



PepinNini Lithium Limited

ACN 101 714 989

Entitlement Issue Prospectus

This Prospectus relates to a non-renounceable offer to Shareholders to subscribe for 1 (one) Share (**New Share**) for every 4 (four) existing Shares held.

The New Shares are offered at a price of \$0.021 (2.1 cents) each to raise approximately \$2.8 million (before expenses).

This document is a transaction-specific prospectus issued in accordance with section 713 of the Corporations Act. The 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)

Sarah Clifton-Brown (Finance Director)

Philip Clifford (Non-Executive Director)

Company Secretary

Justin Nelson

Registered Office

96 Babbage Rd

Roseville Chase NSW 2069

Principal Place of Business

Level 1, 68 North Terrace

Kent Town, South Australia, 5067

Phone: 08 8218 5000

Fax: 08 8212 5717

Website

www.pepinini.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

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Chairman's Letter

Dear Shareholder

On behalf of the directors of PepinNini Lithium Limited (Company), I am pleased to invite you to participate in a pro rata non-renounceable rights issue on the basis of one (1) New Share for every four (4) Shares held by Shareholders on the Record Date at an issue price of \$0.021 per New Share to raise, before costs; \$2,799,517 (Offer).

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 Lithium Brine Project in Salta, Argentina. The Company is targeting a maiden lithium brine resource and brine pumping well this year. Shareholders should understand that there can be no assurance that exploration at the Company's Lithium Brine Project will result in the discovery of a lithium brine resource.

Lithium is a versatile commodity with a very broad range of uses in ceramics pharmaceuticals, batteries for our mobile phones and renewable energy storage. The Company's projects are within the lithium triangle of South America in the same area as the world's lowest cost Lithium Brine producers of SQM, Albermarle and Orocobre.

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

Eligible Shareholders may also apply for additional New Shares in excess of their Entitlement at the same issue price of \$0.021 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 16% discount to the 15 day volume weighted average share price at market close 25 May 2018.

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 a shareholder of PepinNini, you are invited to participate in this exciting Lithium Brine Project opportunity.

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 "Key risks", are as follows:

- Risks associated with operating in Argentina
- Exploration costs;
- Exploration success;
- Additional requirements for capital;

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

Lodgement

This Prospectus is dated 28 May 2018 (**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 Company applies for quotation (Appendix 3B)	28 May 2018
Company sends notice to security holders containing the information required by Appendix 3B	29 May 2018
"Ex" Date	30 May 2018
Record Date to identify Shareholders entitled to participate in the Offer	31 May 2018, 7pm (AEST)
Prospectus and Entitlement and Acceptance Forms dispatched to Shareholders, Offer period opens	4 June 2018
Closing date for acceptances	5pm (AEST) 20 June 2018
Shares quoted on a deferred settlement basis	21 June 2018
Notification to ASX of under subscriptions	25 June 2018
Issue date for New Shares issued under the Offer. Deferred settlement trading ends Updated Appendix 3B (if required)	27 June 2018
Trading of New Shares on ASX commences	28 June 2018

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. Investment Overview

1.1 The Offer

This is an offer of up to 133,310,354 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 one New Share for every four Shares held at a price of \$0.021 each to raise up to \$2,799,517 (before costs).

1.2 Issue Price

The issue price is \$0.021 (2.1 cents) 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 \$2,799,517 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 Table 1.

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

If less than \$2,799,517 is raised, Table 2 and Table 3 outline the use of funds for the scenarios of 75% (Table 2) and 50% (Table 3) raised.

Table 4 outlines the application of funds in the case of 100% take-up less entitlement of Rebecca Holland-Kennedy entity Kalinda Outlook Pty Ltd of 20,750,000 shares to raise \$2,363,767 or 84%.

Table 1 - Use of Funds	Amount
1. Drilling boreholes (up to 3) for aquifer testing and brine grades	\$1,051,743
2. Analysis of samples (up to 250)	\$29,568
3. Pumping and hydraulic testing & sampling (up to 2 boreholes)	\$763,102
4. Production well equipment for conversion from pumping well (up to 2)	\$414,120
5. Environmental monitoring and rehabilitation	\$126,000
6. Resource modelling and estimation	\$118,440
7. General working capital (6 months costs) for office rental \$24,000, electricity \$2,000, communications \$4,000, office staff salaries \$130,800 field staff salaries \$91,944 and office consumables \$3,800.	\$256,544
8. Expenses of the Offer for ASIC filing fees \$2,400, legal fees \$11,153, share registry \$14,000, printing, mail out \$2,000, and ASX quotation fees \$10,447.	\$40,000
TOTAL	\$2,799,517^(*)

(*) For 100% take-up to complete, the entitlement of Rebecca Holland-Kennedy associate Kalinda Outlook Pty Ltd (refer section 1.6) would need to be taken up in the shortfall

Table 2 - Use of Funds if 75% raised	Amount
1. Drilling boreholes (up to 2) for aquifer testing and brine grades	\$791,145
2. Analysis of samples (up to 165)	\$22,176
3. Pumping and hydraulic testing & sampling (up to 2 boreholes)	\$572,327
4. Production well equipment for conversion from pumping well (up to 2)	\$310,590
5. Environmental monitoring and rehabilitation	\$94,500
6. Resource modelling and estimation	\$88,830
7. General working capital (6 months costs) for office rental \$24,000, electricity \$2,000, communications \$3,750, office staff salaries \$90,000 field staff salaries \$62,320 and office consumables \$3,000.	\$185,070
8. Expenses of the Offer for ASIC filing fees \$2,400, legal fees \$11,153, share registry \$10,680, printing, mail out \$2,000, and ASX quotation fees \$8,767.	\$35,000
TOTAL	\$2,099,638

Table 3 - Use of Funds if 50% raised	Amount
1. Drilling borehole for aquifer testing and brine grades	\$528,047
2. Analysis of samples (up to 125)	\$14,784
3. Pumping and hydraulic testing & sampling (1 borehole)	\$381,551
4. Production well equipment for conversion from pumping well	\$207,060
5. Environmental monitoring and rehabilitation	\$63,000
6. Resource modelling and estimation	\$59,220
7. General working capital (4 months costs) for office rental \$16,000, electricity \$1,400, communications \$2,625, office staff salaries \$55,572 field staff salaries \$38,500 and office consumables \$2,500.	\$116,597
8. Expenses of the Offer for ASIC filing fees \$2,350, legal fees \$13,000, share registry \$6,000, printing, mail out \$2,000, and ASX quotation fees \$3,000.	\$29,500
TOTAL	\$1,399,759

Table 4 - Use of Funds if 84% raised	Amount
1. Drilling boreholes (up to 3) for aquifer testing and brine grades	\$892,237
2. Analysis of samples (up to 250)	\$24,837
3. Pumping and hydraulic testing & sampling (up to 2 boreholes)	\$641,006
4. Production well equipment for conversion from pumping well (up to 2)	\$347,861
5. Environmental monitoring and rehabilitation	\$105,840
6. Resource modelling and estimation	\$99,490
7. General working capital (6 months costs) for office rental \$24,000, electricity \$2,000, communications \$4,000, office staff salaries \$130,800 field staff salaries \$91,944 and office consumables \$3,800.	\$215,496
8. Expenses of the Offer for ASIC filing fees \$2,400, legal fees \$11,153, share registry \$11,883, printing, mail out \$2,000, and ASX quotation fees \$9,563.	\$37,000
TOTAL	\$2,363,767

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 133,310,354 New Shares are issued under the Offer)
Ordinary shares	533,241,416	666,551,770 ³
Options	12,800,000	12,800,000
Convertible Securities	426,000	426,000

Options

In respect of the 12,800,000 Options on issue (which are all unquoted), the expiry date, exercise price and number on issue in each class are as follows:

- 200,000 options exercisable at 6 cents expiring 9 November 2018
- 200,000 options exercisable at 10 cents expiring 9 November 2019;

- 100,000 options exercisable at 3 cents expiring 31 January 2019;
- 100,000 options exercisable at 6 cents expiring 31 January 2020;
- 100,000 options exercisable at 10 cents expiring 31 January 2021;
- 200,000 options exercisable at 5 cents expiring 30 April 2019;
- 200,000 options exercisable at 8 cents expiring 30 April 2020;
- 5,250,000 options exercisable at 4 cents expiring 9 November 2020;
- 1,050,000 options exercisable at 5 cents expiring 16 March 2021;
- 300,000 options exercisable at 7 cents expiring 16 March 2022;
- 300,000 options exercisable at 9 cents expiring 16 March 2023;
- 4,800,000 options exercisable at 3.7 cents expiring 11 May 2021.

Included in the Options listed above are those issued to the Directors. The number and terms of the Options on issue to each Director is set out in section 5.2 of this Prospectus.

Convertible Securities

The 426,000 Convertible Securities on issue are interest-free and unsecured, each with a face value of A\$1 and a 24-month maturity.

In addition to the existing 426,000 Convertible Securities on issue, by mutual consent of the Company and Bergen Global Opportunity Fund II, LLC (**Investor**), the Investor will invest up to an additional A\$1,609,174 during the term of the agreement, by way of issuance of Convertible Securities by the Company (**Subsequent Funding**). Any Subsequent Funding under the agreement will be subject to Shareholder approval if the Company does not have sufficient placement capacity under Listing Rule 7.1 to issue the additional Convertible Securities in connection with the Subsequent Funding.

The conversion price of the Convertible Securities will be, at the Investor's discretion, either:

- 90% of the average of the five daily volume-weighted average prices (**VWAPs**) of the Shares during a specified period immediately prior to the date of issuance of the Shares on the conversion; or
- 140% of the average of the daily VWAPs of the Shares for 20 consecutive actual trading days prior to the date of execution of the agreement with the Investor.

For illustrative purposes, the following table records the number of Shares into which the 426,000 Convertible Securities would convert based on conversion prices of 1.6 cents, 2.1 cents and 2.6 cents.

Conversion price	Number of Convertible Securities	Number of Shares
1.6 cents	426,000	26,625,000
2.1 cents	426,000	20,285,715
2.6 cents	426,000	16,384,616

1.6 Effect of the Offer on Control

Based on publicly available information, the substantial shareholders in the Company as at 28 May 2018 are set out below:

Name	Number of shares held	Percentage of issued shares
Rebecca Holland-Kennedy & associates	93,986,475	17.63%
Querion Pty Ltd	37,405,455	7.01%

Rebecca Holland-Kennedy and her associates, including George Holland Pty Ltd (GMH), have a combined voting power of 17.63% (93,986,475 shares) as at the date of this Prospectus. Rebecca Holland-Kennedy has indicated she will take up the full entitlement for GMH only (GMH is the registered holder of 10,986,475 Shares giving GMH an Entitlement to 2,746,619 Shares under the Offer). As such, the number of Shares issued to Rebecca Holland-Kennedy and her associates on completion of the Offer will be 96,733,094 as set out in the table below:

Description of holding	Number of shares
Existing shares	93,986,475
GMH Entitlement	2,746,619
Total	96,733,094

The following table summarises the potential impact of the Offer on Rebecca Holland-Kennedy's voting power under different scenarios where the Offer is 50%, 75% and fully subscribed and in the unlikely event that no Shareholders other than GMH take up their Entitlement under the Offer. These scenarios are based on the assumption that GMH takes up its full Entitlement under each scenario. For example, the reference to the Offer being 50% subscribed refers to 50% of the Rights being subscribed inclusive of GMH taking up its rights in full. The actual effect of the Offer on the voting power in the Company of Rebecca Holland-Kennedy and her associates will depend on the level of subscription by Eligible Shareholders to the Offer.¹

Event	Shares held by Rebecca Holland-Kennedy and associates	Total shares on issue	Voting power of Rebecca Holland-Kennedy and associates
Date of Prospectus	93,986,475	533,241,416	17.63%
Offer fully subscribed (excluding 20,750,000 Entitlements not taken up by Rebecca Holland-Kennedy)	96,733,094	645,801,770	14.98%
Offer 75% subscribed	96,733,094	633,224,182	15.28%
Offer 50% subscribed	96,733,094	599,896,593	16.12%
Offer 2.06% subscribed (being the GMH Entitlement)	96,733,094	535,988,035	18.05%

Rebecca Holland-Kennedy holds 1,500,000 Options.

Querion Pty Ltd (Querion) has a voting power of 7.01% as at the date of this

¹ 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 or exercise any Options prior to the Record Date.

Prospectus. If Querion take up their full Entitlement, the number of shares in the Company issued to Querion on completion of the Offer will be 46,756,819 as set out in the table below:

Description of holding	Number of shares
Existing shares	37,405,455
Entitlement	9,351,364
Total	46,756,819

The following table summarises the potential impact of the Offer on the voting power of Querion under different scenarios where the Offer is 50%, 75% and fully subscribed and in the unlikely event that no Shareholders other than Querion take up their Entitlement under the Offer. These scenarios are based on the assumption that Querion takes up its full Entitlement under each scenario. For example, the reference to the Offer being 50% subscribed refers to 50% of the Rights being subscribed inclusive of Querion taking up its Rights in full. The actual effect of the Offer on the voting power in the Company of Querion would depend on the level of subscription by Eligible Shareholders to the Offer and the extent to which Querion participates.

Event	Shares held by Querion	Total shares on issue	Voting power of Querion
Date of Prospectus	37,405,455	533,241,416	7.01%
Offer fully subscribed (excluding 20,750,000 Entitlements not taken up by Rebecca Holland-Kennedy)	46,756,819	645,801,770	7.24%
Offer 75% subscribed	46,756,819	633,224,182	7.38%
Offer 50% subscribed	46,756,819	599,896,593	7.79%
Offer 7.01% subscribed	46,756,819	542,592,780	8.62%

Querion do not hold any Options.

1.7 Appointment of a nominee for the purposes of section 615 of the Corporations Act

The Company does not propose to apply to ASIC for the approval of the appointment of a nominee for the purposes of section 615 of the Corporations Act. As such, no person will be permitted to acquire new shares under the Rights Issue to the extent such acquisition results in that person:

- 1.7.1 Increasing their relevant interest in the Company from less than 20% to a relevant interest exceeding 20% of the Shares on a post-Rights Issue basis (**20% Threshold**).
- 1.7.2 Increasing their relevant interest in the Company from a relevant interest between 20% and 90% (except to the extent that person has held voting power in the Company in the six months before the acquisition of at least 19% and the resultant acquisition would not result in an increase in that person's voting power in the Company being more than 3% higher than they had six months prior to the acquisition in compliance with Item 9 of Section 611 of the Corporations Act (**3% Creep Rule**).

1.7.3 While the Rights Issue may result in one or both of the substantial holders increasing their voting power in the Company, as disclosed in section 1.5 of this Prospectus, neither substantial shareholder will increase their relevant interest in the Company from less than 20% to a relevant interest exceeding 20% of the Shares on a post-Rights Issue basis as a result of their participation in the Offer.

1.8 Shareholder Dilution

Shareholders that choose not to participate in the Offer will have their shareholding diluted due to shares issued under the Offer increasing the number of Shares on issue and their shareholding not increasing.

The following scenarios illustrate the effect of this dilution for a Shareholder that holds either 500,000 or 1,000,000 Shares on the Record Date:

Current Shareholding	500,000	1,000,000
Voting Power at Record Date	0.09%	0.19%
Entitlement	125,000	250,000
Offer fully subscribed ²	0.09%	0.19%
Offer 75% subscribed ³	0.10%	0.20%
Offer 50% subscribed ³	0.10%	0.21%
Offer 25% subscribed ³	0.11%	0.19%
Offer fully subscribed without shareholder participation	0.08%	0.15%
Offer 75% subscribed without shareholder participation	0.08%	0.16%
Offer 50% subscribed without shareholder participation	0.08%	0.17%
Offer 25% subscribed without shareholder participation	0.08%	0.15%

1.9 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.

1.10 Rights Trading

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

1.11 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

² Assuming that in each case the Shareholder subscribes to the full extent of their Entitlement.

on that form.

1.12 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 after the date of this Prospectus 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.

1.13 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.

1.14 Effect of the Rights Issue on Options and Convertible Securities

The Company currently has 12,800,000 Options and 426,000 Convertible Securities 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.

The Investor (as defined in Section 1.5 of this Prospectus) being the holder of the Convertible Securities may participate in the Rights Issue by converting any or all of the Convertible Securities before the Record Date. The conversion of any Convertible Securities 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.

The Investor cannot participate in the Rights Issue without converting the Convertible Securities.

1.15 Minimum Capital Raising

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

1.16 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 \$0.021 (2.1 cents).

1.17 Overseas Shareholders

This Offer is only being extended to Shareholders with registered addresses in Australia and New Zealand. All other Shareholders (**Foreign Holders**) 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 Foreign Holders 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 Foreign Holders.

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.

1.18 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 ASIC office.

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 2017 Annual Report of the Company which contains the financial statements and consolidated financial statements for the 2017 financial year;
- the half-year report of the Company for the period ended 31 December 2017; and
- the following announcements lodged with the ASX since release of the 2017 Annual Report

PepinNini Lithium Limited
Entitlement Issue Prospectus

Date	Announcement
3 Oct 17	Appendix 4G - Corporate Governance
6 Oct 17	Notice of Annual General Meeting/Proxy Form
31 Oct 17	September quarter activities and cash flow report
9 Nov 17	Annual General Meeting
9 Nov 17	Managing Director Presentation at AGM
13 Nov 17	BRR Webcast AGM Address 9 November 2017
14 Nov 17	Change of Director's Interest Notice
15 Nov 17	Company Conference Presentation Perth
20 Nov 17	Salta Lithium Project Exploration Update
13 Dec 17	Salta Lithium Project Exploration Update
18 Dec 17	BRR Webcast - PepinNini Lithium Salta Project
29 Dec 17	Salta Lithium Project - Aquifers intersected
4 Jan 18	Salta Lithium Project Exploration Update
8 Jan 17	Salta Lithium Project Exploration Update
10 Jan 18	Share Placement
15 Jan 18	Appendix 3B
16 Jan 18	Salta Lithium Project - Lithium Confirmed at Rincon
23 Jan 18	Salta Lithium Project Exploration Update
30 Jan 18	December 2017 Quarter Activities and Cash Flow Report
1 Feb 18	Controlled Placement Agreement
22 Feb 18	Salta Lithium - Salar de Pular Project Transaction Announcement
22 Feb 18	Salta Lithium Project Second Transaction Announcement
27 Feb 18	MD Interview Boardroom Radio Salta Lithium Project
2 Mar 18	Financial Report for the Period ending 31 Dec 2017
14 Mar 18	Salta Lithium Project Conference Presentation
16 Mar 18	Unquoted Employee Options Issue
26 Mar 18	Salta Lithium Project Exploration Update
4 Apr 18	Employee Options Exercise
5 Apr 18	Salta Lithium Project Exploration Update
27 Apr 18	Corporate Governance Statement PepinNini Lithium Ltd
27 Apr 18	March Quarter Activities& Cash flow Report
7 May 18	Corporate Update
10 May 18	MD Presentation at Sydney Resources Conference
11 May 18	Appendix 3Z
14 May 18	PepinNini secures up to \$2m from Institutional Investor
14 May 18	Convertible Note Cleansing Notice
14 May 18	Appendix 3B

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	3.7c	26 Feb 2018
Lowest	2.2c	25 May 2018
Latest	2.2c	25 May 2018

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 \$2,799,517 (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 133,310,354 Shares.

These amounts do not take into account the effect of the exercise of any Options over unissued Shares or conversion of the Convertible Securities 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 2017. 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 2017 and assuming full subscription under the Rights Issue.

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	As at 31 December 2017 \$	Placement completed in January 2018 \$	Convertible Securities Issued May 2018 \$	Offer fully subscribed less expenses of the Offer \$	Pro Forma 31 December 2017 \$
Current assets					
Cash and cash equivalents	1,107,605	1,501,000	380,826	2,759,517	5,748,948
Trade and other receivables	221,311			-	221,311
Other Assets	49,659			-	49,659
Total current assets	1,378,575	1,501,000	380,826	2,759,517	6,019,918
Non-current assets					
Exploration expenditure	14,947,132			-	14,947,132
Exploration bonds	3,990			-	3,990
Property, plant and equipment	4,801			-	4,801
Total non-current assets	14,955,923			-	14,955,923
Total assets	16,334,498	1,501,000	380,826	2,759,517	20,975,841
Current liabilities					
Trade and other payables	191,482			-	191,482
Provisions	157,546			-	157,546
Total current liabilities	349,028			-	349,028
Non-current liabilities					
Provisions	1,829			-	1,829
Borrowings					
Total non-current liabilities	1,829			-	1,829
Total liabilities	350,857			-	350,857
Net assets	15,983,641	1,501,000	380,826	2,759,517	20,624,984
Equity					
Issued capital	26,695,248	1,501,000	380,826	2,759,517	31,336,591
Reserves	562,497			-	562,497
Retained earnings	(11,274,104)			-	(11,274,104)
Total equity attributable to equity holders	15,983,641	1,501,000³	380,826	2,759,517	20,624,984

Note: At 31 December 2017 the Company had cash and cash equivalents of \$1,107,605. Since 31 December 2017, the Company has expended cash on exploration and for general working capital of \$2,573,431 and also raised additional funds via a private placement of \$1,501,000 and an issuance of Convertible Securities for \$380,826. As at 25 May 2018, the Company had cash and cash equivalents of \$433,543.

³ Total of \$1,501,000 represents the net amount raised from the placement after the costs have been deducted. Costs include legal and share registry fees.

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 Key Risks

4.1.1 Risks associated with operating in Argentina

The Company conducts exploration activities at its Lithium Brine Project in Salta, Argentina. The Company's properties in Argentina may be subject to the effects of political changes, war and civil conflict, hyperinflation, currency non-convertibility or instability and changes of law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, mine safety, labour relations as well as government control over mineral properties or government regulations that require the employment of local staff or contractors or require other benefits to be provided to local residents.

These changes may impact the profitability and viability of the Company's tenements. The effect of unrest and instability on political, social or economic conditions in Argentina could result in the impairment of exploration, development and mining operations and the Company's legal title to its mineral tenements. Any such changes are beyond the control of the Company and may adversely affect its business.

Some of the Company's key assets are its contractual interests in tenements in Argentina. Changes in Argentina's laws and regulations may have a significant effect on the Company's exploration operations, especially changes to environmental, mining, grant or renewal of concessions, royalties and taxation.

4.1.2 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.

4.1.3 Exploration success

The Tenements are at various stages of exploration, and potential investors should understand that lithium brine 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 lithium brine resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited to production.

4.1.4 Additional requirements for capital

Additional funding will 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.

4.2 Risks specific to the Company

4.2.1 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 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.

4.2.2 Operations

The operations of the Company may be affected by various factors, including failure to locate or identify lithium brine deposits, failure to achieve predicted grades in exploration and exploitation, operational and technical difficulties encountered in exploitation, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated hydrogeological problems which may affect exploitation 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 exploitation of its Tenement interests. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

4.2.3 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 Code (2012 Edition). 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.

4.3 Risks specific to the Offer

4.3.1 Dilution risks

Upon completion of the Rights Issue, assuming all Entitlements are accepted, the number of Shares in the Company will increase from 533,241,416 to 666,551,770 (on an undiluted basis). If you decide to take up only part of your Entitlement or not to accept any of your Entitlement, your Entitlement will lapse and your ownership of the Company will be diluted to that extent.

The Convertible Securities issued on 14 May 2018, if exercised, would increase the Shares on issue. The number of Shares into which the 426,000 Convertible Securities would convert is subject to the conversion price, which is currently not known. Section 1.5 of this Prospectus includes a table illustrating the number of Shares into which the 426,000 Convertible Securities would convert based on various hypothetical conversion prices.

4.4 General risks

4.4.1 Commodity price and exchange rate fluctuations

If the Company achieves success leading to lithium brine 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.

4.4.2 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.

4.4.3 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.

4.4.4 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 or Argentina, the rate of growth of Australia's or Argentina's gross domestic product, interest rates, exchange rates and the rate of inflation.

4.4.5 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.

4.4.6 Government policy changes

Adverse changes in government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and exploitation and exploration activities of the Company. It is possible that the current system of exploration and mine permitting in Argentina may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation.

4.4.7 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.

4.4.8 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 and exploration option 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	93,986,475	1,500,000 ⁽⁶⁾	23,496,619
Sarah Clifton-Brown	312,000	1,900,000 ⁽⁴⁾	78,000
Philip Clifford	600,000	1,500,000 ⁽⁷⁾	150,000

⁽⁴⁾ options issued to Ms Clifton-Brown comprise

- 200,000 unquoted options exercisable at \$0.06 each expiring 9 November 2018;
- 200,000 unquoted options exercisable at \$0.10 each expiring 9 November 2019;
- 1,500,000 unquoted options exercisable at \$0.04 each expiring 9 November 2020;

⁽⁶⁾The options issued to Ms Holland-Kennedy comprise

- 1,500,000 unquoted options exercisable at \$0.04 each expiring 9 November 2020;

⁽⁷⁾The options issued to Mr Clifford comprise

- 1,500,000 unquoted options exercisable at \$0.04 each expiring 9 November 2020;

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	Fees Paid (inclusive of superannuation) (2016 Financial Year)	Fees Paid (inclusive of superannuation) (2017 Financial Year)	Fees proposed to be Paid (inclusive of superannuation) (2018 Financial Year)
Rebecca Holland-Kennedy Managing Director	163,801	196,001	196,000
Philip Clifford Non-executive Director (Executive Director to 30 September 17)	124,819 ⁽⁸⁾	106,988	106,763 ^B
Sarah Clifton-Brown Executive Director	81,829	109,087	111,602

⁽⁸⁾Mr Clifford's salary for 2018 includes leave entitlement pay out when changing from an Executive to a Non-Executive Director, his Non-Executive Director Salary is \$40,000 Per Financial Year.

5.4 Interests of persons involved in the Offer

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

5.4.1 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

5.4.2 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.

5.5 Underwriting

The Offer is not underwritten

5.6 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 \$40,000 consisting of Share Registry fees, legal fees, mailing, Prospectus printing, ASIC filing fees and ASX quotation, details of which are set out in the Table at section 1.4 of this Prospectus.

5.7 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 Lithium Limited ACN 101 714 989;

Convertible Securities refers to the Convertible Securities agreement with Bergen Global Opportunity Fund II, LLC for an investment of up to A\$2,000,000 as announced to ASX on 14 May 2018;

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; and are other than Foreign Holders

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;

Foreign Holders means shareholders of ordinary shares in the Company, as at the record date of the Offer with registered addresses other than in Australia or New Zealand;

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;

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;

Shortfall Offer has the meaning in section 1.16; and

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.
-