

PepinNini Minerals Limited

ACN 101 714 989

Entitlement Issue Prospectus

This Prospectus relates to an offer to Shareholders of 2 (two) Shares (**New Shares**) for every 3 (three) existing Shares held.

The New Shares are offered at a price of \$0.0076 each to raise approximately \$1.1 million (before expenses).

This document is important and requires your immediate attention. It should be read in its entirety. If you are in doubt as to the course you should follow, you should consult your stockbroker or other professional adviser.

CORPORATE DIRECTORY

Directors

Rebecca Holland-Kennedy (Chairman and Managing Director)

Philip Clifford (Technical Director)

Sarah Clifton-Brown (Financial Director)

Robert Wei Sun (Non-Executive Director)

Company Secretary

Justin Nelson

Registered Office

96 Babbage Rd
Roseville Chase NSW 2069

Principal Place of Business

Level 6, 108 King William Street
Adelaide, South Australia, 5000

Phone: 08 8218 5000

Fax: 08 8212 5717

Website

www.pepinnini.com.au

Share Registry

Link Market Services Limited
Level 12
680 George Street
Sydney NSW 2000

Locked Bag A14
Sydney South NSW 1235
Enquiries (within Australia): 1300 554 474

Enquiries(outside Australia): 61 2 8280 7111

Stock Exchange Listing

Australian Securities Exchange

ASX Code: PNN

CONTENTS

Important Notices 1

Summary of Key Dates 2

1. Details of the Offer 2

2. How to Apply 9

3. Information about the Company 10

4. Risks 14

5. Additional Information 19

6. Glossary and Interpretation 22

Chairman's Letter

Dear Shareholder

On behalf of the directors of PepinNini Minerals Limited (Company), I am pleased to invite you to participate in a pro rata non-renounceable rights issue on the basis of two (2) New Shares for every three (3) Shares held by Shareholders on the Record Date at an issue price of \$0.0076 per New Share to raise, before costs, \$1,112,055 (Offer).

The Company intends to apply the funds raised from the Offer as set out in Section 1.4 of this Prospectus.

The Offer provides Eligible Shareholders with the opportunity to increase their investment in the Company at an attractive price and demonstrate their commitment to the next phase of evaluation and development of the Company's projects.

Eligible Shareholders may also apply for additional New Shares in excess of their Entitlement at the same issue price of \$0.0076 per New Share under the Shortfall Offer. This is an opportunity for Eligible Shareholders to apply for additional New Shares in order to top up their holdings at the issue price which represents a 5% discount to the current share price.

You are encouraged to read this Prospectus and the accompanying Entitlement and Acceptance Form fully. If you have any queries in relation to the Offer, you should consult your stockbroker or other professional advisor.

The Prospectus contains important information about the Offer, including:

- (a) details of the Offer, including key dates;
- (b) actions required by Shareholders; and
- (c) risk factors associated with the Offer.

Should you elect to participate in the Offer, you must complete the personalised Entitlement and Acceptance Form in accordance with the instructions provided.

Shareholders who have any queries about the Offer can contact the Company at any time from 9.00am to 5:00pm (Adelaide time) during the Offer period.

As an endorsement of our commitment to the Company, the Directors intend to participate in the Offer.

Shareholders (*not including PepinNini staff*) that choose to purchase New Shares in accordance with the Offer, will be entered into a one-off draw; the prize for which is a trip (valued at \$2,500) to the PepinNini Field Camp in the beautiful Musgrave Ranges located in the far north west of South Australia. For details and conditions visit

<http://www.pepinnini.com.au/investors/>

Yours faithfully,



Rebecca Holland-Kennedy
Chairman

Important Notices

Key Risks

An investment in the Offer made under this Prospectus should be considered speculative. The attention of investors is drawn to the Risks section of this Prospectus. The principal risks relating to an investment in the Offer, which are identified in section 4.1 of the Prospectus entitled "Company specific risks", are as follows:

- Exploration costs;
- Exploration success;
- Agreements with third parties;

Investors should note that detail relating to these risk factors has not been repeated in the Important Notices.

Lodgement

This Prospectus is dated 10 March 2016 (**Prospectus Date**). A copy of this Prospectus was lodged with ASIC on that date. ASIC takes no responsibility as to the contents of this Prospectus.

Expiry Date

No securities will be issued or allotted on the basis of this Prospectus later than 13 months after the Prospectus Date.

Advice

This is an important document. Before deciding to apply for New Shares you should consider whether they are a suitable investment for you. Persons wishing to subscribe for New Shares offered by this Prospectus should carefully read this Prospectus and consult their professional advisers for the purpose of making an informed assessment of the effect of investing in the Company and the rights and liabilities attaching to, and the nature of, the New Shares offered by this Prospectus.

Jurisdiction

This Offer is only being made to members of the public within Australia and New Zealand. The Company has determined that it would be unreasonable to make an offer under this Prospectus to persons that are not residents of Australia and New Zealand, having regard to the cost of complying with legal requirements in foreign countries. Neither this Prospectus nor the Entitlement and Acceptance Form constitute an offer of, or an invitation by or on behalf of the Company to subscribe for or purchase any of the New Shares in any jurisdiction or to any person to whom it is unlawful to make such an offer or invitation.

Entitlement and Acceptance Forms

Applications for New Shares may only be made using an Entitlement and Acceptance Form attached to or accompanying the Prospectus.

The Corporations Act prohibits any person from passing on to another person an Entitlement and Acceptance Form unless it is attached to or accompanies a printed copy of this Prospectus or the complete and unaltered electronic version of this Prospectus.

Representations

No person is authorised to give any information or to make any representation in connection with the Offer described in this Prospectus, which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Offer.

Summary of Key Dates

EVENT	DATE
Prospectus lodged with ASIC and ASX	10 March 2016
“Ex” date	15 March 2016
Record Date to identify Shareholders entitled to participate in the Offer	7pm(ESDT) 16 March 2016
Prospectus and Entitlement and Acceptance Forms dispatched to Shareholders	21 March 2016
Opening date	21 March 2016
Closing date for acceptances	5pm(AEST) 1 April 2016
Shares quoted on a deferred settlement basis	4 April 2016
Notification to ASX of under subscriptions	6 April 2016
Issue date for New Shares issued under the Offer Deferred settlement trading ends	8 April 2016
Trading of New Shares on ASX commences	11 April 2016

This timetable is indicative only and subject to change. The Company reserves the right to vary the dates of the Offer subject to the Corporations Act, ASX Listing Rules and other applicable laws.

1. Details of the Offer

1.1 The Offer

This is an offer of up to 146,322,991 New Shares to the Shareholders of the Company who are registered on the Record Date. The New Shares are being offered on the basis of two New Shares for every three Shares held at a price of \$0.0076 each to raise up to \$1,112,055 (before costs).

1.2 Issue Price

The issue price is \$0.0076 (0.76 of a cent) per New Share payable in full on application.

1.3 Fractional entitlements

Fractional entitlements will be rounded up to the nearest whole number of New Shares. The number of New Shares to which you are entitled is shown on the accompanying Entitlement and Acceptance Form.

1.4 Purpose of the Rights Issue

The purpose of the Offer is to raise up to \$1,112,055 for New Shares. Based on current information and budgets, the Company intends to apply the money raised from the Offer under this Prospectus as outlined in the table below.

Results of exploration will lead to an ongoing re-assessment of each project and work programs and budgets may be modified accordingly.

If less than \$1,112,055 is raised, the Company intends to apply the amount raised first to any additional costs of the Offer and second to those activities that would be most beneficial for the progression of the projects. Those activities, in order of priority, are items 1, 2, 3, 4 and 5 as set out in the below Use of Funds table.

Use of Funds	Amount
1. Airborne Geophysical SkyTem and Tempest survey for copper nickel sulphide target delineation, in the Musgrave Province, South Australia	\$200,000
2. Heritage clearance for subsequent vacuum drill testing and sample assay in the Musgrave Province, South Australia	\$100,000
3. Ground electromagnetic survey over targets delineated in the Musgrave Province, South Australia	\$100,000
4. Vacuum drill testing and sample assay in the Musgrave Province, South Australia	\$100,000
5. Drill testing and assay of generated copper nickel sulphide targets at the Musgrave Project, South Australia	\$100,000
6. Field reconnaissance, rock chip sampling, sample assay Oasis Gold Project, Queensland	\$40,000
7. Participation in CSIRO uranium ore leach testing project, Oasis Uranium Project, Queensland	\$27,000
8. General working capital	\$410,000
9. Expenses of the Offer	\$35,000
TOTAL	\$1,112,000

1.5 Effect of the Offer on Capital Structure

The effect of the Offer on the capital structure of the Company is set out in the following table:

	Pre-Offer	Post-Offer (Assuming 146,322,991 New Shares are issued under the Offer)
Ordinary shares	219,484,486	365,807,477 ¹
Options	7,800,000 ²	7,800,000 ³

1.6 Effect of the Offer on Control

Based on publicly available information, the substantial shareholders in the Company as at 10 March 2016 are set out below:

Name	Number of shares held	Percentage of issued shares
Rebecca Holland-Kennedy	50,969,178	23.22%
Dellta Pty Ltd	26,315,789	11.99%

Rebecca Holland-Kennedy and her associates, including George Holland Pty Ltd, have a combined voting power of 25.86% (56,758,358 shares) as at the date of this Prospectus. If Rebecca Holland-Kennedy and her associates take up their full Entitlement, the number of shares in the Company issued to Rebecca Holland-Kennedy and her associates on completion of the Offer will be 94,597,263 as set out in the table below:

Description of holding	Number of shares
Existing shares	56,758,358
Entitlement	37,838,905
Total	94,597,263

The following table summarises the potential impact of the Offer on Rebecca Holland-Kennedy's voting power under different scenarios, as follows:⁴

¹This assumes the maximum number of New Shares are issued under the Offer.

²The 7,800,000 options on issue comprise:

- 2,500,000 unquoted options exercisable at \$0.04 each expiring 1 June 2016;
- 2,500,000 unquoted options exercisable at \$0.06 each expiring 1 June 2016;
- 1,600,000 unquoted options exercisable at \$0.125 each expiring 1 June 2016;
- 300,000 unquoted options exercisable at \$0.03 each which are exercisable from 10 November 2014 to 9 November 2017;
- 300,000 unquoted options exercisable at \$0.06 each which are exercisable from 10 November 2015 to 9 November 2018;
- 300,000 unquoted options exercisable at \$0.10 each which are exercisable from 10 November 2016 to 9 November 2019;
- 100,000 unquoted options exercisable at \$0.03 each which are exercisable from 1 February 2016 to 31 January 2019;
- 100,000 unquoted options exercisable at \$0.06 each which are exercisable from 1 February 2017 to 31 January 2020;
- 100,000 unquoted options exercisable at \$0.10 each which are exercisable from 1 February 2018 to 31 January 2021.

³This assumes that none of the options on issue pre-Offer are exercised before the Record Date.

Event	Shares held by Rebecca Holland-Kennedy and associates	Total shares on issue	Voting power of Rebecca Holland-Kennedy and associates
Date of Prospectus	56,758,358	219,484,486	25.86%
Offer fully subscribed	94,597,263	365,807,477	25.86%
Offer 75% subscribed	94,597,263	329,226,729	28.73%
Offer 50% subscribed	94,597,263	292,645,981	32.32%
Offer 25.86% subscribed	94,597,263	257,323,611	36.76%

Rebecca Holland-Kennedy does not hold any Options.

Delta Pty Ltd has a voting power of 11.99% as at the date of this Prospectus. If Delta Pty Ltd take up their full Entitlement, the number of shares in the Company issued to Delta Pty Ltd on completion of the Offer will be 43,859,648 as set out in the table below:

Description of holding	Number of shares
Existing shares	26,315,789
Entitlement	17,543,859
Total	43,859,648

The following table summarises the potential impact of the Offer on the voting power of Delta Pty Ltd under different scenarios, as follows⁵:

Event	Shares held by Delta Pty Ltd	Total shares on issue	Voting power of Delta Pty Ltd
Date of Prospectus	26,315,789	219,484,486	11.99%
Offer fully subscribed	43,859,648	365,807,477	11.99%
Offer 75% subscribed	43,859,648	329,226,729	13.32%

⁴ This assumes that in each scenario, Rebecca Holland-Kennedy and her associates participate to the full extent of their Entitlement to New Shares under the Offer. It should be noted that Rebecca Holland-Kennedy and her associates will not participate in any Shortfall Offer. It is further noted Rebecca Holland-Kennedy has advised that she and her associates do not intend to acquire any additional Shares prior to the Record Date.

⁵ This assumes that in each scenario Delta Pty Ltd participate to the full extent if their entitlement

Event	Shares held by Dellta Pty Ltd	Total shares on issue	Voting power of Dellta Pty Ltd
Offer 50% subscribed	43,859,648	292,645,981	14.99%
Offer 11.99% subscribed	43,859,648	237,028,613	18.50%

Dellta Pty Ltd do not hold any Options.

1.7 **Opening and Closing Dates**

The Rights Issue will open for receipt of acceptances on the Opening Date and closes on the Closing Date. The Directors reserve the right to vary the dates of the Offer, including extending the Closing Date subject to the Corporations Act, ASX Listing Rules or other applicable laws. Investors are therefore urged to lodge their Entitlement and Acceptance Forms as soon as possible.

1.8 **Rights Trading**

The Rights to the New Shares are non-renounceable, which means that Rights will not be traded.

1.9 **Acceptances**

Shareholders may accept all or part of their Entitlement.

Instructions for completion are set out on the accompanying Entitlement and Acceptance Form. Acceptance must not exceed your Entitlement as shown on that form.

1.10 **ASX Quotation**

Application will be made within seven days after the date of the Prospectus for the New Shares offered under this Prospectus to be granted official quotation by the ASX. The granting by ASX for the official quotation of the New Shares is not guaranteed.

If application for admission of the New Shares to quotation is not made within seven days or the New Shares are not admitted to quotation on the ASX within 3 months after the date of this Prospectus, none of the New Shares offered under this Prospectus will be issued and allotted and all application monies will be refunded.

ASX takes no responsibility for the contents of this Prospectus.

1.11 **Rights attaching to Shares**

All New Shares issued under the Offer rank in all respects on equal terms with the existing Shares. Full details of the rights attaching to Shares are set out in the Company's constitution, a copy of which may be inspected at the Company's registered office. A summary of the rights follows.

Voting rights

At a general meeting every shareholder present in person or by proxy, attorney or representative has one vote on a show of hands and every shareholder present in person or by proxy, attorney or representative has one vote for each Share on a poll.

Dividends

Dividends are declared by the Directors at their discretion and subject to any special rights (at present there are none) are payable on all Shares in proportion to the amount of capital for the time being paid up but not credited as paid up on those Shares.

Transfer of Shares

Generally, Shares are freely transferable. Where the Listing Rules or the law require the Company to do so, the Directors must decline to register a transfer. If Shares are subject to a restriction agreement entered into by the Company and Shareholder, except as permitted by the Listing Rules, a Shareholder may not dispose of the Shares and the Directors and the Company will not register a dealing in the Shares.

Future increases in capital

The allotment or issue of any Shares of the Company is under the control of the Directors who may, subject to the Corporations Act and the Listing Rules, allot or otherwise dispose of them on such conditions as they see fit.

Variation of rights

The rights and privileges attaching to Shares can be altered with the consent in writing of Shareholders with at least 75% of the votes in that class or by special resolution of the Shareholders. A special resolution is a resolution passed by a majority of not less than 75% of those present and voting.

Rights on winding up

In the event of a winding up of the Company the liquidator may divide among all or any of the Shareholders as the liquidator thinks fit in specie or in kind any part of the assets of the Company, and may vest any part of the assets of the Company in trustees upon trust for the benefit of all or any of the Shareholders as the liquidator thinks fit.

1.12 Effect of the Rights Issue on Optionholders

The Company currently has 7,800,000 employee Options on issue.

Option holders may participate in the Rights Issue by exercising any or all of these Options before the Record Date. The exercise of any Options prior to the Record Date will increase the issued capital of the Company and may increase the number of New Shares issued under the Rights Issue and the total amount raised under the Rights Issue.

Option holders cannot participate in the Rights Issue without exercising their Options.

1.13 **Minimum Capital Raising**

There is no minimum amount of capital to be raised under the Rights Issue.

1.14 **Shortfall in subscription**

The Directors reserve the right to issue any shortfall in subscription for New Shares at their discretion within 3 months after the close of the Offer (**Shortfall Offer**). Offers of shortfall are made as a separate offer under this Prospectus. Should the Directors decide to issue any shortfall, the Shortfall Offer will remain open after the Closing Date. The issue price for each New Share to be issued under the Shortfall Offer is \$0.0076 (0.76 of a cent).

1.15 **Overseas Shareholders**

This Offer is only being extended to Shareholders with registered addresses in Australia and New Zealand. All other Shareholders (**Non-Resident Shareholders**) will not be offered Rights under this Prospectus. The Company has determined, in accordance with the Listing Rules, that it would be unreasonable to make an offer under this Prospectus to Non-Resident Shareholders having regard to:

- the number of Shareholders in the places where the offer would be made;
- the number and value of the Rights that would be offered; and
- the cost of complying with the legal requirements in those places.

No Entitlement and Acceptance Forms are being sent to Non-Resident Shareholders.

Neither this Prospectus nor the Entitlement and Acceptance Form constitute an offer of, or an invitation by or on behalf of the Company to subscribe for or purchase any of the New Shares in any jurisdiction or to any person to whom it is unlawful to make such an offer or invitation. The distribution of this Prospectus and Entitlement and Acceptance Form, and the offering of New Shares, in certain jurisdictions may be restricted by law. Persons into whose possession such documents come should inform themselves about and comply with those restrictions.

Shareholders should note that as this Offer is non-renounceable and extended to Shareholders with registered addresses in Australia and New Zealand only, the nominee procedure in respect of foreign holders in section 615 of the *Corporations Act* will not be implemented for the benefit of the very small number of Non-Resident Shareholders on the Company's register.

1.16 Taxation

Shareholders should be aware that there are taxation implications for subscribing for New Shares. These taxation implications will vary between different Shareholders and Shareholders should consult their own professional tax adviser in relation to the taxation implications.

2. How to Apply

2.1 What you may do

The number of New Shares to which you are entitled is shown in the accompanying Entitlement and Acceptance Form. You may:

- take up all of your Entitlement to New Shares;
- take up all of your Entitlement to New Shares and apply for any Entitlement not taken up by other Shareholders;
- take up part of your Entitlement and allow the balance to lapse; or
- not take up any of your Entitlement and allow it to lapse.

2.2 Complete and return the Entitlement and Acceptance Form

Refer to the Entitlement and Acceptance Form for instructions on its completion. Please send your completed Entitlement and Acceptance Form together with your cheque for the total amount payable to reach the Company's share registry by 5:00pm (AEST) on the Closing Date.

For payment by BPAY, please follow the instructions on the Entitlement and Acceptance Form. Please note that should you choose to pay by BPAY, you do not need to submit the Entitlement and Acceptance Form. Your BPAY payment must be received by 5:00pm (AEST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with respect to electronic payment and you should take this into account when making payment.

2.3 Applying for Additional New Shares

If a Shareholder wishes to take up any New Shares offered on the basis of this Prospectus which are not taken up by other Shareholders (**Additional New Shares**), Shareholders must, in addition to completing the portion of their Entitlement and Acceptance Form which relates to their Entitlement, complete the portion of the Form relating to the Additional New Shares they wish to take up.

The number of Additional New Shares available will depend on the level of acceptance of Entitlements by Eligible Shareholders and whether the Directors decide to issue the shortfall. Accordingly you may not receive the full amount or any of the Additional New Shares for which you have applied. Additional New Shares, if available, will be issued under the Shortfall Offer.

2.4 Other Investors

Investors in Australia and New Zealand other than Shareholders that wish to take up any New Shares offered on the basis of this Prospectus not taken up by Shareholders must complete a Shortfall Application Form.

The number of New Shares available will depend on the level of acceptance of Entitlements by Eligible Shareholders, number of Additional New Shares they wish to take up and whether the Directors decide to issue the shortfall.

Shortfall Application Forms will be provided to investors on request. Refer to the Shortfall Application Form for instructions on its completion.

2.5 Entitlements not taken up

If you decide to take up only part of your Entitlement or not to accept any of your Entitlement, your Entitlement will lapse to that extent and may be placed by the Directors within 3 months after the close of the Offer under the Shortfall Offer.

3. Information about the Company

3.1 Disclosing Entity

This Prospectus is issued pursuant to section 713 of the Corporations Act as a prospectus for the offer of continuously quoted securities.

The Company is a "disclosing entity" for the purposes of the Corporations Act and as such is subject to regular reporting and disclosure obligations. Specifically, as a listed company, the Company is subject to the Listing Rules of the ASX which require continuous disclosure to the market of any information the Company has which a reasonable person would expect to have a material effect on the price or value of the Company's Shares.

The ASX maintains files containing publicly disclosed information about all listed companies. The Company's file is available for inspection at the ASX during normal working hours or via the ASX website at www.asx.com.au. In addition, copies of documents lodged with the ASIC in relation to the Company may be obtained from, or inspected at, any regional office of the ASIC.

3.2 Information Available to Shareholders and Prospective Investors

The Company will provide a copy of each of the following documents free of charge, to any Shareholder or prospective investor who so requests during the application period under this Prospectus:

- the 2015 Annual Report of the Company which contains the financial statements and consolidated financial statements for the 2015 financial year;
- the half-year report of the Company for the period ended 31 December 2015; and
- the following announcements lodged with the ASX since release of the 2015 Annual Report

Date	Announcement
30 Sep 2015	PepinNini Presentation at RIU Melbourne Conference
13 Oct 2015	Key Disclosures Corporate Governance Council Principles and Recommendations
16 Oct 2015	Share Purchase Plan
21 Oct 2015	Cleansing Notice - Share Purchase Plan
21 Oct 2015	AGM Notice of Meeting and Proxy Form
22 Oct 2015	Share Purchase Plan Offer Document
27 Oct 2015	PepinNini and Oz Minerals agree Exploration terms Mt Woods
28 Oct 2015	Sep 2015 Quarter cash flow & activities report
2 Nov 2015	Board Room Radio Webcast - Share Purchase Plan
5 Nov 2015	Share Purchase Plan Extension Notification
20 Nov 2015	Share Purchase Plan Closure
23 Nov 2015	Appendix 3B New Issue Announcement
23 Nov 2015	Appendix 3Y - Change of Director's Interest Notice
24 Nov 2015	Notice of Change of Interest of a substantial holder
26 Nov 2015	AGM 2015 CEO Presentation
26 Nov 2015	AGM 2015 Results
1 Dec 2015	Board Room Radio Webcast - AGM 2015 CEO Presentation
10 Dec 2015	Joint Venture Update
15 Jan 2016	Change of Auditor Notice
25 Jan 2016	Employee Share Options Notice
28 Jan 2016	Dec 2015 Quarter cash flow & activities report
4 Feb 2016	Exploration Development Incentive(EDI) Scheme
4 Feb 2016	Exploration Development Incentive Scheme Record Date
8 Feb 2016	Spinifex Range Project Withdrawal
15 Feb 2016	Board Room Radio Webcast - EDI and Musgrave Project
3 Mar 2016	Financial Report for the half year ended 31 December 2015

3.3 Market Prices of the Company's Shares on ASX

The highest and lowest market sale price of the Company's shares on the ASX during the 3 months immediately preceding the date of this Prospectus, and the respective dates of those sales, and the last sale on the ASX trading day immediately preceding the date of this Prospectus were as follows:

	Price	Dates
Highest	1.1c	4,7 Dec 15 and 4 Jan 16
Lowest	0.8c	28,29 Jan and 17,24,26 Feb 16
Latest	0.8c	26 Feb 16

3.4 Effect of the Rights Issue on the Company

The principal effects of the Rights Issue on the Company will be, if it is fully subscribed, to:

- increase cash reserves by \$1,112,055 (before expenses of the Rights Issue are taken into account) to enable the Company to pursue its objectives;
- result in the Company having on issue an additional 365,807,477 Shares.

These amounts do not take into account the effect of the exercise of any Options over unissued Shares that may occur prior to the Record Date.

3.5 Statement of Financial Position

Set out in this section of the Prospectus is a Pro Forma Consolidated Statement of Financial Position of the Company taking into account the Rights Issue. It is based on consolidated financial statements for the six months ended 31 December 2015. The Pro Forma Consolidated Statement of Financial Position illustrates the effect of the Rights Issue as if the Rights Issue had occurred on 31 December 2015, fully subscribed.

PepinNini Minerals Limited
Entitlement Issue Prospectus

	As at 31 December 2015 \$	Offer fully subscribed less expenses of the Offer \$	Pro Forma 31 December 2015 \$
Current assets			
Cash and cash equivalents	828,140	1,077,055	1,905,195
Trade and other receivables	1,756	-	1,756
Other Assets	56,582	-	56,582
Total current assets	886,478	1,077,055	1,963,533
Non-current assets			
Exploration expenditure	14,082,191	-	14,082,191
Exploration bonds	12,995	-	12,995
Property, plant and equipment	59,235	-	59,235
Total non-current assets	14,154,421	-	14,154,421
Total assets	15,040,899	1,077,055	16,117,954
Current liabilities			
Trade and other payables	148,834	-	148,834
Provisions	195,588	-	195,588
Total current liabilities	344,422	-	344,422
Non-current liabilities			
Provisions	226	-	266
Borrowings			
Total non-current liabilities	226	-	266
Total liabilities	344,648	-	344,648
Net assets	14,696,251	1,077,055	15,773,306
Equity			
Issued capital	21,944,067	1,077,055	23,021,122
Reserves	404,501	-	404,501
Retained earnings	(7,652,317)	-	(7,652,317)
Total equity attributable to equity holders	14,696,251	1,077,055	15,773,306

Note: At 31 December 2015 the Company had cash and cash equivalents of \$828,140. Since 31 December 2015, the Company has expended further cash on exploration and for general working capital. As at 7 March 2016, the Company had cash and cash equivalents of \$527,451.

4. Risks

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

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

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

4.1 Company specific risks

(a) Exploration costs

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

(b) Exploration success

The Tenements are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.

There can be no assurance that exploration of the Tenements, or any other licenses that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

(c) Agreements with third parties

The Company has signed various agreements with a number of third parties. There is a risk of financial failure or default by the third party to these arrangements. Any breach or failure may lead to penalties or termination of the relevant contract. In addition, our interest in the relevant subject matter (tenement, for example) may be jeopardised.

4.2 Industry specific risks

(a) Exploration

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities

due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its Tenements and obtaining all required approvals for its activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Tenements, and possible relinquishment of the Tenements.

(b) Native title and Aboriginal Heritage

In relation to Tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Company to gain access to Tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected.

Further to this, it is possible that an Indigenous Land Use Agreement (ILUA) may be registered against one or more of the Tenements in which the Company has an interest. The terms and conditions of any such ILUA may be unfavourable for, or restrictive against, the Company.

The Directors will closely monitor the potential effect of native title claims involving Tenements in which the Company has or may have an interest.

(c) Operations

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

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

(d) Resource estimates

The company has no interest in Tenements in which Resource estimates have been prepared. Any future resources would be stated

in accordance with the JORC 2012 Code. An estimate is an expression of judgement based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans which may, in turn, adversely affect the Company's operations.

4.2 **General risks**

(a) **Additional requirements for capital**

Additional funding is likely to be required in the future to effectively implement the Company's business and operational plans, take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur.

The Company may seek to raise further funds through equity or debt financing, joint ventures, production sharing arrangements or other means. Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of exploration, development or production on the Company's properties or even loss of a property interest. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

(b) **Commodity price and exchange rate fluctuations**

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations, technological advancements, forward selling activities and other macro-economic factors.

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

(c) **Competition risk**

The industry in which the Company is involved is subject to domestic and global competition. Although the Company will undertake all 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.

(d) General equity market risk

The value of the Company's Shares, including New Shares to be issued under the Offer may fluctuate. In recent times, the extent of the volatility in the price of the Company's Shares and the wider market has been significant.

Investments in equity markets are generally speculative in nature and potential investors should carefully consider this risk before making any investment in Shares.

There is no guarantee that the Shares will trade at or above the issue price for New Shares pursuant to the Offer. Potential investors should also note that past performance of the Shares on ASX provides no guidance as to the future performance of these Shares on ASX.

Many factors will affect the price of securities including local and international stock markets, movements in interest rates, economic conditions and investor sentiment generally. In addition, the commencement of, or escalation in, any war, armed conflict, hostilities between nations, civil unrest or terrorist activities may affect the price of securities.

(e) Economic factors

Changes in the general economic climate in which the Company operates may adversely affect the financial performance of the Company. Factors that may contribute to that general economic climate include the level of direct and indirect competition against the Company, industrial disruption in Australia, the rate of growth of Australia's gross domestic product, interest rates and the rate of inflation.

(f) Force Majeure

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

(g) Government policy changes

Adverse changes in government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and mining and exploration activities of the Company. It is possible that the current system of exploration and mine permitting in Western Australia, South Australia or Queensland may change,

resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation.

(h) Regulatory risks

The Company'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, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, native title and heritage matters, protection of endangered and protected species and other matters. The Company requires permits from regulatory authorities to authorise the Company's operations. These permits relate to exploration, development, production and rehabilitation activities.

Obtaining necessary permits can be a time consuming process and there is a risk that the Company 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.

(i) Reliance on key personnel

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

(j) Risk of international operations generally

International sales and operations are subject to a number of risks, including:

- (a) potential difficulties in enforcing agreements (including joint venture agreements) and collecting receivables through foreign local systems;
- (b) potential difficulties in protecting intellectual property;
- (c) increases in costs for transportation and shipping; and
- (d) restrictive governmental actions, such as imposition of trade quotas, tariffs and other taxes.

Any of these factors could materially and adversely affect the Company's business, results of operations and financial condition.

5. **Additional Information**

5.1 **Directors' Interests**

Other than as set out below or elsewhere in this Prospectus:

- (a) no Director or proposed director has, or has had in the two years before the date of this Prospectus, any interest in:
- the formation or promotion of the Company;
 - property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
 - the Offer; and
- (b) no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to:
- any Director or proposed director to induce him or her to become, or to qualify as, a director of the Company; or
 - any Director or proposed director for services which he or she has provided in connection with the formation or promotion of the Company or the Offer.

5.2 Interests in securities

The securities of the Company in which Directors and their associates have relevant interests as well as their respective Entitlements are:

Director	Shares	Options	Entitlement to New Shares under the Offer
Rebecca Holland-Kennedy	56,758,358	nil	37,838,905
Sarah Clifton-Brown	253,916	600,000 ⁶	169,277
Philip Clifford	494,458	6,600,000 ⁷	329,639
Robert Wei Sun	281,276	nil	187,517

5.3 Directors' fees

The following table shows the total remuneration paid and proposed to be paid per financial year to Directors (inclusive of superannuation).

Director	Fee (inclusive of superannuation) (2014 Financial Year)	Fee (inclusive of superannuation) (2015 Financial Year)	Fee (inclusive of superannuation) (to 31 December 2015)
Rebecca Holland-Kennedy Managing Director	169,750	189,500 ⁸	91,000
Philip Clifford Executive Director (Appointed as a director 9 April 2013)	160,736 ⁹	112,932 ¹⁰	71,325
Robert Wei Sun Non executive Director (Commenced 1 December 2011)	39,000	39,000	16,000
Sarah Clifton-Brown Executive Director (Appointed as a director 11 Dec 2014)	-	83,574 ¹¹	45,007

⁶The options issued to Ms Clifton-Brown comprise

- 200,000 unquoted options exercisable at \$0.03 each expiring 10 November 2017;
- 200,000 unquoted options exercisable at \$0.06 each expiring 10 November 2018;
- 200,000 unquoted options exercisable at \$0.10 each expiring 10 November 2019;

⁷The options issued to Mr Clifford comprise:

- 2,500,000 unquoted options exercisable at \$0.04 each expiring 1 June 2016;
- 2,500,000 unquoted options exercisable at \$0.06 each expiring 1 June 2016;
- 1,600,000 unquoted options exercisable at \$0.125 each expiring 1 June 2016.

⁸ Ms Holland-Kennedy reduced salary from 1 Dec 2014

⁹ Total remuneration paid to Mr Clifford for the 2013 financial year as exploration manager and director following his appointment as director on 9 April 2013.

¹⁰ Mr Clifford commenced part-time employment with the company 1 April 2014 for personal reasons.

¹¹ Ms Clifton-Brown is employed 3 days per week as financial director.

All Directors have taken a further fee reduction from December 2015

5.4 **Other interests**

An entity associated with Rebecca Holland-Kennedy provided an unsecured, interest free \$200,000 loan to the Company. The loan, which did not have any equity conversion entitlement, was repaid November 2014.

5.5 **Interests of persons involved in the Offer**

Other than as set out below or elsewhere in this Prospectus:

- (a) no promoter of the Company or person named in this Prospectus as having performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus has, or has in the two years before the date of this Prospectus had, any interest in:
- the formation or promotion of the Company;
 - property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
 - the Offer; and
- (b) no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any promoter of the Company, underwriter to the Offer or a financial services licensee involved in the Offer or other person named in this Prospectus as having performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus or provided in connection with the formation or promotion of the Company, or the Offer.

5.6 **Underwriting**

The Offer is not underwritten

5.7 **Expenses of the Rights Issue**

On the assumption that the Rights Issue is fully subscribed, the total expenses connected with the Rights Issue, including legal and other advisory fees, listing, printing and other miscellaneous expenses are estimated to be approximately \$35,000.

5.8 **Consents**

Link Market Services Limited has consented to being named in this Prospectus as share registry for the Company in the form and context in which it is named and at the time of lodgement of this Prospectus, has not withdrawn consent. Link Market Services Limited takes no responsibility for any part of this Prospectus other than references to its name. Link Market Services Limited does not make any statement in this Prospectus nor is any statement based upon a statement by Link Market Services Limited.

Each Director has consented to the issue and lodgment of this Prospectus.

6. **Glossary and Interpretation**

In this Prospectus, unless the contrary intention appears:

ASIC means the Australian Securities and Investments Commission;

ASX means ASX Limited ABN 98 009 624 691 or the Australian Securities Exchange operated by it (as the context requires);

Closing Date means the closing date of the Rights Issue listed in the “Summary of Key Dates” section of this Prospectus;

Company means PepinNini Minerals Limited ACN 101 714 989;

Corporations Act means the *Corporations Act 2001* (Cth);

Directors means the Directors of the Company;

Eligible Shareholders means on the Record Date, Shareholders recorded on the register of members of the Company as holders of ordinary shares, that have registered addresses in Australia or New Zealand;

Entitlement means the entitlement of an Eligible Shareholder to apply for a number of New Shares under the Offer;

Entitlement and Acceptance Form means the Entitlement and Acceptance Form accompanying this Prospectus;

Listing Rules means the listing rules of ASX;

New Shares means Shares issued pursuant to this Prospectus;

Offer means the offer of New Shares made on the basis of this Prospectus;

Opening Date means the opening date of the Rights Issue listed in the “Summary of Key Dates” section of this Prospectus;

Options means options able to be exercised by payment of an agreed sum for issue of an ordinary share;

Prospectus means this document;

Quotation Date means the date of quotation as that term is used in the Listing Rules;

Record Date means the record date to determine the Shareholders entitled to participate in the Rights Issue determined in accordance with the ASX Listing Rules, listed in the “Summary of Key Dates” section of this Prospectus;

Rights means the rights to subscribe for New Shares under this Prospectus;

Rights Issue means the non-renounceable rights issue the subject of this Prospectus;

Shareholders means a holder of Shares;

Shares means fully paid ordinary shares in the Company;

Shortfall Application Form means the shortfall form to be used by an applicant who is not a Shareholder to subscribe for New Shares pursuant to the Prospectus; and

Shortfall Offer has the meaning in section 1.14;

Tenements means those mining tenements in which, as of the date of this Prospectus, the Company has rights to or a contractual or other interest in;

In this Prospectus, unless the contrary intention appears:

- 6.1 words importing the singular include the plural and the plural includes the singular and any gender include the other genders;
- 6.2 if a word or phrase is defined in the Corporations Act or the ASX Listing Rules, it bears the same meaning;
- 6.3 if a word or phrase is defined other parts of speech or grammatical forms of that word have corresponding definitions;
- 6.4 a reference in this Prospectus to a clause, paragraph or section is to a clause, paragraph or section of this Prospectus;
- 6.5 a reference to an annexure is to an annexure to this Prospectus and this Prospectus includes any annexure;
- 6.6 a reference to:
 - 6.6.1 a person includes a natural person, partnership, firm, unincorporated association, corporation and a government or statutory body or authority or other entity;
 - 6.6.2 a person includes the legal personal representatives, successors and assigns of that person;
 - 6.6.3 a statute, ordinance, code or other law includes regulations and other statutory instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- 6.7 time is Adelaide, South Australia time unless stated otherwise;
- 6.8 a right includes a benefit, remedy, direction or power; and
- 6.9 A\$, \$A, \$, dollars (\$) and cents (c) are references to the lawful currency of Australia;
- 6.10 annexures to this Prospectus form part of this Prospectus;
- 6.11 headings are for reference and do not affect interpretation.