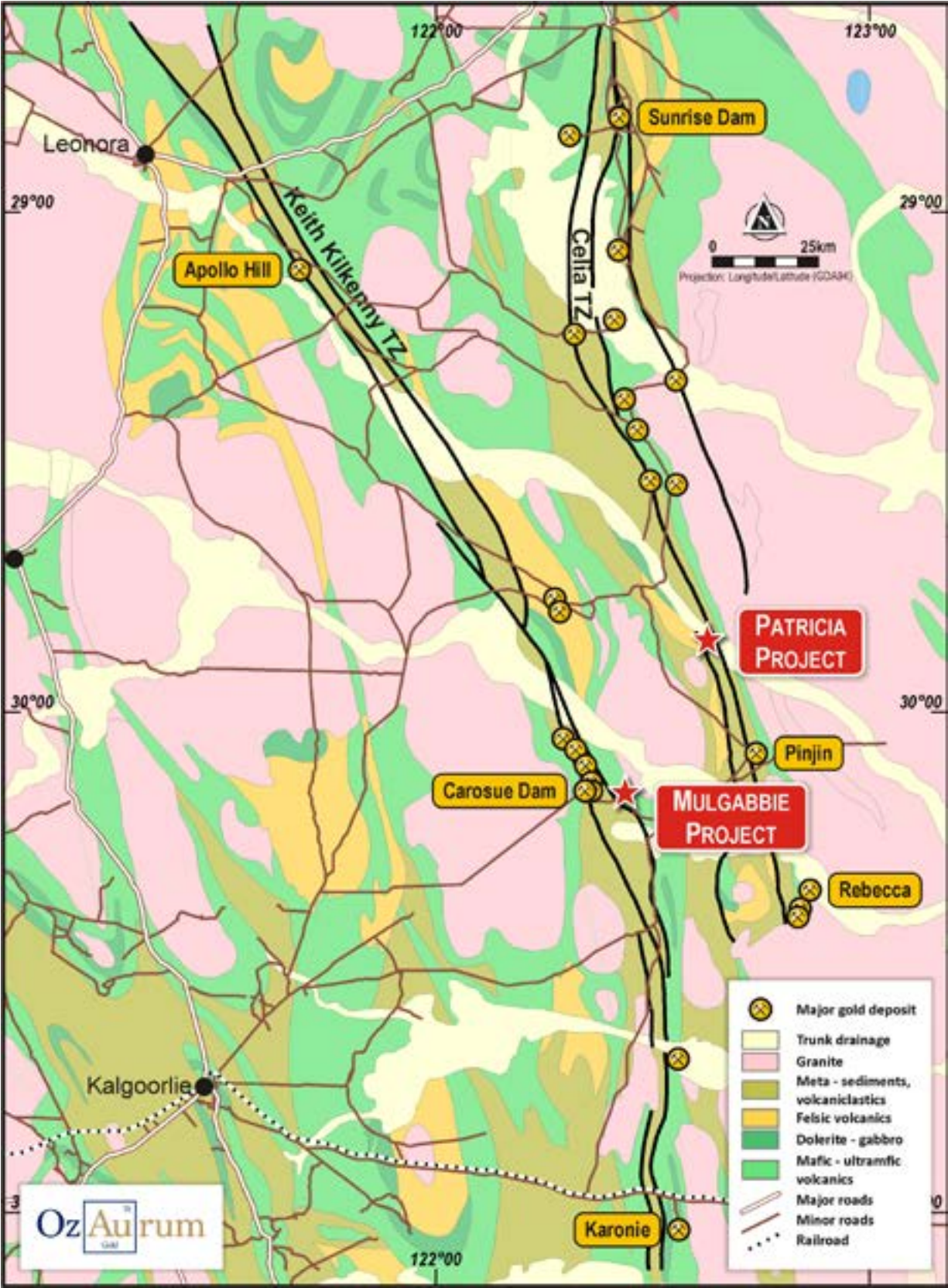


Figure 3.2 Geological setting of the OzAurum Group's projects in the Eastern Goldfields Province



Tenement and Tenement Application details for the Mulgabbie Project and the Patricia Project are set out in Table 3.1 below.

Table 3.1 Tenements and Tenement Applications

Project	Tenement / Application	Status	Registered holder / applicant	Beneficial Owner ¹	Grant date	Expiry date
Patricia	E31/1083	Granted	A I Pumphrey	OzAurum Mines	2 Feb 2015	1 Feb 2025
Patricia	M31/487	Granted	A I Pumphrey	OzAurum Mines	23 Feb 2016	22 Feb 2037
Patricia	P31/2063	Granted	A I Pumphrey	OzAurum Mines	30 Jan 2015	29 Jan 2023
Patricia	L31/73	Not yet granted	A I Pumphrey	OzAurum Mines	N/A	N/A
Mulgabbie	E31/1085	Granted	A I Pumphrey	OzAurum Mines	18 Oct 2016	17 Oct 2021
Mulgabbie	M28/240	Granted	A I Pumphrey	OzAurum Mines	7 Jan 2008	6 Jan 2029
Mulgabbie	E31/1137	Granted	A I Pumphrey	OzAurum Mines	29 May 2018	28 May 2023
Mulgabbie	E28/2477	Granted	A I Pumphrey	OzAurum Mines	18 Oct 2016	17 Oct 2021
Mulgabbie	L28/48	Granted	A I Pumphrey	OzAurum Mines	8 Feb 2019	7 Feb 2040
Mulgabbie	L28/49	Granted	A I Pumphrey	OzAurum Mines	8 Feb 2019	7 Feb 2040
Mulgabbie	L28/71	Not yet granted	A I Pumphrey	OzAurum Mines	N/A	N/A
Mulgabbie	E28/3003	Not yet granted	A I Pumphrey	OzAurum Mines	N/A	N/A
Mulgabbie	P28/1356	Not yet granted	A I Pumphrey & M T H Daffen	OzAurum Mines	N/A	N/A
Mulgabbie	P28/1357	Not yet granted	A I Pumphrey & M T H Daffen	OzAurum Mines	N/A	N/A
Mulgabbie	M28/364	Granted	A I Pumphrey & Pendragon	OzAurum Mines	25 Mar 2009	24 Mar 2030
Mulgabbie	P28/1301	Granted	A I Pumphrey & Pendragon	OzAurum Mines	11 Jul 2017	10 Jul 2021
Mulgabbie	P28/1302	Granted	A I Pumphrey & Pendragon	OzAurum Mines	3 Jan 2017	2 Jan 2021
Mulgabbie	P28/1303	Granted	A I Pumphrey & Pendragon	OzAurum Mines	3 Jan 2017	2 Jan 2021
Mulgabbie	P28/1304	Granted	A I Pumphrey & Pendragon	OzAurum Mines	3 Jan 2017	2 Jan 2021
Mulgabbie	P28/1388	Not yet granted	A I Pumphrey & Pendragon	OzAurum Mines	N/A	N/A
Mulgabbie	P28/1389	Not yet granted	A I Pumphrey & Pendragon	OzAurum Mines	N/A	N/A
Mulgabbie	P28/1390	Not yet granted	A I Pumphrey & Pendragon	OzAurum Mines	N/A	N/A

Note:

- OzAurum Mines has acquired a 100% interest in all of the Tenements and Tenement Applications pursuant to the completion of the Option Agreements. Transfer of the Tenements from the registered holders to OzAurum Mines cannot be lodged for registration with DMIRS until the Duty is assessed and paid, and the stamped documents are received by DMIRS. Accordingly, the registered holders listed above remain as the registered holders of the Tenements until such time as they can be transferred to OzAurum Mines. The Tenement Applications are currently held on trust for OzAurum Mines by the registered holders pursuant to the Option Agreements. If the Tenement Applications are granted, OzAurum Mines can then apply to become the registered holder of those tenements.

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3.2 COMPANY’S BUSINESS MODEL

Upon Completion of the Offer, the Company will focus on:

- the exploration of the Mulgabbie Project and Patricia Project, with the objective of discovering an economic gold deposit capable of being developed; and
- undertaking all necessary steps with a view to obtaining the successful grant of the existing Tenement Applications.

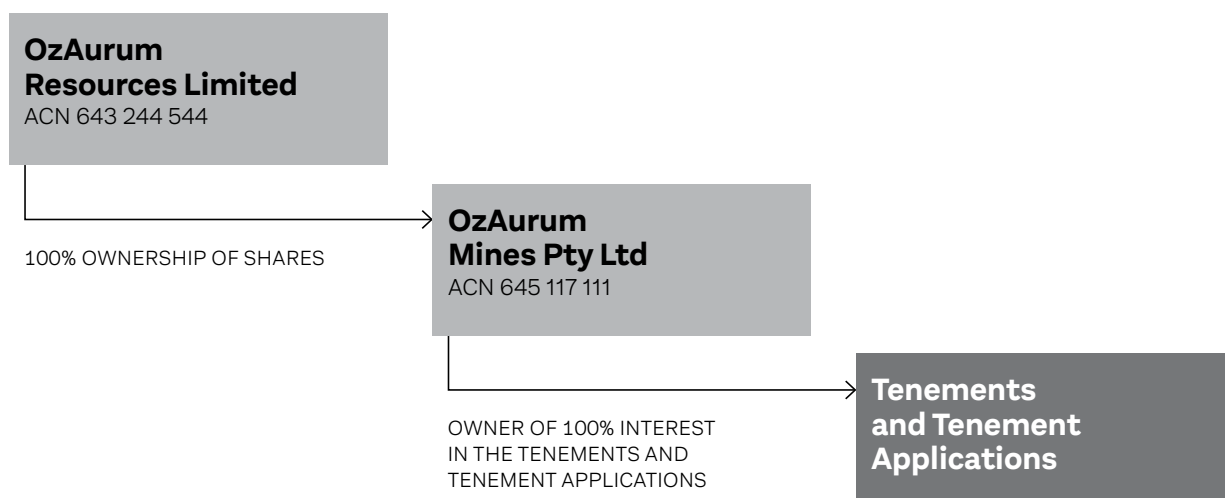
The Company intends to actively consider and pursue acquisitions that are strategic in terms of the overall objective of the Company, as well as complimentary to its existing operations, where deemed appropriate or in the interests of its shareholders. For any potential acquisition, the Board will consider the most appropriate funding arrangement, having regard to the condition of the market at that point in time. Such funding may be by way of payment of consideration in cash, equity or a combination of both.

As at the date of this Prospectus, the Company intends for any future acquisitions (whether assets, projects or equity) to be either in the gold or mineral resource sector, and may expand its tenement holding within and outside of Western Australia.

3.3 CORPORATE STRUCTURE

The Company holds 100% of the shares on issue in OzAurum Mines. OzAurum Mines holds a 100% interest in all of the Tenements and Tenement Applications (see Figure 3.3 below).

Figure 3.3 Corporate Structure of the OzAurum Group



As at the date of this Prospectus, the Company does not hold any material legal or beneficial interest in any other entity.

The Company’s Board comprises Mr Jeffrey Williams (Chairman and Non-Executive Director), Mr Andrew Pumphrey (Managing Director and CEO), Mr Martin C Holland (Non-Executive Director) and Mr Andrew Tudor (Non-Executive Director). The Company Secretary is Mr Stephen Hewitt-Dutton. Further information on the Board is set out in Section 8 of this Prospectus.

The board of OzAurum Mines comprises Mr Jeffrey Williams and Mr Andrew Pumphrey. The Company Secretary is Mr Stephen Hewitt-Dutton.

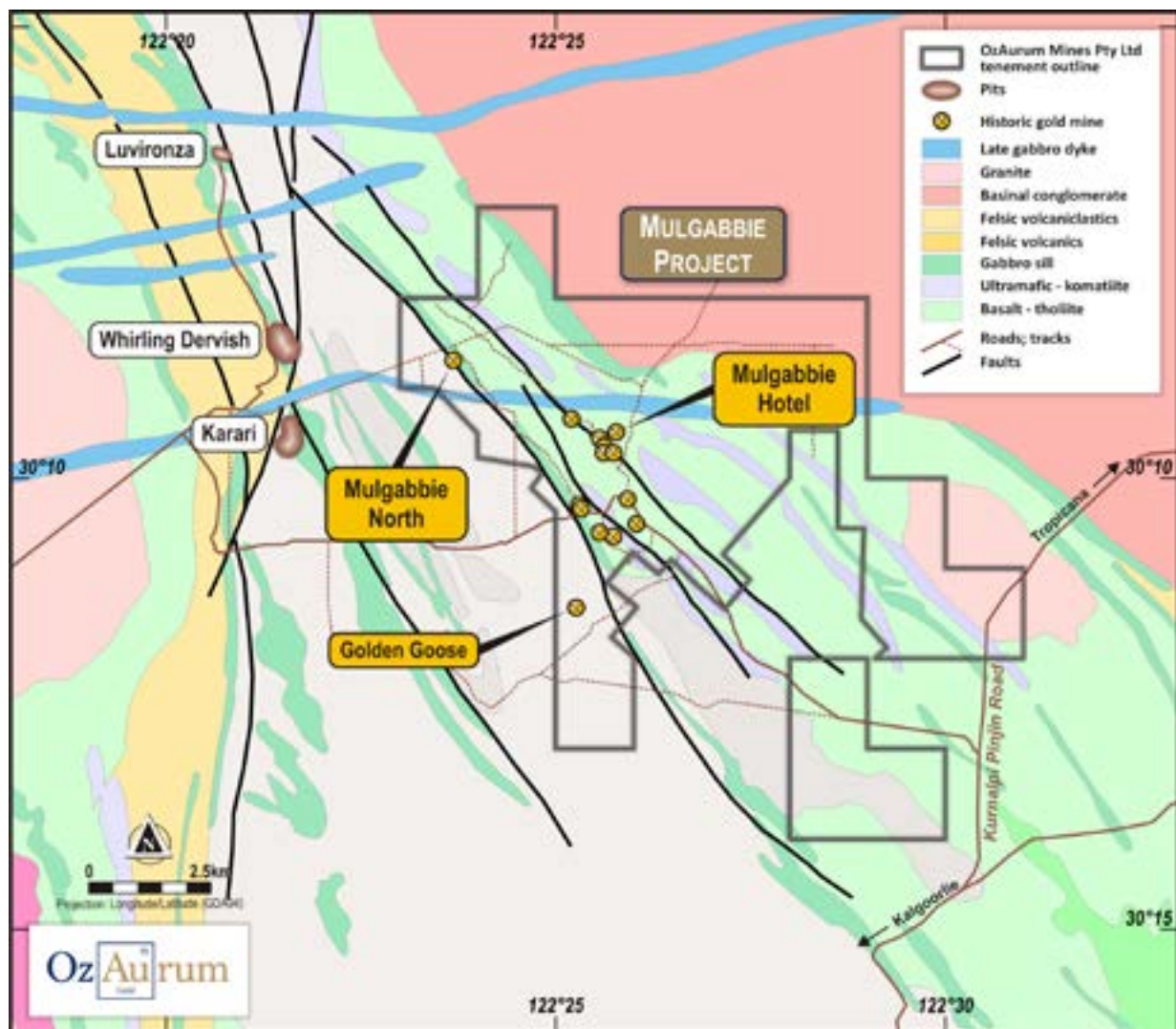
3.4 OVERVIEW OF THE MULGABBIE PROJECT

The Mulgabbie Project covers a landholding of 67km² and is situated 110km north-east of Kalgoorlie. The geology of the Mulgabbie Project consists of an Archaean Greenstone lower mafic sequence overlain by a felsic volcanoclastic metasedimentary sequence. This Greenstone sequence also includes dolerite and quartz feldspar porphyry intrusives. The regolith at the Mulgabbie Project site varies from well-preserved intact laterite profiles to stripped regolith profiles of exposed saprolite and fresh rock.

The Mulgabbie Project consists of four main areas:

- (a) **Mulgabbie North:** comprising M28/240, E31/1085, E31/1137, L28/48, L28/49 and L28/71;
- (b) **Golden Goose:** comprising E28/3003, P28/1356 and P28/1357;
- (c) **Mulgabbie Hotel, Mulgabbie Perseverance and Mulgabbie Hill:** comprising M28/364, P28/1301, P28/1302, P28/1303, P28/1304, P28/1388, P28/1389 and P28/1390; and
- (d) **Mulgabbie Greenfields:** comprising E28/2477.

Figure 3.4 Geology of Carosue - Mulgabbie area from GSWA Geoviewer 500k polygons



3.5 MULGABBIE PROJECT Mulgabbie North

Mulgabbie North extends for approximately 2.4km along the Relief Shear that is conformable with the lithological contact between mafic and felsic sequences. Gold Mineralisation is hosted in the felsic sequence adjacent to the lithological contact. The western side of Mulgabbie North has 10-20m of transported cover that has concealed gold Mineralisation to historical prospecting methods.

In addition to the gold geochemistry anomalies that appear widespread throughout the area, historical rotary-air-blast (**RAB**) drill holes show anomalous gold results within an area that extends for approximately 2.4km. The OzAurum Group has identified these as exploration targets to be tested by planned drilling. The majority of historical RAB drilling conducted in this area has failed to reach the top of fresh rock, and as such, has been poorly explored.

The OzAurum Group has identified a number of immediate targets for drilling within Mulgabbie North.

In October 2020, drilling at Mulgabbie North was conducted which comprised 8 reverse circulation (**RC**) drill holes and one diamond drill hole (see Figures 3.5 and 3.6 below). All drill holes intercepted significant gold Mineralisation and associated alteration. Selected results are set out in Table 3.2 below. For a more extensive list of results from the RC drilling conducted, please refer to the Independent Geologist Report set out in Section 5 of this Prospectus.

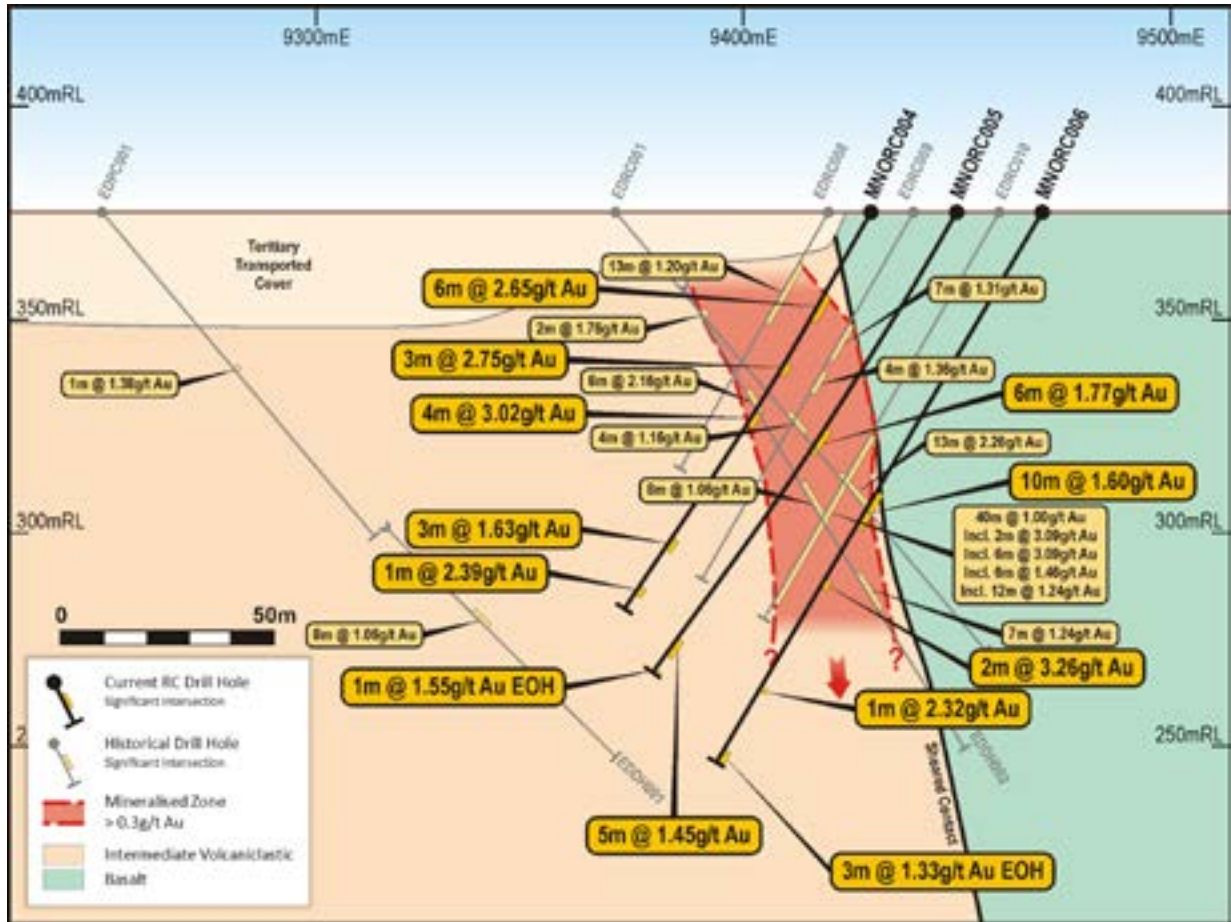
Table 3.2 Selected RC drill holes at Mulgabbie North

Drill Hole	Result
MNORC 001	5m @ 2.21 g/t Au from 43m
MNORC 002	4m @ 1.68 g/t Au from 80m
MNORC 004	6m @ 2.65 g/t Au from 23m
MNORC 006	10m @ 1.60 g/t Au from 76m
MNORC 007	1m @ 4.38 g/t Au from 119m End of Hole
MNORC 008	3m @ 3.18 g/t Au from 73m
MNODH 001	5m @ 1.86 g/t Au from 52m
MNODH 001	5m @ 1.82 g/t Au from 63m
MNODH 001	5m @ 1.35 g/t Au from 78m

Following Completion of the Offer, the OzAurum Group's proposed next steps with respect to the Mulgabbie North area are to:

- conduct a drone magnetometer survey and geophysical interpretation of that survey to identify the location of potential cross cutting or deflection structures and any changes in lithologies;
- undertake air core (**AC**) drilling on a 200m line x 40m hole spacing with all holes planned to drill to the top of fresh rock expected to be up to 80m deep over the entire western section of the project area over with a strike of some 2.4 km;
- undertake RC drilling on an 80m line x 40m hole spacing and closer infill drilling where required with holes drilled up to 300m deep. This drilling will be in the main along the 2.4km strike within the Relief Shear corridor along other targets generated from AC drilling parallel to the Relief Shear corridor;
- undertake deep diamond drilling to test significant gold Mineralisation associated with RC drilling; and
- undertake geological modelling and resource estimation.

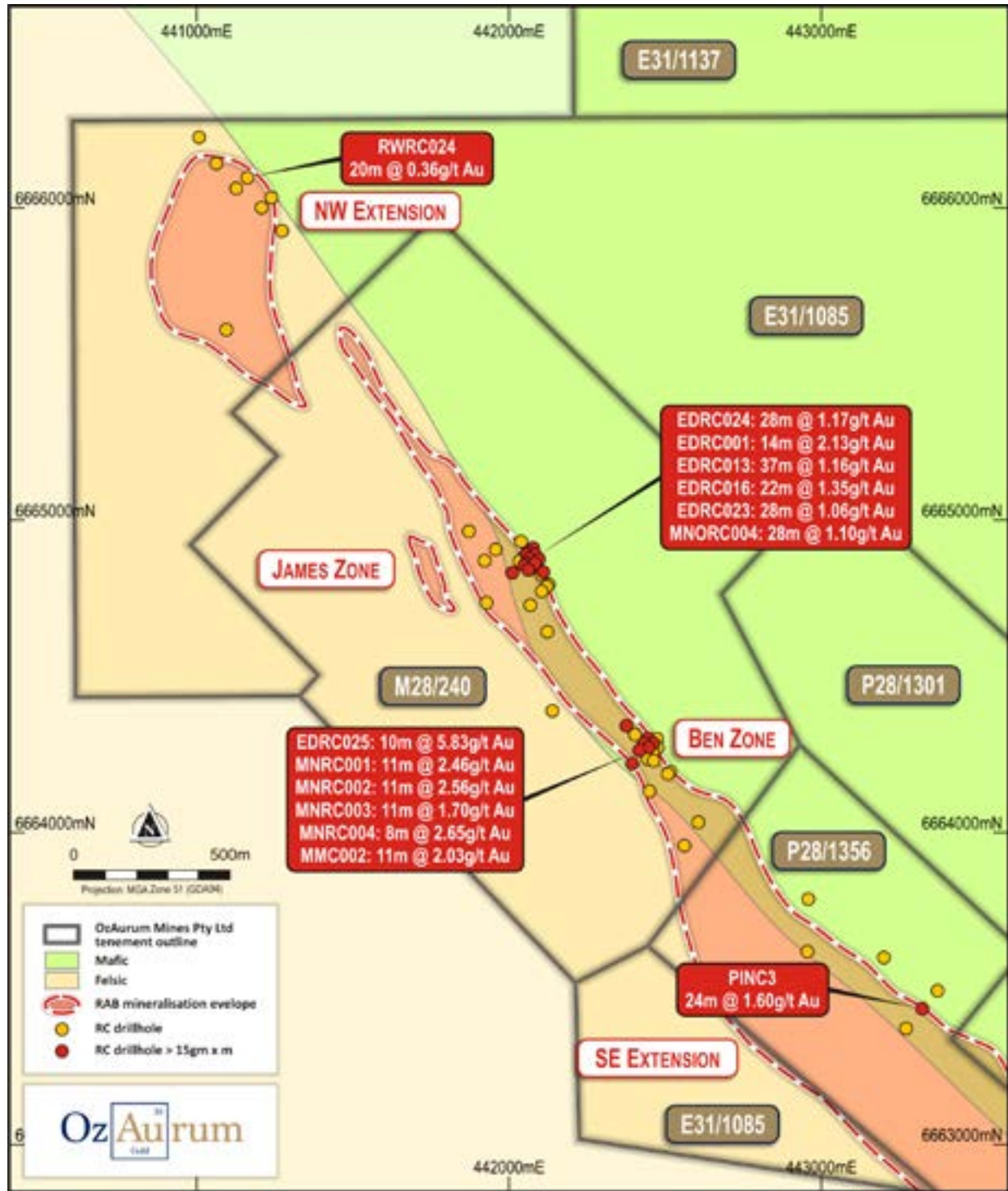
Figure 3.5 Cross-section of Mulgabbie North after RC drilling



Heritage Survey team: L to R: Dennis Forrest, Ivan Forrest, Fabian Tucker, Aubrey Lynch, Andrew Pumphrey and Troy Lynch



Figure 3.6 RC and diamond drill holes on Mulgabbie North



3.6 MULGABBIE PROJECT Golden Goose

Golden Goose is situated within the south-eastern extension of the Relief Shear (see Figure 3.7 below). Within the Golden Goose area, historic RAB drilling has defined a geochemical anomaly that is approximately 1.6km long and 600m wide. The tenements that comprise the Golden Goose area are currently Tenement Applications, which are yet to be granted by DMIRS.

The Golden Goose anomaly referred to above remains to be tested by AC drilling and RC drilling. Limited historical RC drilling was conducted in the Golden Goose area, the selected results of which are set out in Table 3.3 below. For a more extensive list of results from the historical RC drilling conducted, please refer to the Independent Geologist Report set out in Section 5 of this Prospectus.

Table 3.3 Selected results of historical RC drilling conducted at Golden Goose

Drill Hole	Result
GGRC 002	5m @ 2.44 g/t Au from 14m, plus 8m @ 0.23g/t Au
RWRC 006	4m @ 1.20 g/t Au from 53m

Following the Completion of the Offer, and subject to DMIRS granting the relevant Tenement Applications that comprise the Golden Goose area, the OzAurum Group's proposed next steps with respect to the Golden Goose area are to:

- conduct a drone magnetometer survey and geophysical interpretation of that survey to identify the location of potential cross cutting or deflection structures and any changes in lithologies;
- undertake auger soil geochemistry on a 200m line and 50m sample spacing;
- undertake AC drilling on a 200m line x 40m hole spacing with all holes planned drill to the top of fresh rock expected to be up to 80m deep;
- undertake RC drilling on an 80m line x 40m hole spacing and closer infill drilling where required with holes drilled up to 300m deep; and
- undertake deep diamond drilling to test any significant gold Mineralisation associated with RC drilling.

3.7 MULGABBIE PROJECT

Mulgabbie Hotel, Mulgabbie Perseverance and Mulgabbie Hill

These three areas are located within the historical Mulgabbie Mining Centre (see Figure 3.7 below). The Mulgabbie Perseverance and surrounding historical gold mines have historically produced some high grade gold Mineralisation, which is found on the contact between basalt and dolerite. These areas are an important target for future deep RC and diamond drilling.

At the Mulgabbie Hotel area, previous RC drilling has allowed the OzAurum Group to identify a number of drill intervals, which will be the target for future RC and diamond drilling testing for extensions at depth. Gold Mineralisation at Mulgabbie Hotel was found in quartz veins hosted within the granophyric quartz dolerite.

Selected results from the RC drilling conducted at the Mulgabbie Hotel area are set out in Table 3.4 below. For a more extensive list of results from the RC drilling conducted at the Mulgabbie Hotel area, please refer to the Independent Geologist Report set out in Section 5 of this Prospectus.

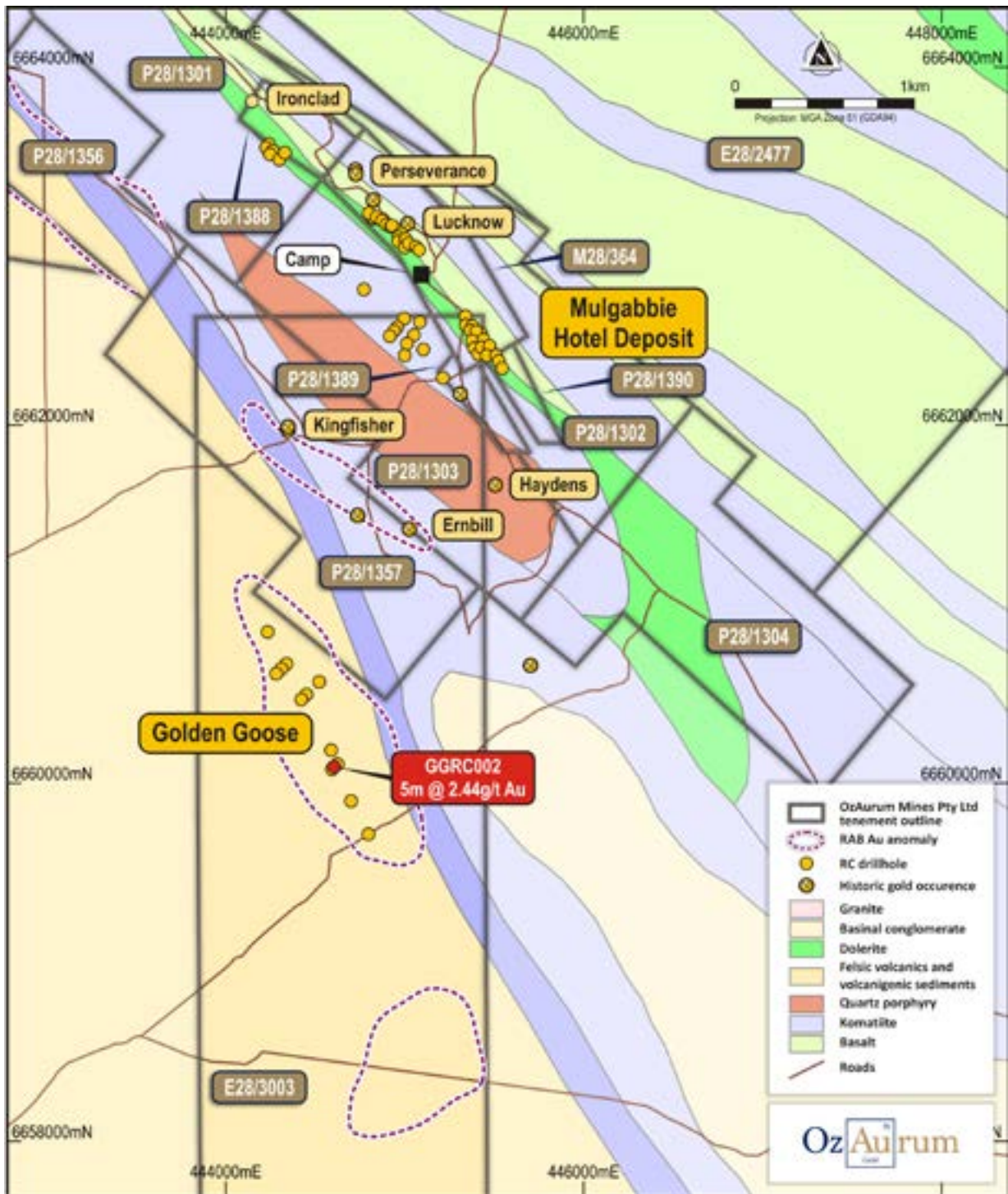
Table 3.4 Selected results from RC drilling conducted at the Mulgabbie Hotel area

Drill Hole	Result
RCMC000006	12m @ 2.29 g/t Au from 46m
RCMC000007	22m @ 2.22 g/t Au from 4m
RCMG000019	11m @ 2.28 g/t Au from 24m

Following Completion of the Offer, the OzAurum Group's proposed next steps with respect to the Mulgabbie Hotel, Mulgabbie Perseverance and Mulgabbie Hill areas are to:

- conduct a drone magnetometer survey and geophysical interpretation of that survey to identify the location of potential cross cutting or deflection structures and any changes in lithologies;
- undertake auger soil geochemistry on a 200m line and 50m sample spacing;
- undertake AC drilling on a 200m line x 40m hole spacing with all holes planned drill to the top of fresh rock expected to be up to 40m deep;
- undertake RC drilling on an 80m line x 40m hole spacing and closer infill drilling at Mulgabbie Hotel and Mulgabbie Perseverance with holes drilled up to 300m deep;
- undertake deep diamond drilling to test any significant gold Mineralisation associated with RC drilling at Mulgabbie Hotel and diamond drilling at Mulgabbie Perseverance beneath the historical underground gold mines; and
- undertake geological modelling and resource estimation.

Figure 3.7 Geology, RC drilling and gold occurrences at the Golden Goose, Mulgabbie Hotel and Mulgabbie Perseverance areas



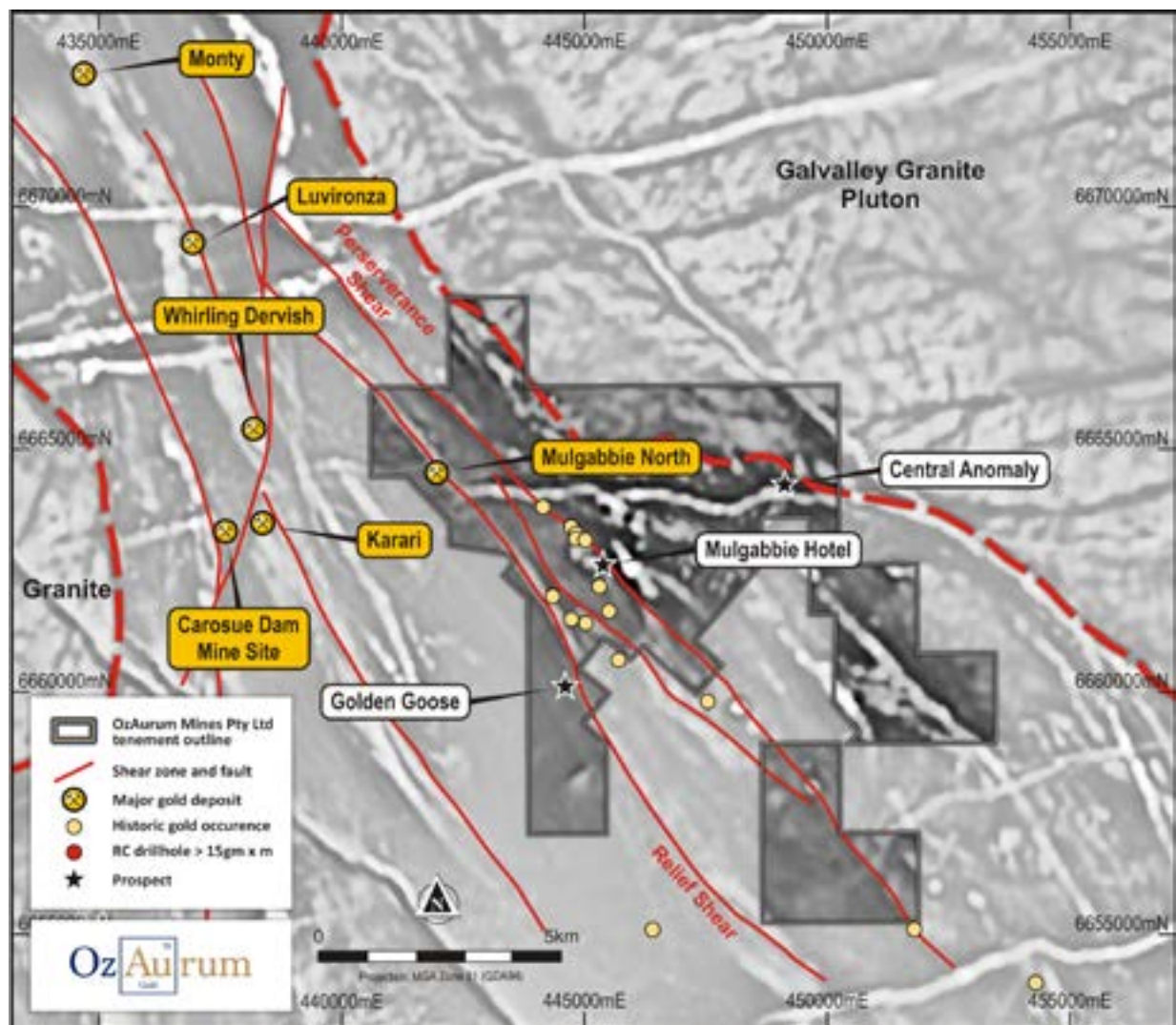
3.8 MULGABBIE PROJECT Mulgabbie Greenfields

The Mulgabbie Greenfields area is located north-east of the Mulgabbie Mining Centre. No historical gold workings of any significance are found in this area. A historical soil anomaly 1.3km long is found 4.5km east-northeast of Mulgabbie (see Figure 3.8 below). An RAB hole MGRB012 drilled by Croesus Mining within this anomaly intersected in 5m @ 2.5 g/t Au. Although follow up drilling failed to reproduce this result, given this anomaly, this area remains an exploration target for future drilling.

Following Completion of the Offer, the OzAurum Group's proposed next steps with respect to the Mulgabbie Greenfields area are to:

- (a) conduct a drone magnetometer survey and geophysical interpretation of that survey to identify the location of potential cross cutting or deflection structures and any changes in known lithologies;
- (b) undertake auger soil geochemistry on a 200m line and 50m sample spacing the southern project area;
- (c) undertake AC drilling on a 200m line x 40m hole spacing with all holes planned drill to the top of fresh rock expected to be up to 80m deep; and
- (d) undertake RC drilling on new targets generated based on AC drilling.

Figure 3.8 Mineralised structures of the Mulgabbie Project



3.9 OVERVIEW OF THE PATRICIA PROJECT

The Patricia Project covers a 3.6 km² landholding situated 160km north-east of Kalgoorlie. At the Patricia Project, the Celia Tectonic Zone Archaean Greenstone belt consists of a thick sequence of intermediate to felsic volcanics stratigraphically underlain by a mafic volcanic pile to the east, and overlain by a prominent package of banded iron formations to the west. The regolith at the Patricia Project consists of stripped profile of exposed saprolite and fresh rock.

The Patricia Project encompasses the historic Patricia Gold Mine, which was operational until 1937 when production ceased.

Between 1983 and 1986, RC and diamond drilling was conducted by the previous tenement holder, however, no drilling has been conducted at the Patricia Project since then. Some selected results from the historical RC and diamond drilling are set out in Table 3.5 (see also Figures 3.9 and 3.10 below). For a more extensive list of results of the historical RC and diamond drilling conducted at the Patricia Project, please refer to the Independent Geologist Report set out in Section 5 of this Prospectus.

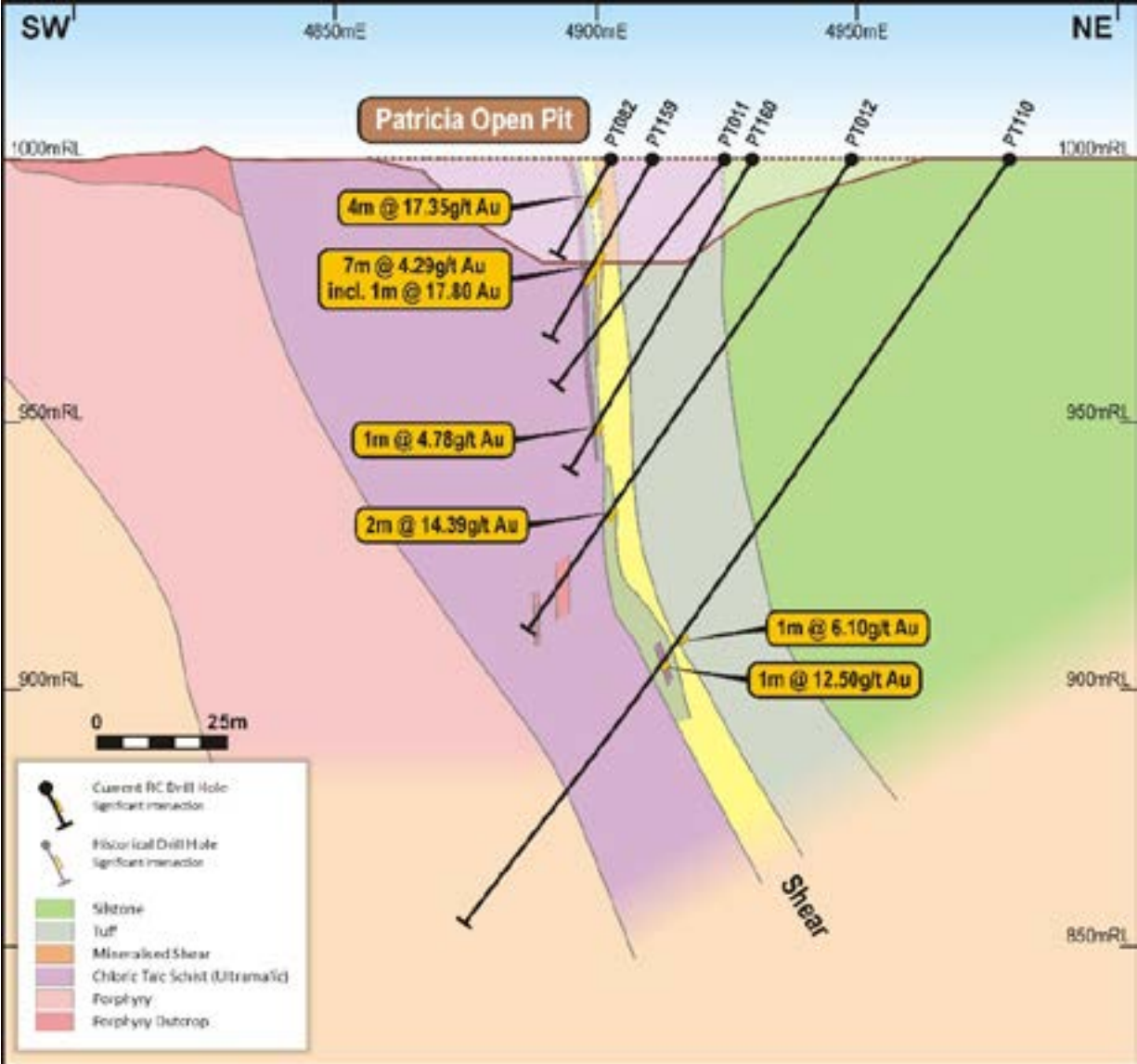
Table 3.5 Selected results from historical RC and diamond drilling conducted at the Patricia Project

Drill Hole	Result
PT 001	5m @ 18.8 g/t Au from 35m
PT 005	4m @ 38.4 g/t Au from 43m
PT 008	5m @ 11.7 g/t Au from 30m
PT 045	5m @ 37.2 g/t Au from 47m

Following Completion of the Offer, the OzAurum Group's proposed next steps with respect to the Patricia Project are to:

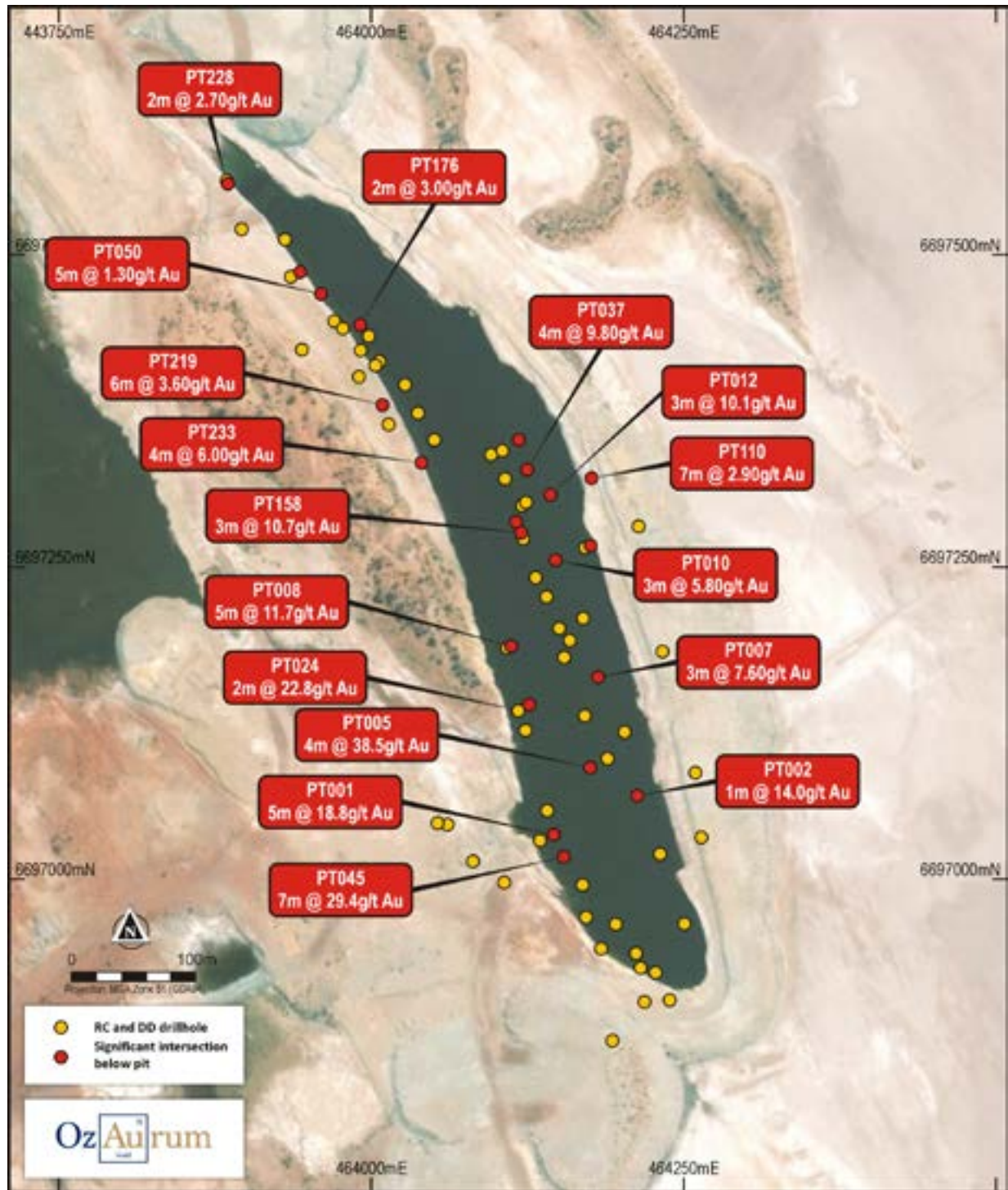
- conduct a drone magnetometer survey and geophysical interpretation of that survey to identify the location of potential cross cutting structures and any changes in known lithologies;
- undertake a structural review;
- undertake RC drilling targeting high grade gold Mineralisation;
- undertake diamond drilling targeting high grade gold Mineralisation; and
- de-water the Patricia open pit to undertake geological mapping and in-pit drilling.

Figure 3.9 Cross-section of the Patricia Project at GDA 6697255mN



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Figure 3.10 Distribution of significant RC and diamond drilling (DD) intersections below the Patricia Project



3.10 PROPOSED STRATEGY AND EXPLORATION PROGRAMS

The primary focus of the Company is to focus on mineral exploration aimed at discovering a significant gold resource that has potential to deliver growth to the Company's shareholders.

In order to achieve this objective following the Company's Admission to the Official List, the Company proposes to undertake the exploration programs outlined below and further explained in the Independent Geologist Report (see Section 5 of this Prospectus). The results of this exploration will determine the economic viability and possible timing for the commencement of further drilling, exploration activities, potential pre-feasibility and mining activities in due course. The results will also determine whether the Company reviews its current Tenement holding and elects to reduce, apply for, or acquire new tenement interests, whether through joint venture or acquisition.

The Company's strategy and purpose for the Offer is to:

- (a) systematically undertake exploration and evaluation of the Company's projects, aimed at a discovery of a mineral resource within those projects;
- (b) continue to seek out additional opportunities to grow or advance the projects by acquiring areas adjacent to, or surrounding, the projects;
- (c) implement a growth strategy to seek out further exploration opportunities which complement the Company's focus on gold; and
- (d) provide working capital for the Company.

3.11 PROPOSED EXPLORATION BUDGETS

The Company proposes to fund its intended activities as outlined in Table 3.6 below from the proceeds of the Offer. It should be noted that the proposed budget will be subject to modification on an ongoing basis depending on the results obtained from exploration undertaken.

A two year combined exploration budget of \$7,030,718 has been outlined based on the Minimum Subscription of \$10,000,000 being raised under the Offer, with that figure increasing to \$8,394,718 based on the Maximum Subscription of \$12,000,000 being raised under the Offer. The proposed exploration budget has been reviewed in the Independent Geologist Report contained in Section 5 of this Prospectus.

This will involve an ongoing assessment of the Mulgabbie Project and the Patricia Project and may lead to increased or decreased levels of expenditure on certain interests, reflecting a change in emphasis. Subject to the above, the proposed budget in Table 3.6 takes into account the proposed expenses over the next two years to complete initial exploration of the Mulgabbie Project and Patricia Project. For a more detailed breakdown of the proposed exploration budget, see the Independent Geologist Report contained in Section 5 of this Prospectus.

Table 3.6a Proposed exploration budget for the Mulgabbie Project and Patricia Project – \$10m raise

		\$10,000,000 RAISE		
Project	Activity	Year 1 \$	Year 2 \$	Total \$
Mulgabbie Project	Field equipment and camp establishment	125,000		125,000
	Geological studies and detailed mapping	100,000		100,000
	Ultra high resolution drone aeromagnetics	50,000		50,000
	Assembly drillhole and geochemical databases	7,000		7,000
	Drilling	2,300,000	2,100,000	4,400,000
	Resource modelling of defined deposits	20,000	20,000	40,000
	Mineralogy and petrology studies	15,000	15,000	30,000
	Direct overheads 10%	261,700	213,500	475,200
	Mulgabbie Total	2,878,700	2,348,500	5,227,200
Patricia Project	Pit dewatering and re-mapping	250,000		250,000
	Ultra high-resolution drone aeromagnetics	20,000		20,000
	Drilling	120,000	980,000	1,100,000
	Resource modelling	20,000	40,000	60,000
	Petrology, metallurgy, geotechnical studies	40,000		40,000
	Scoping of initial operation	100,000		100,000
	Direct overheads 10%	55,000	102,000	
	Patricia Total	605,000	1,122,000	1,727,000
	DMIRS rents, shire rates	38,259	38,259	76,518
	Total Exploration	3,521,959	3,508,759	7,030,718

Table 3.6b Proposed exploration budget for the Mulgabbie Project and Patricia Project – \$12m raise

		\$12,000,000 RAISE		
Project	Activity	Year 1 \$	Year 2 \$	Total \$
Mulgabbie Project	Field equipment and camp establishment	125,000		125,000
	Geological studies and detailed mapping	100,000		100,000
	Ultra high resolution drone aeromagnetics	50,000		50,000
	Assembly drillhole and geochemical databases	7,000		7,000
	Drilling	2,870,000	2,500,000	5,370,000
	Resource modelling of defined deposits	20,000	20,000	40,000
	Mineralogy and petrology studies	15,000	15,000	30,000
	Direct overheads 10%	318,700	253,500	572,200
Mulgabbie Total		3,505,700	2,788,500	6,294,200
Patricia Project	Pit dewatering and re-mapping	250,000		250,000
	Ultra high-resolution drone aeromagnetics	20,000		20,000
	Drilling	170,000	1,200,000	1,370,000
	Resource modelling	20,000	40,000	60,000
	Petrology, metallurgy, geotechnical studies	40,000		40,000
	Scoping of initial operation	100,000		100,000
	Direct overheads 10%	60,000	124,000	
Patricia Total		660,000	1,364,000	2,024,000
DMIRS rents, shire rates		38,259	38,259	76,518
Total Exploration		4,203,959	4,190,759	8,394,718

The annual expenditure commitments set by DMIRS that apply to the Tenements are set out below for the next two years. These amounts are approximate only and have been based on the schedule of fees released by DMIRS for 2019-20 and 2020-21.

- **Mulgabbie Project:** Year 1: \$124,000, Year 2: \$124,000; and
- **Patricia Project:** Year 1: \$34,800, Year 2: \$34,800.

The Company expects that the total annual expenditure commitments for each project as set out above will increase together with any increases to the schedule of fees set by DMIRS. Further, in the event that any of the Tenement Applications are granted, the Company expects that the annual expenditure commitments will increase accordingly to reflect the expenditure commitments attributed to those newly granted tenements.

The proposed exploration budgets set out in Table 3.6 above exceed the annual minimum expenditure commitments for the Tenements across both projects.

3.12 CURRENT CAPITAL STRUCTURE OF THE COMPANY

As at the date of this Prospectus, the capital structure of the Company, and particulars of its Security holders (and their related entities), are set out in Table 3.7 below.

Table 3.7 Capital structure of the Company at the date of this Prospectus

Security holder	Shares	% of Shares	Options	% of Options
Andrew Pumphrey	43,136,500	64.9%	2,000,000	25%
Holland International Pty Ltd as trustee for the Holland Family Trust (related party of Mr Martin C Holland)	10,000,000	15.0%	2,000,000	25%
Parkview Super Nominees Pty Ltd as trustee for Parkview Super Trust (related party of Mr Jeffrey Williams)	1,000,000	1.5%	–	–
AJSTF Pty Ltd as trustee for AJT Super Fund Trust (related party of Mr Andrew Tudor)	100,000	0.2%	2,000,000	25%
Mr Jeffrey Williams	–	–	2,000,000	25%
Non-related party Security holders	12,263,500	18.4%	–	–
Securities on issue at the date of this Prospectus	66,500,000 Shares	100%	8,000,000 Options	100%



Managing Director and CEO, Andrew Pumphrey

4

Alluvial gold from the Mulgabbie Project

Section 4

Industry Overview



Consulting

Overview of the gold industry for an ASX IPO prospectus

Prepared for OzAurum Resources Limited
by CRU Consulting

Final report

10th November 2020

CRU Reference: ST2177-21

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Level 10, Suite 1002, 99 Mount Street, North Sydney, NSW 2060, Australia
Tel: +61 2 8412 2801

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1. Industry introduction

1.1. Physical properties of gold

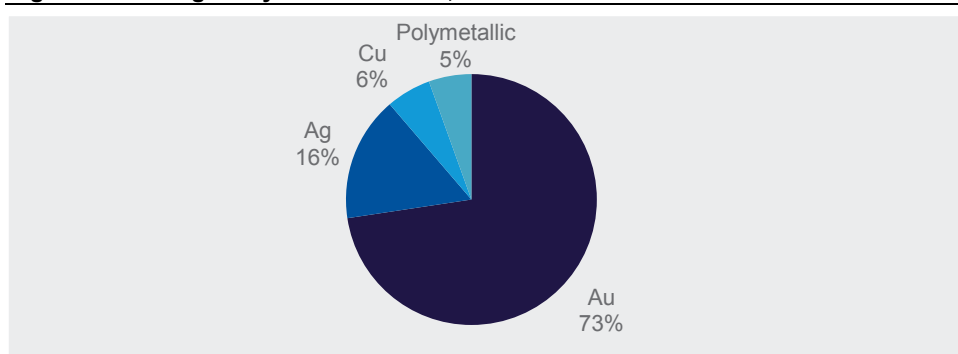
Gold (Au) is a highly corrosion-resistant and an exceptionally malleable precious metal. It is one of the three metals that have a natural colour other than grey or white and it can be alloyed with other metals to create different colours. Its ductility makes it easy to cast, making it an attractive choice for making jewellery. It is also extremely stable and is the least reactive chemical element under standard conditions: air, moisture and other corrosive factors will not react with gold, which are important properties in jewellery and dental work. Its high thermal and electricity conductivity also make it popular in the industrial and electronic sectors.

1.2. Gold supply chain

Gold is a mined commodity which can also be recycled from used goods as scrap. Natural pure gold is very rare; gold is usually sourced as a by-product of other metals. Native gold is usually found in solid solution with 8-10% silver content. If the alloy has more than 20% silver, it is called electrum. Gold is also naturally alloyed with copper and palladium.

In 2019, 73% of mined gold was sourced from primary gold mines, with the remaining 27% extracted as a by-product from other metal production such as silver (Ag), copper (Cu), or polymetallic mines, accounting for 16%, 6% and 5% respectively.

Figure 1: Mined gold by source in 2019, %



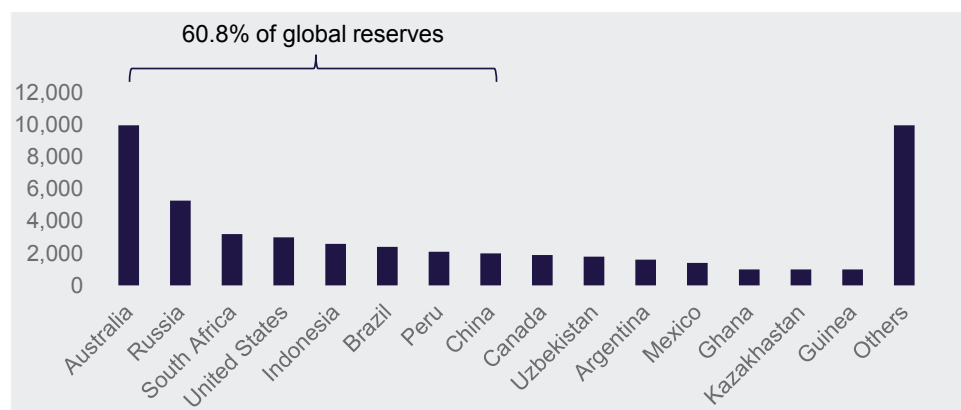
Source: CRU

Geological distribution

Gold can be found in grains or particles embedded into rocks. It can also be found in alluvial deposits, consisting of free flakes, grains or nuggets that have eroded from rocks.

Australia has the highest gold mine reserves, with approximately 10,000 tonnes accounting for around 20% of global reserves. Gold reserves are concentrated, with more than 60% of reserves located in the top eight countries.

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Figure 2: Global gold reserves by major country, tonnes

Source: USGS, CRU

Extraction and recovery

The majority of gold mines are open pit (open cast) operations, which has proven more economic on lower grade ores since the mid-1970s. Underground extraction is applied mainly to vein-hosted and stratigraphic gold deposits. After crushing and grinding, there are various ways to extract gold, including:

- **Cyanidation** is the most common way to extract gold metals from ores. Gold can be resistant to most acids except for aqua regia and cyanide solution. The process involves dissolving the ores in dilute cyanide solution together with lime and oxygen.
- **Refractory ores**, such as sulphide ores and carbonaceous ores, are not applicable to direct cyanide leaching. Gold in such ores can be extracted using pressure oxidation, roasting and chlorination.
- **Amalgamation** (alloying gold particles with metallic mercury to form amalgam) can be used to extract coarser gold (>30 microns in diameter).
- **Heap leaching** was introduced in 1970s to reduce the gold recovery cost, but it requires a much longer time to process.

The Miller process and the Wohlwill process are the two common methods to derive pure gold by refining. Gaseous chlorine is used in the Miller process to remove impurities. At the melting point of gold, impurities will be on the top layer of the molten purified gold. The Miller process can produce gold quickly and easily, but only at 99.5% purity. The Wohlwill process can raise the purity level to 99.99% using electrolysis.

Recycled gold

Recycling is another important source of gold. In 2019, gold from mined production was 3,060 tonnes while gold from scrap was 1,293 tonnes (42%). Recycled gold is extracted

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from materials such as jewellery, electronic appliances, medical devices, and other gold-containing products. Jewellery and coins are usually recycled through dealers whilst gold recycled from dental work are often collected by dentist and sent to a recycler.

Figure 3: Overview of the gold supply chain



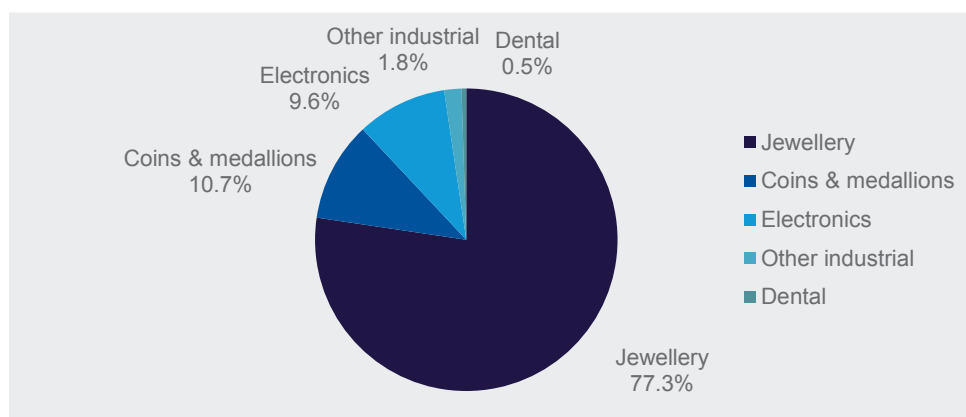
1.3. Gold demand drivers

Fabricated gold consumption

Gold fabrication demand includes demand for physical gold in the form of jewellery, coins and medallions and for strictly industrial uses such as electronic and dental applications, as well as other minor industrial and decorative uses.

In 2019, jewellery accounted for 77% of fabricated gold consumption with the remainder from the following sectors: coins and medallions (11%), electronics (10%), dental (0.5%). Further details of each sector will be explained in the demand section.

Figure 4: Fabricated gold demand by end use sector in 2019, tonnes



Source: CRU

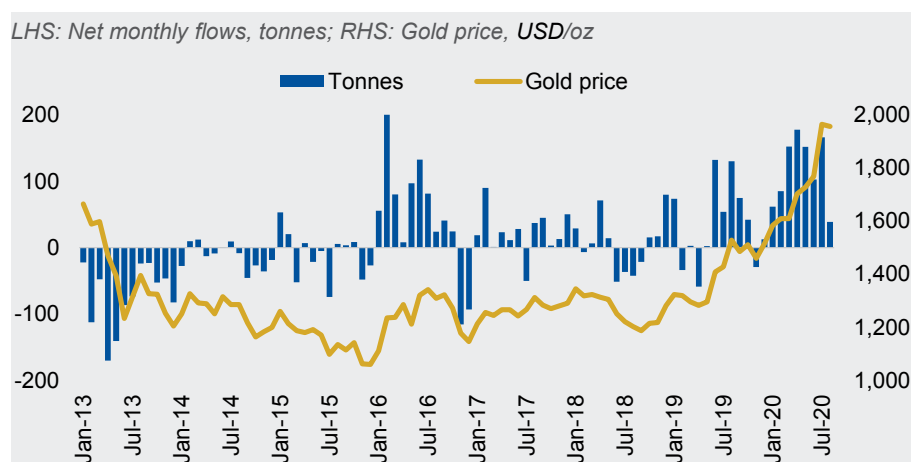
Gold as a safe haven investment

Gold demand as a store of value is impacted by various factors related to the macroeconomy, including inflation, interest rates, strength of the U.S. dollar, investment portfolios and central banks' holdings. The **official sector** (central banks and other monetary organizations such as the European Central Bank and the International Monetary Fund) are significant holders of gold for strategic reasons: gold's properties such as durability, limited size, and lack of credit risk make it an important part of their reserve asset for diversification of currency reserves and for crisis prevention. Individual investors hold gold through Exchanged Traded Funds (ETFs) and trade them like stocks.

An unstable political and economic environment in 2019 and 2020 (primarily due to geopolitical tension, trade wars and the Covid-19 pandemic) compared to previous years has driven investors to invest in gold as a safe haven asset, sparking a rally.

Throughout much of 2020, there has been strong inflows into gold ETFs which reflects a strong investor appetite for safe haven assets. Along with the rise in global gold ETF holdings, gold prices have rallied by ~35% since the start of 2020 through to a record high on August 6th. This year's surge in gold ETF holdings (+937 tonnes in the first eight months) is a reflection of a strong investor appetite for safe haven assets.

Figure 5: Inflows into gold ETFs have surged in 2020



Source: CRU, LBMA, various ETF providers

2. Demand

2.1. Demand by sector – jewellery remains the largest consumer

Fabricated gold demand is highly dependent on the macroeconomy and gold prices. We usually see higher fabricated demand during a recovering global economy and lower fabricated demand during times of uncertainty as its replaced by investment in gold as a safe haven asset. Consumption has cooled since 2016 and remained relatively stable until more recently when international tensions and uncertainties have combined. In 2020, CRU estimates that global fabricated gold demand will fall by 23.4% from 2019 levels, to 2,086 tonnes.

Jewellery has always been the largest consuming sector of fabricated gold with an average share of 77% from 2010 to 2019, and totalling 2,107 tonnes in 2019.

Gold jewellery demand is usually related to disposable income and negatively related to price, especially in the developed world where it is considered a luxury and a discretionary adornment purchase, rather than an investment. In 2013, there was a substantial fall in price which was accompanied by higher jewellery consumption (from 2,157 tonnes in 2012 to 2,726 tonnes in 2013). Later in 2016, when price started to recover, consumption also fell back to 2,101 tonnes, close to 2011 levels.

In developing countries there can be a significant overlap between the adornment and investment motives in jewellery purchases. In India, gold jewellery is mainly viewed as a safe and portable vehicle for savings. At the other extreme, jewellery purchases in China and the Middle East have a high investment motive and may be encouraged by a clearly appreciating price. Many of the key gold jewellery-buying markets have seen rapid GDP growth over the past decade, such as China and India.

The Covid-19 pandemic has knocked almost all major economies into a recession. As investors turned to safe haven assets in this volatile environment, gold prices have risen significantly in 2020. Demand for jewellery, which is highly price sensitive, will be impacted most substantially, with it estimated to decline by around 30% to 1,482 tonnes.

Official coins and medallions accounted for ~8% of 2019 global fabrication demand and are primarily investment vehicles. Gold coin demand has been stable for the past decade, with only a very slight increase (+9 tonnes) from 2010 to 2019. The demand is expected to grow by ~7% in 2020 for this sector, reaching 311 tonnes.

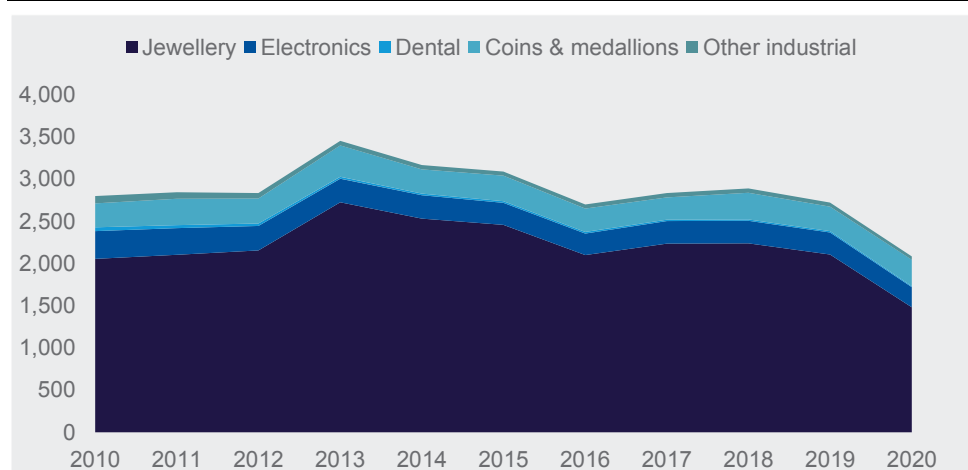
Electronics applications accounted for 10% of total gold fabrication demand in 2019, totalling 263 tonnes. Gold is used in connectors, switch and relay contacts, soldered joints, connecting wires and connection strips, and is also found in computer, telecommunications, automotive and defence equipment. Global demand by electronics

manufacturers is influenced by GDP growth, industrial production growth and consumer demand. Gold demand from the electronics industry increased steadily prior to 2010 and peaked at 327 tonnes. However, it has been in a downward trend since then, due to high gold prices and slower PC sales, resultant from the popularity of smart phones and tablets. We expect a combination of these trends to continue impacting the demand from the electronics industry. In 2020, gold demand from the electronics industry is expected to be 240 tonnes, a 9% decline from 2019 levels (-23 tonnes).

Other industrial applications accounted for about 2% of global demand for fabricated gold in 2020 with demand decreasing by only 9 tonnes in 2020. Gold can be used in a variety of applications such as architectural plate glass, baking paint finishes on metal surfaces, optical equipment, as a catalyst in fuel cells, in chemical processing, for controlling pollution and increasingly in solar power units.

Gold used in **dental applications** accounted for just over 0.5% of global demand for fabricated gold in 2020. Demand from dental applications has been decreasing over the last two decades, from 69 tonnes in 2000 to 46 tonnes in 2010, and forecast to fall to 11 tonnes in 2020.

Figure 6: Gold fabrication demand by end-use sectors, 2010-20, tonnes



Source: CRU

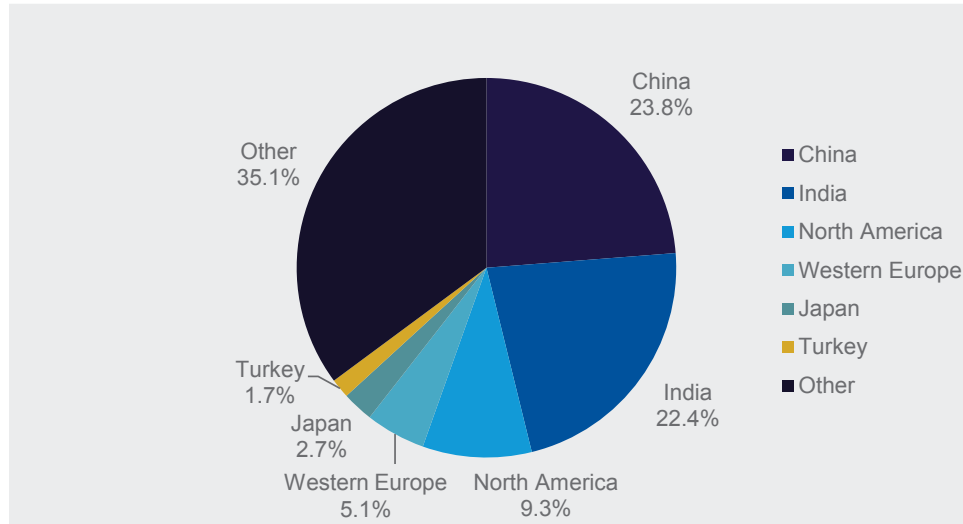
2.2. Demand by region – China & India continue to dominate global demand

Many of the key gold consuming markets have seen rapid GDP growth over the past decade, such as China and India. These two countries have been the two largest consumer countries for fabricated gold since 2008, consuming 27% and 17% of global fabricated gold respectively in 2010.

With rapid GDP growth during the first half of the decade, China's consumption and share increased significantly in 2013 to 958 tonnes (28% of global demand). Since 2013,

demand has been steadily falling and reached 648 tonnes (24% of global demand) in 2019. Despite this fall, China has remained the largest fabricated gold consuming country in the world, closely followed by India which accounted for ~22% in 2019. Western Europe and North America combined accounted for around 14% of global demand for fabricated gold in the same year. We expect that China and India will continue to dominate the consumption of fabricated gold in 2020 and the medium term.

Figure 7: Fabricated gold demand by key regions, 2019, %



Source: CRU

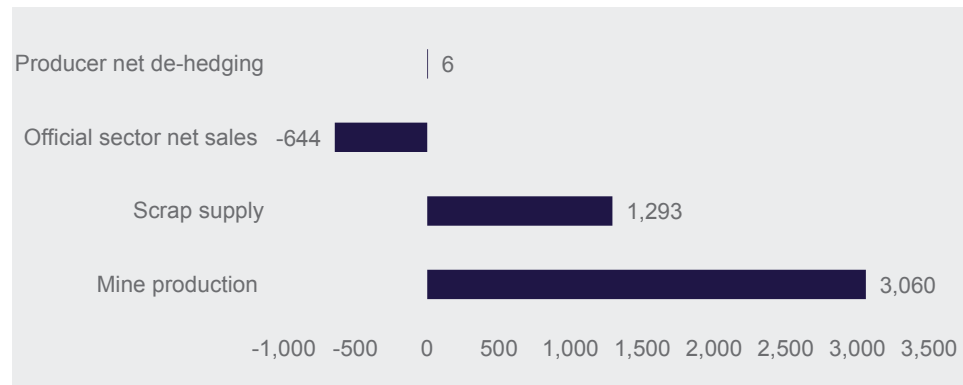
3. Supply

The total quantity of gold supplied to the market in any period comprises the sum of:

- **Mined gold** (primary production);
- Gold recovered from old or discarded fabricated products (**scrap**), which is normally melted down and re-refined (**secondary production**);
- The quantity of metal that reaches the physical market via **official sector sales or leasing arrangements**, and;
- Gold released by **producer hedging operations**.

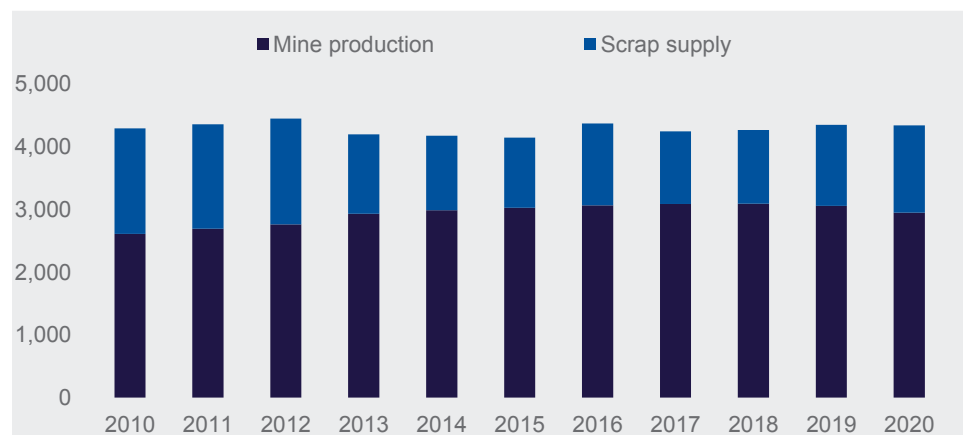
CRU's analysis of total gold supply encompasses the four categories above. We will discuss each source of supply separately.

Figure 8: Global gold supply in 2019, tonnes



Source: CRU

Figure 9: Global gold supply (exc. official sector sales and producer hedging), tonnes



Source: CRU

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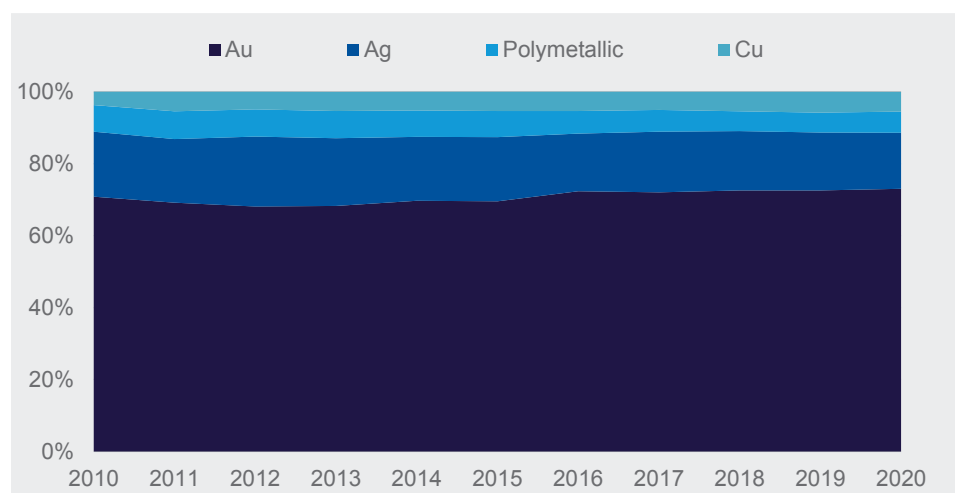
3.1. Mined gold supply – China & Australia provide more than a quarter of global mined supply

Mine production is the main source of gold, followed by scrap recycling. In 2019 mine supply was 3,060 tonnes, down a modest 1.1% y/y after ten consecutive years of expansion. In 2020, CRU expects global mined gold output to decrease by 4.3% (-130 tonnes) from 2019 levels. This is primarily due to resource depletion and the impacts of Covid-19, but is somewhat offset by the start of production at new mines and increased production at the Grasberg Mine in Indonesia for example.

Mined gold includes primary gold (mined from gold, or Au mines) and gold as a by-product of other metals, majorly silver (Ag), copper (Cu) and polymetallic sources.

Primary gold accounted for 71% of production on average from 2010 to 2020, with a slightly increasing share since 2011 (69% in 2011 to 73% in 2019). Silver by-products are the other important source for mined gold production, with an average of 17% of production over the past decade.

Figure 10: Global mined gold production by source, 2010-20, %



Source: CRU

Supply by region

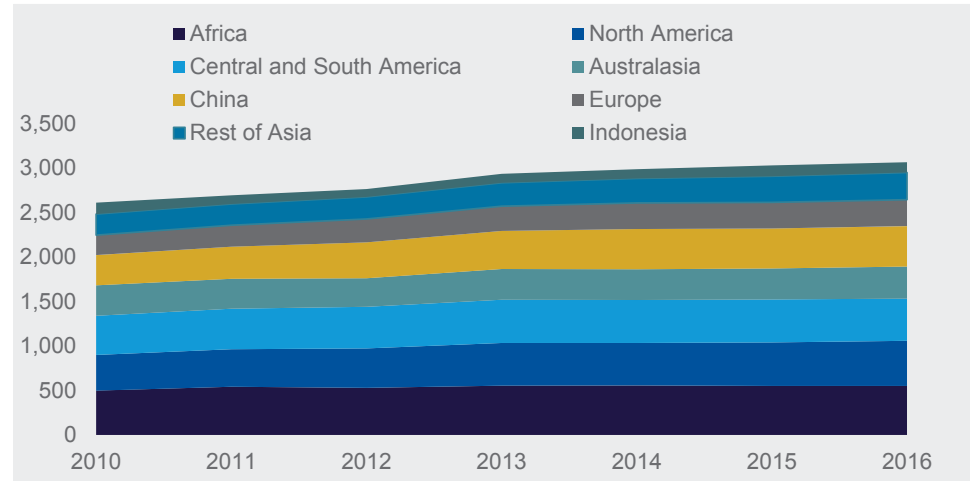
Asia is the largest gold producing region, accounting for 27% of total mined gold supply in 2019. The largest single producing country, **China**, has fallen in two consecutive years as the Chinese government continue to crack down on pollution across all industries, including the gold mining sector. As a result, dozens of gold mines which failed to meet stringent emissions requirements were forced to shut down.

Indonesia is the second largest mined gold producer in Asia, supplying 97 tonnes in 2019. Indonesian mine supply plummeted by 29% in 2018 as the Grasberg Mine transitioned from the open pit to underground operations. The Grasberg Mine holds the largest amount of gold reserves in the world as of December 31, 2019.

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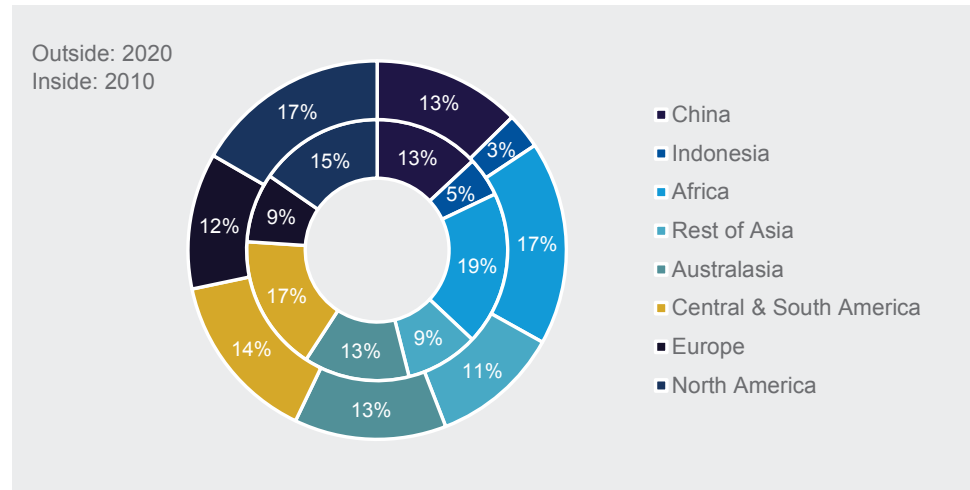
Outside Asia, **Australia** is the second largest mined gold supplier in the world, contributing 397 tonnes of gold in 2019 and accounting for 13% of total global mined gold supply. Other major mined gold suppliers include Russia, USA, Canada and South Africa which accounted for 9.6%, 6.4%, 6.5% and 4.0% of total global mined gold supply in 2019, respectively.

Figure 11: Global gold mine supply by region/country, 2010-20, tonnes



Source: CRU

Figure 12: Mined gold production by key region/country, 2010 and 2020, %



Source: CRU

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Supply by producer

The largest producer of mined gold is Newmont Mining Corporation, with a global production share of ~5.6% in 2019. Following Newmont are Barrick, Kinross, Polyus and Newcrest, each with a 3-4% share in 2019. The top five producers accounted for around 20% of global mined gold production in 2019.

Table 1: Top 10 gold miners by production, 2015-20, tonnes

Owners/ Operators	2015	2016	2017	2018	2019	2020F
Newmont Mining Corporation	108	116	120	117	114	120
Barrick Gold Corporation	91	150	91	79	75	78
Kinross Gold Corporation	78	74	70	66	67	67
Polyus Gold	49	52	56	62	67	71
Newcrest	55	60	51	61	64	64
Zijin Mining Group	45	51	46	58	59	59
Newmont Goldcorp Corporation	72	56	55	52	55	55
AngloGold Ashanti	60	56	56	55	55	57
Sibanye-Stillwater	78	77	71	56	46	58
Harmony Gold	42	39	42	43	42	39

Source: CRU

Production at Barrick's Nevada mine and Newmont's Nevada Operations remain as the two largest producing mines globally in 2019. Three out of the ten of the world's most productive mines are located in China, contributing to around 25% of China's annual production in 2019. Below we have provided a summary of the largest gold mines, ranked by 2019 output.

Table 2: Top 10 operations by 2019 production, 2015-20, tonnes

Mine Name	Owners/Operators	Country	2015	2016	2017	2018	2019	2020F
Barrick Nevada	Barrick Gold Corporation	United States	-	61	66	60	52	54
Nevada Operations	Newmont Mining Corporation	United States	44	46	45	43	40	43
Zijin Mining Group	Zijin Mining Group	China	34	39	34	40	40	40
Shandong - Domestic Mines	Shandong Gold	China	28	34	34	34	34	34
Olimpiada	Polyus Gold	Russia	21	23	29	30	31	30
Lihir	Newcrest	Papua New Guinea	23	26	26	28	28	30
Pueblo Viejo	Barrick Gold Corporation/Newmont Goldcorp Corporation	Dominican Republic	27	33	31	27	27	26
Grasberg	FreePort-McMoran/Government of Indonesia	Indonesia	35	30	44	76	24	23
Zhongjin - Domestic Mines	Zhongjin Gold	China	24	24	24	24	24	24

Source: CRU

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3.2. Scrap supply – continues to be the second largest source of gold

Scrap accounted for around 35% of total gold supply in 2019. Most scrap comes from recycled jewellery, but some also comes from other old or discarded fabricated products. Unlike mine production, scrap supply is largely influenced by short-term factors, perhaps the most important of which is the movement of gold prices.

After a sharp 11.4% drop in 2017, the supply of recycled gold bounced back in 2018 by 1.4% and grew strongly at 10% in 2019 to reach 1,293 tonnes. While the price of gold is not the only factor affecting recycling activity, it is one of the key drivers. Rising gold prices in 2019 increased the supply of recycled gold in 2019. CRU estimate gold scrap supply to increase by 2.9% to 1,330 tonnes in 2020.

3.3. Official sector sales & producer hedging – primarily driven by economic and market conditions

Official sector sales

The official sector (central banks and other monetary organizations) is recognised for having extended gold reserves. If net sales from the official sector are positive, it indicates that central banks are net sellers of gold, which effectively means that the central banks are increasing the supply of gold in the market in a given year.

The increasingly uncertain global geopolitical and economic climate throughout 2018 and 2019 prompted a rising number of central banks to turn to gold as a safe and liquid asset. As they did so, net purchases of gold by the official sector increased to 644 tonnes in 2019. In Q3 of 2020, the official sector became net seller of gold for the first time since 2011. However for the full year, CRU expect the official sector to remain as a net buyer.

Producer hedging

Producers use hedging (measured as net de-hedging) to reduce the risk from gold price variations by selling future production of gold at a fixed price. This is done more in gold than other metals as gold is more exposed to volatile price movements because of its 'safe haven' status. It also helps to secure credit for materials and protect against exchange price movements.

When market net de-hedging is positive, producers are releasing gold available to be bought to the market, but this does not increase the physical production of gold. Prior to 2011, hedging agreements impacted the level of hedging supply substantially (for example, -121 tonnes in 2010), but the scale of hedging has been relatively low since, with an average of 28 tonnes per year from 2011 to 2019.

4. Market balance & prices

4.1. Market balance – surplus continues and grows even larger in 2020

The gold market has been in fundamental surplus since 2002. Individual investor demand (not official sector activity) for gold accounts for the difference between gold supply and fabricated gold demand and one of the key investment products is Exchange Traded Funds (ETFs) – they market are traded in the same way as stocks. ETFs have been absorbing some of this surplus since their introduction in 2003, providing a measurable estimation of gold investment flows. However, there is no direct information on institutional investment outside ETFs.

In 2019 the market surplus reached 987 tonnes, an increase of 268 tonnes from 2018 levels due to impacts on jewellery demand from rising gold prices amid geopolitical tensions and increasing gold scrap supply. This surplus is expected to reach 1,774 tonnes (+787 tonnes) in 2020 primarily due to lower demand due to the global economic recession from the Covid-19 pandemic.

In 2020, governments in the USA and Europe have taken unprecedented economic measures to halt the immediate negative economic impact of the global pandemic. Other major economies have also announced measures and cuts to interest rates.

Table 3: Gold market balance (tonnes) and price (USD/oz)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Gold supply	4,198	4,026	4,080	3,924	4,142	3,437	3,785	3,833	3,609	3,711	3,860
Gold demand	2,801	2,845	2,835	3,454	3,166	3,092	2,700	2,834	2,891	2,724	2,086
Market Balance	1,397	1,181	1,244	470	976	346	1,085	999	718	987	1,774
of which											
Net ETF Investment	301	99	217	-849	-145	-137	426	145	28	404	-
Real 2019 price (USD/oz)	1,431	1,798	1,873	1,557	1,372	1,245	1,329	1,310	1,291	1,393	1,744
Nominal price (USD/oz)	1,225	1,571	1,668	1,411	1,266	1,160	1,251	1,257	1,269	1,393	1,755

Source: CRU

4.2. Price history and drivers – the 2020 global recession has led to a surge in gold prices

Historical price movements

The London Gold Fix price was volatile between 2007 and 2015. After the Global Financial Crisis (GFC), the U.S. Federal Reserve engaged in quantitative easing in order to inject liquidity into the U.S. economy, which decreased the value of the U.S. dollar and led to an increase in investments in gold as an alternative currency. Many investors put their money into gold, which increased its value in the weak economic environment. From 2010 to 2011, gold prices jumped by around 28%, mainly as a result of speculation

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surrounding an uneven recovery and volatility in the U.S. financial markets, with gold reaching a historical high of over USD 1,700/oz in August 2011. In 2012, price increases for gold slowed: a 6.2% increase in 2012 was the smallest yearly gain since the 25% increase in 2008. Between 2012 and 2015, gold prices gradually declined to a low of USD 1,076/oz in December 2015 due to improvements in the U.S. economy and low inflation rates. The average price of gold was USD 1,160/oz in 2015. Gold prices remained relatively stable from 2015 to 2019 at prices between US\$1,200 to 1,400/oz due to uncertainty surrounding the U.S. presidential elections and Britain's withdrawal from the European Union. The average price of gold was USD 1,269/oz in 2018.

In 2019, rising protectionism and geopolitical unrest renewed fears of a global recession and major central banks responded by loosening their monetary policies. Some, such as the European Central Bank, went even further by restarting quantitative easing. Interest rate cuts are positive for a non-yielding gold, as lower rates make it more attractive to the holders of other interest-bearing financial instruments, by reducing its opportunity cost. Meanwhile, quantitative easing programmes may stoke inflation further down the road, which also adds to gold's attractiveness due to it being widely viewed as an inflation hedge.

Recent price developments

In January 2020, news from China of a new coronavirus outbreak started to unsettle global commodities markets and disrupt international supply networks. Fears of a China-led sharp global economic slowdown bolstered its safe-haven appeal pushing prices above USD 1,600/oz. The subsequent widespread global pandemic and related economic uncertainty has provided further support to gold prices throughout 2020.

In late July 2020, prices surpassed the 2011 intraday peak of USD 1,921/oz, before setting a record high of USD 2,067/oz on August 6th. The key drivers for this include rising concerns about currency debasement amongst investors following the unprecedented liquidity injections by central banks. Geopolitical tensions have also escalated between the US and China (and others) and optimism has waned about a swift global economic recovery. The US dollar also weakened which bolstered gold's safe haven status.

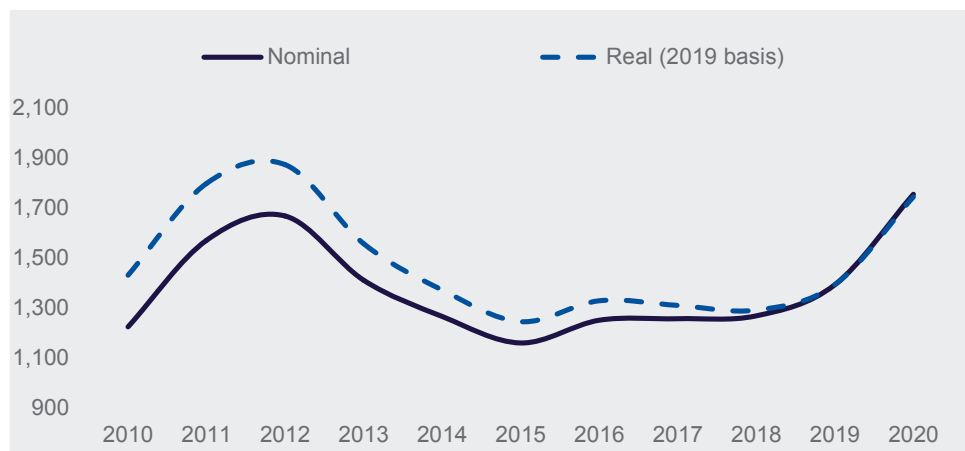
There have been strong inflows into gold ETFs which reflects a strong investor appetite for safe haven assets. Along with the rise in global gold ETF holdings, gold prices have rallied by around 35% from the start of 2020 through to their peak on August 6th.

It is important to note that despite the central banks rushing to the rescue, their ability to deal with supply shocks and national healthcare during pandemics is very limited. Trying to fix broken supply chains hit by Covid-19 by deploying the same tools – increasing money supply and lowering interest rates – designed to bolster demand, is unlikely to alleviate the negative supply shock, but will instead create inflationary pressure in the economic system. The colossal volume of liquidity currently being collectively pumped

by central banks into the global economy suggests that the threat of inflation further down the road should not be neglected. Such a macroeconomic environment is positive for gold, an ultimate inflation hedge. Interest-bearing instruments also becomes less attractive as the yield declines due to loosened monetary policy.

Although the gold price has been volatile, it has continued to rise as the U.S. dollar weakened. In this environment, we expect the gold price to remain bullish reaching an average of USD 1,755/oz (nominal) for 2020, USD 1,744/oz on a real 2019 basis, representing a 25% increase from 2019 levels (real).

Figure 13: Gold prices, 2010-20, USD/oz



Source: CRU

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Alluvial gold from the Mulgabbie Project

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5



Section 5

Independent Geologist Report

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GEOMIN SERVICES PTY LTD

INDEPENDENT GEOLOGIST REPORT

On the Mulgabbie and Patricia mineral exploration projects,
Western Australia

10 December 2020

The Directors,
OzAurum Resources Limited,
Sydney

Dear Sirs

Independent Geologist Report on the Mineral Assets of OzAurum Resources Limited

Geomin Services Pty Ltd ("**Geomin**") has been engaged by OzAurum Resources Limited ("**OzAurum**" or the "**Company**") to prepare an Independent Geological Report ("**the Report**") on properties located in the Eastern Goldfields of Western Australia which are owned by OzAurum Mines Pty Ltd ("**OzAurum Mines**"), a fully owned subsidiary of OzAurum Resources Limited.

The Report is to be included in a Prospectus ("**the Prospectus**") to be lodged with the Australian Securities and Investments Commission ("**ASIC**"), on or about 10 December 2020 for a capital raising to be undertaken by the Company of 40,000,000 shares at an issue price of A\$0.25 per share, to raise \$10 million (before costs), with oversubscriptions of up to a further 8,000,000 shares at an issue price of A\$0.25 which may be accepted by the directors of the Company to raise up to a further \$2,000,000 ("**the Offer**"). The majority of the funds raised under the Offer will be used for the purposes of exploration and evaluation of the exploration properties, expenses associated with the preparation of the Prospectus and the Offer and for general working capital.

This review is based upon information provided by the Company, along with technical reports by consultants, relevant published and unpublished data for the exploration properties, and personal knowledge of the areas by the Independent Geologist. A listing of the principal sources of information is included in this Report. Geomin has endeavoured, by making all reasonable enquiries, to confirm the authenticity, accuracy and completeness of the technical data upon which this Report is based.

This Report has been prepared in accordance with the Code and Guidelines for Assessment and Valuation of Mineral Assets and Mineral Securities for Independent Expert Reports ("**VALMIN Code**") and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("**JORC Code**") December 2012 edition, and the rules and guidelines issued by such bodies as ASIC and Australian Securities Exchange ("**ASX**") which pertain to Independent Expert Reports. The Report

complies with section 716(2) of the *Corporations Act 2001* (Cth) where consent is required if statements have been attributed to third parties.

In consideration of the definition provided by the ASX and in the JORC Code, these properties are classified as *early-stage exploration projects*, which are inherently speculative in nature. The properties are considered to be sufficiently prospective, subject to varying degrees of risk, to warrant further exploration and development of their economic potential, consistent with the programmes proposed by OzAurum. Mineral Resources estimated in accordance with JORC2012 guidelines have not previously been reported for the Projects included in this Report.

Upon completion of the Offer, the Company will have sufficient working capital to carry out its stated objectives. The Company has prepared staged exploration programmes, specific to the exploration potential of the individual licences, which are consistent with its budget allocations. It is considered that the Projects are sufficiently prospective to justify the proposed programmes and expenditure. The proposed exploration and development budgets exceed the minimum annual statutory expenditure requirement on the exploration properties.

This Independent Geologist Report has been compiled based on, and fairly represents, information and supporting documentation available up to and including the date of this Report. The information in this Report that relates to Exploration Results is based on information compiled by Dr Dennis Gee who is a consultant to Geomin. Dr Gee is a member of the Australian Institute of Geoscientists. Dr Gee has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code. Dr Gee has 56 years of relevant experience in the Technical Assessment of Mineral Properties.

Dr Gee consents to the inclusion in the Report of the matters based on his information in the form and context in which it appears.

Dr Dennis Gee, Geomin and its employees are not, nor intend to be, Directors, officers or other direct employees of the Company. The relationship with the Company is solely one of professional association between client and independent consultant. The review work and this Report are prepared in return for professional fees based upon agreed commercial rates and the payment of these fees is in no way contingent on the results of this Report.

Yours faithfully



Paddy Reidy,

Director

For and on behalf of:

Geomin Services Pty Ltd

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SUMMARY OF PROJECTS

On 27 October 2020, OzAurum Mines Pty Ltd, a wholly owned subsidiary of the Company, acquired the mineral assets covering the Mulgabbie and Patricia gold projects in the Eastern Goldfields of Western Australia, from Mr Andrew Pumphrey and his associated parties, being Bedivere Holding Pty Ltd as trustee for the Glastonbury Trust, Michael Daffen and Pendragon (WA) Pty Ltd (together, the **Sellers**).

The Mulgabbie Project covers 67km² of granted tenure, and includes four prospects with established gold mineralisation at Mulgabbie North, Golden Goose, Mulgabbie Hotel and Old Perseverance. Significant gold mineralisation was discovered at the Mulgabbie North gold project by Freeport in 1984 and was pegged by Andrew Pumphrey in 1990. This project has had limited drilling to date and this is the first time this project will be explored by a publicly listed exploration company. In addition there are a number of untested geological and geochemical features prospective for gold. Previous exploration initially focused on historic workings. However contemporary exploration has resulted in new discoveries in recently identified geological situations, which provide justification for further exploration and evaluation.

The Patricia Project is based upon a granted mining lease and peripheral tenements totalling 3.6km², covering the old Patricia open-pit gold mine. Patricia has a well-defined high-grade gold system that is over 600m long, and up to 5m wide. It was previously mined in the early 1980s but only to a depth of 25m. Operations ceased because of various technical, management and processing issues. Most of the pre-development drilling only went to 40m depth but many deeper holes clearly show the high-grade mineralisation persists below 25m. With a new round of properly controlled resource drilling, Patricia can be evaluated as either a toll-treating or stand-alone development.

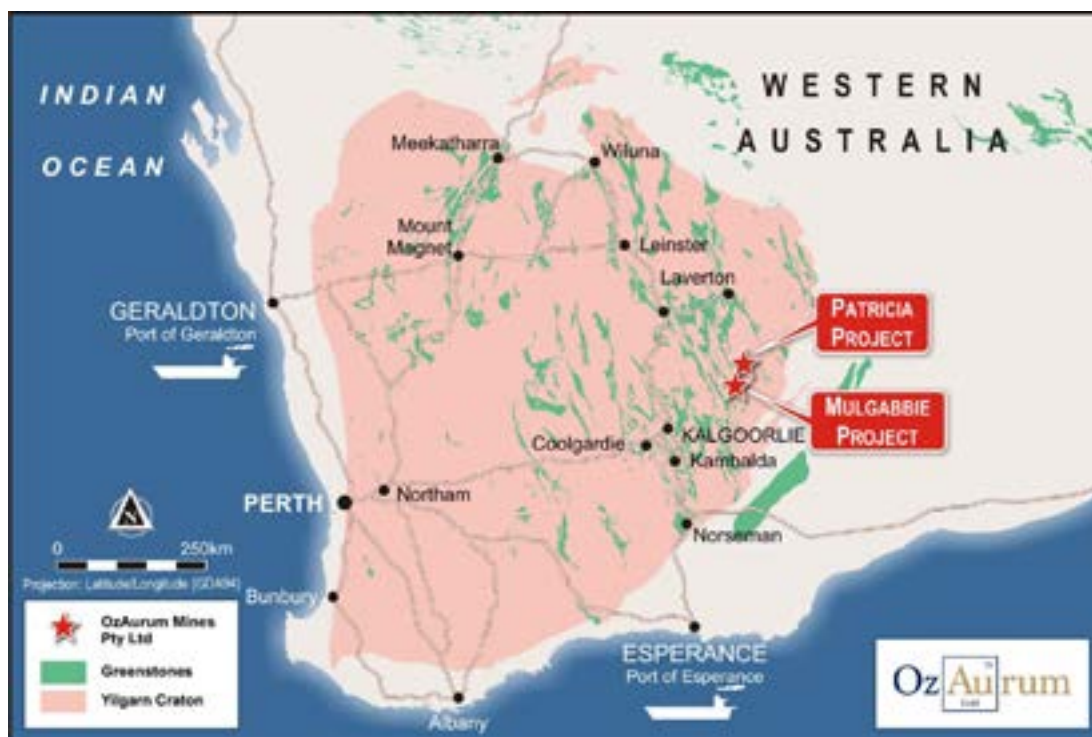


Figure 1 Geographic Location of Mulgabbie and Patricia Projects

1. INTRODUCTION

1.1 Terms of Reference

Geomin Services Pty Ltd (ACN 623 624 251) (“**Geomin**”) has been engaged by OzAurum Resources Limited (ACN 643 244 544) to prepare an Independent Geological Report (“**the Report**”) on the Mulgabbie and Patricia Projects in the Eastern Goldfields of Western Australia. On 27 October 2020, OzAurum Mines Pty Ltd, a wholly owned subsidiary of the Company, acquired the mineral assets covering the Mulgabbie and Patricia gold projects in the Eastern Goldfields of Western Australia, from Mr Andrew Pumphrey and his associated parties, being Bedivere Holding Pty Ltd as trustee for the Glastonbury Trust, Michael Daffen and Pendragon (WA) Pty Ltd (together, the **Sellers**).

This Report is to be included in a Prospectus (“**the Prospectus**”) to be lodged with the Australian Securities and Investments Commission (“**ASIC**”), on or about 10 December 2020 for a capital raising to be undertaken by the Company of 40,000,000 shares at an issue price of A\$0.25 per share, to raise \$10 million (before costs), with oversubscriptions of up to a further 8,000,000 shares at an issue price of A\$0.25, which may be accepted by the directors of the Company, to raise up to a further \$2,000,000 (“**the Offer**”). The funds raised will be used for the purposes of exploration and evaluation of the mineral properties, expenses associated with the preparation of the Prospectus and for general working capital.

This Report has been prepared in accordance with the Code and Guidelines for Assessment and Valuation of Mineral Assets and Mineral Securities for Independent Expert Reports (“**VALMIN Code**”) and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (“**JORC Code**”) December 2012 edition, and the rules and guidelines issued by such bodies as ASIC and Australian Securities Exchange (“**ASX**”) which pertain to Independent Expert Reports.

The legal status of the tenure of the mineral assets has not been independently verified by Geomin, other than to ascertain the tenements are recorded on the latest spatial datasets of DMIRS. The Report has been prepared on the assumption that the tenements will prove lawfully accessible for evaluation and development.

This Independent Geologist Report has been compiled based on, and fairly represents, information and supporting documentation available up to and including the date of this Report. Geomin has endeavoured, by making all reasonable enquiries, to confirm the authenticity, accuracy and completeness of the technical data upon which this Report is based. The information in this Report that relates to Exploration Results is based on information compiled by Dr Dennis Gee who is a consultant to Geomin (see qualifications, experience and independence below).

The Report is based on information available up to and including the date of this Report.

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

1.2 Qualifications, Experience and Independence

Geomin is an independent, privately owned consulting firm which has provided exploration, mining and Mineral Resource consulting services to the minerals industry since 2018.

Mr Paddy Reidy MSc (Mineral and Energy Economics), BA (Hons, Geology) is the Director of Geomin with over 24 years experience in the Australian and International resource sector. Mr Reidy has extensive experience in project management, scoping and feasibility studies, project review, mineral asset valuation and mineral resource estimation across a wide range of commodities.

Dr Dennis Gee is the author of this Independent Geologists Report, and has over 55 years of professional experience as a geologist. He holds the degrees of BSc (First Class Hons) and PhD from the University of Tasmania, is a long-standing member of the Australian Institute of Geoscientists, and is a Graduate of the Australian Institute of Company Directors.

On graduation he worked for nine years with the Tasmanian Mines Department before joining MIM subsidiary Carpentaria Exploration Company based in Kalgoorlie. In 1972 he took up the position of Supervising Geologist with the Geological Survey of Western Australia (GSWA) guiding the completion of 1:250 000-scale geological mapping of the State, and later became Deputy Director of GSWA. In 1986 he took up the position of Technical Director of Reynolds Australia Metals, representing the owner's participation in JV operations at Boddington, Mount Gibson and Marvel Loch gold mines, as well as responsibility for gold exploration in WA, NT and Qld. After withdrawal of Reynolds Metals from Australia he became Regional Exploration Manager for Mount Isa Mines subsidiary MIMEX. His subsequent positions were Director of the Northern Territory Geological Survey and CEO of the Cooperative Research Centre for Landscape Environments and Mineral Exploration attached to CSIRO.

For the last 14 years he has been consulting to listed exploration companies and private syndicates on a range of commodities including gold, copper, zinc, vanadium, iron ore, heavy mineral sands, coal, potash and geothermal energy. He has held directorships with ASX-listed companies.

Information in this Report that relates to Technical Assessment and Valuation of Mineral Assets is compiled by Dr Gee, a Member of the Australian Institute Geoscientists. He has sufficient experience to qualify as a Practitioner as defined in the 2015 edition of the Australasian Code for the Public Reporting of Technical Assessments and Valuations of Mineral Assets.

Dr Gee has sufficient experience relevant to the style of mineralisation and types of deposits under consideration, to qualify as an Expert and Competent Person as defined under the VALMIN Code, and in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("JORC Code").

Neither Dr Gee nor Geomin are, or do not intend to be a director or employee of the Company.

This Report is made in return for professional fees based upon agreed commercial rates.

Dr Gee consents to the inclusion in the Report of the matters based on his information in the form and context in which it appears.

1.3 Principal Sources of Information

This review is based on the information provided by the Sellers (as the previous owners of the tenements) and the Company, and on the extensive open-file West Australian mineral exploration reports ("WAMEX") of the areas, along with the published geoscientific datasets and reports issued by Geological Survey of Western Australia ("GSWA"). This information has been synthesized using the Independent Geologist's extensive professional experience and knowledge of the terrains in the Eastern Goldfields.

The status of agreements, royalties or tenement standing pertaining to the assets was not investigated.

In the immediate period leading up to the production of this report, the Independent Geologist spent 2 days on-site at Mulgabbie and Patricia field in order to check on recent exploration developments, and to view all prospective areas. The Independent Geologist has no equity in the project, or any of the involved corporate entities.

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

1.4 Location and access

The Mulgabbie Project is located 110 km northeast of Kalgoorlie. Access is by the sealed Kalgoorlie-Kanowna Road and thereafter on the all-weather gravel Pinjin – Tropicana Road for a total of 135

road kms. The nearest infrastructure is the Carosue Mining Hub of Saracen Mineral Holdings Limited (“Saracen”), just 2.5km west of Mulgabbie North.

The Patricia Project is located 160 km northeast of Kalgoorlie, on the southern edge of Lake Raeside. Access to Patricia is via the well-maintained gravel Edjudina Road, past the Yarri Mining Centre then south along the Pinjin Road. Alternative access can be made from the Kalgoorlie – Pinjin - Tropicana Road to Pinjin Station, then north on station tracks.

2. TENURE

The Mulgabbie Project is based on a group of near-conterminous mining leases (**MLs**), prospecting licenses (**PLs**) and exploration licences (**ELs**). They cover 67km² in area and have a current year expenditure commitment of \$150,000. The tenement outline is shown in Figure 3.

The Patricia Project is based on a granted mining lease with an appended exploration license and prospecting license, totalling 3.6km².

A number of the tenements listed in Table 1 below are pending applications only, which have not yet been granted by DMIRS (“tenement applications”).

In addition, existing miscellaneous licenses (**L**) have been secured which convey rights for water pipelines and haulage roads, but not mineral assets.

The tenements and tenement applications are owned by OzAurum Mines Pty Ltd, a wholly owned subsidiary of OzAurum Resources Limited.

Project	Tenement	Status	Grant
Patricia	E31/1083	Granted	2-Feb-15
Patricia	M31/487	Granted	23-Feb-16
Patricia	P31/2063	Granted	30-Jan-15
Patricia	L31/73	Pending	
Mulgabbie	E31/1085	Granted	18-Oct-16
Mulgabbie	M28/240	Granted	7-Jan-08
Mulgabbie	E31/1137	Granted	29-May-18
Mulgabbie	E28/2477	Granted	18-Oct-16
Mulgabbie	L28/48	Granted	19-Oct-16
Mulgabbie	L28/49	Granted	8-Feb-19
Mulgabbie	L28/71	Pending	
Mulgabbie	E28/3003	Pending	
Mulgabbie	P28/1356	Pending	
Mulgabbie	P28/1357	Pending	
Mulgabbie	M28/364	Granted	25-Mar-09
Mulgabbie	P28/1301	Granted	11-Jul-17
Mulgabbie	P28/1302	Granted	3-Jan-17
Mulgabbie	P28/1303	Granted	3-Jan-17
Mulgabbie	P28/1304	Granted	3-Jan-17
Mulgabbie	P28/1388	Pending	
Mulgabbie	P28/1389	Pending	
Mulgabbie	P28/1390	Pending	

Table 1 Tenement schedule of OzAurum Resources Limited

3. GEOLOGICAL SETTING OF OZAURUM PROJECTS

The Mulgabbie and Patricia Projects occur within greenstone belts of the Eastern Goldfields Province of the Yilgarn Craton. Over decades of intensive geological work by GSWA, specific tectono-stratigraphic domains within named terrains have been erected (Gee et al 1981, Swager 1996, Cassidy et al 2006). Such domains are perceived to have unifying features of stratigraphy, structure and age,

and are separated by high-strain zones with multi-phase fault systems. Whilst domains and terrains provide useful frameworks for geological discussion, their metallogenic significance remains unclear, and therefore they are not used as a framework for this report. However their bounding fault systems are well endowed with major gold deposits.

A simplified tectonic evolution of the Edjudina and Pinjin terranes that is relevant to gold metallogenesis on OzAurum tenements is summarised below:

1. Volcanic outflow on the Archaean sea floor of mafic and ultramafic lavas, overlain by felsic volcanics and related sediments of age 2.684 – 2.708Ga (Nelson 1995, 1996), and commonly with intrusion of dolerite sills at all levels; these greenstones are the host rocks for later gold mineralization.
2. Early horizontal deformation (D1) resulting in stacking of low-angle thrust slices, with intense shearing at boundaries, especially at contacts with rising granitic core complexes (age 2.675Ga, Nelson 1995), and causing regional metamorphism.
3. Crustal extension to form late clastic rift basins.
4. Second stage of deformation (D2) causing upright folds by east-west crustal shortening, related to intrusion of Ca-rich granite batholiths; widespread metasomatic alteration of the greenstones provided the chemical ground preparation for later gold mineralisation.
5. Late multi-phase brittle-ductile deformation in craton-scale tectonic shear zones accompanied by hydrothermal alteration and gold mineralisation.

In the Eastern Goldfields these craton-scale shear zones within the greenstone belts trend north-northwest and weave around granite plutons and batholiths. Many of the domain-bounding faults are richly endowed in gold. Gold deposits occur in all rock types of the greenstone sequence, although there is a propensity for mafic hosts, especially on their contacts with more ductile rock types. Large gold systems also occur along the contacts of greenstones and late granites, where dilational fracture systems penetrate into the granite.

Mulgabbie and Patricia Projects occur in greenstones on opposite sides of the medium-scale (25km diameter) ovate Galvalley granite pluton (Figure 2). Both project areas occur in craton-scale tectonic zones that are characterised by prolific gold production. Mulgabbie lies in the well-endowed Keith-Kilkenny Tectonic Zone which hosts a string of gold deposits including (from south to north) Karonie, Bombora, Karari (Carosue Dam), Whirling Dervish, Monty Dam, Apollo Hill and the major deposits at Gwalia (Leonora) and beyond. A series of shear zones, such as Yilgangi, Perseverance and Relief Shears, all relate to the Keith-Kilkenny Tectonic Zone, and are important structural locators of gold mineralisation in the Mulgabbie area.

Patricia Project lies in the Celia Tectonic Zone which is 8-10km wide between the Claypan and Safari Faults (Figure 2). This tectonic zone hosts a corridor of important deposits including (from south to north) Rebecca, Trouser Legs, Deep South, Safari Bore, Celia, Linden, Fortitude, Red October, Butcher Well, Wallaby and Sunrise Dam.

Many of these deposits, or the fields in which they group, are plus-million ounce endowments. Invariably the deposits are structurally controlled in reactivated shear zones especially in the vicinity of dilational jogs, or in pressure shadows around discrete plutons.

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Figure 2: Geological Setting of OzAurum Projects; Polygons from GSWA 500k bedrock interpretation

4. MULGABBIE PROJECT

4.1 Geology

The historic Mulgabbie Mining Centre lies in a mafic (mainly basalt) sequence on the eastern limb of the Yilgangi Syncline. Here the greenstone sequence is squeezed between the ovate Galvalley granite pluton to the east and Raeside granite batholith to the west, such that the syncline is tightly appressed and slightly overturned to the west. The overall stratigraphy consists of a lower mafic sequence (which could be the Mulgabbie Fm of Williams, 1970) overlain by a felsic volcanoclastic metasedimentary sequence (probably the Gundokerta of Williams, 1970). The Yilgangi synform is cut by several major shear faults, which are the expression of the southern extremity of the Keith-Kilkenny Tectonic Zone.

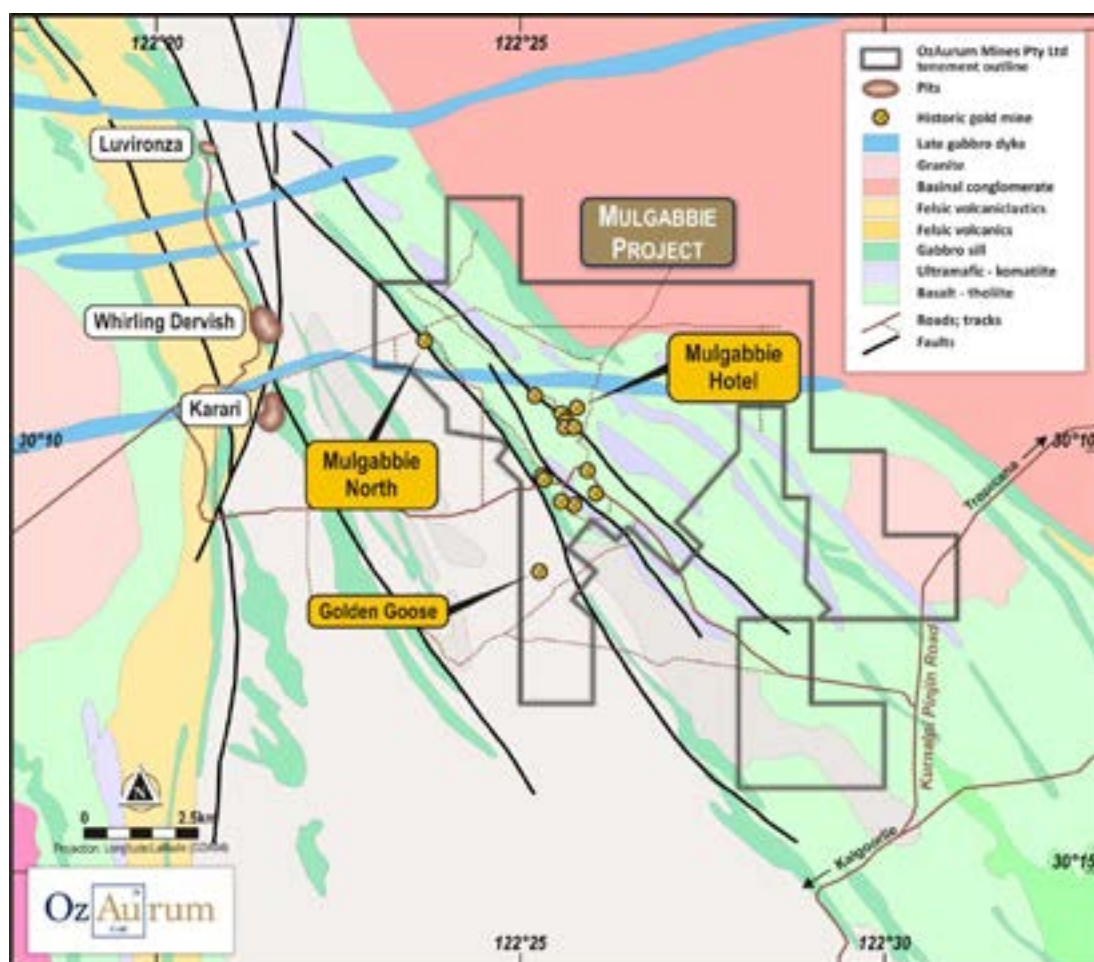


Figure 3: Geology of Carosue - Mulgabbie area from GSWA Geoviewer 500k polygons

The Carosue Mining Hub of Saracen is located just east of the axis of the faulted Yilgangi syncline. Gold mineralization on the Karari-Luvirenza line is located in quartz veins along the contact of a gabbro sill with felsic volcanigenic sediments, within the overall felsic unit.

The mafic sequence on the eastern limb of the syncline forms a highly sheared northwest-striking belt that dips vertically. In places it is slightly overturned, a situation that has an important bearing on the direction of exploratory drilling. The mafic belt is about 7km thick and consists predominantly of

tholeiite basalt with several co-magmatic gabbro sills, and several intervals of inter-layered komatiite flows. Rare interflow shale horizons occur in the basalts. The mafic sequence is overlain by a thick extensive basinal sequence of felsic volcanics and related volcanogenic sediments. These rocks host the Carosue line of mineralisation. The Mulgabbie tenements cover the entire sequence of mafics, and its metallogenically important contact with the overlying felsic volcanics and felsic volcanogenic sediments.

4.2 Regolith

Physiographically, the Mulgabbie area is characterized by undulating hills of basalt with patchy lateritic duricrust that pass down slope into colluvial plains that cover the felsic rocks. Playa-lake flats of Lake Rebecca occur to the north of the Mulgabbie hills, and an arm of the same salt-lake occurs to the south. Lake Rebecca is part of the major trunk drainage pattern of the east-draining palaeo-rivers that characterise the geomorphology of the Eastern Goldfields

In terms of the commonly used residual-erosional-depositional (RED) regolith scheme for the Yilgarn Craton, the area is dominated by erosional and depositional tracts, with only minor residual tracts. Away from the depositional areas the outcrop is fresh. The area has been subject to the extensive lateritisation and deep-weathering that characterizes the Yilgarn Craton. Only minor remnants of the lateritic duricrust remain on the hills, but the slopes are spread with colluvial debris that covers saprolite and bedrock.

Of critical importance is an understanding of the depths of weathering and the development of gold depletion and enrichment zones. The depth of weathering and consequent depletion can be 30m deep in basalt areas, and as much as 80m in felsic areas. Much of the exploration drilling that is not superseded today was done in the 1980s when the significance of the gold depletion zone was not fully understood.

4.3 Mulgabbie Historic Production

Gold was discovered at Mulgabbie in 1897, and the ensuing Mulgabbie Mining Centre became a thriving settlement with over 40 shafts and a hotel. Historic gold mining is based on a string of rich shallow workings sunk on the Perseverance line of mining leases (Figure 4), stretching over a distance of 600m. The workings include the Ironclad at the far northwest extent, through the Perseverance, Hope and Lucknow workings. The main Perseverance Shaft (No5) went to only 27m.

Official records (Mines Department, 1954) state that 7,706 ounces were produced, mostly in the period 1904 – 1915. Most production came from the Perseverance and immediate adjacent shafts, to which a grade of 86oz/ton is attributed. Based on the 226 tons reputedly treated for the Mulgabbie Mining Centre, the indicated head grade is a surprisingly high 34oz/ton. These abnormally high grades are in part attributed to a high degree of selective mining, and also to the geological phenomenon of supergene enrichment in the laterite profile.

More recently an underground tribute mining operation in 1990 produced 20 tonnes at a grade of 64.8 g/t, which gives some creditability to the historical production figures.

There is no current access to the old workings, and no useful drill core through the lode. Historic information comes from Gibb Maitland (1917) who describes the host rock as a chlorite-sericite-pyrite schist and black shale within fresh basalt. Gold and reputedly tellurides occurred in thin quartz veins. The telluride mineral *petzite* was identified by Geological Survey of WA Laboratory in 1903 by the Government Mineralogist.



Figure 4: Mulgabbie Historical Leases after Gibb Maitland 1917

4.4 Contemporary Exploration

Exploration in the 1970s pursued the major felsic sequences for volcanogenic base-metal deposits, but without success in this area. It was not until the gold resurgence of the early 1980s that exploration interest returned to Mulgabbie, and all other historic gold mining centres in Western Australia. Newmont and Freeport did perfunctory drilling on the old Mulgabbie workings with no encouragement. With a better understanding of the nature of laterite formation, gold depletion in the weathering profile, and the role of calcrete geochemistry, exploration companies undertook systematic soil sampling and RAB drilling of laterite and colluvial-covered landforms. This resulted in the discovery by Aberfoyle of the Carosue Dam trend only 6km west of historic Mulgabbie.

Soil geochemistry by power auger to depths of 1 – 2m aimed at the calcrete layer, has been proven to be an effective exploration tool. However uniform coverage to any degree of completion is restricted to Mulgabbie North. Elsewhere it is patchy and of varying specifications. There is no uniform coverage

of the two main lines of mineralisation so far identified at Mulgabbie. Consequently it is not possible to produce a holistic raster image of the soil sampling data.

Systematic RAB geochemistry also resulted in the discovery of several new gold systems on ground now tenured by OzAurum, away from the historic workings.

In the period 1983-87 Freeport Australia did RAB drilling (A21421), which defined several gold anomalies near Relief Well. As an incoming JV partner, Aurelia followed-up some of these anomalies with RC drilling, defining what OzAurum now calls the Golden Bowerbird Deposit, in its Mulgabbie North area.

In the Period 1987 - 1988 Yinnex (A22424, A57768) did RAB drilling along strike to the southeast of Old Perseverance, which identified a new system near the old Mulgabbie Hotel. This was RC drilled by Diablo Cliffs NL in 1995 (A45186) which defined the open-ended Mulgabbie Hotel Deposit.

Between 1994-96 Goldfields Exploration (A54100) did extensive RAB drilling and follow-up RC drilling which identified a prospect which OzAurum calls the **Golden Goose Prospect**.

Subsequent to the early phases of systematic RAB drilling, the Mulgabbie area has been subject to only limited RC follow-up drilling, mainly on account of the tenements being held in private hands. Much of the colluvial and laterite tracts within the Mulgabbie tenure remain un-tested by systematic RAB drilling.

4.5 Mulgabbie North Deposit

The Mulgabbie North deposit occurs 3.5km northwest of historic Mulgabbie. It is covered by current M28/240 and adjacent tenements of OzAurum. Low hills of exposed mafics occur to the northeast, and much of the lower slopes to the southwest consist of colluvial material covering the felsic volcanics. Drilling shows this transported cover is 10-20m thick, and overlies a depleted saprolite zone.

Importantly Mulgabbie North deposit lies on the **Relief Shear** at the contact between the mafic and felsic sequences. This is a geological feature that has emerged as a locator of a significant gold mineralising system.

Mulgabbie North was discovered by RAB drilling through the colluvial blanket by Freeport Australia and Aurelia Resources (A21421, A24912) in the period 1984 – 1988, on the antecedents of M28/240 now held by OzAurum. RAB drilling defines a coherent linear envelope at the 0.1ppm level, lying over the mafic-felsic contact that extends for some 2.4 km. This envelope is open-ended to the northwest and to the southeast within ground held by OzAurum. These potential extensions have not been adequately tested. It is significant to also note that subsequent auger calcrete geochemistry undertaken by A Pumphrey in 2003 (A65937) has defined multiple gold anomalies outside the initial RAB envelope, and lying off the main contact.

The initial RAB gold envelope at Mulgabbie North was drilled by Freeport in 1985 with 7 RC holes and one diamond hole with significant gold mineralisation intersected including EDRC001 - 12m @ 2.25 g/t Au from 81m (A16402). A further 19 RC holes and one diamond hole were drilled by Freeport in 1987 with significant mineralisation intersected (A21421) including EDRC25 - 6m @ 7.1 g/t Au from 68m. Aurelia Resources in 1988 (A24912) completed 8 RC holes including EDA2 - 6m @ 6.77 g/t Au. All these historic intersections occur on tenements now held by OzAurum. Two RC holes drilled by A Pumphrey (A89506) in 2010 intersected significant gold mineralisation including MNRC001 – 11m @ 2.0 g/t Au from 72m. Diamond hole MNDH 001 was drilled by A Pumphrey in 2013 (A96962). An eight-hole RC programme undertaken by A Pumphrey in 2016 on the Ben Zone intersected significant gold mineralisation including 8m @ 2.65 g/t Au from 105m (Table 2). A further eight-hole infill RC program was undertaken by A Pumphrey on the James Zone in October 2020, achieving a best result of 28m at 1.1 g/t from 21m.

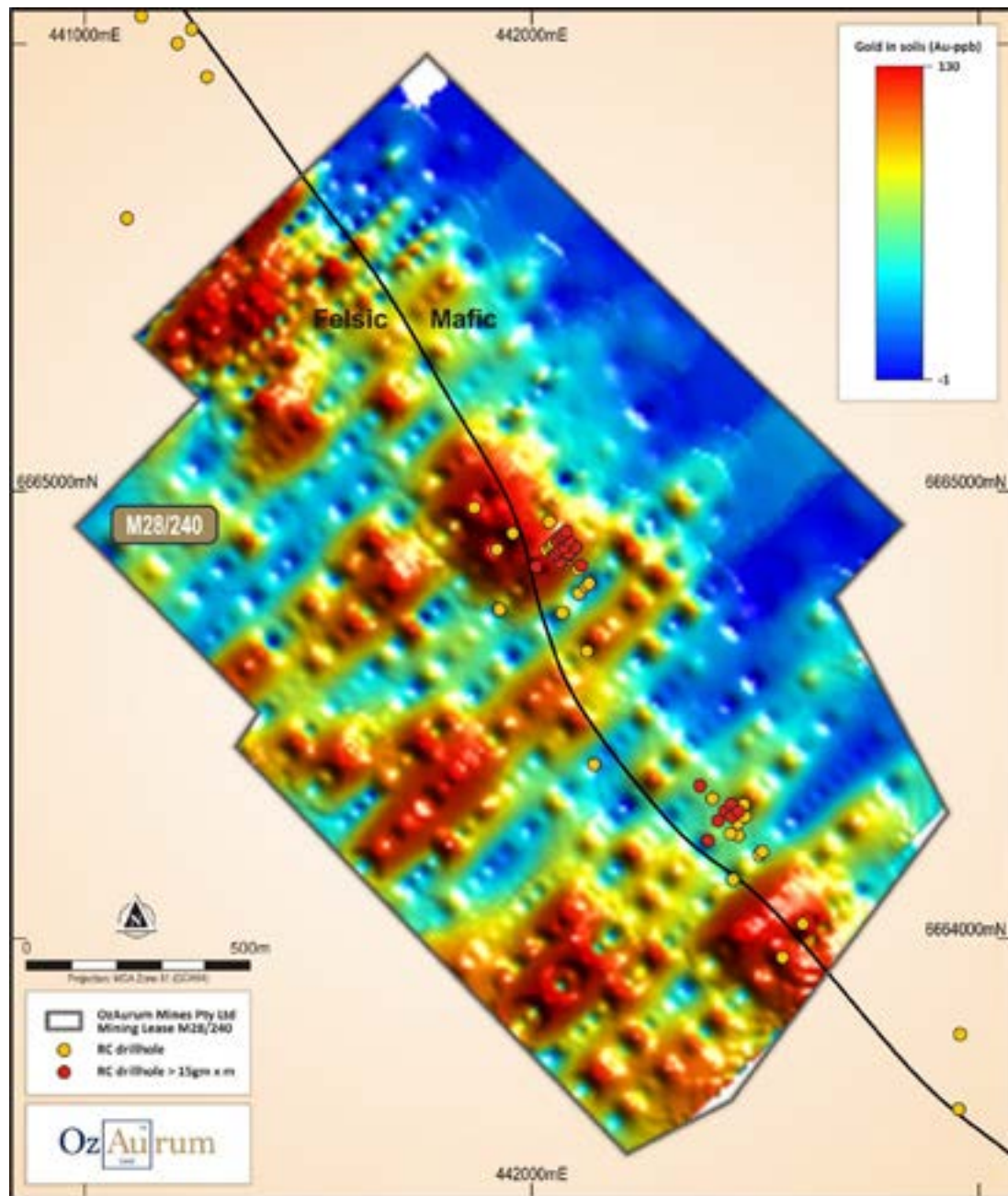


Figure 5: Soil geochemistry and RAB anomalies on M28/240

These more recent drilling programs show the mineralisation occurs within the intermediate volcanics closely adjacent to the contact with the mafic rocks. It also showed the mafic-intermediate contact to be dipping steeply northeast, and therefore slightly overturned according to the regional stratigraphy.

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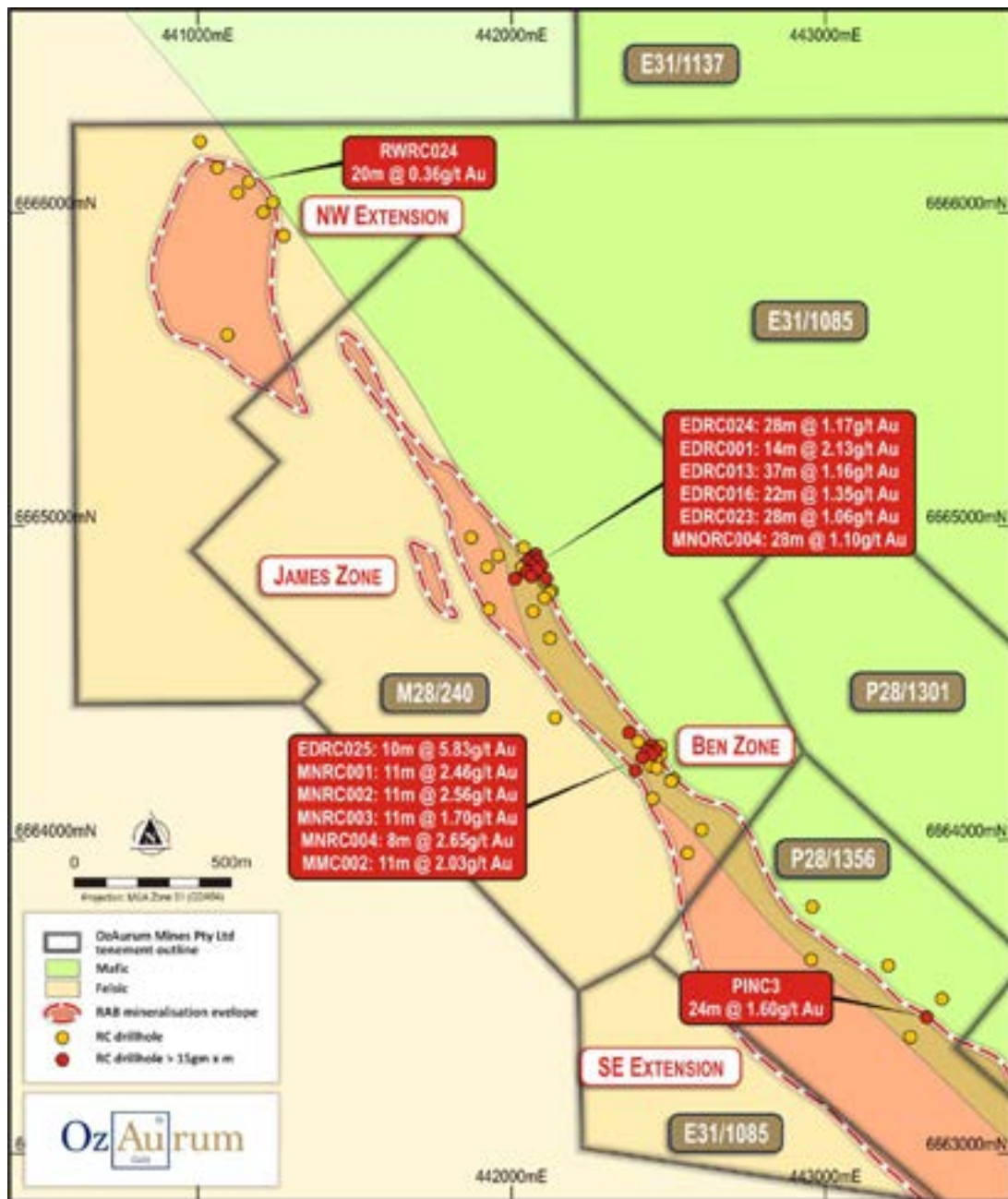


Figure 6: RC and DD drillholes on Mulgabbie North

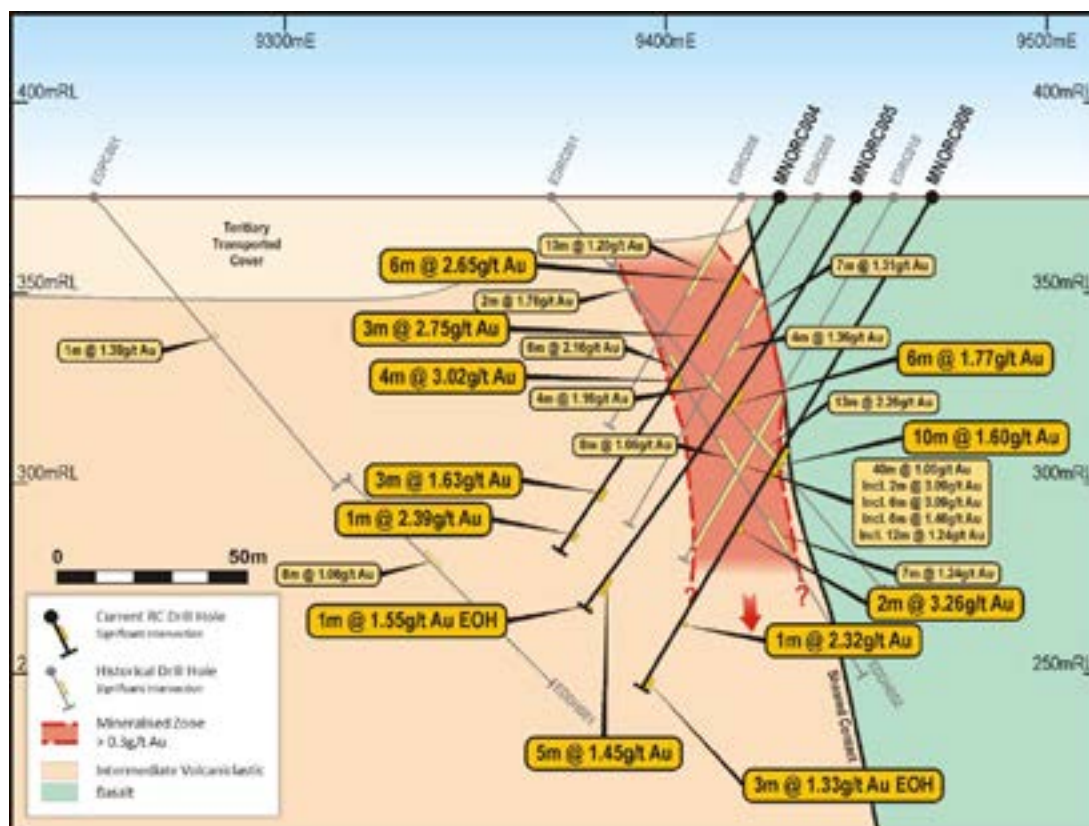


Figure 7: Cross section of Mulgabbie North after NEGE

Detailed examination of a drill core (MNDH001) by Dr Alicia Verbeeten (personal communication) shows a shear zone 4m wide at the mafic-intermediate contact. It is finely laminated and foliated with intense sericite-carbonate alteration, overprinting a rock possibly derived from a metasedimentary inter-volcanic unit. Mineralisation occurs in similarly altered agglomerate and tuff immediately adjacent to the shear zone. Mineralisation takes the form of stockwork-style quartz veins and is associated with arsenopyrite and minor chalcopyrite.

The mineralisation occurs over a strike length of 1,100m, but there is a gap of 200m in the middle, which may in part relate to the presence of a late east-west dolerite dyke. Present drill information defines two clusters called **James** and **Ben** zones (A Pumphrey, personal communication). This gap occurs firmly on the RAB anomaly but has attracted only one targeting-type drill hole - EDRC005 – which gave 7m of 0.75 g/t from 105m. This was one of the early RC holes drilled northeast, and the lithological logs indicate it finished in the intermediate volcanics and never penetrated the stratigraphic footwall of the mineralised package.

Equally significant is EDRC008 at the northwest extremity of the RC drilling program which was also inclined northeast. It recorded 30m at 0.74 g/t from 17m, including 17m at 1.05 g/t, and did not reach the stratigraphic footwall.

In 1999 RAB drilling by Gutnick Resources (A59306) immediately to the southeast, defined a 1500m-long sub-surface geochemical anomaly at the 0.1ppm Au threshold. This clearly extends the Mulgabbie North gold system at least 1,500m to the southeast along the Relief Shear. Limited follow-up RC drilling, involving six holes (A59306, A63201) in the extended zone gave results shown in Table 2. Here three deep holes (PICN2, 3 and 6) are on the same section and confirm the near vertical dips, and depths to recognisable bed rock of 45m and base of oxidation of 80m. Significantly, hole PICN6

has long intervals of plus 0.5 g/t, and the geological logs refer to quartz stockworks within altered felsics.

Significant RC and DD intersections for Mulgabbie North and its likely extensions are shown in Figure 6, and Table 2. In addition to the ore-grade mineralisation, these again show thick intervals of marginal grade material, giving some indication of a bulk stockwork-type style zone around the main mineralisation.

Zone	Hole ID	Easting	Northing	Azimuth	Dip	EOHm	Significant intersection	Including
NW extension	RWRC024	441163	6666097	225	-60	42	20m @ 0.36g/t from 28m	1m @ 2.6 g/t from 43m
James Zone	EDDH001	441928	6664735	45	-60	313	2m @ 3.16g/t from 130m	
	EDDH002	442011	6664832	45	-60	146	30m @ 0.63g/t from 94m	6m @ 2.16g/t from 49m
	EDRC001	442011	6664832	45	-50	134	36m @ 1.13g/t from 60m	12m @ 2.40g/t from 80m
	EDRC003	442068	6664728	45	-50	110	18m @ 0.83g/t from 90m	8m @ 1.65g/t from 101m
	EDRC008	442048	6664854	225	-60	70	17m @ 1.05g/t from 14m	2m @ 2.3 g/t from 14m
	EDRC009	442062	6664868	225	-60	100	18m @ 1.01g/t from 31m	7m @ 1.31g/t from 32m
	EDRC010	442077	6664883	225	-60	110	13m @ 1.22g/t from 85m	
	EDRC012	442048	6664882	225	-60	70	21m @ 1.00 g/t from 28m	
	EDRC013	442063	6664897	225	-60	100	37m @ 1.16g/t from 58m	14m @ 2.1g/t from 81m
	EDRC014	442062	6664840	225	-60	60	6m @ 3.48g/t from 17m	
	EDRC015	442076	6664854	225	-60	70	11m @ 1.18g/t from 35	
	EDRC016	442090	6664869	225	-60	106	22m @ 1.35g/t from 75m	
	EDRC018	442121	6664787	225	-60	60	4m @ 3.02g/t from 40	
	EDRC019	442128	6664794	225	-60	80	6m @ 1.21g/t from 53m	
	EDRC022	442039	6664931	225	-60	118	10m @ 1.04g/t from 76m	2m @ 3.63g/t from 94m
	EDRC023	442077	6664910	225	-60	141	28m @ 1.06g/t from 82m	
	EDRC024	442110	6664834	225	-60	104	28m @ 1.17g/t from 62	
	MNORC01	442104	6664825	223	-60	120	11m @ 1.16g/t from 43m	5m @ 2.21g/t from 43m
	MNORC02	442083	6664861	225	-61	120	36m @ 0.66g/t from 49m	4m @ 1.68g/t from 80m
	MNORC03	442098	6664875	228	-60	150	31m @ 0.74g/t from 78m	
	MNORC04	442055	6664861	228	-60	110	28m @ 1.1g/t from 21m	6m @ 2.65g/t from 23m
	MNORC05	442069	6664875	225	-60	130	35m @ 0.76g/t from 43m	6m @ 1.77g/t from 61m
	MNORC06	442084	6664889	225	-60	150	31m @ 0.95g/t from 73m	10m @ 1.6g/t from 76m
	MNORC07	442056	6664889	226	-60	120	22m @ 0.72g/t from 37m	1m @ 4.38g/t from 119m
	MNORC08	442070	6664903	222	-60	150	36m @ 0.8g/t from 67m	3m @ 3.18g/t from 73m
	MNODH01	442061	6664896	229	-60	155	5m @ 1.86g/t from 52m	
	MNODH01	442061	6664896	229	-60	155	5m @ 1.82g/t from 63m	
MNODH01	442061	6664896	229	-60	155	5m @ 1.35g/t from 78m		
Ben Zone	MMCO3	442043	6664874	225	-60	66	9m @ 1.50g/t from 24m	
gap								
Ben Zone	EDRC006	442450	6664132	45	-50	132	6m @ 1.76g/t from 91m	
	EDRC020	442509	6664187	225	-60	70	12m @ 1.94g/t from 51m	
	EDRC021	442516	6664194	225	-60	90	2m @ 2.48 g/t from 59m	
	EDRC025	442394	6664220	45	-60	105	10m @ 5.83g/t from 66m	5m @ 7.85g/t from 68m
	MNRC001	442447	6664272	225	-60	121	11m @ 2.46g/t from 68m	6m @ 3.77g/t from 72m
	MNRC002	442463	6664285	225	-60	160	11m @ 2.56g/t from 100m	6m @ 4.41g/t from 100m
	MNRC003	442432	6664285	225	-60	120	11m @ 1.70g/t from 70m	5m @ 3.2g/t from 72m
	MNRC004	442446	6664300	225	-60	142	8m @ 2.65g/t from 105m	4m @ 4.6g/t from 105m
	MNRC006	442476	6664272	225	-60	131	6m @ 2.48g/t from 114m	
	MNRC009	442376	6664341	225	-60	120	2m @ 7.37g/t from 21m	
	SW Extension	MMCO2	442417	6664263	220	-60	60	11m @ 2.03g/t from 33m
PINC1	442955	6663618	225	-60	295	7m @ 0.91g/t from 209m		
PINC2	443271	6663372	225	-55	355	10m @ 0.47g/t from 63m		
PINC3	443323	6663435	225	-55	300	24m @ 1.6g/t from 68m	3m @ 10.96g/t from 70m	
PINC6	443372	6663493	225	-55	402	6m @ 1.91g/t from 206m		
PINC19	443200	6663599	220	-55	310	20m @ 0.6g/t from 158m		

Table 2: Selected RC and DD drill intersections at Mulgabbie North (nominal RL 370m)

It is clear that the Mulgabbie North line is highly prospective and under explored along its extent to the northwest and southeast.

4.6 Golden Goose Prospect

Golden Goose Prospect occurs 3km south of historic Mulgabbie (Figure 8) in the Mulgabbie West project area of A Pumphrey. It is covered by E28/3003. It lies on the southeastern extension of the Relief Shear, therefore in the same geological position as Golden Bowerbird.

It was identified by Goldfields Exploration in 1996 by a calcrete soil program which produced a coherent anomaly at the 20 ppb threshold, peaking at 62ppb. RAB drilling (A54100) on a grid of 200m x 50m confirmed a coherent geochemical anomaly 1,600m long by 600m wide. An outlying smaller anomaly is also evident to the south. The two RAB anomalies at the 0.1ppm level are shown in Figure 5, lying close to the main mafic-felsic contact. Limited follow-up RC holes in the main anomaly gave the following significant results.

HoleID	Easting	Northing	Azimuth	Dip	EOHm	Significant Intersection
RWRC005	444798	6659715	270	-60	100	2m @ 1.2g/t from 28m
RWRC006	444625	6660106	270	-60	100	4m @ 1.2g/t from 53m
RWRC007	444452	6660496	270	-60	350	11m @ 0.24g/t from 68m
RWRC009	444283	6660611	270	-60	350	1m @ 1.5g/t from 6m
GGRC001	444594	6660078	224	-60	43	26m @ 0.21g/t from 12m
GGRC002	444606	6660091	224	-60	58	5m @ 2.44g/t from 14m

Table 3: Selected historic drill intersections Golden Goose (nominal RL 340m)

RC drilling was angled to the southwest although there is no geological information on the geometry of the gold mineralisation, other than to note it lies within felsic volcanics adjacent to the main mafic-felsic contact, in similar situation to Mulgabbie North. Of significance are the large intervals of marginal grade material which again point to the possibility of a bulk deposit rather than a narrow vein deposit.

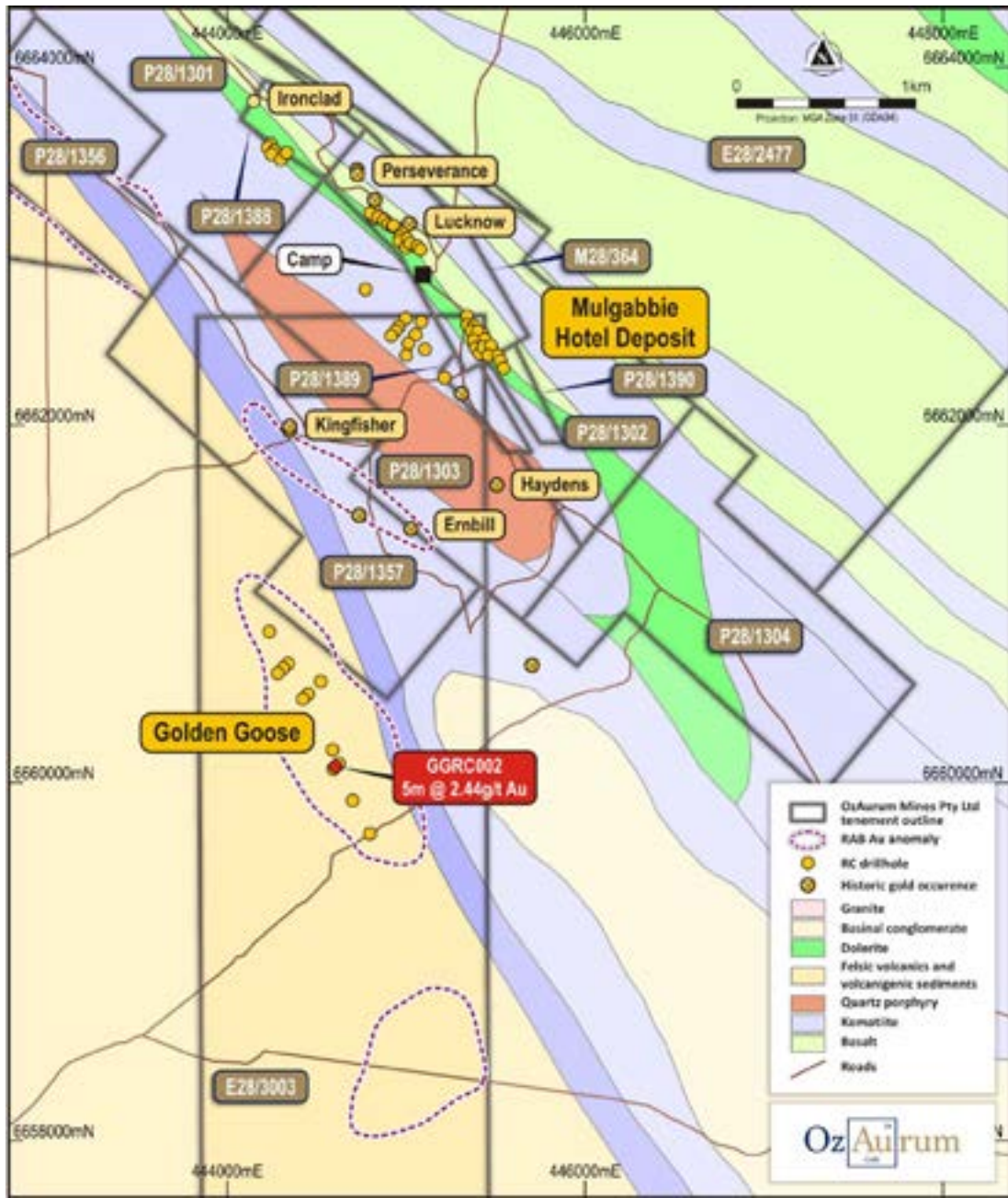


Figure 8: Geology, RC drilling and gold occurrences, central and historic Mulgabbie

4.7 Old Perseverance

Despite its antiquity, the historic Perseverance line has received little modern exploration, and remains a priority prospect. The old workings extend over 1,200m in a northwest-southeast line (Figure 8). They include (from northwest to southeast) Ironclad, Perseverance shaft, Hope shaft, Star, Lucknow, John Bull and White Elephant.

With the gold renaissance of the early 1980s the Perseverance shoot was initially drilled in a wildcat manner with four percussion holes – two each by Newmont and Freeport (A14888). Subsequently

Open Pit Mining (A18646) drilled 14 open-hole percussion holes in a line along the 400m trend between Perseverance and Lucknow. However this drilling only probed to a depth of 30m. These holes were drilled 60° to the northwest in expectation of steep southwest dips, but one pair of holes confirmed the steep northeast dip which is recognised today. Quartz veins were encountered in the chlorite-sericite-pyrite schist, confirming the original observations of Gibb Maitland (1917).

Hole	Easting	Northing	Azimuth	Dip	EOHm	Intersection
ROMO002	445022	6663015	239	-70	30	2m at 1.45g/t from 26m
ROMO004	444975	6663068	239	-60	33	2m at 37.7g/t from 26m
ROMO005	444929	6663115	239	-60	30	2m at 1.50g/t from 10m
ROMO008	444844	6663163	218	-60	30	4m at 0.43g/t from 18m
ROMO009	444800	6663185	218	-60	30	4m at 1.19g/t from 18m
ROMO010	444895	6663129	218	-60	30	2m at 0.74g/t from 2m
ROMO013	445080	6662979	218	-60	30	2m at 0.92g/t from 4m
ROMO014	444978	6663072	218	-60	26	2m at 3.34g/t from 10m

Table 4: Selected drill intersections Old Perseverance (nominal RL 350m)

All these workings relate to the **Perseverance Shear**, which occurs in the main mafic sequence of mainly (tholeiite) basalt and thin komatiite flows. Thin interflow siliciclastic sediments and discontinuous dolerite sills are also present and may be important structural foci for gold mineralisation.

Mineralisation is associated with a near-vertical shear zone trending 3150. At the most northwesterly workings the shear zone is conformable with a thin (1-2m wide) interflow sediment at the contact between basalt and dolerite. Enrichments of coarse gold occur where the quartz veins of several orientations cut the shear zone. Shallow underground workings suggest the quartz vein aggregate to form a single ore shoot pitching 20° south within the generally planar shear zone, although this is not confirmed by modern drilling.

Only 16 RC holes have been drilled into this core zone in the Hope-Perseverance sector, with mixed results that do not match the extremely high grades from historic mining. The geometry of any high-grade shoot needs to be further investigated by modern drilling.

4.8 Mulgabbie Hotel Deposit

Mulgabbie Hotel Deposit lies on the **Perseverance Shear**, 400m southeast of Old Perseverance (Figure 8). It was discovered by Yinnex NL in 1987 by systematic RAB drilling with a hole encountering 1.57 g/t between 8-14m. Subsequent RC drilling by Yinnex NL and Diablo Cliffs NL from 1994-1997 defined the current mineralisation (A45186, A57668).

Gold mineralisation extends over a strike length of 280m, within a 600 southwest-dipping dolerite sill. This implies no overturning of the regional stratigraphy in this segment. A Pumphrey (personal communication) states that previous interpretations invoke a series of ore lenses plunging about 200 to the south.

Mineralisation occurs in quartz veins within a granophyric quartz-dolerite. Up to 4% pyrite occurs, together with fine-grained tourmaline, magnetite, carbonate veinlets, and accessory pyrrhotite and arsenopyrite. Mineralisation in dolerite outcrops at GDA 44287mE 666 2531mN.

Mulgabbie Hotel deposit has attracted 39 RC drill holes angled 60° northeast on a general 20m x 10m pattern (A50851). Representative intersections are shown in Table 5.

Hole ID	Easting	Northing	Azimuth	Dip	EOHm	Intersection 1	Intersection2
RCMC003	445298	6662310	248	-60	80	10m @ 2.64g/t from 26m	11m @ 1.25g/t from 65m
RCMC005	445299	6662290	248	-60	52	10m @ 1.8g/t from 21m	9m @ 1.45g/t from 40m
RCMC006	445308	6662294	248	-60	70	3m @ 1.27g/t from 30m	12m @ 2.29g/t from 46m
RCMC007	445271	6662320	248	-60	50	22m @ 2.22g/t from 4m	2m @ 17.79g/t from 32m
RCMC009	445316	6662302	248	-60	93	3m @ 1.48g/t from 50m	6m @ 1.32g/t from 65m
RCMC010	445302	6662272	248	-60	50	1m @ 1.95g/t from 21m	2m @ 1.32g/t from 42m
RCMC013	445254	6662343	248	-60	42	5m @ 1.79g/t from 8m	2m @ 3.22g/t from 33m
RCMC014	445265	6662348	248	-60	53	5m @ 1.02g/t from 14m	
RCMC015	445274	6662352	248	-60	70	7m @ 1.03g/t from 15m	
RCMD001	445337	6662285	248	-60	42	1m @ 2.21g/t from 27m	
RCMG019	445259	6662320	249	-60	45	17m @ 1.19g/t from 0m	11m @ 2.28g/t from 24m
RCMG020	445265	6662320	249	-60	33	25m @ 1.71g/t from 3m	
RCMG021	445290	6662331	249	-60	54	4m @ 1.95g/t from 30m	
RCMG023	445311	6662254	249	-60	45	6m @ 0.71g/t from 7m	
RCMG027	445342	6662238	249	-60	69	3m @ 2.96g/t from 33m	3m @ 1.33g/t from 41m
RCMG028	445289	6662356	249	-60	54	3m @ 1.01g/t from 29m	
RCMG029	445254	6662360	249	-60	42	14m @ 1.26g/t from 9m	
RCMG030	445263	6662365	249	-60	51	1m @ 1.10g/t from 10m	
RCMG038	445267	6662303	249	-60	66	1m @ 1.07g/t from 13m	
RCMG039	445244	6662340	249	-60	33	1m @ 1.87g/t from 21m	
RCMG040	445227	6662392	249	-60	45	1m @ 1.44g/t from 19m	
RCMG044	445389	6662201	249	-60	73	1m @ 1.33g/t from 2m	
RCMG046	445229	6662371	249	-60	42	10m @ 0.64g/t from 3m	
RCMG047	445250	6662379	249	-60	54	2m @ 2.47g/t from 10m	
RCMG050	445304	6662321	249	-60	56	10m @ 1.40g/t from 43m	
RCMG055	445242	6662397	249	-60	44	2m @ 1.35g/t from 5m	

Table 5: Representative drill intersections Mulgabbie Hotel (nominal RL 350m)

As mineralisation occurs in the same shear zone as the Perseverance shoot, it raises the possibility that multiple shoots will occur elsewhere within the shear zone. Strangely, the intervening sector between Mulgabbie Hotel and Old Perseverance has not been drilled either by RAB or RC.

Yinnex undertook RAB drilling in an attempt to track the extension of the Perseverance Shear southeast of Mulgabbie Hotel, but only a few low values were obtained. However it is noticeable this drilling was very shallow, averaging only 12m in depth, and may not have penetrated through the colluvium or the underlying depletion zone which is known to exist in this regolith.

4.9 Mulgabbie Hill Prospect

A group of historic alluvial workings occurs around the small Mulgabbie Hill between the Perseverance and Relief Shears, some 200m southwest of Old Perseverance. This area is characterised by a rich nugget field, but otherwise no historic excavations. The surficial workings are known as Cora, Heydens Reward, Kingfisher, Mt Mulgabbie, VRC and Ernbill.

Mulgabbie Hill itself is composed of quartz-feldspar porphyry, rich in pyrite, outcropping over a limited extent and encased within ultramafic schist. Ten shallow RC holes in two lines have been drilled across the nugget field, one of which (RCMB011) recorded 3m of 1.93 g/t at 11m.

The geological interpretation of this particular area (shown in Fig 8) indicates the porphyry intrusion is larger in size than it present outcrop. It has the shape of a detached fold core 2.5km long and 400m wide within the ultramafics, and wrapped by shear structures that splay from both the Perseverance and Relief Shears. The shallow RAB geochemical drilling by Yinnex also extended into the area of the unexposed southeastern termination of the porphyry body and obtained significant anomalism, including a best hit of a hit 1m of 1.04 g/t at 15m (ROYX00199).

The quartz porphyry is considered to be a sub-volcanic intrusion co-magmatic with the stratigraphically overlying felsic volcanic pile that hosts the Carosue mineralisation. It is postulated that the porphyry body acts as a creator of pressure shadows in dilational jogs around its margins, allowing the precipitation of gold from hydrothermal fluids. This could be facilitated by the abundant pyrite acting as a reductant at the margins of the porphyry. This particular model has not been investigated, despite the cluster of gold occurrences around the porphyry hill.

4.10 Mulgabbie Greenfields Potential

OzAurum has a large landholding of 67km². Much of it lies away from the established gold structures, and is largely underexplored. A large area of mafic sequence occurs to the northeast of historic Mulgabbie, where there is thick regolith and only superficial exploration.

As an example, in 2002 Croesus Mining undertook soil geochemistry over the area east of Mulgabbie, now under tenure by OzAurum's E28/2477. The area is covered by more than 20m of laterite detritus overlying basalt. At a locality 4.5 km east-northeast of Mulgabbie, soil geochem identified an arcuate coherent soil anomaly 1,300m long at the 15ppb threshold and peaking at 52ppb. It lies over the obscured granite-basalt contact. A RAB hole (MGRB012, A62412) produced a five-metre composite of 2.5 g/t. This was termed the Central Prospect, and is shown in Figure 9. Limited follow-up air-core drilling by Vulcan Resources in 2003 (A66451) failed to adequately explain this anomaly.

Several more diffuse anomalies at the 15ppb threshold were also found by the soil sampling on ground now held by OzAurum. These occur on thick colluvium and laterite sheetwash, where they also align with the interpreted granite contact. Elsewhere in the Eastern Goldfields several major gold deposits have been discovered in fracture systems at granite-greenstone contacts away from the major shear zones. These unexplained soil anomalies need to be re-addressed.

4.11 Exploration Potential and Recommendations

The historical Perseverance Shear and the Relief Shear of more contemporary recognition constitute two established gold mineralising systems in the Mulgabbie project area.

The Relief Shear along the mafic-intermediate contact has a stockwork-style gold system with discrete high-grade zones within a very wide aureole of low grade mineralisation indicated by shallow RAB drilling. Mulgabbie North deposit will require infill and extension drilling on a 40 x 20m pattern to yield an Indicated Mineral Resource. OzAurum has 8km of this structure, of which only targeted areas have been subject to effective RC drilling, despite the clear presence of surface and sub-surface geochemical anomalies along its entire length. This shear requires systematic drilling in fences along its untested segments, to hit the contact below 60m vertical depth. Drilling will need to extend further out into the felsic sequence to probe the off-contact mineralisation as clearly evidenced by the soil geochemistry.

The Perseverance Shear occurs within the mafic sequence where it follows lithological contacts with dolerite and shale. It hosts the mineralization of the historic Mulgabbie Mining Centre, which has traditionally been thought of as a narrow zone with high grade shoots. This may apply to the north-western part of the shear, although surprisingly this concept has not been adequately tested by modern drilling. In fact, the line of old workings has received little contemporary exploration attention. The Perseverance Shear extends to the southeast into a zone of structural disturbance due to porphyry intrusion and a folded ultramafic unit. Here it hosts the Mulgabbie Hotel deposit which has relatively long intersections of ore-grade mineralisation. Also in this structurally disturbed area, there is an unexplained nugget field around the porphyry intrusion. OzAurum will have 12km of strike length of the Perseverance Shear, much of it under-explored.

These mineral systems are shown on Figure 9 against a background of the GSWA open-file 1VD grey-scale aeromagnetic image (30% translucency). There is no evidence in any of the aeromagnetic images of faults that cross-cutting the mineralised shears. However there is strong evidence of

inflections and dilational jogs in these shears which will likely be the loci of higher grades. These can be identified and defined with precision using ultra-high resolution drone aeromagnetics.

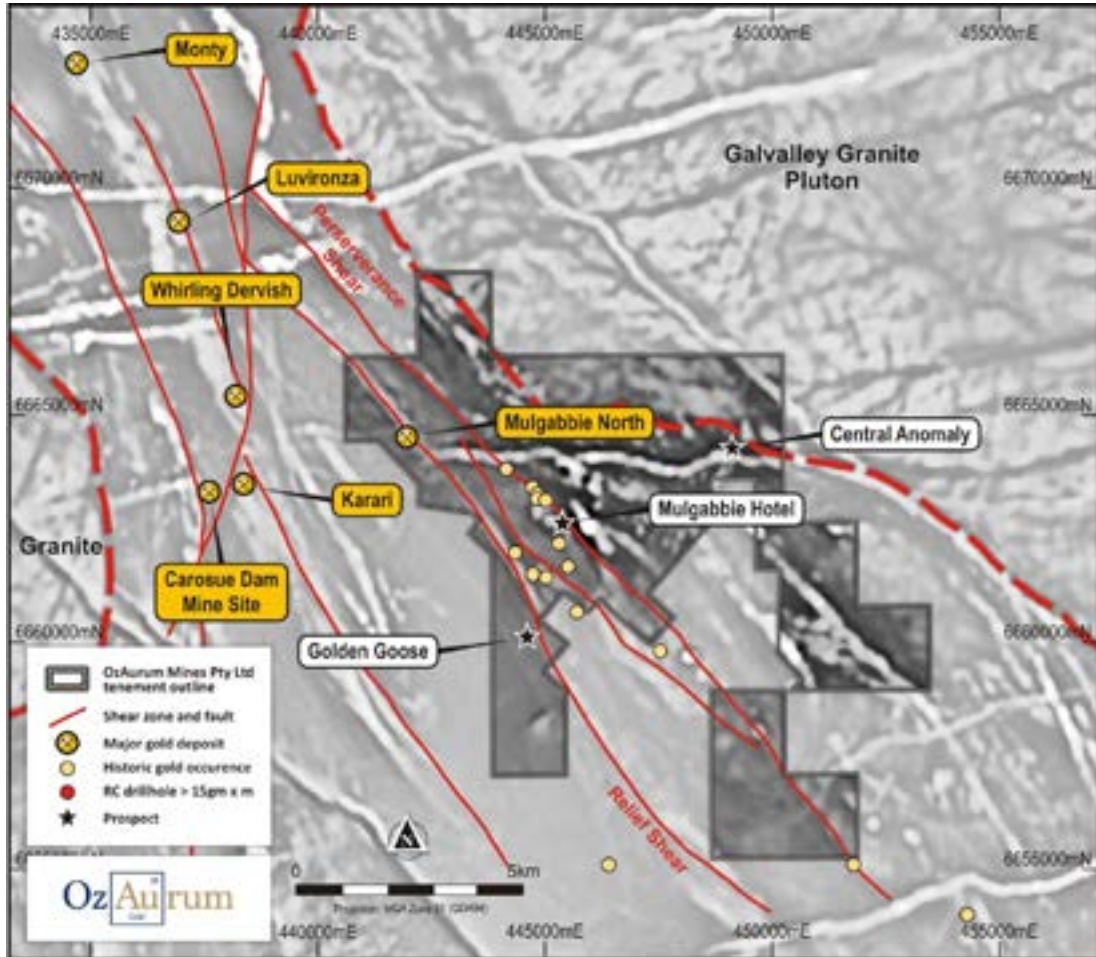


Figure 9: Mineralised structures of Mulgabbie on grey-scale 1VD aeromagnetics

5. PATRICIA PROJECT

5.1 Regional Geology of Patricia Project

The Patricia Gold Mine lies in the Celia Tectonic Zone which hosts a string of large gold deposits of modern discovery, within an extended line of scattered historic workings. To the north are Linden, Deep South, Safari Bore, and Sunrise Dam mines. To the south is the Anglo Saxon mine, and peripheral deposits around the old Pinjin mining field. These occur in a shear zone with prominent faults, of which the Pinjin Fault in the south and the Safari Bore Fault in the north are important controls on gold mineralisation.

In the Patricia segment of the Celia Tectonic Zone, the greenstone belt consists of a thick sequence of intermediate to felsic volcanics, stratigraphically underlain by a mafic volcanic pile to the east, and overlain by a prominent package of BIFs to the west. In the Patricia area the greenstone sequence is intensely compressed against the ovate Galvalley Pluton to the west, which is the same pluton that provides potential pressure-shadow dilation zones at Mulgabbie. In this constriction zone the

greenstone belt is a highly sheared, near-vertical sequence of felsic and intermediate (andesitic) volcanics, with inter-layers of ultramafic schist which are probably komatiite flows.

In its geomorphic position on the edge of Lake Raeside the rocks are in the saprolite zone of the weathering profile.

5.2 Historical Gold Mining

The Patricia gold deposit was discovered by Alf Thompson in 1930, who named it after daughter Patricia. Thompson mined underground until 1937 when production ceased. The Main shaft went to a depth of 41m with driving on three levels. Ore was treated at the Yarri State Battery. Historical records show 4,115.25 tonnes of ore treated for a total 5,384 oz. Subsequently in the early 1980s, Paul Trinidad treated 322 tonnes of ore from the lower (135 foot) level off the Main shaft. A 20 tonne parcel treated at Yarri reputedly averaged 95 g/t. All historic production would have been gravity separation of free-milling gold.

5.3 Contemporary Mining

In 1983 Aztec Exploration Ltd optioned old M31/2 and M31/15, and undertook detailed surface exploration involving soil geochemistry, mapping and costeaning. Resource drilling involved 197 angled RC and DD holes, most of which went only 50m downhole. Open-pit mining commenced in 1986 under a 50:50 joint venture with Mitchell Cotts Engineering. A 150Kt/y mobile treatment plant with gravity and CIP capability was erected on site, and operated for 18 months. It produced only 1555.5 oz of gold, from an unknown mill through-put. In later technical reports there are references to management and processing issues. Detailed production records, such as total material moved, tonnes milled, flitch plans, mined grades and ore reconciliations are not evident in the WAMEX open file. It should be remembered that this was at the time of the renaissance of the modern gold boom when the protocols of grade control, selective mining and reconciliation were not developed. The open pit is 800m long x 100m wide and 25m deep, and is now partly full of water. The amount of material moved is not recorded.



Figure 10: Patricia Pit looking north (left) and looking south (right)

5.4 Geology of Patricia Mining Lease

In contrast to the paucity of mining details, the pre-mining geological documentation of Aztec is excellent and provides valuable information for evaluating the potential for re-commencement of mining at Patricia.

Aztec (A15138) excavated 18 costeans along the mineralised unit, which were mapped in detail. This showed an ore zone at least 800m long striking 3250 and dipping steeply northeast, which may indicate structural overturning of the greenstones at this locality. The mine sequence is encased in schistose intermediate (andesite) volcanics to the west and east. A marker chert bed one metre thick occurs in the volcanic schists some 150m west of the mine sequence.

A lensoid body of porphyry splits the mine sequence from the marker chert over much of the mineralised zone. The porphyry is mostly even-grained with quartz phenocrysts with resorption textures, and sparse feldspar phenocrysts. The porphyry is characterised by copious fracture-filled quartz veins and abundant pyrite.

A chert-BIF unit about 2m thick occurs in the volcanic schist some 300m east of the mine sequence. This eastern BIF is strongly coloured with secondary copper staining and fuchsite. Analyses of rock chips recorded in A49137 notes highly elevated gold up to 8.7 g/t and copper up to 1%, over the 40m of its exposed length. Two shallow drill holes targeting this mineralisation failed to hit the chert.



Figure 11: Eastern un-drilled chert with malachite and gold

5.5 Patricia Mine Sequence

North Eastern Goldfields Exploration Pty Ltd (**NEGE**) compiled all the surface geological and drill-hole information for the tenement holder, and produced an interpretative geological plan of Patricia. With minor modification by the Independent Geologist, this plan is produced as Figure 12. It shows a mine sequence of:

- footwall (western) ultramafic,
- discontinuous felsic volcanic layer
- middle komatiite, being the ore zone
- hangingwall (eastern) ultramafic

The mineralised komatiite unit is intensely sheared and altered to talc-chlorite assemblages, and heavily overprinted by carbonate (ankerite) alteration. Ghost fragments up to 20cm long indicate a volcanic agglomerate origin for this komatiite.

The ore zone hosts an array of quartz veins which occur as boudins, lenses and detached intrafolial folds, parallel to the foliation. These carry the high-grade gold values, along with pyrite, chalcopyrite and arsenopyrite. Anomalous copper up to 1,600ppm correlates with higher gold values in the costeans. There appears to be two distinct grade populations, with higher grades in the quartz veins, and lower grades about 0.8 g/t in the selvages. Other than drill-hole information, there is no indication how far these lower-grade selvages extend into the country rock. Arsenic and silver also exhibit elevated values associated with gold.



Figure 12: Geological plan of Patricia Mine, after Aztec and NEGE

Evidently the lensoid mine sequence is mappable over 1,600m, but the pit now contains slimes and water. The along-strike terminations of the mine sequence are uncertain and not closed-off geologically. Drill data suggests the highest grades occur in a structural inflection around the thickest part of the porphyry body on the (western) footwall. The inflection is a likely dilational zone facilitating mineralisation.

The aversion of Aztec to deep drilling means there are few paired holes to gauge the geometry of the ore zone. However the pair of PT012 and PT010, along with other more shallow holes, (Figure 13) shows the ore zone dips steeply east. There is insufficient information to gauge the nature and orientation of any ore shoots within the planar ore zone.

Although the main mineralisation appears to form a single planar zone, some drill holes have multiple intervals below the supergene zone. Examples are PT157 and PT219 in Table 6. In addition there are numerous runs of sub-grade gold within the footwall porphyry, which raises the possibility of bulk mineralisation outside the main high-grade ore zone.

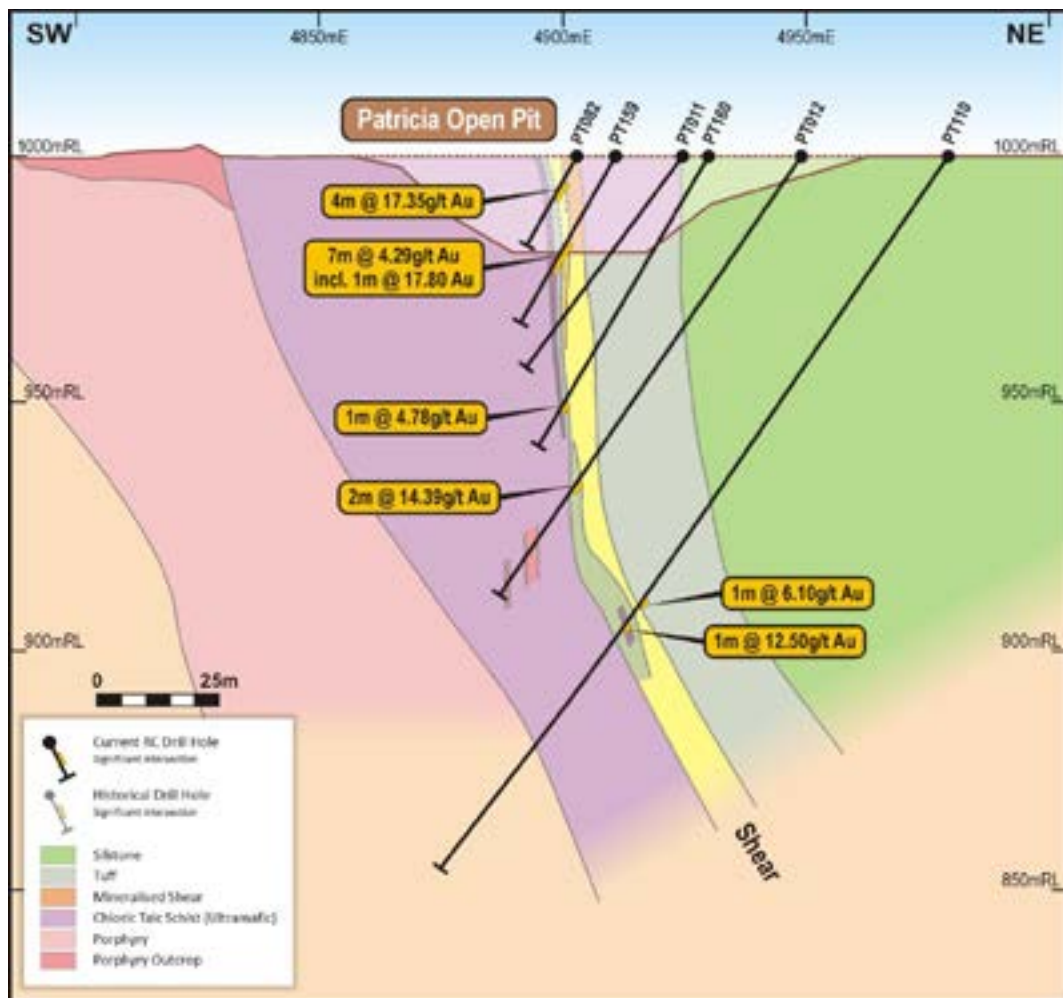


Figure 13: Patricia cross section at GDA 6697255mN, after NEGE

5.6 Aztec Drillhole Database

Aztec drilled a total 197 holes on the antecedent M31/ 487 in 1985-6. Analogue records of local-grid collars, assay and survey data are included in A15025 and A15026. Geologs are not evident. Most were angled to the southwest in accordance with the perceived northeast dip. Hole type is not always specified, and they appear to be a mixture of open percussion holes, RC and DD with pre-collars. Aside from a few deep holes, most are quite shallow, in the range of 30–50m downhole.

Metre-by-metre assays are available, but it is evident that sampling for assay was selective and not all intervals may have been analysed. For example drillhole PT031 has no assays from 25 to 41m, but at 42m there is 10m of 0.42 g/t, with associated elevated copper. Similarly PT032 has a gap between 30 – 55m, which is immediately followed by an interval of anomalous gold and copper. Furthermore, as was the case in the mid-1980s, no QA/QC was employed, other than the internal controls of the commercial laboratories.

On behalf of the tenement holder, NEGE has compiled digital collar, survey and assay files in GDA94 projection, in conformity with GSWA digital reporting requirements. These are included in A102207 which are not yet on open file, but have been provided to the Independent Geologist. Sufficient spot checks of the digital database against the old analogue open-file drill sheets have been done to confirm the reliability of the reconstructed drillhole database, with the caveat that the geological logs are absent.

Even though mining went only to a depth of 25m, there are numerous drill holes that went below the pit floor. Table 6 lists significant drill intersections below the pit floor, and a selection is shown on Figure 14.

Hole ID	Easting	Northing	Azimuth	Dip	EOHm	Intercept 1
PT001	464146	6697036	70	-61	57	5m @ 18.8g/t from 35m
PT002	464213	6697066	261	-58	117	1m @ 14.0g/t from 98m
PT005	464175	6697089	250	-61.5	58	4m @ 38.4g/t from 43m
PT007	464182	6697162	245	-59	102	3m @ 7.6g/t from 82m
PT008	464112	6697186	75	-51	51	5m @ 11.7g/t from 30m
PT010	464147	6697256	241	-60	105	3m @ 5.8g/t from 72m
PT012	464143	6697308	245	-55	110.15	3m @ 10.1g/t from 81m
PT013	464118	6697352	240	-49	111	1m @ 4.9g/t from 59m
PT017	463943	6697486	63	-56	54	2m @ 2.8g/t from 34m
PT022	464175	6697267	250	-59	137.9	3m @ 1.8g/t from 110m
PT024	464126	6697140	68	-60	63	2m @ 22.8g/t from 38m
PT037	464125	6697328	246	-60	91	4m @ 9.8g/t from 71m
PT045	464154	6697018	70	-60	56	5m @ 37.2g/t from 47m
PT046	464169	6696995	70	-60	60	1m @ 4.0g/t from 50m
PT050	463960	6697469	50	-60	56	5m @ 1.3g/t from 33m
PT110	464176	6697321	235	-51	190.5	7m @ 2.9g/t from 111m 3m @ 5.0g/t from 31m, and
PT157	464120	6697278	249	-60	45	2m @ 10.7g/t from 42m
PT158	464116	6697286	246	-60	50	3m @ 10.7g/t from 28m
PT176	463991	6697444	45	-60	39	2m @ 3.0g/t from 31m 6m @ 3.6g/t from 37m, and
PT219	464009	6697380	58	-60	70	1m @ 12.9g/t from 51m
PT221	463990	6697402	60	-60	69	1m @ 3.7g/t from 67m
PT228	463885	6697556	48	-60	36	2m @ 2.7g/t from 34m
PT233	464040	6697333	59	-60	69	4m @ 6.0g/t from 49m
PT234	463884	6697559	48	-60	45	1m @ 2.6g/t from 39m

Table 6: Significant deeper drillhole intersections Patricia Mine (nominal RL 249m)

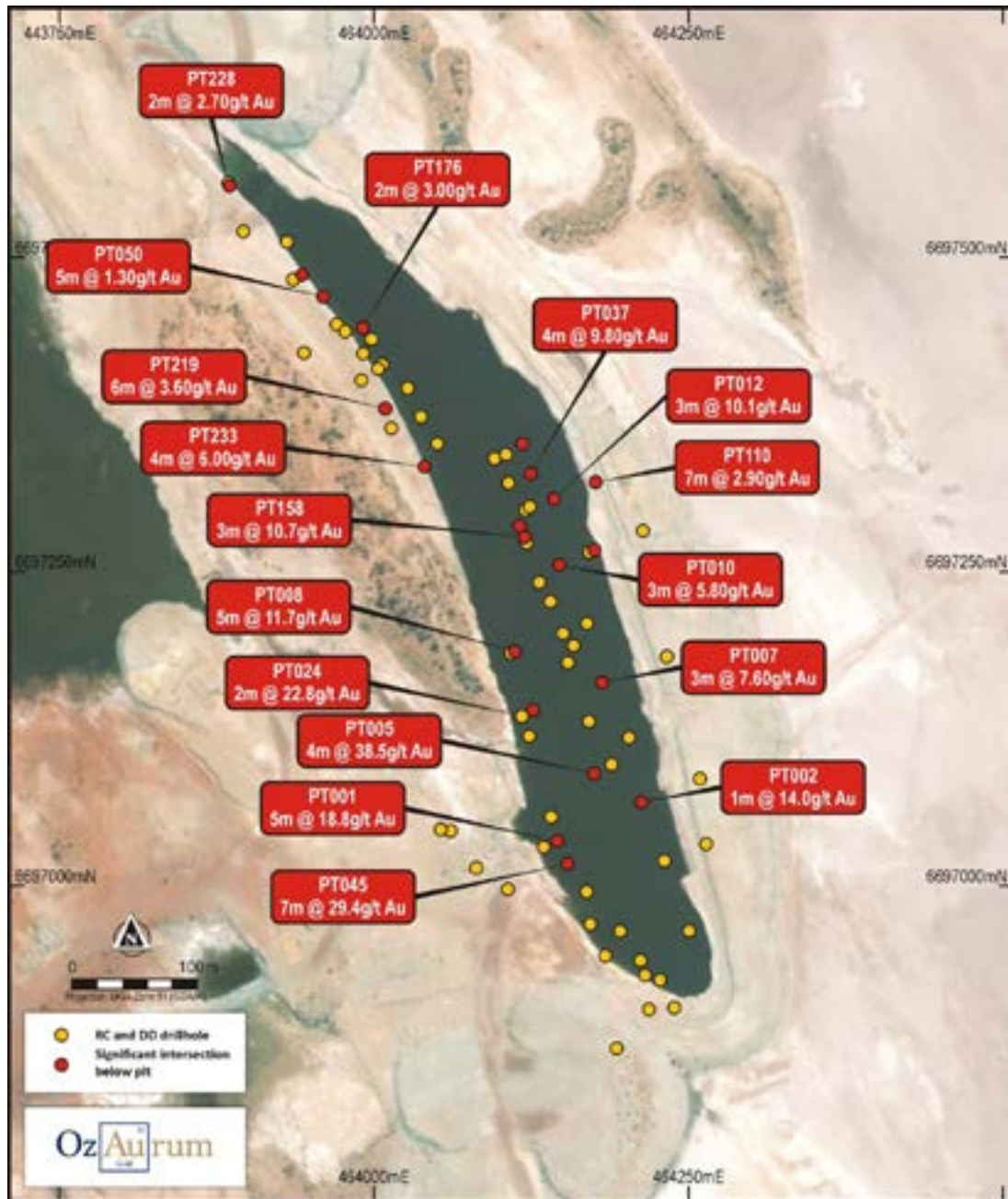


Figure 14 Distribution of significant RC and DD intersections below Patricia Pit

5.7 Metallurgical Test Work

The only record available to the Independent Geologist of any metallurgical test work done on Patricia ores is a review by industry consultant group IMO in 2014 of test work done by AMMTEC in 1984 on samples submitted by Aztec Exploration. The original work is referred to in A15026, but not yet available on WAMEX.

A sample of oxide ore assaying 6.0 g/t Au and 0.15% Cu, and a sample of primary ore assaying 17.6 g/t Au and 0.4% Cu, were subject to gravity separation and cyanide leaching of the tails. These reputedly gave 27.2% gravity recovery for the oxide and 35.6% recovery for the primary ore. Cyanide leaching of the tails indicated an overall recovery of 91.4% for oxide and 89.7% for primary ore. There is no indication of reagent consumption or leach kinetics in the original AMMTEC work. However it could reasonably be assumed that cyanide consumption would be relatively high on account of the high copper content. The IMO review concluded that "there was no reason to suggest that Patricia oxide and primary ores will cause metallurgical issues, and gold recoveries of greater than 90% would be expected".

Current industry-standard metallurgical test work should be an important part of the OzAurum Year 1 work program.

5.8 Summary Comment on Patricia

Patricia was one of the early open-pit mining ventures of the gold-mining renaissance of the mid 1980s. Since then nothing has been done. It was only mined to a depth of 25m, despite clear indication of the continuance of the high-grade mineralised zone below the pit. It is reasonable to conclude it failed because of the absence of the now-accepted techniques of resource modelling, grade control, selective mining and metal reconciliation. Surprisingly there is little evidence of tailings around the mine site, but there are extensive "waste" dumps around the pit. It is possible these contain treatable grade.

Patricia can, in the first instance, be considered a single open-ended high-grade deposit. However there are indications of multiple ore lenses and also of bulk lower-grade mineralisation. The main imperative is to establish a well controlled 3D geological model by extension drilling at depth and along strike, leading to a JORC 2012 Mineral Resource.

The role of the quartz porphyry needs to be investigated in terms of ore genesis and grade distribution. It appears to have acted as a structural control, and may also be a preferred receptor of mineralisation on account of its ubiquitous pyrite.

There are other porphyry intrusions along strike to the northwest and southeast within the OzAurum properties, but their bedrock shape is undefined at this stage, and they have never been drill tested. These would be important targets for further exploration. Their distribution, along with the komatiite layers, would be clearly revealed in detail by ultra-high resolution drone magnetics. Dilational jogs of the projected mineralised zone present fertile targets in the OzAurum tenements. There is evidence of a dilational jog to the south toward a mapped quartz porphyry, where the mine sequence can be expected on the immediate lake edge.

The first requirement at Patricia is to dewater the pit, remove the sludge and selectively clean the faces. The proximity of the playas of Lake Raeside will present technical challenges but these are certainly not insurmountable. Currently in the Eastern Goldfields there is a lot of exploration, development and mining in the playa environment.

6. PROPOSED EXPLORATION PROGRAM AND BUDGET

OzAurum has proposed a staged program of exploration for its two projects over a two-year period following its listing on the ASX. The Independent Geologist considers the work program is well conceived, is adequate in quantum to effectively test the immediate targets and to generate new targets. The Independent Geologist has reviewed the exploration budgets proposed by OzAurum, which are summarised in Table 7. The amounts proposed surpass the minimum expenditure obligations of the tenements with respect to the statutory commitments by the Western Australian Department of Mines Industry Resources and Safety (DMIRS).

Project	Activity	\$10M raise			\$12M raise			
		Year 1	Year 2	Total	Year 1	Year 2	Total	
Mulgabbie	Field equipment and camp establishment	125,000		125,000	125,000		125,000	
	Geological studies and detailed mapping	100,000		100,000	100,000		100,000	
	Ultra high resolution drone aeromagnetics	50,000		50,000	50,000		50,000	
	Assembly drillhole and geochemical databases	7,000		7,000	7,000		7,000	
	AC drilling Mulgabbie North	950,000		950,000	1,270,000		1,270,000	
	RC and DD drilling Mulgabbie North extensions	1,100,000	1,400,000	2,500,000	1,350,000	1,800,000	3,150,000	
	RC and DD drilling Perseverance	100,000	350,000	450,000	100,000	350,000	450,000	
	RC and DD drilling Mulgabbie Hotel	150,000	350,000	500,000	150,000	350,000	500,000	
	Resource modelling of defined deposits	20,000	20,000	40,000	20,000	20,000	40,000	
	Mineralogy and petrology studies	15,000	15,000	30,000	15,000	15,000	30,000	
	Subtotal	2,617,000	2,135,000	4,752,000	3,187,000	2,535,000	5,722,000	
	Direct overheads 10%	261,700	213,500	475,200	318,700	253,500	572,200	
	Mulgabbie Total	2,878,700	2,348,500	5,227,200	3,505,700	2,788,500	6,294,200	
	Patricia	Pit dewatering and re-mapping	250,000		250,000	250,000		250,000
		Ultra high-resolution drone aeromagnetics	20,000		20,000	20,000		20,000
RC and DD extensions drilling of orebody		100,000	980,000	1,080,000	150,000	1,200,000	1,350,000	
RC drilling of peripheral targets		20,000		20,000	20,000		20,000	
Resource modelling		20,000	40,000	60,000	20,000	40,000	60,000	
Petrology, metallurgy, geotechnical studies		40,000		40,000	40,000		40,000	
Scoping of initial operation		100,000		100,000	100,000		100,000	
Subtotal		550,000	1,020,000	1,570,000	600,000	1,240,000	1,840,000	
Direct overheads 10%		55,000	102,000	157,000	60,000	124,000	184,000	
Patricia Total		605,000	1,122,000	1,727,000	660,000	1,364,000	2,024,000	
DMIRS rents, shire rates	38,259	38,259	76,518	38,259	38,259	76,518		
Total Exploration	3,521,959	3,508,759	7,030,718	4,203,959	4,190,759	8,394,718		

Table 7: Proposed exploration program and budget, according to capital raise

It is understood that the proposed exploration programs may change in Year 2 from that currently stated and will be dependent upon the results from the Year 1, but they represent a realistic two-year program.

Signed by:



Dr Dennis Gee
BSc, PhD, MAIG
Date: 10 December 2020

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8. GLOSSARY OF TECHNICAL TERMS

Aeromagnetic	A geophysical survey undertaken by fixed-wing, helicopter, or drone for recording magnetic characteristics of rocks by measuring deviations of the Earth's magnetic field.
Agglomerate	Pertaining to a volcanic rock containing large fragments within finer-grained material, all of volcanic origin.
Alluvium	Accumulations of clay, silt, sand and gravel in defined water courses.
Amphibolite	Metamorphic rock composed mostly of amphibole mineral, generally derived by metamorphism of mafic rocks such as basalt and gabbro.
Andesite	Volcanic rock intermediate in composition between basalt and felsic volcanics.
Anomaly	A feature where exploration has revealed results higher than background levels of geophysical or geochemical parameters.
Anticline	An upward fold in stratified rock in which bedding dips downward from the crest.
Archaean	Period in earth history older than 2500 million years before present.
Arsenopyrite	Sulphide mineral of iron and arsenic, FeAs ₂
Assay	Testing and quantification metals of interest within a representative sample.
Basalt	Fine-grained mafic (magnesium and iron rich) volcanic rock.
Base metal	Usually refers to copper, lead and zinc.
Basin	Extensive thick pile of predominantly sedimentary rocks accumulated in a downwarp of the crust.
Batholith	Large Intrusive body of granite, extending over a large area.
Bedding	Primary layering in sedimentary rocks, as seen in BIF, shale and chert.
Bedrock	Fresh rock underlying regolith.
BIF	Banded iron-formation; a chemically precipitated sedimentary rock composed of laminations of fine magnetite, chert and other iron-silicate minerals.
Boudin	Bulbous sausage-like structure in deformed rock where extension in high strain zones produce pinch-and-swell features.
Carbonate	Calcium and/or ferrous and/or magnesium carbonate: Ca.Fe.MgCO ₃
Calcrete	Cemented aggregates of calcium and magnesium carbonates in the upper regolith, formed during evaporation of near-surface groundwater.
Chalcopyrite	Sulphide mineral of copper - CuFeS ₂ .
Chert	Fine-grained chemically precipitated sedimentary rock composed of cryptocrystalline silica.
Chlorite	Aluminium-iron-magnesium-hydrous silicate mineral common in metamorphic and hydrothermally altered rocks.
Clastic	Pertaining to a sedimentary rock made up of rock or mineral fragments, deposited grain by grain.
Colluvium	Unconsolidated surficial sheet of soil, mineral grains and rock fragments accumulating on lower slopes.
Costean	Surface trench dug to examine and sample sub-surface material.
Craton	Large, ancient, stable mass of continental crust.
Depletion	Loss of chemical components in the near-surface environment due to leaching during weathering.

Diamond drilling	Using a diamond impregnated bit for retrieving a core of rock.
Dip	The angle the rock stratum or structure is inclined from the horizontal.
Dilational jog	A structural zone of reduced stress and potential opening of rock structure, relating to a deflection or bend in a shear zone or fault.
Dolerite	Medium-grained mafic igneous rock of similar composition to basalt and gabbro, generally occurring as intrusive tabular sheets.
Dyke	Narrow sheet of intrusive rock filling discrete planar fractures an high angle to stratification.
Eluvial	Loose regolith material in close proximity to its point of formation, not in a defined water course.
Erosion	Physical and chemical processes by which rock material is loosened or dissolved and removed from its original position.
Fault	Planar or curvi-planar fracture in rock along which there has been displacement.
Feldspar	Group of rock-forming minerals comprises of Ca, K and Na aluminous silicates; major component of granite; the single most abundant mineral group in continental crust.
Felsic	Rock predominantly composed of feldspar and quartz, with minimal mafic components.
Felsic volcanic	Volcanic rock composed predominantly of felsic minerals, commonly called rhyolite or dacite
Ferruginous	Applied to weathered Fe-rich rocks, containing abundant goethite.
Foliation	Planar fabric in a deformed metamorphic rock expressed by alignment of constituent minerals.
Flitch	Serial mining surface and horizontal plan thereof in an open-pit mine
Footwall	The portion of rock below a mineralised or structural feature at the time of its formation.
Fuchsite	Blue-green coloured chrome muscovite.
Ga	Abbreviation for giga-year; applied to radiometrically dated rocks – thus 2.7Ga means 2,700,000 years before present.
Gabbro	Coarse-grained mafic rock, generally the intrusive equivalent of basalt.
GDA94	Geocentric Datum of Australia, adopted in 1994 to define geodetic coordinates.
Greenstone	Collective term for the volcanic, intrusive and sedimentary rock sequences that occur in discrete structurally-defined belts surrounded by regional voluminous granites, thus making the granite-greenstone terranes characteristic of Archaean cratons.
Granite	General term for coarse-grained felsic intrusive igneous rocks consisting mainly of quartz, feldspar and mica; can be used synonymously with granitoid.
Granophyric	The texture of an intrusive igneous rock characterised by irregular non-crystalline intergrowths of late stage minerals like quartz and feldspar.
Hangingwall	The portion of rock above a mineralised or structural feature at the time of its formation.
Hydrothermal	Pertaining to hot aqueous fluids, driven by magmatic heat, which transport metals and minerals in solution.
In situ	Referring to a rock or boulder that is “in-place” and not removed from outcrop.
Intrusion	A body of coarse-grained igneous rock resulting from emplacement of molten magma into host rocks below the surface of the earth.

Intrafolial fold	Small-scale detached fold of bedding and/or foliation that is completely encased in foliations in a deformed metamorphic rock.
JORC	Enduring acronym for Joint Ore Reserves Committee of AIMM, MCA and AIG. An industry code for reporting exploration results, mineral resources and ore reserves.
Komatiite	Type of ultramafic rock characterised by high (>18%) MgO, extruded as a volcanic lava.
Lateritic duricrust	Naturally cemented residuum of weathering, generally with high iron-oxide and alumina content.
Leaching	Removal of elements from soil or weathered rock by dissolution in near-surface waters and moving downward or laterally.
Mafic	Rock rich in magnesium and iron silicates – for example basalt, dolerite and gabbro.
Malachite	Blue-coloured copper carbonate produces at the weathering surface form copper sulphide minerals
Metamorphism	The change in rock fabrics and mineral assemblages as a result of high temperature and pressure associated with tectonic events.
Mineral resource	Specific term defined by JORC as a natural concentration of minerals in sufficient grade and quantity for which there is reasonable expectation of eventual economic extraction.
Muscovite	A white mica with high potassium.
Orogen	Tectonic belt of deformed rocks, usually comprising metamorphic and intrusive igneous rocks, mostly occurring in collision zones within and between cratons.
Outcrop	Surface expression of underlying rocks.
Palaeodrainage	Old preserved, inactive river system, in-filled with partially consolidated fluvial sediments that may continue to carry water in the subsurface.
Percussion drilling	An outdated extension of the RAB method, whereby a down-the-hole hammer was attached to the drill stem, which blew cuttings and dust up the walls of the hole, outside of the rods; not a face-sampling method.
Playa lake	Broad shallow ephemeral lake with surficial accumulations of evaporative salts, characteristic of arid areas with occasional rainfall; synonymous with salt lake.
Pluton	Medium-size intrusive body of granite generally ovoid shaped in plan.
Porphyry	Felsic sub-volcanic intrusive rock, with phenocrysts of quartz and/or feldspar in a fine-grained matrix.
Pyrite	Sulphide mineral of iron – FeS ₂ .
Pyrrhotite	Sulphide Mineral of iron – FeS.
Quartz	SiO ₂ ; after feldspar the second most abundant rock-forming mineral in continental crust.
RAB drilling	Rotary-air-blast drilling method in which cuttings are brought to the surface on the outside of the drill hole, thus risking mixing of drill intervals.
RC drilling	Reverse circulation drilling method in which rock cuttings from the face of the bit are brought to the surface inside the drill rods, thereby avoiding contamination.
Recumbent fold	Flat-lying fold in which the axial plane is near horizontal.
Regolith	Layer of unconsolidated material which overlies and covers <i>in situ</i> basement rock; includes weathered basement rock, transported alluvium and colluvium, and chemical cements and soil.

Residual	pertaining to regolith, that component remaining in place without significant lateral movement, expressed by lateritic scarps and uplands.
Saprolite	Deeply weathered bedrock with preserved textures, but changed mineralogy and chemistry by chemical leaching in the weathering profile.
Sedimentary rock	Stratified rock deposited in layers and consisting of clastic particles and chemical precipitates.
Schist	Medium-grained metamorphic rock, derived from sedimentary or volcanic rocks, chiefly notable for the preponderance of micaceous minerals.
Shale	Fine-grained laminated clastic sedimentary rock composed of quartz, carbonate grains with micaceous and clay minerals.
Shear zone	Planar zone of strong deformation surrounded by rocks with a lower state of strain.
Shoot	A linear or elongate mineralised feature within a planar structure or layer, commonly specified by the angle of pitch from the horizontal.
Sill	A tabular igneous body generally of dolerite or gabbro, intruded along the layering of the host rock.
Soil geochemistry	Chemical analysis of soil samples collected in the field on a regular grid pattern, to identify anomalously high areas of chemical elements.
Stockwork	An array of quartz veins of several orientations that forms a distinct cluster.
Stratigraphic	Describing the position of a sedimentary or volcanic rock unit in a progressive sequence of deposition.
Strike	The trend of the line of intersection of a dipping planar structure or layer with the horizontal plane: thus the trend of the feature as seen in plan view.
Supergene	Secondary zone of mineral growth, formed above a zone of primary mineralisation, and commonly giving enriched elemental values.
Syncline	A downward fold in stratified rock in which bedding dips upward from the hinge.
Talc	Magnesium silicate rock-forming mineral, formed by metamorphism of magnesian minerals, or hydrothermal alteration of mafic rocks.
Tectonic	Pertaining Relating to stresses and displacements over large areas, related to crustal plate movements.
Telluride	Pertaining to ore that contains tellurium minerals or tellurium naturally alloyed with gold.
Tholiite	A type of basalt characterised by high Fe, moderate-to-high TiO ₂ , low levels of alkalis, pervasive throughout geological time, resulting from high degrees of partial melting of upper mantle peridotite.
Tuff	Pertaining to a volcanic rock with fine-grained clastic texture.
Thrust fault	Inclined or flat-lying fault in which a slab of rock over-rides adjacent rocks.
Ultramafic	Rock composed mostly of mafic minerals, rich in magnesium, low in silica representing melting of near-surface mantle rocks.
Vein	Fracture filled with mineral material, most commonly hydrothermal quartz.

Appendix 1 JORC TABLE 1

Section 1 Sampling Techniques and Data

Criteria	Explanation
<i>Sampling techniques</i>	<p>Soil Sampling: Historical soil surveys referred to in this report (A62412, A66451, A77834) were collected by Toyota-mounted power auger to depths of 1-2metres, aimed at sampling the calcrete layer where present. Soil surveys taken by shovel scoops for the surface are not considered in this report.</p> <p>Rock Chips: No rock chips analyses are used in this report.</p>
<i>Drilling techniques</i>	<p>RAB drilling: Historical RAB drilling noted in this report (eg A21421, A54100, A22424, A68669) have been used as subsurface geological and geochemical mapping tools, to define drill targets.</p> <p>RC drilling: Historical RC drilling (excluding any old open-hole percussion drilling) referred to in this report has been collated mostly from analogue datasets, for the purpose of understanding established gold deposits and prospects. Contemporary RC aimed to determine geology and extent of mineralisation.</p> <p>Core drilling: Two DD core holes have been drilled at Mulgabbie (both at Mulgabbie North). A total of 36 DD holes have been drilled at Patricia</p>
<i>Drill sample recovery</i>	The recoveries of RC and DD drilling have not been examined, as it is not necessary for the production of this report.
<i>Logging</i>	Lithological Log codes are available for all historic drill programs at Mulgabbie, but are partly missing for Patricia drilling.
<i>Sub-sampling techniques and sample preparation</i>	For the historic RC drilling, sub-sampling techniques are varied, but generally collected generally by rig-mounted cyclone, then in-line riffle splitter: some pear sampling is evident. For contemporary RC drilling (A Pumphrey) drill cuttings were passed through a rig-mounted cyclone, then cone splitter with in-line riffle splitter. Bulk cuttings were collected at one-meter intervals in bulk plastic bags, along with 3kg representative sample from the splitter, collected in small calico bags, and used for analysis.
<i>Quality of assay data and laboratory tests</i>	Historical assays as recorded in this report have been done by a variety of proprietary codes by commercial laboratories. These generally involve weigh, dry and pulverise to about 75µ, and gold assay of a 50g charge by aqua-regia digest and Pb collection fire assay. All analyses are total. Commercial laboratories used by previous explorers report their own internal standards, and approximately one-in-ten repeats for gold, and repeats of selected high-grade results. QA/QC procedures of the exploration companies are recorded in digital assay files for more recent analyses. Certificates of analyses issued by the analytical companies are present.
<i>Verification of sampling and assaying</i>	No verification of historical assays has been attempted. OzAurum has twinned one RC hole with PQ core at Mulgabbie. No adjustments of any historic analyses have been made.
<i>Location of data points</i>	Early RAB and RC collar coordinates were obtained by transformation of local grid to GDA94. Later DD and RC holes are located from statutory digital reports to DMIRS.
<i>Data spacing and distribution</i>	Data spacing is considered suitable for future maiden resource estimation. Sampling and analysis has been done on a meter-by-meter basis of zones of mineralisation and alteration.
<i>Location of data points</i>	No mineral resource estimation is done. Attributes and results for previous RC drilling are of sufficient quality for inclusion in any future resource estimation, but will require further twinning and validation.
<i>Orientation of data in relation to geological structure</i>	Azimuths of all previous RC drilling are orthogonal to strike of the mineralised layer. Drill-hole inclination of 60 ^o generally gives intersections at highest possible angle, although some historic drilling is significantly acute to layering.. No true thicknesses are quoted in the report
<i>Sample security</i>	For OzAurum drilling all samples have been personally delivered to laboratories by OzAurum personnel. The one-metre splits have been removed from site and stored in a locked shed. No records of historic sampling security procedures exist.
<i>Audits or reviews</i>	Audit of sampling techniques of previous drilling is not possible.

Section 2 Reporting of Exploration Results

Criteria	
<i>Mineral tenement and land tenure status</i>	All tenements subject to this IGR are shown on DMIRS public spatial data sets. There are no overlapping nature reserves, or contested overlaps. Heritage surveys have been completed and there are no impediments to outstanding grants. Refer to the Solicitors report of this Prospectus for the full tenement schedule and related tenure information.
<i>Exploration done by other parties</i>	All WAMEX open-files relating to Mulgabbie and Patricia have been assessed and those directly relevant are summarized in the Report.
<i>Geology</i>	OzAurum's projects lie on Archaean greenstones of the Eastern Goldfields. Mesothermal gold deposits are the exploration and development targets.
<i>Drill hole Information</i>	The details (including easting, northing, total depth, azimuth, dip and significant intersections) of material drilling data at both Mulgabbie and Patricia Projects are given in the Report. Significant intersections are down-hole intersections. RAB drilling is used only as geological and geochemical indicators. Early open-hole percussion holes are treated similarly. They are not considered to be material, and are excluded from detailed tabulation in this IG Report.
<i>Data aggregation methods</i>	Significant intercepts tabulated in the Report are arithmetic averages of uncut single metre values that exceed 0.5g/t, and allow for two metres of internal dilution, and aggregate to more than 5gram-metres. Exploration drilling results quoted in this report are arithmetic averages of uncut meter-by-meter analyses of Au.
<i>Relationship between mineralisation widths and intercept lengths</i>	All intercepts quoted in this report are down-hole widths and are not true widths.
<i>Diagrams</i>	Appropriate maps and cross-sections are included in the IG Report.
<i>Balanced reporting</i>	Only intercepts that are significant and relevant to gold are included in the IG Report. Some of the early drilling lacks adequate documentation and not reported.
<i>Other substantive exploration data</i>	All available exploration data, including aeromagnetic imagery, soil surveys and drilling have been considered in the production of this IG Report.
<i>Further work</i>	Further work will be as detailed in the Work Program and Budget of this Prospectus. It will involve detailed geological mapping, Drone geophysics, RC and DD drilling, and resource modelling.

Appendix 2 ANNOTATED TABULATION OF RELEVANT WAMEX REPORTS

A-No	Year	Operator	Project	Comment
A54100	1998	Goldfields Exploration	Relief Well	RC and RAB drilling
A40849	1994	Main Reef Gold	Mulgabbie North	Geological report
A63201	2000	Gutnick Resources NL	Relief Well	RC drilling
A21421	1987	Freeport of Australia	Ellis Dam	RAB, RC, DD drilling
A24912	1988	Auralia Resources NL	Ellis Dam	106 RAB holes, 10 RC holes
A65937	2003	A Pumphrey	Mulgabbie North	4 AC holes
A89506	2011	A Pumphrey	Mulgabbie north	2 RC holes
A51944	1997	Pancontinental Mining	Relief Well	RC drilling, RAB drilling
A55388	1998	Goldfields Exploration	Relief Well	5 RC holes, 60 RAB, 1AC
A71306	2005	Jackson Gold Ltd	Mulgabbie	RAB drilling, data review
A71918	2006	A Pumphrey	Mulgabbie North	Auger soil sampling
A77834	2008	A Pumphrey	Mulgabbie North	Auger soil sampling
A103734	2014	Saracen Gold Mines	Carosue Dam	RC drilling
A14888	1984	Freeport of Australia	Mulgabbie	6 RC holes
A18646	1986	Open Pit Mining	Mulgabbie	14 RC holes
A22424	1987	Yinex NL	Mulgabbie	171 RAB holes
A45186	1995	Yinex NL Diablo Cliffs NL	Mulgabbie	15 RC holes
A46644	1996	Yinex NL Diablo Cliffs NL	Mulgabbie	31 RC holes
A50851	1997	Yinex NL Diablo Cliffs NL	Mulgabbie	7 RC holes
A57668	1998	Yinex NL Diablo Cliffs NL	Mulgabbie	75 RAB holes
A18547	1986	Western Reefs Ltd	Mulgabbie	Geochemical sampling
A19849	1986	Western Reefs Ltd	Mulgabbie	Trial Mining, RAB drilling, costeaning
A22302	1987	Western Reefs Ltd	Mulgabbie	Trenching, 11 RC holes, 150 RAB holes
A51944	1997	Pancontinental Mining	Relief Well	3 RC holes, drilling, RAB drilling
A56323	1978	Western Reef, Burdekin	Mulgabbie	37 RAB holes
A59306	1999	Gutnick Resources NL	Mulgabbie	4 RC holes, 82 RAB holes
A63201	2000	Gutnick Resources NL	Relief Well	2 RC holes
A55487	1998	Aberfoyle Resources	Mulgabbie South	24 AC holes, 24 RAB holes
A62412	2001	Croesus Mining NL	Mulgabbie	auger soils, 55 RAB holes
A66451	2003	Vulcan Resources	Mulgabbie	27 AC holes, soil sampling
A66902	2003	Vulcan Resources	Mulgabbie	Auger soils
A68669	2004	Vulcan Resources	Mulgabbie	38 RAB holes
A92249	2012	Saracen Gold Mines	Carosue	Auger soil sampling
A98071	2013	A Pumphrey	Patricia	Geological activities
A49137	1996	Reefhill Investments	Patricia	Auger soils, rock chips
A45624	1995	Aurifex Mining NL	Patricia	Non-JORC estimation
A17168	1985	Aztec Exploration	Patricia	Geological mapping
A16811	1985	Aztec Exploration	Patricia	Plant construction, costeans, 28 RC holes
A15138	1985	Aztec Exploration	Patricia	42 DD holes
A15027	1985	Aztec Exploration	Patricia	Geological mapping, 8 percussion holes
A15026	1985	Aztec Exploration	Patricia	149 grade control holes
A15025	1985	Aztec Exploration	Patricia	Costeans along strike

6



RC Drill Rig on-site at Mulgabbie North, October 2020

Section 6

Solicitor's Report on Tenements



PHONE (61-8) 6211 5000 | FAX (61-8) 6211 5055 | ABN 83 662 050 668

POSTAL ADDRESS PO Box Z5433, St Georges Tce Perth WA 6831

ADDRESS Level 24 St Martins Tower 44 St Georges Tce
Perth WA 6000

8 December 2020

The Directors
OzAurum Resources Ltd
42 Hannan Street
KALGOORLIE WA 6430

Dear Sirs

OzAurum Resources Ltd (ACN 643 244 544)
Legal Report on Mining Tenements

This report has been prepared for inclusion in the prospectus (**Prospectus**) to be issued by OzAurum Resources Ltd (ACN 643 244 544) (**Company**) on or about 10 December 2020 for the offer of up to 40,000,000 fully paid ordinary shares in the Company (**Shares**) at \$0.25 each to raise up to \$10,000,000 with oversubscriptions of up to \$2,000,000 (**Offer**).

1 Introduction and scope

- (a) We have been instructed by the Company to prepare this report in respect of mining tenements (including applications) in which the Company has an interest in (**Tenements**).
- (b) Details of the Tenements are listed in the attached Schedule of Tenements (**Schedule**) which, together with the notes to the Schedule (**Notes**), forms part of this report.
- (c) All of the Tenements are located in Western Australia and are identified in the Schedule.

2 Searches

- (a) We have conducted the following searches of information available on public registers in respect of the Tenements (**Searches**):
 - (i) searches of the Tenements in the registers maintained by the Western Australian Department of Mines, Industry Regulation and Safety (**DMIRS**) on 3 December 2020 (**Tenement Searches**);
 - (ii) quick appraisal searches of DMIRS's electronic register on 3 December 2020 (**DMIRS Appraisals**);
 - (iii) native title searches of the registers maintained by the National Native Title Tribunal (**NNTT**) on 3 December 2020 (**Native Title Searches**); and
 - (iv) Aboriginal heritage site searches on the Register of Aboriginal Sites maintained by the Western Australian Department of Aboriginal Affairs (**DAA**) on 3 December 2020 (**WA Heritage Searches**).
- (b) We have assumed that the information in the registers maintained by the DMIRS and DAA is accurate. The references in the Schedule to the areas of the Tenements are taken from details shown on the electronic registers of DMIRS and DAA. No survey was conducted to verify the accuracy of the Tenement areas.
- (c) We have further assumed that the various parties' signatures on all material agreements relating to the Tenements provided to us are authentic, and that the agreements are and were within the capacity and powers of those who executed them. We assume that all of the agreements were validly authorised, executed and delivered by and are binding on the parties to them and comprise the entire agreements of the parties to each of them concerning their respective subject matters.

3 Opinion

As a result of the Searches, but subject to the assumptions and qualifications set out in this report, we are of the view that, as at the date of the relevant Searches, this report provides an accurate statement as to:

- (a) **(Tenements)** the Sellers' interests in the Tenements;
- (b) **(Good standing)** the validity and good standing of the Tenements;
- (c) **(Conditions)** the conditions which apply to the Tenements; and
- (d) **(Third party interests)** third party interests, including encumbrances, Native Title and Aboriginal heritage, in relation to the Tenements.

4 Executive Summary

- (a) The Company and OzAurum Mines Pty Ltd (**Subsidiary**) earned an interest in the Tenements pursuant to the following Option Agreements with:
 - (i) Andrew Ian Pumphrey (**Pumphrey**) and Michael Timothy Harold Daffen (**Daffen**) dated 19 October 2020;
 - (ii) Pendragon (WA) Pty Ltd (ACN 124 384 738) (**Pendragon**), Bedivere Holding Pty Ltd (ACN 105 274 244) ATF The Glastonbury Trust (**Bedivere**) and Pumphrey dated 19 October 2020; and
 - (iii) Pumphrey dated 19 October 2020;(together the "**Option Agreements**")
- (b) On 20 October 2020, the Subsidiary exercised their option pursuant to the Option Agreements to purchase the Tenements from Pumphrey, Daffen, Pendragon and Bedivere (together, the **Sellers**).
- (c) On 27 October 2020, completion of the acquisition of the Tenements occurred pursuant to the Option Agreements. The Tenement transfers are currently in the process of being assessed for duty and stamping with the West Australian Office of State Revenue (**OSR**). Once the Tenements have been duty assessed, the transfers will be lodged with DMIRS to enable the Subsidiary to become the registered owner of the Tenements. All tenement applications will be held on trust by the Sellers for the Subsidiary if and when they are granted by DMIRS and are able to be legally transferred to the Subsidiary.

5 Mining tenements and applications in Western Australia

The Tenements include exploration licences, prospecting licences, mining leases, and miscellaneous licences granted or applied for under the Mining Act. The following is an overview of the nature and key terms of these types of tenements as set out in the Mining Act.

5.1 Exploration licence

- (a) **(Overview)** An exploration licence granted under the Mining Act empowers the holder to enter the land the subject of the exploration licence and undertake operations for the purposes of exploring for minerals including extracting up to 1,000 tonnes of material from the ground.
- (b) **(Term)** An exploration licence remains in force for 5 years from the date of grant with the possibility of applying for an extension under the Mining Act.
- (c) **(Area)** An exploration licence must not be granted in respect of an area which is greater than 70 blocks, unless otherwise designated by the Minister of Mines, Industry Regulation and Safety (WA) (**DMIRS Minister**).
- (d) **(Expenditure)** The holder of an exploration licence is required to spend certain amounts upon exploration activities during the term. If these expenditure obligations are not met, the exploration licence may be forfeited.
- (e) **(Surrender)** The Mining Act provides that 6 years after the grant of an exploration licence over an area of more than 10 blocks, if the holder applies for an extension of the term of the exploration licence, the holder is required to surrender 40% of the number of blocks that are subject to the exploration licence.
- (f) **(Transfer)** Once an exploration licence has been granted, it cannot be transferred during the first year of its term without the tenement holder obtaining the consent of the DMIRS Minister.
- (g) **(Conversion)** The holder of an exploration licence has, subject to the Mining Act, the right to apply for and to have granted a mining lease over the land the subject of the exploration licence.
- (h) **(Interests):**
 - (i) **Pumphrey** has a 100% interest in the following exploration licences:
 - E 31/1083

- E 31/1137;
- E 31/1085; and
- E 28/2477.

5.2 Exploration Licence Application

- (a) **(Overview)** If an Exploration Licence Application (**ELA**) is successful the DMIRS Minister will grant an exploration licence to the applicant. An ELA gives the applicant no title to land or any exclusive rights relating to the land the subject of the application.
- (b) **(Grant)** For there to be a valid grant the procedures outlined in section 10 and 11 below must have been followed.
- (c) **(Interest)**
 - (i) **Pumphrey** has a 100% interest in the following exploration licence application:
 - E 28/3003.

5.3 Prospecting licence

- (a) **(Overview)** A prospecting licence granted under the Mining Act empowers the holder to enter the land the subject of the prospecting licence and undertake operations for the purposes of prospecting for minerals.
- (b) **(Term)** A prospecting licence remains in force for 4 years from the date of grant with the possibility of applying for an extension under the Mining Act.
- (c) **(Area)** A prospecting licence must not be granted in respect of an area which is greater than 200 hectares.
- (d) **(Expenditure)** The holder of a prospecting licence is required to spend certain amounts upon prospecting activities during the term. If these expenditure obligations are not met, the prospecting licence may be forfeited.
- (e) **(Transfer)** Once a prospecting licence has been granted it cannot be transferred during the first year of the term of the license without the tenement holder obtaining ministerial consent.
- (f) **(Conversion)** The holder of a prospecting licence has, subject to the Mining Act, the right to apply for and to have granted a mining lease over the land the subject of the prospecting licence.
- (g) **(Interests)**
 - (i) **Pumphrey** has a 100% interest in the following prospecting licence:
 - P 31/2063.

(ii) **Pumphrey** has a 54% interest and **Pendragon** has a 46% interest in the following prospecting licences:

- P 28/1301;
- P 28/1302;
- P 28/1303; and
- P 28/1304.

5.4 Prospecting licence application

(a) **(Overview)** A prospecting licence application gives the applicant no title to land or any exclusive rights relating to the land the subject of the application. If a prospecting licence application is successful the DMIRS Minister will grant a prospecting licence to the applicant.

(b) **(Grant)** The prospecting licence application must be made in the prescribed form including a written description of the area of land in respect of which the licence is sought and a map delineating the boundaries, accompanied by the prescribed rent and application fee. The application is subject to the processes set out in sections 7 (Objections), 10 (Native Title Claims) and 12 (Validity of Tenements).

(c) **(Interests)**

(i) **Pumphrey** has a 54% interest and **Pendragon** has a 46% interest in the following prospecting licence applications:

- P 28/1390;
- P 28/1388;
- P 28/1356; and
- P 28/1389.

(ii) **Pumphrey** has a 66.67% interest and **Daffen** has a 33.33% interest in the following prospecting licence application:

- P 28/1357.

5.5 Mining lease

(a) **(Overview)** A mining lease granted under the Mining Act empowers the holder to work and mine the land, take and remove from the land any minerals and dispose of them and do all acts and things necessary to carry out mining operations in or under the land the subject of the mining lease. In addition, the holder owns all minerals lawfully mined from the land the subject of the mining lease.

(b) **(Term)** A mining lease remains in force for an initial term of 21 years from the date of grant with the possibility of applying for an extension under the Mining Act.

- (c) **(Area)** There is no limit on the area which can be granted under a mining lease. However, the area applied for must relate to an identified orebody as well as an area for infrastructure requirements.
- (d) **(Expenditure)** The holder of a mining lease is required to spend certain amounts upon mining activities during the term. If these expenditure obligations are not met, the mining lease may be forfeited.
- (e) **(Interests)**
 - (i) **Pumphrey** has a 100% interest in the following Mining Leases:
 - M 28/240.
 - M 31/487.
 - (ii) **Pumphrey** has a 54% interest and **Pendragon** has a 46% interest in the following Mining Lease:
 - M 28/364.

5.6 Miscellaneous licence

- (a) **(Overview)** A miscellaneous licence granted under the Mining Act empowers the holder to use the land for prescribed purposes, including (but not limited to) as a road, power line, bridge, mine site accommodation facility or a storage or transportation facility for minerals.
- (b) **(Term)** A miscellaneous licence remains in force for an initial term of 21 years from the date of grant with the possibility of applying for an extension under the Mining Act.
- (c) **(Area)** There is no limit on the area which can be granted under a miscellaneous licence.
- (d) **(Expenditure)** No expenditure requirements are imposed on the holder of a miscellaneous licence.
- (e) **(Interests)**
 - (i) **Pumphrey** has a 100% interest in the following Miscellaneous Licences:
 - L 31/73;
 - L 28/48;
 - L 28/49; and
 - L 28/71.

6 Tenement conditions and forfeiture

- (a) Mining tenements in Western Australia are granted subject to various standard conditions prescribed by the Mining Act and the *Mining Regulations 1981* (WA) including payment of annual rent, minimum

expenditure requirements, reporting requirements and standard environmental conditions. Further, conditions may be imposed by the DMIRS Minister in respect of a particular mining tenement (such as restrictions on mining or access to certain reserves).

- (b) The endorsements and conditions for each Tenement are set out in Part 2 of the Notes.
- (c) If a tenement holder fails to comply with the terms and conditions of a tenement, the warden of mines (WA) (**Warden**) or the DMIRS Minister (as applicable) may impose a fine or order that the tenement be forfeited. In most cases an order for forfeiture can only be made where the breach is of sufficient gravity to justify forfeiture of the tenement. In certain cases, a third party can institute administrative proceedings under the Mining Act before the Warden seeks forfeiture of the tenement.
- (d) In the case of a failure to comply with the annual minimum expenditure requirements, the tenement holder can apply to the DMIRS for an exemption. In addition, a third party can object to an application for exemption from expenditure. If an exemption application is refused then it is open to the Warden or DMIRS Minister (as applicable) to impose a fine or make an order for forfeiture.
- (e) Our Searches indicate that there are no current or outstanding forfeiture applications lodged with respect to any of the Tenements, as at the date of this Report.

7 Objections

- (a) All mining tenement applications are subject to a 35-day objection period. If there is no objection to a tenement application during the 35-day period the mining registrar makes a recommendation to the DMIRS Minister, who makes the final decision whether or not to grant the application. In most cases, applications are also subject to the "future act" procedures under the *Native Title Act 1993* (Cth) (**NTA**) (see section 11.2 of this Report).
- (b) If an objection to a tenement application is lodged, the matter will be referred to the Warden for a hearing. At the conclusion of the hearing, the Warden makes a recommendation to the DMIRS Minister for grant or refusal of the tenement.
- (c) Alternatively, the tenement applicant may seek to settle the conflict underlying the objection directly with the person lodging the objection, such that the objector agrees to withdraw their objection.
- (d) The timeframe for resolving objections varies on a case by case basis and will depend on a range of factors including the complexity of the hearing and whether the parties are able to settle the conflict by mutual consent prior to the conclusion of the hearing.
- (e) The DMIRS Minister will then determine the application after all other matters have been finalised, including any of the native title procedures outlined in sections 9, 10 and 11 of this report. The DMIRS Minister may grant or refuse the application irrespective of the Warden's recommendation.

- (f) The Tenement Searches indicate that the following objections have been lodged in respect of the applications for tenements:

7.2 Pumphrey

7.2.1 L 31/73

- (a) **Objection 581153**
- (i) Lodged: 30/06/2020
 - (ii) Objectors: Legacy Iron Ore Ltd
 - (iii) Objection Type: Tenement Application
 - (iv) The objection will be heard before the Warden at Kalgoorlie on 18 December 2020.

7.3 Pendragon (46%) and Pumphrey (54%)

7.3.1 P 28/1388

- (a) **Objection 585729**
- (i) Lodged: 08/09/2020
 - (ii) Objectors: Saracen Gold Mines Pty Ltd
 - (iii) Objection type: Tenement application
 - (iv) The objection was heard before the Warden at Kalgoorlie on 27 November 2020 and Saracen Gold Mines Pty Ltd agreed to withdraw their objection.

8 Bonds

- (a) An Unconditional Performance Bond (**UPB**) is a contract between the DMIRS Minister and a third party of financial standing. This contract needs to be acceptable to the DMIRS Minister providing for the third party to unconditionally pay an agreed sum to the DMIRS Minister upon his request, following the failure of the tenement holder to meet with environmental conditions imposed on a mining tenement.
- (b) The UPB must be in a form pre-approved by the department and guaranteed by a financial institution approved by the DMIRS Minister and must show the name(s) of the current holder(s) of the mining tenement.
- (c) UPBs may be required from a tenement holder and are intended to provide the State with an extra guaranteed access to funds so that necessary rehabilitation can be undertaken on mining tenements. This occurs in cases where tenement holders have failed to comply with any environmental conditions that have been imposed. The approved financial institution providing the UPB remains liable to the DMIRS Minister even when a tenement holder is in bankruptcy or liquidation. An UPB remains valid and enforceable until it is retired by the DMIRS Minister, such as when he is satisfied that the relevant obligations have been met by the tenement holder. Once retired the original UPB document is returned to the relevant financial institution, at the address provided on the UPB document, and written notification of the retirement is sent to the tenement

holder stated on the UPB document.

- (d) Our Searches indicate that there are no bonds.

9 Aboriginal sites

9.1 Commonwealth legislation

- (a) The Tenements are subject to the provisions of the *Aboriginal and Torres Strait Islander Heritage Protection Act (1984)* (Cth) (**Commonwealth Heritage Act**).
- (b) The Commonwealth Heritage Act contains provisions designed to preserve and protect from injury or desecration, areas and objects which are of particular significance to Aboriginal people in accordance with Aboriginal tradition. An area or object is found to be desecrated if it is used or treated in a manner inconsistent with Aboriginal tradition.
- (c) The Commonwealth Minister for Indigenous Affairs may make a declaration to preserve an Aboriginal area or site of significance. Such declarations may be permanent or interim and have the potential to interfere with mining or exploration activities. Failure to comply with a declaration is an offence under the Commonwealth Heritage Act.

9.2 Western Australian legislation

- (a) The *Aboriginal Heritage Act 1972* (WA) (**WA Heritage Act**) applies to the Tenements as they are located in Western Australia. This Act makes it an offence, among other things, to alter or damage an Aboriginal site or object on or under an Aboriginal site.
- (b) An Aboriginal site is defined under the WA Heritage Act to include any sacred, ritual or ceremonial site which is of importance and special significance to persons of Aboriginal descent.
- (c) An Aboriginal site may be registered under the WA Heritage Act, but registration is not required. In fact there is no requirement or need for an Aboriginal site to be registered in any public manner or, indeed, to be in any way acknowledged as an Aboriginal site for it to qualify as an Aboriginal site under the WA Heritage Act. Tenement holders customarily consult with Aboriginal traditional owners of the tenement land and undertake Aboriginal heritage surveys to ascertain whether any Aboriginal sites exist and to avoid inadvertent disruption of these sites.
- (d) The WA Heritage Searches indicate that several of the Tenements are subject to registered Aboriginal Heritage sites. Details of the Aboriginal Heritage site overlaps are set out in Part 3 of the Notes. There may also be other unregistered Aboriginal heritage sites on the Tenements.
- (e) In order to engage in any activity that may interfere with an Aboriginal site, the tenement holder must obtain the consent of the Minister for Aboriginal Affairs (WA) (**DAA Minister**) pursuant to section 18 of the WA Heritage Act. This requires submissions from the tenement holder to the DAA on the proposed activities, the possible impact on the Aboriginal sites, any negotiations conducted with Aboriginal traditional owners of the lands and any measures that will be taken to minimise the interference.

- (f) The DAA Minister will seek a recommendation from the Aboriginal Cultural Material Committee prior to making any determination under section 18 of the WA Heritage Act.
- (g) The tenement holder must ensure that any interference with any Aboriginal sites that affect the Tenements strictly conforms to the provisions of the WA Heritage Act, including any conditions set down by the DAA Minister, as it is otherwise an offence to interfere with such sites.

10 Native title legislation

- (a) The existence of native title at common law was first recognised in *Mabo v Queensland (No. 2)* (1992) 175 CLR 1 (**Mabo Case**), a decision of the High Court of Australia made on 3 June 1992. In general, native title rights to land will be recognised where:
 - (i) the claimants can establish that they have maintained a continuous connection with the land in accordance with their traditional laws and customs since British settlement in 1788; and
 - (ii) the native title rights have not been lawfully extinguished.
- (b) The High Court held in the Mabo Case that native title rights can be lawfully extinguished by certain government legislation and executive actions which are not inconsistent with native title. In order for extinguishment to be lawful the extinguishment must comply with the obligations imposed by the *Racial Discrimination Act 1975* (Cth).
- (c) After the Mabo Case, considerable uncertainties existed about the validity of proprietary rights in Australia, including mining tenements. To address those uncertainties the Commonwealth Parliament responded by passing the NTA.
- (d) The NTA came into effect in January 1994 and was substantially amended in 1998 in response to the decision of the High Court in *The Wik Peoples v State of Queensland* (1996) 197 CLR 1 (**Wik Case**). The Wik Case recognised that the granting of a pastoral lease did not necessarily extinguish all native title rights, some of which could co-exist with the rights under a pastoral lease.
- (e) In summary, the NTA:
 - (i) provides for recognition and protection of native title;
 - (ii) sets up mechanisms for determining claims for native title such as the “right to negotiate” which allows native title claimants to be consulted in relation to certain mining and other developments;
 - (iii) makes valid certain “past acts” which would otherwise be invalidated because of native title;
 - (iv) establishes ways in which “future acts” affecting native title (e.g. the granting of mining tenement applications and converting exploration licences and prospecting licences to mining leases) may proceed and how native title rights are protected, including rights to compensation; and

- (v) provides a process by which claims for native title and compensation can be determined.
- (vi) The Western Australian Parliament passed its own legislation, the *Land (Title and Traditional Usage) Act 1993 (WA) (WA Act)* prior to the NTA. On 16 March 1995 the High Court found that the WA Act was invalid, and accordingly that Western Australia must comply with the NTA.
- (f) The High Court decision in *The State of Western Australia v Ward* (2002) HCA 28 (8 August 2002) established that where tenure such as a pastoral lease is granted, native title is extinguished to the extent that it is inconsistent with the rights conferred by the pastoral lease.

11 Native title claims

11.1 Procedure

- (a) Persons claiming to hold native title land may lodge an application for determination of native title with the Federal Court of Australia. Once a native title claim has been lodged, the Court will refer the application to the Native Title Registrar. The Native Title Registrar must determine whether the claim meets certain conditions concerning the merits of the claim, and certain procedural and other requirements set out by the NTA.
- (b) If the Native Title Registrar is satisfied the lodged claim meets the registration requirements set out in the NTA (**Registration Test**), it will be entered on the Register of Native Title Claims (**Register**) maintained by the NNTT. Claimants of registered claims are afforded certain procedural rights under the NTA including the "right to negotiate".
- (c) Claims which fail to meet the Registration Test are recorded on the NNTT's Schedule of Applications Received. Such claims may be entered on the Register at a later date if additional information is provided by the claimant that satisfies the Registration Test.
- (d) Existing pastoral leases on land the subject of the Tenements extinguish the right of native title claimants to control the land, restrict access to the land and require permission for acts to be done.
- (e) Where the Tenements relate to land which is currently the subject of a determined native title claim, the determination may provide that, in respect of the determination area, there is no native title right or interest in minerals as defined by the Mining Act.
- (f) We have not undertaken the considerable historical, anthropological and ethnographic work that would be required to determine the likelihood that the native title determination may be challenged, or the possibility of any further claims being made in the future.

11.2 Registered claims and determinations

- (a) The Tenement Searches indicate that some of the Tenements are subject to native title claims.

(b) In relation to the following tenements, each has been native title cleared through the expedited procedure:

- (i) P 28/1304;
- (ii) P 28/1302;
- (iii) P 28/1303;
- (iv) P 28/1301;
- (v) P 31/2063;
- (vi) E 31/1085;
- (vii) E 31/1137;
- (viii) E 31/1083; and
- (ix) E 28/2477.

Details on the expedited procedure are set out in section 12.2.2(c).

(c) In relation to the following tenements, they have been through the infrastructure procedure and have been infrastructure cleared Native Title:

- (i) L 28/49; and
- (ii) L 28/48.

(d) In relation to the following tenements, they have been through the right to negotiate procedure and have finalized negotiations:

- (i) M 31/487

Details on the right to negotiate are set out in section 12.2.1.

12 Validity of the Tenements

12.1 Tenements granted since 23 December 1996

- (a) Mining tenements granted since 23 December 1996 which affect native title rights and interests will be valid provided that the “future act” procedures set out in section 12.2 below were followed by the relevant parties.
- (b) As the Company has not been party to the native title proceedings or negotiations, we have assumed that the relevant NTA procedures were followed in relation to each Tenement for the purposes of this report. We further note that we are not aware of any reason why the Tenements would be regarded as having not been validly granted.

12.2 Future tenement grants

12.2.1 *Right to negotiate*

- (a) The valid grant of any mining tenement which may affect native title

requires full compliance with the provisions of the NTA in addition to compliance with the usual procedures under the relevant State or Territory mining legislation. The primary procedure prescribed under the NTA is the "right to negotiate" process.

- (b) The right to negotiate process involves publishing or advertising a notice of the proposed grant of a tenement followed by a 6-month period of negotiation between the State or Territory Government, the tenement applicant and the relevant registered native title claimant. If agreement is not reached to enable the grant to occur, the matter may be referred to arbitration before the NNTT, which has a further 6 months to reach a decision. The decision of the NNTT may be reviewed by the relevant Commonwealth Minister.

12.2.2 *Indigenous land use agreements*

- (a) The right to negotiate process does not have to be pursued in cases where an indigenous land use agreement (**ILUA**) is negotiated with the relevant native title claimants and registered with the NNTT. In such cases, the procedures prescribed by the ILUA must be followed to obtain the valid grant of the relevant mining tenement. These procedures will vary depending on the terms of the ILUA.
- (b) An ILUA will generally contain provisions in respect of what activities may be conducted on the land the subject of the ILUA, and the compensation to be paid to the native title claimants for use of the land.
- (c) Our Searches indicate that none of the Tenements are subject to ILUAs.

12.2.3 *Expedited procedure*

- (a) The right to negotiate process is not required to be followed in respect of a proposed future act in instances where the "expedited procedure" under the NTA applies.
- (b) The expedited procedure applies to a future act under the NTA if:
 - (i) the act is not to interfere directly with the carrying on of the community or social activities of the persons who are the holders of native title in relation to the land;
 - (ii) the act is not likely to interfere with areas or sites of particular significance, in accordance with their traditions, to the persons who are holders of the native title in relation to the land; and
 - (iii) the act is not likely to involve major disturbance to any land or waters concerned or create rights whose exercise is likely to involve major disturbance to any land.
- (c) When the proposed future act is considered to be one that attracts the expedited procedure, persons have until 3 months after the notification date to take steps to become a native title party in relation to the relevant act (e.g. the proposed granting of an exploration licence).
- (d) The future act may be done unless, within 4 months after the notification day, a native title party lodges an objection with the NNTT against the

inclusion of a statement that the proposed future act is an act attracting the expedited procedure.

- (e) If an objection to the relevant future act is not lodged within the 4 month period, the act may be done. If one or more native title parties object to the statement, the NNTT must determine whether the act is an act attracting the expedited procedure. If the NNTT determines that it is an act attracting the expedited procedure, the State or Territory may do the future act (i.e. grant a mining tenement).

13 Renewals and extensions

- (a) Renewals of mining tenements granted after 23 December 1996 are subject to the same right to negotiate process as is described in section 12.2.1 above.
- (b) However, an exception exists for renewals of mining tenements made after 23 December 1996 when the mining tenement was validly granted before that date. Such a renewal will not be subject to the right to negotiate process under the NTA provided that:
 - (i) the area to which the earlier right is made is not extended;
 - (ii) the term of the new right is not longer than the term of the earlier right; and
 - (iii) the rights to be created are not greater than the rights conferred by the earlier grant.
- (c) There is doubt as to whether the right to negotiate process applies to second and subsequent renewals but this matter is yet to be determined by the Courts.
- (d) The DMIRS Searches indicate that none of the Tenements are renewals of mining tenements granted prior to 23 December 1996.

14 Crown land

- (a) The land the subject of the Tenement overlaps Crown land as set out in the table below.

Tenement	Crown land	Overlap
L 31/73	Unallocated Crown Land	44.14%

- (b) The Mining Act:
 - (i) prohibits the carrying out of prospecting, exploration or mining activities on Crown land that is less than 30 metres below the lowest part of the natural surface of the land and:
 - for the time being under crop (or within 100 metres of that crop);
 - used as or situated within 100 metres of a yard, stockyard, garden, cultivated field, orchard vineyard, plantation,

airstrip or airfield;

- situated within 100 metres of any land that is an actual occupation and on which a house or other substantial building is erected;
- the site of or situated within 100 metres of any cemetery or burial ground; or
- if the Crown land is a pastoral lease, the site of or situated within 400 metres of any water works, race, dam, well or bore not being an excavation previously made and used for purposes by a person other than the pastoral lessee,

without the written consent of the occupier, unless the warden by order otherwise directs.

- (c) imposes restrictions on a tenement holder passing over Crown land referred to in section 13(a), including:
- (i) taking all necessary steps to notify the occupier of any intention to pass over the Crown land;
 - (ii) the sole purpose for passing over the Crown land must be to gain access to other land not covered by section 13(a) to carry out prospecting, exploration or mining activities;
 - (iii) taking all necessary steps to prevent fire, damage to trees, damage to property or damage to livestock by the presence of dogs, the discharge of firearms, the use of vehicles or otherwise; and
 - (iv) causing as little inconvenience as possible to the occupier by keeping the number of occasions of passing over the Crown land to a minimum and complying with any reasonable request by the occupier as to the manner of passage.
- (d) requires a tenement holder to compensate the occupier of Crown land:
- (i) by making good any damage to any improvements or livestock caused by passing over Crown land referred to in section 13(a) or otherwise compensate the occupier for any such damage not made good; and
 - (ii) in respect of land under cultivation, for any substantial loss of earnings suffered by the occupier caused by passing over Crown land referred to in section 13(a).
- (e) The Warden may not give the order referred to in section 13(a) that dispenses with the occupier's consent in respect of Crown land covered by section 13(a)(iii). In respect of other areas of Crown land covered by the prohibition in section 13(a), the warden may not make such an order unless he is satisfied that the land is genuinely required for mining purposes and that compensation in accordance with the Mining Act for

all loss or damage suffered or likely to be suffered by the occupier has been agreed between the occupier and the tenement holder or assessed by the warden under the Mining Act.

- (f) The Company may need to enter into access and compensation agreements with the occupiers of the Crown land upon commencement of exploration or prospecting activities.

15 Pastoral, historical and general leases

- (a) As set out in Part 3 of the Notes certain Tenements overlap with pastoral leases.
- (b) The Mining Act:
 - (i) prohibits the carrying out of mining activities on or near certain improvements and other features (such as livestock and crops) on Crown land (which includes pastoral, historical and general leases) without the consent of the lessee;
 - (ii) imposes certain restrictions on a mining tenement holder passing through Crown land, including requiring that all necessary steps are taken to notify the occupier of any intention to pass over the Crown land and that all necessary steps are taken to prevent damage to improvements and livestock; and
 - (iii) provides that the holder of a mining tenement must pay compensation to an occupier of Crown land (ie the lessee) in certain circumstances, in particular to make good any damage to improvements, and for any loss suffered by the occupier from that damage or for any substantial loss of earnings suffered by the occupier as a result of, or arising from, any exploration or mining activities, including the passing and re-passing over any land.
- (c) Pursuant to the due diligence enquires response provided by Andrew Pumphrey, as far as required for the current activities undertaken to date on all the Tenement consents, approvals and permits have been obtained.
- (d) Upon commencing mining operations on any of the Tenements, the Company may need to consider entering into a compensation and access agreement with the lease holders to ensure the requirements of the Mining Act are satisfied and to avoid any disputes arising. In the absence of agreement, the Warden's Court determines compensation payable.
- (e) The DMIRS imposes standard conditions on mining tenements that overlay pastoral leases. It appears the Tenements incorporate the standard conditions.

16 Encroachments

- (a) Where an application is encroached upon by a live tenement, the application as granted will be for a tenement reduced by that amount of land which falls under the live tenement licence.

- (b) An exploration licence will not be granted over land the subject of an existing mining tenement (other than a miscellaneous licence). M 31/487 and M 28/364 are both effected by applications for explorations licences by either Pumphrey (which forms part of the Tenements being transferred) or FMG Resources. These tenements will not be affected by the encroaching tenements as they were granted prior to the applications for exploration licences. If these applications for exploration licenses are granted, they will be reduced by the encroached amount which falls under the live tenement licence. Exploration licence application 28/3003 applied for by Pumphrey is the subject of the Option Agreement, to which the Company is a party to, and as such will have no impact on the existing tenements or the Company. The remaining exploration licence application 31/1254 will not be able to be granted over the existing mining tenements and as such will have no material impact on the business of the Company.
- (c) Miscellaneous licences may be granted over any land, including any land the subject of an existing mining tenement (which includes exploration licences, mining leases and prospecting licences), whether held by the applicant or another person. Conversely, another mining tenement may be granted over the land the subject of an existing miscellaneous licence. Where this occurs, the miscellaneous licence and the other mining tenement apply concurrently to the land. Therefore, all tenements that overlap with a miscellaneous licence will apply concurrently to the land in which they overlap. The Company has advised that they are currently negotiating a land access agreement with Saracen Gold Mines Pty Ltd with respect to the overlap of P 28/1388 and L 28/27.
- (d) The encroaching tenements below may nonetheless be granted in respect of the area falling outside of the tenements. If the encroaching tenements are granted over this area, this may adversely impact on the Company's ability to obtain future tenure in the vicinity surrounding the Tenements.
- (e) We note that the Company has confirmed there is currently no land access agreement in place governing the overlap of land of E 28/3003 with encroaching tenements L 28/48 (by 1.31%) and P 28/1214 (by 5.93%) and that there is a risk the Company may not be able to access these areas of the Tenement. The Company does not think that this risk of no access in relation to the overlapping area in relation to E 28/3003 will have a material impact on the business of the Company due to the very small size of the overlap (7.24% of the area of E 28/3003).
- (f) The following Tenements are encroached or, if granted, will be encroached by other tenements:

Tenement	Encroaching tenement	Overlap
M 28/364	E 28/3003 ¹	10.56%
	L 28/27 ²	85.34%
	L 28/48 ³	0.52%

Tenement	Encroaching tenement	Overlap
P 28/1301	L 28/27 ²	26.15%
	L 31/38 ⁴	73.85%
P 28/1302	E 28/3003 ¹	0.07%
	L 28/27 ²	39.76%
	L 28/48 ³	1.1%
P 28/1303	E 28/3003 ¹	50.33%
	L 28/27 ²	49.34%
	L 28/48 ³	3%
	L 28/71 ⁵	3.21%
P 28/1304	L 28/48 ³	4.69%
M 31/487	E 31/1254 ⁶	6.5%
	L 31/73 ⁷	0.24%
P 31/2063	E 31/1254 ⁶	100%
E 31/1085	L 28/26 ⁸	3.3%
	L 31/37 ⁹	6.63%
	L 31/38 ⁴	100%
P 31/2063	E 31/1254 ⁶	100%
E 31/1137	L 31/37 ⁹	9.14%
	L 31/38 ⁴	100%
M 28/240	L 28/48 ³	0.32%
	L 31/37 ⁹	5.93%
	L 31/38 ⁴	100%
L 08/71	L 28/26 ⁸	0.65%
	L 28/27 ²	19.29%
	L 28/48 ³	0.45%

Tenement	Encroaching tenement	Overlap
	L 28/49 ¹⁰	0.08%
	L 31/38 ⁴	0.66%
	L 31/71 ¹¹	21.17%
E 28/2477	L 28/26 ⁸	0.65%
	L 28/27 ²	19.29%
	L 28/48 ³	0.45%
	L 28/49 ¹⁰	0.08%
	L 31/38 ⁴	0.66%
	L 31/71 ¹¹	21.17%
P 28/1388	L 28/27 ²	100%
P 28/1356	L 28/48 ³	8.42%
	L 31/38 ⁴	98.44%
P 28/1389	E 28/3003 ¹	49.27%
	L 28/48 ³	22.17%
P 28/1357	E 28/3003 ¹	81.39%
	L 28/48 ³	4.41%
	L 28/71 ⁵	27.17%
	L 31/38 ⁴	2.53%
L 28/71	E 28/3003 ¹	98.13%
	L 28/48 ³	5.96%
	P 28/1303 ¹²	5.56%
	P 28/1357 ¹³	57.58%
L 28/48	L 28/2447 ¹⁴	11.95%
	E 28/2477 ¹⁵	26.35%
	E 28/3003 ¹	16.81%

Tenement	Encroaching tenement	Overlap
	E 28/3005 ¹⁶	2.36%
	E 28/3026 ¹⁷	2.36%
	L 28/27 ²	2.43%
	L 28/49 ¹⁰	0.2%
	L 28/71 ⁵	8%
	L 31/38 ⁴	12.25%
	M 28/240 ¹⁸	1.22%
	M 28/364 ¹⁹	0.41%
	P 28/1259 ²⁰	5.15%
	P 28/1302 ²¹	2.13%
	P 28/1303 ²²	7.08%
	P 28/1304 ²³	12.51%
	P 28/1325 ²⁴	3.45%
	P 28/1347 ²⁵	0.2%
	P 28/1356 ²⁶	11.54%
	P 28/1357 ¹³	12.55%
	P 28/1389 ²⁷	3.12%
L 28/49	L 28/2447 ¹⁴	5.66%
	E 28/2477 ¹⁵	17.9%
	E 28/3005 ¹⁶	76.44%
	E 28/3026 ¹⁷	76.44%
	L 28/48 ³	0.75%
L 31/73	E 31/1034 ²⁸	4.98%
	E 31/1119 ²⁹	49.7%
	E 31/1179 ³⁰	44.78%

Tenement	Encroaching tenement	Overlap
	E 31/1188 ³¹	49.7%
	M 31/487 ³²	0.54%
E 28/3003	L 28/27 ²	4.05%
	L 28/48 ³	1.31%
	L 28/71 ⁵	10.3%
	M 28/364 ¹⁹	0.65%
	M 28/399 ³³	5.93%
	P 28/1214 ³⁴	5.93%
	P 28/1302 ²¹	0.01%
	P 28/1303 ²²	9.29%
	P 28/1357 ¹³	18.1%
	P 28/1389 ²⁷	0.54%

Notes:

- E 28/3003 is an application by Pumphrey and forms part of the Tenements being transferred.
- L 28/27 is owned by Saracen Gold Mines Pty Ltd.
- L 28/48 is owned by Pumphrey and forms part of the Tenements being transferred.
- L 31/38 is owned by Saracen Gold Mines Pty Ltd.
- L 28/71 is an application by Pumphrey and forms part of the Tenements being transferred.
- E 31/1254 is an application by FMG Resources Pty Ltd.
- L 31/73 is an application by Pumphrey and forms part of the Tenements being transferred.
- L 28/26 is owned by Saracen Gold Mines Pty Ltd.
- L 31/37 is owned by Saracen Gold Mines Pty Ltd.
- L 28/49 is owned by Pumphrey and forms part of the Tenements being transferred.
- L 31/71 is owned by Saracen Gold Mines Pty Ltd.
- P 28/1303 is owned by Pendragon and forms part of the Tenements being transferred.
- P 28/1357 is an application by Pumphrey and Daffen and forms part of the Tenements being transferred.
- E 28/2447 is owned by St Barbara Limited.
- E 28/2477 is owned by Pumphrey and forms part of the Tenements being transferred.
- E 28/3005 is an application by Goldtribe Corporations Pty Ltd.
- E 28/3026 is an application by Goldtribe Corporations Pty Ltd.

18. M 28/240 is owned by Pumphrey and forms part of the Tenements being transferred.
19. M 28/364 is owned by Pumphrey and Pendragon and forms part of the Tenements being transferred.
20. P 28/1259 is owned by Anthony Bastow.
21. P 28/1302 is owned by Pumphrey and Pendragon and forms part of the Tenements being transferred.
22. P 28/1303 is owned by Pumphrey and Pendragon and forms part of the Tenements being transferred.
23. P 28/1304 is owned by Pumphrey and Pendragon and forms part of the Tenements being transferred.
24. P 28/1325 is owned by Robert Anderson.
25. P 28/1347 is owned by Robert Anderson.
26. P 28/1356 is owned by Pumphrey and Daffen and forms part of the Tenements being transferred.
27. P 28/1389 is an application by Pumphrey and Pendragon and forms part of the Tenements being transferred.
28. E 31/1034 is owned by Legacy Iron Ore Ltd.
29. E 31/1119 is an application by Ross Freeth.
30. E 31/1179 is owned by Nexus Mt Celia Pty Ltd and Coxsocks Pty Ltd.
31. E 31/1188 is an application by Tane Peakman.
32. M 31/487 is owned by Pumphrey and forms part of the Tenements being transferred.
33. M 28/399 is an application by Rodney Fissioli and Robert Anderson.
34. P 28/1214 is owned by Rodney Fissioli and Robert Anderson.

17 Compliance

- (a) The Company's interests in or rights in relation to the granted Tenements are subject to the holder continuing to comply with the respective terms and conditions of the granted Tenements under the provisions of the Mining Act, together with the conditions specifically applicable to any granted mining tenement.
- (b) The Searches that we have carried out in relation to the Tenements do not reveal any outstanding failures to comply with the conditions in respect of each of the Tenements.

18 Qualifications and assumptions

We note the following qualifications and assumptions in relation to this report:

- (a) the information in the Schedule is accurate as at the date the relevant Searches were obtained. We cannot comment on whether any changes have occurred in respect of the Tenements between the date of a Search and the date of this report;
- (b) we have assumed that the registered holder of a Tenement has valid legal title to the Tenements, save to the extent that the DMIRS register is to be updated to reflect the Company's interests;
- (c) we have assumed that all Searches conducted are true, accurate and complete as at the time the Searches were conducted;

- (d) this report does not cover any third-party interests, including encumbrances, in relation to the Tenements that are not apparent from our Searches and the information provided to us;
- (e) we have assumed that all instructions and information (including contracts), whether oral or written, provided to us by the Company, its officers, employees, agents or representatives is true, accurate and complete;
- (f) unless apparent from our Searches or the information provided to us, we have assumed compliance with the requirements necessary to maintain a Tenement in good standing;
- (g) with respect to an application for the grant of a Tenement, we express no opinion as to whether such application will ultimately be granted and that reasonable conditions will be imposed upon grant, although we have no reason to believe that any application will be refused or that unreasonable conditions will be imposed;
- (h) where any dealing in a Tenement has been lodged for registration but is not yet registered, we do not express any opinion as to whether that registration will be effected, or the consequences of non-registration;
- (i) with respect to the granting of the Tenements, we have assumed that the State, the claimant group and the applicant(s) for the Tenements have complied with, or will comply with, the applicable future act provisions in the NTA;
- (j) we have not researched the Tenements to determine if there are any unregistered Aboriginal sites located on or otherwise affecting the Tenements; and
- (k) in relation to the native title determinations and claims outlined in this report, we do not express an opinion on the merits of such determinations and claims.

19 Consent

This report is given on 8 December 2020 and unless specified to the contrary, speaks only to the laws in force on that date. Price Sierakowski has consented to the inclusion of this Report in the Prospectus in the form and context in which it is included and have not withdrawn that consent before the lodgement of the Prospectus with ASIC.

Yours faithfully



PRICE SIERAKOWSKI

Schedule of Mining Tenements

To be read in conjunction with the abbreviations and notes at the end of the Schedule.

Tenement No.	Registered Holder or Applicant ⁽¹⁾	Share Held	State	Application Date	Grant Date	Expiry Date	Area (hectares (ha) or blocks (bl))	Expenditure Commitments per Annum	Next Annual Rent	Encumbrances (Notes Part 1)	Endorsements and Conditions (Notes Part 2)	Native Title, Aboriginal Heritage Sites and Encroachment ^s (Notes Part 3)
Pumphrey and Daffen Tenements												
P 28/1357	Pumphrey, Andrew Ian (66%) Daffen, Michael Timothy Harold (33%)	100%	WA	04/10/2019	Pending	-	198 ha	-	-	-	-	NT - 1, 2
P 28/1356	Pumphrey, Andrew Ian (66%) Daffen, Michael Timothy Harold (33%)	100%	WA	04/10/2019	Pending	-	96 ha	-	-	-	-	NT - 1, 2 ELR - 1
Pumphrey Tenements												
E 31/1083	Pumphrey, Andrew Ian	100%	WA	04/07/2014	02/02/2015	01/02/2025	1 bl	\$15,000	\$369	-	3 - 16	NT - 1, 2 AHS - 1 ELR - 2, 3
E 28/2477	Pumphrey, Andrew Ian	100%	WA	30/05/2014	18/10/2016	17/10/2021	18 bl	\$30,000	\$4,284	-	3 - 8, 12 - 21	NT - 1, 2 AHS - 2 ELR - 1, 3
E 31/1137	Pumphrey, Andrew Ian	100%	WA	09/08/2016	29/05/2018	28/05/2023	1 bl	\$10,000	\$369	-	3 - 8, 13 - 19, 22 - 23	NT - 1, 2 ELR - 3
E 31/1085	Pumphrey, Andrew Ian	100%	WA	30/07/2014	18/10/2016	17/10/2021	3 bl	\$20,000	\$714	-	3 - 8, 12 - 19, 24	NT - 1, 2 ELR - 1

Tenement No.	Registered Holder or Applicant ⁽¹⁾	Share Held	State	Application Date	Grant Date	Expiry Date	Area (hectares (ha) or blocks (bl))	Expenditure Commitments per Annum	Next Annual Rent	Encumbrances (Notes Part 1)	Endorsements and Conditions (Notes Part 2)	Native Title, Aboriginal Heritage Sites and Encroachments ^s (Notes Part 3)
M 31/487	Pumphrey, Andrew Ian	100%	WA	18/08/2015	23/02/2016	22/02/2037	117.6 ha	\$17,800	\$3,560	-	3 - 9, 13 - 17, 19, 25	NT - 1, 2 AHS - 1 ELR - 2
M 28/240	Pumphrey, Andrew Ian	100%	WA	26/11/1999	07/01/2008	06/01/2029	261.9 ha	\$26,200	\$5,240	-	3 - 4, 11, 13 - 14, 22, 25 - 27	NT - 1, 2 ELR - 1
P 31/2063	Pumphrey, Andrew Ian	100%	WA	09/07/2014	30/01/2015	29/01/2023	15.4591 ha	\$2,000	\$48	-	3 - 16	NT - 1, 2 AHS - 1 ELR - 1, 2, 3
L 28/48	Pumphrey, Andrew Ian	100%	WA	29/11/2013	08/02/2019	07/02/2040	70 ha	No expenditure required	\$1,253	-	3 - 8, 15 - 19, 29 - 38	NT - 1, 2 ELR - 1
L 28/49	Pumphrey, Andrew Ian	100%	WA	04/02/2014	08/02/2019	07/02/2040	18.29 ha	No expenditure required	\$340	-	3 - 8, 15 - 18, 29, 31 - 34, 37, 39 - 40	NT - 1, 2 ELR - 1
L 28/71	Pumphrey, Andrew Ian	100%	WA	27/05/2020	Pending	-	93.46 ha	No expenditure required	-	-	-	NT - 1, 2 ELR - 1
L 31/73	Pumphrey, Andrew Ian	100%	WA	04/06/2020	Pending	-	79 ha	No expenditure required	-	1	-	NT - 1, 2 AHS - 1 ELR - 2, 3
E 28/3003	Pumphrey, Andrew Ian	100%	WA	18/06/2020	Pending	-	3 bl	No expenditure required	-	-	-	NT - 1, 2 ELR - 1

Tenement No.	Registered Holder or Applicant ⁽¹⁾	Share Held	State	Application Date	Grant Date	Expiry Date	Area (hectares (ha) or blocks (bl))	Expenditure Commitments per Annum	Next Annual Rent	Encumbrances (Notes Part 1)	Endorsements and Conditions (Notes Part 2)	Native Title, Aboriginal Heritage Sites and Encroachments ^s (Notes Part 3)
Pumphrey and Pendragon Tenements												
M 28/364	Pumphrey, Andrew Ian (54%) Pendragon (WA) Pty Ltd (46%)	100%	WA	03/02/2006	25/03/2009	24/03/2030	54.62 ha	\$10,000	\$1,100	-	3 - 4, 13 - 16, 25, 27 - 29, 41	NT - 1, 2
P 28/1301	Pumphrey, Andrew Ian (54%) Pendragon (WA) Pty Ltd (46%)	100%	WA	16/05/2016	11/07/2017	10/07/2021	192 ha	\$7,680	\$576	-	3 - 8, 12 - 19, 42 - 43	NT - 1, 2 ELR - 1
P 28/1302	Pumphrey, Andrew Ian (54%) Pendragon (WA) Pty Ltd (46%)	100%	WA	16/05/2016	03/01/2017	02/01/2021	148 ha	\$5,920	\$444	-	3 - 8, 13 - 19, 44 - 45	NT - 1, 2
P 28/1303	Pumphrey, Andrew Ian (54%) Pendragon (WA) Pty Ltd (46%)	100%	WA	16/05/2016	03/01/2017	02/01/2021	170 ha	\$6,800	\$510	-	3 - 8, 12 - 19, 45 - 46	NT - 1, 2
P 28/1304	Pumphrey, Andrew Ian (54%) Pendragon (WA) Pty Ltd (46%)	100%	WA	16/05/2016	03/01/2017	02/01/2021	186 ha	\$7,400	\$558	-	3 - 8, 13 - 19, 47	NT - 1, 2 ELR - 1
P 28/1388	Pumphrey, Andrew Ian (54%) Pendragon (WA) Pty Ltd (46%)	100%	WA	18/08/2020	Pending	-	18.24 ha	-	-	2		NT - 1, 2

Tenement No.	Registered Holder or Applicant ⁽¹⁾	Share Held	State	Application Date	Grant Date	Expiry Date	Area (hectares (ha) or blocks (bl))	Expenditure Commitments per Annum	Next Annual Rent	Encumbrances (Notes Part 1)	Endorsements and Conditions (Notes Part 2)	Native Title, Aboriginal Heritage Sites and Encroachment ^s (Notes Part 3)
P 28/1389	Pumphrey, Andrew Ian (54%) Pendragon (WA) Pty Ltd (46%)	100%	WA	18/08/2020	Pending	-	9.78 ha	-	-	-	-	NT - 1, 2
P 28/1390	Pumphrey, Andrew Ian (54%) Pendragon (WA) Pty Ltd (46%)	100%	WA	18/08/2020	Pending	-	8.44 ha	-	-	-	-	NT - 1, 2

Notes

OzAurum Mines Pty Ltd has acquired a 100% interest in all of the Tenements pursuant to completion of the Option Agreements. Transfers of those Tenements from the current holders to OzAurum Mines Pty Ltd cannot be lodged for registration with the DMIRS until the duty is assessed and paid, and the stamped documents are received. As at the date of this Report, the holders listed above remain as the registered legal holders of the Tenements until such time as they are legally transferred to OzAurum Mines Pty Ltd.

Part 1: Encumbrances

1. Objection 581153 was lodged by Legacy Iron Ore Ltd on 30 June 2020 in relation to the tenement application.
2. Objection 585729 was lodged by Saracen Gold Mines Pty Ltd on 8 September 2020 in relation to the tenement application.

Part 2: Endorsements and Conditions

3. The Licensee's attention is drawn to the provisions of the Aboriginal Heritage Act 1972 and any Regulations thereunder.
4. The Licensee's attention is drawn to the Environmental Protection Act 1986 and the Environmental Protection (Clearing of Native Vegetation) Regulations 2004, which provides for the protection of all native vegetation from damage unless prior permission is obtained.
5. In respect to Water Resource Management Areas, the Licensee attention is drawn to the provisions of the:
 - Waterways Conservation Act, 1976

- Rights in Water and Irrigation Act, 1914
 - Metropolitan Water Supply, Sewerage and Drainage Act, 1909
 - Country Areas Water Supply Act, 1947
 - Water Agencies (Powers) Act 1984
 - Water Resources Legislation Amendment Act 1984
6. The rights of ingress to and egress from, and to cross over and through, the mining tenement being at all reasonable times preserved to officers of the Department of Water and Environmental Regulation (DWER) for inspection and investigation purposes.
 7. The storage and disposal of petroleum hydrocarbons, chemicals and potentially hazardous substances being in accordance with the current published version of the DWERs relevant Water Quality Protection Notes and Guidelines for mining and mineral processing.
 8. The taking of groundwater from an artesian well and the construction, enlargement, deepening or altering of any artesian well is prohibited unless current licences for these activities have been issued by DWER.
 9. Advice shall be sought from the DWER if proposing any prospecting within a defined waterway and within a lateral distance of:
 - 50 metres from the outer-most water dependent vegetation of any perennial waterway, and
 - 30 metres from the outer-most water dependent vegetation of any seasonal waterway.
 10. The abstraction of groundwater is prohibited unless a current license to construct/alter a well and a licence to take groundwater has been issued by the DoW.
 11. All surface holes drilled for the purpose of exploration are to be capped, filled or otherwise made safe immediately after completion.
 12. All disturbances to the surface of the land made as a result of exploration, including costeans, drill pads, grid lines and access tracks, being backfilled and rehabilitated to the satisfaction of the Environmental Officer, DMIRS, DoIR or DMIRS (whichever is relevant). Backfilling and rehabilitation being required no later than 6 months after excavation unless otherwise approved in writing by the Environmental Officer, DMIRS, DoIR or DMIRS (whichever is relevant).
 13. All waste materials, rubbish, plastic sample bags, abandoned equipment and temporary buildings being removed from the mining tenement prior to or at the termination of exploration program.
 14. Unless the written approval of the Environmental Officer, DMIRS or DoIR (whichever is relevant) is first obtained, the use of drilling rigs, scrapers, graders, bulldozers, backhoes or other mechanised equipment for surface disturbance or the excavation of costeans is prohibited. Following approval, all topsoil being removed ahead of mining operations and separately stockpiled for replacement after backfilling and/or completion of operations.
 15. The Licensee notifying the holder of any underlying pastoral or grazing lease by telephone or in person, or by registered post if contact cannot be made, prior to undertaking airborne geophysical surveys or any ground disturbing activities utilising equipment such as scrapers, graders, bulldozers, backhoes, drilling rigs, water carting equipment or other mechanised equipment.

16. The Licencee or transferee, as the case may be, shall within thirty (30) days of receiving written notification of:
- the grant of the licence; or
 - registration of a transfer introducing a new Licencee;
- advise, by registered post, the holder of any underlying pastoral or grazing lease details of the grant or transfer.
17. Measures such as drainage controls and stormwater retention facilities are to be implemented to minimise erosion and sedimentation of adjacent areas, receiving catchments and waterways.
18. All activities to be undertaken so as to avoid or minimise damage, disturbance or contamination of waterways, including their beds and banks, and riparian and other water dependent vegetation.
19. In respect to Proclaimed Ground Water Areas, the taking of groundwater and the construction or altering of any well is prohibited without current licences for these activities issued by DWER, unless an exemption otherwise applies.
20. The rights of ingress to and egress from Miscellaneous Licence 28/26, 28/27, 28/48, 24/49, 31/38 being at all times preserved to the licensee and no interference with the purpose or installations connected to the licence.
21. The prior written consent of the Minister responsible for the Mining Act 1978 being obtained before commencing any exploration activities on Water Reserve 12851.
22. The rights of ingress and egress from Miscellaneous Licence 31/37 and 31/38 being at all times preserved to the licensee and no interference with the purpose or installations connected to the licence.
23. No interference with Geodetic Survey Station KURNALPI 16 and mining within 15 metres thereof being confined to below a depth of 15 metres from the natural surface.
24. The rights of ingress to and egress from Miscellaneous Licence 28/26, 31/37 and 31/38 being at all times preserved to the licensee and no interference with the purpose or installations connected to the licence.
25. Mining on any road, road verge or road reserve being confined to below a depth of 15 metres from the natural surface.
26. The mining lease authorizes the mining of the land for all minerals as defined in Section 8 of the Mining Act 1978 with the exception of:
- Uranium ore;
 - Iron ore, unless specifically authorized under Section 111 of the Act.
27. Survey.
28. All costeans and other disturbances to the surface of the land made as a result of the exploration, including drill pads, grid lines and access tracks, being backfilled and rehabilitated to the satisfaction of the Environmental Officer, Department of Industry and Resources (DoIR). Backfilling and rehabilitation being required no later than 6 months after excavation unless otherwise approved in writing by the Environmental Officer, DoIR.
29. The Licensee submitting a plan of proposed operations and measures to safeguard the environment to the Executive Director, Environment Division, DMP for assessment and written approval prior to the commencing any development or construction.
30. The licensee shall keep clear such area around any powerline located within the licence area of any dry or other growth which has the potential to be a fire risk.

31. The electrical installation shall meet the requirements of relevant on-site conditions and be carried out to the satisfaction of the Special Inspector of Mines – Electrical, DMIRS.
32. All topsoil that may be removed ahead of pipelaying operations to be stockpiled for replacement in accordance with the directions of the Environmental Officer, Department of Mines and Petroleum.
33. Ingress and egress of pastoralists and tenement holders to be preserved by the construction of vehicular access crossing over any pipeline constructed pursuant to this licence.
34. Wherever any part of the road intersects an existing fence, the holder shall where necessary construct a gate or livestock grid having such dimensions and be constructed of such materials and be of such standard as agreed with the pastoralist or as determined by the Environmental Officer, DMP.
35. The road to be constructed using proper materials to suit the purpose for which it is being constructed, and further that it be constructed in a workman like manner and further that it be constructed to the satisfaction of the Environmental Officer, DMP.
36. The holder shall maintain the road from time to time as shall be required to ensure that it is safe for the purpose that it is constructed.
37. The area of miscellaneous licence to be reduced as soon as practicable after construction, to a minimum for the safe maintenance and operation of the licence purposes.
38. The licensee is to obtain the written approval of the City of Kalgoorlie-Boulder or Main Roads WA (MRWA) or both where applicable and lodge a copy of that approval with the Mining Registrar prior to the construction of that part of the road that will intersect with any existing road. Where a difference exists between DMIRS conditions and the requirements of either authority, the requirements of the authority prevail.
39. Where a pipeline falls within the definition of a pipeline as defined in section 4 of the Petroleum Pipelines Act, 1969 (PPA), the Licensee must obtain a Petroleum Pipeline Licence (PPL) as provided for in the PPA, but where a PPL licence is not required, then the Licensee is to comply with the requirements of the Gas Standards (Gas Supply and System Safety) Regulations, 2000 in respect to the pipeline.
40. To properly maintain the installations as directed by the Environmental Officer, Department of Mines, Industry Regulation and Safety (DMIRS).
41. The rights of ingress and egress from Miscellaneous License 28/27 being at all times preserved to the licensee and no interference with the purpose or installations connected to the licence.
42. The grant of this Licence does not include land the subject of Prospecting Licences 28/1247 and 28/1248.
43. The rights of ingress and egress from Miscellaneous License 28/27 and 31/38 being at all times preserved to the licensee and no interference with the purpose or installations connected to the licence.
44. The grant of this Licence does not include land the subject of Prospecting Licences 28/1245 and 28/1246.
45. The rights of ingress and egress from Miscellaneous License 28/27 and 28/48 being at all times preserved to the licensee and no interference with the purpose or installations connected to the licence.
46. The grant of this Licence does not include land the subject of Prospecting Licences 28/1245.
47. The rights of ingress and egress from Miscellaneous License 28/48 being at all times preserved to the licensee and no interference with the purpose or installations connected to the licence.

Part 3: Encroaching Land Rights and Native Title

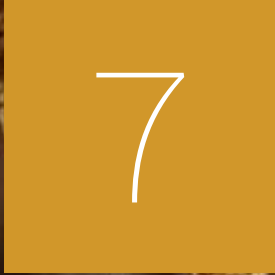
Aboriginal Heritage Sites						
Note	Site Identification Number	Site Name	Site Type	Restriction	Status	Access
1	2708	Lake Reyside (Raeside)	Mythological	File and boundary restricted	Registered Site	Male access only
2	19142	Lake Rebecca	Mythological	File and boundary not restricted	Registered Site	No gender restrictions

Encroaching Land Rights			
Note	Encroachment	Tenement	% overlap
1	Pastoral Lease N049526 (Pinjin – Aboriginal Corporation)	P 28/1304	13.01%
		P 28/1301	7.55%
		E 28/3003	60.59%
		L 28/71	35.37%
		L 28/49	100%
		28/48	58.91%
		P 31/2063	100%
		M 28/240	100%
		E 31/1085	57.04%
		E 28/2477	60.09%
		P 28/1356	32.68%

Encroaching Land Rights			
Note	Encroachment	Tenement	% overlap
2	Historical Pastoral Lease 395 441	L 31/73	55.71%
		P 31/2063	100%
		M 31/487	100%
		E 31/1083	100%
		L 31/73	55.74%
3	Pastoral Lease N049971 (Edjudina)	P 31/2063	100%
		M 31/487	100%
		E 31/1137	36.71%
		E 28/2477	5.88%
		E 31/1083	100%

Native Title Claims and Determinations						
Note	Tribunal Number	Determination Number	Federal Court Number	Application Name	Registered	Status
1	WC2017/001	N/A	WAD186/2017	Maduwongga v State of Western Australia & Ors	Yes	Active
2	WC2019/002	N/A	WAD91/2019	Patricia Lewis & Ors on behalf of the Nyalpa Pirriku Native Title Claim Group v State of Western Australia & Ors	Yes	Active

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Alluvial gold from the Mulgabbie Project

Section 7

Investment Risks

7.1 GENERAL

An investment in the Shares offered under this Prospectus is highly speculative. An investment in the Company carries risk and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus, and to consult their independent professional advisors, before deciding whether to apply for Shares pursuant to this Prospectus.

There are numerous risks associated with investing in any form of business and with investing in the share market generally. There is also a range of specific risks associated with the Company's business and its involvement in the exploration industry. The risks identified in this Section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares. The risks discussed below also include forward-looking statements, and actual results and expectations may differ substantially from those discussed in such forward-looking statements. These risk factors are largely beyond the control of the Company and its Directors because of the nature of the proposed business of the Company.

This Section of the Prospectus is not intended to be an exhaustive list or explanation of all the risks involved in investing in the Shares or all the risk factors to which the Company is exposed. Additional risks and uncertainties not presently known to the Company, or that the Company currently deems immaterial may also have an adverse effect on the Company's business and/or impair the financial performance of the Company and the market price of the Shares. If this occurs, the price of the Shares may decline and investors could lose all or part of their investment. Investors should consider carefully whether an investment in the Shares is suitable for them in light of the information in this Prospectus and their particular circumstances.

7.2 RISKS SPECIFIC TO THE COMPANY

(a) Limited history

The Company was incorporated on 5 August 2020 and therefore has limited operational and financial history on which to evaluate its business and prospects. The prospects of the Company must be considered in light of all of the risks, expenses and difficulties frequently encountered by resource companies in their early stages of development, particularly in the gold exploration sector, which has a high level of inherent uncertainty.

No assurance can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its current projects or any future projects. Even if an apparently viable gold deposit is identified, there is no guarantee that it can be profitably exploited. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses. Refer to Section 9.2(d) of this Prospectus for further information regarding the Company's ability to continue as a going concern.

(b) Transfer risk

OzAurum Mines acquired 100% legal and beneficial ownership of the Tenements and Tenement Applications on 27 October 2020. However, as at the date of this Prospectus, OzAurum Mines is not the **registered** owner of the Tenements or Tenement Applications.

The OzAurum Group has lodged the transfer forms with the Western Australia Office of State Revenue for the assessment of Duty and stamping. Transfer of the Tenements cannot be registered until such time as the Duty is paid, and the stamped documents are received. See Section 10.1 of this Prospectus for an overview of the Option Agreements.

With respect to the Tenement Applications, the Sellers will hold them on trust for OzAurum Mines, pursuant to the Option Agreements, until such time as the Tenement Applications are granted by DMIRS. If and when the Tenement Applications are granted, OzAurum Mines will apply to become the registered owner of those tenements.

The Board has no reason to believe that the transfers of the Tenements in the name of OzAurum Mines will not be completed in the ordinary course of business.

(c) Renewal risk

Tenements P28/1302, P28/1303 and P28/1304, which form part of the Mulgabbie Tenements, are due to expire on 2 January 2021. The OzAurum Group is undertaking all steps necessary to renew these Tenements and has no reason to expect that the renewals will not be granted. However, there is no guarantee that the renewals will be granted prior to the expiry date. For further information on this risk, please see the Solicitor's Report on Tenements contained in Section 6 of the Prospectus.

(d) Exploration and development

A risk for the Company is that the proposed exploration programs may not result in exploration success. The projects are in the exploration stage only and there is no guarantee that any economically viable gold resources will be discovered at either of the projects.

Gold exploration, by its nature, is a high-risk endeavour and consequently, there can be no assurance that exploration of the projects described in this Prospectus, or any other projects that may be acquired in the future, will result in discovery of an economic mineral deposit. Should a discovery be made, there is no guarantee that it will be commercially viable.

The development of the projects would follow only if favourable exploration results are obtained. Only a small percentage of individual exploration projects result in the discovery of viable economic resources and there are still development and operational risks to overcome before a commercial mine can be established. A variety of factors, both geological and market related, can cause a technical discovery to be uneconomic.

If gold Mineralisation is discovered, it may take several years of additional exploration and development until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable reserves through drilling and scoping studies, to determine the optimal production process and to finance and construct mining and processing facilities.

At each stage of exploration, development, construction and mine operation, various permits and authorisations are required. Applications for most permits require significant amounts of management time, and the expenditure of substantial capital for engineering, legal, environmental, social and other activities.

At each stage of a project's life, delays may be encountered because of permitting difficulties. Such delays add to the overall cost of a project, and may reduce its economic feasibility. As a result of these uncertainties, there can be no assurance that any gold exploration or development undertaken by the Company, or its subsidiaries, will result in profitable commercial production.

(e) Potential for dilution

Dilution for pre-Offer shareholders

Upon successful Completion of the Offer, the number of Shares in the Company will increase to 106,500,000 (undiluted) upon the Minimum Subscription being raised, based on an issue of an additional 40,000,000 Shares under the Offer. If the Maximum Subscription is raised, based on an issue of a total number of 48,000,000 Shares under the Offer, the number of Shares in the Company will increase to 114,500,000 Shares (undiluted). On this basis, existing shareholders should note that if they do not participate in the Offer (and even if they do), their shareholdings are likely to be significantly diluted, as compared to their current shareholdings and the number of Shares on issue as at the date of this Prospectus.

Ongoing shareholder dilution

In the future, the Company may elect to issue Shares or other Securities. While the Company will be subject to the constraints of the ASX Listing Rules regarding the issue of Shares or other Securities, shareholders may be diluted as a result of such issues of Shares or other Securities.

(f) Development and acquisition opportunities

The success of the Company will depend not only on its ability to explore and develop its existing project portfolio, but also on the Company's ability to identify, secure and develop a portfolio of high quality projects, suitable assets, additional exploration acreage and strategic industry partnerships. The Company will actively pursue and assess other new business opportunities which may take the form of direct project acquisitions, joint ventures, farm-ins, acquisition of tenements/permits and/or direct equity participation or acquisition of a company or group of companies.

There is a risk that the Company will be unable to secure such opportunities or equally divest non-core assets at attractive valuations on appropriate terms, thereby potentially limiting the growth of the Company. The acquisition of projects (whether completed or not) may require the payment of monies (notably as a deposit and/or exclusivity fee), after only limited due diligence or prior to the completion of comprehensive due diligence. There can be no guarantee that any proposed acquisition will be completed or be successful. If the proposed acquisition is not completed, monies advanced may not be recoverable, which may have a material adverse effect on the Company.

If the Company acquires only a limited number of projects, poor performance by one or a few of these could significantly affect the performance of the Company and thereby significantly impact the returns to investors. The integration of new projects by the Company may also be more difficult, and involve greater costs, than anticipated.

(g) Future capital requirements

Exploration and development costs will reduce the cash reserves of the Company. The Company has no operating revenue and is unlikely to generate any operating revenue unless and until the projects are successfully developed and production commences. The future capital requirements of the Company will depend on many factors, including its business development activities. The Company believes its available cash and the net proceeds from the Offer should be adequate to fund its business objectives and working capital requirements as stated in this Prospectus.

In order to successfully develop the projects, and for production to commence, the Company may be dependent on the need to secure further financing in the future, in addition to the amounts raised pursuant to the Offer, if the estimates in the budget prove to be insufficient, or unforeseen circumstances arise. The Company may then seek development capital through equity, debt, joint venture financing or through the sale or possible syndication of its mineral properties.

Any additional equity financing may be dilutive to the Shares, may be undertaken at lower prices than the then-market price (or offer price per Share), or may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing, if available, may also involve restrictions on financing and operating activities.

Although the Directors believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company, or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its activities, and this could have a material adverse effect on the Company's activities and future prospects, including the delay or indefinite postponement of exploration, development or production on any or all of the Company's properties. This may even result in the Tenements being subject to forfeiture, and could affect the Company's ability to continue as a going concern.

The Company may undertake additional offerings of Shares and/or Securities convertible into Shares in the future. The increase in the number of Shares issued and outstanding and the possibility of sales of such Shares may have a depressive effect on the price of Shares and reduce their value to investors. In addition, as a result of such additional Shares, the voting power of the Company's existing shareholders will be diluted. At present, it is impossible to determine what amounts of additional funds, if any, may be required in the future.

(h) Valuation of Tenements or Tenement Applications

As at the date of this Prospectus, no valuation has been completed of the projects or the Shares of the Company. The Company makes no representation in this Prospectus as to the value of the Tenements, the Tenement Applications or the projects.

It is recommended that intending investors and their advisors make their own assessment as to the value of the projects.

(i) Conditionality of Offer

The obligation of the Company to issue the Shares under the Offer is conditional on ASX granting approval for Admission to the Official List. If this condition is not satisfied, the Company will not proceed with the Offer. Failure to complete the Offer may have a material adverse effect on the Company's financial position.

(j) Offer risk

If ASX does not admit the Shares to Official Quotation before the expiration of three months after the date of issue of this Prospectus, the Company will deal with the Applications and the Application Monies in the manner prescribed by the Corporations Act as varied by ASIC legislative instrument 2016/70.

(k) Liquidity risk

Subject to the Company being admitted to the Official List, certain Shares on issue prior to the Offer are likely to be classified as Restricted Securities. To the extent that the Shares are classified as Restricted Securities, the liquidity of the market for Shares may be adversely affected.

(l) Reliance on key personnel

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on the efforts and ability of senior management, executive officers and the Directors. Investors must be willing to rely to a significant extent on the discretion and judgment of these key personnel. The loss of the services of any of these key personnel could cause a significant disruption to the Company and could have a material adverse effect on its business operations and prospects, which could result in a failure to meet business objectives. There is no assurance the Company can maintain the services of its Directors, officers or other qualified personnel required to operate its business.

(m) Conflicts of interest

The Directors and officers of the Company may also serve as directors and/or officers of other companies involved in natural resource exploration and development and consequently there exists the possibility for such directors and officers to be in a position of conflict.

Further to the above, Mr Andrew Pumphrey retains alluvial prospecting rights in respect of the Tenements (see Section 10.2 of this Prospectus for an overview of the Prospecting Agreements between OzAurum Mines and the Sellers).

To manage any conflict that may arise between Mr Pumphrey's position as a Director of the Company and of OzAurum Mines, and the rights that he has under the Prospecting Agreements, the Company has adopted a Related Party Transactions and Conflicts of Interest Policy to ensure that any such conflict is appropriately dealt with and managed (see Section 8.6 of this Prospectus for an overview of the Related Party Transactions and Conflicts of Interest Policy).

(n) Major shareholders

Immediately following Admission:

- Mr Andrew Pumphrey is expected to hold 40.50% of the total Shares (on an undiluted basis) if the Minimum Subscription is raised, and 37.67% of the total Shares (on an undiluted basis) in the event that the Maximum Subscription is raised; and
- Holland International Pty Ltd as trustee for the Holland Family Trust (an entity owned and controlled by Mr Martin C Holland) is expected to hold 9.77% of the total Shares (on an undiluted basis) if the Minimum Subscription is raised, and 9.08% of the total Shares (on an undiluted basis) in the event that the Maximum Subscription is raised (taking into account its intention to subscribe for 400,000 Shares under the Offer).

Following Admission, the above shareholders will together hold, on an undiluted basis, between 50.27% of the total Shares under the Minimum Subscription raised and 46.76% of the total Shares on issue in the event that the Maximum Subscription is raised. As a result, these shareholders will be able to exercise a degree of influence over matters requiring shareholder approval, including election of Directors and significant corporate transactions. The concentration of ownership may have the effect of deterring or delaying any change in control of the Company, could have an impact on any potential sale of the Company or may affect the value of Shares. Any major shareholder may sell all or part of their holdings of Shares in the future. Any such sale may adversely affect the value of Shares.

(o) Other risks specific to the Company

The current and future operations of the Company, including exploration, appraisal and possible production activities may be affected by a range of factors, including:

- geological conditions;
- alterations to programs and budgets;
- unanticipated operational and technical difficulties encountered in geophysical survey, drilling and production activities;
- mechanical failure of operating plant and equipment, adverse weather conditions, industrial and environmental accidents, industrial disputes and force majeure;
- unavailability of aircraft or drilling equipment to undertake airborne surveys and other geological and geophysical investigations;
- unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment;
- prevention or restriction of access by reason of political unrest, outbreak of hostilities, and inability to obtain consents or approvals (including clearance of work programs pursuant to access agreements entered into with native title claimants);
- influence of community consultation on the grant or renewal of a mining licence; and
- uninsured losses and liabilities.

7.3 GENERAL RISKS ASSOCIATED WITH MINING PROJECTS

(a) Title risk

The renewal of Tenements upon expiry of their current term and the granting of applications for exploration licences, exploration permits or mining leases is subject to Ministerial discretion. Non-approval or a delay in the approval process could have a negative impact on exploration or mining conducted by the OzAurum Group, as well as the Share price of the Company.

Various conditions may also be imposed as a condition of renewal. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of part of the tenement areas comprising the OzAurum Group's projects. The Company makes no assurance that the renewal applications will be granted or the Tenement Applications approved.

(b) Tenements

Interests in tenements in Western Australia are governed by legislation and are evidenced by the granting of leases and licences by the State. The OzAurum Group is subject to the *Mining Act 1978 (WA)* (**Mining Act**) and the OzAurum Group has an obligation to meet conditions that apply to the Tenements, including the payment of rent and prescribed annual expenditure commitments.

The Tenements are subject to annual review and periodic renewal. While it is the OzAurum Group's intention to satisfy the conditions that apply to the Tenements, there can be no guarantees made that, in the future, the Tenements that are subject to renewal will be renewed or that minimum expenditure and other conditions that apply to the Tenements will be satisfied. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the Tenements. There is also a risk that the Tenement Applications will not be granted to OzAurum Mines. These events could have a materially adverse effect on the Company's prospects and the value of its assets.

If a tenement holder fails to comply with the terms and conditions of a tenement, the relevant Warden or Minister (as applicable) may impose a fine or order that the tenement be forfeited. In most cases an order for forfeiture can only be made where the breach is of sufficient gravity to justify forfeiture of the tenement. In certain cases, a third party can institute administrative proceedings under the Mining Act before the Warden seeks forfeiture of the tenement.

For more information on the Tenements and the Tenement Applications, see the Solicitor's Report on Tenements in Section 6 of this Prospectus.

(c) Operating risk

Gold exploration and development are high-risk undertakings. There can be no assurance that future exploration of the projects, or any other projects that may be acquired in the future, will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited.

Some of the Tenements have been granted exploration permits only. In the event that the Company, or its subsidiaries, successfully delineates economic deposits on any of the Tenements, it will need to apply for a mining lease. There is no guarantee that the Company, or its subsidiaries, will be granted a mining lease if it applies for one.

No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of the Tenements. Unless and until the Company is able to realise value from the Tenements, it is likely to incur ongoing operating losses.

(d) Metallurgy risk

When compared with many industrial and commercial operations, mining exploration projects are high risk. Each ore body is unique and the nature of the Mineralisation, the occurrence and grade of the ore, as well as its behaviour during mining can never be wholly predicted. Estimations of a mineral deposit are not precise calculations but are based on interpretation and on samples from drilling, which represent a very small sample of the entire ore body. Reconciliation of past production and reserves, where available, can confirm the reasonableness of past estimates, but cannot categorically confirm accuracy of future projections.

Metal and/or mineral recoveries are dependent upon the metallurgical process, and by its nature contain elements of significant risk such as:

- identifying a metallurgical process through test work to produce a saleable metal;
- developing an economic process route to produce a metal; and
- changes in mineralogy in the ore deposit can result in inconsistent metal recovery, affecting the economic viability of the projects.

(e) Payment obligations

Holders of mining tenements are generally required to expend the funds necessary to meet the minimum work commitments attaching to the tenements. As such, with regard to the Tenements (and the Tenement Applications if they are granted), the OzAurum Group may be required to make certain payments associated with the maintenance of the Tenements and to satisfy other obligations to keep the Tenements in good standing.

Failure to meet these payment obligations may render the Tenements subject to forfeiture or may result in the holders being liable for additional fees or penalties.

(f) Native title

The OzAurum Group's activities in Australia are subject to the *Native Title Act 1993* (Cth) and associated legislation relating to native title, which are discussed in the Solicitor's Report on Tenements in Section 6 of this Prospectus. There is significant uncertainty associated with native title issues in Australia and this may impact on the Company's future plans.

The existence of a native title claim is not an indication that native title in fact exists on the land covered by the claim, as this is a matter ultimately determined by the Federal Court of Australia.

If a native title claim exists or is made, or native title rights are determined to exist over areas covered by the Tenements or Tenement Applications, the ability of the OzAurum Group to gain access to the Tenements or areas currently covered by Tenement Applications (if they are approved), or to progress from the exploration phase to the development and mining phases of operations, may be adversely affected.

The Directors will closely monitor the potential effect of native title claims involving the Tenements and Tenement Applications in which the OzAurum Group has or may have an interest.

The Directors confirm that the Company will ensure compliance with its requirements with respect to Aboriginal heritage. The Company notes that there is a risk that exploration activities may be delayed, and further costs incurred by the Company, in the event the Company or OzAurum Mines are required to enter into standard Aboriginal heritage agreements or undertake any heritage survey.

(g) Aboriginal sites of significance

Commonwealth and State legislation obliges the OzAurum Group to identify and protect sites of significance to Aboriginal custom and tradition. Further details of this legislation are set out in the Solicitor's Report on Tenements in Section 6 of this Prospectus.

The Tenements are subject to the provisions of the *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (Cth) and the *Aboriginal Heritage Act 1972* (WA). Accordingly, any destruction or harming of such sites and artefacts may result in the OzAurum Group incurring significant fines and court injunctions, which may adversely impact on exploration and mining activities.

Some sites of significance may be identified within the Tenements or Tenement Applications. It is therefore possible that one or more sites of significance will exist in an area which the Company considers to be prospective. The OzAurum Group's policy is to carry out surveys prior to conducting exploration which would cause a disturbance to the land surface.

For example, as noted in the Solicitor's Report on Tenements in Section 6 of this Prospectus, E31/1083, E28/2477, M31/487, P31/2063 and L31/73 encroach upon registered Aboriginal heritage sites. These registered Aboriginal heritage sites may prevent or delay the granting of exploration and mining tenements, or affect the ability of the OzAurum Group to explore, develop and commercialise the resources on the Tenements.

(h) Land access

There is a substantial level of regulation and restriction on the ability of exploration and mining companies to have access to land in Australia. Negotiations with both native title and land owners/occupiers are generally required before the OzAurum Group can access land for exploration or mining activities. Inability to access, or delays experienced in accessing, the land may impact on the OzAurum Group's activities.

In particular, a number of the Tenements overlap certain pastoral or historical leases. The Company is not aware of any improvements or other features on the land that are the subject of those leases that overlap the Tenements that would require the OzAurum Group to obtain the consent of the occupier or leaseholder or prevent the OzAurum Group from undertaking its proposed activities on the Tenements.

On commencing mining operations on any of the Tenements (or Tenement Applications if they are approved), the OzAurum Group may need to consider entering into a compensation and access agreement with the leaseholders to ensure that the requirements of the Mining Act are satisfied and to avoid any disputes arising. In the absence of an agreement, the Warden's Court of Western Australia determines compensation payable.

(i) Environmental risks

The operations and proposed activities of the OzAurum Group are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the OzAurum Group's activities are expected to have an impact on the environment. It is the Company's intention to conduct its activities in full compliance with all environmental laws.

The minerals and mining industries have become subject to increasing environmental responsibility and liability. The potential for liability is an ever-present risk. The use and disposal of chemicals in the mining industry is under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations may become more onerous, making the Company's operations more expensive.

Gold and mineral exploration activities have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products. The occurrence of any such safety or environmental incident could delay exploration programs. Events such as unpredictable rainfall or bushfires may impact on the OzAurum Group's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the OzAurum Group for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.

Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in a delay to anticipated exploration programs.

Exploration work will be carried out in a way that causes minimum impact on the environment. Consistent with this, it may be necessary in some cases to undertake baseline environmental studies prior to certain exploration or mining activities, so that environmental impact can be monitored, and as far as possible, minimised.

(j) Climate change

The Directors recognise that there are a number of risks related to climate change which may affect the OzAurum Group, including but not limited to:

- the changes which may occur to the climate of the area in which the projects are situated which cannot be predicted. The climate may change in a way which, for example, reduces evaporation rates or increases rainfall or the intensity of weather events in the Tenement areas or Tenement Application areas (if they are approved). These changes may cause disruption to field work and exploration activities;
- changes in governmental policy in response to climate change could adversely impact the value of the Company's assets, its business strategy and/or the costs of its operations; and
- climate change may have an impact on the operations of participants in the mining industry.

(k) Litigation risk

While the OzAurum Group is not currently engaged in any litigation or disputes, it remains exposed to possible litigation and dispute risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims, trademark infringement and employee claims. Further, the OzAurum Group may be involved in disputes with other parties in the future, which may result in litigation.

Damages claimed under such litigation may be material or may be indeterminate, and the outcome of such litigation may materially impact on the Company's operations, financial performance and financial position. Defence and settlement costs can be significant, even in respect of claims that have no merit, and can divert the time and attention of management away from the business. In addition, the adverse publicity surrounding such claims may have a material adverse effect on the Company's business and prospects.

(l) Safety risks

Safety is a fundamental risk for any exploration and development company in regard to personal injury, damage to property and equipment and other losses. The occurrence of any of these risks could result in legal proceedings against the OzAurum Group, and substantial losses to the Company, due to injury or loss of life, damage to or destruction of property, regulatory investigation, and penalties or suspension of operations.

Damage occurring to third parties as a result of such risks may give rise to claims against the OzAurum Group. The OzAurum Group maintains appropriate occupational, health and safety management systems and provides appropriate instructions, equipment, preventive measures, first aid information and training to all stakeholders. The Company has taken an appropriate level of insurance to mitigate this risk.

7.4 OTHER RISKS

(a) Coronavirus (COVID-19) risk

The outbreak of the coronavirus disease (**COVID-19**) is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. The extent of the effect of COVID-19 on access for exploration purposes is difficult to predict at the current time given the situation remains uncertain and is evolving rapidly. Infection on site at any of the projects could result in the OzAurum Group's exploration work being suspended or otherwise disrupted for an unknown period of time.

Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the OzAurum Group's operations and are likely to be beyond the control of the Company. The OzAurum Group's ability to freely move people and equipment to and from exploration projects may cause delays or cost increases. The effects of COVID-19 on the Share price may also impede the Company's ability to raise capital, or require the Company to issue capital at a discount, which may in turn cause dilution to shareholders.

The Directors are monitoring the situation closely and have considered the impact of COVID-19 on the OzAurum Group's operations. If any of these impacts appear material prior to close of the Offer, the Company will notify investors under a supplementary prospectus.

(b) Currently no market

There is currently no public market for the Company's Shares. The price of its Shares is subject to uncertainty, and there can be no assurance that an active market will develop or continue after Completion of the Offer.

The price at which the Company's Shares trade on ASX after listing may be higher or lower than the Offer price and could be subject to fluctuation in response to operating performance and results, as well as external factors over which the Directors and the Company have no control, such as movements in mineral prices and exchange rates, changes to government policy, legislation or regulation and other events or factors.

There can be no guarantee that an active market in the Company's Shares will develop or that the price of the Shares will increase.

There is no guarantee that there will be an ongoing liquid market for the Company's Securities. If the Shares become illiquid, there is a risk that shareholders will be unable to realise their investment in the Company at the time they

wish to do so or at a price they consider reasonable.

There may be relatively few or many potential buyers or sellers of the Shares on ASX at any given time. This may increase the volatility of the market price of the Shares. It may also affect the prevailing market price at which shareholders are able to sell their Shares. This may result in shareholders receiving a market price for their Shares that is above or below the price that shareholders paid.

(c) Share market conditions

There are risks associated with any investment in a company listed on ASX. Share market conditions may affect listed securities regardless of operating performance. Share market conditions are affected by many factors such as:

- general economic and political outlook or instability;
- the occurrence of a pandemic or outbreak of disease;
- movements in, or outlook on, interest rates and inflation rates;
- introduction of tax reform or other new legislation;
- currency fluctuations;
- volatility in commodity prices;
- changes in investor sentiment towards particular market sectors;
- the demand for, and supply of, capital; and
- war, terrorism or other hostilities.

The market price of securities may rise or fall and in particular, securities of exploration companies may be subject to extreme price and volume fluctuations that have often been unrelated to the operating performance, underlying asset values or prospects of such companies. Neither the Company, nor the Directors, warrant the future performance of the Company or any return on an investment in the Company.

(d) Dividends

The Company does not expect to declare any dividends for the foreseeable future. Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements, general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

(e) General economic factors

General macro-economic conditions such as inflation, currency fluctuation, interest rates, supply and demand and industrial disruption may each have an adverse impact on operating costs, commodity prices and stock market processes. The Company's future possible revenues and Share price can be affected by these factors, which are beyond the control of the Company and its Directors.

(f) Commodity prices volatility and exchange rate risks

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of product exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are influenced by physical and investment demand for those commodities. Fluctuations in commodity prices may influence individual projects in which the Company has an interest. Specifically, changes in the price of gold may have an effect on the Company.

Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are set in Australian dollars, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

(g) Competition risk

The mining industry in which the Company will be involved is subject to domestic and global competition in all its phases. There is a high degree of competition for the discovery and acquisition of properties considered to have commercial potential. The Company competes for the acquisition of mineral properties, claims, leases and other such interests, as well as for the recruitment and retention of qualified employees and contractors, with many companies possessing greater financial resources and technical facilities than the Company.

Competition in the gold exploration and development business could have an adverse effect on the Company's ability to acquire suitable properties or prospects for mineral exploration in the future. Although the Company will undertake reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.

(h) Government policy and legal risk

Adverse changes in government, monetary policies, taxation and other laws can have a significant influence on the Company's assets, operations, and ultimately, the financial performance of the Company and its Shares. Such changes are likely to be beyond the control of the Company and may affect industry profitability as well as the Company's capacity to explore and mine. In particular, government policies and regulations vary in different States and with different governing parties in relation to exploration, mining and marketing.

The OzAurum Group's activities will require compliance with various laws, both State and Commonwealth, relating to the protection of the environment, Aboriginal culture and heritage and native title. Changes in government, government policies and legislation could have a material adverse effect on the Company.

(i) Regulatory risk

The OzAurum Group's exploration and development activities are subject to extensive laws and regulations relating to numerous matters, including resource licence consent, conditions including environmental compliance and rehabilitation, health and worker safety and standards, waste disposal, protection of the environment, native title and heritage matters, exports, taxes and other matters. The OzAurum Group may require permits from regulatory authorities to authorise the OzAurum Group's operations. These permits relate to exploration, development, production and rehabilitation activities.

It is possible that future changes in applicable laws, regulations, agreements or changes in their enforcement or regulatory interpretation could result in changes in legal requirements, or in the terms of permits and agreements applicable to the Company or its subsidiaries, which could have a material adverse impact on the Company's current exploration program and future development projects. Obtaining necessary permits can be a complex, time-consuming process and there is a risk that the Company, or its subsidiaries, will not obtain these permits on acceptable terms, in a timely manner, or at all.

The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Company from proceeding with the development of a project or the operation or development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities, or forfeiture of one or more of the Tenements or Tenement Applications (if they are approved).

In addition, amendments to current laws and regulations governing operations, or more stringent implementation thereof, could have a substantial adverse impact on the Company and cause increases in exploration expenses, capital expenditures or production costs, or reduction in levels of production at producing properties, or require abandonment or delays in the development of new mining properties.

(j) Taxation

The purchase and the sale of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation point of view and generally.

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

(k) Insurance risk

The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the Company's operations, financial situation and/or results. Insurance against all risks associated with mineral exploration and production is not always available and, where available, the cost may be prohibitive and unsustainable. In addition, there is a risk that an insurer defaults in the payment of a legitimate claim by the Company.

(l) Contractual disputes

As with any contract, there is a risk that the OzAurum Group's contracts could be disputed in situations where there is a disagreement or dispute in relation to a term of the contract. Should such disagreement or dispute occur, this may have an adverse impact on the Company's operations and performance generally. It is not possible for the Company to predict, or protect itself and its subsidiaries against, all such risks.

(m) Third party risks

The operations of the OzAurum Group require the involvement of a number of third parties, including suppliers, contractors and clients.

Financial or operational failure, poor performance, default or contractual non-compliance on the part of any such third parties may have a material impact on the Company's operations and performance. It is not possible for the Company to predict, or protect itself and its subsidiaries against, all such risks.

(n) Force majeure

The OzAurum Group's projects now or in the future may be adversely affected by risks outside the control of the Company and the Directors, including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

(o) Other risks

The future viability and profitability of the Company is also dependent on a number of other factors affecting the performance of all industries and not just the exploration and mining industries, including, but not limited to, the following:

- the strength of the equity and share markets in Australia and throughout the world;
- general economic conditions in Australia and its major trading partners and, in particular, inflation rates, interest rates, commodity supply and demand factors and industrial disruptions;
- financial failure or default by a participant in any of the joint ventures or other contractual relationships to which the Company is, or may become, a party;
- insolvency or other managerial failure by any of the contractors used by the Company in its activities; and
- industrial disputes in Australia and overseas.

(p) Speculative nature of investment

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

Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

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

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Patricia Project

Section 8

Board, Management & Corporate Governance

8.1 BOARD OF DIRECTORS AND MANAGEMENT

The Board is responsible for the corporate governance of the Company. The Board monitors the operational, financial position and performance of the Company and oversees its business strategy, including approving the strategic decisions and goals of the Company.

At the date of this Prospectus, the Board of Directors is comprised of the following Directors:

Mr Andrew Pumphrey

Managing Director and CEO

Mr Pumphrey is a geologist and mine surveyor with over 30 years' experience in the mineral exploration industry. He has extensive field experience in exploring for gold, nickel, silver and zinc throughout Western Australia and has been involved with several private underground and open pit mining operations.

Based in Kalgoorlie since 1989, Mr Pumphrey has operated a successful exploration contracting business and has an extensive knowledge of the geology of the Eastern Goldfields. For the last five years, Mr Pumphrey has been working as the Operations Manager and General Manager for MacPhersons Resources Ltd and Horizon Minerals (ASX:HRZ). He previously worked as the Exploration Manager for MacPhersons Resources Ltd for four years.

Mr Pumphrey is a member of the Australian Institute of Geoscientists and a member of the Australasian Institute of Mining and Metallurgy.

Mr Jeffrey Williams

Chairman and Non-Executive Director

Mr Williams has over 40 years' experience in the mining industry, with 16 years' experience as a professional mining engineer in Australia and seven years in the stockbroking industry. His mining experience ranges from mine planning, underground management and feasibility studies through to mine development.

Mr Williams was the Managing Director of Mineral Deposits Ltd for 15 years and departed in late 2011. He secured the Sabodala gold and Grande Cote zircon projects in Senegal in West Africa, and commenced gold production in March 2009. The market capitalisation of Mineral Deposits Ltd increased from A\$6m in 2003 to over A\$1b in 2011.

Mr Martin Christopher Holland

Non-Executive Director

Mr Holland is the co-founder, Chairman and Managing Director of Cobre Ltd (CBE:ASX) which listed on ASX in January 2020. He is a known mining executive with over 12 years' experience in M&A and corporate finance. Mr Holland was the founder and CEO of Lithium Power International (LPI:ASX) from 2015 to 2018. During this period, Mr Holland raised in excess of A\$70m of new equity to progress LPI's projects from acquisition and further exploration to a definitive feasibility study.

Mr Holland is the Chairman of Sydney based investment company, Holland International Pty Ltd, which has strong working relationships with leading institutions and banks across the globe.

Mr Andrew Tudor

Non-Executive Director

Mr Tudor's experience has been gained over 34 years as a geologist in the mining industry. He has encompassed roles ranging from Managing Director/CEO of ASX listed companies to General Manager, Country Manager and Exploration Manager roles, as well as exploration and mine geology functions.

Mr Tudor has also held the position of General Manager and Principal Consultant of a global mineral consulting firm where his role concentrated on project assessment, due diligence and evaluation studies, in conjunction with geological and resource assessments.

Mr Tudor's career commenced exploring and mining gold in Western Australia and progressed to the varying gold and base metal environments of the Australasian/Pacific region.

Mr Stephen Hewitt-Dutton

Company Secretary

Mr Hewitt-Dutton has over 20 years of experience in corporate finance, accounting and company secretarial matters. He is an Associate Director of Trident Capital Pty Ltd and holds a Bachelor of Business from Curtin University.

Before joining Trident Capital Pty Ltd, Mr Hewitt-Dutton worked in a big 4 accounting firm and corporate accounting roles, and most recently was an Associate Director of Carmichael Corporate Pty Ltd, where he assisted clients by providing equity market, IPO and M&A advice and assistance. He has also held Financial Controller and Company Secretary positions for both public and private companies in excess of 15 years.

8.2 MANAGEMENT PERSONNEL AND CONSULTANTS

The Company is committed to having the appropriate management personnel to properly supervise the exploration and, if successful, the development of the Company's projects. The Board intends to monitor the requirement for additional management roles in the Company.

As the Company's projects progress, the Board will look to appoint additional management and/or consultants when and where appropriate, depending on the increased level of involvement required.

A summary of Mr Andrew Pumphrey's Executive Employment Agreement with the Company is set out in Section 10.7 of this Prospectus. A summary of the Non-Executive Director Agreements for Mr Jeffrey Williams, Mr Martin C Holland and Mr Andrew Tudor are set out in Section 10.8 of this Prospectus.

8.3 DISCLOSURE OF INTERESTS

Other than as set out in Table 8.1 below, the Company has paid no remuneration to its Board members, and no further remuneration has accrued, since the date of incorporation of the Company to the date of this Prospectus.

Table 8.1 Interests of the Directors in the Company as at the date of this Prospectus

Director	Accrued remuneration between 5 August 2020 and the date of this Prospectus ^{1,2}	Shares held (either personally or through related parties)	Unlisted Options held (either personally or through related parties)
Mr Andrew Pumphrey	\$120,000	43,136,500	2,000,000
Mr Jeffrey Williams	\$10,000	1,000,000	2,000,000
Mr Martin C Holland	\$120,000	10,000,000	2,000,000
Mr Andrew Tudor	\$7,500	100,000	2,000,000

Notes:

1. *Accrued remuneration will be paid by the Company after Admission from the proceeds of the Offer, with the exception of the accrued remuneration owing to Mr Andrew Pumphrey, who has been paid \$20,000 from the Company's existing cash reserves, leaving an accrued balance of \$100,000 to be paid to him after Admission from the proceeds of the Offer. All amounts stated are exclusive of any GST or compulsory superannuation that may be payable.*
2. *This remuneration has accrued for services performed by the Director from 5 August 2020 (being the date of incorporation of the Company) to the date of this Prospectus. These figures may change based on the actual date of Admission.*

8.4 DIRECTOR DISCLOSURES

No Director has been the subject of any disciplinary action, criminal conviction, personal bankruptcy or disqualification in Australia or elsewhere in the last 10 years, which is relevant or material to the performance of their duties as a Director or which is relevant to an investor's decision as to whether to subscribe for Shares.

Further, no Director has been an officer of a company that has entered into any form of external administration as a result of insolvency during the time that they were an officer or within a 12-month period after they ceased to be an officer.

8.5 ARRANGEMENTS WITH DIRECTORS AND RELATED PARTIES

The Company's policy in respect of related party arrangements is that a Director who has a material personal interest in a matter that is being considered at a Board meeting must not be present while the matter is being considered at the meeting or vote on the matter, unless permitted to do so by the Corporations Act and the Company's Constitution. See Section 8.6 of this Prospectus below for a summary of the Company's Related Party Transactions and Conflicts of Interest Policy for further information.

8.6 CORPORATE GOVERNANCE

(a) Statement of Values

The Company has committed to adhering to a set of values and fundamental principles (**Values**). These Values inform the Board, senior executives and all other employees on the standards of behaviour that are expected and required. The Values also define the culture of the Company, informs the Company's strategy and guides the Company's operational practices, including the way it interacts with stakeholders, employees and suppliers.

The Values of the Company are summarised as follows:

- to act fairly and ethically;
- to comply with the law at all times and act accordingly;
- to respect others, both inside and outside of the workplace;
- to promote diversity; and
- to be honest and transparent in all dealings.

The Board, together with senior management, are responsible for upholding these Values and training employees to act in accordance with these Values.

(b) Board composition and independence

The Board will be required to consider issues of substance affecting the Company, and in doing so, will seek advice from external advisors as the Board considers appropriate. Each Director will bring an independent view and judgement to the Board.

In the event where any actual or potential conflicts of interest arise, Directors will be required to declare such conflicts to the Board on an ongoing basis. If any matter arises which may affect or concern a Director's ability to act as a Director, such matters must be discussed at a Board meeting as soon as practicable.

(c) Board Charter

A written charter has been adopted by the Board (**Charter**) to provide a framework for the effective operation of the Board. The Charter dictates the Board's composition, role and responsibilities. The Charter also governs the relationship between the Board, management and persons to whom the Board has delegated its authority.

The Charter, which among other things, requires the Board to:

- **(budgets and expenditure)**: approve, evaluate and monitor major capital expenditure, capital management, budgets and all major transactions, including the issue of Securities;
- **(disclosures)**: oversee the Company's continuous disclosure process and compliance with the Company's Continuous Disclosure Policy;
- **(leadership)**: provide leadership to the Company and set strategic objectives or direction;
- **(performance)**: oversee the Company's performance, including management's implementation of the strategic objectives set by the Board;
- **(appointment of executives)**: attend to and manage the appointment of a Chairman, CEO and senior executives of the Company;
- **(remuneration)**: review and approve the Company's remuneration framework;
- **(risk management)**: ensure that the Company has adopted an appropriate risk management framework;
- **(accounting)**: oversee the integrity of the Company's accounting and corporate reporting systems, including all external audits;
- **(governance policies)**: adopt, review and evaluate the Company's governance policies and procedures; and
- **(dividends)**: determine the Company's dividend policy, including the amount and timing of all dividend payments.

The CEO will conduct or otherwise oversee the management function as directed by the Board. Management must promptly supply the Board with all required information that is in a form and of a quality to allow the Board to effectively discharge its duties. The Board collectively, and any individual Director (with the Chairman's approval), is permitted to seek independent professional advice, at the Company's expense.

(d) Board committees

From time to time, the Board may establish committees to which the Board may delegate its responsibilities. The Board does not currently have any committees but proposes to establish both an Audit and Risk Committee, and a Remuneration and Nomination Committee, at such time as the Board determines, having regard to the size of the Company and the nature of its operations. The Board will appoint members to the committees based on the needs of the Company, any regulatory or statutory requirements and the knowledge, skill and experience of the members.

Having regard to the ASX Listing Rules and other relevant laws, the Board has adopted committee charters for the Audit and Risk Committee, and the Remuneration and Nomination Committee, pursuant to which the Board will carry out the functions and responsibilities of each of those committees until such time as they are established. These charters are summarised as follows:

Audit and Risk Committee Charter

This charter sets out the role, authority, responsibilities, composition and procedural requirements of the Audit and Risk Committee. The committee's functions are to assist the Board in fulfilling its responsibilities with respect to the Company's:

- financial reports;
- financial reporting systems and processes;
- risk management, including preparation of a risk management framework;
- compliance processes, including development of a compliance framework;
- internal controls; and
- internal and external audit processes.

The charter sets out the procedural requirements for the committee and requires the committee to be of sufficient size, independence and technical expertise to discharge its functions effectively. The committee, in carrying out its functions, has the power to conduct investigations and retain expert advisers.

Remuneration and Nomination Committee Charter

This charter sets out the role, authority, responsibilities, composition and procedural requirements of the Remuneration and Nomination Committee. The committee's functions are to assist the Board in fulfilling its responsibilities by reviewing and making recommendations with respect to:

- remuneration of executive directors, and the Company's senior executives;
- remuneration of non-executive Directors;
- remuneration of employees generally;
- executive and employee performance evaluation;
- the nomination and appointment of Directors; and
- policies to promote diversity of representation and contribution to the Company, professional development and personnel management.

The charter sets out the procedural requirements for the committee and requires the committee to be of sufficient size, independence and technical expertise to discharge its functions effectively. The committee, in exercising its functions, has the power to retain expert advisers and conduct or authorise enquiries into any matters, including conducting checks of a candidate's character.

(e) Corporate governance policies

The Company has adopted each of the policies that are summarised below, which have been prepared having regard to the ASX Recommendations. These policies are available on the Company's website: www.ozaurumresources.com.

Code of Conduct

The Company values the importance of observing high standards of ethical corporate practice and business conduct, and accordingly, has adopted a formal code of conduct (**Code of Conduct**). The Code of Conduct must be adhered to by all Directors, advisors, officers, employees, consultants and contractors of the Company (**Personnel**). The Code of Conduct also sets out the consequences for breach of the code, including the possibility of disciplinary action or termination of employment.

The Code of Conduct requires as follows:

- **(compliance with laws):** Personnel must always comply with all laws and regulations;
- **(integrity):** all Personnel must act honestly, fairly, reasonably, respectfully and in good faith at all times and in the best interests of the Company;
- **(diversity):** Personnel must not engage in any form of discrimination, bullying, harassment, vilification and victimisation against other Personnel, shareholders, customers, clients, suppliers and competitors of the Company;
- **(assets and confidential information):** Personnel must ensure that the Company's confidential information remains confidential and is not used improperly. Employees must also ensure that the assets of the Company are used only for legitimate business purposes;
- **(conflicts of interest):** Personnel must avoid entering into any arrangement or participating in any activity that would conflict with the Company's best interests or would be likely to negatively affect the Company's reputation; and
- **(anti-bribery):** Personnel must comply with laws against bribery and corruption.

Continuous Disclosure Policy

Upon the Company being admitted to the Official List, the Company will be required to comply with continuous disclosure requirements pursuant to the ASX Listing Rules and the Corporations Act.

The Company will be required to immediately disclose to ASX information concerning the Company, which may not be generally available, and that a reasonable person would expect to have a material effect on the price or value of its Securities.

This policy prescribes certain procedures and measures that the Company must follow in order to ensure that the Company complies with its obligation to make continuous disclosures.

Risk Management Policy

This policy aims to assist the Board in monitoring, identifying, assessing and managing risks that affect, or are likely to affect, the Company's business. It is the responsibility of the Board to identify principal risks that have the potential to affect the Company's business.

The Board will continuously discuss and assess key operational risks to the Company and how those risks should best be managed through the establishment of a risk management framework to enable it to identify and manage risk on a continual basis.

Securities Trading Policy

This policy is aimed to impose restrictions on Directors, officers, senior executives and employees (collectively, **Restricted Persons**) of the Company dealing in the Company's Securities. Ultimately, this policy aims to:

- minimise risk of Restricted Persons contravening the laws against insider trading;
- ensure that the Company meets its reporting obligations under the ASX Listing Rules; and
- ensure transparency with respect to any trading of Shares by the Company's Restricted Persons.

The policy requires that Restricted Persons should only deal in Shares if:

- they do not possess any price-sensitive information that is not available to the general public; and
- they have notified the Chairman, Board or Company Secretary (as applicable) that they intend to deal in the Shares and, in response to such notification, they do not receive any indication of any impediment to them doing so.

Restricted Persons will generally not be permitted to deal in Shares where there is price-sensitive information that has not yet been disclosed to the public due to an exception to the ASX Listing Rules.

All trading in Shares by Restricted Persons must be in accordance with this policy and generally will only be permitted during specified trading windows.

In certain circumstances (including circumstances of financial hardship of the Restricted Persons), the Chairman or CEO may waive the restrictions that ordinarily would apply to the Restricted Persons and allow them to deal in

Shares outside of the trading windows, on the condition that the Restricted Persons do not possess any price-sensitive information not available to the general public. Restricted Persons must:

- not communicate any price-sensitive information to a person who might deal in Shares, nor should they recommend or otherwise suggest to any person the buying or selling of Shares;
- not, at any time, engage in short-term trading in Shares; and
- not disclose confidential information of the Company to any unauthorised party.

The Company Secretary and Chairman must be notified immediately of any Restricted Persons buying or selling any Shares. If any person to whom this policy applies contravenes the policy, they may face disciplinary action, including summary dismissal.

Shareholder Communication Policy

The Company recognises the need to ensure effective and transparent communication with its shareholders. Accordingly, the Company has adopted a policy that deals with such practices aimed at encouraging timely, effective, open and honest communication with shareholders through accessible and fair means and optimum attendance at, and participation in, all shareholder meetings.

Diversity Policy

The Board values diversity and the importance of treating every person with dignity and respect. The Board also recognises the unique benefits that diversity can bring to the Company's ability to achieve its targets and goals.

In order to promote diversity, equality and inclusion in the workplace, the Company has adopted a diversity policy, which sets out diversity objectives that the Company wishes to consistently achieve.

This policy also provides guidance to the Board for the establishment and evaluation of measurable objectives for achieving those diversity based objectives, relative to the growth of the Company, its size and operations.

Privacy Policy

The Board appreciates the seriousness of ensuring personal information belonging to individuals is handled, stored and dealt with correctly to ensure it is properly protected. The Company has adopted a privacy policy, which sets out the manner in which the Company must collect, use and manage the personal information of individuals.

Under this policy, the Company has committed to not selling, trading or otherwise disclosing personal information, other than:

- to third parties as might be reasonably expected by the individual at the time of providing their personal information to the Company;
- with the consent of the individual; or
- as otherwise required by law.

Anti-Bribery and Corruption Policy

The Company is committed to maintaining a high standard of integrity and corporate governance. This policy outlines the responsibilities of the Company's executive and non-executive Directors, officers, executives, employees, consultants, contractors and advisors in observing and upholding the Company's position against bribery and corruption.

The policy sets out how the Company must deal with the following matters:

- donations, gifts, corporate hospitality, political and charitable contributions;
- investigations or enquiries into a suspected act of bribery or corruption related to the Company, false reports and investigations;
- improper or unethical conduct;
- dealings with government officials; and
- consequences for breach of the policy.

Whistleblower Protection Policy

The Company is committed to the protection of individuals who disclose information concerning misconduct or an improper state of affairs or circumstances within the Company.

The Board has adopted a policy to protect whistleblowers, and to provide a safe and confidential environment for whistleblowers to raise concerns, without fear of reprisal and detrimental treatment. This policy dictates:

- the persons eligible for protection as a whistleblower;
- the protections that a whistleblower is entitled to; and
- how disclosures made by whistleblowers will be handled by the Company.

Related Party Transactions and Conflicts of Interest Policy

This policy establishes a protocol for Directors and key management personnel (collectively, **Key Management Personnel**) of the Company, which aims to avoid and minimise potential issues arising when Key Management Personnel are negotiating and entering into transactions with their related parties.

This policy requires:

- Key Management Personnel to disclose all proposed or potential related party transactions to the Board before they are entered into;
- related party transactions to be undertaken and negotiated on arm's length terms or otherwise in compliance with Chapter 2E of the Corporations Act and the ASX Listing Rules;
- where necessary, require an independent committee made up of the independent members of the Board to supervise negotiations and approve the related party transactions before they are entered into;
- ensure the related party transaction is in the best interests of the existing shareholders of the Company; and
- the negotiated terms of any related party transaction to be fair, reasonable and thoroughly documented.

Under the Corporations Act and the Company's Code of Conduct, Key Management Personnel must avoid situations where their interests and the interests of the Company conflict. Amongst other requirements, Key Management Personnel are required to comply with the following:

- take all reasonable steps to avoid actual, potential or perceived conflicts of interest;
- disclose any conflicts of interest which may exist or might reasonably be thought to exist to the Chairman or Company Secretary; and
- abstain from participating in any discussion or voting on matters in which they have a material personal interest, except as permitted by the Constitution of the Company or by the Corporations Act.

8.7 DEPARTURES FROM ASX RECOMMENDATIONS

Following Admission to the Official List, the Company will be required to report any departures from the ASX Recommendations in its annual financial report. The Company's departures from the ASX Recommendations as at the date of this Prospectus are detailed in Table 8.2 below.

Table 8.2 Company's departures from the ASX Recommendations

ASX Recommendation	Explanation for departure
1.5	Due to the current size of the Board and management, measurable objectives have not yet been set under the Company's Diversity Policy.
2.1	The Board does not have a nomination committee and will consider establishing such a committee when the Company's Board, size, complexity and operations warrant the establishment of a nomination committee.
2.4	A majority of the Board is not considered independent but this is appropriate given the Company's current size, complexity and stage of operations.
4.1	The Board does not have an audit committee and will consider establishing such a committee when the Company's Board, size, complexity and operations warrant the establishment of an audit committee.
7.1	The Board does not have a risk committee and will consider establishing such a committee when the Company's Board, size, complexity and operations warrant the establishment of a risk committee.
7.3	The Company does not have, and does not intend to establish, an internal audit function. To evaluate and continually improve the effectiveness of the Company's risk management and internal control processes, the Board relies on ongoing reporting and discussion of the management of material business risks as outlined in the Company's Risk Management Policy.
8.1	The Board does not have a remuneration committee and will consider establishing such a committee when the Company's Board, size, complexity and operations warrant the establishment of a remuneration committee.

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Alluvial gold mining at the Mulgabbie Project

Section 9

Financial Information and Independent Limited Assurance Report

9.1 INTRODUCTION

The Company was incorporated on 5 August 2020 as a proprietary company limited by shares and was subsequently converted to a public company on 22 October 2020. On 14 October 2020, OzAurum Mines Pty Limited (**OzAurum Mines**) was incorporated as a wholly-owned subsidiary of the Company (together, the Company and OzAurum Mines comprise the **OzAurum Group**).

On 19 October 2020, the OzAurum Group entered into three Option Agreements with the Sellers to acquire a 100% interest in the Tenements and Tenement Applications. Following the exercise of the options under each Option Agreement by OzAurum Mines, OzAurum Mines became the owner of the Tenements and Tenement Applications on 27 October 2020 when the acquisition completed. Refer to Section 3 of this Prospectus for further information on the corporate structure of the OzAurum Group, the Tenements and the Tenement Applications.

This Section contains the historical and pro forma consolidated historical financial information for the OzAurum Group, including:

- the consolidated historical statement of financial position as at 31 October 2020 (**Historical Statement of Financial Position or Historical Financial Information**); and
- the pro forma consolidated historical statement of financial position as at 31 October 2020:
 - on the basis of a subscription for 40,000,000 Shares at an issue price of \$0.25 per share to raise \$10,000,000 (**Minimum Subscription**); and
 - on the basis of a subscription for 48,000,000 Shares at an issue price of \$0.25 per share to raise \$12,000,000 (**Maximum Subscription**),

as set out in Section 9.3 of this Prospectus below (**Pro Forma Historical Statements of Financial Position or Pro Forma Historical Financial Information**), (the Historical Financial Information and Pro Forma Historical Financial Information are collectively referred to throughout this Section as the **Financial Information**).

The Financial Information is expressed in Australian Dollars unless otherwise stated.

The Financial Information, as defined above, has been reviewed by Ernst & Young in accordance with the Australian Standard on Assurance Engagements ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*, as stated in its Independent Limited Assurance Report set out in this Section 9. Investors should note the scope and limitations of that report.

The Financial Information set out in this Section 9 should be read in conjunction with the balance of this Prospectus, including the company overview set out in Section 3 of this Prospectus, the accounting policies included in Section 9.3(b) of this Prospectus below and the key investment risks included in Section 7 of this Prospectus.

Also summarised in this Section 9 are:

- the basis of preparation and presentation of the Financial Information (Section 9.2 of this Prospectus);
- a description of the pro forma adjustments to the Historical Financial Information (Section 9.3 of this Prospectus); and
- information regarding the Company's contractual obligations, commitments and contingent liabilities (Section 9.3(c) of this Prospectus).

Details of the Company's dividend policy are set out in Section 2.17 of this Prospectus.

9.2 BASIS OF PREPARATION OF THE FINANCIAL INFORMATION

(a) Basis of preparation

The Directors are responsible for the preparation and presentation of the Financial Information.

The Financial Information has been prepared in connection with the Offer. The unaudited Pro Forma Historical Statement of Financial Position as at 31 October 2020 has been included for illustrative purposes to reflect the consolidated financial position of the OzAurum Group on the basis that the OzAurum Group completed the transactions outlined in this Prospectus as at 31 October 2020. The presentation currency for the OzAurum Group is Australian dollars.

The Financial Information is presented in an abbreviated form, insofar as it does not include all of the presentation, statements, comparative information and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act.

(b) Preparation of Historical Financial Information

The Historical Financial Information of the OzAurum Group has been derived from its unaudited trial balance as at 31 October 2020, incorporating activities undertaken for the period from incorporation on 5 August 2020 to 31 October 2020. No audit opinion or limited assurance conclusion has been issued on the trial balance. This date has been chosen as it is the date on which the latest financial information was available.

The Historical Financial Information has been prepared in accordance with the recognition and measurement principles contained in Australian Accounting Standards (**AAS**) issued by Australian Accounting Standards Board (**AASB**).

(c) Preparation of Pro Forma Historical Financial Information

The Pro Forma Historical Financial Information has been derived from the Historical Financial Information of the OzAurum Group, and adjusted for the effects of pro forma transactions described in Section 9.3 of this Prospectus.

The Pro Forma Historical Financial Information has been prepared in accordance with the recognition and measurement principles contained in AAS, other than it includes adjustments prepared in a manner consistent with AAS that reflect the impact of certain transactions as if they had occurred as at 31 October 2020.

Due to its nature, the Pro Forma Historical Financial Information does not represent the Company's actual or prospective financial position.

(d) Going concern

The Financial Information has been prepared on a going concern basis, which assumes continuity of the OzAurum Group's normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business. The OzAurum Group has a historical consolidated net current asset position (pre-Offer) of \$376,494 and a historical consolidated net asset position of \$1,313,412 as at 31 October 2020.

The Directors believe that the current cash resources will not be sufficient to fund the planned execution of the OzAurum Group's principal activities and working capital requirements. Following completion of the Offer, and under the Minimum Subscription raised, the Company expects a pro forma cash balance of \$9,341,677 (at the Maximum Subscription: \$11,209,937). The Directors have determined that these funds will be sufficient to allow for the exploration and evaluation activities in accordance with its current plans and to provide the necessary working capital to meet its commitments for a period of at least 12 months from the Offer. The OzAurum Group may also look to complete future equity offerings in order to raise additional capital as the business progresses.

In the event that the Company is unable to raise sufficient capital as contemplated by this Prospectus, there is a material uncertainty as to whether the OzAurum Group will be able to continue as a going concern, and therefore, whether it will be able to realise its assets and discharge its liabilities in the normal course of business at the amounts as stated in the Historical Statement of Financial Position. The Historical Statement of Financial Position does not include adjustments relating to the recoverability and classification of recorded asset amounts, or to the amounts and classification of liabilities that might be necessary should the OzAurum Group not continue as a going concern.

9.3 HISTORICAL AND PRO FORMA HISTORICAL STATEMENTS OF FINANCIAL POSITION

	Note	Historical as at 31-Oct-20 \$	Minimum Subscription		Maximum Subscription	
			Pro forma Adjustments \$	Pro forma Historical as at 31-Oct-20 \$	Pro forma Adjustments \$	Pro forma Historical as at 31-Oct-20 \$
Current assets						
Cash and cash equivalents	a	464,478	8,877,199	9,341,677	10,745,459	11,209,937
Trade and other receivables	a	50,780	66,369	117,149	75,369	126,149
Total current assets		515,258	8,943,568	9,458,826	10,820,828	11,336,086
Non-current assets						
Exploration and Evaluation Assets		936,918	–	936,918	–	936,918
Total Non-current assets		936,918	–	936,918	–	936,918
Total assets		1,452,176	8,943,568	10,395,744	10,820,828	12,273,004
Current liabilities						
Trade and other payables		138,764	–	138,764	–	138,764
Total liabilities		138,764	–	138,764	–	138,764
Net assets		1,313,412	8,943,568	10,256,980	10,820,828	12,134,240
Equity						
Issued capital	a	1,655,000	9,094,087	10,749,087	10,949,944	12,604,944
Reserves	a	283,004	95,162	378,166	102,310	385,314
Accumulated losses	a	(624,592)	(245,681)	(870,273)	(231,426)	(856,018)
Total equity		1,313,412	8,943,568	10,256,980	10,820,828	12,134,240

(a) Impact of the Offer**Net proceeds from the Offer comprise the following:**

- Issue of 40,000,000 Shares (Maximum Subscription: 48,000,000 Shares) at \$0.25 per Share totalling \$10,000,000 (Maximum Subscription: \$12,000,000) to investors participating in the Offer.
- Estimated costs of the Offer being \$1,184,265 (including GST) (Maximum Subscription: \$1,316,005) of which \$787,666 (Maximum Subscription: \$924,661) has been recognised as a deduction to issued capital with \$307,145 (Maximum Subscription: \$292,890) recognised in accumulated losses. The costs deducted from issued capital includes the share based payment (**Broker Options**) to Canaccord under the terms of their Lead Manager Mandate (refer to Section 10.6 of this Prospectus for a summary of the key terms of the Lead Manager Mandate).
- The estimated recoverable GST of \$89,454 (Maximum Subscription: \$98,454) charged on the invoices associated with these costs has been recognised as a GST receivable in Other Receivables.

Issue of Options

In accordance with the Lead Manager Mandate, 5,325,000 Broker Options (Maximum Subscription: 5,725,000) will be issued by the Company to the Lead Manager on the date of the Company's Admission to the Official List. Each Broker Option will be convertible into one Share at an exercise price of \$0.375 each, expiring three years from the date of Admission. The fair value per option at the grant date is estimated to be \$0.018 using Black Scholes Option Pricing Model. The total fair value of the Broker Options at the grant date is estimated to be \$95,162 (Maximum Subscription: \$102,310) and recognised in the share based payment reserve and recorded as share issue costs.

(b) Significant accounting policies

The principal accounting policies adopted in the preparation of the Financial Information are set out below. These policies have been consistently applied, unless otherwise stated. The Financial Information is prepared for the consolidated entity consisting of the Company and its subsidiary.

(i) Historical cost convention

This financial information has been prepared under the historical cost convention.

(ii) Basis of consolidation**Subsidiaries**

The Financial Information comprises financial information of the OzAurum Group at 31 October 2020.

Subsidiaries are all entities (including structured entities) over which a group has control. A group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

All intercompany balances and transactions, including unrealised profits arising from intragroup transactions have been eliminated. Unrealised losses are also eliminated unless costs cannot be recovered.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of financial position respectively.

(iii) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the consolidated statement of financial position.

(iv) Trade and other receivables

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

(v) Exploration, evaluation and development expenditure

Exploration and evaluation costs (including costs of studies, exploratory drilling, trenching and sampling and associated activities) and an allocation of depreciation and amortisation of assets used in exploration and evaluation activities, along with those for general and administrative costs, are expensed in the period they are incurred. Acquisition costs of acquiring exploration tenements are capitalised until the viability of the area of interest is determined. Those acquisition costs are carried forward when the following conditions are satisfied:

- (A) the rights to tenure of the area of interest are current; and
- (B) at least one of the following conditions is also met:
 - (I) the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or
 - (II) exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

(vi) Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the OzAurum Group prior to the year end and which are unpaid. These amounts are unsecured and have 30-60 day payment terms.

(vii) Contributed equity

Ordinary shares are classified as equity.

Costs directly attributable to the issue of new shares or options are shown as a deduction from the equity proceeds, net of any income tax benefit. Costs directly attributable to the issue of new shares or options associated with the acquisition of a business are included as part of the purchase consideration.

(viii) Share based payments

The OzAurum Group measures the cost of equity-settled transactions with other parties by reference to the fair value of the goods or services received. Where the fair value of the goods or services cannot be reliably determined, or where the goods or services cannot be identified, the OzAurum Group measures the cost of the transaction by reference to the fair value of the equity instruments granted.

(ix) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of GST except where GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

(c) Contractual obligations and capital commitments

As described in Section 10.9 of this Prospectus, a 2% net smelter royalty is payable to Excelsior Resources Ltd on gold production over 100,000 ounces from a Tenement (M28/364) that forms part of the Mulgabbie Project. The fair value of the royalty is not currently considered material and no liability has been recognised at balance date. The Company will assess the fair value of the royalty each reporting period with any movement in the liability recognised through profit and loss.

At the date of this Prospectus, the Company is not aware of any material capital commitments.

(d) Subsequent events

Since 31 October 2020, the following material events have arisen that are not adjusted for in the Pro Forma Historical Statement of Financial Position set out in Section 9.3 of this Prospectus:

- **(Prospecting Agreements):** On 10 November 2020, the Sellers entered into prospecting agreements with OzAurum Mines in respect of the alluvial prospecting rights to the Tenements granted to the Sellers under the Option Agreements (**Prospecting Agreements**). If the Tenement Applications are granted, then these alluvial prospecting rights will also extend to those newly granted tenements from the grant date. The terms of the Prospecting Agreements are summarised in Section 10.2 of this Prospectus.
- **(Andrew Pumphrey - Executive Employment Agreement):** On 27 November 2020, the Company entered into an executive employment agreement with Mr Andrew Pumphrey with respect to his position as Chief Executive Officer and Managing Director of the Company (**Employment Agreement**). The Employment Agreement will commence on the date that the Company is admitted to the Official List. The terms of the Employment Agreement are summarised in Section 10.7 of this Prospectus.

(e) Related Parties

Related party disclosures are set out in Section 8.3 of this Prospectus.



Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Independent Limited Assurance Report

10 December 2020

The Board of Directors
OzAurum Resources Limited
42 Hannan Street
Kalgoorlie WA 6430

Dear Directors

INDEPENDENT LIMITED ASSURANCE REPORT ON HISTORICAL FINANCIAL INFORMATION AND PRO FORMA HISTORICAL FINANCIAL INFORMATION

1. Introduction

We have been engaged by OzAurum Resources Limited ('OzAurum' or the 'Company') to report on the historical financial information and pro forma historical financial information for inclusion in the prospectus ("Prospectus") to be dated on or about 10 December 2020, and to be issued by OzAurum, in respect of the initial public offer of 40,000,000 ordinary fully paid shares of the Company at an issue price of \$0.25 per share to raise \$10 million, with the potential for oversubscriptions of up to a further 8,000,000 shares at an issue price of \$0.25 per share to raise up to a further \$2 million (before costs) ('the Offer').

Expressions and terms defined in the Prospectus have the same meaning in this report.

2. Scope

Historical Financial Information

You have requested Ernst & Young to review the following consolidated historical financial information of OzAurum Group:

- ▶ the historical statement of financial position as at 31 October 2020 as set out in section 9.3 of the Prospectus

(Hereafter the "Historical Statement of Financial Position" or "Historical Financial Information").

The Historical Financial Information has been extracted from the unaudited trial balance of OzAurum Group at 31 October 2020, incorporating activities undertaken for the period from incorporation on 5 August 2020 to 31 October 2020.

The Historical Financial Information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards ('AAS') issued by the Australian Accounting Standards Board.

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Liability limited by a scheme approved under Professional Standards Legislation



Pro Forma Historical Financial Information

You have requested Ernst & Young to review the following pro forma historical financial information of OzAurum Group:

- ▶ the pro forma consolidated historical statement of financial position as at 31 October 2020 based on a subscription for 40,000,000 Shares at an issue price of \$0.25 per share to raise \$10,000,000 (Minimum Subscription) as set out in section 9.3 of the Prospectus; and
- ▶ the pro forma consolidated historical statement of financial position as at 31 October 2020 based on a subscription for 48,000,000 Shares at an issue price of \$0.25 per share to raise \$12,000,000 (Maximum Subscription) as set out in section 9.3 of the Prospectus.

(Hereafter the 'Pro Forma Historical Statements of Financial Position' or 'Pro Forma Historical Financial Information').

The Historical Financial Information and Pro Forma Historical Financial Information are collectively referred to as the Financial Information.

The Pro Forma Historical Financial Information has been derived from the Historical Financial Information and adjusted for the effects of pro forma adjustments described in Section 9.3(a) of the Prospectus.

The Pro Forma Historical Financial Information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in AAS other than it includes adjustments prepared in a manner consistent with AAS that reflect the impact of certain transactions as if they had occurred as at 31 October 2020.

Due to its nature, the Pro Forma Historical Financial Information does not represent the Company's actual or prospective financial position.

The Financial Information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by AAS and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the *Corporations Act 2001*.

3. Directors' Responsibility

The directors of OzAurum are responsible for the preparation and presentation of the Historical Financial Information and Pro Forma Historical Financial Information of OzAurum Group, including the basis of preparation, selection and determination of pro forma adjustments made to the Historical Financial Information and included in the Pro Forma Historical Financial Information. This includes responsibility for such internal controls as the directors determine are necessary to enable the preparation of Historical Financial Information and Pro Forma Historical Financial Information that are free from material misstatement, whether due to fraud or error.



4. Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Historical Financial Information and Pro Forma Historical Financial Information based on the procedures performed and the evidence we have obtained.

We have conducted our engagement in accordance with the Standard on Assurance Engagements ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

Our limited assurance procedures consisted of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other limited assurance procedures.

A limited assurance engagement is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or limited assurance reports on any financial information used as a source of the Financial Information.

5. Conclusions

Historical Financial Information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Historical Financial Information comprising of the consolidated historical statement of financial position of OzAurum Group as at 31 October 2020 as set out in Section 9.3 of the Prospectus is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 9.2(b) of the Prospectus.

Pro Forma Historical Financial Information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical Financial Information of OzAurum Group comprising:

- ▶ the pro forma consolidated historical statement of financial positions as at 31 October 2020 based on a subscription for 40,000,000 Shares at an issue price of \$0.25 per share to raise \$10,000,000 (Minimum Subscription); and
- ▶ the pro forma consolidated historical statement of financial positions as at 31 October 2020 based on a subscription for 48,000,000 Shares at an issue price of \$0.25 per share to raise \$12,000,000 (Maximum Subscription)

as set out in Section 9.3 of the Prospectus is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 9.2(c) of the Prospectus.



6. Material Uncertainty Related to Going Concern – Historical Financial Information

We draw attention to Section 9.2(d) of the Prospectus which describes the principal conditions that raise doubt about the OzAurum Group's ability to continue as a going concern. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the OzAurum Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

7. Restriction on Use

Without modifying our conclusions, we draw attention to Section 9.2(a) of the Prospectus which describes the purpose of the Financial Information. As a result, the Financial Information may not be suitable for use for another purpose.

8. Consent

Ernst & Young has consented to the inclusion of this limited assurance report in the Prospectus in the form and context in which it is included.

9. Independence or Disclosure of Interest

Ernst & Young does not have any interests in the outcome of this Offer other than in the preparation of this report for which normal professional fees will be received.

Yours faithfully

A handwritten signature in black ink that reads 'Ernst & Young'.

Ernst & Young

For personal use only

For personal use only



RC Drill Rig on-site at Mulgabbie North, October 2020



Drone magnetometer survey at Mulgabbie Hotel

Section 10

Material Contracts

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

10.1 OPTION AGREEMENTS

On 19 October 2020, three option agreements were entered into in respect of the OzAurum Group's acquisition of the Tenements and Tenement Applications (together, the **Option Agreements**). The parties to each of the three Option Agreements are as follows:

- (a) the Company, OzAurum Mines, Mr Andrew Pumphrey and Mr Michael Daffen;
- (b) the Company, OzAurum Mines, Mr Andrew Pumphrey, Pendragon (WA) Pty Ltd ACN 124 384 738, Bedivere Holdings Pty Ltd ACN 105 274 244 as trustee for the Glastonbury Trust; and
- (c) the Company, OzAurum Mines and Mr Andrew Pumphrey,

(together, Mr Andrew Pumphrey, Mr Michael Daffen, Pendragon (WA) Pty Ltd and Bedivere Holdings Pty Ltd as trustee for the Glastonbury Trust are the **Sellers**).

On 20 October 2020, OzAurum Mines exercised its options to purchase the Tenements and the Tenement Applications from the Sellers pursuant to the Option Agreements. On 27 October 2020, completion under the Option Agreements occurred and OzAurum Mines acquired a 100% interest in the Tenements and Tenement Applications.

The Option Agreements are on terms and conditions considered standard for an agreement of this nature. The key terms are summarised below:

Subject	Provision
Option	In consideration for the payment of an option fee (of \$100 per Option Agreement) by the Company to the Sellers, the Sellers granted options to the OzAurum Group to acquire the Tenements and Tenement Applications. OzAurum Mines exercised these options and the Sellers transferred 100% of their interests in the Tenements and Tenement Applications to OzAurum Mines.

Subject	Provision
Consideration	<p>In consideration for the sale of the Tenements and Tenement Applications by the Sellers to OzAurum Mines, the Company:</p> <ul style="list-style-type: none"> ▪ paid an aggregate sum of \$250,000 to the Sellers; and ▪ issued Shares to the Sellers, at a deemed issue price of \$0.10 per Share, as follows: <ol style="list-style-type: none"> (a) 6,029,833 Shares to Mr Andrew Pumphrey; (b) 448,500 Shares to Bedivere Holdings Pty Ltd as trustee for the Glastonbury Trust; and (c) 21,667 Shares to Mr Michael Daffen.
Conduct during the Option Period	<p>During the period commencing on the date the option fee was paid and ending nine months after the date of the Option Agreements (Option Period), the Company is required to:</p> <ul style="list-style-type: none"> ▪ keep the Tenements in good standing under the <i>Mining Act 1978</i> (WA) (Mining Act) (paying all fees, rents, rates, mining rehabilitation fund commitments and other similar charges); ▪ prepare, file and lodge any documents required to keep the Tenements in good standing under the Mining Act, including but not limited to their renewals; ▪ prepare, file and lodge all statutory reports as and when required under the Mining Act and any other applicable laws; ▪ provide the Sellers with succinct exploration and reports and data dumps quarterly, including copies of all reports filed under the Mining Act; ▪ meet any minimum expenditure obligations imposed under the Mining Act in relation to the Tenements; and ▪ conduct all exploration on the Tenements in accordance with good and generally accepted Australian exploration practice.
Tenement Applications	<p>In relation to the Tenement Applications:</p> <ul style="list-style-type: none"> ▪ the Sellers hold all rights and interests in the Tenement Applications on trust for OzAurum Mines; ▪ OzAurum Mines is authorised to pursue the grant of the Tenement Applications; ▪ the Sellers must not transfer or otherwise deal with the Tenement Applications; and ▪ if OzAurum Mines elects to withdraw any Tenement Application, any amount refunded to the Sellers in respect of such withdrawal will immediately be paid to OzAurum Mines.
Transfer obligations	<p>The Sellers and OzAurum Mines must do all things and sign all documents necessary to obtain all approvals and consents required under the Mining Act for the transfer of the Tenements and the Tenement Applications to OzAurum Mines.</p>
Liabilities	<p>The Sellers remain liable, and will indemnify the OzAurum Group, in respect of all claims relating to the Tenements and Tenement Applications, which accrue or relate to the period before completion under the Option Agreements.</p>

Subject	Provision
Alluvial prospecting rights	<p>The Sellers have the right to enter into prospecting agreements with the OzAurum Group, pursuant to which they are permitted to access the Tenements to perform alluvial prospecting and mining, for their own purpose and benefit. Further, Mr Andrew Pumphrey, Pendragon (WA) Pty Ltd and Bedivere Holdings Pty Ltd as trustee for the Glastonbury Trust also have a right to conduct small-scale underground mining operations on tenement M28/364.</p> <p>These parties have since entered into Prospecting Agreements, the terms of which are summarised in Section 10.2 of this Prospectus below.</p>

10.2 PROSPECTING AGREEMENTS

On 10 November 2020, the Sellers entered into prospecting agreements with OzAurum Mines in respect of the alluvial prospecting rights to the Tenements granted to the Sellers under the Option Agreements (**Prospecting Agreements**). If the Tenement Applications are granted, then these alluvial prospecting rights will also extend to those newly granted tenements from the grant date. The parties to each of the three Prospecting Agreements are as follows:

- (a) Mr Andrew Pumphrey, Mr Michael Daffen and OzAurum Mines;
- (b) Mr Andrew Pumphrey, Pendragon (WA) Pty Ltd, Bedivere Holdings Pty Ltd as trustee for the Glastonbury Trust and OzAurum Mines; and
- (c) Mr Andrew Pumphrey and OzAurum Mines.

The Prospecting Agreements are on terms and conditions considered standard for an agreement of this nature. The key terms are summarised below:

Subject	Provision
Right to enter the Tenements for approved activities	<p>Subject to the terms of the Prospecting Agreements, OzAurum Mines has granted the Sellers the exclusive right to enter upon the Tenements in order to carry out certain approved activities. Such approved activities include prospecting, excavating, extracting or removing land, earth, soil, rock, stone, fluid or gold bearing substances and bulk sampling projects.</p> <p>The Sellers are permitted to disturb ground up to a maximum of 10 metres from the natural surface.</p> <p>Nothing prevents OzAurum Mines from accessing or conducting testing on any area on which the Sellers undertake the approved activities.</p>
Notification to OzAurum Mines	<p>Prior to undertaking any ground disturbing work, the Sellers must first provide notice to OzAurum Mines of the details of the activities that they propose to undertake on the Tenements. If OzAurum Mines considers that these activities will interfere with the activities of OzAurum Mines, the parties will meet in good faith and endeavour to amend the Sellers' proposed activities so that they do not interfere with the activities of OzAurum Mines.</p>
Rehabilitation works	<p>The Sellers will be responsible for all rehabilitation works on the Tenements in relation to exploration or mining activities carried out by them, as required by DMIRS and any other governmental authorities. All rehabilitation must be completed within 3 months after the completion of any works, unless otherwise agreed between the parties.</p>
Rights of ownership of product	<p>If, by undertaking the activities contemplated under the Prospecting Agreements, the Sellers find gold or gold bearing ore, the Sellers will have ownership rights to that gold or gold bearing ore.</p>

Subject	Provision
Small-scale underground mining operations M28/364	<p>Mr Andrew Pumphrey, Pendragon (WA) Pty Ltd and Bedivere Holdings Pty Ltd as trustee for the Glastonbury Trust are granted rights to conduct small-scale underground mining operations on tenement M28/364. They are permitted to extract a maximum of 10,000 tonnes per year of gold bearing ore from that tenement, provided that such gold bearing ore:</p> <ul style="list-style-type: none"> ▪ is not part of a gold resource that OzAurum Mines has defined as being greater than 10,000 oz; and ▪ is not within 100m of any gold resource that OzAurum Mines has defined.
Indemnity	<p>The Sellers have agreed to indemnify OzAurum Mines from and against all losses and claims that may be made against or suffered by OzAurum Mines arising out of the activities carried out by the Sellers under the Prospecting Agreements, except to the extent that the loss is caused by OzAurum Mines.</p>
Insurance	<p>The Sellers must maintain:</p> <ul style="list-style-type: none"> ▪ public liability insurance for a minimum value of \$20,000,000; and ▪ workers' compensation insurance for a minimum value of \$20,000,000 in respect of any one accident to any one employee.
Termination and withdrawal	<p>OzAurum Mines may terminate the Prospecting Agreements with immediate effect by giving notice in writing to the Sellers if the Sellers materially breach the Prospecting Agreements.</p> <p>The Sellers have the right to withdraw from the Prospecting Agreements by notifying OzAurum Mines in writing.</p>

10.3 DEEDS OF ACCESS, INDEMNITY AND INSURANCE

The Company has entered into Deeds of Access, Indemnity and Insurance (each a **Deed of Indemnity**) with Mr Jeffrey Williams, Mr Andrew Pumphrey, Mr Martin C Holland, Mr Andrew Tudor and Mr Stephen Hewitt-Dutton.

The Deed of Indemnity contains terms and conditions considered standard for deeds of this nature. The key terms are summarised below:

Subject	Provision
Retention of Company records	<p>The Company must maintain a file (either hard copy or electronic form) of all board papers for at least 10 years after creation, or if a claim is contemplated against an officer, until the later of 10 years after creation, and the Company becoming aware that the outcome of the claim has been determined or discontinued. The same is required in respect of subsidiaries of the Company.</p>

Subject	Provision
Access to documents	<p>The Company must provide access to the Company's records for a permitted purpose, being any of the following which involves the officer because of their present or former capacity as an officer of the Company:</p> <ul style="list-style-type: none"> ■ any proper purpose concerning the officer's exercise of rights and discharge of duties as an officer of the Company; ■ for the purpose of a claim to which the officer is a party; ■ for the purpose of a claim that the officer proposes to bring in good faith; ■ for the purpose of a claim that the officer has reason to believe might be brought against him. <p>If the officer wishes to access the Company's records for any other purpose, this other purpose must be approved by the Board.</p> <p>Access to the Company's records will be provided to the officer in accordance with the relevant procedures and terms set out in the Deed of Indemnity.</p>
Confidentiality	<p>The officer must keep information relating to the Company confidential, and must only use such information in accordance with the terms of the Deed of Indemnity. Disclosure of such information by the officer is only permitted in certain circumstances, including:</p> <ul style="list-style-type: none"> ■ to the officer's legal, financial or other professional advisers who need to know that confidential information for the officer to perform their functions or for a permitted purpose; and ■ disclosure required by law, or any court, tribunal, governmental agency or regulatory body.
Indemnity	<p>The Company agrees to indemnify the officers to the fullest extent permitted by law, against all liabilities incurred by the officer in their capacity as an officer of the Company and any subsidiary of the Company.</p> <p>The indemnity is a continuing indemnity that extends after the officer ceases to be an officer of the Company, and applies in respect of any liability that might have been incurred before the date of the Deed of Indemnity.</p>
D&O insurance	<p>The Company must use its best endeavours to ensure that the officers are insured under a Directors & Officers insurance policy, in accordance with the terms of the Deed of Indemnity.</p>

10.4 ESCROW AGREEMENTS

As a condition of admitting the Company to the Official List, ASX may classify certain Shares held prior to the date of this Prospectus as Restricted Securities. Prior to Official Quotation, it will be necessary for holders of Restricted Securities to enter into escrow agreements with the Company (**Escrow Agreements**), or otherwise be issued with restriction notices, pursuant to Chapter 9 of the ASX Listing Rules. The Escrow Agreements have the effect of restricting the shareholder from dealing with the Restricted Securities for a certain period of time, which will be determined by ASX (**Restriction Period**). The Company does not expect that Shares issued under the Offer will be restricted.

During the Restriction Period, the holder of the Restricted Securities must not dispose of, or agree to dispose of, the Restricted Securities, or create any security interest in the Restricted Securities, transfer ownership or control of the Restricted Securities, or participate in any return of capital by the Company.

In accordance with Chapter 9 and Appendix 9B of the ASX Listing Rules, the main Restriction Periods applicable are as follows:

Shareholder	Applicable Restriction Period
Seed capitalists that are related parties or promoters	The Restriction Period is 24 months from Admission. This will apply to Shares issued prior to the Offer.
Seed capitalists that are not related parties or promoters	The Restriction Period is 12 months from issue, if the subscription price was less than 80% of the price per Share under the Offer. This will apply to Shares issued prior to the Offer.
Vendors of Company assets that are related parties or promoters	The Restriction Period is 24 months from Admission. This will apply to all Shares issued prior to the Offer.
Unrelated vendor of a classified asset	The Restriction Period is 12 months from issue.
Promoters or professional consultants	The Restriction Period is 24 months from Admission.
Related party or promoter that holds Options, or Shares resulting from the exercise of Options	The Restriction Period is 24 months from Admission.

10.5 CONSTITUTION

Investors who take Shares under this Offer will become bound by the Constitution of the Company. The Constitution of the Company governs the relationship between the Company, its shareholders and its directors, in accordance with section 140 of the Corporations Act. The Constitution was adopted on 22 October 2020 upon the Company's conversion from a proprietary limited company to a public company limited by shares.

The key provisions of the Constitution are summarised below:

Subject	Provision
ASX Listing Rules	In the event of any inconsistency between the Constitution and the ASX Listing Rules, the ASX Listing Rules will prevail to the extent of that inconsistency.
Issue of Shares	The Board may issue Shares as it sees fit, to any person and on terms that the Board determines.
Trusts not recognised	The Company is not required to recognise any equitable, contingent, future or partial interest in any Shares, even when having actual notice of such interest.

Subject	Provision
Transfers, restrictions and transmissions	<p>A shareholder may transfer any or all of the Shares held by it, subject to the terms of the Constitution. The Board may refuse to register a transfer of Shares in any circumstance permitted by law.</p> <p>The Board may suspend any transfer of Shares in the Company at the times and the periods it may determine, which must not exceed 30 days in a calendar year.</p> <p>A holder of Restricted Securities must not dispose of them, or agree to dispose of them, during the applicable escrow period.</p> <p>Clauses 24 to 26 of the Constitution set out the relevant rules for the transmission of Shares in the event of death, bankruptcy or mental incapacity.</p>
Shareholder meetings	<p>Part 3 of the Constitution sets out shareholder rights with respect to attending shareholder meetings and voting.</p>
Appointment and retirement of directors	<p>The Company must have a minimum of 3 and a maximum of 12 directors.</p> <p>Clauses 38 to 43 of the Constitution provide for the appointment, removal and retirement of directors.</p>
Financial remuneration and benefits	<p>Non-executive directors may be paid remuneration at a fixed sum, provided that the fixed sum must not exceed the aggregate maximum sum determined by the Company in a general meeting. The Board may allocate the aggregate maximum sum to the non-executive directors in the proportion that it sees fit.</p> <p>The Board may determine the remuneration of an executive director.</p> <p>Neither executive nor non-executive directors may receive commission on, or a percentage of, operating revenue as remuneration.</p> <p>Subject to relevant law, the Company may pay termination benefits to the directors in accordance with the Constitution.</p>
Material interests of directors	<p>Directors must give notice to the Board of any material personal interest in any matter that relates to the affairs of the Company.</p> <p>A director with a material personal interest in a matter considered by the Board must not be present while the matter is being considered and must not vote on the matter, unless permitted to do so under the Corporations Act.</p>
Dividends	<p>The Board may declare dividends as it sees fit in accordance with the Constitution.</p>

10.6 LEAD MANAGER MANDATE

On 22 October 2020, Canaccord Genuity (Australia) Limited (**Canaccord** or **Lead Manager**) and the Company entered into a lead manager agreement, whereby the Lead Manager agreed to provide capital raising services in relation to the Offer in return for a fee to be paid by the Company. This lead manager agreement was subsequently varied by a side letter entered into between the parties on or around 30 November 2020 (**Lead Manager Mandate**).

The material terms of the Lead Manager Mandate are summarised below:

Subject	Provision
Role as Lead Manager	Canaccord will act as lead manager to the Company in relation to the Offer.
Fees and Broker Options	<p>On the date of the Company's Admission to the Official List, the Company must pay the following fees (exclusive of GST) to Canaccord:</p> <ul style="list-style-type: none"> ■ a management fee of A\$50,000; ■ a lead manager fee of 2.0% of the proceeds of the Offer; and ■ a capital raising fee of 4.0% of the proceeds of the Offer, excluding amounts raised from any existing shareholders or investors that are introduced to the Offer by the Company. <p>In addition to the fees set out above, the Company has agreed to issue Broker Options to the Lead Manager upon Admission. The Broker Options will equate to 5% of the share capital of the Company (on a fully diluted basis) at the time of the Company's Admission to the Official List. The Broker Options will have an exercise price of \$0.375 per Broker Option and will expire three years from the date of the Company's Admission to the Official List.</p> <p>Withdrawal fee</p> <p>If the Company terminates the Lead Manager Mandate, at any time in the 12 months following the date of the Lead Manager Mandate, the Company must pay the Lead Manager a withdrawal fee equal to the full amount of the management fee and capital raising fee.</p> <p>The Company is not required to pay a withdrawal fee if the Company terminates the Lead Manager Mandate due to negligence, breach or fraud by the Lead Manager, or if there is a failure to achieve the Minimum Subscription under the Offer.</p>
Opportunity to conduct additional engagements	On the basis that the Company is admitted to the Official List, the Company agrees to offer the Lead Manager the right of first refusal to act as the lead manager in any further equity capital raisings undertaken in connection with the Company within 12 months after the date of Admission. This right is subject to competitive terms in respect of pricing, fees and timing relative to market practices at that time.
Liability and indemnity	<p>The Company agrees to indemnify and hold harmless the Lead Manager from and against all claims arising out of or in connection with:</p> <ul style="list-style-type: none"> ■ the Lead Manager Mandate, the Prospectus or the Offer; ■ any material non-compliance by the Company with any applicable laws, any misrepresentation or non-disclosure in the Prospectus, or any material breach by the Company to observe the Lead Manager Mandate; ■ any review undertaken by ASIC or ASX; and ■ any advertising or publicity in relation to the Offer made by or with the written agreement of the Company, <p>except to the extent that such claims have resulted from the fraud, misstatement, gross negligence or wilful breach of the terms set out in the Lead Manager Mandate, by the Lead Manager.</p>
Termination	The Lead Manager Mandate may be terminated by the Lead Manager or the Company by written notice at any time with or without cause upon 7 days written notice to the other party.

10.7 EXECUTIVE EMPLOYMENT AGREEMENT – MR ANDREW PUMPHREY

On 27 November 2020, the Company entered into an executive employment agreement with Mr Andrew Pumphrey with respect to his position as Chief Executive Officer and Managing Director of the Company (**Employment Agreement**). The Employment Agreement will commence on the date that the Company is admitted to the Official List.

The Employment Agreement contains terms and conditions considered standard for an agreement of this nature.

The material terms of the Employment Agreement are as follows:

Subject	Provision
Duties	<p>Mr Pumphrey will be responsible for performing all duties consistent with those of a Chief Executive Officer and Managing Director of a publicly listed company, including, but not limited to:</p> <ul style="list-style-type: none">managing the Company's operations;developing corporate and strategic plans for the Company to achieve its overall business objectives;assessing business opportunities for the Company;undertaking the role of Company spokesperson;overseeing and being responsible for regulatory and statutory compliance; andensuring appropriate risk management practices and policies are in place.
Remuneration	<p>Mr Pumphrey's annual remuneration package under the Employment Agreement is \$261,694.20, which consists of a base salary of \$240,000 and superannuation of \$21,694.20.</p> <p>The Company will review the remuneration payable to Mr Pumphrey under the Employment Agreement on an annual basis.</p> <p>The Company will also pay for Mr Pumphrey's reasonable out of pocket expenses that are associated with the conduct of the affairs of the Company and in accordance with any applicable Company policies, provided such expenses have been approved by the Company prior to being incurred.</p>
Termination of employment	<p>Termination by Mr Pumphrey</p> <p>Mr Pumphrey may terminate the Employment Agreement by providing:</p> <ul style="list-style-type: none">written notice of one month to the Company if the Company is subject to a takeover bid made under Chapter 6 or a scheme of arrangement under Part 5.1 of the Corporations Act; orotherwise, written notice of three months to the Company. <p>Termination by the Company</p> <p>The Company may terminate the Employment Agreement by providing written notice of six months to Mr Pumphrey.</p> <p>The Company may also terminate the Employment Agreement without notice or payment in lieu of notice if Mr Pumphrey engages in any conduct that warrants summary dismissal by the Company pursuant to the terms of the Employment Agreement.</p>

Subject	Provision
Negative covenants	<p>During the term of the Employment Agreement, Mr Pumphrey must not, without the prior written consent of the Company, be directly or indirectly employed, engaged or interested in any business, other than:</p> <ul style="list-style-type: none"> ▪ pursuant to Mr Pumphrey's employment with the Company; or ▪ as a director, contractor, employee or shareholder of North Eastern Goldfields Exploration Pty Ltd ACN 070 753 865, being a company of which Mr Pumphrey is, and was at the time of entry into the Employment Agreement, a director and secretary. <p>During the period between the time that any notice to terminate the Employment Agreement is given, and the time that the Employment Agreement terminates, Mr Pumphrey must not conduct, take part in or carry on any business that is competitive with the Company.</p>

10.8 NON-EXECUTIVE DIRECTOR AGREEMENTS – MR JEFFREY WILLIAMS, MR MARTIN C HOLLAND AND MR ANDREW TUDOR

The Company has entered into agreements with each of Mr Jeffrey Williams (as Chairman and Non-Executive Director), Mr Martin C Holland and Mr Andrew Tudor (as Non-Executive Directors) (each a **Non-Executive Director**), in relation to their provision of services to the Company (**Non-Executive Director Agreements**).

The Non-Executive Director Agreements contain terms and conditions considered standard for agreements of this nature, including in relation to confidential information, intellectual property and disclosure of interests.

The key terms of the Non-Executive Director Agreements are as follows:

Subject	Provision
Term	<p>The Non-Executive Director will need to retire from office as a Director and must submit to re-election from time to time as required by the Company's Constitution and the ASX Listing Rules.</p> <p>The Company is entitled to terminate their appointment, and the Non-Executive Director is entitled to resign from their appointment, in accordance with the Company's Constitution and applicable law.</p>
Obligations and responsibilities	<p>The Non-Executive Director is required to comply with all of the Board charters, policies, codes and procedures in force.</p> <p>The Non-Executive Director acknowledges that the business of the Company is managed by or under the direction of the Board, and the Directors may exercise all of the powers of the Company, except those powers required to be exercised by the Company in a general meeting.</p> <p>The Non-Executive Director will perform the duties that normally fall within such a role, including attending Board meetings and shareholders' meetings.</p> <p>The Non-Executive Director will perform the duties consistent with the position of Non-Executive Director in good faith towards the Company and will always act in the best interests of the Company and its associated entities.</p>

Subject	Provision
Remuneration and expenses	<p>An annual fee will be paid to each of the Non-Executive Directors as follows:</p> <ul style="list-style-type: none"> ▪ \$80,000 payable to Mr Jeffrey Williams; ▪ \$60,000 payable to Mr Andrew Tudor; and ▪ \$60,000 payable to Mr Martin C Holland. <p>No additional retirement or termination payment will be made on termination of the Non-Executive Director Agreements. The Company agrees to reimburse the Non-Executive Director for all out of pocket expenses incurred in carrying out their duties.</p>

10.9 MULGABBIE SALE AGREEMENT

On 4 December 2007, Excelsior Resources Ltd (**Excelsior**) sold its interests in certain tenements to Pendragon (WA) Pty Ltd ACN 124 384 738 (**Pendragon**) and Mulgabbie Mining Pty Ltd (now Blue Tiger Mining Pty Ltd) ACN 059 032 941 (**Mulgabbie Mining**), one of which being tenement M28/364 currently owned by OzAurum Mines (**Mulgabbie Sale Agreement**).

Following Admission of the Company to the Official List, it is the OzAurum Group's intention to enter into a deed of assignment with Excelsior in relation to the 2% net smelter royalty arrangement described below.

The key terms of the Mulgabbie Sale Agreement are as follows:

Subject	Provision
Consideration	Pendragon and Mulgabbie Mining were required to pay \$20,000 plus GST to Oropa Ltd as the holding company of Excelsior for the tenements acquired under the Mulgabbie Sale Agreement.
Net Smelter Royalty	A 2% net smelter royalty (NSR) is required to be paid to Excelsior by Pendragon and Mulgabbie Mining on gold production over 100,000 ounces.
Reduction of land holdings to a third party	If Pendragon and Mulgabbie Mining reduce any of the land holdings to a third party, the NSR is concentrated on the remaining holdings and is relinquished from the transacted land holdings. The minimum land holding to which the NSR can be concentrated is an area within tenement M28/364.

10.10 LAND ACCESS AGREEMENTS

The following access agreements have been entered into with respect to the following Tenements (**Land Access Agreements**):

- (a) on 3 June 2016, Saracen Gold Mines Pty Ltd ACN 116 649 122 (**Saracen**) and Mr Andrew Pumphrey entered into a Land Access Agreement in relation to new tenement E28/2477 affecting existing tenements L28/26, L28/27 and L31/38;
- (b) on 3 June 2016, Saracen and Mr Andrew Pumphrey entered into a Land Access Agreement in relation to new tenement E31/1085 affecting existing tenements L28/26, L31/37 and L31/38;
- (c) on 24 November 2016, Saracen and Cyanomet Pty Ltd ABN 21 608 018 018 (**Cyanomet**) entered into a Land Access Agreement in relation to new tenements P28/1301, P28/1302 and P28/1303 affecting existing tenements L28/27 and L31/38;
- (d) on 22 March 2017, Saracen and Mr Andrew Pumphrey entered into a Land Access Agreement in relation to new tenement E31/1137 affecting existing tenements L31/37 and L31/38;
- (e) on 28 July 2020, Saracen, Mr Andrew Pumphrey and Mr Michael Daffen entered into a Land Access Agreement in

relation to new tenements P28/1356 and P28/1357 affecting existing tenement L31/38;

- (f) on 28 July 2020, Mr Andrew Pumphrey and Saracen entered into a Land Access Agreement in relation to new tenement L31/71 affecting existing tenement E28/2477; and
- (g) on 30 July 2020, Saracen and Mr Andrew Pumphrey entered into a Land Access Agreement in relation to new tenement E28/3003 affecting existing tenement L28/27.

The areas of encroachment between the new tenements and the existing tenements under each of the Land Access Agreements are referred to as the '**Affected Area**'. The key terms of the Land Access Agreements are summarised below:

Subject	Provision
Term	Each Land Access Agreement will continue until the earlier of the withdrawal, refusal, expiration, surrender or other termination of the new tenement or the last existing tenements.
Minimise interference	The parties must use all reasonable endeavours to carry out the proposed activities to minimise interference with the activities conducted on the Affected Area so that they may co-exist without interference with each other.
Access	Each party must not to restrict each other party from entering and passing through or over any Affected Area together with any vehicles, machinery or equipment for the conduct of all such activities which may lawfully be conducted in respect of the existing tenements or new tenements.
Contamination and rehabilitation	Each party must immediately clean up any contamination which occurs as a result of their activities. Each party must rehabilitate the Affected Areas where the land has been disturbed by the party's activities to a standard regarded as acceptable by DMIRS.
Indemnity	Each of the parties to a Land Access Agreement must indemnify each other party against any claims directly suffered or incurred by the other party in relation to the relevant Affected Area.

10.11 NEXUS ACCESS DEED

The undated access deed was entered into by Nexus Mt Celia Pty Ltd ACN 622 301 875, Coxrocks Pty Ltd ACN 111 457 231 (together, the **Holder**) and Mr Andrew Pumphrey in relation to new tenement L31/73 affecting the existing tenement E31/1179 (**Nexus Access Deed**). The area of encroachment between the new tenement and existing tenement is referred to as the '**Affected Area**'.

The key terms of the Nexus Access Deed are summarised below:

Subject	Provision
No objection	Subject to the terms of the Nexus Access Deed, the Holder has agreed not to object to the grant of the new tenement.
Access	The parties agree to allow the other party to access to, and conduct exploration and mining activities on, the Affected Area. Mr Pumphrey grants the Holder the right to access and use any road that Mr Pumphrey constructs.
Rehabilitation	Mr Pumphrey agrees to rehabilitate the Affected Area where the land has been disturbed, to a standard acceptable to DMIRS.

Subject	Provision
Indemnity	The parties will indemnify each other against all claims incurred by the other party by reason of any act or omission of the other party, or in relation to the Affected Area.

10.12 WONGATHA HERITAGE AGREEMENT

On 11 October 2007, Goldfields Land and Sea Council Aboriginal Corporation on behalf of the former Wongatha Native Title Claim (No. WC99/01) (**Wongatha Group**) and Mr Andrew Pumphrey entered into a heritage agreement to enable the grant of tenement M28/240, without objection from the Wongatha Group (**Wongatha Heritage Agreement**).

The key terms of the Wongatha Heritage Agreement are summarised below:

Subject	Provision
Commitment	The parties agree to cooperate with each other to ensure the preservation of Aboriginal sites located on the tenement. The agreement will continue until it is terminated by either party.
Objections	The Wongatha Group agrees not to lodge any objections with respect to the tenement.
Survey	The parties will consult as to which part of the tenement requires surveying by an anthropologist. Mr Pumphrey is responsible for paying the costs of the survey.
Anthropologist report	Once the survey has been conducted, the anthropologist will compile a final report to be relied upon by the parties.

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Alluvial gold from the Mulgabbie Project

Section 11

Additional Information

11.1 LITIGATION

As at the date of this Prospectus, neither the Company or OzAurum Mines are involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company or OzAurum Mines.

11.2 RIGHTS ATTACHING TO SHARES

The Shares issued under this Prospectus will rank equally with the fully paid ordinary Shares in the Company already on issue. The rights attaching to these Shares are governed by the Constitution, Corporations Act, ASX Listing Rules and any other applicable laws. At present, the Company only has one class of share on issue, being fully paid ordinary shares.

Below is a non-exhaustive summary of the material rights of holders of Shares:

Subject	Overview
Issues of Shares	<p>Subject to the Constitution, the Corporations Act, ASX Listing Rules and any special rights conferred on the holders of any existing shares or class of shares:</p> <ul style="list-style-type: none"> ▪ shares in the Company may be issued or otherwise disposed of by the Board in the manner that the Board thinks fit; and ▪ any shares may be issued with preferred, deferred or other special rights or restrictions and on terms and conditions as the Board determines.
Variation of Rights	<p>Subject to the ASX Listing Rules, if at any time the share capital of the Company is divided into different classes of shares, the rights that are attached to the shares in a class of shares may, unless their terms of issue state otherwise, be varied or cancelled:</p> <ul style="list-style-type: none"> ▪ with the written consent of holders of shares in that class, who hold at least 75% of the votes in that class; or ▪ with the sanction of a special resolution passed at a meeting of holders of shares in that class.

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Subject	Overview
Transfer of Shares	<p>Subject to the Constitution, a shareholder may transfer any or all of their shares. A person transferring any of their shares remains the holder of those shares until the Company registers the transfer and the name of the person to whom those shares are sold is recorded in the Company's register of shareholders.</p> <p>The Board:</p> <ul style="list-style-type: none"> ■ may, in their absolute discretion, decline to register a transfer of shares, in any circumstances permitted by the Corporations Act, ASX Settlement Rules or other relevant law; and ■ must decline to register a transfer of shares that are Restricted Securities during the relevant period within which they are restricted from being transferred, except as permitted by the ASX Listing Rules or ASX. <p>The Board may suspend registration of transfers of shares in the Company at the times and for the periods they determine. The periods of suspension must not exceed 30 days in any one calendar year.</p>
General Meetings	<p>Each shareholder is entitled to receive notice of, attend and vote at general meetings of the Company.</p>
Voting	<p>Subject to the Constitution, Corporations Act and other relevant laws, and to any rights or restrictions attaching to any class of shares, the shareholders may vote at meetings of shareholders as follows:</p> <ul style="list-style-type: none"> ■ on a show of hands, each shareholder has one vote; and ■ on a poll, each shareholder has one vote for each fully paid share, and for each partly paid share, a shareholder will have a fraction of a vote equivalent to the proportion that the amount paid on the share bears to the total issue price of that share. <p>A resolution put to the vote at a meeting of shareholders must be decided on a show of hands unless a poll is demanded.</p> <p>A shareholder is not entitled to vote unless all calls due and payable in respect of their shares have been paid.</p> <p>If a share is held jointly, and more than one shareholder votes in respect of that share, then only the vote of the shareholder whose name appears first in the register of shareholders will count.</p>
Dividends	<p>The Board may declare or pay dividends as it sees fit.</p> <p>If the Board declares or determines that a dividend is payable, it may fix the amount, time for payment and method for payment. The methods for payment may include payment of cash, issue of shares and the transfer of assets.</p>
Winding up	<p>If the Company is wound up, the liquidator may, by special resolution passed by the shareholders:</p> <ul style="list-style-type: none"> ■ divide among the shareholders the Company's assets, whereby the liquidator will determine how to carry out the division of those assets between shareholders; and/or ■ vest all or any of the Company's assets in a trustee on trusts determined by the liquidator for the benefit of the shareholders and other contributories.

The above summary assumes that the Company is admitted to the Official List.

11.3 TERMS OF UNLISTED OPTIONS

The Company has issued a total of 8,000,000 Unlisted Options to the Directors (**Unlisted Options**). The Company issued 6,000,000 Unlisted Options on 6 September 2020 and 2,000,000 Unlisted Options on 21 October 2020. The material terms that apply to Unlisted Options issued by the Company are summarised below:

Subject	Overview
Unlisted Option	Each Unlisted Option entitles the option holder to acquire one ordinary fully paid Share in the Company, subject to the payment of the Unlisted Option exercise price of AUD \$0.375 for each Unlisted Option (Exercise Price).
Exercise of Unlisted Option	<p>The Unlisted Options are exercisable at any time between the date of the Company's Admission to the Official List and 5.00pm on the date that is five years after the date of the Company's Admission. If the Unlisted Options are not exercised within this period, they will otherwise lapse.</p> <p>Upon receiving a properly executed exercise notice and receipt of the Exercise Price, the Company must issue the relevant number of Shares to the option holder within 14 days from the date on which the Unlisted Option is exercised.</p>
Restrictions	<p>The Shares allotted pursuant to the exercise of an Unlisted Option:</p> <ul style="list-style-type: none">▪ will rank equally with the then issued Shares of the Company; and▪ will be subject to disposal restrictions, such that they may not be sold, transferred, encumbered or otherwise dealt with until the elapsing of the minimum holding period, being the earlier of three years from the date of issue or when the option holder ceases to be employed by the Company.

11.4 TERMS OF BROKER OPTIONS TO BE ISSUED TO THE LEAD MANAGER

Pursuant to the terms of the Lead Manager Mandate summarised in Section 10.6 of this Prospectus, the Company is required to issue the Lead Manager with Broker Options upon Admission of the Company to the Official List, on the following terms:

- the Broker Options must equate to 5% of the share capital of the Company as at the date of Admission on a fully diluted basis;
- the exercise price of the Broker Options are \$0.375 per Broker Option; and
- the Broker Options will expire three years after the date of the Company's Admission to the Official List.

The Broker Options will be treated as Restricted Securities for a period of two years from Admission.

11.5 INTERESTS OF PROMOTERS, EXPERTS AND ADVISORS

Other than as set out below or elsewhere in this Prospectus, no:

- person named in this Prospectus as performing a role in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- promoter of the Company; or
- financial services licensee named in this Prospectus as a financial services licensee involved in the Offer,

holds, or has held within the two years preceding lodgement of this Prospectus with ASIC, any interest in:

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

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

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

Geomin Services Pty Ltd has acted as Independent Geologist and has prepared the Independent Geologist Report, which is included in Section 5 of this Prospectus. Dr Dennis Gee, an experienced geologist and consultant to Geomin Services Pty Ltd, has compiled the report on behalf of Geomin Services Pty Ltd. The Company estimates it will pay Geomin Services Pty Ltd a total of \$30,000.00 (excluding GST) to prepare the Independent Geologist Report. During the 24 months preceding lodgement of this Prospectus with ASIC, neither Geomin Services Pty Ltd, nor Dr Dennis Gee, have received fees from the Company for any other services. Dr Dennis Gee does not directly or indirectly hold an interest in the Company.

CRU has prepared the Industry Overview Report which is included in Section 4 of this Prospectus. The Company has paid CRU a total of \$27,000 (excluding GST) to prepare this report. During the 24 months preceding lodgement of this Prospectus with ASIC, CRU has not received any fees from the Company for any other services.

Ernst & Young has acted as Investigating Accountant and has prepared the Independent Limited Assurance Report, which is included in Section 9 of this Prospectus. The Company will pay a fee of approximately \$47,000 (excluding GST) for services in connection with the Independent Limited Assurance Report and as Investigating Accountant. During the 24 months preceding lodgement of this Prospectus with ASIC, Ernst & Young has not received any other fees from the Company. Ernst & Young has also been appointed to act as the Auditor to the Company.

Canaccord have acted as the Lead Manager to the Offer. The Lead Manager will receive fees of \$650,000 (at the Minimum Subscription) and up to \$770,000 (at the Maximum Subscription) (exclusive of GST) following the successful Completion of the Offer for its services as Lead Manager to the Offer. Upon Admission, the Lead Manager will also receive Broker Options equating to 5% of the total Share capital of the Company as at Admission that are convertible to Shares at an exercise price of \$0.375 each. The terms of the Broker Options are set out in Section 11.4 of this Prospectus.

Price Sierakowski has acted as the Company's tenements solicitor and has prepared the Solicitor's Report on Tenements in Section 6 of this Prospectus. The Company estimates it will pay Price Sierakowski a total of \$20,000 (exclusive of GST) for these services. During the 24 months preceding lodgement of this Prospectus with ASIC, Price Sierakowski has provided tenement specific legal services to the Company for fees of approximately \$14,500 (excluding GST).

Henry William Lawyers has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Henry William Lawyers \$150,000 (excluding GST) for these services in relation to the Offer. During the 24 months preceding lodgement of this Prospectus with ASIC, Henry William has been the legal advisor to the Company for which it has received fees of approximately \$45,000 (excluding GST and disbursements).

Media and Capital Partners ABN 28 169 080 997 (**MC Partners**) has provided marketing, website design and social media services to the Company in relation to the Offer. In connection with the services provided by MC Partners pursuant to the Offer, the Company estimates that it will pay MC Partners the sum of \$22,000 (excluding GST). During the 24 months preceding lodgement of this Prospectus with ASIC, MC Partners has provided website production services to the Company, for which it has received fees of approximately \$8,000 (excluding GST).

Automic has provided share registry services to the Company in relation to the Offer. In connection with the services provided by Automic pursuant to the Offer, the Company estimates that it will pay \$2,600 (excluding GST). Other than as set out above, during the 24 months preceding lodgement of this Prospectus with ASIC, Automic has not received any other fees from the Company for any services.

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11.6 CONSENTS

Each of the parties referred to in this Section:

- does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

Geomin Services Pty Ltd has given its written consent to being named as Independent Geologist in this Prospectus, to the inclusion of the Independent Geologist Report in Section 5 of this Prospectus, and to all statements referring to that report in the form and context in which they appear. Geomin Services Pty Ltd has not withdrawn this consent before the lodgement of this Prospectus with ASIC. Geomin Services Pty Ltd has also given its written consent to the inclusion of statements contained in the Chairman's Letter, Section 1 and Section 3 of this Prospectus in the form and context in which those statements appear. Geomin Services Pty Ltd has not withdrawn its consent prior to lodgement of this Prospectus with ASIC.

Ernst & Young has given its written consent to being named as Auditor and Investigating Accountant in this Prospectus and to the inclusion of the Independent Limited Assurance Report in Section 9 of this Prospectus, in the form and context in which the information and report is included in this Prospectus, and to all statements referring to that report in the form and context in which they appear. Ernst & Young has not withdrawn its consent prior to lodgement of this Prospectus with ASIC.

Henry William Lawyers has acted as the solicitors to the Company in relation to the Offer. Henry William Lawyers has given its written consent to being named as the solicitors to the Company in this Prospectus. Henry William Lawyers has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

Price Sierakowski has acted as the Company's tenements solicitor and has prepared the Solicitor's Report on Tenements, which is included in Section 6 of this Prospectus. Price Sierakowski has given its written consent to being named as the solicitors to the Company in relation to the Tenements and Tenement Applications in this Prospectus and to the inclusion of the Solicitor's Report on Tenements in the form and context in which it is included in Section 6. Price Sierakowski has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

CRU has prepared the Industry Overview Report and has given its written consent to the inclusion of the Industry Overview Report in Section 4 of this Prospectus in the form and context in which the information and report is included in this Prospectus, and to all statements referring to that report in the form and context in which they appear. CRU has not withdrawn its consent prior to lodgement of this Prospectus with ASIC.

Canaccord has acted as Lead Manager to the Offer. Canaccord has given its written consent to being named as Lead Manager in the form and context in which it is included in this Prospectus. Canaccord has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

Automic has given its written consent to being named as the share registry to the Company in this Prospectus. Automic has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

MC Partners has acted as marketing, website design and social media consultant to the Company in relation to the Offer. MC Partners has given its written consent to being named as marketing, website design and social media consultant to the Company in the form and context in which it is included in this Prospectus. MC Partners has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

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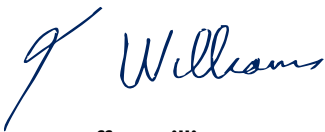
RC Drill Rig on-site at Mulgabbie North, October 2020

Section 12

Directors Authorisation

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

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

A handwritten signature in blue ink that reads "Jeffrey Williams".

Mr Jeffrey Williams
Chairman and Non-Executive Director

For and on behalf of
OzAurum Resources Limited

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Alluvial gold mining at the Mulgabbie Project

Section 13

Glossary

Admission	means the date on which the Company is admitted to the Official List.
Application	means a valid application to subscribe for Shares under this Prospectus.
Application Form	means the application form attached to or accompanying this Prospectus relating to the Offer.
Application Monies	means application monies received by the Company from an applicant.
ASIC	means Australian Securities and Investments Commission.
ASX	means ASX Limited ACN 008 624 691 or the financial market operated by ASX Limited, as the context requires.
ASX Listing Rules	means the official listing rules of ASX.
ASX Recommendations	means the 4th edition of ASX's Corporate Governance Principles and Recommendations, February 2019.
ASX Settlement Rules	means the operating rules of ASX Settlement Pty Ltd ACN 008 504 532 and, to the extent that they are applicable, the operating rules of ASX and the operating rules of ASX Clear Pty Ltd ACN 001 314 503.
Broker Options	means the options that Canaccord will be issued by the Company upon Admission pursuant to the Lead Manager Mandate, the terms of which are set out in Section 11.4 of the Prospectus.
Board	means the board of directors of the Company, as constituted from time to time.
Canaccord (or Lead Manager)	means Canaccord Genuity (Australia) Limited ACN 075 071 466 AFSL No. 234666.
Closing Date	means the date on which the Offer is expected to close, being 15 January 2021 (this date may be varied without notice).

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Company (or OzAurum Resources)	means OzAurum Resources Limited ACN 643 244 544.
Completion of the Offer	means the allotment of all the Shares offered under this Prospectus.
Constitution	means the constitution of the Company.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
CRU	means CRU International (Australia) Pty Ltd ACN 166 869 969.
Directors	means the directors of the Company as at the date of this Prospectus.
DMIRS	means the Western Australia Department of Mines, Industry Regulation and Safety.
Duty	means any stamp, transaction or registration duty or similar charge imposed by any government agency.
Exposure Period	means the period of seven days after the date of lodgement of this Prospectus, which may be extended by ASIC for a further period of up to seven days pursuant to section 727(3) of the Corporations Act.
Greenstone	is a collective term for the volcanic, intrusive and sedimentary rocks that occur in discrete structurally-defined belts surrounded by regional voluminous granites, thus making the granite-greenstone terranes characteristic of Archaean cratons.
Henry William Lawyers	means Henry William Lawyers Pty Ltd ACN 615 850 425.
Independent Geologist (or Geomin)	means Geomin Services Pty Ltd ACN 623 624 251.
Independent Geologist Report	means the independent geologist report set out in Section 5 of this Prospectus.
Lead Manager Mandate	has the meaning given in Section 10.6 of this Prospectus.
Maximum Subscription	has the meaning given in Section 2.1 of this Prospectus.
Mineralisation	means an area where a particular mineral, or group of minerals, is concentrated.
Minimum Subscription	has the meaning given in Section 2.1 of this Prospectus.
Mulgabbie Project	means the project comprising the Mulgabbie Tenements.
Mulgabbie Tenements	means the following Tenements and Tenement Applications: E31/1085, M28/240, E31/1137, E28/2477, L28/48, L28/49, L28/71, E28/3003, P28/1356, P28/1357, M28/364, P28/1301, P28/1302, P28/1303, P28/1304, P28/1388, P28/1389, P28/1390.
Offer	has the meaning given in Section 2.1 of this Prospectus.

Offer Conditions	has the meaning given in Section 2.4 of this Prospectus.
Offer Period	means the period during which investors may subscribe for Shares under the Offer.
Official List	means the official list of ASX.
Official Quotation	means official quotation by ASX in accordance with the ASX Listing Rules.
Options	means the Unlisted Options and the Broker Options.
Option Agreements	has the meaning given in Section 10.1 of this Prospectus.
OzAurum Group	means the Company and its subsidiary, OzAurum Mines.
OzAurum Mines	means the Company's wholly-owned subsidiary, OzAurum Mines Pty Ltd ACN 645 117 111 of 42 Hannan St, Kalgoorlie Western Australia 6430.
Patricia Project	means the project comprising the Patricia Tenements.
Patricia Tenements	means the following Tenements and Tenement Applications: E31/1083, M31/487, P31/2063, L31/73.
Prospectus	means this document dated 10 December 2020 and any replacement or supplementary prospectus in relation to this document.
Relief Shear	is a shear zone or deformation zone of intensely foliated rock that is linear on the plans, and is identified in Figure 9 of the Independent Geologist Report contained in Section 5 of this Prospectus.
Restricted Securities	means existing Securities on issue in the Company that are subject to the restricted securities provisions of the ASX Listing Rules.
Securities	has the meaning given in the Corporations Act, and ' Security ' has a corresponding meaning.
Sellers	refers to the sellers of the Tenements and Tenement Applications pursuant to the Option Agreements, being Mr Andrew Pumphrey, Mr Michael Daffen, Pendragon (WA) Pty Ltd ACN 124 384 738 and Bedivere Holdings Pty Ltd ACN 105 274 244 as trustee for the Glastonbury Trust.
Share	means a fully paid ordinary share in the capital of the Company.
Share Registry (or Automic)	means Automic Pty Ltd ACN 152 260 814.
Tenement	means an exploration licence or any other form of mineral licence or title held by the OzAurum Group, but excludes the Tenement Applications.
Tenement Applications	means the following tenement applications yet to be granted by DMIRS: P28/1357, P28/1356, P28/1388, P28/1389, L28/71, L31/73, E28/3003, P28/1390.
Unlisted Options	means the unlisted options that have been granted to the Directors on the terms set out in Section 11.3 of this Prospectus.

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Application Form

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OzAurum Resources Limited

ACN 643 244 544

42 Hannan Street, Kalgoorlie WA 6430

info@ozaurumresources.com | www.ozaurumresources.com