



MINDAX

LIMITED

ACN 106 866 442

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## ENTITLEMENT OFFER PROSPECTUS

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For a non-renounceable entitlement offer of two (2) Shares for every five (5) Shares held by Eligible Shareholders, at an issue price of \$0.005 per Share to raise up to \$2,081,642 (being an issue of 416,328,544 Shares (subject to rounding), based on the number of Shares on issue as at the date of this Prospectus) (**Offer**).

### **Shortfall Offer**

For the offer of the shortfall to the Offer (**Shortfall Offer**).

### **Cleansing**

In addition to the Offer, this Prospectus has been prepared for the purposes of section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of certain Shares issued on or prior to the Closing Date.

### **IMPORTANT NOTICE**

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 or any other matter arising under this Prospectus, then you should consult your stockbroker, accountant or other professional adviser.

An Investment in the Securities offered by this Prospectus should be regarded as highly speculative.

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## 1. CORPORATE DIRECTORY

### Directors and Management

Mr Kgai Mun (Eric) Loh (Non-Executive Chairman)  
Mr Yonggang Li (Non-Executive Director)  
Mr Qinglong Zeng (Non-Executive Director)  
Mr Biao Zhun Zhu (Non-Executive Director)

Mr Benjamin Chow (CEO)

### Company Secretary

Dennis Wilkins

### Registered Office

Suite 2  
11 Ventnor Avenue  
West Perth WA 6005

Telephone: + 61 8 9389 2111

Email: [info@mindax.com.au](mailto:info@mindax.com.au)  
Website: [www.mindax.com.au](http://www.mindax.com.au)

### ASX Code

MDX

### Share Registry\*

Advanced Share Registry  
110 Stirling Highway  
NEDLANDS WA  
6009

Telephone: +61 8 9389 8033  
Facsimile: +61 8 6370 4203

### Auditor\*

BDO Audit (WA) Pty Ltd  
38 Station Street  
SUBIACO WA 6008

\*These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus.

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## 2. TIMETABLE

Company announces Offer	12 June 2020
Lodgement of Prospectus with ASIC and ASX and lodgement of Appendix 3B	12 June 2020
"Ex" date	16 June 2020
Record Date for determining Entitlements	17 June 2020
Dispatch of Prospectus to eligible Shareholders & Company announces this has been completed	22 June 2020
Opening Date	22 June 2020
Last day to extend the Closing Date of the Offer	7 July 2020
Closing Date*	10 July 2020
Shares quoted on a deferred settlement basis	13 July 2020
Announcement of results of the Offer	14 July 2020
Issue date/Securities entered into Shareholders' security holdings/ Lodgement of Appendix 2A with ASX **	16 July 2020
Close of the Shortfall Offer	9 October 2020

\*The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. Accordingly, the date the Securities commence trading on ASX may vary from the date timetabled.

\*\*The Company has been suspended from trading on the ASX since 26 June 2019.

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### 3. IMPORTANT NOTES

This Prospectus is dated 12 June 2020 and was lodged with the ASIC on that date. The ASIC, the ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

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

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. An investment in the Securities the subject of this Prospectus should be considered highly speculative.

Applications for Securities offered pursuant to this Prospectus can only be submitted on an original Entitlement and Acceptance Form or Shortfall Application Form.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus consideration 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.

Potential investors should be aware that subscribing for Securities in the Company involves a number of serious risks. The key risk factors of which investors should be aware are set out in Section 7. These risks, together with other general risks applicable to all investments in listed securities not specifically referred to, are likely to affect the value of the Shares. Accordingly, an investment in the Company should be regarded as highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

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## **4. DETAILS OF THE OFFER**

### **4.1 The Offer**

The Offer is being made as a non-renounceable entitlement offer of two (2) Shares for every five (5) Shares held by Eligible Shareholders at an issue price of \$0.005 per Share. Fractional entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus, a maximum of approximately 416,328,544 Shares will be issued pursuant to this Offer to raise approximately \$2,081,643 (before costs of the Offer).

As at the date of this Prospectus the Company has no options on issue.

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 purpose of the Offer and the intended use of funds raised are set out in Section 5.1.

The Company acknowledges the incomplete outcome of the fully underwritten entitlement offer that closed on 17 May 2019 (2019 Offer). Under the terms of the underwriting agreement for the 2019 Offer there is a further \$619,568 in shortfall to be placed by the underwriter. The Company has considered the prospects of pursuing the underwriter via legal action to recover this outstanding amount, but after considering the issues and costs around said legal action it was determined that it was not in the best interests of the Company to pursue legal action in this instance.

### **4.2 Shortfall Offer**

#### **(a) Placement of Shortfall Shares**

Exempt Investors invited by or on behalf of the Company may apply for additional Shares under the Shortfall Offer under this Prospectus. The issue price of the Shares under the Shortfall Offer is \$0.005 each (equal to the issue price under the Offer).

The Shortfall Offer will open after the close of the Offer in accordance with the applicable ASX Listing Rules and the Corporations Act and the Company reserves the right to close the Shortfall Offer at any point prior to the closing date of the Shortfall Offer.

The Directors reserve the right to place some or all of the Shortfall under the Shortfall Offer. The Directors will have discretion as to how to allocate Shortfall.

Please refer to Section 4.8 for details on how to apply for Shares pursuant to the Shortfall Offer.

#### **(b) Placement of remaining Shares**

If after the close of the Shortfall Offer, any Shortfall has not been subscribed for under the Shortfall Offer, the Directors reserve the right to place some or all of the remaining Shares prior to the closing date of the Shortfall Offer. The Directors have the discretion to prioritise the placement of any such Shares to new investors in the Company.

**(c) General Shortfall allocation policy**

The Company cannot guarantee that you will receive the number of Shortfall Shares you apply for. If you do not receive any or all of the Shortfall Shares you applied for, the excess Application Monies will be returned to you without interest.

In the event that applications for Shortfall Shares exceed the total amount of the Shortfall, then applications will be scaled back. The Directors have the discretion to prioritise Applications for Shortfall Shares that are made by new investors in the Company.

The Company will not allocate Shortfall Shares (or remaining Shares) to the extent that the recipient's voting power would be in breach of the takeover thresholds in the Corporations Act.

**4.3 Additional Purpose**

On 29 October 2019, the Company issued 10,000,000 Shares at an issue price of \$0.005 under exemption section 708(1) of the Corporations Act and 6,000,000 Shares at a deemed issue price of \$0.005 in lieu of fees payable by the Company.

On 20 December 2019, the Company issued 30,000,000 Shares at an issue price of \$0.005 under exemption section 708(1) of the Corporations Act and 8,500,000 Shares at a deemed issue price of \$0.005 in lieu of fees payable by the Company.

On 27 March 2020, the Company issued 22,000,000 Shares at an issue price of \$0.005 under exemption section 708(1) of the Corporations Act.

On 28 May 2020, the Company issued 9,600,000 Shares at an issue price of \$0.005 under exemption section 708(1) of the Corporations Act and 1,580,000 Shares at a deemed issue price of \$0.005 in lieu of fees payable by the Company.

Generally, section 707(3) of the Corporations Act requires that a prospectus is issued in order for a person to whom securities were issued without disclosure under Part 6D of the Corporations Act to offer those securities for sale within 12 months of their issue. Accordingly, the additional purpose of this Prospectus is to remove any trading restrictions that may attach to Shares issued by the Company in accordance with an exemption under the Corporations Act.

Relevantly, section 708A(11)(b) provides that a sale offer does not need disclosure to investors if:

- the relevant securities are in a class of securities of the company that are already quoted on the ASX;
- a prospectus is lodged with ASIC either:
  - on or after the day on which the relevant securities were issued (section 708A(11)(b)(i)); or
  - before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued (section 708A(b)(ii)); and
- the prospectus is for an offer of securities issued by the company that are in the same class of securities as the relevant securities.

The issues of Shares by the Company were in accordance with an exemption under the Corporations Act and were not undertaken by the Company for the purpose of the recipients selling or transferring the Shares. However, the Directors consider that the persons who were issued Shares should be entitled, if they wish, to on-sell their securities prior to the expiry of 12 months after being issued.

#### 4.4 Minimum subscription

There is no minimum subscription under this Offer.

#### 4.5 Acceptance

Your acceptance of the Offer 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, you will be taken to have applied for Shortfall Shares (if any) under the Shortfall Offer, to the extent of the excess.

You may participate in the Offer as follows:

- (a) if you wish to accept your **full** Entitlement:
  - (i) complete the Entitlement and Acceptance Form; and
  - (ii) attach your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the amount indicated on the Entitlement and Acceptance Form.; or
- (b) if you wish to accept your **full** Entitlement **and apply for additional Shortfall Securities**:
  - (i) complete the Entitlement and Acceptance Form for the amount indicated on your Entitlement and Acceptance Form plus any additional Shortfall Shares you wish to apply for. You will be deemed to have applied for that number of Shortfall Shares which in aggregate with your Entitlement is covered in full by your application monies. In order to participate in the Shortfall Offer, you must apply for your Entitlement in full; and
  - (ii) attach your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the amount indicated on the Entitlement and Acceptance Form; or
- (c) if you only wish to accept **part** of your Entitlement:
  - (i) fill in the number of Shares you wish to accept in the space provided on the Entitlement and Acceptance Form; and
  - (ii) attach your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the appropriate Application Monies (at \$0.005 per Share);
- (d) if you do not wish to accept all or part of your Entitlement, do nothing.

The Offer is non-renounceable. Accordingly, you cannot sell or transfer all or part of your Entitlement.



#### 4.6 Payment by cheque/bank draft

All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to "Mindax Limited" and crossed "Not Negotiable".

Your completed Entitlement and Acceptance Form and cheque must reach the address specified on the Entitlement and Acceptance Form no later than 5:00 pm WST on the Closing Date.

#### 4.7 Payment by BPAY®

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (a) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form;
- (b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your Application Monies; and
- (c) if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for Shortfall Shares (if any) under the Shortfall Offer, to the extent of the excess.

If you have more than one shareholding of Shares and consequently receive more than one Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those shareholdings you must use only the unique customer reference number (**CRN**) specific to that Shareholding as set out in the applicable Entitlement and Acceptance Form. Do not use the same CRN for more than one of your Shareholdings. This can result in your Application Monies being applied to your Entitlement in respect of only one of your Shareholdings (with the result that any application in respect of your remaining Shareholdings will not be valid).

**It is your responsibility to ensure that your BPAY® payment is received by the share registry by no later than 4:00 pm (WST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. The Company will not be responsible for any delays in the receipt of the BPAY® payment.** Any Application Monies received for more than your final allocation of Shares (where the excess payment is \$1.00 or greater) will be refunded. No interest will be paid on any Application Monies received or refunded.

#### 4.8 Application for Shortfall Shares Under the Shortfall Offer

Persons who have received a firm allocation or other offer of Shares under the Shortfall Offer (either directly or via their stockbroker) may apply for Shares by arrangement with the Company.

Each such Applicant must submit a completed Shortfall Application Form together with the relevant Application Money before 4:00 pm (WST) on the Shortfall Offer Closing Date, in accordance with the Company's directions.

By making an Application, an Applicant will be taken to have confirmed that they have received a copy of the Prospectus together with the Shortfall Application Form.

#### 4.9 Implications of an acceptance

Returning a completed Entitlement and Acceptance Form with a cheque or paying any Application Monies by BPAY® will be taken to constitute a representation by you that:

- (a) you have received a copy of this Prospectus and the accompanying Entitlement and Acceptance Form, and read them both in their entirety; and
- (b) you acknowledge that once the Entitlement and Acceptance Form is returned, or a BPAY® payment instruction is given in relation to any Application Monies, the application may not be varied or withdrawn except as required by law.

#### 4.10 Dilutionary effect on Shareholders

Shareholders should note that if they do not participate in the Offer, their holdings may be diluted by up to approximately 28.57% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus). Examples of how the dilution may impact Shareholders is set out in the table below:

Holder	Holding as at Record Date	% at Record Date	Entitlements under the Offer	Holdings if Offer not taken Up	% post Offer
Shareholder 1	100,000,000	9.6%	40,000,000	100,000,000	6.9%
Shareholder 2	50,000,000	4.8%	20,000,000	50,000,000	3.4%
Shareholder 3	15,000,000	1.4%	6,000,000	15,000,000	1.0%
Shareholder 4	4,000,000	0.4%	1,600,000	4,000,000	0.3%
Shareholder 5	500,000	0.05%	200,000	500,000	0.03%

**Notes:**

1. Percentages post-Offer have been calculated on the basis of there being 1,457,149,903 Shares on issue on completion of the Offer. Refer to Section 5.4 for further details of the Company's capital structure.

#### 4.11 Shortfall Offer

Any Entitlement not taken up pursuant to the Offer will be the subject of the Shortfall Offer. The Shortfall Offer is a separate offer pursuant to this Prospectus and will remain open for up to three months following the Closing Date.

The Company will allow Eligible Shareholders (excluding related parties of the Company) to apply for Shares under the Shortfall Offer subject to such applications being received by the Closing Date. The issue price for each Share to be issued under the Shortfall Offer shall be \$0.005 being the price at which Shares have been offered under the Offer.

The allocation of the Shortfall Securities will be at the discretion of the Company. The Company does not intend to refuse an application for Shortfall Securities from Eligible Shareholders other than in circumstances of oversubscription or where

acceptance may result in a breach of the Corporations Act. If the number of Shortfall Securities applied for by Eligible Shareholders exceeds the total Shortfall, the Shortfall Securities will be allocated among applying Eligible Shareholders proportionate to their existing holdings.

The Company notes that no Shares will be issued to an applicant under this Prospectus or via the Shortfall Offer if the issue of Shares would contravene the takeover prohibition in section 606 of the Corporations Act.

#### **4.12 ASX listing**

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made in accordance with the timetable set out at the commencement of this Prospectus.

If approval for quotation of the Shares to be issued under the Offer is not granted within 3 months after the date of this Prospectus, the Company will not issue any Shares and will repay all Application Monies without interest as soon as practicable.

The Company notes, however, that its Shares have been suspended from quotation since 26 June 2019 and it is anticipated that its Shares will remain suspended until the Company can satisfy certain requirements of the ASX.

The Shares were initially suspended in accordance with Listing Rule 17.3, pending confirmation of compliance with Listing Rules 12.1 and 12.2.

The Company notes that the Offer is not conditional on the Company being reinstated to trading and the Company recommends Shareholders carefully consider the risk factors set out in Section 7 that could affect the performance of the Company, particularly with respect to the reinstatement to trading of its Shares on ASX.

#### **4.13 Issue of Securities**

Securities issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and indicative timetable set out at the commencement of this Prospectus.

Shares issued pursuant to the Shortfall Offer will be issued on a progressive basis. Where the number of Shares issued is less than the number applied for, or where no issue is made, surplus application monies will be refunded without any interest to the Applicant as soon as practicable after the closing date of the Shortfall Offer.

Pending the 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.

Holding statements for Securities issued under the Offer will be mailed in accordance with the ASX Listing Rules and indicative timetable set out at the commencement of this Prospectus.

#### **4.14 Overseas shareholders**

This document is only intended to be distributed and made available to existing Shareholders and is personal to each Shareholder to whom it has been delivered. The Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Shares these Shareholders would be offered, and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Securities will not be issued to Shareholders with a registered address which is outside Australia, New Zealand or any of the jurisdictions outlined below.

If you are outside Australia, New Zealand or any of the jurisdictions outlined below it is your responsibility to obtain all necessary approvals for the issue of the Securities pursuant to this Prospectus. The return of a completed Application Form or payment of any Application Monies by BPAY® will be taken by the Company to constitute a representation and warranty by you to the Company that all relevant approvals have been obtained.

##### ***New Zealand***

The Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (New Zealand).

This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

##### ***China***

This document has not been approved by, nor registered with, any competent regulatory authority of the People's Republic of China (excluding, for purposes of this paragraph, Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan). Accordingly, the Shares may not be offered or sold in the PRC either publicly or privately, nor may any invitation, advertisement, solicitation or other means to offer any Shares be made from within the PRC. This document does not constitute, or purport to constitute, an offer of New Shares in the PRC.

##### ***Hong Kong***

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

## **Malaysia**

No approval from, or recognition by, the Securities Commission of Malaysia has been or will be obtained in relation to any offer of Shares. The Shares may not be offered or sold in Malaysia except to existing shareholders of the Company pursuant to an exemption under the Malaysian Capital Markets and Services Act.

## **Singapore**

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

This document has been given to you on the basis that you are an existing holder of the Company's shares. If you are not such a shareholder, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

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

This Offer Memorandum may not be released or distributed in the United States. This Offer Memorandum does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state of the United States, and may not be offered or sold in the United States, or to, or for the account or benefit of a US Person, except in a transaction exempt from the registration requirements of the US Securities Act and applicable United States state securities laws.

### **Nominees and custodian**

Nominees and custodians may not submit an Entitlement and Acceptance Form on behalf of any person resident outside Australia, New Zealand or any of the jurisdictions outlined above without the prior consent of the Company, taking into account relevant securities law restrictions. Return of a duly completed Entitlement and Acceptance Form or paying any Application Monies by BPAY® will constitute a representation by you to the Company that there has been no breach of those regulations.

#### **4.15 Enquiries**

Any questions concerning the Offer should be directed to Mr Dennis Wilkins, Company Secretary, on +61 8 9389 2111.

## 5. PURPOSE AND EFFECT OF THE OFFER

### 5.1 Purpose of the Offer

The purpose of the Offer is to raise up to \$2,081,643 and enable the Company to:

- advance the Company's Mt Forrest Project;
- comply with the requirements of the ASX to enable the removal of the trading suspension in Shares; and
- provide the Company with additional working capital.

The funds raised from the Offer are planned to be used in accordance with the table set out below:

Item	Proceeds of the Offer	Full Subscription (\$)	%
<b>Allocation of funds</b>			
1.	Mt Forrest Project	1,250,000	60.05%
2.	Meekatharra Project	100,000	4.80%
3.	Corporate and Administration Costs and general working capital	681,643	32.75%
4.	Expenses of the Offer	50,000	2.40%
	<b>Total</b>	<b>2,081,643</b>	<b>100.0</b>

#### Notes:

Working capital may include payments to contractors, rent, insurance, accounting, audit, legal and listing fees, payments to creditors, other items of a general administrative nature and cash reserves which may be used in connection with the Company's activities, as determined by the Board at the relevant time.

The above table is a statement of the Board's current intention as at the date of this Prospectus. However, Shareholders should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors, including the outcome of operational and development activities, regulatory developments, market and general economic conditions and environmental factors. In light of this, the Board reserves the right to alter the way the funds are applied.

If Entitlements under the Entitlement Offer are not fully taken up by Shareholders then this may have an effect on the rate at which any plans are undertaken by the Company. Additional funding through debt or equity may be considered by the Board where it is appropriate to accelerate a specific project or transaction.

If the Company decides to make any significant acquisitions of, or significant investments in, companies or other assets that are complimentary to its business, then it is possible that such acquisitions would be funded by additional financing through debt or equity (subject to any necessary Shareholder approvals).

### 5.2 Effect of the Offer

The principal effect of the Offer will be to:

- (a) increase the cash reserves by \$2,081,643 (prior to deducting the estimated expenses of the Offer) immediately after completion of the Offer; and
- (b) increase the number of Shares on issue from 1,040,821,359 as at the date of this Prospectus to approximately 1,457,149,903 Shares following completion of the Offer.

### 5.3 Pro-forma balance sheet

The audit reviewed balance sheet as at 31 December 2019 and the unaudited pro-forma balance sheet as at 31 December 2019 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes that will result to its financial position as a consequence of the Offer.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	Audit Reviewed 31 December 2019 \$	Unaudited Proforma 31 December 2019 \$ MAXIMUM
<b>CURRENT ASSETS</b>		
Cash	27,711	2,059,354
Trade and other receivables	12,675	12,675
Prepayments	794	794
<b>TOTAL CURRENT ASSETS</b>	<b>41,180</b>	<b>2,072,823</b>
<b>NON-CURRENT ASSETS</b>		
Plant and equipment	9,251	9,251
Other assets	2,885	2,885
Exploration and evaluation assets	2,273,254	2,273,254
<b>TOTAL NON-CURRENT ASSETS</b>	<b>2,285,390</b>	<b>2,285,390</b>
<b>TOTAL ASSETS</b>	<b>2,326,570</b>	<b>4,358,213</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables <sup>(1)</sup>	1,212,059	1,212,059
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,212,059</b>	<b>1,212,059</b>
<b>TOTAL LIABILITIES</b>	<b>1,212,059</b>	<b>1,212,059</b>
<b>NET ASSETS</b>	<b>1,114,511</b>	<b>3,146,154</b>
<b>EQUITY</b>		
Contributed equity	44,464,188	46,495,831
Reserves	871,452	871,452
Accumulated losses	(44,221,129)	(44,221,129)
<b>TOTAL EQUITY</b>	<b>1,114,511</b>	<b>3,146,154</b>

**Notes:**

1. Further details on the composition of trade and other payables, including amounts owed to the directors and other related parties, are provided at section 8.3.

The pro-forma balance sheet assumes the following:

- (a) the issue of 416,328,544 Shares under the Offer at \$0.005 each to raise approximately \$2,081,643; and
- (b) the estimated costs of the Offer are \$50,000, which amounts are shown as a deduction against contributed equity.

#### 5.4 Effect on capital structure

The effect of the Offer on the capital structure of the Company is set out below.

##### Shares

	Number
Shares currently on issue	1,040,821,359
Shares offered pursuant to the Offer/Shortfall Offer	416,328,544
<b>Total Shares on issue after completion of the Offer/Shortfall Offer</b>	<b>1,457,149,903</b>

The capital structure on completion of the Offer (assuming all Entitlements are accepted) would be 1,457,149,903 Shares.

#### 5.5 Substantial Holders

Based on publicly available information as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%	Entitlement (Shares)
Andrew Tsang	266,978,606	25.65%	106,791,442
Meilian Zeng	74,500,000	7.16	29,800,000

**Note:**

1. The voting power in the table is prior to settlement of the Offer.

In the event that all Entitlements are accepted there will be no change to the substantial holders on completion of the Offer.



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## 6. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

### 6.1 Shares

The following is a summary of the more significant rights and liabilities attaching to Shares being offered 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.

#### (a) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares (at present there are none), at meetings of Shareholders of the Company:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or Representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or Representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or Representative, have one vote for the Share, but in respect of partly paid Shares, shall have such number of votes being equivalent to the proportion which the amount paid (not credited) is of the total amounts paid and payable in respect of those Shares (excluding amounts credited).

#### (b) Dividends

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

#### (c) Winding Up

Subject to the rights of holders of shares with special rights in a winding up (at present there are none), on a winding up of the Company all assets that may be legally distributed among members will be distributed in proportion to the number of Shares held by them, irrespective of the amount paid-up or credited as paid up on the Shares.

(d) **Transfer of Shares**

Subject to the Constitution, the Corporations Act, the ASX Settlement Operating Rules and ASX Listing Rules, Shares are freely transferable.

(e) **Issue of Shares**

Without prejudice to any special rights previously conferred on the holders of any existing Shares or class of Shares, unissued Shares shall be under the control of the Directors and, subject to the Corporations Act, the Listing Rules and this Constitution, the Directors may at any time issue such number of Shares either as ordinary Shares or Shares of a named class or classes (being either an existing class or a new class) at the issue price that the Directors determine and with such preferred, deferred, or other special rights or such restrictions, whether with regard to dividend, voting, return of capital or otherwise, as the Directors shall, in their absolute discretion, determine.

(f) **General Meetings**

Each Shareholder is entitled to receive notice of and to attend general meetings for the Company and to receive all notices and any other information required to be sent to Shareholders under the Constitution, the Corporations Act or Listing Rules.

(g) **Variation of Rights**

Subject to the terms of issue of shares in a particular class, the Company, with the sanction of a special resolution passed at a meeting of Shareholders or with the consent in writing of members who are entitled to at least three quarters of the votes that may be cast in respect of Shares in that class, may vary or cancel the rights attached to shares in that class or convert shares from one class to another class.

(h) **Shareholder Liability**

As the new Shares will be fully paid shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(i) **Alteration to the Constitution**

The Constitution can only be amended by special resolution of the members of the Company.

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## 7. RISK FACTORS

Activities in the Company, as in any business, are subject to risks, which may impact on the Company's performance. The Company has implemented strategies, actions, systems and safeguards for known risks within its control but many impacting variables are beyond the control or influence of the Company.

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

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

### 7.1 Specific risks associated with the Company

#### (a) Quotation and Delisting Risk

The Company's securities have been suspended since 26 June 2019 and it is anticipated that the Company's securities will remain suspended until the Company can satisfy certain requirements of the ASX regarding compliance with Listing Rules 12.1 and 12.2.

ASX Guidance Note 33 provides that an entity whose securities have been suspended from quotation for a continuous period of 2 years will be automatically removed from the Official List. ASX Guidance Note 33 also provides that an extension to the date of automatic removal of long term suspended entities for up to three (3) months may be granted where a Company is in the final stages of implementing a transaction.

Whilst the Company will endeavour to satisfy the ASX regarding compliance with Listing Rules 12.1 and 12.2 there is a risk that this may not be achieved by 26 June 2021, and an extension may not be granted by the ASX, and as a result, the Company may be removed from the ASX Official List on this date. If this does occur then the Company will need to make application to the ASX for readmission to the Official List. If the Company is not readmitted to the Official List then there will be no formal market place for the sale and purchase of the Shares. This will result in the Shares being held in an unlisted vehicle with determination of their value difficult.

Please refer to Section 4.12 for further information regarding the Company's reinstatement to the Official List.

The Offer is not conditional on the re-quotation or continued listing of the Company's securities. The Company will be accepting all validly completed Acceptance Forms and issuing the Shares regardless of whether its securities remain suspended on the Closing Date.

#### (b) Coronavirus (COVID – 19)

The outbreak of the coronavirus disease (**COVID-19**) is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.

The Directors are monitoring the situation closely and have considered the impact of COVID-19 on the Company's business and financial performance. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain. In compliance with its continuous disclosure obligations, the Company will update the market regarding the impact of the coronavirus and adverse impact on the Company. If any of these impacts appear material prior to close of the Offer, the Company will notify investors under a supplementary prospectus.

(c) **Going concern risk**

The Company's annual report for the financial year ended 30 June 2019 (**Annual Report**) includes a note on the financial condition of the Company and the possible existence of a material uncertainty about the Company's ability to continue as a going concern.

Notwithstanding the 'going concern' paragraph included in the Annual Report, the Directors believe that upon the successful completion of the Offer, the Company will have sufficient funds to adequately meet the Company's current expenditure commitments and short-term working capital requirements.

The Company has received financial support over a long period of time from its major shareholders and investors and believes this support will continue.

(d) **Potential for significant dilution**

Upon implementation of the Offer, assuming all Entitlements are accepted, the number of Shares will increase from 1,040,821,359 currently on issue to 1,457,149,903. This means that each Share will represent a significantly lower proportion of the ownership of the Company. However, it is noted that if a Shareholder accepts their Entitlement in full, there will be no dilution to their percentage ownership in the Company.

It is not possible to predict what the value of the Company or a Share will be following the completion of the Offer being implemented and the Directors do not make any representation as to such matters.

(e) **Resource Estimates**

Resource and reserve estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates, which were valid when originally calculated, may alter 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 may change. Accordingly, the actual resources may materially differ from these estimates and assumptions and no assurances can be given that the resource estimates and the underlying assumptions will be realised. This could result in alterations to development and mining/extraction plans, which may, in turn, affect the Company's operations and ultimately the Company's financial performance and value.

(f) **Development**

Any future discovery may not be commercially viable or recoverable. For a wide variety of reasons, not all discoveries are commercially viable and even if an apparently viable deposit is identified, there is no guarantee that it can be economically developed and exploited.

(g) **Commodity Prices**

Commodity prices, including the price of iron ore and gold, can fluctuate rapidly and are affected by numerous factors beyond the control of the Company. Just what drives specific commodity prices can be the subject of much sophic debate but factors may include investor and market sentiment and outlook, production costs, sustaining costs, macroeconomic factors such as actual and expected inflation, interest rates, exchange rates, and global and regional demand for, and supply of, commodities as well as general global economic conditions. These factors may have an adverse effect on the Company's activities as well as the Company's ability to fund those activities.

(h) **Contractors, Consultants and Advisors**

The operations of the Company require the involvement of a number of third parties, including suppliers, contractors and consultants. In particular, the Company engages or will engage a number of external contractors and consultants to provide goods and services. Financial failure, default or contractual non-compliance on the part of such third parties may have a material impact on the operations and performance of the Company. It is not possible for the Company to predict or protect the Company against all such risks.

(i) **Title and Tenure**

Exploration tenements are subject to periodic renewal. The renewal of the term of a granted tenement is also subject to the discretion of the relevant Minister. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising the Company's projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

The relevant legislation governing the title and tenure of the Company's tenements is the Mining Act 1978 (WA) and Mining Regulations 1981 (WA).

(j) **Native title and access risk**

The Company's activities in Australia are subject to the Native Title Act 1993 (Cth) and associated law relating to Native Title and Aboriginal land. The Company's exploration and mining activities can be affected by land claim compensation considerations. It is possible that aboriginal sacred sites may be found within tenements held by the Company and which may preclude exploration and mining activities and the Company may also experience delays with respect to obtaining permission from the traditional owners to explore and extract Mineral Resources. The

Company must also comply with Aboriginal heritage legislation requirements and access agreements which require heritage survey work to be undertaken ahead of the commencement of exploration and mining activities.

(k) **Reliance on Key Personnel**

Several of the Directors have intimate knowledge of the Company's assets, including the Chief Executive Officer, Mr Benjamin Chow. The responsibility of overseeing the Company's day to day operations and setting the Company's strategic direction and policy is substantially the responsibility of the Chief Executive Officer.

(l) **Exploration risk**

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions.

Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

(m) **Environmental Risks**

The Company is subject to a number of laws and regulations regarding the protection of the environment. These laws and regulations set various standards regulating certain aspects of health and environmental quality and provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to remediate current and former activities and locations where operations are or were conducted. Significant liability could be imposed on the Company for damages, clean-up costs, or penalties in the event of certain discharges into the environment, environmental damage caused by previous occupiers or non-compliance with environmental laws or regulation. The Company proposes to minimise these risks by conducting its activities in an environmentally responsible manner, in accordance with applicable laws and regulations and where possible, by carrying appropriate insurance coverage.

(n) **Regulatory Risk**

The Company's potential mining operations and exploration and development activities are subject to extensive laws and regulations relating to numerous matters including resource licence consent, conditions including environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, native title and heritage matters, protection of endangered and protected species and other matters. The Company requires permits from regulatory authorities to authorise the Company's operations. These permits relate to exploration, development, production and rehabilitation activities.

## 7.2 General risks

### (a) Economic and political conditions

The value of the Company's securities is likely to fluctuate depending on various factors including, but not limited to: (a) inflation, (b) interest rates, (c) domestic and international economic growth, changes to taxation legislation, interpretation and policies, (d) legislative change, (e) political stability, (f) disasters, (g) industrial disputes, (h) social unrest, (i) war on a local or global scale, (j) mining industry conditions, (k) stock market conditions in Australia and elsewhere, (l) changes in investor sentiment towards particular market sectors, (m) acts of God, (n) acts of terrorism, (o) potential, actual or anticipated variations in the Company's operating results, (p) adverse publicity, (q) adverse attitudes and opinions of members or representatives of the community, government or parliament, and (r) concerns in global markets (or responses thereto) regarding the state of sovereign debt in various jurisdictions and unions.

### (b) Taxation Risk

Any change in the Company's tax status or the tax applicable to holding Shares or in taxation legislation or its interpretation, could affect the value of the investments held by the Company, affect the Company's ability to provide returns to Shareholders and/or alter the post-tax returns to Shareholders.

### (c) Changes in Government Policy

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

### (d) Insurance Risks

Any event could have a material adverse effect on the business, financial condition and results of the Company. Insurance against all risks associated with mining exploration and production is not always available and, where available, the costs can be prohibitive. The Company currently does not have Director and Officers' insurance cover and is currently reviewing options. Public liability cover is current.

### (e) Competition Risk

The industry in which the Company is involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.

(f) **Force Majeure**

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

(g) **Litigation Risks**

The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.

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 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 an 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 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.

### **8.2 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 a 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 the 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 the 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 the 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 by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Description of Announcement
28/05/2020	Appendix 2A
28/05/2020	Appendix 2A
28/05/2020	Appointment of Chairman
23/04/2020	Quarterly Cashflow Report
23/04/2020	Quarterly Activities Report
09/04/2020	Initial Director's Interest Notice
09/04/2020	Board Changes
09/04/2020	Final Director's Interest Notice
02/04/2020	Becoming a substantial holder
30/03/2020	Appendix 2A
13/03/2020	Half Year Accounts
28/01/2020	Quarterly Activities Report
28/01/2020	Quarterly Cashflow Report
20/12/2019	Appendix 3B
12/11/2019	Results of Meeting
31/10/2019	Quarterly Cashflow Report
31/10/2019	Quarterly Activities Report
29/10/2019	Appendix 3B
11/10/2019	Notice of Annual General Meeting/Proxy Form
27/09/2019	Appendix 4G and Corporate Governance Statement

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.

The announcements are also available through the Company's website at [www.mindax.com.au](http://www.mindax.com.au).

### 8.3 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

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

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

- (a) as an inducement to become, or to qualify as, a Director; or
- (b) for services provided in connection with:
  - (i) the formation or promotion of the Company; or
  - (ii) the Offer.

#### **Security holdings**

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus, together with their respective Entitlement and take up intentions, is set out below:

Director	Shares	Entitlement (Shares)	\$
Eric Loh	Nil	Nil	Nil
Yonggang Li	Nil	Nil	Nil
Biaozhun Zhu	Nil	Nil	Nil
Qinglong Zeng	25,565,000	10,226,000	51,130

The Board recommends all Shareholders take up their Entitlement and advises that all Directors holding shares in the Company intend to take up their respective Entitlements.

## Remuneration

The remuneration of an executive Director is decided by the Board. The total maximum remuneration of non-executive Directors is set by the Constitution but may be varied by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum is made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director and the prevailing circumstances of the Company.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the annual remuneration paid (in fees and securities) to both executive and non-executive Directors inclusive of superannuation for the past two financial years and the proposed remuneration for the financial year ending 30 June 2020.

Director	Financial Year ending 30 June 2020 (Estimated)	Financial Year ended 30 June 2019 <sup>2</sup>	Financial Year ended 30 June 2018
Eric Loh <sup>(1)</sup>	\$64,929	\$61,868	\$61,868
Yonggang Li <sup>(2)</sup>	\$30,113	\$30,113	\$30,113
Biaozhun Zhu <sup>(3)</sup>	\$6,553	Nil	Nil
Qinglong Zeng <sup>(4)</sup>	\$27,921	\$912	Nil

**Note:**

- Eric Loh was appointed Chairman on 28 May 2020 and is paid a Chairman fee of \$50,000 per annum, and committee fees.  
Mr Loh was previously paid \$25,000 per annum for his role as non-executive director, and committee fees, prior to his appointment as Chairman. He is also paid monthly consultancy fees of \$2,000 for services rendered to the Company.
- Yonggang Li is paid \$25,000 per annum for his role as non-executive director, and committee fees.
- Biaozhun Zhu was appointed on 9 April 2020 and is paid \$25,000 per annum for his role as non-executive director, and committee fees.
- Qinglong Zeng was appointed on 19 June 2019 and is paid \$25,000 per annum for his role as non-executive director, and committee fees.

The Directors acknowledge that the Company is not currently in a financial position to pay their director fees which will accrue to be paid once the Company has the financial resources to do so. Directors fees have been accruing from 1 April 2015.

Of the \$1,212,059 in trade and other payables outstanding at 31 December 2019 disclosed at section 5.3, \$1,138,888 are owed to related parties (which include the directors) and internal creditors and \$73,171 are owed to external creditors. Director fees continue to accrue.

The related parties have indicated they will continue to support the Group and defer repayment terms and entitlements until such time that the Group has the financial capacity to compensate them.

#### **8.4 Interests of experts and advisers**

Other than as set out below or elsewhere in this Prospectus, no:

- (a) 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;
- (b) promoter of the Company; or
- (c) underwriter to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

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

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (a) the formation or promotion of the Company; or
- (b) the Offer.

DWCorporate Pty Ltd has acted as advisor to the Company in relation to the Offer. The Company estimates it will pay DWCorporate Pty Ltd \$30,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, DWCorporate Pty Ltd has provided services totalling \$381,712 (excluding GST and disbursements) for Company Secretarial and accounting services provided to the Company.

#### **8.5 Consents**

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- (b) to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

DWCorporate Pty Ltd has given its written consent to being named as the advisor to the Company in this Prospectus. DWCorporate Pty Ltd has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

## 8.6 Expenses of the Offer

In the event that all Entitlements are accepted, the total expenses of the Offer are estimated to be \$50,000 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	3,206
ASX fees	9,110
Document preparation costs	30,000
Share registry, printing and other	7,684
<b>Total</b>	<b>50,000</b>

## 8.7 Market price of shares

The Company's shares have been suspended from trading on the ASX since 26 June 2019. Accordingly there has been no trading in the Company's shares since that date and there is no highest and lowest sale price of Shares on ASX during the 3 months preceding the date of this Prospectus. The last sale price before the Company was suspended from trading and lodgement of this Prospectus with the ASIC was \$0.003 per Share.

## 8.8 Electronic prospectus

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 +61 8 9389 2111 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 [www.mindax.com.au](http://www.mindax.com.au).

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.

## 8.9 Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

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

The Company is a participant 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 issued 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.

## **8.11 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 holder of equity securities in the Company, 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 ASX Settlement Operating 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.

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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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**Eric Loh**  
**Non-Executive Chairman**  
**For and on behalf of**  
**MINDAX LIMITED**

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10. **GLOSSARY**

**\$** means the lawful currency of the Commonwealth of Australia.

**Applicant** means an Eligible Shareholder who applies for Securities pursuant to the Offer or a Shareholder or other party who applies for Shortfall Securities pursuant to the Shortfall Offer.

**Application** means an application to subscribe for Securities under this Prospectus.

**Application Form** means an Entitlement and Acceptance Form or Shortfall Application Form as the context requires.

**Application Monies** means money submitted by Applicants in respect of Applications.

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

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

**ASX Listing Rules** means the listing rules of the ASX.

**ASX Settlement Operating Rules** means the settlement rules of the securities clearing house which operates CHESSE.

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

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

**Cleansing** means for the purposes of section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of certain Shares issued on or prior to the Closing Date.

**Closing Date** means the date specified in the timetable set out at the commencement of this Prospectus (as extended, if applicable).

**Company** means Mindax Limited (ACN 106 866 442).

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

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

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

**Eligible Shareholder** means a Shareholder of the Company as at the Record Date other than an Ineligible Shareholder.

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

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

**Ineligible Shareholder** means a Shareholder as at the Record Date whose registered address is not situated in Australia, New Zealand or any of the jurisdictions outlined in section 4.14.

**Offer** means the non-renounceable entitlement offer the subject of this Prospectus.

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

**Prospectus** means this prospectus.

**Record Date** means the date specified in the timetable set out at the commencement of this Prospectus.

**Section** means a section of this Prospectus.

**Securities** means Shares

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

**Shareholder** means a holder of a Share.

**Shortfall** means the Securities not applied for under the Offer (if any).

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

**Shortfall Offer** means the offer of the Shortfall on the terms and conditions set out in this Prospectus.

**Shortfall Offer Closing Date** means the date the Company has determined to close the Shortfall Offer as set out in this Prospectus.

**Shortfall Securities** means those Shares issued pursuant to the Shortfall.

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

For personal use only

## ENTITLEMENT AND ACCEPTANCE FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCKBROKER OR LICENSED PROFESSIONAL ADVISOR.

REGISTERED OFFICE: Suite 2, 11 Ventnor Avenue, West Perth WA 6005  
 SHARE REGISTRY: Advanced Share Registry Ltd, 110 Stirling Highway, Nedlands WA 6009

Sub-Register	
HIN / SRN	
Shareholding at Record Date 17 June 2020	
Entitlement to Shares on 2 New Shares for every 5 Existing Shares held basis	
Amount payable on acceptance at A\$0.005 per New Share	


For a non-renounceable entitlement offer of two (2) Shares for every five (5) Shares held by Eligible Shareholders, at an issue price of \$0.005 per Share to raise up to \$2,081,642 (being an issue of 416,328,544 Shares (subject to rounding), based on the number of Shares on issue as at the date of this Prospectus) (**Offer**).

The Offer opens on 22 June 2020 and closes at 5:00pm AWST on 10 July 2020 (unless it is lawfully extended). Valid acceptances must be received before that time.

To the Directors  
**MINDAX LIMITED**

- I/We the above mentioned, being registered on 17 June 2020 as the holder(s) of shares in your Company hereby accept the below mentioned New Shares issued in accordance with the enclosed Offer Prospectus dated 12 June 2020;
- I/We hereby authorise you to place my/our name(s) on the register of shareholders in respect of the number of New Shares allotted to me/us; and
- I/We agree to be bound by the Constitution of the Company.

ENTITLEMENT			
(A)	(B)	(C)	(D)
Number of New Shares applied for (being not more than the Entitlement shown above)	Number of Additional Shares (if any) applied for (in excess of the Entitlement shown above)	Total New Shares applied for	Amount Payable (C) x A\$0.005
			AUD\$

METHOD OF ACCEPTANCE				
You can apply for New Shares and make your payment utilising one of the payment options detailed overleaf, however please indicate which payment option you have chosen by marking the relevant box below.				
<input type="checkbox"/>	PLEASE ENTER CHEQUE DETAILS	Drawer	Bank	Branch
				Amount
				\$
OR				
<input type="checkbox"/>		You can pay by BPAY. If you choose to pay by BPAY, you do not need to return this form. Please refer overleaf for details.		

NOTE: Cheques should be made payable to "MINDAX LIMITED", crossed "NOT NEGOTIABLE" and forwarded to Advanced Share Registry Ltd, 110 Stirling Highway, Nedlands, Western Australia, 6009 to arrive no later than 5:00pm AWST on 10 July 2020.

CONTACT DETAILS	
Name:	<input type="text"/>
Telephone:	<input type="text"/>
Email:	<input type="text"/>
Complete and sign below only if a change of address is to be registered with the Company	
New Address:	<input type="text"/>
Signature(s):	<input type="text"/> Date: <input type="text"/>
Please indicate correct title: Director / Secretary / .....	
<b>CHESSE holders must contact their Controlling Participant to notify a change of address.</b>	

## EXPLANATION OF ENTITLEMENT

1. The front of this form sets out the number of New Shares which you are entitled to apply for.
2. Your Entitlement may be accepted either in full or in part. There is no minimum acceptance.
3. The price payable on acceptance of each New Share is A\$0.005.
4. Please complete the Entitlement and Acceptance Form overleaf.

## APPLICATION INSTRUCTIONS

### Payment Details

You can apply for New Shares by utilising the payment options detailed below. There is no requirement to return this Form if you are paying by BPAY.

By making your payment using either BPAY or by cheque, bank draft or money order, you confirm that you agree to all of the terms and conditions of the Mindax Limited Rights Issue Offer Prospectus as enclosed with this form.

Your cheque, bank draft or money order should be made payable to "MINDAX LIMITED" in Australian currency and crossed "NOT NEGOTIABLE". Your cheque or bank draft must be drawn on an Australian branch of a financial institution. Please ensure you submit the correct amount. Complete cheque details in the boxes provided.

Cheques will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques returned unpaid may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the Entitlement and Acceptance Form. Cash will not be accepted. A receipt for payment will not be forwarded.

If the amount you pay is insufficient to pay for the number of New Shares you apply for, you will be taken to have applied for such lower number of New Shares as that amount will pay for, or your application will be rejected.

If the amount you pay is more than the amount payable for your full Entitlement, you will be taken to have applied for New Shares under the Shortfall Facility, if there is a shortfall. The Directors will at their discretion allot additional New Shares to Eligible Shareholders who apply for New Shares in excess of their full Entitlement under the Shortfall Facility if there is a shortfall. The Directors retain the right to place any other part of the Shortfall Facility.

### Contact Details

Enter the name of a contact person and telephone number. These details will only be used in the event that the registry has a query regarding this form.

### Lodgement of Application

If you are applying for New Shares and your payment is being made by BPAY, you do not need to return this form however you are encouraged to return the form to the registry for reconciliation purposes – in that case you can post the form to the registry or send it by facsimile to +61 8 6370 4203. Your payment must be received by no later than 3:00pm AWST on 10 July 2020. Applicants should be aware that their own financial institution may implement earlier cut off times with regard to electronic payment, and should therefore take this into consideration when making payment. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by this time.

If you are paying by cheque, bank draft or money order, your Application must be received by Advanced Share Registry Ltd ("ASW") by no later than 5:00pm AWST on 10 July 2020. You should allow sufficient time for this to occur. Return your Application with cheque, bank draft or money order attached.

**If you have any enquiries concerning this form or your entitlement, please contact Advanced Share Registry by telephone on (+61 8) 9389 8033 or facsimile on (+61 8) 6370 4203.**

**CHESS holders must contact their Controlling Participant to notify a change of address.**



#### Telephone & Internet Banking – BPAY

Call your bank, credit union or building society to make this payment from your cheque or saving account. More info:  
[www.bpay.com.au](http://www.bpay.com.au)

#### By Mail

Mindax Limited  
C/- Advanced Share Registry Ltd  
PO Box 1156, Nedlands  
Western Australia 6909

#### By Delivery

Advanced Share Registry Ltd  
110 Stirling Hwy  
Nedlands  
Western Australia 6009