

# VOYAGER RESOURCES LIMITED

ACN 076 390 451

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## PROSPECTUS

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For a pro rata non-renounceable entitlement issue of one (1) Share for every three (3) Shares held by Shareholders at an issue price of 1.75 cents per Share to raise approximately \$2,648,124 together with one (1) free new Option for each Share issued exercisable at 2 cents on or before 30 September 2011 (**Entitlement Issue**).

and

For the issue of up to 55,000,000 Shares at an issue price of 1.75 cents per Share to raise up to \$962,500 to parties nominated by CPS Securities (**Share Placement Offer**).

and

For the issue of up to 55,000,000 Options exercisable at 2 cents on or before 30 September 2011 at an issue price of 0.05 cents per Option to raise up to \$27,500 to parties nominated by CPS Securities (**Option Placement Offer**).

The Entitlement Issue is fully underwritten by CPS Securities. Refer to Section 8.2 for details regarding the terms of the Lead Manager and Underwriting Agreement.

### IMPORTANT NOTICE

**The issue of 55,000,000 Options offered pursuant to the Options Placement Offer is conditional on Shareholder approval and is therefore a conditional offer. Refer to Section 4.1 of this Prospectus for further details.**

This document is important and should be read in its entirety. 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.

The Securities offered by this Prospectus should be considered as speculative.

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## 1. SUMMARY OF IMPORTANT DATES AND IMPORTANT NOTES

### TIMETABLE AND IMPORTANT DATES\*

Lodgement of Prospectus and Appendix 3B with ASIC	23 February 2010
Opening Date of Share Placement Offer and Option Placement Offer	23 February 2010
Notice sent to Shareholders	24 February 2010
Share Placement Offer Closing Date	25 February 2010
Ex Date	26 February 2010
Despatch date/Shares in relation to Share Placement Offer entered into shareholders security holdings	2 March 2010
Record Date for determining Shareholder Entitlements under the Entitlement Issue	4 March 2010
Prospectus despatched to Shareholders	11 March 2010
Entitlement Issue Closing Date	26 March 2010
Despatch date/Securities in relation to Entitlement Issue entered into security holders security holdings	7 April 2010
General Meeting of Shareholders	13 April 2010
Option Placement Offer Closing Date	13 April 2010
Despatch date/Options in relation to Option Placement Offer entered into option holders security holdings	15 April 2010

\* These dates are indicative only and subject to change. The Company reserves the right, subject to the Corporations Act, the ASX Listing Rules and other applicable laws, to vary the dates of the Offers, including extending the Closing Date/s or accepting late applications, either generally or in particular cases, without notifying you. You are encouraged to submit your application as soon as possible. Any extension of the Closing Date/s will have a consequential effect on the date of the issue of the Securities. The Share Placement Offer and the Entitlement Issue do not require the approval of Shareholders. The Option Placement Offer is subject to Shareholder approval at the General Meeting.

### IMPORTANT NOTES

Shareholders should read this document in its entirety and, if in doubt, should consult their professional advisors.

This Prospectus is dated 23 February 2010 and a copy of this Prospectus was lodged with the ASIC on that date. The ASIC and ASX take no responsibility for the content of this Prospectus.

The Expiry Date of the Prospectus is 13 months after the date it was lodged with the ASIC. No securities will be allotted or issued on the basis of this Prospectus after the Expiry Date.

Applications for Securities offered pursuant to this Prospectus can only be submitted on an original Application Form which accompanies this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus which is not contained in this Prospectus. Any information or

representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

In making representations in this Prospectus regard has been given to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

The Entitlement Issue to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act and the Corporations Regulations 2001. In New Zealand, this is Part 5 of the Securities Act 1978 and the Securities (Mutual Recognition of Securities Offerings – Australia) Regulations 2008.

The Offers and the content of the Prospectus are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act sets out how the Offers must be made.

There are differences in how securities are regulated under Australian law.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian securities may differ from the rights, remedies, and compensation arrangements for New Zealand securities.

Both the Australian and New Zealand securities regulators have enforcement responsibilities in relation to the Offers. If you need to make a complaint about the Offers, please contact the Securities Commission, Wellington, New Zealand. The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian securities is not the same as for New Zealand securities.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The Offers may involve a currency exchange risk. The currency for the securities is not New Zealand dollars. The value of the securities will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant. If you expect the securities to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

As noted in the Prospectus at Section 4.9, the Company will apply to the ASX for quotation of the Securities offered under this Prospectus. If quotation is granted, the Securities offered under this Prospectus will be able to be traded on the ASX. If you wish to trade the securities through that market, you will have to make arrangements for a participant in that market to sell the securities on your behalf. As the ASX does not operate in New Zealand, the way in which the market operates, the regulation of

participants in that market, and the information available to you about the securities and trading may differ from securities markets that operate in New Zealand.

## **RISK FACTORS**

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus. For further information in relation to the risk factors of the Company please refer to Section 7 of this Prospectus.

## **ELECTRONIC PROSPECTUS**

A copy of this Prospectus can be downloaded from the website of the Company at <http://voyagerresources.net>. Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian resident and must only access the Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company.

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## 2. CORPORATE DIRECTORY

### Directors

Mr Matthew Wood (Chairman, Director)  
Mr Kell Nielsen (CEO)  
Mr Nicholas Lindsay (Non Executive Director)  
Mr George Tumur (Executive Director)  
Mr Timothy James Flavel (Executive Director)

### Share Registry\*

Advanced Share Registry Services  
150 Stirling Highway  
NEDLANDS WA 6008

Telephone: (08) 9389 8033  
Facsimile: (08) 9389 7871

### Company Secretary

Mr Timothy James Flavel

### Solicitors to the Company

Steinepreis Paganin  
Lawyers and Consultants  
Level 4, The Read Buildings  
16 Milligan Street  
PERTH WA 6000

### Registered Office

Level 1  
33 Richardson Street  
WEST PERTH WA 6005

Telephone: +61 8 9200 6264  
Facsimile: +61 8 9200 4469

### Website

<http://voyagerresources.net>

### Lead Manager and Underwriter

CPS Securities  
Level 34, 2 The Esplanade  
PERTH WA 6000

### ASX Code

VOR

\* This entity has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus. Its name is included for information purposes only.

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### 3. CHAIRMAN'S LETTER

Dear Shareholder

The Company is making three separate offers pursuant to this Prospectus, being:

- (a) a pro rata non-renounceable entitlement issue of one (1) Share for every three (3) Shares held by Shareholders at an issue price of 1.75 cents per Share to raise approximately \$2,648,124 together with one (1) free new Option for each Share issued exercisable at 2 cents on or before 30 September 2011 (**Entitlement Issue**);
- (b) the issue of up to 55,000,000 Shares at an issue price of 1.75 cents per Share to raise up to \$962,500 to parties nominated by CPS Securities (**Share Placement Offer**); and
- (c) the issue of up to 55,000,000 Options exercisable at 2 cents on or before 30 September 2011 at an issue price of 0.05 cents per Option to raise up to \$27,500 to parties nominated by CPS Securities (**Option Placement Offer**),

(together, the **Offers**).

The Share Placement Offer and the Option Placement Offer are only open to parties nominated by CPS Securities. The Board is pleased to offer Shareholders the opportunity to participate in the Entitlement Issue.

All Shareholders registered as at 5.00pm (WST) on 4 March 2010 will be entitled to participate in the Entitlement Issue. The Closing Date for acceptances under the Entitlement Issue is 5.00pm (WST) on 26 March 2010.

The Entitlement Issue is fully underwritten by CPS Securities and any Securities not taken up by Shareholders pursuant to the Entitlement Issue will be allocated to the Underwriter (to a maximum of 151,321,379 Shares and 151,321,379 Options). The underwriting of the Entitlement Issue is on standard terms and conditions as set out in Section 8.2 of this Prospectus.

The table set out in Section 8.4 summarises the Directors' interests in Securities as at the date of this Prospectus. Each of the Directors has indicated that it is their present intention to subscribe for all of their Entitlement under the Entitlement Issue.

The Offers will provide a significant capital injection for the Company which will assist with its drilling and assessment of the Daltiin Ovor, Argalant and Tsagaan Chuluut Gold Projects, located in Mongolia.

The Board takes this opportunity to thank all Shareholders for their past support and looks forward to your continued support in the future.

Yours faithfully

**Matthew Wood**  
Chairman

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## 4. DETAILS OF THE OFFERS

### 4.1 Securities made available for Subscription

The Company is making three separate offers pursuant to this Prospectus, being:

- (a) a pro rata non-renounceable entitlement issue of one (1) Share for every three (3) Shares held by Shareholders at an issue price of 1.75 cents per Share to raise approximately \$2,648,124 together with one (1) free new Option for each Share issued exercisable at 2 cents on or before 30 September 2011 (**Entitlement Issue**);
- (b) the issue of up to 55,000,000 Shares at an issue price of 1.75 cents per Share to raise up to \$962,500 to parties nominated by CPS Securities (**Share Placement Offer**); and
- (c) the issue of up to 55,000,000 Options exercisable at 2 cents on or before 30 September 2011 at an issue price of 0.05 cents per Option to raise up to \$27,500 to parties nominated by CPS Securities (**Option Placement Offer**),

(together, the **Offers**).

The purpose of the Offers and the use of the funds raised pursuant to the Offers are set out in Section 5 of this Prospectus.

The issue of up to 55,000,000 of the Options offered pursuant to the Option Placement Offer is conditional on Shareholders approving the relevant resolution at the General Meeting of Shareholders to be held on or about 13 April 2010 (**General Meeting**) (**Option Placement Offer Condition**).

Shareholders should note that, the number of Shares and Options offered pursuant to the Entitlement Issue (and the amount of funds to be raised) detailed in this Prospectus assumes the Share Placement Offer is fully subscribed and the 55,000,000 Shares the subject of that offer are issued to allottees prior to the Record Date. In the event the Share Placement Offer is not fully subscribed and/or the Shares the subject of that offer are not issued to allottees prior to the Record Date, the number of Shares and Options offered pursuant to the Entitlement Issue (and the amount of funds to be raised) will be reduced by the number of Shares not allotted pursuant to the Share Placement Offer.

All of the Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 6.1 for further information regarding the rights and liabilities attaching to the Shares.

The Options issued will be exercisable at 2 cents on or before 30 September 2011. Please refer to Section 6.2 for the terms of the Options.

#### **Share Placement Offer**

Pursuant to the Share Placement Offer, the Company offers parties nominated by the Directors (in consultation with CPS Securities) the opportunity to subscribe for up to 55,000,000 Shares at an issue price of 1.75 cents per Share to raise up to \$2,648,124.

The Share Placement Offer is only open to parties nominated by CPS Securities. Accordingly, if you are nominated by CPS Securities please complete a Share Placement Offer Application Form.

The Share Placement Offer will close and Shares will be allotted to subscribers prior to the Record Date. Therefore, allottees of Shares under the Share Placement Offer will be eligible to participate in the Entitlement Issue.

The Share Placement Offer is not underwritten.

### **Entitlement Issue**

Pursuant to the Entitlement Issue, the Company offers for subscription approximately 151,321,379 Shares pursuant to a pro-rata non-renounceable entitlement issue to Shareholders of one (1) Share for every three (3) Shares held on the Record Date at an issue price of 1.75 cents per Share together with one (1) free new Option for each Share issued exercisable at 2 cents on or before 30 September 2011. Fractional entitlements will be rounded up to the nearest whole number.

Following completion of the Share Placement Offer (and assuming it is fully subscribed and assuming no existing Options are exercised prior to the Record Date), the capital structure of the Company, the maximum number of Securities to be issued pursuant to the Entitlement Issue is approximately 151,321,379 Shares and 151,321,379 Options. The Entitlement Issue will raise approximately \$2,648,124 before costs.

Holders of existing Options will not be entitled to participate in the Offer. The Company currently has 30,000,000 Options on issue as at the date of this Prospectus, which Options may be exercised by the Option holder prior to the Record Date in order to participate in the Entitlement Issue.

The Entitlement Issue is fully underwritten.

### **Option Placement Offer**

Pursuant to the Option Placement Offer, the Company offers parties nominated by the Directors (in consultation with CPS Securities) the opportunity to subscribe for up to 55,000,000 Options exercisable at 2 cents on or before 30 September 2011 at an issue price of 0.05 cents per Option to raise up to \$27,500.

The Option Placement Offer is only open to parties nominated by CPS Securities. Accordingly, if you are nominated by CPS Securities please complete an Option Placement Offer Application Form.

The Option Placement Offer is not underwritten.

## **4.2 Opening and Closing Dates of the Offers**

### **Share Placement Offer**

The Opening Date of the Share Placement Offer will be 23 February 2010 at 9:00am WST and the Closing Date will be 25 February 2010 at 5:00pm WST. The Directors reserve the right to close the Share Placement Offer early or extend the Share Placement Offer Closing Date (as the case may be), should it be considered by them necessary to do so.

### **Entitlement Issue**

The Opening Date of the Entitlement Issue will be 11 March 2010 at 9:00am WST and the Entitlement Issue Closing Date will be 26 March 2010 at 5:00pm WST. The Directors reserve the right to, in accordance with the Listing Rules, close the

Entitlement Issue early or extend the Entitlement Issue Closing Date (as the case may be), should it be considered by them necessary to do so.

### **Option Placement Offer**

The Opening Date of the Option Placement Offer will be 23 February 2010 at 9:00am WST and the Closing Date will be 13 April 2010 at 5:00pm WST. The Directors reserve the right to close the Option Placement Offer early or extend the Option Placement Offer Closing Date (as the case may be), should it be considered by them necessary to do so.

## **4.3 Application for Securities**

Applications for Securities pursuant to the Offers must be made on an Application Form attached to or accompanying this Prospectus.

### **Share Placement Offer**

Application for Shares under the Share Placement Offer must be made on the Share Placement Offer Application Form accompanying this Prospectus.

Payment for the Shares under the Share Placement Offer must be made in full at the issue price of 1.75 cents per Share. Applications for Shares under the Share Placement Offer must be for a minimum of 1,000 Shares and thereafter in multiples of 500 Shares.

Completed Share Placement Offer Application Forms and accompanying cheques, made payable to "**Voyager Resources Limited – Offer Account**" and crossed "Not Negotiable", must be delivered to:

Voyager Resources Limited  
Level 1  
33 Richardson Street  
WEST PERTH WA 6005

Completed Share Placement Offer Application Forms and cheques must reach the address set out above by no later than the Share Placement Offer Closing Date. However, the Directors may close the Share Placement Offer early prior to the Share Placement Offer Closing Date. The Directors may also extend the Share Placement Offer Closing Date in their sole discretion.

### **Entitlement Issue**

Your acceptance of the Entitlement Issue must be made on the Entitlement and Acceptance Form accompanying this Prospectus. Your acceptance must not exceed your Entitlement as shown on that form. If it does, your acceptance will be deemed to be for the maximum Entitlement. Applications for the Shortfall should be made on the Shortfall Application Form (refer to Section 4.5 below for further information on the Shortfall Offer).

You may participate in the Entitlement Issue as follows:

- (b) if you wish to accept your Entitlement in full:
  - (i) complete the Entitlement and Acceptance Form, filling in the details in the spaces provided; and

- (ii) attach your cheque for the amount indicated on the Entitlement and Acceptance Form or pay via Bpay by following the instructions set out on the Entitlement and Acceptance Form; or
- (c) if you only wish to accept part of your Entitlement:
  - (i) fill in the number of Securities you wish to accept in the space provided on the Entitlement and Acceptance Form; and
  - (ii) attach your cheque for the appropriate application monies (at 1.75 cents per Share) or pay via Bpay by following the instructions set out on the Entitlement and Acceptance Form; or
- (d) if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to "**Voyager Resources Limited – Entitlement Issue Account**" and crossed "**Not Negotiable**".

Your completed Entitlement and Acceptance Form and cheque must reach the Share Registry no later than 5.00pm WST on the Entitlement Issue Closing Date. Alternatively, Applicants may pay via BPAY by following the instructions set out on the Entitlement and Acceptance Form (Applicants should ensure they include their reference number if paying by BPAY).

The Entitlement Issue is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

### **Option Placement Offer**

Application for Options under the Option Placement Offer must be made on the Option Placement Offer Application Form accompanying this Prospectus.

Payment for the Options under the Option Placement Offer must be made in full at the issue price of 0.05 cents per Option. Applications for Options under the Option Placement Offer must be for a minimum of 1,000 Option and thereafter in multiples of 500 Options.

Completed Option Placement Offer Application Forms and accompanying cheques, made payable to "**Voyager Resources Limited – Offer Account**" and crossed "Not Negotiable", must be delivered to:

Voyager Resources Limited  
Level 1  
33 Richardson Street  
WEST PERTH WA 6005

Completed Option Placement Offer Application Forms and cheques must reach the address set out above by no later than the Option Placement Offer Closing Date. However, the Directors may close the Option Placement Offer early prior to the Option Placement Offer Closing Date. The Directors may also extend the Option Placement Offer Closing Date in their sole discretion.

#### **4.4 Minimum Subscription**

There is no minimum subscription for the Share Placement Offer or the Option Placement Offer.

If the minimum subscription in relation to the Share Placement Offer or the Option Placement Offer has not been raised within four (4) months after the date of this Prospectus, applications for those offers will be dealt with in accordance with the Corporations Act.

The minimum subscription in respect of the Entitlement Issue is \$2,648,124 (being the full subscription).

#### **4.5 Underwriting**

The Entitlement Issue is fully underwritten by CPS Securities.

Refer to Section 8.2 of this Prospectus for further details of the terms of the underwriting. The potential effect of the underwriting on the Company is set out in Section 8.3 of this Prospectus.

Neither the Share Placement Offer nor the Option Placement Offer are underwritten.

#### **4.6 Shortfall Offer**

Any Entitlement not taken up pursuant to the Entitlement Issue will form the Shortfall and will be dealt with in accordance with the Lead Manager and Underwriting Agreement. Accordingly, Shareholders should not apply for the Shortfall unless directed to do so by CPS Securities.

The offer of any Shortfall Securities is a separate offer made pursuant to this Prospectus and will remain open after the Entitlement Issue Closing Date. The issue price of any Shortfall Securities shall be 1.75 cents being per Share being the price and terms at which the Entitlement has been offered to Shareholders pursuant to this Prospectus.

#### **4.7 Application Forms and Shortfall Application Forms are binding**

A completed and lodged Application Form or Shortfall Application Form, together with the application monies for the number of Securities applied for, cannot be withdrawn and constitutes a binding application for the number of Securities specified in the Application Form or Shortfall Application Form on the terms set out in this Prospectus. The Application Form or Shortfall Application Form do not need to be signed to be binding.

If the Application Form or Shortfall Application Form is not completed correctly, the Company, in its absolute discretion, can reject it or treat it as valid. The Company's decision as to whether to accept or reject an Application Form or Shortfall Application Form or how to construe, amend or complete it is final.

#### **4.8 Allotment of Securities**

##### **Share Placement Offer**

The Directors in consultation with CPS Securities will determine the allottees of the Shares the subject of the Share Placement Offer. The Directors reserve the right to reject any application or to allocate any applicant fewer Shares under the

Share Placement Offer than the number applied for. Potential investors should not apply for Shares offered pursuant to the Share Placement Offer unless instructed to do so by CPS Securities or the Company.

Where the number of Shares allotted is less than the number applied for, the surplus monies will be returned by cheque as soon as practicable after the Share Placement Offer Closing Date. Where no allotment is made, the amount tendered on application will be returned in full by cheque as soon as practicable after the Share Placement Offer Closing Date. The Company will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

### **Entitlement Issue**

Securities issued pursuant to the Entitlement Issue will be allotted as soon as practicable after the Entitlement Issue Closing Date. The Company will allot the Securities on the basis of a Shareholder's Entitlement. Where the number of Securities issued is less than the number applied for, or where no allotment is made, surplus application monies will be refunded without any interest to the applicant as soon as practicable after the Entitlement Issue Closing Date.

Pending the allotment and issue of the Securities or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

### **Option Placement Offer**

The Directors in consultation with CPS Securities will determine the allottees of the Options the subject of the Option Placement Offer. The Directors reserve the right to reject any application or to allocate any applicant fewer Options under the Option Placement Offer than the number applied for. Potential investors should not apply for Options offered pursuant to the Option Placement Offer unless instructed to do so by CPS Securities or the Company.

The allotment of the 55,000,000 Options the subject of the Option Placement Offer will take place as soon as practicable after the satisfaction of the Option Offer Condition.

### **Process of Offers**

For the avoidance of doubt, the process proposed is as follows:

- (a) Securities are offered pursuant to this Prospectus;
- (b) Offers open under the Prospectus;
- (c) Share Placement Offer closes;
- (d) up to 55,000,000 Shares offered pursuant to the Share Placement Offer are issued;
- (e) Entitlement Issue closes;
- (f) General Meeting held and the relevant resolution passed (as outlined in Section 4.1);

- (g) 55,000,000 Options pursuant to the Option Placement Offer are issued;  
and
- (h) Option Placement Offer closes.

Where the number of Options allotted is less than the number applied for, the surplus monies will be returned by cheque as soon as practicable after the Option Placement Offer Closing Date. Where no allotment is made, the amount tendered on application will be returned in full by cheque as soon as practicable after the Option Placement Offer Closing Date. The Company will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

#### **4.9 Australian Securities Exchange Listing**

Application for Official Quotation by ASX of the Securities offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. If approval is not obtained from ASX before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Securities and will repay all application monies for the Securities within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Securities is not to be taken in any way as an indication of the merits of the Company or the Securities now offered for subscription.

#### **4.10 Restrictions on the Distribution of the Prospectus**

The distribution of this Prospectus outside the Commonwealth of Australia may be restricted by law.

The Offers do not, and are 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.

Residents of countries outside Australia should consult their professional advisers as to whether any government or other consents are required, or whether any formalities need to be observed should they wish to make an application to take up Securities on the basis of this Prospectus. The return of a duly completed Application Form will be taken to constitute a representation and warranty that there has been no breach of such laws and that all approvals and consents have been obtained.

Shareholders resident in New Zealand should consult their professional advisors as to whether any government or other consents are required, or other formalities need to be observed, to enable them to exercise their Entitlements under the Offer.

#### **4.11 Dividends**

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of distributable earnings and operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

#### **4.12 Taxation**

The acquisition and disposal of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities from a taxation viewpoint and generally.

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

#### **4.13 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship**

The Company will not be issuing share certificates. The Company participates in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Securities allotted to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

#### **4.14 Privacy Act**

If you complete an application for Securities, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (Cth) (as amended), the Corporations Act and certain rules such as the ASTC Settlement Rules. You should note that if you do not provide the information required on the application for Securities, the Company may not be able to accept or process your application.

#### **4.15 Enquiries**

Any questions concerning the Offers should be directed to Tim Flavel, the Company Secretary, on +61 8 9200 6264.

## 5. PURPOSE AND EFFECT OF THE OFFERS

### 5.1 Purpose of the Offers

The purpose of this Prospectus is to:

- (a) remove any trading restrictions that may have attached to Securities issued by the Company prior to the Share Placement Offer Closing Date and the Option Placement Closing Date (including prior to the date of this Prospectus); and
- (b) raise up to \$3,638,124 before costs.

Assuming the Option Placement Offer Condition is satisfied and all Securities offered under this Prospectus are issued, the proceeds of the Offers are planned to be used in accordance with the table set out below:

<b>Proceeds of the Offers</b>	<b>Amount Raised</b>
Exploration drilling	\$2,070,000
Exploration trenching	\$100,000
Regional Geochemistry & Geological Mapping	\$150,000
Geophysical Surveys	\$40,000
Metallurgical Test Work	\$20,000
Acquisition and Assessment	\$450,000
Working Capital	\$548,124
Expenses of the Offer <sup>1</sup>	\$260,000
<b>Total</b>	<b>\$3,638,124</b>

#### Notes:

1. Refer to Section 8.7 of this Prospectus for further details relating to the estimated expenses of the Offers.
2. In the event that less than \$3,638,124 is raised pursuant to the Offers, funds will be first applied towards expenses of the Offers and then pro-rata between the items outlined above.

### 5.2 Effect of the Offer

Assuming the Option Placement Offer Condition is satisfied and all Securities offered under this Prospectus are issued, the principal effect of the Offers will be to:

- (a) increase cash reserves by approximately \$3,378,124 immediately after completion of the Offers and estimated expenses of the Offers; and
- (b) increase the number of Shares on issue from 398,964,137 Shares as at the date of this Prospectus, to 605,285,516 Shares; and

- (c) increase the number of Options on issue from 30,000,000 Options as at the date of this Prospectus, to 236,321,379 Options.

Set out below is:

- (a) an unaudited consolidated balance sheet of the Company as at 31 December 2009;
- (b) an unaudited pro-forma consolidated balance sheet of the Company as at 31 December 2009 incorporating the effect of the Offers (assuming the Option Placement Offer Condition is satisfied and the Offers are fully subscribed); and
- (c) the capital structure of the Company upon completion of the Offers (assuming the Option Placement Offer Condition is satisfied and the Offers are fully subscribed).

### 5.3 Pro Forma Consolidated Balance Sheet

	Unaudited as at 31 December 2009	Unaudited Proforma as at 31 December 2009
<b>Current Assets</b>		
Cash and cash equivalents	409,419	3,787,543
Trade and other receivables	81,640	81,640
	491,059	3,869,183
<b>Non Current Assets</b>		
Exploration properties	138,863	138,863
Plant and equipment	110,664	110,664
	249,527	249,527
<b>TOTAL ASSETS</b>	<b>740,586</b>	<b>4,118,710</b>
<b>Current Liabilities</b>		
Trade and other payables	84,548	84,548
Provisions	-	
	84,548	84,548
<b>TOTAL LIABILITIES</b>	<b>84,548</b>	<b>84,548</b>
<b>NET ASSETS</b>	<b>656,038</b>	<b>4,034,162</b>
<b>SHAREHOLDER EQUITY</b>		
Contributed equity	3,071,977	6,450,101
Reserves	6,068,742	6,068,742
Retained losses	(8,484,681)	(8,484,481)
<b>TOTAL SHAREHOLDER EQUITY</b>	<b>656,038</b>	<b>4,034,162</b>

#### Notes:

- 1 The above balance sheet assumes the Share Placement Offer is fully subscribed and all of the Shares the subject of the Share Placement Offer are issued prior to the Record Date so that all allottees under the Share Placement Offer are eligible to participate in the Entitlement Issue.

## Effect on Capital Structure

The effect of the Offers on the capital structure of the Company, assuming the Option Placement Offer Condition is satisfied and all Securities offered under the Prospectus are issued and no Options are exercised prior to the Closing Date, is set out below.

### Shares

	Number
Shares currently on issue	398,964,137
Shares offered pursuant to the Share Placement Offer	55,000,000
Shares offered pursuant to the Entitlement Issue <sup>1</sup>	151,321,379
<b>Total Shares on issue after completion of the Offers <sup>1</sup></b>	<b>605,285,516</b>

### Options

	Number
Unlisted exercisable at \$0.02 on or before 30 June 2012	20,000,000
Unlisted exercisable at \$0.04 on or before 30 June 2012	10,000,000
Listed Options exercisable at \$0.02 on or before 30 September 2011 offered pursuant to the Entitlement Issue <sup>1</sup>	151,321,379
Listed Options exercisable at \$0.02 on or before 30 September 2011 offered pursuant to the Option Placement Offer <sup>2</sup>	55,000,000
<b>Total Options on issue after completion of the Offers <sup>1, 2</sup></b>	<b>236,321,379</b>

### Notes:

- 1 Assumes the Share Placement Offer is fully subscribed and all of the Shares the subject of the Share Placement Offer are issued prior to the Record Date so that all allottees under the Share Placement Offer are eligible to participate in the Entitlement Issue.
- 2 Does not include the proposed issue of 40,000,000 Options to CPS Securities or nominee/s or up to 26,481,240 Options to be issued to sub-underwriters of the Entitlement Issue which will be subject to Shareholder approval at the Company's General Meeting. Refer to Section 8.2 for further details.

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## **6. RIGHTS AND LIABILITIES ATTACHING TO SHARES AND OPTIONS**

### **6.1 Rights and Liabilities attaching to Shares**

The following is a summary of the more significant rights and liabilities attaching to Shares to be issued pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

#### **General Meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with Section 249D of the Corporations Act and the Constitution of the Company.

#### **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:

- (a) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (c) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have a fraction of a vote equivalent to the proportion which the amount paid up bears to the total issue price for the share.

#### **Dividend Rights**

The Directors may from time to time declare and pay or credit a dividend in accordance with the Corporations Act. Subject to any special right as to dividends attaching to a share, all dividends will be declared and paid according to the proportion of the dividend paid to the holder of a fully paid Share that the amount paid up on the Share bears to the total issue price of the Share (but any amount paid during the period in respect of which a dividend is declared only entitles the Shareholder to an apportioned amount of that dividend as from the date of payment). The Directors may from time to time pay or credit to the Shareholders such interim dividends as they may determine. No dividends shall be payable except out of profits. A determination by the Directors as to the profits of the Company shall be conclusive. No dividend shall carry interest as against the Company.

The Directors may, at their discretion, resolve in respect of any dividend which it is proposed to pay or to declare on any Shares of the Company, that holders of

such Shares may elect to forgo their right to the whole or part of the proposed dividend and to receive instead an issue of Shares credited as fully paid to the extent and on the terms and conditions of the Constitution. The Directors may set aside out of the profits of the Company such amounts as they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

### **Winding-Up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders. The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

### **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 and the Listing Rules.

### **Future Increase in Capital**

The allotment and issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

### **Variation of Rights**

Under Section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

## **6.2 Terms of Options**

The Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Option gives the Option Holder the right to subscribe for one Share. To obtain the right given by each Option, the Option Holder must exercise the Options in accordance with the terms and conditions of the Options.

- (b) The Options will expire at 5.00 pm (WST) on 30 September 2011 (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
  - (c) The amount payable upon exercise of each Option will be 2 cents (**Exercise Price**).
  - (d) The Options held by each Option Holder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion. Where less than 1,000 Options are held, all Options must be exercised together.
  - (e) An Option Holder may exercise their Options by lodging with the Company, before the Expiry Date:
    - (i) a written notice of exercise of Options specifying the number of Options being exercised; and
    - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised;
- (Exercise Notice).**
- (f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
  - (g) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
  - (h) The Options are transferable.
  - (i) All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares.
  - (j) The Company will apply for quotation of the Options on ASX.
  - (k) If at any time the issued capital of the Company is reconstructed, all rights of an Option Holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
  - (l) There are no participating rights or entitlements inherent in the Options and Option Holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 6 Business Days after the issue is announced. This will give Option Holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
  - (m) Other than pursuant to term (n), an Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.
  - (n) In the event the Company proceeds with a bonus issue of securities to Shareholders after the date of issues of the Options, the number of

securities over which an Option is exercisable may be increased by the number of securities which the Option Holder would have received if the Option had been exercised before the record date for the bonus issue.

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## **7. RISK FACTORS**

### **7.1 Introduction**

The Securities offered under this Prospectus are considered speculative, and involve investors being exposed to risk. The Directors strongly recommend potential applicants examine the contents of this Prospectus and consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors.

The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Securities.

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

#### ***Risks Specific to the Company***

### **7.2 Sovereign and Political Risks Associated with Operating in Mongolia**

The Company holds an interest in a number of projects in Mongolia. Mongolia is a young democratic country which is experiencing a transition to a market economy presents a certain level of uncertainty and risk.

The Mongolian Parliament has previously passed laws that may restrict or limit the Company's operations or make them uneconomic. These include the laws that impose the right to participate in 'mineral deposits of strategic importance'. However, should the Company's exploration activities lead to an economically viable mineral deposit, there is a risk that the Mongolian State may seek to acquire an interest in those deposits. Furthermore, there is a risk that the Mongolian Parliament may attempt to pass further laws that may prejudicially affect the Company's operations.

More general risks include economic, social or political instability or change, hyperinflation, currency non-convertibility or instability and changes of law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, mine safety, labour relations as well as government control over mineral properties or government regulations that require the employment of local staff or contractors or require other benefits to be provided to local residents.

### **7.3 Legal Risks Associated with Operating in Mongolia**

The Company's Mongolian operations are subject to the jurisdiction of Mongolia's courts. The legal system operating in Mongolia is developing which may result in risk such as:

- (a) political difficulties in obtaining effective legal redress in the courts whether in respect of a breach of law or regulation, or in an ownership dispute;
- (b) a higher degree of discretion on the part of governmental agencies;
- (c) the lack of political or administrative guidance on implementing applicable rules and regulations including, in particular, as regards local taxation and property rights; or
- (d) inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions.

The commitment to local business people, government officials and agencies and the judicial system to abide by legal requirements and negotiated agreements may be more uncertain, creating particular concerns with respect to licenses and agreements for business. These may be susceptible to revision or cancellation and legal redress may be uncertain or delayed. There can be no assurance that the licenses and other legal arrangements will not be adversely affected by the actions of the government authorities or others and the effectiveness of an enforcement of such arrangements cannot be assured.

In the case where the Company disputes the actions of the State with regard to its tenements, it is unlikely that the Company would be successful in raising a claim in Australian courts for reasons of comity or the doctrine of sovereign immunity.

#### **7.4 Title Risks Associated with the Mongolian Projects**

There are a number of conditions that the Company must satisfy with respect to the Mongolian mining tenements it has an interest in, including minimum expenditure and annual reporting requirements that the Company must comply with to keep the Company's Mongolian mining tenements in good standing. There is a risk that the Company may not be able to satisfy these requirements, in which case the Company may forfeit title to those mining tenements.

#### **7.5 Operating Risks**

The Company's operations may be adversely affected by disruptions to its exploration activities, any proposed mine development or future operations caused by adverse weather conditions, geological, geotechnical, seismic and mining conditions including water ingress, failure to locate or identify mineral deposits, failure to achieve predicted tonnes or qualities in exploration and mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unexpected shortages or increases in the cost of consumables, spare parts, plant and equipment, industrial and environmental accidents, labour disputes, transport accidents and management, occupational safety and health issues and transportation delays.

The Company will seek to minimise the potential damage flowing from the occurrence of some of these risks by obtaining suitable indemnities from potential suppliers and contractors in the event that equipment or services do not provide the performance that was expected.

The occurrence of operating risks can result in increased production costs for the company once it commences operations and may materially impact on the Company's competitive position, profitability, financial position and

performance and prospects. Resource processing costs and yields may be negatively impacted by an unforeseen deterioration in the quality and quantity of mineral resources mined and any unbudgeted increase in operating costs.

## **7.6 Risks Associated with Resources and Reserves Estimates**

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

## **7.7 Operating Risks**

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

The Company's Mongolian projects will be subject to extreme climatic conditions which restrict the period within which exploration; appraisal and possibly production activities may take place and may also place Company personnel at risk if exposed to these extreme conditions.

Mongolia has a foreign worker quota system that may make it difficult to hire qualified personal even where local manpower is unavailable.

A summary of factors that may affect the operations of the Company, include:

- (a) geological conditions;
- (b) alterations to joint venture programs and budgets;
- (c) unanticipated operational and technical difficulties encountered in geophysical surveys, drilling and production activities;
- (d) mechanical failure of operating plant and equipment, industrial and environmental accidents, acts of terrorism or political or civil unrest and other force majeure events;
- (e) industrial action, disputation or disruptions;
- (f) unavailability of aircraft or drilling equipment to undertake airborne electromagnetic and other geological and geophysical investigations;
- (g) unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment;
- (h) prevention or restriction of access by reason of political unrest, outbreak of hostilities, and inability to obtain consents or approvals;
- (i) current exploration operations and future mine development of the tenements are subject to the Company's ability to obtain a wide range of permits, licenses, and approvals and there is no guarantee that such

permits, licenses and approvals will be granted or will be granted in a timely matter;

- (j) advancement of the exploration operations to mine development can be a lengthy process taking a number of years where the Company's projects may be subject to new laws, regulations, and taxes which may have a material impact on the Company; and
- (k) restriction of access to infrastructure by Russian, Chinese or Mongolian authorities.

## **7.8 Infrastructure**

Several of the Company's projects are located in regions within Mongolia that are poorly serviced by infrastructure.

Several of the Company's Mongolian exploration tenements are located in areas that lack access to basic infrastructure including roads, electricity, running water and health and emergency services. The lack of infrastructure may impact negatively on the economic viability of any deposits discovered by the Company in other regions and may require the Company to negotiate access to existing infrastructure and/or invest substantial amounts on the upgrade of existing infrastructure or development of new infrastructure.

## **7.9 Foreign Exchange Risks**

Any revenue generated by the Company is expected to be in US\$ while its cost base would be expected to be in A\$, Mongolian National Tugrik (**MNT**) and US\$. Consequently the cross exchange rates for these currencies will have an impact on the Company's expected earnings in A\$.

The cross exchange rates are affected by numerous factors beyond the control of the Company.

These factors include Australia's, Mongolia's and the USA's economic conditions and the outlook for interest rates, inflation and other economic factors. These factors may have a positive or negative effect on the Company's exploration, project development and production plans and activities, together with the ability to fund those plans and activities.

## **7.10 Environmental Risk**

The Company's activities are subject to various Mongolian laws and regulations regarding environmental matters and the discharge of hazardous waste and materials. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. The Company intends to conduct its activities in an environmentally responsible manner and in accordance with applicable laws.

Mineral resources exploration and production can be environmentally sensitive and can give rise to substantial costs for environmental rehabilitation, damage control and losses. Further, there are a number of environmental conditions that are attached to the Company's projects or may be attached to any future projects in which the Company may acquire an interest. Failure to meet such conditions may lead to forfeiture of these projects. In common with other mineral resources companies, future legislative and regulatory changes may be

introduced. Such changes may have an adverse impact on the Company's profitability, financial position and performance and prospects.

### **7.11 Gold Price Volatility**

Most of the Company's revenues will ultimately be derived from the sale of gold. Consequently, the Company's expected earnings will be closely related to the gold price. Gold prices fluctuate and are affected by numerous factors beyond the control of the Company. These factors include world demand, forward selling producers, and production costs levels in major gold-producing regions.

Moreover, gold prices are also affected by macro-economic factors such as expectations regarding inflation, interest rates and global and regional demand for and supply of gold as well as general global economic conditions. These factors may have an adverse effect on the Company's exploration, development and production activity as well as on its ability to fund these activities.

### **7.12 Title Risk**

Mining tenements are granted subject to various conditions (including, without limitation, minimum work requirements). Failure to comply with conditions may lead to forfeiture.

All of the mining tenements in which the Company has or may, upon grant, have an interest in will be subject to renewal. If any of the mining tenements is not renewed for any reason the Company may suffer damage through loss of opportunity to develop. The Directors are not aware of any reason why renewal (or grant) of any mining tenements will not occur.

### **7.13 Exploration Success**

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

There can be no assurance that exploration of the mining tenements, or any other mineral properties 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 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 tenements and obtaining all required approvals for its activities. In the event that exploration programs prove to be unsuccessful this could lead to a diminution in the value of the mining tenements, a reduction in the cash reserves of the Company and possible relinquishment of the mining tenements.

## *General Risks*

### **7.14 Economic Risks**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

### **7.15 Market Conditions**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (a) general economic outlook;
- (b) interest rates and inflation rates;
- (c) currency fluctuations;
- (d) changes in investor sentiment toward particular market sectors;
- (e) the demand for, and supply of, capital; and
- (f) 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 resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

### **7.16 Reliance on Key Personnel**

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

### **7.17 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 securities offered under this Prospectus

Therefore, the securities 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 securities.

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

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## 8. ADDITIONAL INFORMATION

### 8.1 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.

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on the Company and the rights attaching to the securities. 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 3 months before 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.

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 report most recently lodged by the Company with ASIC;
  - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with ASIC; and

- (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in Section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (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 inspected at the registered office of the Company during normal office hours.

Details of documents lodged with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with ASIC are set out in the table below.

<b>Date</b>	<b>Description of Announcement</b>
23/02/2010	Reinstatement to Official Quotation
23/02/2010	Placement and Entitlement Issue
18/02/2010	Suspension from Official Quotation
16/02/2010	Trading Halt
10/02/2010	High Grade Gold Project to be Acquired in Mongolia
08/02/2010	Acquiring 80% of Tsagaan Chuluut Gold Project in Mongolia
04/02/2010	Response to ASX Query re Appendix 5B
29/01/2010	Quarterly Cashflow Report
29/01/2010	Quarterly Activities Report
29/01/2010	Section 708A Notice
28/01/2010	Appendix 3B
19/01/2010	Gold Property Acquired in Mongolia
09/12/2009	Gabon Gold Project Tenure Update
01/12/2009	Change of Director's Interest Notice
27/11/2009	Change of Director's Interest Notice
24/11/2009	Change in substantial holding
24/11/2009	Results of Annual General Meeting
24/11/2009	Change of Director's Interest Notice
22/10/2009	Quarterly Activities Report
22/10/2009	Quarterly Cashflow Report
20/10/2009	Notice of Annual General Meeting

28/09/2009	Tsagaan Field Work Commences
24/09/2009	Initial Director's Interest Notice
24/09/2009	Initial Director's Interest Notice
21/09/2009	Appointment of CEO
17/09/2009	Appointment to Board
08/09/2009	Appendix 3B
01/09/2009	Company Update
01/09/2009	Becoming a substantial holder
01/09/2009	Becoming a substantial holder
01/09/2009	Initial Director's Interest Notice
01/09/2009	Initial Director's Interest Notice
01/09/2009	Initial Director's Interest Notice
27/08/2009	Change of Registered Office and Place of Business
27/08/2009	Appendix 3B
27/08/2009	Company Overview
27/08/2009	Director's Declaration
27/08/2009	31 December 2008 Financial Statements
27/08/2009	30 June 2009 Financial Statements

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.

## 8.2 Lead Manager and Underwriting Agreement

Pursuant to an agreement between CPS Securities and the Company (**Lead Manager and Underwriting Agreement**), CPS Securities agreed to:

- (a) place on a best endeavours basis the Shares the subject of the Share Placement Offer and the Options the subject of the Option Placement Offer (**Placement Securities**); and
- (b) fully underwrite the issue of 151,321,379 Shares and 151,321,379 free attaching Options offered pursuant to the Entitlement Issue (**Underwritten Securities**).

Pursuant to the Lead Manager and Underwriting Agreement, the Company has agreed to:

- (a) pay CPS a management fee of 1% plus GST of the amount raised pursuant to the Share Placement Offer and the Option Placement Offer;
- (b) pay CPS a placement fee of 5% plus GST of the amount raised pursuant to the Share Placement Offer and the Option Placement Offer;
- (c) pay CPS Securities an underwriting fee of 5 % plus GST of the amount raised pursuant to the Entitlement Issue.; and
- (d) subject to Shareholder approval being obtained at the General Meeting:
  - (i) issue CPS (or its nominee/s) 40,000,000 Options exercisable at 2 cents on or before 30 September 2011; and
  - (ii) issue sub-underwriters to the Entitlement Issue, 10 Options exercisable at 2 cents on or before 30 September 2011 for every \$1 of the Entitlement Issue which is sub-underwritten (being a total of up to 26,481,240 Options in the event the Entitlement Issue is fully sub-underwritten).

The obligation of CPS Securities to underwrite the Entitlement Issue is subject to certain events of termination. CPS Securities may terminate its obligations under the Lead Manager and Underwriting Agreement if:

- (a) the Company is in default of any of the obligations under the Lead Manager and Underwriting Agreement or breaches any warranty, representation or undertaking given under the Lead Manager and Underwriting Agreement which:
  - (i) is incapable of remedy or is not remedied by the date valid applications are required to be lodged; and
  - (ii) in the reasonable opinion of CPS Securities, has or is likely to have a material adverse effect on the Entitlement Issue;
- (b) a material and adverse change occurs after the date of the Lead Manager and Underwriting Agreement in the:
  - (i) financial position of the Company or a subsidiary; or
  - (ii) the industry in which the Company or a subsidiary operates;
- (c) the Company contravenes any of the following, which in the reasonable opinion of CPS Securities has a material adverse effect on the Entitlement Issue:
  - (i) any law, regulation, authorisation, ruling, consent, judgment, order or decree of any governmental agency;
  - (ii) the Constitution or any other constituent document;
  - (iii) an encumbrance or document which is binding on the Company or a subsidiary or an asset of the Company or a subsidiary;
- (d) an insolvency event occurs in relation to the Company or a subsidiary;

- (e) an outbreak of new hostilities or a state of war, whether declared or not, arises after the date of the Lead Manager and Underwriting Agreement, or an escalation of hostilities already in existence occurs involving:
- (i) Australia;
  - (ii) Japan;
  - (iii) any member country of the European Community;
  - (iv) the United States of America;
  - (v) any of the member states of the former Union of Soviet Socialist Republics;
  - (vi) Indonesia;
  - (vii) Peoples' Republic of China;
  - (viii) New Zealand;
  - (ix) Hong Kong;
  - (x) Taiwan;
  - (xi) Singapore; or
  - (xii) Malaysia;

which in the reasonable opinion of CPS Securities has or is likely to have a material and adverse effect on the Offer;

- (f) after the date of the Lead Manager and Underwriting Agreement a director of the Company or a subsidiary commits or is convicted of a criminal offence or becomes a bankrupt which in the reasonable opinion of CPS Securities has or is likely to have a material and adverse effect on the Offer;
- (g) any authorisation which is material to anything referred to in this Prospectus is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to CPS Securities;
- (h) it transpires that any of the due diligence results were false, misleading or deceptive or that there was an omission from them;
- (i) without the prior approval of CPS Securities a public statement is made by the Company in relation to the Offers;
- (j) the Company issues any prospectus, supplementary or replacement prospectus or like document without the prior written consent of CPS Securities unless the Company has a statutory obligation to issue a supplementary or replacement prospectus and CPS Securities does not consent within a reasonable time following request by the Company;
- (k) litigation, arbitration, administrative or industrial proceedings are after the date of the Lead Manager and Underwriting Agreement commenced against the Company or a subsidiary, other than any claims foreshadowed in the Prospectus; or

- (l) any of the sub-underwriters to the Entitlement Issue that are introduced do not comply with their obligations under the sub-underwriting agreements or threaten to not comply with their respective obligations under the sub-underwriting agreements.

The Lead Manager and Underwriting Agreement also contains a number of indemnities, representations and warranties from the Company to CPS Securities that are considered standard for an agreement of this type.

### 8.3 Disclosure of Underwriting on Voting Power

As set out above, the Entitlement Issue is fully underwritten by CPS Securities.

To comply with the requirement to fully disclose CPS Securities' potential voting power in the Company and the effect of the underwriting by CPS Securities, the table below sets out various scenarios to indicate the effect on the Company's shareholding depending on the Shortfall (if any). The potential maximum increase in the voting power of CPS Securities is set out below (100% Shortfall) and will only occur if no Shareholders take up their Entitlement under the Entitlement Issue.

As detailed in Section 8.5, as at the date of this Prospectus, CPS Securities has a relevant interest in 6,335,000 Shares and therefore will have an Entitlement under the Entitlement Issue. CPS Securities has indicated that it is their present intention to subscribe for all of their Entitlement under the Entitlement Issue (being 2,111,667 Shares and 2,111,667 free attaching Options).

Event	Number of Shares held by CPS Securities	Voting power of CPS Securities in the Company
CPS Securities holding as at the date of the Prospectus	6,335,000	1.58%
After issue of Securities to CPS Securities assuming 100% Shortfall (and including CPS Securities' Entitlement)	159,768,046	26.39%
After issue of Securities to CPS Securities assuming 75% Shortfall (and including CPS Securities' Entitlement)	121,937,701	20.14%
After issue of Securities to CPS Securities assuming 50% Shortfall (and including CPS Securities' Entitlement)	84,107,356	13.89%
After issue of Securities to CPS Securities assuming 25% Shortfall (and including CPS Securities' Entitlement)	46,277,011	7.64%

The number of Securities held by CPS Securities and its voting power in the table above show the potential effect of the underwriting of the Entitlement Issue. However, it is unlikely that no Shareholders will take up their Entitlement under this Entitlement Issue. The underwriting obligation of CPS Securities, and therefore voting power of CPS Securities, will reduce by a corresponding amount for the

amount of Entitlements taken up by other Shareholders. In addition, the future pattern of shareholding of the Company will change depending on the take up of Entitlements of the other Shareholders.

In addition, CPS proposes to engage sub-underwriters to sub-underwrite the Entitlement Issue.

Notwithstanding the potential effect of the underwriting detailed in the table (and paragraph) above, in accordance with the terms of the Lead Manager and Underwriting Agreement CPS Securities will allocate the Shortfall to its sub-underwriters and/or clients such that neither CPS Securities, the sub-underwriters nor any of CPS Securities' clients, individually, will have a voting power in the Company in excess of 20% after the issue of the Shortfall. Therefore, although the information detailed in this Section 8.3, sets out the hypothetical position of CPS Securities if it is required to subscribe for the Shortfall under the Entitlement Issue, in practical terms, neither CPS Securities nor any of the sub-underwriters nor any of CPS Securities' clients will obtain control of the Company as a result of CPS Securities underwriting the Entitlement Issue.

#### 8.4 Directors' Interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offers pursuant to this Prospectus; or
- (c) the offer of Securities pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Securities or otherwise) to any Director or to any firm in which any such Director is a partner or director, either to induce him to become, or to qualify him as, a Director or otherwise for services rendered by him or by the firm in connection with the formation or promotion of the Company or the offer of Securities pursuant to this Prospectus.

Directors' relevant interests in securities of the Company at the date of this Prospectus are:

Name	Shares	Options	Entitlement
Matthew Wood	26,750,000 <sup>1</sup>	Nil	8,916,667
Kell Nielsen	6,200,000 <sup>2</sup>	20,000,000	2,066,667
Timothy Flavel	16,750,000 <sup>3</sup>	Nil	5,583,334
Nicholas Lindsay	12,000,000	Nil	4,000,000
George Tumur	3,300,000	10,000,000	1,100,000

**Notes:**

1. 20,750,000 Shares held by Mitchell Grass Holdings Pty Ltd as trustee for the Wood Family Account and 6,000,000 Shares jointly held by Matthew Wood & Belinda Wood as trustee for the M&B Wood Superfund Account.
2. 4,400,000 Shares held by Kell Nielsen & Paula Nielsen, as trustees for the Meelup Super Fund Account.
3. 13,750,000 Shares held by Timothy Flavel as trustee for the Flavel Family Account and 3,000,000 Shares held by Warrior Consulting Pty Ltd a Company of which Mr Flavel is the sole director.
4. Each of the Directors has indicated that it is their present intention to subscribe for all of their Entitlement under the Entitlement Issue.

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

The current Directors were not appointed as Directors of the Company as at 30 June 2009. Accordingly, no remuneration was paid to the Directors for the year ended 30 June 2009. The Company paid no fees to the former Directors during the year ended 30 June 2009. For the period from 1 July 2009 to the date of this Prospectus \$303,325 has been paid or is payable by the Company by way of approved remuneration for services provided by all Directors or former Directors (executive, non-executive and alternate), companies associated with those Directors or former Directors or their associates in their capacity as Directors or former Directors, employees, consultants or advisers (and including superannuation payments).

Directors, companies associated with the directors or their associates are also reimbursed for all reasonable expenses properly incurred in the course of conducting their duties which include, but are not in any way limited to, out of pocket expenses, travelling expenses, disbursements made on behalf of the Company and other miscellaneous expenses.

## **8.5 Interests and Consents of Experts and Advisers**

Other than as set out below or elsewhere in this Prospectus, no expert, underwriter, 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 this Prospectus, nor any firm in which any of those persons is or was a partner, nor any company with which any of those persons is or was associated, has or had within 2 years before the lodgement of this Prospectus with the ASIC, 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 of Securities pursuant to this Prospectus; or
- (c) the offer of Securities pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Securities or otherwise) to any expert, underwriter, 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 this Prospectus, or

to any firm in which any of those persons is or was a partner, or to any company with which any of those persons is or was associated, for services rendered by that person, or by the firm or the company, in connection with the formation or promotion of the Company or the Offers pursuant to this Prospectus.

Pursuant to Section 716 of the Corporations Act, CPS Securities has given and has not withdrawn its consent to being named as lead manager in relation to the Offers and underwriter in relation to the Entitlement Issue in the Corporate Directory of this Prospectus in the form and context in which it is named. CPS Securities has not caused or authorised the issue of this Prospectus, does not make or purport to make any statement in this Prospectus and takes no responsibility for any part of this Prospectus.

CPS Securities will be paid an underwriting and management fee of approximately \$38,856. In the past two years, CPS Securities has been paid \$120,000 in fees by the Company in connection with corporate services and a previous capital raising undertaken by the Company. CPS Securities has a relevant interest in 6,335,000 Shares and therefore will have an Entitlement under the Entitlement Issue. CPS Securities has indicated that it is their present intention to subscribe for all of their Entitlement under the Entitlement Issue (being 2,111,667 Shares and 2,111,667 free attaching Options)

Pursuant to Section 716 of the Corporations Act, Steinepreis Paganin has given, and has not withdrawn its consent to being named as Solicitors to the Company in the Corporate Directory of this Prospectus in the form and context in which it is named. Steinepreis Paganin has not caused or authorised the issue of this Prospectus, does not make or purport to make any statement in this Prospectus and takes no responsibility for any part of this Prospectus.

Steinepreis Paganin act as solicitors to the Company. Steinepreis Paganin will be paid approximately \$7,500 for services in relation to this Prospectus.

## 8.6 Litigation

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

## 8.7 Expenses of Offers

Assuming the Option Placement Offer Condition is satisfied and all Securities offered under this Prospectus are issued, the estimated expenses of the Offers are as follows:

Item	\$
ASX Fees	21,000
ASIC Fees	2,010
Print and Mailing Expenses	11,203
Management Fee	36,381
5% Placement and Underwriting Fee	181,906
Legal	7,500
<b>Total</b>	<b>260,000</b>

## 8.8 Market Price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Company's Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

Highest	4.5 cents	21 September 2009
Lowest	1.4 cents	5 February 2010
Last	2.1 cents	22 February 2010

## 8.9 Electronic Prospectus

Pursuant to Class Order 00/044, the ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please phone the Company on +618 9200 6264 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at <http://voyagerresources.net>.

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

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**9. DIRECTORS' AUTHORISATION**

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

In accordance with Section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

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**Mr Timothy Flavel**  
**For and on behalf of**  
**VOYAGER RESOURCES LIMITED**

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## 10. DEFINITIONS

**Applicant** means an investor that applies for Securities using an Application Form pursuant to this Prospectus.

**Application Form** means the Share Placement Offer Application Form, the Option Placement Offer Application Form and the Entitlement and Acceptance Form (all of which are either attached to or accompany this Prospectus) and **Application Form** means one of them.

**ASIC** means the Australian Securities and Investments Commission.

**ASTC Settlement Rules** means the settlement rules of the securities clearing house which operates CHESS.

**ASX** means the Australian Securities Exchange or ASX Limited (ABN 98 008 624 691), as the context requires.

**Board** means the board of Directors unless the context indicates otherwise.

**Business Day** means a day on which trading takes place on the stock market of ASX.

**Closing Date** means the Entitlement Issue Closing Date, the Share Placement Offer Closing Date and/or the Option Placement Offer Closing Date, as the context permits.

**Company** means Voyager Resources Limited (ACN 076 390 451).

**Constitution** means the Company's Constitution as at the date of this Prospectus.

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

**CPS Securities** means Cunningham Peterson Sharbanee Securities Pty Ltd trading as "CPS Securities" (ABN 73 088 055 636).

**Directors** means the directors of the Company at the date of this Prospectus.

**Dollar** or "\$" means Australian dollars.

**Entitlement** means the entitlement of a Shareholder who is eligible to participate in the Entitlement Issue.

**Entitlement Issue Closing Date** means 5:00 pm (WST) on 26 March 2010 (unless extended or closed earlier).

**Entitlement Issue** means the non-renounceable entitlement offer pursuant to this Prospectus of one (1) Share for every three (3) Shares held by a Shareholder on the Record Date to raise approximately \$2,648,124 together with one (1) free new Option for each Share issued exercisable at 2 cents on or before 30 September 2011.

**Entitlement and Acceptance Form** means the entitlement and acceptance form either attached to or accompanying this Prospectus in relation to the Entitlement Issue.

**General Meeting** means a general meeting of Shareholders to be held on or about 13 April 2010 (or any adjournment of that meeting).

**Listing Rules** or **ASX Listing Rules** means the Listing Rules of the ASX.

**Offers** means the Share Placement Offer, the Entitlement Issue and the Option Placement Offer.

**Official Quotation** means official quotation on ASX.

**Option** means an option to acquire a Share.

**Option Placement Offer** means the offer of up to 55,000,000 Options exercisable at 2 cents on or before 30 September 2011 at an issue price of 0.05 cents per Option to raise up to \$27,500 to parties nominated by CPS Securities.

**Option Placement Offer Application Form** means the Option Placement Offer Application Form either attached to or accompanying this Prospectus.

**Option Placement Offer Closing Date** means 5:00 pm (WST) on 13 April 2010 (unless extended or closed earlier).

**Option Placement Offer Condition** means the condition of the Option Placement Offer as defined in Section 4.1.

**Prospectus** means this prospectus.

**Qualifying Shareholders** means all Shareholders at 5.00pm (WST) on the Record Date whose registered addresses are in Australia and New Zealand.

**Record Date** means 5.00pm (WST) on 4 March 2010.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a shareholder of the Company.

**Share Placement Offer** means the offer of up to 55,000,000 Shares at an issue price of 1.75 cents per Share to raise up to \$962,500 to parties nominated by CPS Securities.

**Share Placement Offer Application Form** means the Share Placement Offer Application Form either attached to or accompanying this Prospectus.

**Share Placement Offer Closing Date** means 5:00 pm (WST) on 25 February 2010 (unless extended or closed earlier).

**Shortfall** means those Securities under the Entitlement Issue not applied for by Shareholders under their Entitlement.

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

**Shortfall Offer** means the offer as described in Section 4.5.

**WST** means Western Standard Time observed in Perth, Western Australia.



