

# **MINDAX LIMITED**

## **ACN 106 866 442**

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### **ENTITLEMENT ISSUE PROSPECTUS**

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For a pro rata renounceable entitlement issue of up to 30,302,913 Shares and up to 30,302,913 free attaching Options (**Primary Options**) on the basis of:

- one (1) Share for every five (5) Shares held by Shareholders on the Record Date at an issue price of \$0.25 per Share; and
- one (1) Primary Option for each Share issued, for no further consideration,

to raise approximately \$7,575,728 (together, **Rights Offer**). The Primary Option will be exercisable at \$0.30 each into one (1) Share and one (1) secondary Option with an exercise price of \$0.35 each (**Secondary Option**).

The Rights Offer is conditionally underwritten by Patersons Securities Limited (AFSL 239052). Refer to Section 7.2 for details regarding the terms of the Underwriting Agreement.

#### **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 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 and ASX	1 July 2011
Notice sent to Shareholders	4 July 2011
Ex Date and rights trading commences	12 July 2011
Record Date for determining Shareholder entitlements	18 July 2011
Prospectus despatched to Shareholders	22 July 2011
Rights trading ends	29 July 2011
Closing Date of the Rights Offer	8 August 2011
Notify ASX of under-subscriptions	10 August 2011
Despatch date	15 August 2011

\* These dates are determined based upon the current expectations of the Directors and may be changed in accordance with the ASX Listing Rules.

### IMPORTANT NOTES

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

This Prospectus is dated 1 July 2011 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 this Prospectus is at 5:00pm WST on that date which is 13 months after the date this Prospectus was lodged with the ASIC (**Prospectus Expiry Date**). No Securities will be allotted or issued on the basis of this Prospectus after the Prospectus Expiry Date.

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

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 and Singapore, 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 and Singapore.

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.

In making representations in this Prospectus regard has been had 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.

## **OFFER IS ONLY MADE TO AUSTRALIAN, NEW ZEALAND AND SINGAPORE RESIDENTS**

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. In particular, the Rights Offer is only being made to existing shareholders resident in Australia, New Zealand and Singapore.

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. In particular, this Prospectus may not be distributed in the United States or any other country except Australia, New Zealand and Singapore.

### ***New Zealand***

The Rights Offer to New Zealand investors is made pursuant to the New Zealand Securities Act (Overseas Companies) Exemption Notice 2002. Pursuant to this Exemption Notice, the only members of the public to whom the Securities are offered in New Zealand under the Rights Offer are those who, at the time of the offer, are holders of Shares in the Company.

### ***Singapore***

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

This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) a "relevant person" (as defined under section 275(2) of the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

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

## **ELECTRONIC PROSPECTUS**

Any person accessing the electronic version of this Prospectus for the purpose of making

an investment in the Company must be an Australian, New Zealand or Singapore resident and must only access the Prospectus from within Australia, New Zealand or Singapore.

The Corporations Act prohibits any person passing onto another person an Entitlement and Acceptance 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.

## **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 6 of this Prospectus which contains details of the specific and general risks to which the Company may be exposed.

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## 2. CORPORATE DIRECTORY

### Directors

Gilbert George  
Non-Executive Chairman

Gregory Bromley  
Managing Director

Benjamin Chow  
Non-Executive Director

Andrew Tsang  
Non-Executive Director

Kenneth Pettit  
Non-Executive Director

### Company Secretary

Angelo Francesca

### Registered Office

21 Teddington Road  
BURSWOOD WA 6100

Telephone: (08) 9485 2600

Facsimile: (08) 9485 2500

### Lead Manager and Underwriter

Patersons Securities Limited  
Level 23, Exchange Plaza  
2 The Esplanade  
PERTH WA 6000

### Share Registry\*

Advanced Share Registry Ltd  
150 Stirling Highway  
NEDLANDS WA 6009

Telephone: (08) 9389 8033

### Solicitors

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

### Auditor\*

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

\*These parties have been included for information purposes only. They have not been involved in the preparation of this Prospectus.

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### **3. DETAILS OF THE RIGHTS OFFER**

#### **3.1 Rights Offer**

By this Prospectus, the Company offers for subscription up to 30,302,913 Shares and up to 30,302,913 Primary Options on the basis of:

- (a) one (1) Share for every five (5) Shares held by Shareholders on the Record Date at an issue price of \$0.25 per Share; and
- (b) one (1) Primary Option for each Share issued,

to raise approximately \$7,575,728.

Each Primary Option will be exercisable at \$0.30 each on or after 1 April 2012 and on or before 30 April 2012 and will convert into one (1) Share and one (1) Secondary Option. Refer to Section 5.2 for the full terms and conditions of the Primary Options.

Each Secondary Option will be exercisable at \$0.35 each on or before 31 May 2015 and will convert into one (1) Share. Refer to Section 5.3 for the full terms and conditions of the Secondary Options.

Fractional entitlements for the Rights Offer will be rounded down to the nearest whole number.

The purpose of the Rights Offer and the use of funds raised are set out in Section 4 of this Prospectus.

The Company currently has 70,288,809 Options on issue as at the date of this Prospectus. These Options may be exercised by the Option holder(s) prior to the Record Date in order to participate in the Rights Offer.

#### **3.2 Rights Trading**

Entitlements to Securities pursuant to the Rights Offer are renounceable and accordingly, rights will be traded on ASX. Details on how to sell your rights are set out in Section 3.3 below.

#### **3.3 How to Accept the Rights Offer and trading of Entitlements**

Your acceptance of the Rights 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, your acceptance will be deemed to be for the maximum Entitlement.

You may participate in the Rights Offer as follows:

- (a) 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

- (b) 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 \$0.25 per Share); or
- (c) if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

Alternatively, you can trade your Entitlement rights as follows:

- (a) to sell any or all of your Entitlement you will need to instruct a stockbroker to sell the Entitlement rights which you wish to renounce. If you wish to do so you must instruct your stockbroker by completing the panel headed "Instructions to your Stockbroker" on the back of the Entitlement and Acceptance Form and lodge that form with your stockbroker. Your stockbroker must sell those rights before the rights trading ceases; or
- (b) if you wish to transfer all or part of your rights to another person other than on ASX you must forward a completed renunciation form (obtainable from your stockbroker or the Company's share registry) together with the Entitlement and Acceptance Form.

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

Your completed Entitlement and Acceptance Form and cheque must be delivered to:

Advanced Share Registry Ltd  
150 Stirling Highway  
NEDLANDS WA 6009

or mailed to:

Advanced Share Registry Ltd  
PO Box 1156  
NEDLANDS WA 6009

by no later than 5.00pm WST on the Closing Date.

If you wish to pay via BPAY® you must follow the instructions in the Entitlement and Acceptance Form. You will be deemed to have accepted your Entitlements upon receipt of the BPAY® payment by the Company. Eligible Shareholders who elect to pay via BPAY® do not need to return their completed Entitlement and Acceptance Form. If you elect to pay via BPAY® then your payment must be made before 4.00pm (AEST) on the Closing Date. Please read the instructions carefully.

### **3.4 Minimum Subscription**

The minimum subscription in respect of the Rights Offer is \$4,750,000.

### **3.5 Underwriting**

The Rights Offer is conditionally underwritten by Patersons Securities Limited (**Patersons**). Gilbert George, a Director of the Company, has agreed to sub-underwrite up to 1,000,000 Shares and Primary Options of any Shortfall pursuant to a sub-underwriting arrangement entered into with Patersons. Gilbert George will be paid a fee equal to 3% of the sub-underwritten amount. The sub-underwriting fees will be paid by Patersons. Ms Lei You, the mother of Andrew Tsang who is a Director of the Company and/or her nominee, has agreed to sub-underwrite up to a maximum of 15,151,456 Shares and Primary Options if there are no subscribers to the Rights Offer (i.e. 100% Shortfall). If the Rights Offer is partially subscribed, Ms You has agreed to sub-underwrite a proportion of the Shares and Primary Options on a pro-rata basis, pursuant to a sub-underwriting arrangement entered into with Patersons. Ms Lei You will be paid a fee equal to 4.3% of the sub-underwritten amount.

Refer to Section 7.2 of this Prospectus for further details of the terms of the Underwriting Agreement with Patersons. The potential effect of the Underwriting Agreement on the Company is set out in Section 7.4 of this Prospectus.

### **3.6 Shortfall**

If you do not wish to take up any part of your Entitlement you are not required to take any action. Any Entitlement not taken up pursuant to the Rights Offer will form the Shortfall.

The offer of any Shortfall Securities is a separate offer made pursuant to this Prospectus and will remain open after the Closing Date. The issue price of any Shortfall Securities shall be \$0.25, being the price at which the Entitlement has been offered to Shareholders pursuant to this Prospectus.

Those Shareholders who take up their Entitlement in full are invited by the Company to apply for Shortfall Securities. Shareholders who wish to apply for Securities above their Entitlement (and participate in the Shortfall) can complete the relevant section of the Entitlement and Acceptance Form (titled "Additional New Securities") and return it, together with a cheque for the value of those Shortfall Securities (at \$0.25 per Security) (and their Entitlement) to the Company.

Persons who wish to participate in the Shortfall who are not Shareholders must complete a Shortfall Application Form and return it, together with application monies for the value of those Shortfall Securities (at \$0.25 per Security), to the Company.

The Shortfall shall be placed at the discretion of the Underwriter in consultation with the Company. The Company reserves the right to allot to an applicant a lesser number of Shortfall Securities than the number for which the applicant applies, or to reject an application for Shortfall Securities.

### **3.7 Entitlement and Acceptance Form and Shortfall Application Forms are binding**

A completed and lodged Entitlement and Acceptance 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 Entitlement and Acceptance Form or Shortfall Application Form on the terms set out in this Prospectus. The Entitlement and Acceptance Form and Shortfall Application Form do not need to be signed to be binding on the applicant.

If the Entitlement and Acceptance 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 Entitlement and Acceptance Form or Shortfall Application Form or how to construe, amend or complete it is final.

### **3.8 Rights and liabilities attaching to Securities issued under the Rights Offer**

All Shares issued pursuant to the Offer will, from the time they are issued, rank pari passu with all the Company's existing Shares. The rights and liabilities attaching to Securities issued under the Rights Offer are set out in Section 5 of this Prospectus.

### **3.9 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 modified 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.

### **3.10 Allotment of Securities**

Securities issued pursuant to the Rights Offer will be allotted as soon as practicable after the 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 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.

### **3.11 Overseas Shareholders**

This Prospectus 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 Securities these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Rights Offer is not being extended and Securities will not be issued to Shareholders with a registered address which is outside Australia, New Zealand or Singapore.

Shareholders resident in New Zealand or Singapore 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 Rights Offer.

Pursuant to ASX Listing Rule 7.7, the Company has appointed Patersons as the Nominee to sell the Entitlements to which non-qualifying foreign shareholders are entitled. The net proceeds (if any) of the sale of each Entitlement will then be forwarded by the Company's share registry as soon as practicable to the non-qualifying foreign shareholders. There can be no guarantee that a market for the Entitlement of non-qualifying Shareholders will exist and the Nominee is under no obligation to take up any Entitlement for which it is unable to find a qualified buyer. The Nominee will have the absolute and sole discretion to determine the timing and the price at which the Entitlements may be sold and the manner in which any sale is made.

Neither the Company nor the Nominee will be liable for a failure to sell Entitlements or to sell Entitlements at any particular price.

### **3.12 Taxation Implications**

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

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

The Company will not be issuing share certificates. The Company will apply to ASX to participate 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.

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 CHESS 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.

### **3.14 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 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.

#### 4. COMPANY UPDATE AND PURPOSE AND EFFECT OF THE RIGHTS OFFER

##### 4.1 Update on the Company and Purpose of the Rights Offer

The purpose of the Rights Offer is to raise approximately \$7,575,728 (before expenses). The proceeds of the Rights Offer are planned to be used in accordance with the table set out below:

<b>Proceeds of the Rights Offer</b>	<b>A\$</b>
<b>If minimum subscription raised:</b>	
Further exploration and development of the Mt Forrest Iron Project including drilling, commencement of pre-feasibility study and other studies	\$3.0
Further exploration of the Company's gold, copper and uranium projects	\$0.266
Working Capital	\$1.1
Expenses of the Rights Offer	\$0.384 M
<b>Total</b>	<b>\$4.750 M</b>
<b>If full subscription raised:</b>	
Further exploration and development of the Mt Forrest Iron Project including drilling, commencement of pre-feasibility study and other studies	\$4.916 M
Further exploration of the Company's gold, copper and uranium projects	\$0.821 M
Working Capital	\$1.313 M
Expenses of the Rights Offer	\$0.525 M
<b>Total</b>	<b>\$7.575 M</b>

In the event that more than the minimum subscription and less than the full subscription is raised pursuant to the Rights Offer, the proceeds of the Rights Offer will be adjusted on a pro rata basis between each item of expenditure. The only part of the expenses of the Rights Offer that may be reduced if less than the full subscription is raised are the fees payable to the Underwriter, being 5% of the amount underwritten (being \$4,750,000) and 5% of any amount raised over and above the underwritten amount. If less than the full subscription is raised, the total fees payable to the Underwriter will be reduced. All of the other expenses are fixed costs.

The above table is a statement of current intentions as of the date of lodgement of this Prospectus with the ASIC. As with any budget, intervening events (including exploration success or failure) and new circumstances have the potential to affect the ultimate way funds will be applied. The Board reserves the right to alter the way funds are applied on this basis.

#### 4.2 Effect of the Rights Offer and Pro Forma Consolidated Balance Sheet

The principal effect of the Rights Offer will be to (assuming full subscription and assuming no existing Options are exercised prior to the Record Date):

- (a) increase the cash reserves by approximately \$7,575,728 before deducting the capital raising fees of the Rights Offer detailed in Section 7.8 of this Prospectus;
- (b) increase the number of Shares on issue from 151,514,567, to approximately 181,817,480; and
- (c) increase the number of Options on issue from 70,288,809 to approximately 100,591,722,

following completion of the Rights Offer.

#### 4.3 Consolidated Balance Sheet

The unaudited Consolidated Balance Sheet as at 30 April 2011 and the unaudited Pro Forma Consolidated Balance Sheet as at 30 April 2011 shown on the following page have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position. They have been prepared on the assumption that all Securities pursuant to the Rights Offer in this Prospectus are issued.

The unaudited Consolidated Balance Sheets have been prepared to provide Shareholders 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.

#### Consolidated Balance Sheet and Pro Forma Consolidated Balance Sheet as at 30 April 2011 (unaudited)

A summary of the Company's unaudited Statement of Consolidated Financial Position as at 30 April 2011 (based on its management accounts) and adjusted pro forma as at 30 April 2011 (based on the Offer raising the maximum amount of \$7,575,728 before deducting the capital raising fees of the Rights Offer detailed in Section 7.7 of this Prospectus) is detailed below.

	Unaudited	Pro-forma	
	30 April 2011	30 April 2011	
	\$	\$	\$
		Full	Minimum
		Subscription	Subscription
<b>Current Assets</b>			
Cash & cash equivalents	3,101,305	10,151,613	7,467,171

Trade & other receivables	162,829	162,829	162,829
Other	84,716	84,716	84,716
Sundry Debtors	716	716	716
<b>Total current assets</b>	<b>3,349,566</b>	<b>10,399,874</b>	<b>7,715,432</b>
<b>Non Current Assets</b>			
Other financial assets	0	0	0
Property, plant and equipment	384,574	384,574	384,574
Exploration & evaluation expenditure	16,552,093	16,552,093	16,552,093
Other non-current assets	2,885	2,885	2,885
<b>Total non-current assets</b>	<b>16,939,552</b>	<b>16,939,552</b>	<b>16,939,552</b>
<b>Total assets</b>	<b>20,289,119</b>	<b>27,339,427</b>	<b>24,654,985</b>
<b>Current Liabilities</b>			
Trade and other payables	807,156	807,156	807,156
Borrowings	0	0	0
Provisions	144,602	144,602	144,602
<b>Total current liabilities</b>	<b>951,758</b>	<b>951,758</b>	<b>951,758</b>
<b>Non Current Liabilities</b>			
Borrowings	0	0	0
<b>Total non-current liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Liabilities</b>	<b>951,758</b>	<b>951,758</b>	<b>951,758</b>
<b>Net assets</b>	<b>19,337,361</b>	<b>26,387,669</b>	<b>23,703,227</b>
<b>Equity</b>			
Contributed equity	27,771,319	34,821,627	32,137,185
Reserves	624,151	624,151	624,151
Retained earnings	(9,058,109)	(9,058,109)	(9,058,109)
<b>Total Equity</b>	<b>19,337,361</b>	<b>26,387,669</b>	<b>23,703,227</b>

#### 4.4 Effect on Capital Structure

A comparative table of changes in the capital structure of the Company as a consequence of the Rights Offer is set out below, assuming that the Rights Offer is fully subscribed and assuming no existing Options are exercised prior to the Record Date.

##### Shares

	<b>Number</b>
Shares on issue at date of Prospectus	151,514,567

Shares offered pursuant to the Rights Offer	30,302,913
<b>Total Shares on issue after completion of the Rights Offer</b>	<b>181,817,480</b>

### Options

	<b>Number</b>
Quoted Options exercisable at \$0.75, expiring 1 December 2011.	64,938,809
Unquoted Options exercisable at \$0.53, expiring 1 August 2012	250,000
Unquoted Options exercisable at \$0.48, expiring 12 October 2012.	300,000
Unquoted Options exercisable at \$0.60, expiring 31 March 2012.	1,800,000
Unquoted Options exercisable at \$0.75, expiring 1 December 2011.	3,000,000
Primary Options offered pursuant to the Rights Offer	30,302,913
<b>Total Options on issue after completion of the Rights Offer</b>	<b>100,591,722</b>

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## **5. RIGHTS AND LIABILITIES ATTACHING TO THE SECURITIES**

### **5.1 Terms of 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 Company's Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

#### **5.1.1 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.

#### **5.1.2 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.

#### **5.1.3 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 which the amount paid on the Share is to the total amount payable in respect of the Shares (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 from time to time grant to Shareholders or any class of shareholders the right to elect to reinvest cash dividends paid by the Company by subscribing for Shares in the Company on such terms and conditions as the Directors think fit. 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.

#### **5.1.4 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.

#### **5.1.5 Transfer of Shares**

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

#### **5.1.6 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.

#### **5.1.7 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.

## 5.2 Terms of Primary Options

The terms and conditions of the Primary Options to be issued pursuant to the Rights Offer are as follows:

- (a) each Primary Option entitles the holder (**Primary Option Holder**) on exercise to one (1) Share and one (1) Secondary Option in the Company;
- (b) the Primary Options will expire on 30 April 2012 (**Primary Option Expiry Date**). Any Primary Options not exercised before the Primary Option Expiry Date will automatically lapse;
- (c) the Primary Options are exercisable at any time on or after 1 April 2012 and on or before 5.00pm (WST) on the Primary Option Expiry Date by completing an option exercise form and delivering it together with the payment for the number of Shares in respect of which the Primary Options are exercised to the registered office of the Company;
- (d) the amount payable upon exercise of each Primary Option will be \$0.30 (**Primary Option Exercise Price**);
- (e) the Primary Options held by each Primary Option Holder may be exercised in whole or in part;
- (f) a Primary Option Holder may exercise their Primary Options by lodging with the Company, before the Primary Option Expiry Date:
  - (i) a written notice of exercise of Primary Options specifying the number of Primary Options being exercised; and
  - (ii) a cheque or electronic funds transfer for the Primary Option Exercise Price for the number of Primary Options being exercised,

**(Primary Option Exercise Notice);**
- (g) a Primary Option Exercise Notice is only effective when the Company has received the full amount of the Primary Option Exercise Price in cleared funds;
- (h) within 10 Business Days of receipt of the Primary Option Exercise Notice accompanied by the Primary Option Exercise Price, the Company will allot the number of Shares and Secondary Options required under these terms and conditions in respect of the number of Primary Options specified in the Primary Option Exercise Notice;
- (i) a Primary Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Primary Option can be exercised;

- (j) subject to the Corporations Act, the Listing Rules and the Company's Constitution, the Primary Options are freely transferable;
- (k) all Shares issued upon exercise of the Primary Options will upon allotment rank equally in all respects with the Company's then issued Shares;
- (l) subject to satisfying the requirements of Chapter 6 of the ASX Listing Rules, the Company will apply for quotation on ASX of the Primary Options and all Shares issued upon exercise of the Primary Options;
- (m) there are no participating rights or entitlements inherent in the Primary Options and Primary Option Holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Primary 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 Primary Option Holders the opportunity to exercise their Primary Options prior to the date for determining entitlements to participate in any such issue; and
- (n) if at any time the issued capital of the Company is reconstructed, all rights of a Primary 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.

### 5.3 Terms of Secondary Options

The terms and conditions of the Secondary Options to be issued upon the exercise of the Primary Options are as follows:

- (a) each Secondary Option entitles the holder (**Secondary Option Holder**) on exercise to one (1) Share;
- (b) the Secondary Options will expire on 31 May 2015 (**Secondary Option Expiry Date**). Any Secondary Option not exercised before the Secondary Option Expiry Date will automatically lapse;
- (c) the Secondary Options are exercisable at any time on or before 5.00pm (WST) on the Secondary Option Expiry Date by completing an option exercise form and delivering it together with the payment for the number of Shares in respect of which the Secondary Options are exercised to the registered office of the Company;
- (d) the amount payable upon exercise of each Secondary Option will be \$0.35 (**Secondary Option Exercise Price**);
- (e) the Secondary Options held by each Secondary Option Holder may be exercised in whole or in part;
- (f) a Secondary Option Holder may exercise their Secondary Options by lodging with the Company, before the Secondary Option Expiry Date:
  - (i) a written notice of exercise of Secondary Options specifying the number of Secondary Options being exercised; and

- (ii) a cheque or electronic funds transfer for the Secondary Option Exercise Price for the number of Secondary Options being exercised,

**(Secondary Option Exercise Notice);**

- (g) a Secondary Option Exercise Notice is only effective when the Company has received the full amount of the Secondary Option Exercise Price in cleared funds;
- (h) within 10 Business Days of receipt of the Secondary Option Exercise Notice accompanied by the Secondary Option Exercise Price, the Company will allot the number of Shares and Secondary Options required under these terms and conditions in respect of the number of Secondary Options specified in the Secondary Option Exercise Notice;
- (i) a Secondary Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Secondary Option can be exercised;
- (j) subject to the Corporations Act, the Listing Rules and the Company's Constitution, the Secondary Options are freely transferable;
- (k) all Shares issued upon exercise of the Secondary Options will upon allotment rank equally in all respects with the Company's then issued Shares;
- (l) there are no participating rights or entitlements inherent in the Secondary Options and Secondary Option Holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Secondary 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 Secondary Option Holders the opportunity to exercise their Secondary Options prior to the date for determining entitlements to participate in any such issue;
- (m) if at any time the issued capital of the Company is reconstructed, all rights of a Secondary 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;
- (n) subject to satisfying the requirements of Chapter 2 of the ASX Listing Rules, the Company will apply for quotation on ASX of the Secondary Options and all Shares issued upon exercise of the Secondary Options; and
- (o) in accordance with the Listing Rules, the Secondary Options cannot be quoted on the ASX by the Secondary Option Holders until all of the Primary Options on issue have either been exercised or have expired.

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## 6. RISK FACTORS

Applicants should consider the risk factors described below, together with information contained elsewhere in this Prospectus, before deciding whether to apply for Securities. Potential Applicants should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Securities.

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

### SPECIFIC RISKS

#### 6.1 Uranium risk

In addition to exploration for iron, copper and gold, the Company is involved in exploring for uranium. Uranium mining is subject to extensive regulation by State and Federal Governments.

Nuclear energy is in direct competition with other more conventional sources of energy, which include gas, coal and hydro-electricity. Furthermore, any potential growth of the nuclear power industry (with any potential attendant increase in the demand for uranium) beyond its current level will depend on continued and increased acceptance of nuclear technology as a means of generating electricity.

The nuclear industry is currently subject to some negative public opinion owing to political, technological and environmental factors. This may have an adverse impact on the demand for uranium and increase the regulation of uranium mining.

#### 6.2 Counterparty risk

As part of the Company's commercial activities, the Company is currently a party to one joint venture arrangement, and may in the future become a party to additional joint venture arrangements and other various contracts with third parties for the supply of products and services, sales contracts and financial instruments, amongst other things. An inability of counterparties to meet their commitments under such contracts may have an impact on the Company's financial position.

#### 6.3 Heritage Application

In May 2011, the Goldfields Land and Sea Council (**Applicant**) made an application on behalf of the Ngalia Aboriginal Traditional Owner Group (**Complainant**) under sections 9 and 10 of the *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (Cth) (**Heritage Application**). The Heritage Application seeks protection for an area of land in Western Australia known as the Mt Richardson Range or Mt Forrest Range (**Project Area**). The Company's Mining Leases M29/257, M29/258, M29/314, M29/348, M29/349, M29/350 and M29/351 are located in the Project Area. Miscellaneous Licences L29/85, L29/102, L29/104 and L29/107 also form part of the Project Area and its infrastructure architecture. A number of other neighbouring mining companies are affected by the Heritage Application.

The Company (itself and through its wholly owned subsidiary Yilgiron Pty Ltd) has a long history of managing heritage matters and is entirely compliant with Western Australian heritage legislation in the Project Area. The Company has lodged a response to the Heritage Application and awaits Ministerial response. The Company understands that in the normal process, the matter will be referred to the State Minister for assurance that appropriate heritage protection is in place. The Company (itself and through its wholly owned subsidiary Yilgiron Pty Ltd) currently holds four conditional consents under section 18 of the *Aboriginal Heritage Act 1972 (WA)*.

The Company believes that the Heritage Application is frivolous in nature and will not be successful. However, if the Heritage Application is successful, the Company may be unable to continue to carry out exploration activities in the Project Area.

The Company is obliged to comply with aboriginal heritage legislation requirements which require heritage survey work to be undertaken ahead of the commencement of mining and exploration operations under a State ratified Cultural Heritage Management Plan (**Heritage Plan**). The Company engages in ongoing consultation with traditional owners pursuant to the Heritage Plan. The Company has successfully obtained consents to carry out exploration in the Project Area on four occasions. The Company will continue to manage the heritage issue as an operational function as it has in the past.

## **GENERAL RISKS**

### **6.4 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, including:

- (a) adverse geological conditions;
- (b) limitations on activities due to seasonal weather patterns and cyclone activity;
- (c) unanticipated operational and technical difficulties encountered in geophysical surveys, drilling and production activities;
- (d) mechanical failure of operating plant and equipment;
- (e) industrial and environmental accidents, industrial disputes and other force majeure events;
- (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 labour, consumables, spare parts, plant and equipment; and
- (h) inability to obtain necessary consents or approvals.

## **6.5 Environmental risks and regulations**

The Company's projects are subject to laws and regulations regarding environmental matters and the discharge of hazardous wastes and materials. As with all mining projects, these projects would be expected to have a variety of environmental impacts should development proceed.

The Company intends to conduct its activities in an environmentally responsible manner and in accordance with applicable laws and industry standards. Areas disturbed by the Company's activities will be rehabilitated as required by the conditions attaching to the Tenements.

## **6.6 Infrastructure availability**

The development of the Company's projects will require access to suitable infrastructure facilities including road, rail, gas and port facilities. Notwithstanding the relative proximity of the Company's projects to current, proposed and/or potential infrastructure facilities there is no guarantee that the Company will be able to agree suitable commercial arrangements with owners of the infrastructure facilities to use the facilities. In addition, there is no guarantee that there will be available capacity at existing infrastructure facilities to cater for any future production. Inability to access infrastructure may impact on the Company's ability to develop its projects or lead to delays in the development of the projects until infrastructure facilities are available.

## **6.7 Future funding requirements**

Even if the Rights Offer is completed successfully, the Company will require additional funding in the future in order to develop its business, including the exploration and development of any projects. In addition, it is highly likely that regardless of the successful completion of the Rights Offer, the Company will also need to undertake an additional capital raising to raise additional funds to meet the administration and working capital costs in the medium to long term.

Any additional equity financing may be dilutive to Shareholders and any debt financing if available may involve restrictive covenants, which may limit the Company's operations and business strategy.

Further, there can be no assurance that any such equity or debt funding will be available for the Company on favourable terms or at all. If adequate funds are not available on acceptable terms, there is significant uncertainty as to whether the Company can continue as a going concern.

Accordingly, the Company's failure to raise capital if and when needed could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities.

## **6.8 Resource estimates**

Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate.

As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to activities planned with respect to the Company's projects, which may, in turn, adversely affect the Company's operations.

## **6.9 Exploration, Development, Mining and Processing Risks**

There is no assurance that iron, copper, gold or uranium will be discovered in the areas in which the Company has an interest. Even if further iron, copper, gold or uranium is discovered in those areas, there is no assurance that commercial quantities of these minerals can be recovered from the Company's permits.

Mineral exploration, project development and mining by their nature contain elements of significant risk. Ultimate and continuous success of these activities is dependent on many factors such as:

- (a) the discovery and/or acquisition of economically recoverable ore resources;
- (b) successful conclusions to bankable feasibility studies;
- (c) access to adequate capital for project development;
- (d) design and construction of efficient mining and processing facilities within capital expenditure budgets;
- (e) securing and maintaining title to tenements;
- (f) obtaining consents and approvals necessary for the conduct of exploration and mining;
- (g) access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants;
- (h) native title risks; and
- (i) adverse weather conditions over a prolonged period which may adversely affect exploration and mining operations and the timing of revenues.

Whether or not income will result from development of tenements depends on the successful establishment of mining operations. Factors including costs, actual mineralisation, consistency and reliability of ore grades and commodity prices affect successful project development and mining operations.

## **6.10 Metallurgy**

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

- (a) identifying a metallurgical process through test work to produce a saleable metal or concentrate;

- (b) developing an economic process route to produce a metal or concentrate; and
- (c) changes in mineralogy in the ore deposit can result in inconsistent metal recovery, affecting the economic viability of the project.

#### **6.11 Title risk and native title**

The permits in which the Company will, or may, in the future, acquire an interest, are subject to the applicable local laws and regulations. There is no guarantee that any permit, applications or conversions in which the Company has a current or potential interest will be granted.

Permits (or applications) in which the Company has an interest are (or, if granted, will be) subject to the relevant conditions applying in each jurisdiction. Failure to comply with these conditions may render the permits liable to forfeiture.

All of the projects in which the Company has an interest will be subject to application for permit renewal from time to time. Renewal of the term of each permit is subject to applicable legislation. If the permit is not renewed for any reason, the Company may suffer significant damage through loss of the opportunity to develop and discover any mineral resources on that permit.

The projects in which the Company has an interest extend over areas in which legitimate common law native title rights of indigenous Australians exist. The ability of the Company to gain access to its projects and to conduct exploration, development and mining operations remains subject to native title rights and the terms of registered native title agreements. The Directors will closely monitor the potential effect of native title claims on its projects.

#### **6.12 Ability to exploit success**

Any successful exploitation of discoveries would require obtaining the necessary production permit and the relevant government approvals as required by the relevant Government agencies. The required approvals may be issued at the discretion of the relevant authorities and might be issued subject to conditions or preconditions.

#### **6.13 Future performance of business activities**

The value of the Company's business activities is subject to the various and unpredictable influences of the market it operates in and the economy in general. Accordingly, adverse economic and market conditions may be experienced by the Company which are outside of its control and may have an adverse effect on the Company.

#### **6.14 Economic Risks**

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

### **6.15 Security Investments**

Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market and, in particular, securities of mining and exploration companies have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. These factors may materially affect the market price of the securities regardless of the Company's performance.

### **6.16 Legislative changes, Government policy and approvals**

Changes in government regulations and policies may adversely affect the financial performance of the Company. For example, any increased rentals under the relevant legislation may impact on the Company's actual financial statements. The Company's capacity to explore and exploit any projects may be affected by changes in government policy, which are beyond the control of the Company.

### **6.17 Minerals Resource Rent Tax**

On 2 July 2010, the Federal Government announced that a Minerals Resource Rent Tax (**MRRT**) will be introduced on 1 July 2012 and will apply to all new and existing iron ore and coal projects in Australia. The MRRT rate is 30% and producers will be taxed on the value of minerals extracted.

The possibility exists that the MRRT may have a negative impact on the iron ore mining industry in Australia. Any retraction of the industry in Australia may have a negative impact on the Company given its focus on iron exploration. Furthermore, the MRRT may materially increase the amount of tax that the Company will be liable to pay (after 1 July 2012).

### **6.18 Reliance on Key Personnel and Employees**

The Company's prospects depend in part on the ability of its executive officers, senior management and key consultants to operate effectively, both independently and as a group. To manage its growth, the Company must attract and retain additional highly qualified management, technical, sales and marketing personnel and continue to implement and improve operational, financial and management information systems. Investors must be willing to rely to a significant extent on management's discretion and judgement, as well as the expertise and competence of outside contractors.

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## **7. ADDITIONAL INFORMATION**

### **7.1 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 “transaction specific prospectuses” are 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 12 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 financial statements of the Company for the financial year ended 30 June 2010 being the last financial statements for a

financial year, of the Company lodged with the ASIC before the issue of this Prospectus;

- (ii) any half year financial statements of the Company lodged with ASIC since the lodgement of the last financial statements for the year ended 30 June 2010 lodged with the ASIC before the issue of this Prospectus; and
- (iii) any documents used to notify the ASX of information relating to the Company in the period from lodgement of the financial statements referred to in paragraph (i) above until the issue of the Prospectus in accordance with the Listing Rules as referred to in Section 674(1) of the Corporations Act.

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.

The Company has lodged the following announcements with ASX since the lodgement of the 2010 audited financial statements:

<b>Date</b>	<b>Description of Announcement</b>
30/06/2011	Pro Rata Entitlement Issue Update
30/05/2011	Significant Uranium Mineralisation Confirmed
16/05/2011	Appendix 3X
16/05/2011	Appointment to the Board - Ken Pettit
11/05/2011	Significantly Improved Mag-Hematite Fe Mineral Resource
29/04/2011	Quarterly Activities Report
29/04/2011	Quarterly Cashflow Report
29/04/2011	Uranium Mineralisation Greatly Enlarged
21/04/2011	Change in substantial holding
20/04/2011	Change in substantial holding
19/04/2011	Completion of Placement, Appendix 3B, Section 708A Notice
14/04/2011	Reinstatement to Official Quotation
14/04/2011	Mt Forrest Iron Resource Update
14/04/2011	Placement and Pro Rata Entitlements Issue
11/04/2011	Suspension from Official Quotation
08/04/2011	Trading Halt

24/03/2011	Mt Forrest Iron Project - Interim Drilling Results
24/03/2011	Company's Request for Trading Halt
24/03/2011	Trading Halt
25/02/2011	New CFO appointment for Mindax
24/02/2011	Half Year Financial Report 31 December 2010
16/02/2011	One2One Investor Briefing Presentation
28/01/2011	Quarterly Activities Report
28/01/2011	Quarterly Cashflow Report
19/01/2011	Expiry of Unlisted Options
11/01/2011	Most Active Drill Season Commenced
20/12/2010	Securities Trading Policy
19/11/2010	Final and Initial Directors Interest Notices
18/11/2010	Results of AGM - Director Changes New Constitution
18/11/2010	2010 AGM Chairman`s Address
18/11/2010	2010 AGM Managing Director`s Address
03/11/2010	Exploration Update - V High Grade Uranium (0.63% U3O8) Found
01/11/2010	Final Director`s Interest Notice
01/11/2010	Resignation of Non Executive Director
01/11/2010	Change in substantial holding from JMS
28/10/2010	Quarterly Cashflow Report
28/10/2010	Quarterly Activities Report
12/10/2010	Notice of AGM to shareholders
12/10/2010	Annual Report to shareholders
12/10/2010	Mt Forrest Updated JORC hits One Billion Tonnes Fe
01/10/2010	Change in substantial holding
23/09/2010	Annual Financial Report

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 [www.mindax.com.au](http://www.mindax.com.au).

## 7.2 Material Contracts

The following are summaries of the significant terms of the material agreements which relate to the business of the Company.

### 7.2.1 Underwriting Agreement with Patersons

Pursuant to an agreement between Patersons (**Underwriter**) and the Company, the Underwriter has agreed to act as lead manager to, and to partially underwrite the Rights Offer up to the amount of \$4,750,000 (**Underwriting Agreement**).

Pursuant to the Underwriting Agreement, the Company has agreed to:

- (a) pay the Underwriter:
  - (i) a corporate advisory fee of \$60,000 in relation to the Rights Offer;
  - (ii) an underwriting fee of 5% of the underwritten amount, being \$4,750,000 (which equates to a fee of \$237,500); and
  - (iii) 5% of the amount raised over and above the underwritten amount; and
- (b) reimburse the Underwriter in relation to all costs and expenses, including but not limited to legal expenses and reasonable marketing expenses incurred by the Underwriter in respect of the Rights Offer.

All sub-underwriting fees will be paid by the Underwriter from the underwriting fee.

The Underwriting Agreement is conditional upon satisfaction of the following conditions on or before the date of the lodgement of the Prospectus:

- (a) the Underwriter being satisfied with the due diligence investigations and the due diligence results;
- (b) the Underwriter being satisfied with the form of the Prospectus (in its absolute discretion) and having given its consent to be named in the Prospectus;
- (c) a legal sign off letter being provided to the due diligence committee by the Company's solicitors, to the satisfaction of the Underwriter;
- (d) the Prospectus being lodged with the ASIC prior to 5.00pm on 1 July 2011 or such other date as the Underwriter and the Company agree in writing; and

- (e) the Underwriter entering into sub-underwriting agreements with sub-underwriters on terms and conditions satisfactory to the Underwriter (in its absolute discretion) for the underwritten amount of \$4,750,000 prior to 5.00pm on 1 July 2011.

The obligation of the Underwriter to underwrite the Rights Offer is subject to certain events of termination. The Underwriter may terminate its obligations under the Underwriting Agreement on the occurrence of specified events including if:

- (a) **(Indices fall)**: the All Ordinaries Index (IRESS XAO.ASX), the S&P/ASX 200 (IRESS:XJO.ASX) or the S&P/ASX 300 Energy (IRESS:XEK.ASX) as published by ASX is at any time after the date of the Underwriting Agreement 10% or more below its respective level as at the close of business on the Business Day prior to the date of this Agreement; or
- (b) **(Share Price)**: the ordinary fully paid shares of the Company finish trading on the ASX under the ASX code of "MDX" on any trading day with a closing price that is less than \$0.25.
- (c) **(Prospectus)**: the Company does not lodge the Prospectus on 1 July 2011; or
- (d) **(No Official Quotation)**: Official Quotation has not been granted by the date on which the Company agreed to notify the Underwriter of the Shortfall or, having been granted, is subsequently withdrawn, withheld or qualified; or
- (e) **(Restriction on allotment)**: the Company is prevented from allotting the Securities within the time required by this Agreement, the Corporations Act, the Listing Rules, any statute, regulation or order of a court of competent jurisdiction by the ASIC, the ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority;
- (f) **(ASIC or other prosecution)**: the ASIC gives notice of any deficiency in the Prospectus or related documents or the ASIC gives notice of an intention to hold a hearing, examination or investigation, or it requires information to be disclosed in connection with the Offer or the Company;
- (g) **(Takeovers Panel)**: the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act;
- (h) **(Hostilities)**: there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of this agreement involving one or more of Australia, New Zealand, Indonesia, Japan, Russia, the United Kingdom, the United States of America, India, Pakistan, the Philippines, or the Peoples Republic of China, Israel or any member of the European Union, or a terrorist act is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries anywhere in the world,

provided that such circumstance is not existing at the date of this Agreement;

- (i) **(Authorisation)**: any authorisation which is material to anything referred to in the Entitlements Issue documentation is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to the Underwriter;
- (j) **(Indictable offence)**: a director or senior manager of the Company and any of its subsidiaries is charged with an indictable offence;
- (k) **(Sub-underwriters)**: any of the Company sub-underwriters to the Underwriting Agreement do not comply with their respective obligations under the sub-underwriting agreements or threaten to not comply with their respective obligations under the sub-underwriting agreements;
- (l) **(Termination Events)**: subject to clause 12.2 of the Underwriting Agreement, any of the following events occurs:
  - (i) **(Default)**: default or breach by the Company under the Underwriting Agreement of any terms, condition, covenant or undertaking;
  - (ii) **(Incorrect or untrue representation)**: any representation, warranty or undertaking given by the Company in the Underwriting Agreement is or becomes untrue or incorrect;
  - (iii) **(Contravention of constitution or Act)**: a contravention by the Company and any of its subsidiaries of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of the ASIC or the ASX;
  - (iv) **(Adverse change)**: an event occurs which gives rise to a material adverse effect or any adverse change or any development including a prospective adverse change after the date of the Underwriting Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of the Company and any of its subsidiaries;
  - (v) **(Public statements)**: without the prior approval of the Underwriter a public statement is made by the Company in relation to the Offer;
  - (vi) **(Misleading information)**: any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any aspect of the Offer or the Issue or the affairs of the Company and any of its subsidiaries is or becomes misleading or deceptive or likely to mislead or deceive;
  - (vii) **(Official Quotation qualified)**: the Official Quotation is qualified or conditional other than as set out in the definition of "Official Quotation";

- (viii) **(Change in Act or policy)**: there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy;
- (ix) **(Prescribed Occurrence)**: a Prescribed Occurrence (as defined in the Underwriting Agreement) occurs;
- (x) **(Event of Insolvency)**: an Event of Insolvency (as defined in the Underwriting Agreement) occurs in respect of the Company or its subsidiaries;
- (xi) **(Judgment against a Relevant Company)**: a judgment in an amount exceeding \$1,000,000 is obtained against the Company and any of its subsidiaries (**Relevant Company**) and is not set aside or satisfied within 7 days;
- (xii) **(Litigation)**: litigation, arbitration, administrative or industrial proceedings are after the date of the Underwriting Agreement commenced or threatened against the Company and any of its subsidiaries, which have real prospects of resulting in a judgment against a Relevant Company exceeding \$1,000,000, other than any claims foreshadowed in the Rights Offer documentation;
- (xiii) **(Change in shareholdings)**: there is a material change in the major or controlling shareholdings of the Company and any of its subsidiaries or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to a Relevant Company;
- (xiv) **(Timetable)**: there is a delay in any specified date in the timetable contained in Section 1 which is greater than 5 Business Days and the Underwriter has not given its prior written consent agreeing to a delay exceeding 5 Business Days;
- (xv) **(Force Majeure)**: a Force Majeure (as defined in the Underwriting Agreement) affecting the Company's business or any obligation under the Agreement lasting in excess of 10 days occurs;
- (xvi) **(Certain resolutions passed)**: the Company and any of its subsidiaries passes or takes any steps to pass a resolution under section 254N, section 257A or section 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of the Underwriter;
- (xvii) **(Capital Structure)**: the Company and any of its subsidiaries alters its capital structure in any manner not contemplated by the Offer;

- (xviii) **(Investigation)**: any person is appointed under any legislation in respect of companies to investigate the affairs of the Company and any of its subsidiaries;
- (xix) **(Market Conditions)**: a suspension or material limitation in trading generally on the ASX occurs;
- (xx) **(Suspension)**: the Company is removed from the Official List or the Shares become suspended from Official Quotation and that suspension is not lifted within 24 hours following such suspension;
- (xxi) **(Supplementary prospectus)**:
  - (A) the Underwriter, having elected not to exercise its right to terminate its obligations under the Underwriting Agreement as a result of an occurrence as described in clause 12.1 of the Underwriting Agreement, forms the view on reasonable grounds that a supplementary or replacement prospectus should be lodged with the ASIC for any of the reasons referred to in section 719 of the Corporations Act and the Company fails to lodge a supplementary or replacement prospectus in such form and content and within such time as the Underwriter may reasonably require; or
  - (B) the Company lodges a supplementary or replacement prospectus without the prior written agreement of the Underwriter;
- (xxii) **(Non compliance with disclosure requirements)**: it transpires that the Prospectus does not contain all the information that investors and their professional advisers would reasonably require to make an informed assessment of:
  - (A) the effect of the Entitlements Issue on the Company; and
  - (B) the rights and liabilities attaching to the Securities; or
- (xxiii) **(Misleading Prospectus)**: it transpires that there is a statement in the Prospectus that is misleading or deceptive or likely to mislead or deceive, or that there is an omission from the Prospectus or if any statement in the Entitlements Issue documentation becomes or misleading or deceptive or likely to mislead or deceive or if the issue of the Prospectus is or becomes misleading or deceptive or likely to mislead or deceive.

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

### 7.3 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 of the Rights Offer pursuant to this Prospectus; or
- (c) the Rights Offer pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner, 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 Rights Offer pursuant to this Prospectus.

The Directors' interests in securities of the Company at the date of this Prospectus are set out in the table below<sup>1</sup>:

Name	Shares	Options	Share Entitlement <sup>7</sup>	Primary Entitlement	Option
Gilbert George <sup>2</sup>	2,896,625	1,698,312	579,325	579,325	
Gregory Bromley <sup>3</sup>	5,595,001	3,297,500	1,119,000	1,119,000	
Benjamin Chow <sup>4</sup>	140,000	320,000	28,000	28,000	
Andrew Tsang <sup>5</sup>	32,230,112	16,325,055	6,446,022	6,446,022	
Kenneth Pettit <sup>6</sup>	510,206	115,000	102,041	102,041	

#### Notes:

1. Each of the Directors reserves the right to subscribe for their Entitlement under the Rights Offer either in whole or in part.
2. Mr George holds 2,336,625 Shares, 250,000 unlisted Options with an exercise price of \$0.60 and an expiry date of 31 March 2012 and 1,168,312 listed Options with an exercise price of \$0.75 and an expiry date of 1 December 2011. Mr George and Brooke George as trustees for the Gilbert George Superannuation Fund, an entity controlled by Mr George, hold 560,000 Shares and 280,000 listed Options with an exercise price of \$0.75 and an expiry date of 1 December 2011.
3. Mr Bromley holds 1 Share. Chipingi Pty Ltd, a company controlled by Mr Bromley and his wife Caroline Bromley, as trustee for the Bromley Family Trust holds 4,720,000 Shares, 500,000 unlisted Options with an exercise price of \$0.60 and an expiry date of 31 March 2012 and 2,360,000 listed Options with an exercise price of \$0.75 and an expiry date of 1 December 2011. Mr Bromley and Caroline Bromley as trustees for the Bromley Superannuation Fund, an entity controlled by Mr Bromley and Caroline Bromley, holds 875,000 Shares and 437,500 listed Options with an exercise price of \$0.75 and an expiry date of 1 December 2011.

4. Sydney Subdivision Pty Ltd, a company controlled by Mr Chow, as trustee for the Pension Fund Account holds 140,000 Shares and 70,000 listed Options with an exercise price of \$0.75 and an expiry date of 1 December 2011. Sydney Subdivision Pty Ltd, a company controlled by Mr Chow, as trustee for the Benjamin Chow Family Trust Account holds 250,000 unlisted Options with an exercise price of \$0.60 and an expiry date of 31 March 2012
5. Mr Tsang holds 15,757,391 Shares, 250,000 unlisted Options with an exercise price of \$0.60 and an expiry date of 31 March 2012, and 7,878,695 listed Options with an exercise price of \$0.75 and an expiry date of 1 December 2011. Fujian Xiang Rong Construction (Group) Co Limited, a company controlled by Mr Tsang, holds 2,223,136 Shares and 1,111,568 listed Options with an exercise price of \$0.75 and an expiry date of 1 December 2011. Mei Chun Zeng, Mr Tsang's sister, holds 12,813,606 Shares and 6,406,803 listed Options with an exercise price of \$0.75 and an expiry date of 1 December 2011. Chunxiang Zeng, Mr Tsang's wife, holds 1,355,979 Shares and 677,989 listed Options with an exercise price of \$0.75 and an expiry date of 1 December 2011. Xian Rong (Australia) Construction Group Pty Ltd, a company controlled by Mr Tsang, holds 80,000 Shares.
6. Kenneth Pettit holds 230,000 Shares. Kantian Holdings Pty Ltd, a company controlled by Mr Pettit, as trustee for the Pettit Superannuation Fund holds 280,206 Shares and 115,000 listed Options with an exercise price of \$0.75 and an expiry date of 1 December 2011.
7. Assumes no Options exercised prior to Record Date.

Following the Rights Offer, assuming the Directors take up their Entitlement and do not exercise any Options held, the Directors' interests in securities in the Company will be as follows:

<b>Name</b>	<b>Shares</b>	<b>Options</b>
Gilbert George <sup>1</sup>	3,896,625	2,698,312
Gregory Bromley	6,714,001	4,416,500
Benjamin Chow	168,000	348,000
Andrew Tsang <sup>2</sup>	48,687,242	32,782,185
Kenneth Pettit	612,247	217,041

**Notes:**

1. Including 1,000,000 Shares and Primary Options that Mr George may acquire as a sub-underwriter to the Rights Offer, pursuant to the Underwriting Agreement. Refer to Sections 3.5, 7.2 and 7.4 for further details.
2. Including any Shares and Primary Options that Mr Tsang may acquire a relevant interest in should Ms Lei You, his Mother and/or her nominee, be required to acquire such Shares and Primary Options as a sub-underwriter to the Rights Offer. Refer to Sections 3.5, 7.2 and 7.4 for further details.

The Constitution provides that the remuneration of Non-Executive Directors will be not more than the aggregate fixed sum determined by a general meeting. The aggregate cash-based remuneration for Non-Executive Directors has been set at an amount not to exceed \$400,000 per annum.

The cash-based remuneration of Executive Directors will be fixed by the

Directors and may be paid by way of fixed salary or consultancy fee.

The Company paid the current Directors cash and non-cash benefits totalling \$352,950 for the year ended 30 June 2009 and \$812,834 for the year ended 30 June 2010. In addition, to the above, the current Directors have been paid fees totalling \$410,401 from the end of the previous financial year until the date of this Prospectus. 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.

The Directors received the following remuneration and equity benefits for the preceding two financial years:

<b>Director</b>	<b>Year</b>	<b>Salary &amp; Fees \$</b>	<b>Superannuation \$</b>	<b>Options \$</b>	<b>Other non-cash Benefits \$</b>	<b>Total</b>
Gilbert George	2010	55,000	4,950	74,250	Nil	<b>134,200</b>
	2009	55,000	4,950	Nil	Nil	<b>59,950</b>
Gregory Bromley	2010	261,467	23,532	148,500	Nil	<b>433,499</b>
	2009	238,532	21,468	(21,500)	Nil	<b>238,500</b>
Benjamin Chow	2010	38,821	3,314	74,250	Nil	<b>116,385</b>
	2009	Nil	Nil	Nil	Nil	<b>0</b>
Andrew Tsang	2010	50,000	4,500	74,250	Nil	<b>128,750</b>
	2009	50,000	4,500	Nil	Nil	<b>54,500</b>
Kenneth Pettit <sup>1</sup>	2010	Nil	Nil	Nil	Nil	<b>Nil</b>
	2009	Nil	Nil	Nil	Nil	<b>Nil</b>

**Notes:**

1. Mr Pettit was appointed as a Non-Executive Director to the Company on 16 May 2011 and has not received any remuneration from the Company as at the date of this Prospectus. In his role as a Non-Executive Director, Mr Pettit will earn \$50,000 in directors' fees plus statutory superannuation.

#### **7.4 Effect of the Rights Offer on control of the Company**

The potential effect that the issue of Shares under the Rights Offer will have on the control of the Company is as follows:

- (a) if all Shareholders take up all of the Entitlement under the Rights Offer, the percentage interest in the Shares of the Company held by the Underwriter and any sub-underwriters to the Rights Offer (and any other

major Shareholders) would not change and there would not be any effect on the control of the Company; and

- (b) if some or all of the Shareholders do not take up their Entitlement under the Rights Offer, and there is Shortfall, then the Underwriter and any sub-underwriters to the Rights Offer will be required to subscribe for the Shares which make up the Shortfall. This would have the following effect on the control of the Company.

If no Shareholders take up their Entitlement, Ms Lei You, the mother of Andrew Tsang who is a Director of the Company and/or her nominees, has agreed to sub-underwrite up to a maximum of 15,151,456 Shares and Primary Options if there are no subscribers to the Rights Offer (i.e. 100% Shortfall) and a proportion of the Shares and Primary Options on a pro-rata basis, if the Rights Offer is partially subscribed. This will result in Mr Tsang's voting power in the Company increasing from 21.27% as at the date of this Prospectus to 28.55% of the issued capital of the Company following the Rights Offer, assuming no Securities are issued pursuant to the Rights Offer, other than the 6,446,022 Shares and Primary Options that Mr Tsang is entitled to take up.

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 Mr Tsang and his associates, including Ms Lei You, is set out below (100% Shortfall) and will only occur if no Shareholders take up their entitlement under the Rights Offer.

<b>Event</b>	<b>Number of Shares Held by Mr Tsang and his associates</b>	<b>Mr Tsang's relevant interest in the Company</b>
As at date of the Prospectus	32,230,112	21.27%
Following completion of the Rights Offer, assuming 100% Shortfall	47,381,568 <sup>1</sup>	27.79%
Following completion of the Rights Offer, assuming Andrew Tsang is the only subscriber of the Rights Offer	48,687,242 <sup>2</sup>	28.55%
Following completion of the Rights Offer, assuming 75% Shortfall	47,786,363 <sup>2</sup>	28.02%
Following completion of the Rights Offer, assuming 50% Shortfall	41,745,136 <sup>2</sup>	22.96%
Following completion of the Rights Offer, assuming 25% Shortfall	35,703,909 <sup>2</sup>	19.64%

**Notes:**

1. Assumes Andrew Tsang does not take up his entitlement of 6,446,022 Shares and Primary Options.
2. Assumes Andrew Tsang does take up his entitlement of 6,446,022 Shares and Primary Options.

## 7.5 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 the 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 of the Rights Offer of securities pursuant to this Prospectus; or
- (c) the Rights Offer of securities pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares 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 Rights Offer pursuant to this Prospectus.

Pursuant to Section 716 of the Corporations Act, Patersons has given, and has not withdrawn, its consent to being named as Underwriter to the Rights Offer in the Corporate Directory of this Prospectus and to being appointed and named as the Nominee in the form and context in which it is named. Patersons 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.

Patersons (including its related entities) is not a Shareholder of the Company and currently has no relevant interest in any Shares. The fees that Patersons will be paid pursuant to the Underwriting Agreement are set out in Section 7.2.1.

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 has acted as solicitors to the Company. Steinepreis Paganin will be paid approximately \$20,000 for services in relation to this Prospectus.

Pursuant to Section 716 of the Corporations Act, Advanced Share Registry Ltd has given, and has not withdrawn, its consent to being named as share registry to the Company in the Corporate Directory of this Prospectus in the form and context in which it is named. Advanced Share Registry Ltd 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.

Pursuant to Section 716 of the Corporations Act, BDO Audit (WA) Pty Ltd has given, and has not withdrawn its consent to being named as Auditor to the Company in the Corporate Directory of this Prospectus in the form and context in which it is named. BDO Audit (WA) Pty Ltd 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.

## 7.6 Legal Proceedings

There is no litigation, arbitration or proceedings pending against or involving the Company as at the date of this Prospectus.

## 7.7 Estimated Expenses of Rights Offer

In the event that the Rights Offer is fully subscribed, the estimated expenses of the Rights Offer, on a GST exclusive basis, are expected to be as follows:

	\$
ASIC fees	2,137
ASX fees	31,566
Underwriting fees	378,786 <sup>1</sup>
Corporate Advisory Fee	60,000
Legal expenses	20,000
Share registry expenses	3,000
Printing, mailing and other expenses	29,931
<b>Total</b>	<b><u>525,420</u></b>

### Notes:

1. Includes a fee of \$237,500, which is 5% of the underwritten amount of \$4,750,000 and a fee of \$141,286, which is 5% of the dollar amount raised over and above the underwritten amount of \$4,750,000, which assumes that the Rights Offer is fully subscribed.

## 7.8 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 and lowest 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: \$0.42 on 1 April 2011

Lowest: \$0.25 on 24 June 2011

The latest available closing sale price of the Company's Shares on ASX prior to the lodgement of this Prospectus with the ASIC was \$0.275 on 30 June 2011.

## **7.9 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 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both.

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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**8. AUTHORITY OF DIRECTORS**

**8.1 Directors' Consent**

Each of the Directors of Mindax Limited has consented to the lodgement of this Prospectus with the ASIC in accordance with Section 720 of the Corporations Act

Dated the 1st day of July 2011



**Signed for and on behalf of  
Mindax Limited  
Mr Gilbert George  
Chairman**

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## 9. DEFINITIONS

**AEST** means Australian Eastern Standard Time.

**Applicant** means a Shareholder, Underwriter, any sub-underwriter or other party instructed by the Underwriter who applies for Securities pursuant to the Rights Offer.

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

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

**ASX** means the ASX Limited (ACN 008 624 691).

**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 closing date of the Rights Offer as set out in Section 1, (unless extended).

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

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

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

**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 Rights Offer.

**Rights Offer** means the renounceable Rights Offer pursuant to the Prospectus of up to 30,302,913 Shares and up to 30,302,913 Primary Options on the basis of:

- (a) one (1) Share for every five (5) Shares held by Shareholders on the Record Date at an issue price of \$0.25 per Share; and
- (b) one (1) Primary Option for each Share issued, for no further consideration,

to raise approximately \$7,575,728.

**Rights Offer Period** means the period commencing on the Opening Date and ending on the Closing Date.

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

**Issue** means the issue of Securities offered by this Prospectus.

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

**Nominee** means Patersons.

**Official Quotation** means the grant by ASX of official quotation of all of the Shares the subject of the Rights Offer.

**Opening Date** means the opening date of the Rights Offer as set out in Section 1.

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

**Patersons** means Patersons Securities Limited (ABN 69 008 896 311).

**Primary Option** means the free attaching Option issued pursuant to the Rights Offer, which has an expiry date of 30 April 2012 and an exercise price of \$0.30 each, exercisable at any time on or after 1 April 2012 and on or before 5.00pm (WST) on 30 April 2012.

**Prospectus** means this prospectus.

**Record Date** means 5.00pm (WST) on the Record Date of the Rights Offer as set out in Section 1.

**Related Corporation** has the meaning given to that term in the Corporations Act.

**Secondary Option** means the Option issued upon the exercise of the Primary Option, which has an expiry date of 31 May 2015 and an exercise price of \$0.35 each.

**Securities** means the Shares and Primary Options which are offered pursuant to this Prospectus.

**SFA** means the Securities and Futures Act of Singapore.

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

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

**Shortfall** or **Shortfall Securities** means those Securities under the Rights Offer not applied for by Shareholders under their Entitlement.

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

**Underwriter** means Patersons Securities Limited (ABN 69 008 896 311).

**Underwriting Agreement** means the underwriting agreement between the Underwriter and the Company, pursuant to which the Underwriter will act as lead manager to, and will partially underwrite the Rights Offer to the amount of \$4,750,000.

**WST** means Western Standard Time.