



PROSPECTUS

Torian Resources Limited ABN 72 002 261 565

A partially underwritten renounceable pro rata entitlement offer to Eligible Shareholders of approximately 135,972,430 New Shares at an issue price of \$0.016 per New Share on the basis of 1 New Share for every 4 Existing Shares held, together with 1 attaching New Option for every 2 New Shares subscribed for, to raise up to approximately \$2.2 million before issue costs (**Entitlement Offer**).

This Prospectus is also being issued for the Shortfall Offer and for the purpose of section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of Shares issued by the Company prior to the last closing date under the Offers without disclosure under Part 6D of the Corporations Act.

LEAD MANAGER AND UNDERWRITER

Mahe Capital Pty Ltd

This Prospectus is a transaction-specific prospectus issued in accordance with section 713 of the *Corporations Act 2001* (Cth). If you are an Eligible Shareholder, this is an important document that requires your immediate attention. It should be read in its entirety with the Entitlement and Acceptance Form. If after reading this Prospectus you have any questions about the Securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser. An investment in the New Securities offered under this Prospectus is highly speculative.

This Prospectus is not for publication or distribution, directly or indirectly, in or into the United States of America (including its territories and possessions, any state of the US and the District of Columbia). This Prospectus is not an offer of securities for sale into the United States or to, or for the account or benefit of, US Persons. The securities referred to herein have not been and will not be registered under the *US Securities Act of 1933*, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons. No public offering of securities is being made in the United States.

Important Notices

This Prospectus is dated 7 July 2020 and was lodged with ASIC on that date. Neither ASIC, ASX nor any of their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

This Prospectus is a transaction specific prospectus for an offer of 'continuously quoted securities' (as defined in the Corporations Act) and options to acquire continuously quoted securities. It has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering or 'full form' prospectus. In preparing this Prospectus, regard has been had to the fact that the Company is a 'disclosing entity' for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and their professional advisers.

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

Prospectus availability

Eligible Shareholders can obtain a copy of this Prospectus during the Offer Period on the Company's website at www.torianresources.com.au or by contacting the Company. The electronic version of this Prospectus is provided for information purposes only. A paper copy of the Prospectus may be obtained free of charge on request during the relevant Offer Period by contacting the Company. The information on the Company's website does not form part of this Prospectus. If you access an electronic copy of this Prospectus, you should ensure that you download and read the entire Prospectus.

Foreign jurisdictions

This Prospectus is not, and is not intended to constitute, an offer, invitation or issue in any place in which, or to any person to whom, it would be unlawful to make such an offer, invitation or issue.

By applying for New Securities, including by submitting an Entitlement and Acceptance Form or making a payment using BPAY® an Applicant represents and warrants that there has been no breach of such laws.

The distribution of this Prospectus and accompanying Entitlement and Acceptance Forms (including electronic copies) outside Australia, New Zealand and Singapore may be restricted by law and persons who come into possession of these documents should observe any such restrictions. Any failure to comply with such restrictions may contravene applicable securities laws. The Company disclaims all liability to such persons. Please refer to Section 8.7 for further information.

Risk factors

Potential investors should be aware that subscribing for securities in the Company involves a number of risks. The key risk factors are set out in Section 6 of this Prospectus. These risks together with other general risks applicable to all investments in quoted securities not specifically referred to, may affect the value of the Company's securities in the future. An investment in the Company should be considered speculative. Investors should

consider these risk factors in light of personal circumstances and should consider consulting their professional advisers before deciding whether to apply for New Securities pursuant to this Prospectus.

Publicly available information

Information about the Company is publicly available and can be obtained from ASIC and ASX (including the ASX website at www.asx.com.au). The contents of any website or ASIC or ASX filing by the Company are not incorporated into this Prospectus and do not constitute part of the Offers. This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest in the Company or subscribe for New Securities.

The Company has not authorised any person to give any information or make any representation in connection with an Offer which is not contained in this Prospectus. Any such extraneous information or representation may not be relied upon as having been authorised by the Company in connection with this Prospectus.

Statements of past performance

Past performance and pro forma financial information included in this Prospectus is given for illustrative purposes only and should not be relied upon as (and is not) an indication of the Company's views on its future financial performance or condition. Investors should note that past performance, including past Share price performance, of the Company cannot be relied upon as an indicator of (and provides no guidance as to) the Company's future performance including future Share price performance. The historical information included in this Prospectus is, or is based on, information that has previously been released to the market.

Investors should also be aware that certain financial data included in this Prospectus may be '*non-IFRS financial information*' under Regulatory Guide 230 Disclosing non-IFRS financial information published by ASIC. The Company believes this non-IFRS financial information provides useful information to users in measuring the financial performance and condition of the Company. The non-IFRS financial information do not have a standardised meaning prescribed by Australian Accounting Standards and, therefore, may not be comparable to similarly titled measures presented by other entities, nor should they be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards. Investors are cautioned, therefore, not to place undue reliance on any non-IFRS financial information and ratios (if any) included in this Prospectus.

Forward-looking statements

This Prospectus may contain forward-looking statements been based on current expectations about future acts, events and circumstances, such as 'intends', 'may', 'could', 'believes', 'estimates', 'targets' or 'expects'. These forward-looking statements are subject to risks, uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from

the expectations described in such forward-looking statements.

Accordingly, the Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur. Further, except during an offer period and otherwise as required by law, the Company may not update or revise any forward-looking statement if events subsequently occur or information subsequently becomes available that affects the original forward-looking statement.

Applications

Applications for New Securities offered by this Prospectus can only be made on an original Application Form accompanying this Prospectus. Please read the instructions in this Prospectus and on the accompanying Application Form regarding the acceptance of an Offer.

By returning an Application Form, lodging an Application Form with a stockbroker or otherwise arranging for payment of New Securities in accordance with the instructions on the Application Form, an Applicant acknowledges that they have received and read this Prospectus, acted in accordance with the terms of the Offer to which the Application Form relates and agree to all of the terms and conditions as detailed in this Prospectus.

Applications for the Shortfall Offer by persons other than Eligible Shareholders can only be submitted by invitation from the Company.

No cooling-off period

No cooling off rights apply to Applications submitted under the Offers.

Disclaimer of representations

No person is authorised to provide any information or make any representation in connection with the Offers which is not contained in this Prospectus.

Except as required by law, and only to the extent so required, neither the Company nor any other person warrants or guarantees the future performance of the Company, or any return on any investment made pursuant to this Prospectus.

Privacy

Please read the privacy information located in Section 8.15 of this Prospectus. By submitting an Entitlement and Acceptance Form, you consent to the matters outlined in that section.

Definitions

Certain terms and abbreviations used in this Prospectus have defined meanings which are explained in the Glossary.

Photographs and Diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person endorses the Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale.

Enquiries

Before making a decision about investing in the Entitlement Offer, you should seek advice from your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser to determine whether it meets your objectives, financial situation and needs.

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker, or legal, financial or other professional adviser without delay. Should you have any questions about the Entitlement Offer or how to accept the Entitlement Offer, please call the Company Secretary.

If you have misplaced your Entitlement and Acceptance Form and would like a replacement form, please call the applicable number below. Alternatively, if you have the Securityholder Reference Number or Holder Identification Number for your holding(s), you can download a replacement form from the Share Registry's secure website at <https://www.advancedshare.com.au/>.

If you have any questions, please call the Company Secretary on + 61 8 9420 8208 at any time between 8.00am and 5.00pm (Perth time) Monday to Friday until the Closing Date. Alternatively, consult your broker, accountant or other professional adviser.

Website

To view annual reports, shareholder and other information about the Company, announcements, background information on the Company's operations and historical information, visit the Company's website at www.torianresources.com.au.

CONTENTS

1.	TIMETABLE TO THE OFFERS	2
2.	KEY OFFER TERMS	2
3.	CHAIRMANS LETTER	3
4.	INVESTMENT OVERVIEW AND KEY RISKS	4
5.	PURPOSE AND EFFECT OF THE OFFERS	10
6.	RISK FACTORS	15
7.	ACTIONS REQUIRED BY ELIGIBLE SHAREHOLDERS	22
8.	DETAILS OF THE OFFERS	26
9.	RIGHTS AND LIABILITIES ATTACHING TO SECURITIES	34
10.	ADDITIONAL INFORMATION	38
11.	DIRECTORS' STATEMENT	43
12.	GLOSSARY	44
13.	PRO FORMA STATEMENT OF FINANCIAL POSITION	46

1. TIMETABLE TO THE OFFERS

Event	Target Date
Announcement of the Offers	6 July 2020
Lodgement of this Prospectus	7 July 2020
Ex date (Shares trade ex entitlement) Rights trading commences on a deferred settlement basis	9 July 2020
Record date to determine Entitlement (Record Date)	10 July 2020
Prospectus with Entitlement and Acceptance Form dispatched Entitlement Offer and Shortfall Offer opens for receipt of Applications	14 July 2020
Rights trading ends	21 July 2020
Last date to extend the Entitlement Offer	23 July 2020
Closing date for acceptances under the Entitlement Offer	28 July 2020
Notify ASX of under-subscriptions	30 July 2020
Issue of New Securities under the Entitlement Offer Dispatch of holding statements	3 August 2020
Underwriting settlement date	3 August 2020
Normal trading of New Shares and New Options expected to commence	4 August 2020
Last date to issue Shortfall Securities (see Section 8.6)	28 October 2020

Note: Dates and times in this Prospectus are indicative only and subject to change. All times and dates refer to WST time. The Company, in consultation with the Underwriter, reserves the right, subject to the Corporations Act, ASX Listing Rules and other applicable laws, to vary the dates of the Offers without prior notice, including extending the Offers or accepting late applications, either generally or in particular cases, or to withdraw the Offers without prior notice. Applicants are encouraged to submit their personalised Entitlement and Acceptance Forms as soon as possible. The commencement of quotation of New Shares is subject to confirmation from ASX.

2. KEY OFFER TERMS

	Full Subscription
Shares currently on issue ¹	543,889,723
Total Options currently on issue	315,556,358
New Shares offered under this Prospectus, on a 1 for 4 basis	135,972,430
New Options offered on a 1 for 2 New Shares basis	67,986,215
Issue price per New Share	\$0.016
Amount raised under this Prospectus (before costs)	\$2.2 million

Note:

1. This assumes that no further Shares are issued prior to the Record Date.

3. CHAIRMANS LETTER

Dear Shareholder,

On behalf of Torian's Directors, I am pleased to offer Eligible Shareholders the opportunity to participate in a partially underwritten 1:4 renounceable entitlement offer of New Shares in the Company at an Offer Price of A\$0.016 per New Share together with 1 attaching New Option for every 2 New Shares subscribed for, to raise up to approximately \$2.2 million before issue costs.

Mahe Capital have agreed to partially underwrite the Entitlement Offer for an amount of \$1 million.

The funds raised will enable the company to proceed to undertake a 12,000- 15,000M RC & Diamond drill programme including assaying and additional mapping, sampling and geophysics of the Stirling Gold Camp as it progresses through its systematic exploration approach. In addition, the company will commence its maiden mapping & sampling program of additional targets at the Mt Monger project.

As announced on 2 July 2020, Nova Minerals Limited (**Nova**) elected for an early conversion of their Convertible Notes and accrued interest into 94,605,500 Shares so that they can participate in the Entitlement Offer as a major shareholder.

Since coming on board at the end of March this year, Nova have been exceptionally supportive of Torian. In addition to the excellent technical expertise that they have provided, we have consistently utilised synergies across the two companies that has enabled us to bring various costs down as a result.

We look forward to working very closely with the team at Nova in the months and years ahead.

Details of your Entitlement

Eligible Shareholders are entitled to subscribe for 1 New Share for every 4 Existing Shares held at 5.00pm (Perth time) on 10 July 2020, together with 1 attaching New Option for every 2 New Shares subscribed for.

Eligible Shareholders may also apply for Shortfall Securities at the Offer Price in excess of their Entitlement. Shortfall Securities will only be allocated to Eligible Shareholders if available and if and to the extent that the Company so determines, in its absolute discretion. The Company may elect to scale-back applications for Shortfall Securities in its absolute discretion in consultation with Mahe Capital.

Further information

Further information on the Entitlement Offer is detailed in this Prospectus. You should read the entirety of this Prospectus carefully before deciding whether to participate in the Entitlement Offer. There are risks in investing in the Company, including risks associated with markets generally, and ongoing requirements for additional funding. Please see section 6 for details. If any of these risks or other material risks eventuate, it will likely have a material adverse impact on the Company's future financial performance and position.

Executive Directors Paul Summers and Peretz Schaprio have agreed to subscribe for their full entitlement under the Entitlement Offer. We look forward to the ongoing support of all Shareholders as we continue on this exciting journey.

The Board recommends the Entitlement Offer to you and looks forward to your support.

Yours sincerely



Louie Simens
Non-Executive Chairman
TORIAN RESOURCES LIMITED

4. INVESTMENT OVERVIEW AND KEY RISKS

This information is a selective overview only. Prospective investors should read the Prospectus in full before deciding to invest in New Securities.

Question	Response	Where to find more information
What is the Entitlement Offer?	<p>A partially underwritten renounceable entitlement offer to subscribe for 1 New Share for every 4 Existing Shares held on the Record Date at an issue price of \$0.016, with 1 attaching New Option for every 2 New Shares subscribed for.</p> <p>The Entitlement Offer seeks to issue up to 135,972,340 New Shares and 67,986,215 million New Options to raise up to approximately \$2.2 million (before costs) if fully subscribed. Up to a further approximately \$1.36 million may be raised if all New Options to be issued under the Entitlement Offer are exercised.</p> <p>A secondary purpose of this Prospectus is to meet the requirements of section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of Shares issued by the Company pursuant to the conversion of Nova's Convertible Notes and any other Shares issued at the Company's recent annual general meeting.</p>	Section 8
Am I an Eligible Shareholder?	<p>The Entitlement Offer is made to Eligible Shareholders, being Shareholders who:</p> <ul style="list-style-type: none">(a) are the registered holder of Shares as at 5.00pm (Perth time) on the Record Date; and(b) have a registered address in Australia, New Zealand or Singapore.	
What is my Entitlement?	<p>Your Entitlement is the right granted to you under the Entitlement Offer to subscribe for 1 New Share at the Offer Price for every 4 Existing Shares you hold as at the Record Date with 1 attaching New Option for every 2 New Shares subscribed for.</p> <p>Your Entitlement will be noted on your personalised Entitlement and Acceptance Form.</p>	
What can I do with my Entitlement?	<p>As an Eligible Shareholder, you may do any one of the following:</p> <ul style="list-style-type: none">(a) take up all or part of your Entitlement;(b) take up all of your Entitlement and apply for Shortfall Securities;(c) sell all or part of your Entitlement; or(d) do nothing, in which case you will be deemed to have renounced your Entitlement and your Shareholding will be diluted if New Shares are issued under the Offers.	Section 7

<p>What happens if I am an Ineligible Shareholder?</p>	<p>The Company will not be extending the Entitlement Offer to Ineligible Shareholders. However, for the purposes of Listing Rule 7.7.1(c), the Company has appointed the Underwriter as nominee to arrange for the sale of the Ineligible Shareholders' Entitlements and to account for the net proceeds of the sale to them.</p>	<p>Section 8.8</p>																		
<p>How will the proceeds of the Entitlement Offer be used?</p>	<p>The Company will use funds raised under the Entitlement Offer (together with existing cash on hand):</p> <table border="1" data-bbox="491 510 1142 1077"> <thead> <tr> <th data-bbox="491 510 746 591">Use of funds</th> <th data-bbox="746 510 944 591">Full Subscription</th> <th data-bbox="944 510 1142 591">% of funds raised</th> </tr> </thead> <tbody> <tr> <td data-bbox="491 591 746 730">12,000- 15,000M RC & Diamond drill programme including assaying</td> <td data-bbox="746 591 944 730">\$1,200,000</td> <td data-bbox="944 591 1142 730">55%</td> </tr> <tr> <td data-bbox="491 730 746 869">Mapping & Sampling of additional targets at Mt Monger</td> <td data-bbox="746 730 944 869">\$400,000</td> <td data-bbox="944 730 1142 869">19%</td> </tr> <tr> <td data-bbox="491 869 746 949">Corporate and Administration</td> <td data-bbox="746 869 944 949">\$353,819</td> <td data-bbox="944 869 1142 949">16%</td> </tr> <tr> <td data-bbox="491 949 746 1025">Costs of the Entitlement Offer</td> <td data-bbox="746 949 944 1025">\$221,740</td> <td data-bbox="944 949 1142 1025">10%</td> </tr> <tr> <td data-bbox="491 1025 746 1077">Total</td> <td data-bbox="746 1025 944 1077">\$2,175,559</td> <td data-bbox="944 1025 1142 1077">100%</td> </tr> </tbody> </table> <p>A further breakdown of the use of funds, including where only the Underwritten Amount is raised, is set out in Section 5.2.</p>	Use of funds	Full Subscription	% of funds raised	12,000- 15,000M RC & Diamond drill programme including assaying	\$1,200,000	55%	Mapping & Sampling of additional targets at Mt Monger	\$400,000	19%	Corporate and Administration	\$353,819	16%	Costs of the Entitlement Offer	\$221,740	10%	Total	\$2,175,559	100%	<p>Section 5.2</p>
Use of funds	Full Subscription	% of funds raised																		
12,000- 15,000M RC & Diamond drill programme including assaying	\$1,200,000	55%																		
Mapping & Sampling of additional targets at Mt Monger	\$400,000	19%																		
Corporate and Administration	\$353,819	16%																		
Costs of the Entitlement Offer	\$221,740	10%																		
Total	\$2,175,559	100%																		
<p>What are the key risks of a subscription under the Entitlement Offer?</p>	<p>An investment in the Company has risks that you should consider before making a decision to invest. Please carefully consider these risks and the information contained in other sections of this Prospectus before deciding whether or not to apply for New Securities.</p> <p>These risks include:</p> <p>Assessment of stamp duty</p> <p>Following the acquisition of Cascade Resources Limited in 2017 (Acquisition), the Company paid stamp duty in accordance with the <i>Duties Act 2008</i> (WA). Subsequently, the Office of State Revenue (OSR) has given notice to the Company that it had reassessed the value of the Acquisition and advised the Company that, in the view of the OSR, additional duty and penalties may be payable on the Acquisition.</p> <p>The Company has questioned this reassessment and, following submissions to the Commissioner, a new designated valuation of the transaction is being undertaken. The ultimate duty payable will be dependent on the value provided under this new valuation and on acceptance of that value by the OSR which may result in the payment of additional duty (and</p>	<p>Section 6</p>																		

	<p>associated penalties) on the Acquisition, at a level to be determined.</p> <p>There is a risk that the Company's liability for stamp duty may be higher than the amount paid to date and if this is the case, it may be necessary for the Company to raise additional funding to meet this liability. There is no guarantee such funds will be able to be raised and if so on what terms.</p> <p>Exploration risk</p> <p>The mineral mining licenses of the Company 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 these mining licenses, or any other mining 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.</p> <p>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, mill capacity availability and many other factors beyond the control of the Company.</p> <p>The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its mining licenses 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 mining licenses, a reduction in the case reserves of the Company and possible relinquishment of the mining licenses.</p> <p>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.</p> <p>Operational risks</p> <p>The operations of the Company may be affected by various factors which are beyond the control of the Company, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration or mining, operational and technical difficulties encountered in exploration, difficulties in commissioning or operating plant and equipment or mechanical failure which may affect extraction costs, adverse weather conditions, environmental accidents,</p>	
--	--	--

	<p>industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment, fire, explosions and other incidents beyond the control of the Company.</p> <p>These risks and hazards could also result in damage to, or destruction of, equipment, personal injury, environmental damage, business interruption and possible legal liability. While the Company currently intends to maintain insurance within ranges of coverage consistent with industry practice, no assurance can be given that the Company will be able to obtain such insurance coverage at reasonable rates (or at all), or that any coverage it obtains will be adequate and available to cover any such claims.</p> <p>Fluctuations in gold prices</p> <p>The price of gold and other minerals fluctuates widely and is affected by numerous factors beyond the control of the Company such as industrial and retail supply and demand, exchange rates, inflation rates, changes in global economies, confidence in the global monetary system, forward sales of metals by producers and speculators as well as other global or regional political, social or economic events. Future serious price declines in the market value of gold could cause the continued development of, and eventually the commercial production from, the Company's projects and the Company's other properties to be rendered uneconomic. Depending on the price of gold the Company could be forced to discontinue production or development and may lose its interest in, or may be forced to sell, some of its properties. There is no assurance that, even as commercial quantities of gold is produced, a profitable market will exist for it.</p> <p>In addition to adversely affecting the reserve estimates of the Company and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if a project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.</p> <p>Future capital needs</p> <p>Additional funding may be required in the event costs exceed the Company's estimates and to effectively implement its business and operational plans in the future to take advantage of opportunities for acquisition, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur. If such events occur, additional funding will be required.</p> <p>The Company may seek to raise further funds through equity or debt financing, joint ventures, licensing arrangements, or other means. Failure to obtain</p>	
--	---	--

	<p>sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of the Company's activities and potential development programs. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing may not be favourable to the Company and might involve substantial dilution to shareholders.</p> <p>COVID-19 risk</p> <p>In December 2019, a strain of coronavirus (COVID-19) was identified in Wuhan, China. On 11 March 2020, the World Health Organisation declared COVID-19 a pandemic. The outbreak of COVID-19 has resulted in the implementation of governmental measures, including closures, quarantines and travel bans, intended to control the spread of the virus.</p> <p>The Directors are constantly monitoring the situation and, as at the date of this Prospectus, COVID-19 has not had, and is not expected to have, a material adverse effect on the Company's exploration activities and financial performance.</p> <p>However, in the event that the Federal Government or Western Australian Government implement any increase in containment measures in response to the ongoing pandemic, this may prevent the Company, and other business partners, from conducting business activities for periods of time and may impact on the Company's ability undertake exploration activities and could cause delays to future work program activities. Such measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.</p> <p>Further, the outbreak of COVID-19 is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19.</p>	
<p>Is the Entitlement Offer underwritten?</p>	<p>Yes - the Entitlement Offer is partially underwritten by Mahe Capital to the amount of \$1 million (Underwritten Amount). The Underwriter will also act as lead manager for the remaining amount.</p> <p>For further information on the Underwriter please refer to Section 8.3.</p>	<p>Section 8.3</p>
<p>What will be the effect of the Offers on control of the Company?</p>	<p>The effect of the Entitlement Offer on control of the Company will vary with the level of Entitlements taken up by Eligible Shareholders and the number of Shortfall Securities placed in the Shortfall Offer.</p> <p>The Company and the Underwriter will cap the extent to which a Shareholder may take up Shortfall Securities issued under the Shortfall Offer such that there will be no Shareholder whose interest would exceed 19.9% as a result of the Offers except to the extent permitted by law.</p>	<p>Section 5.6</p>

What is the effect of the Offers on the Company?	The maximum number of New Shares and New Options that will be issued under the Offers is 135,972,430 New Shares and 72,337,333 New Options, representing 20% of the issued share capital and 19% of the option capital of the Company on completion of the Offers respectively.	Section 5.4
Can I apply for New Shares and New Options in excess of my Entitlement?	Yes, you can apply for New Shares and New Options in excess of your Entitlement (Shortfall Securities).	Section 8.6
How do I apply for New Securities and Shortfall Securities under the Entitlement Offer?	Applications for New Securities and Shortfall Securities can be made by Eligible Shareholders completing the relevant sections of the personalised Entitlement and Acceptance Form and sending it to the Share Registry together with payment by cheque or BPAY® in the amount of Entitlement and Shortfall Securities applied for.	Section 7.2
How will the Shortfall Securities be allocated?	Eligible Shareholders can apply for Shortfall Securities. The Directors, together with the Underwriter, reserve the right to place any Shortfall Securities at their discretion within 3 months of the Closing Date.	Section 8.6
How do I accept the Entitlement Offer?	If you are within Australia, New Zealand or Singapore and you have an account with an Australian financial institution that supports BPAY® payments, you may pay your Application Monies via BPAY®. Alternatively, you may complete and return the personalised Entitlement and Acceptance Form with the requisite Application Monies, by following the instructions set out on the personalised Entitlement and Acceptance Form.	Section 7.9
Is the Entitlement Offer subject to Shareholder approval?	No, shareholder approval is not required for the Entitlement Offer or the Offers.	
How can I obtain further advice?	Contact the Company Secretary on +61 8 9420 8208 at any time between 8.00am and 5.00pm (Perth time) Monday to Friday until the Closing Date. Alternatively, consult your broker, accountant or other professional adviser.	

5. PURPOSE AND EFFECT OF THE OFFERS

5.1 Introduction

The Company is seeking to raise up to approximately \$2.2 million before issue costs under the Entitlement Offer at a price of \$0.016 per New Share on the basis of 1 New Share for every 4 Existing Shares held as at the Record Date, with 1 attaching New Option for every 2 New Shares subscribed for.

Shareholders may, in addition to their Entitlement apply for Shortfall Securities at the Offer Price.

5.2 Purpose of the Offers

The Directors intend to apply the proceeds from the Entitlement Offer together with existing cash on hand as follows:

Use of funds	Underwritten Amount	% of funds raised	Full Subscription	% of funds raised
Exploration at Mt Stirling	\$750,000	75%	1,600,000	74%
12,000- 15,000M RC & Diamond drill programme including assaying	\$750,000	75%	\$1,200,000	55%
Mapping & Sampling of additional targets at Mt Monger	-		\$400,000	19%
Corporate and Administration	\$98,794	10%	\$353,819	16%
Costs of the Entitlement Offer	\$151,206	15%	\$221,740	10%
Total use of funds	\$1,000,000	100%	\$2,175,559	100%

Notes:

1. This table is a statement of the proposed application of the funds raised as at the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the Company's decisions. The Company reserves the right to vary the way funds are applied.
2. There is no minimum subscription condition for any Offer to proceed. The Entitlement Offer and Shortfall Offer are partially underwritten, for the value of the Underwritten Amount, which will result in at least \$1 million being raised irrespective of any subscription by Eligible Shareholders. In the event the Company does not achieve Full Subscription and only raises funds for the Underwritten Amount, the funds raised will be applied in the manner set out in the second column of the table above.
3. Corporate and Administration includes general working capital which is intended to accelerate and/or extend/continue the above initiatives as required, and other corporate administration and operating costs (including directors' fees, ASX and share registry fees, legal, tax and audit fees, insurance and travel costs).
4. See section 10.5 for further details relating to the estimated expenses of the Entitlement Offer. Please note that in addition to the costs of the Entitlement Offer, the Underwriter is entitled to be issued 2 New Options for every \$1 raised under the Entitlement Offer. For further details on the Underwriter's remuneration please refer to Section 8.3 for further information.

5.3 Statement of financial position

Set out in section 13 is the unaudited consolidated statement of financial position of the Company as at 31 May 2020 and the unaudited pro-forma statement of financial position as at 31 May 2020, and on the basis of the following assumptions:

- (a) take up of the Entitlement Offer under two scenarios: where the Underwritten Amount is raised and where the Full Subscription is raised;
- (b) the issue of 94,605,000 Shares on 6 July 2020 on conversion of Nova's Convertibles Notes and accrued interest at a conversion price of 0.45 cents per Share;

- (c) the issue of 1,677,900 Shares and 2,120,000 Shares to Paul Summers (current Director) and Angus Middleton (previous Director) respectively, in satisfaction of unpaid accrued director fees on 2 July 2020;
- (d) the payment of cash costs related to the Entitlement Offer estimated to be \$151,206 for the Underwritten Amount and \$221,740 for Full Subscription; and
- (e) no further Shares are issued other than all New Shares offered under this Prospectus (including that no Options on issue are exercised).

The pro-forma statement of financial position has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company set out in section 13. The pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements. The pro-forma statement is indicative only and is not intended to be a statement of the Company's current or future financial position.

5.4 Effect of the Offers on the Company's securities

Assuming that no further Shares are issued prior to the Record Date, at the close of the Offers the capital structure of the Company will be:

Shares	Underwritten Amount		Full Subscription	
	Number	%	Number	%
Existing Shares	543,889,723	89.69%	543,889,723	80.00%
New Shares offered under this Prospectus ¹	62,500,000	10.31%	135,972,430	20.00%
Total Shares	606,389,723	100%	679,862,153	100%

Note:

1. Per the Underwriting Agreement, the Underwriter (or its nominee) is entitled to subscribe for additional New Shares if it exercises its right to subscribe for scrip in consideration of the underwriting and lead manager fees. Please refer to Section 8.3 for further information.

Assuming that no further Options are issued prior to the Record Date, at the close of the Offers, the number of Options on issue will be:

Options	Underwritten Amount		Full Subscription	
	Number	%	Number	%
Options exercisable at \$0.10 expiring 9 April 2023	11,000,000	3.15%	11,000,000	2.83%
Options exercisable at \$0.02 expiring 7 February 2022	304,556,358	87.32%	304,556,358	78.52%
New Options offered on a 1 for 2 New Shares basis Options exercisable at \$0.02 expiring 7 February 2022	31,250,000	8.96%	67,986,215	17.53%
Underwriter Options (2 New Options for every \$1 raised)	2,000,000	0.57%	4,351,118	1.12%
Total Options	348,806,358	100%	387,893,691	100%

Note:

1. Per the Underwriting Agreement, the Underwriter (or its nominee) is entitled to be issued 2 New Options for every \$1 raised under the Entitlement Offer and is entitled to subscribe for additional New Options if it exercises its right to subscribe for scrip in consideration of the underwriting and lead manager fees. Please refer to Section 8.3 for further information.

5.5 Details of substantial holders

Based on public available information as at the date of this Prospectus, the following persons which (together with their associates) have a relevant interest in 5% or more of the Shares.

Shareholder	Shares	%
Nova Minerals Limited	94,605,000	17.39%

In the event all Entitlements are accepted in full there will be no change. However, Nova's holdings and the holdings of other Shareholders may change as a result of their participation in the Offers.

5.6 Effect of the Offers on the control of the Company

(a) General

There potential effect that the Offers could have on the control of the Company, and the consequences of that effect, will depend upon a number of factors, including investor demand and existing shareholdings.

As at the date of this Prospectus, the Company has 543,889,723 Shares and 315,556,358 Options on issue. As noted above, Nova has a relevant interest in 17.39% of the Company and, to the extent it participates in the Entitlement Offer, will not subscribe for New Securities that would result in it having a voting power of 19.9% or more of the Shares on issue following completion of the Offers except to the extent permitted by law.

(b) Underwriter and control of the Company

If no existing Shareholders and no third party investors participate in either the Entitlement Offer or the Shortfall Offer, the maximum amount of New Securities to be issued to the Underwriter is 62,500,000 New Shares and 33,250,000 New Options which would result in the Underwriter acquiring a relevant interest in 10.31% of the Company. Currently, the Underwriter is not a Shareholder of the Company nor a related party of the Company for the purposes of the Corporations Act. The extent to which Shares are issued pursuant to the underwriting will increase the Underwriter's voting power in the Company accordingly.

The Underwriter has agreed in the Underwriting Agreement that neither it nor any investor who subscribes for a portion of the underwriting commitment in its place will obtain voting

power of 19.9% or more in relation to the Shares on issue following closing of the Offers, except to the extent permitted by law.

The potential interests of the Underwriter (assuming the Underwriter subscribed in its own right) and each substantial Shareholder prior to the Record Date, assuming different scenarios under the Offers, are shown in the table below.

Name	% of total Shares before the Offers	% of total Shares after the Offers			
		100% take up	75% take up	50% take up	0% take up
Mahe Capital	0%	0%	0%	0%	10.31%
Nova Minerals Limited	17.39%	17.39%	18.31%	19.33%	19.50%

Notes:

1. This table assumes that no Options are exercised prior to the issue of New Securities under the Offers.
2. The level of take up in this table assumes that all Eligible Shareholder accept their Entitlements at the different levels shown (e.g. a "50% take up" assumes all Eligible Shareholders accept 50% of their Entitlements, and the Underwriter completes the issue to the Underwritten Amount).
3. The Underwriter is entitled to be issued New Shares if it exercises its right to subscribe for scrip in consideration of the underwriting and lead manager fees. The maximum number of New Shares to be issued have not been included in the percentage calculations above. However, the Underwriter has agreed that it will not subscribe for additional New Shares where it will obtain voting power of 19.9% or more.

If all of the Eligible Shareholders under the Entitlement Offer accept their Entitlements in full then the Entitlement Offer will not have any effect on the control of the Company. In this case, Eligible Shareholders will maintain their percentage shareholding interest in the Company (subject to the Underwriter's right to subscribe for New Securities in consideration for certain fees payable under the Underwriting Agreement as set out in section 8.3).

(c) **Mitigating control effects**

In order to mitigate the potential contract effects of the underwriting commitment, the Company has included alongside the Entitlement Offer, a Shortfall Offer pursuant to section 8.6 of this Prospectus and a shortfall allocation strategy.

Unless otherwise agreed between the Company and the Underwriter, if there is a shortfall, the Company will allocate Shortfall Securities according to the following priority:

- (i) Shortfall Securities may be allocated to any Eligible Shareholders, at the absolute discretion of the Directors in consultation with the Underwriter.
- (ii) If following the allocation in paragraph (i), there remains a Shortfall, those unallocated Shortfall Shares will then be allocated to the Underwriter in accordance with the Underwriting Agreement.

Shortfall Securities will not be offered or issued to any Applicant if, in the view of the Directors, to do so would increase that Applicant's voting power in the Company above 19.9% or otherwise result in a breach of the Listing Rules, the Corporations Act or any other applicable law.

For the purposes of Listing Rule 7.7.1(c), the Company has appointed the Underwriter to arrange for the sale of the renounceable entitlements that would have been given to Ineligible Shareholders and to account to them for the net proceeds of the sale. The Company has not appointed a nominee in accordance with section 615 of the Corporations Act, as no person will acquire a relevant interest in 20% or more of the Company's Shares as a result of the Offers. For further information please refer to Section 8.8.

5.7 Dilution

Shareholders who do not participate in the Entitlement Offer will have their holdings diluted. Following is a table which sets out the dilutionary effect, assuming the full amount is raised and no further Shares are issued or Options exercised:

Holder	Holding at Record Date		Entitlement	Holding following the Entitlement Offer if no Entitlement taken up	
	Number	%		Number	%
1	543,890	0.1	135,972	543,890	0.08%
2	5,438,897	1	1,359,724	5,438,897	0.80%
3	54,388,972	10	13,597,243	54,388,972	8.00%
4	543,889,723	100	135,972,431	543,889,723	80.00%

6. RISK FACTORS

This section identifies the major risks the Board has identified regarding an investment in the Company. The Company's business is subject to risk factors, both specific to its business activities, and risks of a general nature. Individually, or in combination, these might affect the future operating performance of the Company and the value of an investment in the Company. There can be no guarantee that the Company will achieve its stated objectives or that any forward looking statements will be achieved. An investment in the Company should be considered in light of relevant risks, both general and specific. Each of the risks set out below could, if it eventuates, have a material adverse impact on the Company's prospects, and the market price of the Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

Before deciding to invest in the Company, potential investors should:

- (a) read the entire Prospectus;
- (b) consider the assumptions underlying any forward looking statements;
- (c) review these factors in light of their personal circumstances; and
- (d) seek professional advice from their accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest.

6.2 Risk specific to the Offer

(a) **Assessment of stamp duty**

Following the acquisition of Cascade Resources Limited in 2017 (**Acquisition**), the Company paid stamp duty in accordance with the *Duties Act 2008* (WA). Subsequently, the Office of State Revenue (**OSR**) has given notice to the Company that it had reassessed the value of the Acquisition and advised the Company that, in the view of the OSR, additional duty and penalties may be payable on the Acquisition.

The Company has questioned this reassessment and, following submissions to the Commissioner, a new designated valuation of the transaction is being undertaken. The ultimate duty payable will be dependent on the value provided under this new valuation and on acceptance of that value by the OSR which may result in the payment of additional duty (and associated penalties) on the Acquisition, at a level to be determined.

There is a risk that the Company's liability for stamp duty may be higher than the amount paid to date and if this is the case, it may be necessary for the Company to raise additional funding to meet this liability. There is no guarantee such funds will be able to be raised and if so on what terms.

(b) **COVID-19 risk**

In December 2019, a strain of coronavirus (COVID-19) was identified in Wuhan, China. On 11 March 2020, the World Health Organisation declared COVID-19 a pandemic. The outbreak of COVID-19 has resulted in the implementation of governmental measures, including closures, quarantines and travel bans, intended to control the spread of the virus.

The Directors are constantly monitoring the situation and, as at the date of this Prospectus, COVID-19 has not had, and is not expected to have, a material adverse effect on the Company's exploration activities and financial performance.

However, in the event that the Federal Government or Western Australian Government implement any increase in containment measures in response to the ongoing pandemic, this may prevent the Company, and other business partners, from conducting business activities for periods of time and may impact on the Company's ability undertake exploration activities and could cause delays to future work program activities. Such measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.

Further, the outbreak of COVID-19 is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19.

(c) **Financial markets risks**

Share market conditions may affect the value of the Company's quoted Securities regardless of the Company's operating performance. Share market conditions may be affected by many factors including, but not limited to, the following:

- (i) general economic outlook;
- (ii) interest rates and inflation rates;
- (iii) currency fluctuations;
- (iv) commodity price fluctuations;
- (v) changes in investor sentiment toward particular market sectors;
- (vi) the demand for, and supply of, capital; and
- (vii) terrorism or other hostilities.

The market price of Securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general, and mining securities in particular. Neither the Company, nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(d) **Mineral Resource estimates**

The interpretation of exploration results and Mineral Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when originally made may alter significantly when new information or techniques become available. In addition, by their very nature, exploration results and Mineral 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.

The inclusion of Mineral Resource estimates should not be regarded as a representation that these amounts can be economically exploited and investors are cautioned not to place undue reliance on Mineral Resource estimates, particularly Inferred Mineral Resource estimates, are highly uncertain.

Mineral Resources that lie solely within the "Inferred" category are in the lowest resource categorisation under the JORC Code. According to the commentary accompanying the JORC Code, "the Inferred category is intended to cover situations where a mineral concentration or occurrence has been identified and limited measurements and sampling completed, but where the data are insufficient to allow the geological and/or grade continuity to be confidently interpreted. Commonly, it would be reasonable to expect that the majority of Inferred Mineral Resources would upgrade to Indicated Mineral Resources with continued exploration. However, due to the uncertainty of Inferred Mineral Resources, it should not be assumed that such upgrading will always occur. Confidence in the estimate of Inferred Mineral Resources is usually not sufficient to allow the results of the application of technical and economic parameters to be used for detailed planning. For this reason, there is no direct link from an Inferred Mineral Resource to any category of Ore Reserves. Caution should be exercised if this category is considered in technical and economic studies."

Consequently, Mineral Resource estimates are often regularly revised based on actual production experience or new information and are therefore expected to change. Furthermore, should Torian encounter mineralisation or formations different from those predicted by past drilling, sampling and similar examinations, Torian's Mineral Resource estimates may have to be adjusted and mining plans, processing and infrastructure may have to be altered in a way that might adversely affect Torian's operations. Moreover, a decline in the price of gold, increases in production costs, decreases in recovery rates or changes in applicable laws and regulations, including environment, permitting, title or tax regulations, that are adverse to Torian, may mean the volumes of mineralisation that Torian can feasibly extract may be significantly lower than the Mineral Resource estimates indicated in this Prospectus.

If it is determined that mining of certain of Torian's Mineral Resources or any Ore Reserves derived from them have become uneconomic, this may ultimately lead to a reduction in the

quantity of Torian's aggregate Mineral Resources being mined, or result in Torian deciding not to proceed with the project.

If the Company's actual Mineral Resources are less than current estimates, its prospects, value, business, results of operations and financial condition may be materially adversely affected.

(e) **Exploration risk**

The mineral mining licenses of the Company 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 these mining licenses, or any other mining 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.

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, mill capacity availability 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 mining licenses 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 mining licenses, a reduction in the case reserves of the Company and possible relinquishment of the mining licenses.

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.

(f) **Metallurgy**

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

- (i) identifying a metallurgical process through test work to produce a saleable product;
- (ii) developing an economic process route to produce a product; and
- (iii) changes in mineralogy in the deposit can result in inconsistent recovery, affecting the economic viability of a project.

(g) **Operational risks**

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

These risks and hazards could also result in damage to, or destruction of, equipment, personal injury, environmental damage, business interruption and possible legal liability. While the Company currently intends to maintain insurance within ranges of coverage consistent with industry practice, no assurance can be given that the Company will be able to obtain such insurance coverage at reasonable rates (or at all), or that any coverage it obtains will be adequate and available to cover any such claims.

(h) **Fluctuations in gold prices**

The price of gold and other minerals fluctuates widely and is affected by numerous factors beyond the control of the Company such as industrial and retail supply and demand, exchange rates, inflation rates, changes in global economies, confidence in the global monetary system, forward sales of metals by producers and speculators as well as other global or regional political, social or economic events. Future serious price declines in the market value of gold could cause the continued development of, and eventually the commercial production from, the Company's projects and the Company's other properties to be rendered uneconomic. Depending on the price of gold the Company could be forced to discontinue production or development and may lose its interest in, or may be forced to sell, some of its properties. There is no assurance that, even as commercial quantities of gold is produced, a profitable market will exist for it.

In addition to adversely affecting the reserve estimates of the Company and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if a project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

(i) **Native Title**

The mining tenements in which the Company holds, or intends to acquire, an interest extend over areas in which legitimate native title rights of indigenous Australians exist. The ability of the Company to gain access to some or all of the mining tenements and to conduct exploration development and mining operations remains subject to native title rights and the terms of registered native title agreements.

The right to negotiate process under Native Title matters can result in significant delays to the implementation of any project or stall it. Negotiated native title agreements may adversely impact on the economics of projects depending on the nature of any commercial terms agreed.

(j) **Aboriginal Heritage**

The Company must comply with Aboriginal heritage legislation requirements which include the requirement to conduct heritage survey work prior to the commencement of operations.

The Company is aware of various areas of indigenous significance and Aboriginal heritage sites of considerable cultural value both to the local indigenous communities and the broader community generally. These heritage sites require the Company to comply with the Aboriginal Heritage Act in respect of any ground disturbing activities. Prior to commencing significant ground disturbing activities, including mining, the Company will need to consult with local traditional owners regarding the likely impact that the proposed activities may have on such areas.

There is no guarantee that the Company will be able to deal with the above issues in a satisfactory or timely manner and accordingly such issues may increase the proposed time periods for the conduct of the Company's proposed activities and also limit the Company's ability to conduct its proposed activities on the tenements including ultimately commencing mining operations.

(k) **Tenement title**

Interests in tenements in Western Australia are governed by legislation and are evidenced by the granting of licences. Each licence is granted for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to, or its interest in, the Tenement if licence conditions are not met or if insufficient funds are available to meet expenditure commitments as and when they arise.

The tenements (including tenements in which the Company may acquire an interest in the future), will be subject to applications for renewal or exemption from expenditure (as the case may be). The renewal or exemption from expenditure for a tenement is usually determined at the discretion of the relevant government authority.

If a tenement is not renewed or granted an exemption from expenditure, the Company may suffer damage through loss of opportunity to develop and discover minerals on that tenement.

(l) **Environmental**

Exploration and mining activities on tenements are subject to laws and regulations regarding environmental impact matters and the discharge or emission of wastes and materials to the environment. As with all mineral projects, the Company's activities on the Tenement are expected to have a variety of environmental impacts. The Company's activities on the Tenement will be subject to the satisfaction of environmental guidelines and requisite approvals from applicable government authorities.

The Company intends to conduct its activities in an environmentally responsible manner and in accordance with all applicable laws but may still be subject to accidents or other unforeseen events which may compromise its environmental performance and which may have adverse financial implications for the Company.

In addition, the cost and complexity of complying with the applicable environmental laws and regulations may prevent the Company from being able to develop potentially economically viable mineral deposits.

Environmental matters applicable to the Company's tenements are within the remit of Commonwealth (and potentially State) authorities, including under legislation in the form of the *Environment Protection and Biodiversity Conservation Act 1999* (Cth) (**EPBC Act**). The Company will need to seek pre-approval on environmental matters for any mining operations and the Environmental Protection Authority will, among other things, assess the impact of proposed activities on flora and fauna and matters of national environmental significance under the EPBC Act as part of an accredited assessment. The Company understands that the Company's tenements area is likely to contain matters of national environmental significance including threatened and endangered fauna.

The assessment process under the EPBC Act requires approval of the Commonwealth (and potentially State) authorities and there is no fixed time for the process to complete. Significant delays in the process can potentially have a material adverse effect on the Company's business, financial condition and operations and affect the Company's ability to pursue the projects. In addition, there is no guarantee that the assessments undertaken by these authorities will be favourable or the approvals sought will be granted. Failure to obtain such approvals will prevent the Company from undertaking its desired activities and this will have a material adverse effect on the Company's business, financial condition and operations.

Future legislation and regulations governing mineral exploration and production may impose significant environmental obligations on the Company. The Company is unable to predict the effect of additional environmental laws and regulations, which may be adopted in the future, including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations in any area. There can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Company to incur significant expenses and undertake significant investments in such respect which could have a material adverse effect on the Company's business, financial condition and results of operations.

(m) **Future capital needs**

Additional funding may be required in the event costs exceed the Company's estimates and to effectively implement its business and operational plans in the future to take advantage of opportunities for acquisition, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur. If such events occur, additional funding will be required.

The Company may seek to raise further funds through equity or debt financing, joint ventures, licensing 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 the Company's activities and potential development programs. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing may not be favourable to the Company and might involve substantial dilution to shareholders.

(n) **Reliance on key personnel and ability to recruit additional personnel**

The Company's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the continued contributions of its executive management team and other key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.

6.3 General Investment Risks

(a) Economic and government risks

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

- (i) general economic conditions in jurisdictions in which the Company operates;
- (ii) changes in government policies, taxation and other laws in jurisdictions in which the Company operates;
- (iii) the interpretation of taxation laws by the relevant taxation authority differing from the Company's interpretation;
- (iv) the strength of the equity and share markets in Australia and throughout the world, and in particular investor sentiment towards the mining industry;
- (v) movement in, or outlook on, exchange rates, interest rates and inflation rates in jurisdictions in which the Company operates; and
- (vi) natural disasters, industrial disputes, social upheaval or war in jurisdictions in which the Company operates

(b) Risk of litigation, claims and disputes

The Company is exposed to the risk of actual or threatened litigation or legal disputes in the form of claims by joint venture partners, personal injury and property damage claims, environmental and indemnity claims, employee claims and other litigation and disputes. There is a risk that such litigation, claims and disputes could materially and adversely affect the Company's operating and financial performance due to the cost of defending and/or settling such claims, and could affect the Company's reputation.

(c) Management of risk

There is a risk that management of the Company will not be able to implement the Company's growth strategy after completion of the Offer. The capacity of management to properly implement and manage the strategic direction of the Company may affect the Company's financial performance.

(d) Investment risk

An investment in the Shares to be issued pursuant to this Prospectus should be considered speculative. They carry no guarantee as to payment of dividends, return of capital or the market value of the Shares. The prices at which an investor may be able to trade the Shares may be above or below the price paid for the Shares. Prospective investors must make their own assessment of the likely risks and determine whether an investment in the Company is appropriate to their own circumstances.

(e) Share market

There are general risks associated with an investment and the share market. The price of the Company's securities on the ASX may rise and fall depending on a range of factors beyond the Company's control and which are unrelated to the Company's financial performance. These factors may include movements on international stock markets, interest rates and exchange rates, together with domestic and international economic conditions, inflation rates, investor perceptions, changes in government policy, commodity supply and demand, government taxation and royalties, war, global hostilities and acts of terrorism.

6.4 Investment speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus. Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares. Potential investors should consider that the investment in the Company is speculative and should consult their professional adviser before deciding whether to apply for Shares pursuant to this Prospectus.

7. ACTIONS REQUIRED BY ELIGIBLE SHAREHOLDERS

7.1 What you may do

As an Eligible Shareholder, you may:

- (a) subscribe for all or part of your Entitlement (see Section 7.2);
- (b) subscribe for all of your Entitlement and apply for Shortfall Securities (see Section 7.3);
- (c) sell all of your Entitlement (see Section 7.4);
- (d) take up part of your Entitlement and sell the balance (see Section 7.5);
- (e) take up part of your Entitlement and transfer the balance other than on ASX (see Section 7.6);
or
- (f) allow all or part of your Entitlement to lapse (see Section 7.7).

7.2 Subscribe for all or part of your Entitlement

Applicants should read this Prospectus in its entirety in order to make an informed decision on the prospects of the Company and the rights attaching to the New Shares and attaching New Options offered by this Prospectus before deciding to apply for New Shares and New Options. If you do not understand this Prospectus you should consult your stockbroker, accountant or other professional adviser in order to satisfy yourself as to the contents of this Prospectus.

If you wish to subscribe for all or part of your Entitlement, complete the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on that form. The Entitlement and Acceptance Form sets out the number of New Shares and attaching New Options you are entitled to subscribe for.

7.3 Subscribe for all of your Entitlement and apply for Shortfall Securities

Eligible Shareholders who take up their Entitlement in full may, in addition to their Entitlement, apply for Shortfall Securities regardless of the size of their present holding by completing the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on that form. See section 8.6 for details of the manner in which Shortfall Securities will be allocated.

A cheque, bank draft or money order should be used for the application money for your Entitlement and the number of Shortfall Securities you wish to apply for as stated on the Entitlement and Acceptance Form.

Alternatively, if you are paying by BPAY®, refer to your personalised instructions on your Entitlement and Acceptance Form. Shareholders who wish to pay by BPAY® must ensure that payment is received by no later than 5.00pm (Perth time) on 28 July 2020.

Any refund of application monies will be returned to Applicants as soon as practicable following the issue of all Shortfall Securities.

7.4 Sell all of your Entitlement

Refer to the section within the box on the front of the Entitlement and Acceptance Form (which accompanies this Prospectus) regarding the full or partial sale of your Entitlement through your stockbroker and follow those instructions as soon as possible.

Rights trading will commence (on a deferred settlement basis) on ASX on 9 July 2020. Sale of your Rights must be completed by 21 July 2020 when Rights trading is expected to cease.

7.5 Take up part of your Entitlement and sell the balance on ASX

Please complete the Entitlement and Acceptance Form, which accompanies this Prospectus, by inserting the number of New Shares for which you wish to accept (being less than as specified on the Entitlement and Acceptance Form) and follow the instructions on the front of the form within the box relating to selling your shares via your stockbroker.

Cash will not be accepted and no receipts will be issued.

Rights trading will commence (on a deferred settlement basis) on ASX on 9 July 2020. Sale of your Rights must be completed by 21 July 2020 when Rights trading is expected to cease.

7.6 Take up part of your Entitlement and transfer the balance other than on ASX

If you are a Shareholder and hold Existing Shares on the issuer sponsored sub-register, forward a completed renunciation form (obtainable through your stockbroker or the Share Registry) together with your personalised Entitlement and Acceptance Form completed by the transferee together with a cheque for the appropriate application money to reach the Company's share registry (at the postal address shown below), by 5.00pm (Perth time) on 28 July 2020.

If you are a Shareholder and hold Existing Shares registered on CHESS, you should contact your sponsoring broker.

Cash will not be accepted and no receipts will be issued.

7.7 Allow all or part of your Entitlement to lapse

If you are an Eligible Shareholder and do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

If you take no action, your Entitlement will lapse. You will receive no benefit or New Securities and your Entitlement will become Shortfall Securities.

The number of Existing Shares you hold as at the Record Date and the rights attached to those Existing Shares will not be affected if you choose not to accept any of your Entitlement.

7.8 Payment methods

BPAY®

If you are paying by BPAY®, refer to your personalised instructions on your Entitlement and Acceptance Form. Shareholders who wish to pay by BPAY® do not need to complete and return the Entitlement and Acceptance Form; however must ensure that payment is received by no later than 5.00pm (Perth time) on the Closing Date.

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. It is your responsibility to ensure that funds submitted through BPAY® are received by 5.00pm (Perth time) on the Closing Date.

If you have more than one shareholding and consequently receive more than one Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those shareholdings only use the Customer Reference Number specific to that shareholding as set out in the applicable Entitlement and Acceptance Form. Do not use the same Customer Reference Number for more than one of your shareholdings. This can result in your application monies being applied to your Entitlement in respect of only one of your shareholdings (with the result that any application in respect of your remaining shareholdings will not be recognised as valid).

The Company shall not be responsible for any postal or delivery delays or delay in the receipt of the BPAY® payment.

Cheque, bank draft or money order

Alternatively, if you are paying by cheque, bank draft or money order, the completed Entitlement and Acceptance Form must be accompanied by a cheque, bank draft or money order made payable to 'Torian Resources Limited' and crossed 'Not Negotiable' for the appropriate application money in Australian dollars calculated at \$0.016 per New Share accepted. Your cheque, bank draft or money order must be paid in Australian currency and be drawn on an Australian branch of an Australian financial institution. The Company will present the cheque or bank draft on the day of receipt of the Entitlement and Acceptance Form. You must ensure that your cheque account has sufficient funds to cover your payment, as your cheque will be presented for payment on receipt. If your bank dishonours your cheque your application will be rejected. Dishonoured cheques will not be represented.

If the amount of your cheque(s), bank draft(s) or money order(s) for application money (or the amount for which those cheque(s) or bank draft(s) clear in time for allocation) is insufficient to pay for the number of New Shares and New Options you have applied for in your Entitlement and Acceptance Form, you may be taken to have applied for such lower number of New Shares and New Options as your cleared application money will pay for or your Application may be rejected.

The Entitlement and Acceptance Form must be received by the Company via their Share Registry at the following addresses by no later than 5.00pm (Perth time) on the Closing Date:

By Post To:

Torian Resources Limited
c/o Advanced Share Registry Limited
PO Box 1156
Nedlands WA 6909

7.9 Entitlement and Acceptance Form is binding

Receipt of a completed and lodged Entitlement and Acceptance Form together with a cheque, bank draft or money order for the application monies, or by making a payment in respect of an Application by BPAY®, constitutes a binding offer to acquire New Securities on the terms and conditions set out in this Prospectus and, once lodged, cannot be withdrawn.

By completing and returning your Entitlement and Acceptance Form with the requisite application monies, or by making a payment in respect of an Application by BPAY®, you will be deemed to have represented that you are an Eligible Shareholder. In addition, you will also be deemed to have represented and warranted on behalf of yourself or each person on whose account you are acting that the law in your place of residence and/or where you have been given the Prospectus, does not prohibit you from being given the Prospectus and that you:

- (a) acknowledge that you have fully read and understood both this Prospectus (particularly the risks set out in Section 6) and your Entitlement and Acceptance Form in their entirety and you acknowledge the matters and make the warranties and representations and agreements contained in this Prospectus and the Entitlement and Acceptance Form;
- (b) agree to be bound by the terms of the Entitlement Offer;
- (c) authorise the Company to register you as the holder(s) of New Securities issued to you;
- (d) declare that all details and statements in the Entitlement and Acceptance Form are complete and accurate;
- (e) declare that you were the registered holder(s) at the Record Date of the Shares indicated on the Entitlement and Acceptance Form as being held by you on the Record Date;
- (f) declare that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Entitlement and Acceptance Form;
- (g) authorise the Company and its respective officers or agents, to do anything on your behalf necessary for the New Shares to be issued to you, including to act on instructions of the Company's share registry upon using the contact details set out in the Entitlement and Acceptance Form;
- (h) declare that you are the current registered holder of Shares and are an Australian, New Zealand or Singaporean resident, and you are not in the United States or a US Person, or acting for the account or benefit of a US Person;
- (i) agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Entitlement Offer and of your holding of Shares on the Record Date;
- (j) acknowledge that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs;
- (k) acknowledge that the New Securities have not, and will not be, registered under the securities laws in any other jurisdictions outside Australia, New Zealand and Singapore and accordingly, the New Securities may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of applicable securities laws in particular the US Securities Act;
- (l) if you (or any person for whom you are acquiring the securities) are in Singapore, you (and any such person):

- (i) are an "institutional investor" or an "accredited investor" (as such terms are defined in the Securities and Futures Act of Singapore ("SFA"));
 - (ii) will acquire the securities in accordance with applicable provisions of the SFA; and
 - (iii) acknowledge that the offer of the securities is subject to the restrictions (including selling restrictions) set out in the SFA;
- (m) acknowledge that the Entitlement and Acceptance Form does not need to be signed to be a valid application. An Application will be deemed to have been accepted by the Company upon the issue of the New Securities; and
- (n) understand that if the Entitlement and Acceptance Form is not completed correctly or if the accompanying payment of the application monies is for the wrong amount, it may still be treated as a valid application for New Securities. The Directors' decision whether to treat an acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final. However, an Applicant will not be treated as having applied for more New Securities than is indicated by the amount of the application monies received by the Company.

8. DETAILS OF THE OFFERS

8.1 Securities offered for subscription

The Company is undertaking a partially underwritten renounceable pro rata offer to Eligible Shareholders on the basis of 1 New Share for every 4 Existing Shares held as at the Record Date at a price of \$0.016 per New Share, with 1 New Option for every 2 New Shares subscribed for, to raise up to approximately \$2.2 million before issue costs. Fractional entitlements will be rounded up to the nearest whole number.

The Entitlement Offer is only open to Eligible Shareholders. The Company reserves the right to reject any application that it believes comes from a person who is not an Eligible Shareholder.

Details of how to apply for New Securities are set out at Section 7.

All New Shares offered under this Prospectus will rank equally with Existing Shares. The rights and liabilities of the New Shares offered under this Prospectus are summarised in Section 9.1. The rights and liabilities of the New Options offered under this Prospectus are summarised in Section 9.2

8.2 Acceptances

The Entitlement Offer may be accepted in whole or in part prior to the Closing Date subject to the rights of the Company to extend the Offer Period or close the Entitlement Offer early.

Instructions for accepting your Entitlement are set out in Section 7 and on the Entitlement and Acceptance Form which accompanies this Prospectus.

8.3 Lead Manager and Underwriting arrangements

On 22 June 2020, the Company entered into a mandate with Mahe Capital for Mahe Capital to act as lead manager and underwriter to the Entitlement Offer and Shortfall Offer on certain terms and conditions (**Capital Raising Mandate**), subject to the Company entering into an underwriting agreement.

On 6 July 2020, the Company entered into an underwriting agreement with Mahe Capital (**Underwriter**) for the Underwriter to underwrite the subscription of the Underwritten Securities up to an aggregate value of approximately \$1 million on certain terms and conditions (**Underwriting Agreement**).

The terms and conditions set out in the Capital Raising Mandate have been reflected in the Underwriting Agreement.

Unless otherwise defined, capitalised terms below have the meaning given to that term in the Underwriting Agreement.

The terms of the Underwriting Agreement are standard commercial terms for a transaction of this type, with the material terms summarised below:

- (a) (**Conditions Precedent**) the Underwriting Agreement is subject to and conditional upon the Underwriter being satisfied with the Due Diligence Program and Due Diligence Results which are ongoing until the time of settlement of the Underwritten Securities;
- (b) (**Fees payable to Underwriter**) The Underwriter will be paid the following fees:
 - (i) 2 New Options for every \$1 raised under the Entitlement and Shortfall Offer;
 - (ii) \$60,000 and the right for the Underwriter (or its nominee) to subscribe for scrip in fulfilment of that fee;
 - (iii) 1% of the total amount raised under the Entitlement Offer and Shortfall Offer and the right for the Underwriter (or its nominee) to subscribe for scrip in fulfilment of that fee;
 - (iv) 5% of the Underwritten Amount; and
 - (v) up to 5% of any shortfall securities placed beyond the Underwritten Amount,

The Company will also be required to reimburse the Underwriter for other costs and expenses of and incidental to the Entitlement Offer, including, disbursements, accommodation and travel expenses, to a limit of \$1,500.

- (c) **(Determination of Allocation)** the Underwriter has the sole right to determine the allocation of shortfall, including any applications by shareholders for additional shares;
- (d) **(Sub-underwriters)** the Underwriter may at any time appoint sub-underwriters to sub-underwrite the Offer;
- (e) **(Share Limit)** the Underwriter must ensure that no person, unless disclosed in this Prospectus, will acquire, through participation in sub-underwriting the Offer, a holding of Shares of, or increase their holding, to an amount in excess of 19.9% of all the Shares on issue on completion of the Offer;
- (f) **(Company obligations)** the Company has several standard obligations in relation to the Underwriting Agreement including:
 - (i) ensuring that this Prospectus and the Offer comply with the Corporations Act and the Listing Rules;
 - (ii) conducting the Due Diligence Program until the Underwritten Securities are issued and maintain Due Diligence Program files; and
 - (iii) requesting the Underwriter's approval in relation to lodgement of this Prospectus, announcements as to the success or otherwise of the Offer; and
- (g) **(Termination)** the Underwriting Agreement contains customary termination events, including where:
 - (i) the Conditions Precedent at 1.1(a)(i) is not satisfied; or
 - (ii) if at any time before completion of the Offer any of the below termination events occur:
 - (A) **(Indices fall)** the S&P ASX 200 Index is at any time after the date of the Underwriting Agreement 7% or more below its respective level as at the close of business on the business day prior to the date of the Underwriting Agreement;
 - (B) **(Commodities)** the price of COMEX gold or NYMEX WTI crude is at any time after the date of the Underwriting Agreement 7% or more below its respective level as at the close of business on the business day prior to the date of the Underwriting Agreement;
 - (C) **(Price)** the Price is greater than the volume weighted average price of Shares calculated over three trading days after the date of the Underwriting Agreement;
 - (D) **(Misleading Announcement)** it transpires that the Company has made a statement via the ASX that is misleading or deceptive or likely to mislead or deceive;
 - (E) **(Adverse change)** an event occurs which gives rise to a Material Adverse Effect or any adverse change or any development including a prospective adverse change after the date of the Underwriting Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of any Relevant Company including, without limitation, if any forecast in this Prospectus becomes incapable of being met or in the Underwriter's reasonable opinion, unlikely to be met in the projected time;
 - (F) **(Board and senior management composition)** there is a change in the composition of the Board or a change in the senior management of the Company before the date of the issue of the Underwritten Securities without the prior written consent of the Underwriter, such consent not to be unreasonably withheld;
 - (G) **(Change in shareholdings)** there is a material change in the major or controlling shareholdings of a Relevant Company (other than as a result of the Offer or a matter disclosed in this Prospectus) or a takeover offer or

scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to a Relevant Company; or

- (H) **(Market Conditions)** a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or other international financial markets.

In the event the Underwriting Agreement is terminated, the Underwriter will receive \$30,000 as the termination fee, unless the termination is due to termination events at 8.3(g)(ii)(A) or 8.3(g)(ii)(B) above, in which case the termination fee is \$10,000.

The Underwriting Agreement also contains a number of indemnities, representations and warranties from the Company to the Underwriter that are considered customary and usual for an agreement of its type.

8.4 **Cleansing prospectus**

As announced to ASX on 2 July 2020, Nova elected for an early conversion of its Convertible Notes (including any accrued interest) at a conversion price of 0.45 cents per Share, with 94,605,000 Shares issued on 6 July 2020. In addition, the Company issued Shares to Paul Summers and Angus Middleton in lieu of director fees as approved by Shareholders at the Company's recent annual general meeting and Options to sophisticated and professional investors. These Shares and Options were issued without disclosure under Part 6D of the Corporations Act.

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

Section 708A(11) of the Corporations Act provides an exemption from this general requirement where:

- (a) the relevant securities are in a class of securities of the company that are already quoted on ASX;
- (b) a prospectus is lodged with ASIC either:
 - (i) on or after the day on which the relevant securities were issued; or
 - (ii) before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the prospectus is for an offer of securities issued by the company that are in the same class of securities as the relevant securities.

A secondary purpose of this Prospectus is to comply with section 708A(11) of the Corporations Act so that the holders of Shares and Options issued without disclosure can, if they choose to, sell those Shares within the next twelve months without disclosure.

The issue of the Shares and Options was not undertaken by the Company with the purpose of selling or transferring. However, the Directors consider that the holders should be able to sell those Shares and Options should they wish to do so, without being required to issue a prospectus

8.5 **Entitlement to Offer**

The Offer is made to Eligible Shareholders, who are those Shareholders that:

- (a) are the registered holder of Shares as at 5.00pm (Perth time) on the Record Date; and
- (b) have a registered address in Australia, New Zealand or Singapore.

8.6 **Shortfall**

Any New Securities not applied for under the Entitlement Offer will become Shortfall Securities. The Directors reserve the right to issue any Shortfall Securities at their discretion within 3 months after the Closing Date (**Shortfall Offer**).

The Shortfall Offer is, to the extent it is made in Australia, made under this Prospectus. To the extent the Shortfall Offer is made outside Australia, the Shortfall Offer is made without disclosure, a prospectus,

lodgement, filing or registration, or other requirements of any applicable securities law, and only in circumstances where it is lawful to do so (such as to institutional or sophisticated investors).

Eligible Shareholders may apply for Shortfall Securities by completing the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on that form. Other investors who are not Eligible Shareholders may apply for Shortfall Securities using the Shortfall Application Form attached to this Prospectus. Persons outside Australia doing so represent to the Company that they can apply for Shortfall Securities in circumstances which do not require the offer for Shortfall Securities or this Prospectus to be registered.

It is possible that there may be no Shortfall Securities available for issue.

Subject to the above, the Directors, together with the Underwriter, reserve the right at their absolute discretion and subject to the Corporations Act and Listing Rules, to:

- (a) issue Shortfall Securities at their discretion by applying a policy of allocating Shortfall Securities in a manner that is in the Company's best interests; and
- (b) to reject any application for Shortfall Securities or to issue a lesser number of Shortfall Securities than that applied for.

No Shortfall Securities will be issued to an applicant under this Prospectus if the issue of Shortfall Securities would contravene the takeover prohibition in section 606 of the Corporations Act.

It is an express term of the Shortfall Offer that applicants for Shortfall Securities will be bound to accept a lesser number of Shortfall Securities allocated to them than applied for. If a lesser number is allocated, excess application money will be refunded without interest as soon as practicable after the closing date of the Shortfall Offer being 28 October 2020.

8.7 Applicants outside of Australia

(a) General

This Prospectus does not constitute an offer of New Securities in any jurisdiction where, or to any person to whom, it would not be lawful to issue the Prospectus or make the Offers.

It is the responsibility of any Applicant who is resident outside Australia to ensure compliance with all laws of any country relevant to their Application, and any such Applicant should consult their professional adviser as to whether any government or other consents are required, or whether any formalities need to be observed to enable them to apply for and be issued New Securities. Return of a duly completed Entitlement and Acceptance Form will constitute a representation and warranty by an Applicant that there has not been any breach of such regulations.

The Company has not taken any action to register or qualify the New Securities or an Offer, or otherwise to permit a public offering of the New Securities, in any jurisdiction outside Australia.

(b) New Zealand resident Eligible Shareholders

The New Securities offered under the Entitlement Offer pursuant to this Prospectus are not being offered or sold to the public within New Zealand other than to Eligible Shareholders with registered addresses in New Zealand and to whom the Entitlement Offer is being made in reliance on the *Securities Act (Overseas Companies) Exemption Notice 2013* (New Zealand).

This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority under the *Securities Act 1978* (New Zealand).

This Prospectus is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

(c) Other overseas resident Shareholders

Each Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. In particular, this document may not be distributed to any person, and the Securities may not be offer or sold, in any country outside Australia and New Zealand except to the extent permitted below.

Singapore

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

This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) an "accredited investor" (as defined in the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

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

8.8 Treatment of Ineligible Shareholders and sale of Ineligible Shareholders' Entitlement

Given the small number of Ineligible Shareholders and the cost of complying with applicable regulations outside Australia, New Zealand and Singapore, the Company has decided that it would be unreasonable to extend the Entitlement Offer to Ineligible Shareholders. The Prospectus will not be sent to those Shareholders.

This Prospectus does not constitute an offer of securities in any jurisdiction where, or to any person to whom, it would not be lawful to issue the Prospectus or make the Entitlement Offer. No action has been taken to register or qualify the New Securities or the Entitlement Offer or otherwise to permit an offering of the New Securities in any jurisdiction other than as set out in this section.

This document is not for publication or distribution, directly or indirectly, in or into the United States of America (including its territories and possessions, any state of the US and the District of Columbia). This document is not an offer of securities for sale into the United States or to, or for the account or benefit of, US Persons. The securities referred to herein have not been and will not be registered under the US Securities Act, and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons. No public offering of securities is being made in the United States.

Recipients may not send or otherwise distribute this Prospectus or the Entitlement and Acceptance Form to any person outside Australia, New Zealand or Singapore (other than to Eligible Shareholders).

For the purposes of Listing Rule 7.7.1(c), the Company has appointed the Underwriter as nominee to arrange for the sale of the Ineligible Shareholders' Entitlements and to account to them for the net proceeds of the sale. The Company will then distribute to each of those Ineligible Shareholders their proportion of the sale net of expenses.

The proceeds of sale (in Australian dollars) will be distributed to the Ineligible Shareholders for whose benefits the Rights have been sold in proportion to their shareholdings as at the Record Date (after deducting the costs of the sale). There is no guarantee the Underwriter will be able to sell Ineligible Shareholders' Entitlements and if so at what price.

8.9 Beneficial holders, nominees, trustees and custodians

The foreign selling restrictions under the Entitlement Offer summarised in section 8.7 of this Prospectus apply to the underlying beneficial holder. Nominees, trustees and custodians must not apply on behalf of any beneficial holder that would not itself be an Eligible Shareholder. Shareholders who are nominees, trustees or custodians are advised to seek independent advice as to how they should proceed. Shareholders who hold Shares on behalf of persons whose registered address is not in

Australia, New Zealand or Singapore are responsible for ensuring that applying for New Securities does not breach securities laws in the relevant overseas jurisdictions.

Nominees and custodians that hold Shares should note that the Entitlement Offer is available only to Eligible Shareholders. The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of securities. If any nominee or custodian is acting on behalf of a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Entitlement Offer is compatible with applicable foreign laws.

8.10 Allotment and application money

New Securities will be issued only after all application money has been received and ASX has granted permission for the New Shares to be quoted. It is expected that New Securities will be issued on 3 August 2020 and normal trading of the New Shares and New Options on ASX is expected to commence on 4 August 2020.

All application monies will be deposited into a separate bank account of the Company and held in trust for Applicants until the New Securities are issued or application monies returned. Any interest that accrues will be retained by the Company and will not be paid to Applicants.

8.11 Quotation

(a) New Shares

The Company will apply to ASX within 7 days after the date of this Prospectus for quotation of the New Shares offered by this Prospectus on ASX. If ASX does not grant permission for the quotation of the New Shares offered under this Prospectus within 3 months after the date of this Prospectus, or such longer period as modified by ASIC, none of the New Shares offered by this Prospectus will be allotted or issued. In these circumstances, all Applications will be dealt with in accordance with the Corporations Act including the return of all application monies without interest.

A decision by ASX to grant official quotation of the New Shares is not to be taken in any way as an indication of ASX's view as to the merits of the Company or of the New Shares.

Quotation, if granted, of the New Shares offered by this Prospectus will commence as soon as practicable after statements of holdings of the New Shares are dispatched.

(b) New Options

The Company will apply to ASX within 7 days after the date of this Prospectus for quotation of the New Options offered by this Prospectus on ASX. If ASX does not grant permission for the quotation of the New Options offered under this Prospectus within 3 months after the date of this Prospectus, or such longer period as modified by ASIC, none of the New Options offered by this Prospectus will be allotted or issued. In these circumstances, all Applications will be dealt with in accordance with the Corporations Act including the return of all application monies without interest.

A decision by ASX to grant official quotation of the New Options is not to be taken in any way as an indication of ASX's view as to the merits of the Company or of the New Options.

Quotation, if granted, of the New Options offered by this Prospectus will commence as soon as practicable after statements of holdings of the New Options are dispatched.

8.12 Market prices of Existing Shares and Options on ASX

The highest and lowest market sale price of the Existing Shares and listed Options, which are on the same terms and conditions as the New Shares and New Options being offered under this Prospectus, during the 3 months immediately preceding the lodgement of this Prospectus with the ASIC, and the last market sale price on the date before the lodgement date of this Prospectus, are set out below.

(a) Shares

Existing Shares	3 month high	3 month low	Last market sale price
Price (\$)	\$0.044	\$0.004	\$0.02
Date	9 June 2020	24 March 2020	7 July 2020

(b) Options

Existing listed Options ¹	3 month high	3 month low	Last market sale price
Price (\$)	\$0.023	\$0.005	\$0.007
Date	2 June 2020	1 July 2020	7 July 2020

Note:

1. The TNRO class of Options were admitted to Official Quotation on ASX on 5 May 2020.

8.13 CHESS

The Company participates in the Clearing House Electronic Subregister System (**CHESS**). CHESS is operated by ASX Settlement Pty Ltd (ASPL), a wholly owned subsidiary of ASX.

Under CHESS, the Company does not issue certificates to investors. Instead, security holders will receive a statement of their holdings in the Company, including New Securities issued under this Prospectus. If an investor is broker sponsored, ASPL will send a CHESS statement.

The CHESS statement will set out the number of New Securities issued under this Prospectus, provide details of your holder identification number and give the participation identification number of the sponsor.

If you are registered on the issuer sponsored sub register, your statement will be dispatched by the Company's share registrar and will contain the number of New Securities issued to you under this Prospectus and your security holder reference number.

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

8.14 Taxation and duty implications

The Directors do not consider that it is appropriate to give Shareholders advice regarding the taxation consequences of the Company conducting the Offer or Shareholders applying for New Securities under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation positions of Shareholders. The Company, its advisers and officers, do not accept any responsibility or liability for any taxation consequences to Shareholders in the Offers. Shareholders should, therefore, consult their own professional tax adviser in connection with the taxation implications of the Offers.

No brokerage or stamp duty is payable by Applicants in respect of Applications for New Securities under this Prospectus.

8.15 Privacy

The Company collects information about each Applicant provided on an Entitlement and Acceptance Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's security holding in the Company.

By submitting an Entitlement and Acceptance Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Entitlement and Acceptance Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company's related body corporates, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

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

If you do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process your Application. An Applicant has the right to gain access to the information that the Company holds about that person subject to certain exceptions under law. A fee may be charged for access. Such requests must be made in writing to the Company's registered office.

8.16 Enquiries

Any queries regarding the Offers or Entitlement and Acceptance Form should be directed to the Company Secretary on +61 (0)8 9420 8208.

You can also contact your stockbroker or professional adviser with any queries in relation to the Entitlement Offer.

9. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

9.1 Rights and liability attaching to New Shares

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

(a) General meeting and notices

Each eligible Shareholder is entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution, the Corporations Act or the Listing Rules.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of Shareholders or classes of Shareholders:

- (i) each eligible Shareholder entitled to vote, may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands every person present who is an eligible Shareholder or a proxy, attorney or representative of an eligible Shareholder has one vote; and
- (iii) on a poll, every person present who is an eligible Shareholder or a proxy, attorney or representative of an eligible Shareholder shall, in respect of each fully paid share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote per Share, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) Issues of further Shares

The Directors may, on behalf of the Company, issue shares and grant options over or unissued shares to any person on the terms, with the rights, and at the times that the Directors decide. However, the Directors must act in accordance with the restrictions imposed by the Constitution, Listing Rules, the Corporations Act and any rights and restrictions attached to a class of shares.

(d) Variation of Rights

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

(e) Transfer of Shares

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act or the Listing Rules.

The Directors may decline to register a transfer of shares (other than a proper transfer in accordance with the ASX Settlement Operating Rules) where permitted to do so under the Listing Rules. If the Directors decline to register a transfer, the Company must, within 5 business days after the transfer is delivered to the Company, give the party lodging the transfer written notice of the refusal and the reason for the refusal.

(f) **Partly paid Shares**

The Directors may, subject to compliance with the Constitution, the Corporations Act and Listing Rules, issue partly paid shares upon which there are outstanding amounts payable. These shares will have limited rights to vote and to receive dividends.

(g) **Dividend rights**

Subject to and in accordance with the Corporations Act, the Listing Rules, the rights of any preference shares and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare dividend to be paid to the shareholders entitled to the dividend. Subject to the rights of any preference shares and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the dividend as declared shall be payable on all shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such shares.

(h) **Winding up**

Subject to any rights or restrictions attached to a class of Shares, on a winding up of the Company, any surplus must be divided among the Shareholders in the proportions which the amount paid (including amounts credited) on the shares of a Shareholders is of the total amounts paid and payable (including amounts credited) on the shares of all Shareholders.

(i) **Dividend reinvestment and Share plans**

Subject to the requirements in the Corporations Act and the Listing Rules, the Directors may implement and maintain dividend reinvestment plans (under which any member may elect that dividends payable by the Company be reinvested by way of subscription for fully paid shares in the Company) and any other share plans (under which any member may elect to forego any dividends that may be payable on all or some of the shares held by that member and to receive instead some other entitlement, including the issue of fully paid shares).

(j) **Directors**

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

(k) **Powers of the Board**

Except as otherwise required by the Corporations Act, any other law, the Listing Rules or the Constitution, the Directors have the power to manage the business of the Company and may exercise every right, power or capacity of the Company.

(l) **Share buy backs**

Subject to the provisions of the Corporations Act and the Listing Rules, the Company may buy back shares in itself on the terms and at times determined by the Directors.

(m) **Unmarketable parcels**

The Company's constitution permits the Board to sell the shares held by a Shareholder if they comprise less than a marketable parcel within the meaning of ASX Business Rules. The procedure may only be invoked once in any 12 month period and requires the Company to give the shareholder notice of the intended sale.

If a Shareholder does not want his shares sold, he may notify the Company accordingly.

(n) **Capitalisation of profits**

The Directors may capitalise any profits of the Company and distribute that capital to the Shareholders, in the same proportions as the Shareholders are entitled to a distribution by dividend.

(o) **Capital reduction**

Subject to the Corporations Act and Listing Rules, the Company may reduce its share capital.

(p) **Preference Shares**

The Company may issue preference shares, including preference shares that are liable to be redeemed. The rights attaching to preference shares are those set out in the Constitution unless other rights have been approved by special resolution of the Company's Shareholders.

9.2 **Rights and liability attaching to New Options**

The terms and conditions of the New Options are as follows:

- (a) Each New Option entitles the holder to subscribe for one fully paid ordinary share in the capital of the Company at an exercise price of 2 cents (**Exercise Price**).
- (b) The New Options are exercisable at any time on or before 5.00pm Western Standard Time on 7 February 2022 (**Expiry Date**). Any New Options not exercised by the Expiry Date shall lapse.
- (c) New Options may not be exercised if the effect of such exercise and subsequent allotment of the Shares would be to create a holding of less than a marketable parcel of Shares unless the allottee is already a shareholder of the Company at the time of exercise.
- (d) Exercise of the New Option is effected by completing a notice of exercise of option and delivering it to the registered office of the Company together with payment of 2 cents per New Option exercised.
- (e) A notice of exercise is only effective when the Company has received the full amount of the Exercise Price in cash or cleared funds.
- (f) The New Options are freely transferable, subject to any offer for sale of the New Options complying with section 707 of the Corporations Act (if applicable).
- (g) The Company will apply for Official Quotation by ASX of the New Options.
- (h) All Shares issued upon exercise of the New Options and payment of the Exercise Price will rank equally in all respects with the Company's then existing Shares. The Company will apply for Official Quotation by ASX of all Shares issued upon exercise of the New Options within three days of the issue of the Shares.
- (i) There are no participating rights or entitlements inherent in the New Options and the holder will not be entitled to participate in new entitlement issues of capital offered to shareholders during the currency of the New Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, Optionholders are given such period required by the Listing Rules of ASX to give Optionholders the opportunity to exercise their New Options prior to the date for determining entitlements to participate in any such issue.
- (j) If from time to time before the expiry of the New Options the Company makes an issue of shares to the holders of ordinary shares by way of capitalisation of profits or reserves (a "bonus issue") other than in lieu of a dividend payment, then upon exercise of a New Option the Optionholder will be entitled to have issued to it (in addition to the shares which it is otherwise entitled to have issued to it upon such exercise) additional shares in the Company. The number of additional shares is the number of shares which would have been issued to it under that bonus issue (bonus shares) if on the date on which entitlements were calculated it had been registered as the holder of the number of shares which it would have been registered as holder if immediately before that date it had exercised its New Options. The bonus shares will be paid up by the Company out of profits or reserves (as the case may be) in the same manner as was applied in relation to the bonus issue and upon issue will rank pari passu in all respects with the other shares allotted upon exercise of the New Options.
- (k) The period during which the New Options may be exercised cannot be extended.
- (l) In the event of any reconstruction, including a consolidation, subdivision, reduction or return of the issued capital of the Company prior to the Expiry Date, the number of New Options which each holder is entitled or the Exercise Price of the Options or both will be reconstructed as appropriate in a manner which is in accordance with the Listing Rules and will not result in any benefits being conferred on Optionholders which are not conferred on shareholders, subject to such provision with respect to the rounding of entitlements as may be sanctioned by the meeting of shareholders approving the reconstruction of capital, but in all other respects

the terms of exercise of the New Options will remain unchanged. The rights of an Optionholder may be changed to comply with the Listing rules applying to a reorganisation of capital at the time of the reconstruction.

- (m) If there is a pro-rata issue (except a bonus issue) to the holders of the ordinary Shares, the exercise price of New Options shall be reduced according to the following formula:

$$O' = O - \frac{E[P-(S+D)]}{N + 1}$$

Where

O' = the new exercise price of New Options.

O = the old exercise price of New Options.

E = the number of ordinary Shares into which one New Option is exercisable.

P = the average market price per ordinary Share (weighted by reference to volume) of the ordinary Shares during the 5 (five) trading days ending on the day before the ex-rights or ex-entitlements date.

S = the subscription price for an ordinary Share under the pro-rata issue.

D = the dividend due but not yet paid on the ordinary Shares (except those to be issued under the pro-rata issue).

N = the number of ordinary Shares with rights or entitlements that must be held to receive a right to one new ordinary Share.

- (n) Shares allotted and issued pursuant to the exercise of a New Option will be allotted and issued not more than 14 days after the receipt of a proper notice and payment of the exercise price in respect of the New Options exercised.
- (o) Other than as referred to above, a New Option does not confer the right to a change in Exercise Price, or a change to the number of underlying securities over which it can be exercised.

10. ADDITIONAL INFORMATION

10.1 Continuous disclosure obligations

The Company is a 'disclosing entity' (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities. The New Shares and New Options which will be issued pursuant to this Prospectus are in the same class of Shares and listed Options respectively that have been quoted on the Official List during the 12 months prior to the issue of this Prospectus. The New Options are options to subscribe for continuously quoted securities (i.e. Shares).

This Prospectus is a "transaction specific prospectus" to which the special content rules under section 713 of the Corporations Act apply. That provision allows the issue of a more concise prospectus in relation to an offer of securities in a class which has been continuously quoted by ASX in the three months prior to the date of the prospectus. In general terms "transaction specific prospectuses" are only required to contain information in relation to the effect of the issue of New Shares on the Company and the rights attaching to the New Shares. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the period from lodgement of the Company's annual financial statements of the Company for the financial year ended 31 December 2019 to the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

The Company confirms that, to the extent to which it is reasonable for investors and their professional advisers to expect to find the information in this Prospectus, there is no information:

- (a) that has been excluded from a continuous disclosure notice in accordance with the Listing Rules; and
- (b) is information that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - (ii) the rights and liabilities attaching to New Shares and New Options.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial statements of the Company for the financial year ended 31 December 2019 being the last financial statements for a financial year, of the Company lodged with the ASIC before the issue of this Prospectus;
 - (ii) any half-year financial report lodged with ASIC by the Company after the lodgement of that annual report and before the lodgement of this Prospectus; and

- (iii) any continuous disclosure notices given by the Company after the lodgement of the financial statements referred to in paragraph (i) and before the lodgement of this Prospectus with ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be obtained free of charge from the Company's registered office during normal office hours or from asx.com.au.

The Company has lodged the following announcements with ASX since the lodgement of the Company's 2019 annual report to shareholders on 7 April 2020:

Date	Description of ASX Announcement
6 July 2020	Becoming a substantial holder from NVA
6 July 2020	Underwritten Renounceable Rights Issue to Raise Up to \$2.2M
6 July 2020	Proposed Issue of Securities
3 July 2020	Change of Directors' Interest Notice
2 July 2020	Appendix 2A
2 July 2020	NVA: Convertible Note Conversion
2 July 2020	Conversion of Nova Minerals Debt
1 July 2020	Mt Stirling Phase 1 Drilling Complete & Phase 2 Targeting
30 June 2020	Results of Meeting
18 June 2020	Annual General Meeting Venue Change
9 June 2020	Mt Stirling Gold Confirms Potential for Major Discovery
2 June 2020	DAU: First Drill Program at Credo Delivers JORC Resources
1 June 2020	Mt Stirling Gold Camp Drilling Update
28 May 2020	Notice of Annual General Meeting/Proxy Form
28 May 2020	NVA: Nova Secured Prepayment Funding Facility
21 May 2020	Cleansing Prospectus
21 May 2020	Appendix 2A – Shares
21 May 2020	Appendix 2A - Options
18 May 2020	Proposed issue of Securities – TNR
18 May 2020	Proposed issue of Securities – TNR
18 May 2020	Placement Completed and Exploration Update
14 May 2020	Trading Halt
13 May 2020	New Era of Exploration at Mt Stirling Gold Camp
6 May 2020	Mt Monger Gold Exploration Strategy
5 May 2020	Appendix 2A
1 May 2020	Cleansing Prospectus
30 April 2020	Drilling Contract Awarded for Mt Stirling Gold
30 April 2020	Quarterly Activities Report
30 April 2020	Quarterly Cashflow Report
28 April 2020	Appendix 2A
28 April 2020	Appendix 3G
28 April 2020	Appendix 3G
28 April 2020	Mt Stirling Gold Drilling & Mapping Preparation Underway

24 April 2020	Completion of Convertible Note Raising
22 April 2020	Commencement of Zuleika Project Farm-in Joint Venture
22 April 2020	DAU: Zuleika Farm-in Joint Venture Commences
21 April 2020	Final Director's Interest Notice
21 April 2020	Resignation of Director
15 April 2020	Mt Stirling Gold Camp Exploration Strategy
15 April 2020	Credo Well Exploration Update – Phase 1 Drilling
14 April 2020	Cancellation of Unquoted Securities
14 April 2020	Grant of ASX Waivers
14 April 2020	Mt Malcolm Option Sale Agreement
14 April 2020	Final Director's Interest Notice
14 April 2020	Resignation of Director
8 April 2020	Reinstatement to Official Quotation
8 April 2020	Appendix 3G
7 April 2020	Appendix 4G & Corporate Governance Statement
7 April 2020	Annual Report to shareholders

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours or from www.asx.com.au.

10.2 Directors' interests

Other than as set out above or elsewhere in this Prospectus, no Director or proposed Director holds at the date of this Prospectus, or held at any time during the last 2 years before the date of lodgement of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of the Company; or
- (b) any property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Company or the Offer; or
- (c) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given:

- (d) to a Director or proposed Director or to any firm which any such Director is a partner, to induce him or her to become, or to qualify as, a Director; or
- (e) for services provided by a Director or proposed Director or to any firm which any such Director is a partner, in connection with the formation or promotion of the Company or the Offers.

As at the date of this Prospectus the Directors have a relevant interest in securities of the Company as set out below.

Director	Shares	Options ¹	Entitlement	
			New Shares	New Options
Louie Simens ²	11,000,000	30,263,334	2,750,000	1,375,000
Paul Summers	4,804,810	16,118,600	1,201,203	600,601
Peretz Schapiro	1,156,619	7,566,668	289,155	144,577

Note:

1. Quoted Options exercisable at \$0.02 expiring on 7 February 2022 (TNRO).
2. Mr Simens is an executive director of Nova Minerals Limited.

Executive Directors Paul Summers and Peretz Schapiro have agreed to subscribe for their full entitlement under the Entitlement Offer.

The Constitution provides that the Directors may be paid for their services as Directors. Non-executive directors may only be paid a sum not exceeding such fixed sum per annum as may be determined by the Company in general meeting, to be divided among the non-executive directors and in default of agreement then in equal shares.

The Company also pays premiums to insure all of the Directors against liabilities for costs and expenses incurred by them in defending legal proceedings arising from their conduct whilst acting in the capacity as a Director of the Company.

The Directors' total remuneration for the 2018 and 2019 financial years, together with the anticipated remuneration of the Directors for the current financial year are set out in the table below:

Director	Remuneration for FY2019	Remuneration for FY2020	Current financial year
Louie Simens ¹	N/A	\$72,000	\$36,000
Paul Summers	\$34,871	\$120,000	\$96,000
Peretz Schapiro ²	N/A	\$36,000	\$96,000

Notes:

1. Mr Simens was appointed on 26 March 2020.
2. Mr Schapiro was appointed on 11 March 2020 and as an Executive Director on 25 June 2020.

10.3 Interests of promoters and named persons

Except as disclosed in this Prospectus, no expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with, has now, or has had, in the 2 year period ending on the date of this Prospectus, any interest in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offers; or
- (c) the Offers.

Mahe Capital has acted as Underwriter and as lead manager to the Entitlement Offer. The fees to be paid for this service are set out in Section 8.3. Mahe Capital has not received any fees for services to the Company in the 2 years prior to the date of this Prospectus.

Allion Partners Pty Ltd has acted as solicitor to the Offers. In respect of this work, the Company will pay approximately \$12,000 exclusive of GST. Subsequently fees will be paid in accordance with normal hourly rates. Allion Partners has not received any fees for services to the Company in the 2 years prior to the date of this Prospectus.

10.4 Consents

Each of the persons referred to in this section:

- (a) has given and has not, before the date of lodgement of this Prospectus with ASIC withdrawn their written consent:
 - (i) to be named in the Prospectus in the form and context which it is named; and
 - (ii) where applicable, to the inclusion in this Prospectus of the statement(s) and/or reports (if any) by that person in the form and context in which it appears in this Prospectus;
- (b) has not caused or authorised the issue of this Prospectus;
- (c) has not made any statement in this Prospectus or any statement on which a statement in this Prospectus is based, other than specified below;
- (d) to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding, and takes no responsibility for, any part of this Prospectus, other

than the references to their name and the statement(s) and/or report(s) (if any) specified below and included in this Prospectus with the consent of that person.

Name	Role
Mahe Capital	Underwriter and lead manager
Allion Partners	Solicitors to the Entitlement Offer

10.5 Expenses of the Offers

The total (cash) expenses of the Offers (assuming Full Subscription and no further New Shares are issued or New Options exercised) are estimated to be up to \$221,740, consisting of the following:

Cost ¹	\$
Legal fees	12,000
ASX and ASIC fees	13,206
Capital raising fees	190,534
Printing, postage and other expenses	6,000
Total	221,740

Note:

1. These expenses have or will be paid by the Company.
2. In addition, the Underwriter is entitled to be issued 2 New Options for every \$1 raised under the Entitlement Offer and a fee of up to 5% on funds placed under the Shortfall Offer beyond the Underwritten Amount, including any additional amount that might be placed under a follow-on placement pursuant to the Company's placement capacity. Please refer to Section 8.3(b) for further information.

10.6 Litigation

As at the date of this Prospectus, the Company is not involved in any other legal proceedings of a material nature and the Directors are not aware of any other material legal proceedings pending or threatened against the Company.

11. **DIRECTORS' STATEMENT**

The Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

This Prospectus is signed for and on behalf of the Company pursuant to a resolution of the Board by:

A handwritten signature in black ink, appearing to read 'Louie Simens', with a long horizontal stroke extending to the right.

Louie Simens
Non-Executive Chairman

12. GLOSSARY

Where the following terms are used in this Prospectus they have the following meanings:

\$, A\$ or Dollars means Australian dollars unless otherwise stated.

Applicant means a person who submits a valid Application Form pursuant to this Prospectus.

Application means a valid application made on an Application Form to subscribe for New Securities pursuant to this Prospectus.

Application Form means an Entitlement and Acceptance Form and Shortfall Application Form, or any one or more of those forms as the case may be.

ASIC means the Australian Securities & Investments Commission.

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

Board means the board of Directors.

Business Day means Monday to Friday inclusive, except any day that ASX declares is not a business day.

Closing Date means the date set out in section 1.

Company or **Torian** means Torian Resources Limited (ACN 002 261 565).

Constitution means the constitution of the Company.

Convertible Notes means the convertibles notes issued to Nova Minerals Limited on receipt of shareholder approval at the Company's general meeting on 30 June 2020, on the terms and conditions set out in the notice of meeting lodged on 28 May 2020.

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

Director means a director of the Company.

Eligible Shareholders means a Shareholder as at the Record Date with a registered address in Australia, New Zealand or Singapore.

Entitlement or **Right** means a Shareholder's entitlement to subscribe for New Securities offered under the Entitlement Offer.

Entitlement and Acceptance Form means the personalised entitlement and acceptance form attached to this Prospectus.

Entitlement Offer means the renounceable pro rata entitlement offer to Eligible Shareholders of approximately 135,972,430 New Shares at an issue price of \$0.016 per New Share on the basis of 1 New Share for every 4 Existing Shares held, together with 1 attaching New Option for every 2 New Share subscribed for, to raise up to approximately \$2.2 million before issue costs.

Existing Share means a Share issued as at 5.00pm (Perth time) on the Record Date.

Full Subscription means approximately \$2.2 million before costs.

Ineligible Shareholder means a Shareholder at the Record Date who is not an Eligible Shareholder.

Listing Rules means the listing rules of the ASX.

Mahe Capital means Mahe Capital Pty Ltd (ABN 91 634 087 684).

New Option means an Option on the terms set out in section 9.2 and offered under this Prospectus, being a free attaching Option with an exercise price of 2 cents, expiring on 7 February 2020 and trading under the ASX code "TNRO".

New Securities means the Securities offered under the Offers contained in this Prospectus.

New Shares means Shares issued pursuant to this Prospectus.

Nova means Nova Minerals Limited (ABN 84 006 690 348).

Offers means the Entitlement Offer and the Shortfall Offer or any one or more of those offers as the case may be.

Offer Price means the issue price per New Share being \$0.016.

Offer Period means the period that the Entitlement Offer is open, being the period between the Opening Date and the Closing Date.

Official List means the official list of the ASX.

Opening Date means the date set out in section 1.

Option means an option to subscribe for a Share.

Prospectus means this Prospectus and includes the electronic prospectus.

Record Date means the date set out in section 1.

Securities means has the meaning given to that term in section 761A of the Corporations Act and includes a Share and an Option.

Share means a fully paid ordinary share in the Company.

Shareholder means the registered holder of Shares in the Company.

Share Registry means Advanced Share Registry Services as set out in the Corporate Directory.

Shortfall Application Form means the shortfall application form attached to this Prospectus.

Shortfall Offer has the meaning given in Section 8.6.

Shortfall Securities means New Securities offered under the Offer for which valid Applications have not been received and accepted by the Closing Date.

Underwriter has the meaning given in Section 8.3.

Underwritten Amount has the meaning given to it in Section 4, being an underwritten amount of \$1 million.

US Person has the meaning given to that term in Regulation S under the US Securities Act.

US Securities Act means the *United States Securities Act of 1933*, as amended.

13. PRO FORMA STATEMENT OF FINANCIAL POSITION

A pro forma balance sheet based upon the Company's unaudited consolidated balance sheet as at 31 May 2020 is set out below. It has been prepared on the basis of accounting policies normally adopted by the Company and reflects the changes the Entitlement Offer has on its financial position. It sets out the financial position in the event the Underwritten Amount and Full Subscription under the Entitlement Offer, on the assumption that no Options are exercised prior to the Record Date.

Pro Forma Balance Sheet as at 31 May 2020

	Underwritten Amount			Full Subscription	
	Torian Resources	Pro forma adjustments	Pro forma	Pro forma adjustments	Pro forma
	Unaudited 31-May-20	Unaudited 31-May-20	Unaudited 31-May-20	Unaudited 31-May-20	Unaudited 31-May-20
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	779,141	848,794	1,627,935	1,953,819	2,732,960
Trade and other receivables	155,869		155,869		155,869
Right of use asset	21,509		21,509		21,509
TOTAL CURRENT ASSETS	956,519	848,794	1,805,313	1,953,819	2,910,339
NON-CURRENT ASSETS					
Available-for-sale financial asset	1,429		1,429		1,429
Property, plant and equipment	22,436		22,436		22,436
Exploration and evaluation expenditure	19,406,421		19,406,421		19,406,421
TOTAL NON-CURRENT ASSETS	19,430,286		19,430,286		19,430,286
TOTAL ASSETS	20,386,805	848,794	21,235,599	1,953,819	22,340,625
LIABILITIES					
CURRENT LIABILITIES					
Trade and other payables	612,442	(37,999)	574,443	(37,999)	574,443
Borrowings	110,246		110,246		110,246
Lease liability	22,303		22,303		22,303
TOTAL CURRENT LIABILITIES	744,991	(37,999)	706,992	(37,999)	706,992
TOTAL LIABILITIES	744,991	(37,999)	706,992	(37,999)	706,992
	-				
NET ASSETS	19,641,815	810,795	20,528,608	1,915,820	21,633,633
EQUITY					
Issued capital	84,139,170	1,331,324	85,470,494	2,436,349	86,575,519
Reserves	705,825	(413,325)	292,500	(413,325)	292,500
Accumulated losses	(65,203,180)	(31,206)	(65,234,386)	(31,206)	(65,234,386)
TOTAL EQUITY	19,641,815	886,793	20,528,608	2,405,143	21,633,634

Corporate Directory

Directors

Louie Simens, Non-Executive Chairman
Paul Summers, Executive Director
Peretz Schapiro, Executive Director

Company Secretary

Matthew Foy

Registered Office

Torian Resources Limited
104 Colin Street
West Perth WA 6005

Lead Manager and Underwriter

Mahe Capital Pty Ltd
Level 8, 99 St Georges Terrace
Perth WA 6000

Solicitor to the Offer

Allion Partners Pty Ltd
863 Hay Street
Perth WA 6000

Auditor*

RSM Bird Cameron Sydney
Level 12, 60 Castlereagh Street
Sydney NSW 2000

Share Registry*

Advanced Share Registry Services
150 Stirling Highway
Nedlands WA 6009

*This party is named for informational purposes only and was not involved in the preparation of this Prospectus.