

PROSPECTUS

FOR THE OFFER OF MINIMUM OF 22,500,000 SHARES
AND A MAXIMUM OF 25,000,000 SHARES AT AN ISSUE
PRICE OF \$0.20 EACH TO RAISE MINIMUM OF
\$4,500,000 AND A MAXIMUM OF \$5,000,000

The prospectus is an important document and should be read in its entirety. Please consult your professional adviser if you have any questions about this document. Investment in the Securities offered pursuant to this Prospectus should be regarded as highly speculative in nature.

LEAD MANAGER



ACN 617 821 771

PROSPECTUS

For an initial public offer of up to 25,000,000 Shares at an issue price of \$0.20 each to raise up to \$5,000,000 (before costs).

This Prospectus has been issued to provide information on the offer of a minimum of 22,500,000 Shares and a maximum of 25,000,000 Shares to be issued at a price of \$0.20 per Share to raise a total of a minimum of \$4,500,000 and a maximum of \$5,000,000 (before costs) (**Public Offer**).

This Prospectus also incorporates a priority offer as part of the Public Offer to shareholders of POZ Minerals Limited registered on a record date of 1 December 2017 (**POZ Offer**) and an offer of up to 5,000,000 Options to the Lead Manager (or its nominees) in consideration for capital raising services provided to the Company (**Lead Manager Offer**).

The Public Offer, POZ Offer and Lead Manager Offer (together, the **Offers**) pursuant to this Prospectus are subject to a number of conditions precedent as outlined in Section 1.3 of this Prospectus.

It is proposed that the POZ Offer will close at 5:00pm (WST) on 15 December 2017 and the Public Offer and Lead Manager Offer will close at 5.00pm (WST) on 21 December 2017. The Directors reserve the right to close the Offers earlier or to extend these dates without notice. Applications must be received before that time.

This is an important document and requires your immediate attention. It should be read in its entirety. Please consult your professional adviser(s) if you have any questions about this document.

Investment in the Securities offered pursuant to this Prospectus should be regarded as **highly speculative** in nature, and investors should be aware that they may lose some or all of their investment. Refer to Section 3 for a summary of the key risks associated with an investment in the Securities.

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IMPORTANT INFORMATION

Prospectus

This Prospectus is dated, and was lodged with ASIC on, 30 November 2017. Neither ASIC nor ASX (or their respective officers) take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates. The expiry date of this Prospectus is 5.00pm WST on that date which is 13 months after the date this Prospectus was lodged with ASIC. No Securities will be issued on the basis of this Prospectus after that expiry date.

Application will be made to ASX within 7 days of the date of this Prospectus for Official Quotation of the Shares the subject of the Offers.

No person is authorised to give any information or to make any representation in connection with the Offers, other than as is contained in this Prospectus. Any information or representation not contained in this Prospectus should not be relied on as having been made or authorised by the Company or the Directors in connection with the Offers.

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

Exposure Period

This Prospectus will be circulated during the Exposure Period. The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of funds. You should be aware that this examination may result in the identification of deficiencies in this Prospectus. In such circumstances, any Application that has been received may need to be dealt with in accordance with section 724 of the Corporations Act. Applications under this Prospectus will not be processed by the Company until after the Exposure Period. No preference will be conferred upon Applications received during the Exposure Period.

Conditional Offers

The Offers contained in this Prospectus are conditional on certain events occurring. If these events do not occur, the Offers will not proceed and investors will be refunded their Application Monies without interest. Please refer to Section 1.3 for further details on the conditions attaching to the Offers.

Electronic Prospectus and Application Form

This Prospectus will generally be made available in electronic form by being posted on the Company's website at www.AX8.com.au. Persons having received a copy of this Prospectus in its electronic form may obtain an additional paper copy of this Prospectus and the relevant Application Form (free of charge) from the Company's registered office by contacting the Company as detailed in the Corporate Directory. The Offers constituted by this Prospectus in electronic form are only available to persons receiving an electronic version of this Prospectus and the relevant Application Form within Australia.

Applications will only be accepted on the relevant Application Form attached to, or accompanying, this Prospectus. The Corporations Act prohibits any person from passing on to another person any Application Form unless it is accompanied by or attached to a complete and unaltered copy of this Prospectus.

Prospective investors wishing to subscribe for Securities under the Offers should complete the relevant Application Form. If you do not provide the information required on the relevant Application Form, the Company may not be able to accept or process your Application.

No document or information included on the Company's website is incorporated by reference into this Prospectus.

Offer outside Australia

No action has been taken to register or qualify the Securities the subject of this Prospectus, or the Offers, or otherwise to permit the offering of the Securities, in any jurisdiction outside Australia. The distribution of this Prospectus in jurisdictions outside of Australia may be restricted by law and persons who come into possession of this Prospectus outside of Australia should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. This Prospectus does not constitute an offer of Securities in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

Speculative Investment

The Securities offered pursuant to this Prospectus should be considered **highly speculative**. There is no guarantee that the Securities offered pursuant to this Prospectus will make a return on the capital invested, that dividends will be paid on the Shares or that there will be an increase in the value of the Securities in the future.

Prospective investors should carefully consider whether the Securities offered pursuant to this Prospectus are an appropriate investment for them in light of their personal circumstances, including their financial and taxation position. Refer to Section 3 for details relating to the key risks applicable to an investment in the Securities.

Using this Prospectus

Persons wishing to subscribe for Securities offered by this Prospectus should read this Prospectus in its entirety in order to make an informed assessment of the assets and liabilities, financial position and performance, profits and losses, and prospects of the Company and the rights and liabilities attaching to the Securities offered pursuant to this Prospectus. If persons considering subscribing for Securities offered pursuant to this Prospectus have any questions, they should consult their stockbroker, solicitor, accountant or other professional adviser for advice.

Forward-Looking Statements

This Prospectus contains forward-looking statements which are identified by words such as "believes", "estimates", "expects", "targets", "intends", "may", "will", "would", "could", or "should" and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are considered reasonable.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors of the Company. Key risk factors associated with an investment in the Company are detailed in Section 3. These and other factors could cause actual results to differ

materially from those expressed in any forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

The Company cannot and does not give assurances that the results, performance or achievements expressed or implied in the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

Competent Persons Statements

The information in this Prospectus that relates to technical assessment of the mineral assets, exploration targets and exploration results is based on, and fairly represents, information and supporting documentation prepared by Mr Tony Donaghy, who is a registered professional geoscientist with the Association of Professional Geoscientists of Ontario, a recognised professional organisation, in relation to the Mt Read Cobalt Tenements, and by Ms Ivy Chen, working under the supervision of Mr Marcus Willson in relation to the WA Gold Tenements. Ms Chen is a member of the Australasian Institute of Mining and Metallurgy and Mr Willson is a member of the Australian Institute of Geoscientists. Mr Donaghy, Ms Chen and Mr Willson are employed by CSA Global Pty Ltd.

Mr Donaghy has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he has undertaken, to qualify as a Practitioner as defined in the 2015 edition of the 'Australasian Code for the public reporting of technical assessments and Valuations of Mineral Assets' and as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Donaghy consents to the inclusion of the matters based on his information in the form and context in which it appears in this Prospectus and has not withdrawn his consent before lodgement of this Prospectus with ASIC.

Ms Chen has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which she has undertaken, to qualify as a Practitioner as defined in the 2015 edition of the 'Australasian Code for the public reporting of technical assessments and Valuations of Mineral Assets' and as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Ms Chen consents to the inclusion of the matters based on her information in the form and context in which it appears in this Prospectus and has not withdrawn her consent before lodgement of this Prospectus with ASIC.

Mr Willson has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he has undertaken, to qualify as a Practitioner as defined in the 2015 edition of the 'Australasian Code for the public reporting of technical assessments and Valuations of Mineral Assets' and as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Willson consents to the inclusion of the matters based on his information in the form and context

in which it appears in this Prospectus and has not withdrawn his consent before lodgement of this Prospectus with ASIC.

Photographs and Diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses this Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the date of this Prospectus.

Miscellaneous

All financial amounts contained in this Prospectus are expressed as Australian currency unless otherwise stated. Conversions may not reconcile due to rounding. All references to "\$" or "A\$" are references to Australian dollars.

All references to time in this Prospectus are references to WST, being the time in Perth, Western Australia, unless otherwise stated.

Defined terms and abbreviations used in this Prospectus are detailed in the glossary in Section 11.

CORPORATE DIRECTORY

Directors

Mr Grant Mooney	Non-Executive Chairman
Ms Yaxi Zhan	Managing Director
Mr Andrew Haythorpe	Executive Director
Mr Terence Topping	Non-Executive Director

Auditor*

RSM Australia Partners
Level 32, Exchange Tower
2 The Esplanade
PERTH WA 6000

Company Secretary

Mr Brett Tucker

Registered and Principal Office

Unit 1/16 Ord Street
WEST PERTH WA 6005

Phone: +61 8 9324 2072

Email: admin@AX8.com.au

Website: www.AX8.com.au

Proposed Securities Exchange Listing

Australian Securities Exchange (ASX)
Proposed ASX Code: AX8

Share Registry*

Automic Pty Ltd
Level 2, 267 St Georges Terrace
PERTH WA 6000

Phone (within Australia): 1300 288 664

Phone (outside Australia): +61 2 9698 5414

Solicitors

Bellanhouse
Level 19, Alluvion
58 Mounts Bay Road
PERTH WA 6000

Independent Geologist

CSA Global Pty Ltd
Level 2, 3 Ord Street
WEST PERTH WA 6005

Investigating Accountant

RSM Corporate Australia Pty Ltd
8 St Georges Terrace
PERTH WA 6000

Lead Manager and Corporate Advisor

GTT Ventures Pty Ltd
22 Townshend Road
SUBIACO WA 6008
AFSL 001 241 390

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

LETTER FROM THE CHAIRMAN

Dear Investor

On behalf of my fellow Directors, it is with great pleasure that I present to you this Prospectus and invite you to become a shareholder of Accelerate Resources Limited (**Company**).

The Company is a newly incorporated mineral exploration company committed to increasing shareholder wealth through the acquisition, exploration and development of mineral resources throughout Australia.

In order to achieve this goal, we have selected what we consider to be several high quality projects located in world class districts with a history of production and hosting advanced gold and cobalt exploration prospects.

The Company's assets consist of rights over 8 exploration licences and applications (**Tenements**). Together, the Tenements comprise 1 project in Tasmania (Mt Read Cobalt Project) and 4 projects across Western Australia (Bulgera - gold, Mt Monger - gold, Comet - gold and Pilbara - gold).

At Mt Read, previous sampling indicating high grades of cobalt, gold and copper coupled with a high intensity geophysical target provides the Company with a highly prospective target demanding of drill testing in the coming 12 months. The Bulgera, Mt Monger and Comet gold projects are located in the Eastern Goldfields of Western Australia, proximal to a number of world class deposits where existing mineralisation within our project areas provides encouragement for further discoveries near to excellent infrastructure. In the Pilbara, the Company has recently applied for an exploration licence which includes units of the Hardey Formation. Sedimentary units of the Hardey Formation are thought to be prospective for conglomerate hosted gold mineralisation.

A core part of the Company's strategy will be to leverage the expertise of its management and Directors to monetise the Tenements through a thorough evaluation of each of the Tenements' mineral exploration potential and the proposed development scenarios presented.

Running in parallel with the proposed evaluation and exploration of the Tenements the Company's ongoing strategy will also include the identification and acquisition of projects, across the commodity spectrum mentioned above, that the Board believes will provide fundamental value to Shareholders. The Board is of the view that a well-funded and well credentialed entity such as the Company will be poised to take advantage of the depressed valuations currently seen in some mining asset classes as a result of the highly volatile commodity price environment in which we now operate.

The Board and management team of the Company bring together a highly skilled and experienced group of professionals who together have a wealth of operational, technical and corporate experience in mineral exploration and mining, both locally and internationally.

With its initial Public Offer, the Company is seeking to raise up to \$5,000,000 (before associated costs) to provide funds to achieve its objectives in the next two years. The Public Offer incorporates a priority offer to the shareholders of POZ Minerals Limited (ASX:POZ), from whom the Company is acquiring certain Tenements in Western Australia (see Sections 1.1(b) and 8.2(b)).

This Prospectus contains detailed information about the Offers and the current and proposed operations of the Company, as well as the risks pertaining to an investment in the Company. Potential investors in the Company should carefully consider those risks (detailed in Section 3).

It is therefore with great excitement and confidence that we look forward to welcoming you as a shareholder of Accelerate Resources Limited.

A handwritten signature in black ink, appearing to read "Grant Mooney". The signature is fluid and cursive, with a long, sweeping tail that extends downwards and to the right.

Grant Mooney
Non-Executive Chairman

KEY OFFER DETAILS

Pro forma capital structure ¹	Shares	Options
Shares offered under the Public Offer ² for \$0.20 each		
Minimum Subscription (raising \$4,500,000 (before costs))	22,500,000	-
Maximum Subscription (raising \$5,000,000 (before costs))	25,000,000	-
Options offered under the Lead Manager Offer ³	-	5,000,000
Existing Securities on issue ⁴	11,520,000	6,000,000
Securities to be issued to the Vendors ⁵	5,000,000	4,000,000
Shares to be issued to the Lead Manager ⁶	5,000,000	-
Shares to be issued to advisors and Director ⁷	1,100,000	-
Total Securities on issue on completion of the Offers⁸		
Minimum Subscription	45,120,000	15,000,000
Maximum Subscription	47,620,000	15,000,000

Notes:

1. Please refer to Section 1.5 for further details relating to the proposed capital structure of the Company.
2. Includes Shares offered under the POZ Offer. Please refer to Section 1.1(b) for further details.
3. Comprised of Lead Manager Options to be issued on the terms set out in Section 9.2 pursuant to the Lead Manager Mandate.
4. Options comprised of Management Options issued to the Directors and management of the Company on the terms set out in Section 9.2. See Section 2.2 for further details of the current capital structure of the Company.
5. Pursuant to the Acquisition Agreements, the Vendors have agreed to sell the WA Gold Tenements and the Mt Read Cobalt Tenements to the Company in aggregate consideration for \$1 million worth of Shares valued at the Public Offer Price of \$0.20 each, 4 million Vendor Options on the terms set out in Section 9.2 plus \$73,500 in cash payments as reimbursement of previous expenditure and a 1% net smelter return royalty. Please refer to Sections 2.1 and 8.2 for further details relating to the Acquisition Agreements.
6. Prior to Admission the Company intends to issue Shares at \$0.0001 per Share to the Lead Manager, GTT Ventures (or its nominees) for corporate advisory and lead manager services provided to the Company pursuant to the Lead Manager Mandate. See Section 8.3 for a summary of the Lead Manager Mandate.
7. Prior to Admission the Company intends to issue 1,000,000 Shares at \$0.0001 per Share to Executive Director Mr Andrew Haythorpe as part of his remuneration package and 100,000 Shares at \$0.001 per Share to Ventnor Capital for company secretarial services provided to the Company. See Sections 8.5(b) and 8.4 respectively for further details regarding the agreements with these parties.
8. Assuming no further Securities are issued and none of the above Options are exercised.

INDICATIVE TIMETABLE

Event	Date
Lodgement of this Prospectus with ASIC	30 November 2017
POZ Offer Record Date	1 December 2017
Opening Date for the Offers	8 December 2017
Closing Date for the POZ Offer	15 December 2017
Closing Date for the Public Offer and Lead Manager Offer	21 December 2017
Issue Date of Securities	18 January 2018
Despatch of holding statements	22 January 2018
Expected date for Official Quotation on ASX	29 January 2018

Note:

The dates shown in the table above are indicative only and may vary subject to the Corporations Act, the Listing Rules and other applicable laws. In particular, the Company reserves the right to vary the Opening Date and the Closing Dates without prior notice, which may have a consequential effect on the other dates. Applicants are therefore encouraged to lodge their relevant Application Form and deposit the Application Monies as soon as possible after the Opening Date if they wish to invest in the Company.

INVESTMENT OVERVIEW

This Section is not intended to provide full information for investors intending to apply for Securities offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety. The Securities offered pursuant to this Prospectus carry no guarantee in respect of return of capital, return on investment, payment of dividends or the future value of the Securities.

Topic	Summary	More information										
Introduction												
Who is the Company and what does it do?	<p>Accelerate Resources Limited (ACN 617 821 771) (Company) is an Australian company incorporated on 7 March 2017 for the purpose of pursuing various investment opportunities in the resources sector designed to add shareholder value by acquiring, exploring, evaluating and exploiting mineral resource project opportunities and, other than as disclosed in this Prospectus, has not undertaken any activities since incorporation.</p> <p>Since incorporation, the Company has entered into the following Acquisition Agreements:</p> <p>An agreement with Sherlock Minerals Pty Ltd (Sherlock) and Thylacine Resources Pty Ltd (Thylacine) to acquire 100% legal and beneficial ownership of 2 exploration licences which comprise the Mt Read Cobalt Project in Tasmania which is considered to be prospective for cobalt, copper, gold and nickel (Mt Read Cobalt Tenements).</p> <p>An agreement with POZ Minerals Limited (ASX: POZ) to acquire 100% legal and beneficial ownership of 3 exploration licences and 1 application for an exploration licence, which together with the Company's existing exploration licence and application for an exploration licence (together, WA Gold Tenements), comprise 4 projects across Western Australia which are considered to be prospective for gold.</p>	Section 2.1										
What are the Company's projects?	<p>Upon completion of the Acquisition Agreements and listing on ASX, the Company will own a 100% interest in the following Mt Read Cobalt Tenements and the WA Gold Tenements (together, Tenements) which comprise the Mt Read Cobalt Project in Tasmania and 4 projects across Western Australia (Projects):</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="background-color: black; color: white;">State</th> <th style="background-color: black; color: white;">Project</th> <th style="background-color: black; color: white;">Licence no.</th> <th style="background-color: black; color: white;">Status</th> </tr> </thead> <tbody> <tr> <td rowspan="2" style="text-align: center;">Tasmania</td> <td rowspan="2" style="text-align: center;">Mt Read</td> <td style="text-align: center;">EL6/2013</td> <td style="text-align: center;">Granted</td> </tr> <tr> <td style="text-align: center;">EL7/2013</td> <td style="text-align: center;">Granted</td> </tr> </tbody> </table>	State	Project	Licence no.	Status	Tasmania	Mt Read	EL6/2013	Granted	EL7/2013	Granted	Sections 2.1 and 2.4
State	Project	Licence no.	Status									
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	Comet	E20/908	Pending																										
	Pilbara Gold	E46/1192	Pending																										
<p>What is the Company's financial position?</p>	<p>The Company was incorporated in March 2017 and has not traded, therefore the Company has not earned any revenue or incurred any expenses from its activities (other than the expenses of the Offers).</p> <p>An Investigating Accountant's Report is included in Section 4 which contains financial information for the Company.</p> <p>The Board is satisfied that upon completion of the Offers, the Company will have sufficient working capital to meet its stated objectives.</p>				<p>Section 4</p>																								
<p>What is the proposed use of funds raised under the Offers?</p>	<p>The Company proposes to use the funds raised from the Offers to acquire and undertake exploration on the Tenements, pay expenses of the Offers, and towards general administration fees and working capital.</p>				<p>Section 1.4</p>																								
<p>What is the proposed capital structure of the Company?</p>	<p>Following completion of the Offers under this Prospectus and completion of the Acquisition Agreements, the proposed capital structure of the Company is as set out in Section 1.5.</p>				<p>Section 1.5</p>																								
<p>What is the Company's strategy?</p>	<p>Following completion of the Offers under this Prospectus and completion of the Acquisition Agreements, the Company intends to undertake exploration on each of the granted Tenements and to pursue new projects and opportunistic acquisitions in the resource sector in various jurisdictions to create additional Shareholder value.</p>				<p>Section 2.5</p>																								
<p>Summary of key risks</p>																													
<p>Prospective investors should be aware that subscribing for Securities in the Company involves a number of risks. The risk factors set out in Section 3, and other general risks applicable to all investments in listed securities, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. This Section summarises the key risks which apply to an investment in the Company and investors should refer to Section 3 for a more detailed summary of the risks.</p>																													

Topic	Summary	More information
Limited history	<p>The Company was incorporated on 7 March 2017 and therefore has limited operational and financial history on which to evaluate its business and prospects. The prospects of the Company must be considered in light of the risks, expenses and difficulties frequently encountered by companies in the early stages of their development, particularly in the mineral exploration sector, which has a high level of inherent risk and uncertainty. No assurance can be given that the Company will achieve commercial viability through the successful exploration on, or mining development of, the Projects. Until the Company is able to realise value from the Projects, it is likely to incur operational losses.</p>	Section 3.1(a)
Conditionality of Offers	<p>The obligation of the Company to issue the Securities under the Offers is conditional on certain matters, as set out in Section 1.3. If the conditions are not satisfied, the Company will not proceed with the Offers. Failure to complete the Offers may have a material adverse effect on the Company's financial position.</p>	Section 3.1(b)
Contractual risk	<p>Pursuant to the Acquisition Agreements (summarised at Section 8.2) the Company has agreed to acquire 100% legal and beneficial ownership of the WA Sale Tenements and the Mt Read Cobalt Tenements from the Vendors subject to the fulfilment of certain conditions precedent. If any of the conditions precedent are not met, completion of the acquisition of those Tenements may be deferred or not occur. The ability of the Company to achieve its stated objectives will depend on the performance by the parties of their obligations under the Acquisition Agreements. If any party defaults in the performance of its obligations, it may be necessary for the Company to approach a court to seek a legal remedy, which can be costly.</p>	Section 3.1(c)
Future capital requirements	<p>The Company has no operating revenue and is unlikely to generate any operating revenue unless and until the Projects are successfully developed and production commences. The future capital requirements of the Company will depend on many factors including its business development activities. The Company believes its available cash and the net proceeds of the Public Offer should be adequate to fund its business development activities, exploration program and other Company objectives in the short term as stated in this Prospectus.</p> <p>In order to successfully develop the Projects and for production to commence, the Company will require further financing in the future, in addition to amounts</p>	Section 3.1(f)

Topic	Summary	More information
	<p>raised pursuant to the Public Offer (particularly if only the Minimum Subscription is met). Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the then market price (or Public Offer Price) or may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities.</p>	
Title risk	<p>At the date of this Prospectus, the Company only has a registered legal interest in two Tenements: one granted exploration licence and one application for an exploration licence in Western Australia. The Company has an equitable interest under the Acquisition Agreements to acquire a 100% interest in the remaining Tenements, subject to satisfaction of certain conditions. There is a risk that if the conditions to the Acquisition Agreements are not satisfied or waived, and the Acquisition Agreements do not complete, that the Company will not acquire an interest in all of the Tenements.</p>	Section 3.2(a)
Exploration and development risks	<p>Mineral exploration and development is a high-risk undertaking. There can be no assurance that exploration of acquired projects or any other exploration properties that may be acquired in the future will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited.</p> <p>The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company. A lack of local infrastructure proximate to the Mt Read Cobalt Tenements may also represent a risk to any potential future development activities.</p>	Section 3.2(b)
Metals and currency price volatility	<p>The Company's ability to proceed with the development of its mineral projects and benefit from any future mining operations will depend on market factors, some of which may be beyond its control. It is anticipated that any revenues derived from mining will primarily be derived from the sale of gold and base metals. Consequently, any future earnings are likely to be closely related to the price of this commodity and the</p>	Section 3.2(f)

Topic	Summary	More information
	<p>terms of any off-take agreements that the Company enters into.</p> <p>The world market for minerals is subject to many variables and may fluctuate markedly. These variables include world demand for gold and base metals that may be mined commercially in the future from the Company's project areas, forward selling by producers and production cost levels in major mineral-producing regions. Minerals prices are also affected by macroeconomic factors such as general global economic conditions and expectations regarding inflation and interest rates. These factors may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities. Metals are principally sold throughout the world in US dollars. The Company's cost base will be payable in various currencies including Australian dollars and US dollars. As a result, any significant and/or sustained fluctuations in the exchange rate between the Australian dollar and the US dollar could have a materially adverse effect on the Company's operations, financial position (including revenue and profitability) and performance. The Company may undertake measures, where deemed necessary by the Board to mitigate such risks.</p>	
Native title and Aboriginal heritage risks	<p>The <i>Native Title Act 1993</i> (Cth) recognises and protects the rights and interests in Australia of Aboriginal and Torres Strait Islander people in land and waters, according to their traditional laws and customs. There is significant uncertainty associated with native title in Australia and this may impact on the Company's operations and future plans.</p> <p>The Company notes that there is one registered Aboriginal site and a number of other heritage places within the area of the WA Gold Tenements and that there are several Aboriginal heritage sites within and in close proximity to the identified exploration areas within the Mt Read Cobalt Tenements. The absence of other registered Aboriginal sites does not preclude the existence of Aboriginal sites located within the boundaries of the Tenements and there is a risk that unregistered Aboriginal sites and objects may exist on the land the subject of the Tenements, the existence of which may preclude or limit mining activities in certain areas of the Tenements. Further, the disturbance of such sites and objects is likely to be an offence under the applicable legislation, exposing the Company to fines and other penalties.</p>	Section 3.2(h)
Third party risks	Under State and Commonwealth legislation, the Company may be required to obtain the consent of and	Section 3.2(i)

Topic	Summary	More information
	<p>pay compensation to the holders of third party interests which overlay areas within the Tenements or future tenements granted to the Company, including native title claims, Aboriginal heritage sites and pastoral leases, prior to accessing or commencing any exploration or mining activities on the affected areas within the Tenements. Any delay in obtaining these consents may impact on the Company's ability to carry out exploration activities or mining within the affected areas or future tenements granted to the Company.</p>	
Environmental risk	<p>The operations and proposed activities of the Company are subject to state and federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or field development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws. The cost and complexity of complying with the applicable environmental laws and regulations may prevent the Company from being able to develop potentially economically viable mineral deposits.</p> <p>Previous holders of the land the subject of the Mt Read Cobalt Tenements have had proposed work programs objected to by environmental groups. Whilst the current exploration work programs on the Mt Read Cobalt Tenements have been approved, it is possible that future proposed exploration and mining operations that include ground disturbance may be objected to which may cause delays or may mean that approvals are difficult to obtain or may contain onerous conditions.</p>	Section 3.2(j)
Licences, permits and approvals	<p>On completion of the Acquisition Agreements, the Company will hold all material authorisations required to undertake the exploration programs described in this Prospectus. However, many of the mineral rights and interests to be held by the Company are subject to the need for ongoing or new government approvals, licences and permits. These requirements, including work permits and environmental approvals, will change as the Company's operations develop. Delays in obtaining, or the inability to obtain, required authorisations may significantly impact on the Company's operations.</p>	Section 3.2(k)
Reliance on key personnel	<p>The Company is reliant on a number of key personnel and consultants, including members of the Board. The loss of one or more of these key contributors could have an adverse impact on the business of the Company. It may be particularly difficult for the Company to attract</p>	Section 3.2(l)

Topic	Summary	More information									
	and retain suitably qualified and experienced people given the current high demand in the industry and relatively small size of the Company, compared with other industry participants.										
Conflicts of interest	Certain Directors are also directors and officers of other companies engaged in mineral exploration and development and mineral property acquisitions. Accordingly, mineral exploration opportunities or prospects of which these Directors become aware may not necessarily be made available to the Company in first instance. Although these Directors have been advised of their fiduciary duties to the Company, there exist actual and potential conflicts of interest among these persons and situations could arise in which their obligations to, or interests in, other companies could detract from their efforts on behalf of the Company.	Section 3.2(m)									
Directors, Related Party Interest and Substantial Holders											
Who are the Directors?	<p>The Directors are:</p> <ul style="list-style-type: none"> (a) Mr Grant Mooney - Non-Executive Chairman; (b) Ms Yaxi Zhan - Managing Director; (c) Mr Andrew Haythorpe - Executive Director; and (d) Mr Terence Topping - Non-Executive Director. 	"Corporate Directory" and Section 7.1									
What benefits are being paid to the Directors?	<p>Ms Zhan is employed by the Company as Managing Director pursuant to an executive services agreement which provides for an executive services fee of \$150,000 per year exclusive of superannuation from Admission.</p> <p>Mr Haythorpe is engaged by the Company as Executive Director pursuant to an executive consultancy agreement which provides for a consultancy fee of up to \$100,000 per year plus GST from Admission.</p> <p>Messrs Mooney and Topping have entered into non-executive director letters of appointment with the Company pursuant to which they will receive remuneration of \$50,000 and \$40,000 per annum excluding superannuation respectively from Admission.</p>	Sections 7.6 and 8.5									
What interests do Directors have in the securities of the Company?	<p>The Directors and their related entities hold the following interests in Securities in the Company as at the date of this Prospectus:</p> <table border="1" data-bbox="517 1895 1150 2089"> <thead> <tr> <th data-bbox="517 1895 799 1962">Director</th> <th data-bbox="799 1895 975 1962">Shares</th> <th data-bbox="975 1895 1150 1962">Options</th> </tr> </thead> <tbody> <tr> <td data-bbox="517 1962 799 2029">Grant Mooney</td> <td data-bbox="799 1962 975 2029">1,000,000</td> <td data-bbox="975 1962 1150 2029">1,000,000</td> </tr> <tr> <td data-bbox="517 2029 799 2089">Yaxi Zhan</td> <td data-bbox="799 2029 975 2089">3,000,000</td> <td data-bbox="975 2029 1150 2089">3,000,000</td> </tr> </tbody> </table>	Director	Shares	Options	Grant Mooney	1,000,000	1,000,000	Yaxi Zhan	3,000,000	3,000,000	Section 7.5
Director	Shares	Options									
Grant Mooney	1,000,000	1,000,000									
Yaxi Zhan	3,000,000	3,000,000									

Topic	Summary	More information									
	<table border="1" data-bbox="517 277 1150 477"> <thead> <tr> <th data-bbox="517 277 799 342">Director</th> <th data-bbox="799 277 975 342">Shares</th> <th data-bbox="975 277 1150 342">Options</th> </tr> </thead> <tbody> <tr> <td data-bbox="517 342 799 407">Andrew Haythorpe</td> <td data-bbox="799 342 975 407">1,500,000</td> <td data-bbox="975 342 1150 407">-</td> </tr> <tr> <td data-bbox="517 407 799 477">Terence Topping</td> <td data-bbox="799 407 975 477">1,000,000</td> <td data-bbox="975 407 1150 477">1,500,000</td> </tr> </tbody> </table> <p data-bbox="456 495 1174 622">The Company intends to issue Mr Haythorpe a further 1 million Shares at \$0.0001 each prior to Admission as part of his remuneration, for a total holding of 2,500,000 Shares.</p> <p data-bbox="456 645 1190 741">Mr Grant Mooney intends to subscribe for up to a further 100,000 Shares pursuant to the Public Offer for a total holding of 1,100,000 Shares.</p>	Director	Shares	Options	Andrew Haythorpe	1,500,000	-	Terence Topping	1,000,000	1,500,000	
Director	Shares	Options									
Andrew Haythorpe	1,500,000	-									
Terence Topping	1,000,000	1,500,000									
What important contracts with related parties is the Company a party to?	<p data-bbox="456 779 1153 844">The Company has entered into the following related party transactions on arms' length terms:</p> <ul style="list-style-type: none"> <li data-bbox="456 866 1166 963">(a) letters of appointment or services agreements with each of its Directors on standard terms (refer Section 8.5 for details); and <li data-bbox="456 985 1174 1081">(b) deeds of indemnity, insurance and access with each of its Directors on standard terms (refer Section 8.6 for details). 	Sections 7.7, 8.5 and 8.6									
Who will be the substantial holders of the Company?	<p data-bbox="456 1115 1174 1211">As at the date of this Prospectus the following Shareholders (and their associates) hold an interest in 5% or more of the Shares on issue:</p> <ul style="list-style-type: none"> <li data-bbox="456 1234 831 1267">(a) Ms Yaxi Zhan - 26.0% <li data-bbox="456 1290 951 1323">(b) Mr Andrew Haythorpe - 13.0% <li data-bbox="456 1346 871 1379">(c) Mr Grant Mooney - 8.7% <li data-bbox="456 1402 911 1435">(a) Mr Terence Topping - 8.7% <p data-bbox="456 1447 1206 1570">Based on the information known as at the date of this Prospectus and assuming only the Minimum Subscription is achieved, on Admission the following entities will have an interest in 5% or more of the Shares on issue:</p> <ul style="list-style-type: none"> <li data-bbox="456 1592 927 1626">(a) POZ Minerals Limited - 6.6% <li data-bbox="456 1648 815 1682">(b) Ms Yaxi Zhan - 6.6% <li data-bbox="456 1704 935 1738">(c) Mr Andrew Haythorpe - 5.5% <p data-bbox="456 1749 1174 1827">Investors should note that the details above do not include any Eligible POZ Shareholder who participates in the POZ Offer.</p>	Section 9.4									
What are the Offers?											
What are the Offers?	The Public Offer is for a conditional initial public offering of up to 25,000,000 fully paid ordinary shares in the Company to raise up to \$5,000,000 (before	Sections 1.1 and 1.2									

Topic	Summary	More information
	<p>costs). The Public Offer also incorporates the POZ Offer to Eligible POZ Shareholders.</p> <p>The Shares being offered under the Public Offer will represent approximately 49.87% of the issued capital of the Company at Admission on a Minimum Subscription basis and approximately 52.50% of the issued capital of the Company at Admission on a Maximum Subscription basis.</p> <p>The Lead Manager Offer is an offer of up to 5,000,000 Options exercisable at \$0.25 each and expiring 4 years from the date the Company is admitted to the Official List to the Lead Manager, GTT Ventures (or its nominees).</p>	
What is the Public Offer Price?	\$0.20 per Share.	Section 1.1
What is the Minimum Subscription amount under the Public Offer?	The Public Offer is conditional on the Company raising at least \$4,500,000. If the Company fails to raise the Minimum Subscription within four months after the date of this Prospectus, the Company will either repay the Application Monies (without interest) to Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Applications and have their Application Monies refunded to them (without interest).	Section 1.1(c)
Will the Shares be quoted?	The Company will apply to the ASX for its admission to the Official List and quotation of Shares on the ASX (expected to be under the code "AX8") within seven days of the date of this Prospectus.	"Corporate Directory" and Section 1.9
What is the purpose of the Public Offer?	<p>The purpose of the Public Offer is to:</p> <ul style="list-style-type: none"> (a) raise up to \$5,000,000 pursuant to the Public Offer (before associated costs of the Offers); (b) assist the Company to meet the requirements of ASX and satisfy Chapters 1 and 2 of the Listing Rules, as part of the Company's application for admission to the Official List; and (c) position the Company to seek to achieve the objectives detailed in Section 2. 	Section 1.1(d)
What are the conditions of the Offers?	<p>The Offers remain conditional upon the following events occurring:</p> <ul style="list-style-type: none"> (a) the Acquisition Agreements becoming unconditional; (b) the Company raising the Minimum Subscription, being \$4,500,000, under the Public Offer; and 	Section 1.3

Topic	Summary	More information
	<p>(c) ASX granting in-principle approval to admit the Company to the Official List on conditions which the Directors are confident can be satisfied.</p> <p>If these conditions are not satisfied then the Offers will not proceed and the Company will repay all Application Monies received under the Offers in accordance with the Corporations Act.</p>	
<p>Are there any escrow arrangements?</p>	<p>Yes, there are compulsory escrow arrangements under the ASX Listing Rules.</p> <p>None of the Shares issued pursuant to the Public Offer or the POZ Offer are expected to be restricted securities.</p> <p>As at the date of this Prospectus, the Company expects all of the remaining Shares and Options to be subject to up to 24 months' escrow.</p>	<p>Section 1.14</p>
<p>What is the Offers period?</p>	<p>An indicative timetable for the Offers is set out on page viii of this Prospectus.</p>	<p>"Indicative Timetable"</p>
<p>Are the Offers underwritten?</p>	<p>No, however GTT Ventures has been appointed as the Lead Manager of the Public Offer.</p>	<p>Sections 1.15 and 8.3</p>
<p>Additional information</p>		
<p>Will the Company be adequately funded after completion of the Public Offer?</p>	<p>The Board believes that the funds raised from the Public Offer will provide the Company with sufficient working capital to achieve its stated objectives as detailed in this Prospectus.</p>	<p>Section 1.4</p>
<p>What rights and liabilities attach to the Securities on issue?</p>	<p>All Shares issued under the Public Offer will rank equally in all respects with existing Shares on issue. The rights and liabilities attaching to the Shares are described in Section 9.1.</p> <p>The terms and conditions of the Options are set out in Section 9.2.</p>	<p>Sections 9.1 and 9.2</p>
<p>Who is eligible to participate in the Offers?</p>	<p>The Public Offer is open to all investors with a registered address in Australia.</p> <p>The POZ Offer is open to POZ Shareholders registered on a record date of 1 December 2017.</p> <p>The Lead Manager Offer is open to the Lead Manager (or its nominees).</p> <p>No action has been taken to register or qualify the Securities, or the Offers, or otherwise to permit the offering of the Securities, in any jurisdiction outside of Australia.</p>	<p>Section 1.13</p>

Topic	Summary	More information
How do I apply for Securities under the Offers?	<p>Applications for Securities under the Offers can only be made using the relevant Application Form accompanying this Prospectus and must be accompanied by a cheque in Australian dollars or confirmation of electronic funds transfer for the full amount of the application. The Application Form must be completed in accordance with the instructions set out on the form.</p> <p>Applications under the Public Offer or the POZ Offer must be for a minimum of 10,000 Shares (\$2,000) and then in increments of 2,500 Shares (\$500). No brokerage, stamp duty or other costs are payable by Applicants. Cheques must be made payable to "Accelerate Resources Limited" and should be crossed "Not Negotiable". All Application Monies will be paid into a trust account.</p>	Sections 1.7 and 1.10
What is the allocation policy?	<p>Whilst priority will be given to Eligible POZ Shareholders, the Directors, in conjunction with the Lead Manager, will allocate Securities under the Offers at their sole discretion with a view to ensuring an appropriate Shareholder base for the Company going forward (subject to any regulatory requirements). While it is intended that as many Eligible POZ Shareholders as possible receive at least the minimum allocation of 10,000 Shares (\$2,000) under the POZ Offer, there is no guarantee that all Eligible POZ Shareholders will have their Applications accepted in full.</p> <p>There is no assurance that any applicant will be allocated any Securities, or the number of Securities for which it has applied.</p>	Section 1.11
When will I receive confirmation that my Application has been successful?	It is expected that holding statements will be sent to successful applicants by post on or about 22 January 2017.	"Indicative Timetable"
What is the Company's dividend policy?	The Company does not expect to pay dividends in the near future as its focus will primarily be on exploration of the Projects and future acquisitions.	Section 2.7
How can I find out more about the Prospectus or the Offers?	Questions relating to the Offers and the completion of an Application Form can be directed to the Company Secretary on +61 8 9482 0500.	Section 1.20

1. Details of Offers

1.1 Public Offer and POZ Offer

(a) Public Offer

This Prospectus invites investors to apply for up to 25,000,000 Shares at an issue price of \$0.20 each to raise up to \$5,000,000 (before associated costs) (**Public Offer**). The Public Offer incorporates the POZ Offer to Eligible POZ Shareholders (refer to Section 1.1(b) for further details) and is subject to a minimum subscription of \$4,500,000 (refer to Section 1.1(c) for further details).

The Shares to be issued pursuant to the Public Offer are of the same class and will rank equally with the existing Shares on issue. The rights and liabilities attaching to the Shares are further described in Section 9.1.

Applications for Shares under the Public Offer must be made on the IPO Application Form accompanying this Prospectus and received by the Company on or before the relevant Closing Date. Persons wishing to apply for Shares under the Public Offer should refer to Section 1.7(a) for further details and instructions.

(b) POZ Offer

The Company is offering Eligible POZ Shareholders the opportunity to subscribe for Shares through a priority offer (**POZ Offer**).

Whilst priority will be given to Eligible POZ Shareholders, the Directors will allocate Shares at their sole discretion with a view to ensuring an appropriate Shareholder base for the Company going forward (subject to any regulatory requirements). While it is intended that as many Eligible POZ Shareholders as possible receive at least the minimum allocation of 10,000 Shares (\$2,000) under the POZ Offer, there is no guarantee that all Eligible POZ Shareholders will have their Applications accepted in full. Eligible POZ Shareholders are encouraged to submit a POZ Offer Application Form as soon as possible.

Applications from Eligible POZ Shareholders which are not accepted by the Company by the POZ Offer Closing Date will be issued to applicants under the Public Offer. The POZ Offer closes 6 days before the Public Offer closes, to facilitate this process.

Applications for Shares under the POZ Offer must be made on the POZ Offer Application Form accompanying this Prospectus and received by the Company on or before the POZ Offer Closing Date. Persons wishing to apply for Shares under the POZ Offer should refer to Section 1.7(c) for further details and instructions.

(c) Minimum Subscription

The minimum subscription under the Public Offer is \$4,500,000, being 22,500,000 Shares (**Minimum Subscription**).

None of the Shares offered under the Public Offer will be issued if Applications are not received for the Minimum Subscription. Should Applications for the Minimum Subscription not be received within four months from the date of

this Prospectus, the Company will either repay the Application Monies (without interest) to Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Applications and have their Application Monies refunded to them (without interest).

(d) Purpose of the Public Offer

The purpose of the Public Offer is to:

- (i) raise up to \$5,000,000 pursuant to the Public Offer (before associated costs of the Offers);
- (ii) assist the Company to meet the requirements of ASX and satisfy Chapters 1 and 2 of the Listing Rules, as part of the Company's application for admission to the Official List; and
- (iii) position the Company to seek to achieve the objectives detailed in Section 2.

1.2 Lead Manager Offer

The Company has agreed to offer Shares and Options to the Lead Manager, GTT Ventures Pty Ltd (or its nominees) for capital raising services provided to the Company. Further details on the Lead Manager Mandate entered into with GTT Ventures are set out in Section 8.3.

This Prospectus includes a separate offer of up to 5,000,000 Lead Manager Options for nominal cash consideration of \$0.00001 per Option, exercisable at \$0.25 each and expiring 4 years from the date the Company is admitted to the Official List to the GTT Ventures or its nominees (**Lead Manager Offer**).

The Lead Manager Offer is being made under this Prospectus to remove the need for an additional disclosure document to be issued upon the sale of any Options (or any Shares issued upon exercise of any Options into Shares) that are issued under the Lead Manager Offer.

The rights and liabilities attaching to the Lead Manager Options are described in Section 9.2. If the Lead Manager Options are exercised, the resultant Shares will be of the same class and will rank equally in all respects with the existing Shares in the Company. The Company does not intend for the Lead Manager Options to be quoted.

Only the Lead Manager, GTT Ventures (or its nominees) may accept the Lead Manager Offer. A personalised Lead Manager Offer Application Form will be issued to the Lead Manager together with a copy of this Prospectus.

1.3 Conditional Offers

The Offers under this Prospectus are conditional upon the following events occurring:

- (a) the Acquisition Agreements becoming unconditional;
- (b) the Company raising the Minimum Subscription, being \$4,500,000, under the Public Offer (refer to Section 1.1(c)); and
- (c) ASX granting in-principle approval to admit the Company to the Official List on conditions which the Directors are confident can be satisfied.

If these conditions are not satisfied then the Offers will not proceed and the Company will repay all Application Monies received under the Offers in accordance with the Corporations Act.

1.4 Proposed use of funds

Following the Offers, it is anticipated that the following funds will be available to the Company:

Source of funds	Minimum Subscription \$	Maximum Subscription \$
Existing cash as at the date of this Prospectus	250,000	250,000
Proceeds from Public Offer	4,500,000	5,000,000
TOTAL FUNDS AVAILABLE	4,750,000	5,250,000

The following table shows the intended use of funds in the two year period following Admission:

Proposed use of funds - Year 1	Minimum Subscription		Maximum Subscription	
	\$	%	\$	%
Exploration expenditure ¹	1,219,200	26	1,219,200	23
Tenement Acquisition costs ²	76,000	2	76,000	1
Director fees ³	340,000	7	340,000	6
General administration fees and working capital ⁴	382,000	8	382,000	7
Estimated expenses of the Offers ⁵	485,000	10	518,000	10
Total Expenditure - Year 1	2,502,200	53	2,535,200	48
Proposed use of funds - Year 2	Minimum Subscription		Maximum Subscription	
	\$	%	\$	%
Exploration expenditure ¹	1,680,800	35	1,680,800	32
Director fees ³	340,000	7	340,000	6
General administration fees and working capital ⁴	227,000	5	694,000	13
Total Expenditure - Year 2	2,247,800	47	2,714,800	52
TOTAL FUNDS ALLOCATED	4,750,000	100	5,250,000	100

Notes:

1. See Section 2.6 for further information on the Company's proposed exploration budget.
2. Comprised of part consideration of \$30,000 cash pursuant to the POZ Acquisition Agreement and an estimated \$46,000 replacement security deposit in relation to the Mt Read Cobalt Tenements. Please refer to Sections 2.1 and 8.2 for further details relating to the Acquisition Agreements.
3. See Section 7.6 for further details of the Directors' remuneration.
4. Working capital includes the general costs associated with the management and operation of the business including administration expenses, rent and other associated costs. Working capital also includes surplus funds. The Directors will allocate surplus funds at their discretion in the event the Company raises more than the Minimum Subscription under the Public Offer.
5. Expenses paid or payable by the Company in relation to the Offers are set out in Section 9.7.

The above table is a statement of current intentions as at the date of this Prospectus. Investors should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors, including market conditions, the development of new opportunities and/or any number of other factors (including the risk factors outlined in Section 3), and actual expenditure levels, may differ significantly from the above estimates.

The Company proposes to actively pursue further acquisitions which complement its existing focus. If and when a viable investment opportunity is identified, the Board may elect to acquire or exploit such opportunity by way of acquisition, joint venture or earn-in arrangement which may involve the payment of consideration in cash, equity or a combination of both.

The Board believes that the funds raised from the Public Offer will provide the Company with sufficient working capital to achieve its stated objectives as detailed in this Prospectus.

The use of further equity funding may be considered by the Board where it is appropriate to accelerate a specific project or strategy.

Based on the intended use of funds detailed above, the amounts raised pursuant to the Public Offer will provide the Company sufficient funding for only 2 years' operations. As the Company has no operating revenue, the Company will require further financing in the future. See Section 3.1(f) for further details about the risks associated with the Company's future capital requirements.

1.5 Capital Structure

On the basis that the Company completes the Offers on the terms in this Prospectus and assuming no further Securities are issued or Options exercised, on Admission the Company's capital structure will be as follows:

	Minimum Subscription		Maximum Subscription	
	Shares	%	Shares	%
On issue as at the date of this Prospectus ¹	11,520,000	25.6	11,520,000	24.2

	Minimum Subscription		Maximum Subscription	
	Shares	%	Shares	%
To be issued under the Public Offer	22,500,000	49.8	25,000,000	52.5
To be issued to the Lead Manager ²	5,000,000	11.1	5,000,000	10.5
To be issued to the Vendors ³	5,000,000	11.1	5,000,000	10.5
To be issued to advisors and Director ⁴	1,100,000	2.4	1,100,000	2.3
TOTAL	45,120,000	100.0	47,620,000	100.0

	Options	%
On issue as at the date of this Prospectus ³	6,000,000	40.0
To be issued under the Lead Manager Offer ⁴	5,000,000	33.3
To be issued to the Vendors ²	4,000,000	26.7
TOTAL	15,000,000	100.0

Notes:

1. Please refer to Section 2.2 for further details relating to the Company's current capital structure.
2. Prior to Admission the Company intends to issue Shares at \$0.0001 each to the Lead Manager, GTT Ventures (or its nominees) for corporate advisory and lead manager services provided to the Company pursuant to the Lead Manager Mandate. Please refer to Section 8.3 for a summary of the Lead Manager Mandate.
3. Pursuant to the Acquisition Agreements, the Vendors have agreed to sell the WA Sale Tenements and the Mt Read Cobalt Tenements to the Company in aggregate consideration of 5 million Shares valued at the Public Offer Price of \$0.20 each, 4 million Vendor Options exercisable at \$0.25 each and expiring 30 April 2021 on the terms set out in Section 9.2 plus \$73,500 in cash payments as reimbursement of previous expenditure and a 1% net smelter return royalty. Please refer to Sections 2.1 and 8.2 for further details relating to the Acquisition Agreements.
4. Prior to Admission the Company intends to issue 1,000,000 Shares at \$0.0001 per Share to Executive Director Mr Andrew Haythorpe as part of his remuneration package and 100,000 Shares at \$0.001 per Share to Ventnor Capital for company secretarial services provided to the Company. Please refer to Sections 8.5(b) and 8.4 respectively for further details regarding the agreements with these parties.
5. Comprised of Management Options exercisable at \$0.25 each on or before 30 April 2021 on the terms set out in Section 9.2. Please refer to Section 2.2 for further details relating to the Company's current capital structure.
6. Comprised of Lead Manager Options exercisable at \$0.25 each and expiring 4 years from the date of the Company is admitted to the Official List on the terms set out in Section 9.2.

1.6 Forecasts

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

The Directors consequently believe that, given these inherent uncertainties, it is not possible to include reliable forecasts in this Prospectus.

Refer to Sections 2.1 and 2.5 for further information in respect to the Company's proposed activities.

1.7 Applications

(a) General

Applications for Securities under the Offers can only be made using the relevant Application Form accompanying this Prospectus. For further information on how to complete the Application Form, Applicants should refer to the instructions set out on the form.

No brokerage, stamp duty or other costs are payable by Applicants. Cheques must be made payable to "Accelerate Resources Limited" and should be crossed "Not Negotiable". All Application Monies will be paid into a trust account. Applicants wishing to provide Application Monies via electronic funds transfer should follow the instructions on the Application Form or contact the Company.

Completed Application Forms and any accompanying cheques or confirmation of electronic funds transfer must be received by the Company before 5.00pm WST on the relevant Closing Date by either being posted or delivered to the following addresses:

By post	By hand delivery
Accelerate Resources Limited PO Box 938 WEST PERTH WA 6872	Accelerate Resources Limited Unit 1/16 Ord Street WEST PERTH WA 6005

An original, completed and lodged Application Form together with a cheque or confirmation of electronic funds transfer for any Application Monies, constitutes a binding and irrevocable offer to subscribe for the number of Securities specified in the Application Form. The Application Form does not need to be signed to be valid. If the Application Form is not completed correctly or if the accompanying payment is for the wrong amount, it may be treated by the Company as valid. The Directors' decision as to whether to treat such an Application as valid and how to construe amend or complete the Application Form is final; however an Applicant will not be treated as having applied for more Shares than is indicated by the amount of the cheque or electronic funds transfer for the Application Monies.

It is the responsibility of Applicants outside Australia to obtain all necessary approvals for the allotment and issue of Securities pursuant to this Prospectus.

The return of a completed Application Form with the requisite Application Monies will be taken by the Company to constitute a representation and warranty by the Applicant that all relevant approvals have been obtained and that the Applicant:

- (i) agrees to be bound by the terms of the relevant Offer;
- (ii) declares that all details and statements in the Application Form are complete and accurate;
- (iii) declares that, if they are an individual, they are over 18 years of age and have full legal capacity and power to perform all its rights and obligations under the Application Form;
- (iv) authorises the Company and its respective officers or agents, to do anything on their behalf necessary for the Securities to be issued to them, including to act on instructions of the Company's Share Registry upon using the contact details set out in the Application Form;
- (v) acknowledges that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that Securities are suitable for them given their investment objectives, financial situation or particular needs; and
- (vi) acknowledges that the Securities have not, and will not be, registered under the securities laws in any other jurisdictions outside Australia and accordingly, the Securities may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of applicable securities laws.

The Offers may be closed at an earlier date and time at the discretion of the Directors, without prior notice. Applicants are therefore encouraged to submit their Application Forms as early as possible. However, the Company reserves the right to extend the Offers or accept late Applications.

(b) Public Offer

Applications under the Public Offer must be for a minimum of 10,000 Shares (\$2,000) and then in increments of 2,500 Shares (\$500).

(c) POZ Offer

Applications for Shares under the POZ Offer can only be made using the POZ Offer Application Form, which may be sent to a POZ Shareholder who is registered as a POZ Shareholder on the POZ Offer Record Date, and therefore eligible to participate in the POZ Offer, upon request to the Company Secretary. The POZ Offer is not renounceable and it cannot be transferred.

The POZ Offer is not a rights issue or entitlement offer. POZ Shareholders on the Record Date may apply for as many Shares as they wish, noting the minimum application amount of \$2,000 and that final allocations will be subject to Board discretion.

Whilst priority will be given to Eligible POZ Shareholders, the Directors will allocate Shares at their sole discretion with a view to ensuring an appropriate Shareholder base for the Company going forward (subject to any regulatory

requirements). While it is intended that as many Eligible POZ Shareholders as possible receive at least the minimum allocation of 10,000 Shares (\$2,000) under the POZ Offer, there is no guarantee that all Eligible POZ Shareholders will have their Applications accepted in full. Eligible POZ Shareholders are encouraged to submit a POZ Offer Application Form as soon as possible.

Any Shares which are not applied for by Eligible POZ Shareholders by the POZ Offer Closing Date and accepted by the Company, will be issued to applicants under the Public Offer. The POZ Offer closes 6 days before the Public Offer closes, to facilitate this process.

POZ Offer Application Forms must not be circulated to prospective investors unless accompanied by a copy of this Prospectus.

Applications under the POZ Offer must be for a minimum of 10,000 Shares (\$2,000) and then in increments of 2,500 Shares (\$500).

1.8 CHESS and issuer sponsorship

The Company will apply to participate in CHESS. All trading on the ASX will be settled through CHESS. ASX Settlement, a wholly-owned subsidiary of the ASX, operates CHESS in accordance with the Listing Rules and the ASX Settlement Operating Rules. On behalf of the Company, the Share Registry will operate an electronic issuer sponsored sub-register and an electronic CHESS sub-register. The two sub-registers together make up the Company's principal register of Securities.

Under CHESS, the Company will not issue certificates to Security holders. Rather, holding statements (similar to bank statements) will be sent to Security holders as soon as practicable after allotment. Holding statements will be sent either by CHESS (for Security holders who elect to hold Securities on the CHESS sub-register) or by the Company's Share Registry (for Security holders who elect to hold their Securities on the issuer sponsored sub-register). The statements will set out the number of existing Securities (where applicable) and the number of new Securities allotted under this Prospectus and provide details of a Security holder's holder identification number (for Security holders who elect to hold Securities on the CHESS sub-register) or Security holder reference number (for Security holders who elect to hold their Securities on the issuer sponsored sub-register). Updated holding statements will also be sent to each Security holders at the end of each month in which there is a transaction on their holding, as required by the Listing Rules.

1.9 ASX Listing and Official Quotation

Within 7 days after the date of this Prospectus, the Company will apply to ASX for admission to the Official List and for the Shares, including those offered by this Prospectus, to be granted Official Quotation (apart from any Shares that may be designated by ASX as restricted securities). The Company will not apply for quotation of the Options on the ASX.

If ASX does not grant permission for Official Quotation within three months after the date of this Prospectus (or within such longer period as may be permitted by ASIC) none of the Securities offered under the Offers will be allotted and issued. If no allotment and issue is made, all Application Monies will be refunded to Applicants (without interest) as soon as practicable or the Company will issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Applications and have their Application Monies refunded to them (without interest).

ASX takes no responsibility for the contents of this Prospectus. The fact that ASX may grant Official Quotation is not to be taken in any way as an indication of the merits of the Company or the Securities offered pursuant to this Prospectus.

1.10 Application Monies to be held in trust

Application Monies will be held in trust for Applicants until the allotment of the Securities under the Offers. Any interest that accrues will be retained by the Company.

No allotment of Securities under this Prospectus will occur unless:

- (a) the Minimum Subscription is achieved (refer to Section 1.1(c)); and
- (b) ASX grants conditional approval for the Company to be admitted to the Official List (refer to Section 1.9).

1.11 Allocation and issue of Shares

Whilst priority will be given to Eligible POZ Shareholders, the Directors, in conjunction with the Lead Manager, will allocate Securities under the Offers at their sole discretion with a view to ensuring an appropriate Shareholder base for the Company going forward (subject to any regulatory requirements).

There is no assurance that any Applicant will be allocated any Securities, or the number of Securities for which it has applied. The Company reserves the right to reject any Application or to issue a lesser number of Securities than those applied for. Where the number of Securities issued is less than the number applied for, surplus Application Monies will be refunded (without interest) as soon as reasonably practicable after the relevant Closing Date.

Subject to the satisfaction of the conditions to the Offers outlined in Section 1.3, Securities under the Offers are expected to be allotted on the Issue Date. It is the responsibility of Applicants to determine their allocation prior to trading in the Securities issued under the Offers. Applicants who sell Securities before they receive their holding statements do so at their own risk.

1.12 Risks

Prospective investors should be aware that an investment in the Company should be considered highly speculative and involves a number of risks inherent in the various business segments of the Company. Section 3 details the key risk factors which prospective investors should be aware of. It is recommended that prospective investors consider these risks carefully before deciding whether to invest in the Company.

This Prospectus should be read in its entirety as it provides information for prospective investors to decide whether to invest in the Company. If you have any questions about the desirability of, or procedure for, investing in the Company please contact your stockbroker, accountant or other independent adviser.

1.13 Overseas Applicants

No action has been taken to register or qualify the Securities, or the Offers, or otherwise to permit the offering of the Securities, in any jurisdiction outside of Australia.

The distribution of this Prospectus within jurisdictions outside of Australia may be restricted by law and persons into whose possession this Prospectus comes should

inform themselves about, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws.

This Prospectus does not constitute an offer of Securities in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

It is the responsibility of any overseas Applicant to ensure compliance with all laws of any country relevant to his or her Application. The return of a duly completed Application Form will be taken by the Company to constitute a representation and warranty that there has been no breach of such law and that all necessary approvals and consents have been obtained.

1.14 Escrow arrangements

ASX will classify certain existing Securities on issue in the Company (as opposed to those to be issued under this Prospectus) as being subject to the restricted securities provisions of the Listing Rules. Classified Securities would be required to be held in escrow for up to 24 months and would not be able to be sold, mortgaged, pledged, assigned or transferred for that period without the prior approval of ASX. During the period in which these Securities are prohibited from being transferred, trading in Securities may be less liquid which may impact on the ability of a Security holder to dispose of their Securities in a timely manner.

None of the Shares issued pursuant to the Public Offer or the POZ Offer are expected to be restricted securities. All of the Securities issued to the Lead Manager (or its nominees) and to the Vendors are expected to be restricted securities.

The Company anticipates that upon Admission approximately 20,360,000 Shares will be classified as restricted securities by ASX, which

- (a) based on the Minimum Subscription, comprises approximately 45.12% of the issued share capital on an undiluted basis, and approximately 33.87% on a fully diluted basis (assuming all Options are exercised and that no other securities are issued).
- (b) based on the Maximum Subscription, comprises approximately 42.76% of the issued share capital on an undiluted basis, and approximately 32.51% on a fully diluted basis (assuming all Options are exercised and that no other securities are issued).

The Company also anticipates that all of the existing Options will be classified as restricted securities by ASX and escrowed for up to 24 months from the date of Official Quotation.

Prior to the Company's Shares being admitted to Official Quotation on the ASX, the Company will enter into escrow agreements with the recipients of any restricted securities in accordance with Chapter 9 of the Listing Rules, and the Company will announce to ASX full details (quantity and duration) of the Securities required to be held in escrow.

The Company will announce to the ASX full details (quantity and duration) of the Shares and Options required to be held in escrow prior to the Shares commencing trading on ASX.

1.15 Underwriting

The Offers are not underwritten.

1.16 Commission

The Company reserves the right to pay a commission of up to 6% (exclusive of GST) of amounts subscribed through any Australian financial services licensee in respect of any Applications lodged and accepted by the Company and bearing the stamp of the Australian financial services licensee. Payment will be made subject to the receipt of a proper tax invoice from the Australian financial services licensee.

1.17 Withdrawal

The Directors may at any time decide to withdraw this Prospectus and the Offers in which case the Company will return all Application Monies (without interest) within 28 days of giving notice of their withdrawal.

1.18 Privacy disclosure

Persons who apply for Securities pursuant to this Prospectus are asked to provide personal information to the Company, either directly or through the Share Registry. The Company and the Share Registry collect, hold and use that personal information to assess Applications for Securities, to provide facilities and services to Security holders, and to carry out various administrative functions. Access to the information collected may be provided to the Company's agents and service providers and to ASX, ASIC and other regulatory bodies on the basis that they deal with such information in accordance with the relevant privacy laws. If you do not provide the information required on the relevant Application Form, the Company may not be able to accept or process your Application.

An Applicant has a right to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

1.19 Paper copies of Prospectus

The Company will provide paper copies of this Prospectus (including any supplementary or replacement document) and the relevant Application Form to investors upon request and free of charge. Requests for a paper copy from should be directed to the Company Secretary on +61 8 9482 0500.

1.20 Enquiries

This Prospectus provides information for potential investors in the Company, and should be read in its entirety. If, after reading this Prospectus, you have any questions about any aspect of an investment in the Company, please contact your stockbroker, accountant or independent financial adviser.

Questions relating to the Offers and the completion of an Application Form can be directed to the Company Secretary on +61 8 9482 0500.

2. Company Overview

2.1 Company and Business Overview

The Company was incorporated on 7 March 2017 in the State of Western Australia as a proprietary limited company for the purpose of pursuing various investment opportunities in the resources sector designed to add shareholder value by acquiring, exploring, evaluating and exploiting mineral resource project opportunities and, other than as disclosed in this Prospectus, has not undertaken any activities since incorporation. The Company subsequently converted to a public limited company in June 2017.

On 28 April 2017 the Company entered into a conditional agreement (**POZ Acquisition Agreement**) with POZ Minerals Limited (**POZ**) to acquire 100% legal and beneficial ownership of 3 exploration licences and 1 application for an exploration licence (**WA Sale Tenements**) which, along with the Company's existing exploration licence and application for an exploration licence (E25/565 and E46/1192 respectively), (together, **WA Gold Tenements**) comprise 4 projects across Western Australia; Bulgera, Mt Monger, Comet and Pilbara Gold. In consideration of the acquisition of the WA Sale Tenements, the Company has agreed to:

- (a) issue 3,000,000 Shares at a deemed issue price of \$0.20 per Share and 1,000,000 Vendor Options to POZ or its nominees;
- (b) pay POZ a total of \$60,000 cash (as reimbursement of development expenditure); and
- (c) grant POZ a 1% net smelter return royalty in respect of the WA Sale Tenements.

POZ is not a related party of the Company, however, Director Mr Grant Mooney is also a director of POZ. See Section 8.2(b) for further information on the POZ Acquisition Agreement.

On 10 October 2017, the Company entered into a conditional agreement (**Mt Read Cobalt Project Acquisition Agreement**) with Sherlock Minerals Pty Ltd (**Sherlock**) and Thylacine Resources Pty Ltd (**Thylacine**) to acquire 100% legal and beneficial ownership of 2 exploration licences which comprise the Mt Read Cobalt Project (also known as the Sorell Project) in Tasmania (**Mt Read Cobalt Tenements**). In consideration of the acquisition of the Mt Read Cobalt Tenements, the Company has agreed to:

- (a) issue 2,000,000 Shares at a deemed issue price of \$0.20 per Share and 3,000,000 Vendor Options to Sherlock or its nominees; and
- (b) pay Sherlock a non-refundable cash deposit of \$15,000 cash (inclusive of GST, as reimbursement of development expenditure).

Neither Sherlock nor Thylacine are related parties of the Company. See Section 8.2(a) for further information on the Mt Read Cobalt Project Acquisition Agreement.

The Company has undertaken a two-tranche seed capital raising of Shares at an issue price of \$0.10 each to raise a total of \$452,000 (before costs) in order to capitalise the Company and facilitate the proposed listing on ASX, as follows:

- (c) from May-June 2017, the Company issued 2,020,000 Shares to raise \$202,000; and
- (d) in mid-November 2017, the Company issued 2,500,000 Shares to raise a further \$250,000.

The Company's Board is comprised of Mr Grant Mooney (Non-Executive Chairman), Ms Yaxi Zhan (Managing Director), Mr Andrew Haythorpe (Executive Director) and Mr Terence Topping (Non-Executive Director). The Company Secretary is Mr Brett Tucker. Further information on the Board is set out in Section 7.

2.2 Current Capital Structure of the Company

As at the date of this Prospectus, the capital structure of the Company, and particulars of its current Security holders (and their related entities), are as follows:

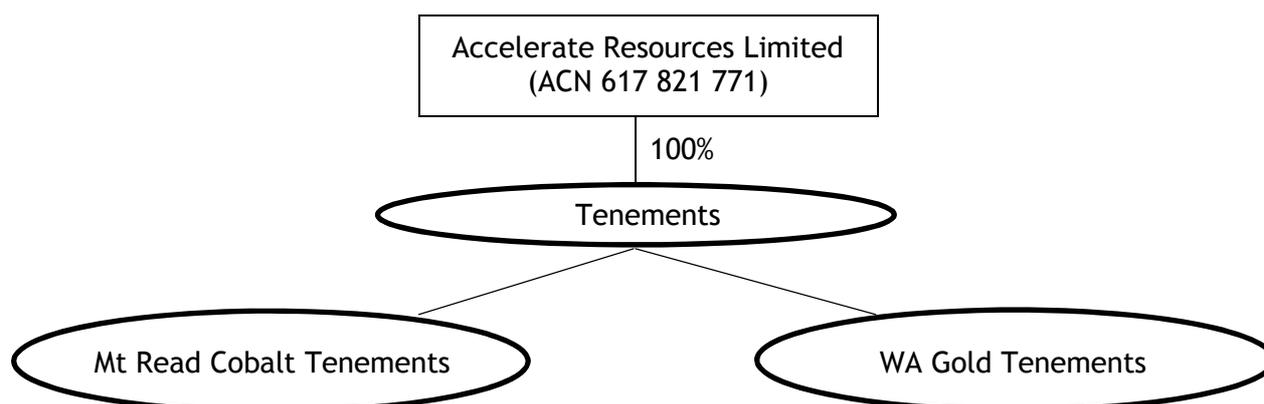
Security holder ¹	Shares ²	%	Options ³	%
Yaxi Zhan	3,000,000	26.0	3,000,000	50.0
Andrew Haythorpe	1,500,000	13.0	-	-
Terence Topping	1,000,000	8.7	1,500,000	25.0
Grant Mooney	1,000,000	8.7	1,000,000	16.7
Non-related party Security holders	5,020,000	43.6	500,000	8.3
Securities on issue as at the date of this Prospectus	11,520,000	100.0	6,000,000	100.0

Notes:

1. Ms Zhan and Messrs Haythorpe, Topping and Mooney are Directors.
2. Refer to Section 9.1 for a summary of the rights attaching to the Shares.
3. Comprised of 6,000,000 Management Options held by Directors and management, exercisable at \$0.25 each on or before 30 April 2021 on the terms and conditions set out in Section 9.2.

2.3 Corporate Structure

Upon the Company's admission to the Official List, its corporate structure will be as set out in the following diagram:



The Company does not have any related bodies corporate (as defined by the Corporations Act).

2.4 Overview of the Projects

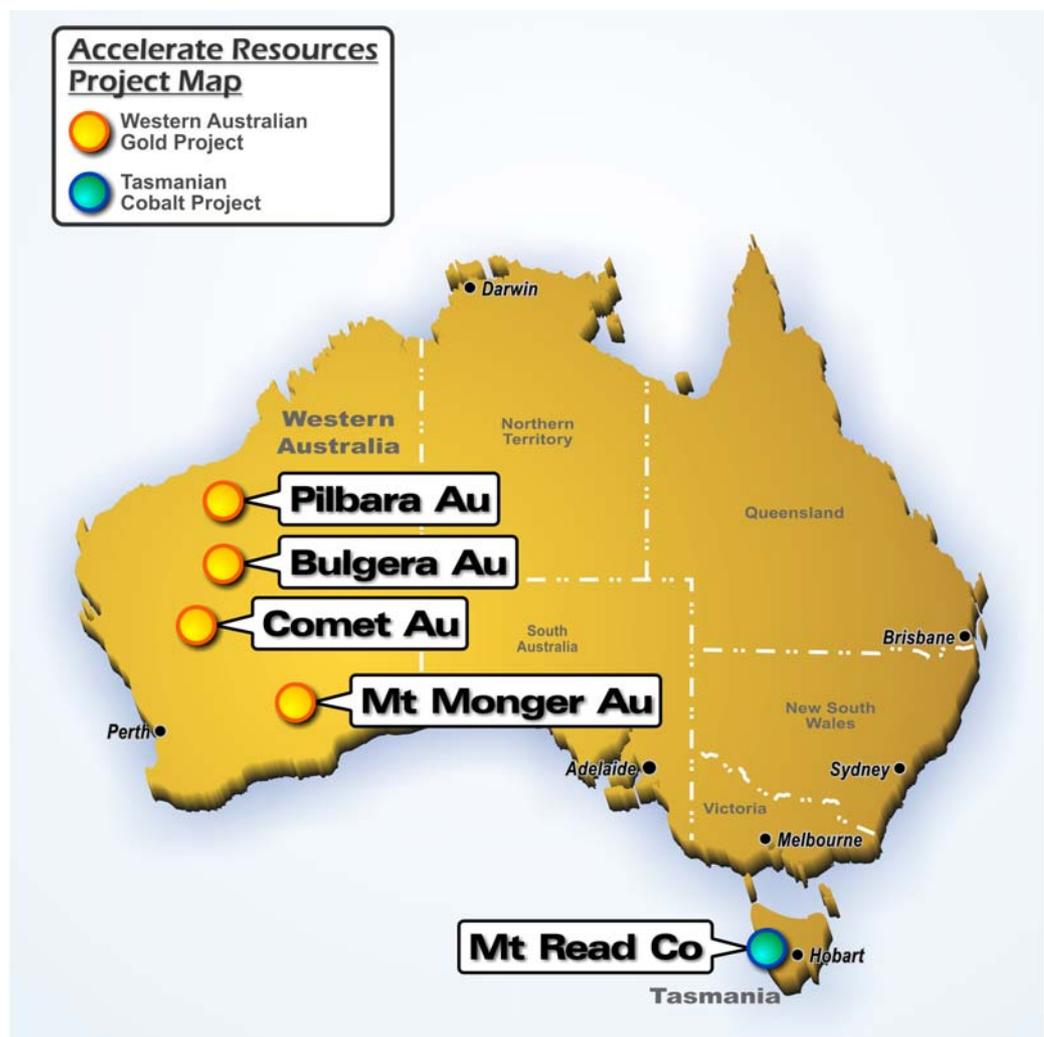
(a) Tenements

A comprehensive summary of regional and local geology, historical mining and historical exploration pertaining to the WA Gold Tenements and Mt Read Cobalt Tenements (together, the **Tenements**) is contained in the Independent Geologist's Report in Section 5. A comprehensive summary of the status of the Tenements can be found in the Solicitor's Report in Section 6.

Following completion of the Offers and the Acquisition Agreements, the granted Tenements will be 100% legally and beneficially owned by the Company and the pending WA Gold Tenement application (E20/908) will be 100% beneficially owned by the Company until such time as it may be granted and transferred into the Company's name and also become 100% legally owned.

The Projects are located in Tasmania and Western Australia, as shown in Figure 1 below.

Figure 1: Project location map

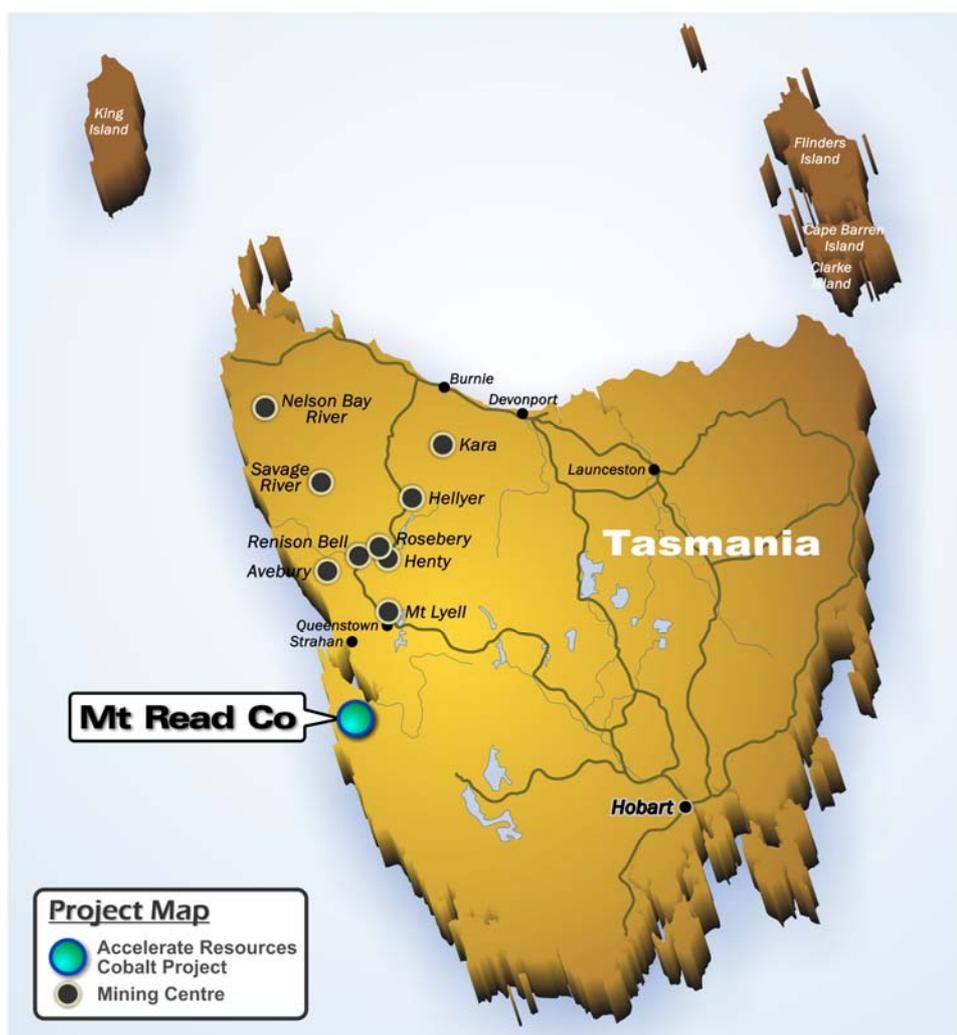


Details of the Mt Read Cobalt Tenements, which are considered by the Company to be prospective for cobalt, copper, gold and nickel are set out below:

Project	Licence No.	Current holder	Area (km ²)	Status	Grant date	Expiry date
Mt Read	EL6/2013	Thylacine	135	Granted	2/10/13	1/10/18
	EL7/2013	Sherlock	91	Granted	22/10/13	21/10/18

The Mt Read Cobalt Tenements located in Tasmania, as shown in Figure 2, cover an area of 226km² in total and are located on the Cape Sorell Peninsula south of Macquarie Harbour.

Figure 2: Location of the Mr Read Cobalt Project in Tasmania



Details of the WA Gold Tenements in Western Australia, which are considered by the Company to be prospective for gold are set out below:

Project	Licence No.	Current holder	Area (blocks)	Status	Grant date	Expiry date
Bulgera	E52/3316	POZ	11	Granted	8/08/16	7/08/21
	E52/3276	POZ	1	Granted	18/08/16	17/08/21
Mt Monger	E25/525	POZ	3	Granted	17/11/15	16/11/20
	E25/565	Company	5	Granted	31/10/17	30/10/22
Comet	E20/908	POZ	17	Pending	Application date: 2/09/16	
Pilbara Gold	E46/1192	Company	10	Pending	Application date: 27/09/17	

The WA Gold Tenements located in Western Australia, as shown in Figure 3, cover an area of approximately 130km² in total. POZ has held the WA Sale Tenements since grant.

Figure 3: Location of the Projects in WA



(b) **Mt Read Cobalt Project**

The Mt Read Cobalt Project (also known as the Sorell Project) comprises two granted exploration licences, EL6/2013 and EL7/2013 covering 226km². It encompasses a belt of early Cambrian to Cambrian volcanosedimentary rocks correlated with the Mount Read Volcanics (MRV) of western Tasmania. The MRV are host to all western Tasmania's significant base and precious metal mines and mineral occurrences, several of which have been significant producers of base metals for over 100 years.

The Thomas Creek prospect shows many alteration affinities to the Mt Lyell deposit of the MRV (311Mt @ 0.97% Cu, 0.31g/t Au). Recent interpretations of Mt Lyell suggest this a deeper, high-sulphidation, possibly intrusion-related system, and part of the syn-volcanic activity driving the Mount Read Volcanic VMS mineralisation. It has been suggested that the mineralisation style at the Thomas Creek prospect also shares similarities with the alkaline porphyry Cu-Au deposits of British Columbia, with the Thomas Creek prospect possibly representing the submarine analogue of a porphyry system intruding coeval submarine volcanic and associated sedimentary rocks in the back-arc environment of the MRV.

In 2015, at Thomas Creek, high-grade copper and gold mineralisation was identified at the surfaces as a result of follow-up of high-copper values in soils. In October 2017 the Thomas Creek site was visited by representatives of Sherlock and the Company who collected four soil samples: two were lightly panned to confirm the presence of sulphides (S1, S2), and two were submitted for assay without panning (S3, S4). Sampling results as per below:

Sample Description	Co (ppm)	Cu (%)	Ni (ppm)	Au (g/t)
S1 - pan washed sample of sulphides	7400	0.59	2000	0.58
S2 - lightly pan washed sample of sulphides	7800	0.86	2300	0.81
S3 - Soil sample 40cm below surface	5700	1.69	1500	0.80
S4 - Soil sample 40cm below surface	3300	1.52	1000	0.59

At the Henrietta prospect, portable XRF sampling of soils and rare rock outcrops has confirmed elevated nickel geochemistry along the 1.4km airborne EM anomaly. Highly weathered gossanous float material coincident with the peak of the EM anomaly comprised massive secondary iron oxides, partially silicified, and some quartz vein material with box work textures. Laboratory analysis of samples from the area returned assays of up to 0.17% nickel and 0.14% cobalt.

At the Hill 99 prospect, airborne EM conductors within the volcano-sedimentary sequence correlated with the MRV require follow-up for VMS style mineralisation potential. The highest priority of these are close to the known Hill 99 base metal anomalous mineralisation. The targets appear to be part of the same conductive feature originally noted by the Pacific-Nevada

geophysicist, forming off the western edge of their fixed loop ground TEM grid, but not followed up.

For further information on the Mt Read Cobalt Project please see section 2 of the Independent Geologist's Report.

(c) **Bulgera Project**

The Bulgera Project (**Bulgera**) comprises two granted exploration licences, E52/3316 and E52/3276, covering 36.8km² over the north eastern end of the Plutonic Well Greenstone Belt, 200km north east of Meekatharra. The project is located 10km east of the Marymia mining centre and 48km via road from the operating Plutonic gold mine which has produced over 5 million ounces of gold since 1990. The Plutonic mine was recently purchased by Toronto listed Superior Gold Inc. (TSX-V:SGI).

The project contains four shallow open pits that have undergone two phases of mining between 1996 and 1998 and again between 2003 and 2004. Mining of the four pits Bulgera, Mercuri, Venus and Price produced a reported 440,799 tonnes of ore @ 1.65 g/t Au for 23,398 ounces. The ore was treated at the Marymia mining centre during the first phase and the Plutonic processing facility during the second phase. The Bulgera deposit was discovered in 1988. Resolute Resources Ltd mined part of the resource via open pit, between 1996 and 1998. This initial phase of production came from the Bulgera, Mercuri and Price pits totalling 134,338 tonnes @ 1.98 g/t Au for 8,562 ounces.

In late 1998, Homestake Gold of Australia Ltd bought all of the Resolute-controlled Marymia mining centre assets including the Bulgera project area. Barrick officially merged with Homestake in 2001. The Barrick development team reviewed the Bulgera project and in 2003-2004 mined the virgin Venus Pit and cutback both the Bulgera and Mercuri pits with the additional production of approximately 306,461 tonnes @ 1.50g/t Au for 14,836 ounces.

Bulgera is located at the north eastern end of the Plutonic Well Greenstone Belt, which is approximately 50km long and 10km wide and hosts the numerous Plutonic and Marymia gold deposits. The greenstone belt comprises mafic and ultramafic volcanic rocks, fine to coarse clastic sediments, and felsic to intermediate volcanic rocks, which generally dip to the north west at shallow to locally steep dips. Multiple suites of felsic to intermediate porphyries intrude the greenstone sequence and swarms of dolerite dykes locally cross-cut the strata.

The Bulgera deposit consists of a shallow dipping sequence of amphibolites with narrow intercalated layers of ultramafic schist and metasediment. Gold mineralisation has been developed mainly in the amphibolites. Whereas at Mercuri a similarly dipping sequence of interlayered felsic volcanics, mafic volcanics, mafic sediments and minor felsic sediments is underlain by an ultramafic unit.

The gold mineralisation at both Mercuri and Bulgera occurs within a broad shear zone which is about 45m thick. The shear zone contains multiple lodes which can be up to 140m long down dip. The gold mineralisation is associated with silica-biotite alteration of the host rock, and occurs in quartz veins containing sulphides.

For further information on Bulgera please see section 3 of the Independent Geologist's Report.

(d) **Mt Monger Project**

The Mount Monger Project (**Mt Monger**) comprises two granted exploration licences, E25/525 and E25/565, covering 23.5km² in the Bulong district, 43km east of Kambalda and approximately 70km by road from Kalgoorlie. The project is located 8km east of Silver Lake Resources Ltd's (ASX: SLR), currently operating 1.2Mtpa Randalls gold mill.

Exploration drilling by earlier workers and more recently by POZ Minerals Limited (ASX: POZ) has outlined a 2.5km long mineralised gold trend, the Kiaki Soaks prospect, along the Bare Hill Shear Zone, within Mt Monger. The mineralised zone is open to the north and lies along the sheared contact between Archaean basalts in the west and sediments to the east.

Mt Monger is underlain to the east by mafic-ultramafic rocks comprising the Bulong Anticline of the Norseman-Wiluna greenstone belt, and to the west by the Mt Belches Beds, an Archaean sequence of siltstones, sandstones, greywackes and banded iron formations. The Mt Belches Beds and Bulong Anticline are separated by the major north-south trending Bare Hill Shear, which passes through the project and is interpreted as the source of mineralisation at the Kiaki Soaks Prospect. Known gold mineralisation within the Bulong Anticline at Mt Monger is found in most units with shearing and lithological contacts being an important feature.

For further information on Mt Monger please see section 4 of the Independent Geologist's Report.

(e) **Comet Project**

The Comet Project (**Comet**) comprises one exploration licence application E20/908 covering 37.2km², located approximately 115km south southwest of Meekatharra and 20km southeast of Cue.

The project covers part of the Meekatharra to Mount Magnet Greenstone belt located at the southern end of the Tuckabianna Shear Zone. To the east of the shear zone is a sequence of mafic and ultramafic volcanic and intrusive rocks with banded iron formation that has been folded in to a syncline. To the west of the shear zone and underlying the majority of the Comet project, there is a felsic, mafic and ultramafic sequence forming an antiform. Granitoid rocks have intruded the greenstone sequence, predominantly to the east and the west. The bedrock sequence has undergone deep weathering and much of it is covered by geologically recent superficial materials.

The project lies immediately to the north and along strike of the Comet gold mine but has had very little modern exploration carried out within the licence area. Initial exploration by Newcrest Mining Ltd and Westgold Resources NL, during the mid-1990s identified a mineralised gold trend in shallow RAB drilling to the north of the Comet mine.

For further information on Comet please see section 5 of the Independent Geologist's Report.

(f) **Pilbara Gold Project**

The Pilbara Gold Project (**Pilbara Gold**) comprises one exploration licence application E46/1192 covering 31.9km², located approximately 70km east northeast of Nullagine and 120km southeast of Marble Bar in the Pilbara region

of Western Australia. The historic Eastern Creek gold mining centre is located approximately 15km west of the project.

The project covers part of the Fortesque Basin of the Pilbara Craton and includes units of the Hardey Formation along the western project boundary. The Hardey Formation is overlain by the basalts of the Kyalena Formation which cover the remainder of the project area to the east. Sedimentary units of the Hardey Formation are thought to be prospective for conglomerate hosted gold mineralisation.

For further information on Pilbara Gold please see section 6 of the Independent Geologist's Report.

2.5 Business strategy/objectives of the Company

Following Listing, the Company's primary focus will be on the Mt Read Cobalt Project and to drill, prove and classify this Project to JORC Code standards in order to assess development options.

The objectives of the Company are to:

- (a) undertake exploration on each of the Projects as follows:
 - (i) Mt Read: a programme of diamond drilling, petrological studies, as well as more regional geophysics and geochemical soil sampling as follows:
 - (A) at the Thomas Creek prospect, extend the soil geochemical sampling grid to cover the demagnetised airborne aeromagnetic anomaly;
 - (B) induced polarisation (IP) and electromagnetics (EM) ground geophysics to test at depth and any potential new extensions of the Thomas Creek prospect mineralised system;
 - (C) undertake diamond drilling at the Thomas Creek prospect to test beneath the potential leached zone into the core of the current IP anomaly;
 - (D) at the Henrietta prospect, conduct a ground EM survey to confirm the airborne EM anomalies associated with the ultramafic rocks, and derive drill targets;
 - (E) undertake diamond drilling at the Henrietta prospect to test any EM anomalies derived from the ground EM surveys; and
 - (F) plan a program of reconnaissance follow up with lines of ground EM geophysics and soil sampling on airborne EM targets to be prioritised, commencing with the Hill 99 prospect and surrounds;
 - (ii) Bulgera: undertake drilling the strike and depth extensions of the Mercuri and Bulgera pits, and regional targets along the western Bulgera trend; and
 - (iii) Mt Monger: undertake aircore drilling to test the strike extension of gold mineralisation north of the Kiaki Soaks prospect and reverse

circulation (RC) drilling to test the identified mineralisation at depth;
and

- (b) pursue new projects and opportunistic acquisitions in the resource sector in various jurisdictions to create additional Shareholder value. If and when a viable investment opportunity is identified, the Board may elect to acquire or exploit such opportunity by way of acquisition, joint venture, and/or earn-in arrangement which may involve the payment of consideration in cash, equity or a combination of both. The Board will assess the suitability of investment opportunities by utilising its experience in evaluating projects. There are uncertainties in the process of identifying and acquiring new and suitable projects.

2.6 Proposed exploration budgets

The Company proposes to fund its intended activities as outlined in the tables below from the proceeds of the Offers. It should be noted that the budgets will be subject to modification on an ongoing basis depending on the results obtained from exploration undertaken. This will involve an ongoing assessment of the Company's project interests and may lead to increased or decreased levels of expenditure on certain interests, reflecting a change in emphasis. Subject to the above, the following budgets are proposed which takes into account the proposed expense over the next 2 years to complete initial exploration of the Tenements. As budgeted below, the Company's exploration expenditure will exceed the expenditure requirements for each of the Tenements (see Section 6 for further details):

Expenditure	Year 1 (\$)	Year 2 (\$)	Total (\$)
MT READ COBALT PROJECT			
Diamond drilling and analysis	430,040	704,900	1,134,940
Petrological studies	5,000	7,000	12,000
Site preparation and support	303,960	429,100	733,060
IP and EM geophysics	96,000	104,600	200,600
Soil geochemistry	8,400	16,800	25,200
Sub-total for Mt Read Cobalt Project	843,400	1,262,400	2,105,800
BULGERA PROJECT			
Geophysics	-	55,000	55,000
RC drilling and analysis	164,450	149,500	313,950
Field staff and heritage survey	65,050	63,800	128,850
Sub-total for Bulgera Project	229,500	268,300	497,800
MT MONGER PROJECT			
AC drilling and analysis	31,650	-	31,650

Expenditure	Year 1 (\$)	Year 2 (\$)	Total (\$)
RC drilling and analysis	80,600	111,600	192,200
Field staff and earth moving	34,050	38,500	72,550
Sub-total for Mt Monger Project	146,300	150,100	296,400
TOTAL	1,219,200	1,680,800	2,900,000

2.7 Dividend policy

The Company does not expect to pay dividends in the near future as its focus will primarily be on exploration of the Projects and future acquisitions.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend upon matters such as the availability of distributable earnings, the operating results and financial condition of the Company, future capital requirements, general business and other factors considered relevant by the Directors. No assurances are given in relation to the payment of dividends, or that any dividends may attach franking credits.

3. Risk Factors

As with any investment in securities, there are risks involved. This Section identifies the major areas of risk associated with an investment in the Company, but should not be taken as an exhaustive list of the potential risk factors to which the Company and its Security holders are exposed. Potential investors should read the entire Prospectus and consult their professional advisers before deciding whether to apply for Securities.

Any investment in the Company under this Prospectus should be considered highly speculative.

3.1 Risks specific to the Company

(a) Limited history

The Company was incorporated on 7 March 2017 and therefore has limited operational and financial history on which to evaluate its business and prospects. The prospects of the Company must be considered in light of the risks, expenses and difficulties frequently encountered by companies in the early stages of their development, particularly in the mineral exploration sector, which has a high level of inherent risk and uncertainty. No assurance can be given that the Company will achieve commercial viability through the successful exploration on, or mining development of, the Projects. Until the Company is able to realise value from the Projects, it is likely to incur operational losses.

(b) Conditionality of Offers

The obligation of the Company to issue the Securities under the Offers is conditional on certain matters, as set out in Section 1.3. If the conditions are not satisfied, the Company will not proceed with the Offers. Failure to complete the Offers may have a material adverse effect on the Company's financial position.

(c) Contractual risk

Pursuant to the Acquisition Agreements (summarised at Section 8.2) the Company has agreed to acquire 100% legal and beneficial ownership of the WA Sale Tenements and the Mt Read Cobalt Tenements from the Vendors subject to the fulfilment of certain conditions precedent. If any of the conditions precedent are not met, completion of the acquisition of those Tenements may be deferred or not occur.

The ability of the Company to achieve its stated objectives will depend on the performance by the parties of their obligations under the Acquisition Agreements. If any party defaults in the performance of its obligations, it may be necessary for the Company to approach a court to seek a legal remedy, which can be costly.

(d) Potential for dilution

On completion of the Offers and issue of Shares to Mr Haythorpe and Ventnor Capital, the number of Shares in the Company will increase from 11,520,000 to up to 47,620,000, assuming the Maximum Subscription is reached. This means the number of Shares on issue will increase by approximately 413% on completion of the Offers. On this basis, existing Shareholders should note that

if they do not participate in the Public Offer (and even if they do), their holdings may be considerably diluted (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).

(e) New projects and acquisitions

The Company will actively pursue and assess other new business opportunities in the resources sector. These new business opportunities may take the form of direct project acquisitions, joint ventures, farm-ins, acquisition of tenements/permits, and/or direct equity participation.

The acquisition of projects (whether completed or not) may require the payment of monies (as a deposit and/or exclusivity fee) after only limited due diligence or prior to the completion of comprehensive due diligence. There can be no guarantee that any proposed acquisition will be completed or be successful. If the proposed acquisition is not completed, monies advanced may not be recoverable, which may have a material adverse effect on the Company.

If an acquisition is completed, the Directors will need to reassess at that time, the funding allocated to current projects and new projects, which may result in the Company reallocating funds from other projects and/or raising additional capital (if available). Furthermore, notwithstanding that an acquisition may proceed upon the completion of due diligence, the usual risks associated with the new project/business activities will remain.

(f) Future capital requirements

The Company has no operating revenue and is unlikely to generate any operating revenue unless and until the Projects are successfully developed and production commences. The future capital requirements of the Company will depend on many factors including its business development activities. The Company believes its available cash and the net proceeds of the Public Offer should be adequate to fund its business development activities, exploration program and other Company objectives in the short term as stated in this Prospectus.

In order to successfully develop the Projects and for production to commence, the Company will require further financing in the future, in addition to amounts raised pursuant to the Public Offer (particularly if only the Minimum Subscription is met). Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the then market price (or Public Offer Price) or may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities.

Although the Directors believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its activities and this could have a material adverse effect on the Company's activities including resulting in the Tenements being subject to forfeiture, and could affect the Company's ability to continue as a going concern.

The Company may undertake additional offerings of Shares and of securities convertible into Shares in the future. The increase in the number of Shares

issued and outstanding and the possibility of sales of such shares may have a depressive effect on the price of Shares. In addition, as a result of such additional Shares, the voting power of the Company's existing Shareholders will be diluted.

3.2 Mining Industry Risks

(a) Title risk

At the date of this Prospectus, the Company only has a registered legal interest in two Tenements: one granted exploration licence and one application for an exploration licence in Western Australia. The Company has an equitable interest under the Acquisition Agreements to acquire a 100% interest in the remaining Tenements, subject to satisfaction of certain conditions. There is a risk that if the conditions to the Acquisition Agreements are not satisfied or waived, and the Acquisition Agreements do not complete, that the Company will not acquire an interest in all of the Tenements.

Tenement E46/1192 is an application for an exploration licence in the name of the Company and the Comet Project WA Sale Tenement is also an application for an exploration licence. These Tenements must be granted, and in the case of the Comet Project WA Sale Tenement also transferred to the Company, before the Company may acquire 100% legal and beneficial interest in those Tenements. There is a risk that these applications may not be granted in their entirety or only granted on conditions unacceptable to the Company.

Once granted, exploration licences in Western Australia cannot be transferred within the first year of their grant without the prior written consent of the Western Australian Department of Mines, Industry Regulation and Safety. There is a risk that the Company may not be able to obtain ministerial consent within the first year for the transfer of the Comet Project WA Sale Tenement, however the Company is unaware of any reason why this would not be given.

Unless and until the Comet Project WA Sale Tenement is granted and transferred to the Company, the Company has limited rights and can undertake only preliminary exploration work on that Tenement.

Further, exploration licences in Tasmania cannot be transferred without the prior written consent of Mineral Resources Tasmania Department of State Growth. There is a risk that the Company may not be able to obtain ministerial consent for the transfer of the Mt Read Cobalt Tenements, however the Company is unaware of any reason why this would not be given.

Unless and until the Mt Read Cobalt Tenements are transferred to the Company, the Company has limited rights, however the Company does have access to and can undertake exploration work on those Tenements in accordance with a deed of access entered into by the Company with Sherlock and Thylacine (see Section 8.2(a)).

Interests in all tenements in Australia are governed by the respective state legislation and are evidenced by the granting of licenses or leases. Each license or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in the Tenements if license conditions are not met or if insufficient funds are available to meet expenditure commitments.

(b) Exploration and development risks

Mineral exploration and development is a high-risk undertaking. There can be no assurance that exploration of acquired projects or any other exploration properties that may be acquired in the future will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company. A lack of local infrastructure proximate to the Mt Read Cobalt Tenements may also represent a risk to any potential future development activities.

The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its projects and obtaining all required approvals for its activities. In the event that exploration programs are unsuccessful this could lead to a diminution in the value of its projects, a reduction in the cash reserves of the Company and possible relinquishment of part or all of its projects.

(c) Operating risk

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

No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests. Unless and until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

(d) Metallurgy

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

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

(e) Payment obligations

Pursuant to the licences comprising the Company's projects, the Company will become subject to payment and other obligations. In particular, licence holders are required to expend the funds necessary to meet the minimum work commitments attaching to the Tenements. Failure to meet these work commitments may render the licence subject to forfeiture or result in the holders being liable for fees. Further, if any contractual obligations are not complied with when due, in addition to any other remedies that may be available to other parties, this could result in dilution or forfeiture of the Company's interest in its projects.

(f) Metals and currency price volatility

The Company's ability to proceed with the development of its mineral projects and benefit from any future mining operations will depend on market factors, some of which may be beyond its control. It is anticipated that any revenues derived from mining will primarily be derived from the sale of gold and base metals. Consequently, any future earnings are likely to be closely related to the price of this commodity and the terms of any off-take agreements that the Company enters into.

The world market for minerals is subject to many variables and may fluctuate markedly. These variables include world demand for gold and base metals that may be mined commercially in the future from the Company's project areas, forward selling by producers and production cost levels in major mineral-producing regions. Minerals prices are also affected by macroeconomic factors such as general global economic conditions and expectations regarding inflation and interest rates. These factors may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities. Metals are principally sold throughout the world in US dollars. The Company's cost base will be payable in various currencies including Australian dollars and US dollars. As a result, any significant and/or sustained fluctuations in the exchange rate between the Australian dollar and the US dollar could have a materially adverse effect on the Company's operations, financial position (including revenue and profitability) and performance. The Company may undertake measures, where deemed necessary by the Board to mitigate such risks.

(g) Competition risk

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

Some of the Company's competitors have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business opportunities. Many of the Company's competitors not only explore for and produce minerals, but also carry out refining operations and other products on a worldwide basis. There can be no assurance that the Company can compete effectively with these companies.

(h) **Native title and Aboriginal heritage risks**

The *Native Title Act 1993* (Cth) recognises and protects the rights and interests in Australia of Aboriginal and Torres Strait Islander people in land and waters, according to their traditional laws and customs. There is significant uncertainty associated with native title in Australia and this may impact on the Company's operations and future plans.

Native title can be extinguished by valid grants of land (such as freehold title) or waters to people other than the native title holders or by valid use of land or waters. It can also be extinguished if the indigenous group has lost its connection with the relevant land or waters. Native title is not necessarily extinguished by the grant of mining leases, although a valid mining lease prevails over native title to the extent of any inconsistency for the duration of the title.

It is possible that, in relation to tenements which the Company has an interest in or will in the future acquire such an interest; there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected.

Due to the customary nature of these agreements, the Directors consider the risk of not reaching agreements over native title with these potential claimants to be low. The enquiries undertaken have not uncovered anything to indicate that the granted Tenements have not been validly granted in compliance with the procedures set out in the Native Title Act.

The Company must also comply with Aboriginal heritage legislation which (inter alia) makes it an offence for a person to damage or in any way alter an Aboriginal site.

The Company notes that there is one registered Aboriginal site and a number of other heritage places within the area of the WA Gold Tenements and that there are several Aboriginal heritage sites within and in close proximity to the identified exploration areas within the Mt Read Cobalt Tenements. The absence of other registered Aboriginal sites does not preclude the existence of Aboriginal sites located within the boundaries of the Tenements and the Company has reporting obligations in relation to any potential Aboriginal heritage sites that it discovers. Aboriginal sites may exist in the area of the Tenements that have not been recorded in the registers but remain fully protected under the relevant State and/or Commonwealth legislation. There is a risk that unregistered Aboriginal sites and objects may exist on the land the subject of the Tenements, the existence of which may preclude or limit mining activities in certain areas of the Tenements. Further, the disturbance of such sites and objects is likely to be an offence under the applicable legislation, exposing the Company to fines and other penalties.

While the Company acknowledges that the registers of Aboriginal sites do not purport to be comprehensive, the Directors consider the above risks low due to the absence of registered sites on the majority of the Tenements, the previous exploration activities in the areas, and the low impact on the proposed exploration works.

The Company may need to seek further advice from Aboriginal Heritage Tasmania in relation to Aboriginal heritage sites affected by any future work programs on the Mt Read Cobalt Tenements when they are submitted to reduce the risk of contravening Aboriginal heritage legislation. Heritage survey work may also need to be undertaken ahead of the commencement of exploration or mining operations on the Tenements to reduce the risk of contravening Aboriginal heritage legislation.

(i) Third party risks

Under State and Commonwealth legislation, the Company may be required to obtain the consent of and pay compensation to the holders of third party interests which overlay areas within the Tenements or future tenements granted to the Company, including native title claims, Aboriginal heritage sites and pastoral leases, prior to accessing or commencing any exploration or mining activities on the affected areas within the Tenements. Any delay in obtaining these consents may impact on the Company's ability to carry out exploration activities or mining within the affected areas or future tenements granted to the Company.

The activities contemplated by the Company under all of the Tenement work programs are in and around areas historically drilled and disturbed by extensive past exploration and/or historical mining. The WA Gold Tenements are in areas that have also been the subject of pastoral and agricultural activities.

The Company's proposed programs aim to test extensions and infill delineated mineralisation. Given that the activities contemplated are in close proximity to and in areas that have already been actively explored, the Directors consider the risk of any impediments with respect to native title, pastoralist activities and any other heritage restrictions to be low.

However, the Company acknowledges that exploration success may result in extended work programs on the Tenements that may require further third party consents with respect to the native title and Aboriginal heritage processes and pastoralist activities. As part of the process of submitting a program of works for any ground disturbing activities, pastoralists and other third parties will be notified and the Company will work to minimise disturbance in relation to the proposed activities in accordance with applicable law. The Directors acknowledge that delays may be caused to commencement of exploration programs.

(j) Environmental risk

The operations and proposed activities of the Company are subject to state and federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or field development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

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

Although the Company believes that it is in compliance in all material respects with all applicable environmental laws and regulations, there are certain risks inherent to its activities, such as accidental spills, leakages or other unforeseen circumstances, which could subject the Company to extensive liability.

Government authorities may, from time to time, review the environmental bonds that are placed on permits. The Directors are not in a position to state whether a review is imminent or whether the outcome of such a review would be detrimental to the funding needs of the Company.

Further, the Company may require approval from the relevant authorities before it can undertake activities that are likely to impact the environment. Failure to obtain such approvals will prevent the Company from undertaking its desired activities. The Company is unable to predict the effect of additional environmental laws and regulations, which may be adopted in the future, including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations in any area.

Previous holders of the land the subject of the Mt Read Cobalt Tenements have had proposed work programs objected to by environmental groups. Whilst the current exploration work programs on the Mt Read Cobalt Tenements have been approved (see Schedule 1 of the Solicitor's Report for further detail), it is possible that future proposed exploration and mining operations that include ground disturbance may be objected to which may cause delays or may mean that approvals are difficult to obtain or may contain onerous conditions.

The Mt Read Cobalt Tenements are located within the Southwest Conservation Area of Tasmania, proximate to high-profile tourism operations and commercial fishing, and the Franklin Gordon Wild Rivers National Park. The Southwest Conservation Area has been included in the Tasmanian Government's *Strategic Prospectivity Zones Act 1993 (Tas) (SPZ Act)*, in recognition of the mineral potential of the area. The SPZ Act aims to promote exploration and provides security to explorers, by providing development provisions and compensation if a development is halted. The Tasmanian Government has demonstrated support for any significant mining development, albeit with provisions to ensure proper management of the region's natural environment. However, changes in community attitudes on matters such as environment issues may bring about reviews and possibly changes in government policies. There is a risk that such changes may affect the Company's plans or its rights and obligations in respect of the Tenements, including preventing or delaying certain operations by the Company.

There can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Company to incur significant expenses and undertake significant investments in such respect which could have a material adverse effect on the Company's business, financial condition and results of operations.

(k) Licences, permits and approvals

On completion of the Acquisition Agreements, the Company will hold all material authorisations required to undertake the exploration programs described in this Prospectus. However, many of the mineral rights and interests to be held by the Company are subject to the need for ongoing or

new government approvals, licences and permits. These requirements, including work permits and environmental approvals, will change as the Company's operations develop. Delays in obtaining, or the inability to obtain, required authorisations may significantly impact on the Company's operations.

(l) Reliance on key personnel

The Company is reliant on a number of key personnel and consultants, including members of the Board. The loss of one or more of these key contributors could have an adverse impact on the business of the Company.

It may be particularly difficult for the Company to attract and retain suitably qualified and experienced people given the current high demand in the industry and relatively small size of the Company, compared with other industry participants.

(m) Conflicts of interest

Certain Directors are also directors and officers of other companies engaged in mineral exploration and development and mineral property acquisitions. These engagements are summarised in Section 7.2. Accordingly, mineral exploration opportunities or prospects of which these Directors become aware may not necessarily be made available to the Company in first instance. Although these Directors have been advised of their fiduciary duties to the Company, there exist actual and potential conflicts of interest among these persons and situations could arise in which their obligations to, or interests in, other companies could detract from their efforts on behalf of the Company.

3.3 General Risks

(a) Economic risks

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

As with any mining project, the economics are sensitive to metal and commodity prices. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for minerals, technological advances, forward selling activities and other macro-economic factors. These prices may fluctuate to a level where the proposed mining operations are not profitable. Should the Company achieve success leading to mineral production, the revenue it will derive through the sale of commodities also exposes potential income of the Company to commodity price and exchange rate risks.

(b) Market conditions

The market price of the Company's Shares can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular.

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

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

Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(c) Force majeure

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

(d) Government and legal risk

Changes in government, monetary policies, taxation and other laws can have a significant impact on the Company's assets, operations and ultimately the financial performance of the Company and its Shares. Such changes are likely to be beyond the control of the Company and may affect industry profitability as well as the Company's capacity to explore and mine.

The Company is not aware of any reviews or changes that would affect its permits. However, changes in community attitudes on matters such as taxation, competition policy and environmental issues may bring about reviews and possibly changes in government policies. There is a risk that such changes may affect the Company's development plans or its rights and obligations in respect of its permits. Any such government action may also require increased capital or operating expenditures and could prevent or delay certain operations by the Company.

(e) Litigation risks

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

(f) Insurance risks

The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances, the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. Insurance against all risks associated with mining exploration

and production is not always available and where available the costs can be prohibitive.

(g) Taxation

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

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

3.4 Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Securities offered under this Prospectus.

Therefore, the Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities.

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

4. Investigating Accountant's Report



RSM

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29 November 2017

The Directors
Accelerate Resources Ltd
Ground Floor, 16 Ord Street
West Perth, WA, 6005

Dear Directors

INVESTIGATING ACCOUNTANT'S REPORT

Independent Limited Assurance Report ("Report") on Accelerate Resources Limited's Historical and Pro Forma Historical Financial Information

Introduction

We have been engaged by Accelerate Resources Limited ("Accelerate" or the "Company") to report on the historical financial information of the Company for the period from incorporation until 30 June 2017 and pro forma financial information of the Company as at 30 June 2017 for inclusion in the prospectus ("Prospectus") of the Company dated on or about 30 November 2017 in connection with the Company's proposed initial public offering and listing on the Australian Securities Exchange ("ASX"), pursuant to which the Company is offering a minimum of 22,500,000 and a maximum of 25,000,000 fully paid ordinary shares in Accelerate ("Shares") at an issue price of \$0.20 per Share to raise a minimum of \$4.5 million and a maximum of \$5.0 million before costs (the "Public Offer"). The Prospectus also contains an offer of up to 5,000,000 Options, each exercisable at \$0.25 and expiring 4 years from the date the Company is admitted to the official list of ASX, to the Lead Manager (or its nominees) to the Public Offer in consideration for capital raising services provided to the Company (the "Lead Manager Offer"). Together, the Public Offer and the Lead Manager Offer comprise the "Offers".

Expressions and terms defined in the Prospectus have the same meaning in this Report.

The future prospects of the Company, other than the preparation of Pro Forma Historical Financial Information, assuming completion of the transactions summarised in Note 1 of the Appendix of this Report, are not addressed in this Report. This Report also does not address the rights attaching to the shares to be issued pursuant to the Prospectus, nor the risks associated with an investment in shares in the Company.

Background

Accelerate incorporated on 7 March 2017 and is an Australian Cobalt and Gold focused exploration company with five projects: the Mt Read Cobalt Project, the Bulgera, Mount Monger, Comet and Pilbara projects. The Company already holds one exploration licence (part of the Mount Monger project) and has applied for the exploration licence

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RSM Corporate Australia Pty Ltd is beneficially owned by the Directors of RSM Australia Pty Ltd. RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

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comprising the Pilbara project. The Company has entered into tenement purchase agreements to acquire the remaining 6 exploration licences which comprise the projects.

The Company's primary focus will be the Mt Read Cobalt Project located in Tasmania. It is the Company's intention to drill, prove and classify this Cobalt-Copper-Gold project to JORC Code standards and assess development options.

Scope

Historical financial information

You have requested RSM Corporate Australia Pty Ltd ("RSM") to review the following historical financial information of the Company included in the Prospectus at the Appendix to this Report:

- The statement of financial performance and the statement of cash flows of the Company for the period from incorporation to 30 June 2017; and
- The statement of financial position of the Company as at 30 June 2017.

(together the "Historical Financial Information" attached at the Appendix to this Report for reference).

The Historical Financial Information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles of the International Financial Reporting Standards and the Company's adopted accounting policies.

The Historical Financial Information represents that of the Company and has been extracted from the financial statements of the Company for the period from incorporation to 30 June 2017, which were audited by RSM Australia Partners in accordance with International Auditing Standards. The audit report issued for the period was an unqualified opinion.

The Historical Financial Information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by International Financial Reporting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the *Corporations Act 2001*.

Pro forma historical financial information

You have requested RSM to review the pro forma historical statement of financial position as at 30 June 2017, referred to as "the Pro Forma Historical Financial Information".

The Pro Forma Historical Financial Information has been derived from the Historical Financial Information of the Company after adjusting for the effects of the subsequent events and pro forma adjustments described in Note 1 of the Appendix to this Report. The stated basis of preparation is the recognition and measurement principles of the International Financial Reporting Standards applied to the Historical Financial Information and the events or transactions to which the subsequent events and pro forma adjustments relate, as described in Note 1 of the Appendix to this Report, as if those events or transactions had occurred as at the date of the Historical Financial Information. Due to its nature, the Pro Forma Historical Financial Information does not represent the Company's actual or prospective financial position or statement of financial performance.

Directors' responsibility

The Directors of the Company are responsible for the preparation of the Historical Financial Information and Pro Forma Historical Financial Information, including the selection and determination of pro forma adjustments made to the Historical Financial Information and included in the Pro Forma Historical Financial Information. This includes responsibility for such internal controls as the Directors determine are necessary to enable the preparation of Historical Financial Information and Pro Forma Historical Financial Information that are free from material misstatement, whether due to fraud or error.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the Historical Financial Information and Pro Forma Historical Financial Information based on the procedures performed and the evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

A review consists of making such enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. Our procedures included:

- A consistency check of the application of the stated basis of preparation, to the Historical and Pro Forma Historical Financial Information;
- A review of the Company's and its auditors' work papers, accounting records and other documents;
- Enquiry of directors, management personnel and advisors;
- Consideration of subsequent events and pro forma adjustments described in Note 1 of the Appendix to this Report; and
- Performance of analytical procedures applied to the Pro Forma Historical Financial Information.

A review is substantially less in scope than an audit conducted in accordance with International Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusions

Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Historical Financial Information, as described in the Appendix to this Report, and comprising:

- The statement of financial performance and the statement of cash flows of the Company for the period from incorporation to 30 June 2017; and
- The statement of financial position of the Company as at 30 June 2017.

are not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Note 2 of the Appendix to this Report.

Pro Forma Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical Financial Information, as described in the Appendix to this Report, and comprising the pro forma statement of financial position as at 30 June 2017 of the Company are not presented fairly in all material respects, in accordance with the stated basis of preparation, as described in Note 1 of the Appendix of this Report.

Restriction on Use

Without modifying our conclusions, we draw attention to the purpose of the financial information, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for use for another purpose.

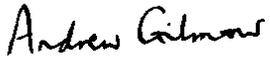
Responsibility

RSM has consented to the inclusion of this assurance report in the Prospectus in the form and context in which it is included. RSM has not authorised the issue of the Prospectus. Accordingly, RSM makes no representation regarding, and takes no responsibility for, any other documents or material in, or omissions from, the Prospectus.

Disclosure of Interest

RSM does not have any pecuniary interest that could reasonably be regarded as being capable of affecting its ability to give an unbiased conclusion in this matter. RSM will receive a professional fee for the preparation of this Report.

Yours faithfully

A handwritten signature in black ink that reads "Andrew Gilmour".

A J GILMOUR
Director

ACCELERATE RESOURCES LIMITED
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE PERIOD FROM INCORPORATION ON 7 MARCH 2017 TO 30 JUNE 2017

	Period from 7-Mar-17 to 30-Jun-17 Audited \$
Interest Income	-
Expenses	
Finance costs	(40)
Travel expenses	(7,734)
Corporate advisory fees	(23,761)
Share based payment expense	(328,408)
Other expenses	(4,938)
Loss before income tax	(364,881)
Income tax expense	-
Loss after income tax for the period	(364,881)
Other comprehensive income for the year, net of tax	-
Total comprehensive loss for the period	(364,881)

Investors should note that past results are not a guarantee of future performance.

ACCELERATE RESOURCES LIMITED
STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM INCORPORATION ON 7 MARCH 2017 TO 30 JUNE 2017

	Period from 7-Mar-17 to 30-Jun-17 Audited \$
Cash flows from operating activities	
Payments to suppliers and employees	(58,357)
Net cash (outflow) from operating activities	<u>(58,357)</u>
Cash flows from financing activities	
Proceeds from issue of Shares	202,000
Share issue transaction costs	(9,687)
Net cash inflow from financing activities	<u>192,313</u>
Net increase in cash and cash equivalents	133,956
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the end of the period	<u><u>133,956</u></u>

Investors should note that past results are not a guarantee of future performance.

ACCELERATE RESOURCES LIMITED
PRO FORMA STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

	Note	Accelerate Audited 30-Jun-17 \$	Subsequent events Unaudited 30-Jun-17 \$	Pro forma adjustments Minimum 30-Jun-17 \$	Pro forma Min. Offer Unaudited 30-Jun-17 \$	Pro forma adjustments Maximum 30-Jun-17 \$	Pro forma Max. Offer Unaudited 30-Jun-17 \$
Assets							
Current assets							
Cash and cash equivalents	3	133,956	226,464	3,985,750	4,346,170	4,452,750	4,813,170
Prepayments		12,297	-	-	12,297	-	12,297
Other assets		6,975	-	-	6,975	-	6,975
Total current assets		<u>153,228</u>	<u>226,464</u>	<u>3,985,750</u>	<u>4,365,442</u>	<u>4,452,750</u>	<u>4,832,442</u>
Non-current assets							
Exploration and evaluation expenditure	4	30,000	13,636	1,526,000	1,569,636	1,526,000	1,569,636
Total non-current assets		<u>30,000</u>	<u>13,636</u>	<u>1,526,000</u>	<u>1,569,636</u>	<u>1,526,000</u>	<u>1,569,636</u>
Total assets		<u>183,228</u>	<u>240,100</u>	<u>5,511,750</u>	<u>5,935,078</u>	<u>5,978,750</u>	<u>6,402,078</u>
Liabilities							
Current liabilities							
Trade and other payables		27,388	-	-	27,388	-	27,388
Total current liabilities		<u>27,388</u>	<u>-</u>	<u>-</u>	<u>27,388</u>	<u>-</u>	<u>27,388</u>
Total liabilities		<u>27,388</u>	<u>-</u>	<u>-</u>	<u>27,388</u>	<u>-</u>	<u>27,388</u>
Net assets		<u>155,840</u>	<u>240,100</u>	<u>5,511,750</u>	<u>5,907,690</u>	<u>5,978,750</u>	<u>6,374,690</u>
Equity							
Issued capital	5	192,313	350,000	4,615,550	5,157,863	5,082,550	5,624,863
Reserves	6	324,000	-	1,116,000	1,440,000	1,116,000	1,440,000
Accumulated losses	7	(360,473)	(109,900)	(219,800)	(690,173)	(219,800)	(690,173)
Total equity		<u>155,840</u>	<u>240,100</u>	<u>5,511,750</u>	<u>5,907,690</u>	<u>5,978,750</u>	<u>6,374,690</u>

The unaudited pro forma statement of financial position represents the audited statement of financial position of the Company as at 30 June 2017 adjusted for the subsequent events and pro forma transactions outlined in Note 1 of this Appendix. It should be read in conjunction with the notes to the historical and pro forma financial information.

1. Introduction

The financial information set out in this Appendix consists of the Historical Financial Information together with the Pro Forma Historical Financial Information.

The Pro Forma Historical Financial Information has been compiled by adjusting the statement of financial position of the Company, reflecting the Directors' pro forma adjustments, for the impact of the following subsequent events and pro forma adjustments.

Adjustments adopted in compiling the Pro Forma Historical Financial Information

The Pro Forma Historical Financial Information has been prepared by adjusting the Historical Financial Information to reflect the financial effects of the following subsequent events which have occurred in the period since 30 June 2017 and the date of this Report:

- (i) On 10 October 2017, the Company entered into a tenement sale agreement ("Mt Read Acquisition Agreement") with Sherlock Minerals Pty Ltd ("Sherlock") and Thylacine Resources Pty Ltd ("Thylacine") to acquire 100% legal and beneficial ownership of the Mt Read Cobalt Project. In consideration for the acquisition the Company has agreed to pay the Sherlock:
- A total of \$13,636 cash (as reimbursement for prior expenditure) which has already been paid by the Company;
 - 2,000,000 Shares in the Company;
 - 3,000,000 options to acquire Shares ("Options"), each exercisable at \$0.25 and expiring on 30 April 2021.

The Mt Read Acquisition Agreement is conditional, among other things, on the Company successfully completing the Public Offer and ASX granting the Company conditional approval for its Shares to be listed on the ASX;

- (ii) On 28 April 2017, the Company entered into a tenement sales agreement ("POZ Acquisition Agreement") with POZ Minerals Limited ("POZ") to acquire 100% legal and beneficial ownership of the Bulgera, Mount Monger and Comet projects. In consideration for the acquisition, the Company has agreed to pay POZ:
- A total of \$60,000 cash (as reimbursement for prior expenditure), with \$30,000 paid by the Company as a deposit prior to 30 June 2017;
 - 3,000,000 Shares in the Company; and
 - 1,000,000 Options, each exercisable at \$0.25 and expiring on 30 April 2021; and
 - A 1% net smelter royalty.

The POZ Acquisition Agreement is conditional, among other things, on the Company successfully completing the Public Offer and ASX granting the Company conditional approval for its Shares to be listed on the ASX;

- (iii) On 15 November 2017, the Company issued 1,000,000 Shares to Director Andrew Haythorpe (or his nominees) for \$0.0001 per share;
- (iv) On 22 November 2017, the Company issued 2,500,000 Shares at \$0.10 each to raise \$250,000 (before costs) in seed capital ("Seed Raise"); and
- (v) The Company paid an initial deposit of \$10,000 to co-lead manager Aojin Group Pty Ltd to be used for reimbursement of service-related expenses, such as advertisements and promotions,

and the following pro forma transactions which are yet to occur, but are proposed to occur immediately before or following completion of the Offers:

- (vi) The issue of 22,500,000 Shares at \$0.20 each to raise \$4,500,000 before costs pursuant to the Minimum Subscription;
- (vii) The payment of cash costs related to the Offers estimated to be \$485,000 (on Minimum Subscription) and up to \$518,000 (on Maximum Subscription);

- (viii) Completion of the Mt Read Acquisition Agreement through the issue of the consideration Shares and Options to Sherlock;
- (ix) Completion of the POZ Acquisition Agreement through the payment of the remaining consideration cash, and the issue of the consideration Shares and Options to POZ;
- (x) The issue of a further 1,000,000 Shares to Mr Haythorpe (or his nominees) at an issue price of \$0.0001 per Share subject to ASX granting the Company conditional approval for its Shares to be listed on the ASX;
- (xi) The issue of 100,000 Shares to advisors Ventnor Capital Pty Ltd at an issue price of \$0.001 per Share subject to ASX granting the Company conditional approval for its Shares to be listed on the ASX; and
- (xii) The issue of up to 5,000,000 Options for \$0.00001 each to the Lead Manager (or its nominees) under the Lead Manager Offer as well as the issue of up to 5,000,000 Shares at \$0.0001 each to the Lead Manager (or its nominees).

The Pro Forma Historical Financial Information has been presented in abbreviated form and does not contain all the disclosures usually provided in an Annual Report prepared in accordance with the *Corporations Act 2001*.

2. Statement of significant accounting policies

(a) Basis of preparation

The Historical Financial Information has been prepared in accordance with the recognition and measurement requirements of the International Financial Reporting Standards ("IFRS"), adopted by the International Accounting Standards Board and the Corporations Act 2001.

The Pro Forma Historical Financial Information presented in the Prospectus as at 30 June 2017 has been prepared to reflect the Directors' pro forma adjustments for the effects of the Offers and other transactions in Note 1 above.

The significant accounting policies that have been adopted in the preparation and presentation of the historical and the Pro forma Historical Financial Information are:

(b) Basis of measurement

The Historical and Pro Forma Historical Financial Information has been prepared on the historical cost basis except for financial instruments classified at *fair value through profit or loss*, which are measured at fair value.

(c) Functional and presentation currency

The Historical and Pro Forma Historical Financial Information has been presented in Australian dollars which is the Company's functional currency.

(d) Use of estimates and judgements

The preparation of Financial Information in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

(e) Going concern

The Historical and Pro Forma Historical Financial Information has been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

(f) Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

(g) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(h) Exploration and evaluation assets

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

(i) Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable may be impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Other receivables are recognised at amortised cost, less any provision for impairment

(j) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

(k) Share-based payment transactions

The Company provides benefits to employees and other parties in the form of share based payments, whereby the employees and parties provide services in exchange for shares and other securities in the Company. The cost of the equity settled share based payment transactions is determined by reference to the fair value of the equity instruments granted.

The fair value of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance/ and or service conditions are fulfilled ("vesting period").

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects:

- (i) The grant date fair value;
- (ii) The extent to which the vesting period has expired; and
- (iii) The number of equity instruments that, in the opinion of the Directors of the Company, will ultimately vest.

This opinion is formed based on the best available information at reporting date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

No expense is recognised for equity instruments that do not ultimately vest, except for equity instruments where vesting is conditional upon a market condition.

(l) Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

In addition to its own current and deferred tax amounts, the entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits.

(m) Goods and services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

3. Cash and cash equivalents

	Note	Audited 30-Jun-17 \$	Unaudited Pro-forma Min. Offer 30-Jun-17 \$	Unaudited Pro-forma Max. Offer 30-Jun-17 \$
Cash and cash equivalents		133,956	4,346,170	4,813,170
Accelerate cash and cash equivalents as at 30 June 2017			133,956	133,956
<i>Subsequent events are summarised as follows:</i>				
Payment of cash consideration under the Mt Read Acquisition Agreement	1(i)		(13,636)	(13,636)
Proceeds from the Shares issued to Director Andrew Haythorpe issued at \$0.0001 per Share	1(iii)		100	100
Proceeds from the Seed Capital shares issued at \$0.10 per Share	1(iv)		250,000	250,000
Payment of cash deposit to the co-lead manager, Aoijin Group Pty Ltd	1(v)		(10,000)	(10,000)
			226,464	226,464
<i>Adjustments arising in the preparation of the pro forma statement of financial position are summarised as follows:</i>				
Proceeds from the Public Offer pursuant to the Prospectus	1(vi)		4,500,000	5,000,000
Capital raising costs	1(vii)		(485,000)	(518,000)
Payment of cash consideration under the POZ Acquisition Agreement	1(ix)		(30,000)	(30,000)
Proceeds from the issue of Shares to Director Andrew Haythorpe at \$0.0001 per Share	1(x)		100	100
Proceeds from the Shares issued to Ventnor Capital Pty Ltd issued at \$0.001 per Share	1(xi)		100	100
Proceeds from the Shares issued to the Lead Manager (or its nominees) issued at \$0.0001 per Share	1(xii)		500	500
Proceeds from the Options issued to the Lead Manager (or its nominees) under the Lead Manager Offer issued at \$0.00001 per Option	1(xii)		50	50
			3,985,750	4,452,750
Pro-forma cash and cash equivalents			4,346,170	4,813,170

4. Exploration and evaluation expenditure

	Note	Audited 30-Jun-17 \$	Unaudited Pro-forma Min. Offer 30-Jun-17 \$	Unaudited Pro-forma Max. Offer 30-Jun-17 \$
Exploration and evaluation expenditure		30,000	1,569,636	1,569,636
Accelerate exploration as at 30 June 2017			30,000	30,000
<i>Subsequent events are summarised as follows:</i>				
Cash paid under the Mt Read Acquisition Agreement	1(i)		13,636	13,636
<i>Adjustments arising in the preparation of the pro forma statement of financial position are summarised as follows:</i>				
Value of Shares issued under the Mt Read Acquisition Agreement	1(viii)		400,000	400,000
Value of Options issued under the Mt Read Acquisition Agreement	1(viii)		372,000	372,000
Cash paid under the POZ Acquisition Agreement	1(ix)		30,000	30,000
Value of Shares issued under the POZ Acquisition Agreement	1(ix)		600,000	600,000
Value of Options issued under the POZ Acquisition Agreement	1(ix)		124,000	124,000
			1,526,000	1,526,000
Pro-forma exploration and evaluation expenditure			1,569,636	1,569,636

5. Issued capital

	Note	Number of shares Min. Offer	Min. Offer \$	Number of shares Max. Offer	Max. Offer \$
Accelerate issued share capital as at 30 June 2017		8,020,000	192,313	8,020,000	192,313
<i>Subsequent events are summarised as follows:</i>					
Shares issued to Director Andrew Haythorpe	1(iii)	1,000,000	100,000	1,000,000	100,000
Seed Capital shares issued at \$0.10 per Share	1(iv)	2,500,000	250,000	2,500,000	250,000
		3,500,000	350,000	3,500,000	350,000
<i>Adjustments arising in the preparation of the pro forma statement of financial position are summarised as follows:</i>					
Proceeds from the Public Offer pursuant to the Prospectus	1(vi)	22,500,000	4,500,000	25,000,000	5,000,000
Cash costs associated with the issue of securities pursuant to the Offers	1(vii)	-	(485,000)	-	(518,000)
Shares issued upon completion of the Mt Read Acquisition Agreement	1(viii)	2,000,000	400,000	2,000,000	400,000
Shares issued upon completion of the POZ Acquisition Agreement	1(ix)	3,000,000	600,000	3,000,000	600,000
Shares issued to Director Andrew Haythorpe	1(x)	1,000,000	200,000	1,000,000	200,000
Shares issued to Ventnor Capital Pty Ltd	1(xi)	100,000	20,000	100,000	20,000
Shares issued to the Lead Manager (or its nominees)	1(xii)	5,000,000	1,000,000	5,000,000	1,000,000
Cost of Shares issued to the Lead Manager	1(xii)	-	(999,500)	-	(999,500)
Cost of options issued under the Lead Manager Mandate	1(xii)	-	(619,950)	-	(619,950)
		33,600,000	4,615,550	36,100,000	5,082,550
Pro-forma issued share capital		45,120,000	5,157,863	47,620,000	5,624,863

6. Reserves

	Note	Audited 30-Jun-17 \$	Unaudited Pro-forma Min. Offer 30-Jun-17 \$	Unaudited Pro-forma Max. Offer 30-Jun-17 \$
Reserves		324,000	1,440,000	1,440,000
Accelerate reserves as at 30 June 2017			324,000	324,000
<i>Adjustments arising in the preparation of the pro forma statement of financial position are summarised as follows:</i>				
Cost of Options issued under the Mt Read Acquisition Agreement	1(viii)		372,000	372,000
Cost of Options issued under the POZ Acquisition Agreement	1(ix)		124,000	124,000
Cost of Options issued under the Lead Manager Offer	1(xii)		620,000	620,000
			1,116,000	1,116,000
Pro-forma reserves			1,440,000	1,440,000

(a) Options

The Company will issue:

- 5,000,000 Options under the Lead Manager Offer to the Lead Manager at \$0.00001 each for services provided in raising funds under the Public Offer. The pro forma fair value of the Lead Manager Options is \$0.62 million;
- 3,000,000 Options to Sherlock in accordance with the Mt Read Acquisition Agreement. The pro forma fair value of the Options under the Mt Read Acquisition Agreement is \$0.372 million; and
- 1,000,000 Options to POZ in accordance with the POZ Acquisition Agreement. The pro forma fair value of the Options under the POZ Acquisition Agreement is \$0.124 million.

All Options have been valued using a standard binomial pricing model based on the fair value of a Company share at the grant date, using the following assumptions:

Assumptions	Lead Manager Options	Mt Read Options	POZ Options
Stock price	\$ 0.20	\$ 0.20	\$ 0.20
Exercise price	\$ 0.25	\$ 0.25	\$ 0.25
Expiry period	4 years	3.5 years	3.5 years
Expected future volatility	100%	100%	100%
Risk free rate	2.0%	2.0%	2.0%
Dividend yield	0%	0%	0%

The terms and conditions for each set of Options are set out in section 9.2 of the Prospectus.

7. Accumulated Losses

	Note	Audited 30-Jun-17 \$	Unaudited Pro-forma Min. Offer 30-Jun-17 \$	Unaudited Pro-forma Max. Offer 30-Jun-17 \$
Accumulated losses		(360,473)	(690,173)	(690,173)
Accelerate accumulated losses as at 30 June 2017			(360,473)	(360,473)
<i>Subsequent events are summarised as follows:</i>				
Cost of Shares issued to Director Andrew Haythorpe	1(iii)		(99,900)	(99,900)
Payment to the co-lead manager, Aojin Group Pty Ltd	1(v)		(10,000)	(10,000)
			(109,900)	(109,900)
<i>Adjustments arising in the preparation of the pro forma statement of financial position are summarised as follows:</i>				
Cost of shares issued to Director Andrew Haythorpe at \$0.0001 per Share	1(x)		(199,900)	(199,900)
Cost of Shares issued under the Ventnor Agreement	1(xi)		(19,900)	(19,900)
			(219,800)	(219,800)
Pro-forma accumulated losses			(690,173)	(690,173)

8. Related party disclosure

Following completion of the Offers, the Directors of Accelerate will be Mr Grant Mooney, Ms Yaxi Zhan, Mr Andrew Haythorpe and Mr Terry Topping. Directors' holdings of Shares, directors' remuneration and other directors' interests are set out in section 7 of the Prospectus.

9. Commitments and contingent liabilities

Under the POZ Acquisition Agreement the Company has a contingent liability to pay a 1% net smelter royalty on all production and sales on resources sold from the Bulgera and Comet projects, and part of the Mount Monger project.

Following completion of the Offers, the Company has no commitments or contingent assets as at 30 June 2017.

5. Independent Geologist's Report



CSA Global
Mining Industry Consultants



Independent Technical Assessment

Independent Technical Assessment Report – Tasmanian and Western Australian Mineral Assets

CSA Global Report № R392.2017
24 November 2017

www.csaglobal.com

Report prepared for

Client Name	Accelerate Resources Limited
Project Name/Job Code	AX8ITR01
Contact Name	Yaxi Zhan
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Report information

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Executive Summary

CSA Global has reviewed the mineral projects that will form the basis for the planned initial public offering of shares by Accelerate Resources Ltd for the company to enable a listing on the Australian Securities Exchange. The projects are broken down into two key jurisdictions:

- The Tasmanian Project – the key focus for exploration activities for the next two years moving forward for Accelerate;
- The Western Australian gold projects.

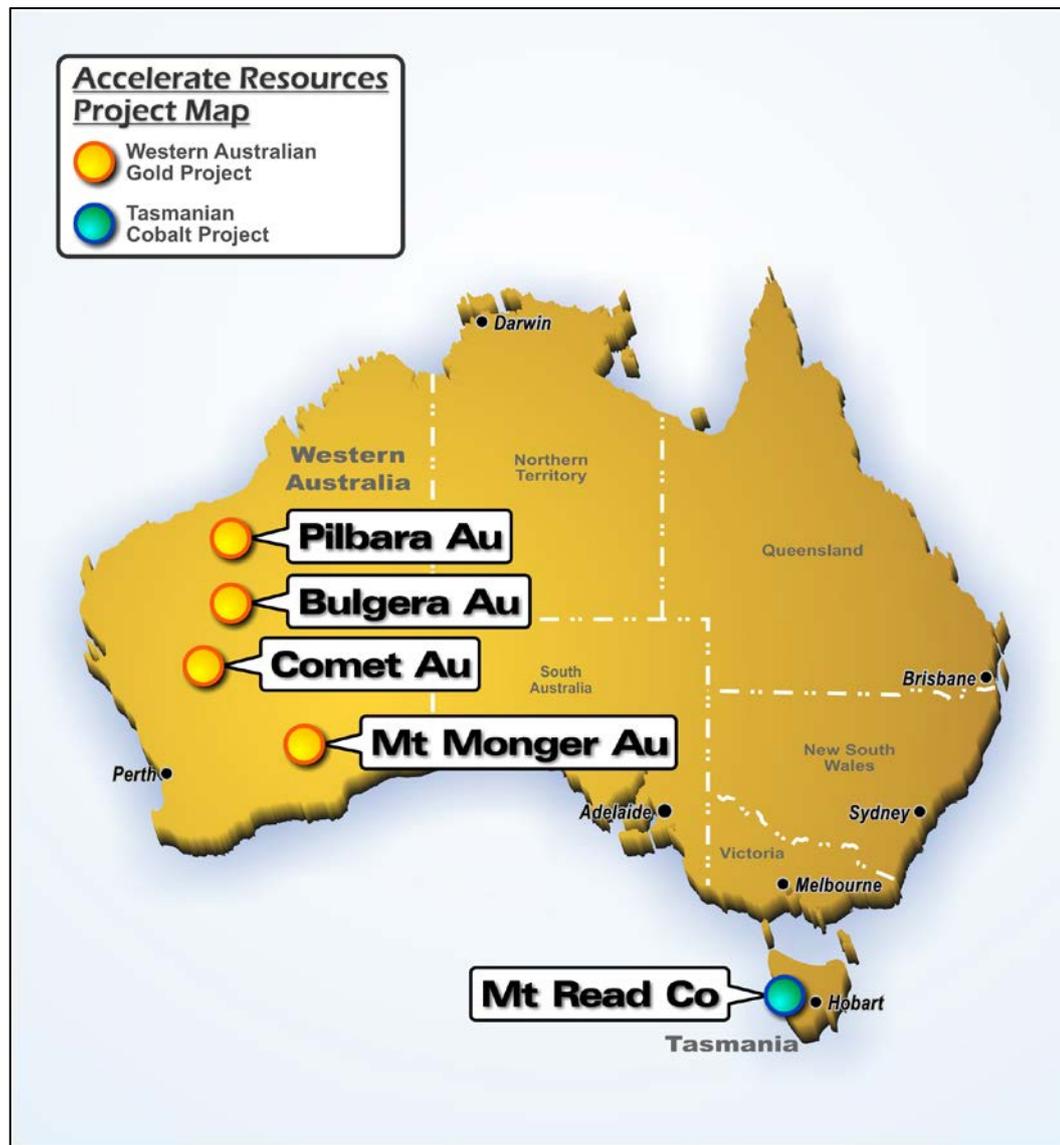


Figure 1: Accelerate Resources Project Location
Source Accelerate

Approximately 58-64% of the funds raised will be spent on exploration activities; and as Accelerate's key focus, approximately \$2.1 million will be spent on exploration activities in the Tasmanian Mount Read (Sorell) Cobalt Project, which the company describes as the Mount Read Cobalt Project. A programme of diamond drilling, petrological studies, as well as more regional geophysics (induced polarisation - IP and electromagnetics - EM) and geochemical soil sampling will be completed over the first two years.

The remainder of the funds raised allocated to exploration (approximately \$0.8 million) will be spend on the Western Australian tenements in the Murchison and Pilbara region, involving aircore and reverse circulation drilling, geochemical soil and stream sediment analyses as well as heritage surveys.

CSA Global has reviewed Accelerate’s proposed exploration activities and are of the opinion that the funds raised will be sufficient for the proposed programme, and that the programmes are appropriate

Tasmanian Projects

The company’s Mount Read Cobalt Project areas are located on the Sorrell Peninsular in western Tasmania (Figure 2). The projects encompass a belt of early Cambrian to Cambrian volcanosedimentary rocks correlated with the Mount Read Volcanics (MRV) of western Tasmania. While clearly the geology of the Sorell Peninsular is directly analogous to that of the MRV proper, the exact relationship between the two is a matter of interpretation. The MRV are host to all Western Tasmania’s significant base and precious metal mines and mineral occurrences, several of which have been significant producers of base metals for over 100 years.

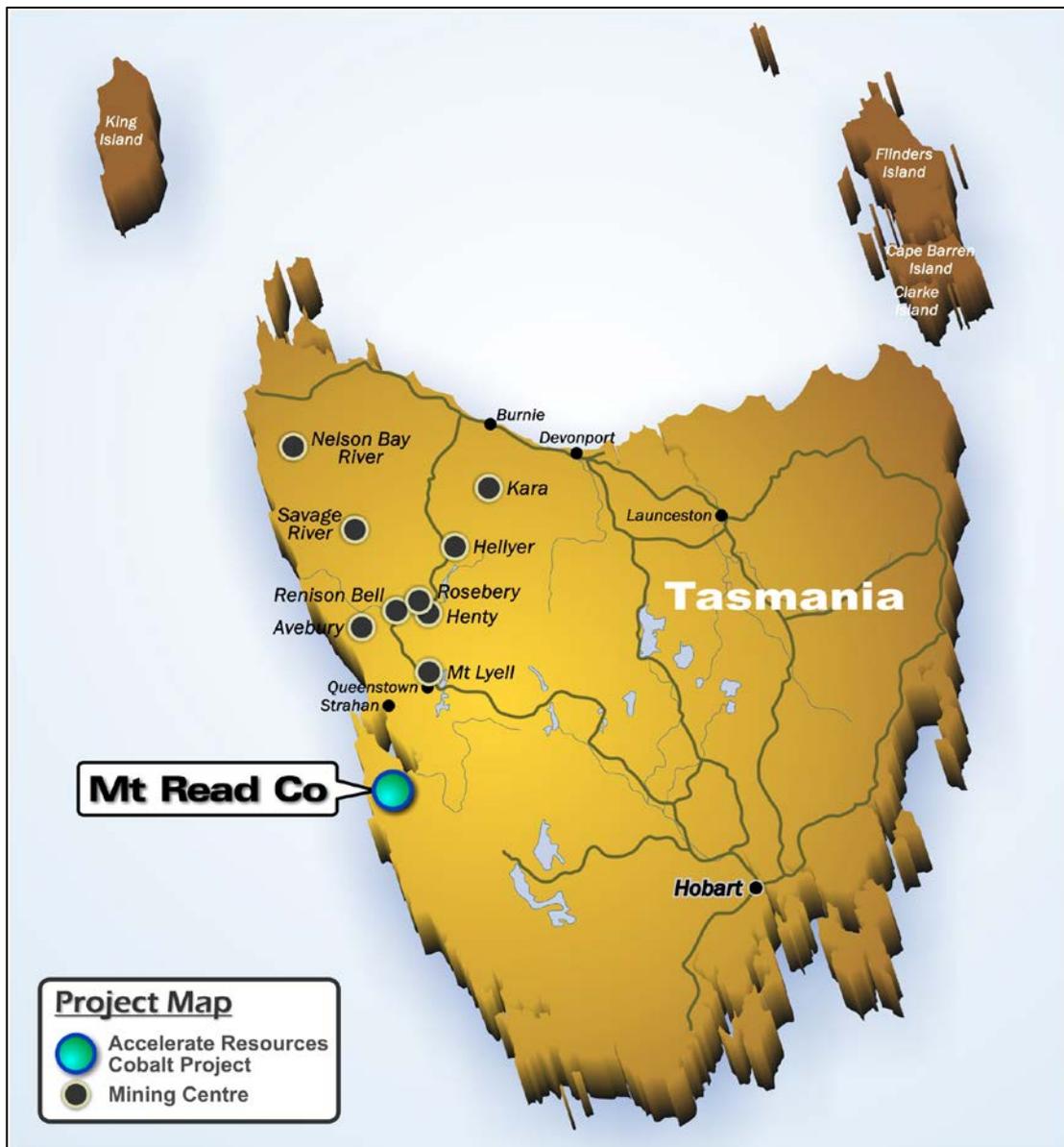


Figure 2: Accelerate’s Mount Read Cobalt Project location
Source: Accelerate



The two main prospects comprising the company's Mount Read Cobalt Project that will be the focus of exploration activity in the first two years of operation are:

- The Thomas Creek Co-Cu-Au prospect; and
- The Henrietta Co-Ni-Cu project.

Other base metal targets have been defined within the project area but will not be the initial focus of exploration activity.

Previous exploration activity at Thomas Creek by other explorers have defined a Cu-Co-Au soil geochemical anomaly associated with an aeromagnetic and ground induced polarisation geophysical anomaly suggestive of mineralisation associated with an intrusive stock into the volcanic sequence. Drilling completed by Plutonic Operations Ltd in the early 1990's confirmed anomalous Cu-Co-Au values associated with chalcopyrite bearing sulphides in alteration assemblages resulting from diorite intrusion into volcanic host rocks.

The combination of volcanic and intrusive rock stratigraphic association, geochemical signature, alteration assemblages, sulphide assemblages, and geophysical expression has been used by previous explorers to draw analogies between the potential for Thomas Creek and the Mount Lyell Cu-Au deposit of western Tasmania.

Exploration to date at Thomas Creek is still very early stage. The limited shallow diamond drilling conducted to date has, most likely, not penetrated below the base of oxidation. It has, most likely, not tested the main geophysical IP target zone defined between 100m and 200m depth below the peak soil geochemical Co-Cu-Au anomaly.

Planned exploration at Thomas Creek will seek to expand the soil geochemical zone. It will also follow up any anomalous values with ground based geophysics, primarily IP but also potentially EM to test for conductors as an indication of sulphide accumulation. This will be followed by a program of diamond drilling to test the existing IP anomaly at depth, below the limits of current shallow drilling. Drilling will also be used to test any additional anomalies detected by the new exploration program.

Previous exploration activity at Henrietta has identified a belt of mafic to ultramafic rocks with an associated 1.4 km long trend of airborne EM anomalies. Reconnaissance ground work in the area has identified altered ultramafic rocks with anomalous values for nickel, cobalt and platinum. The target for exploration in the area is for magmatic nickel-copper-cobalt sulphides associated with the mafic-ultramafic rocks. Exploration activity to date at Henrietta is very limited. Future exploration activity will seek to confirm the presence of geochemical and geophysical, particularly ground EM, anomalies to define the first ever drill targets in the target area.

West Australian Projects

Figure 3 summarises the location of the West Australian projects.

Accelerate and POZ Minerals Limited (POZ) have entered into an agreement (POZ Acquisition Agreement) for the sale and purchase of 3 granted exploration licences, and 1 application for an exploration licence in Western Australia. These granted licences relate to the Bulgera and Mount Monger projects. The transaction involves a combination of shares, vendor options, an aggregate cash payment, and a specified percentage net smelter royalty; and is contingent on conditions as specified in the body of the prospectus.

The work planned by Accelerate will comprise drilling the strike and depth extensions of the Mercuri and Bulgera pits, and regional targets along the western Bulgera trend (\$0.5m).



Figure 3: Accelerate Resources WA Gold Projects Location
Source: Accelerate

Exploration in Mount Monger will be focused on the Kiaki Soaks gold prospect. The proposed exploration model assumes the gold mineralisation dips moderately steeply to the east along the contact between mafic-ultramafic rocks of the Norseman-Wiluna greenstone belt to the west and the Mount Belches Beds, an Archaean sequence of siltstones, sandstones, greywackes and banded iron formations (BIFs) to the east. The Mount Belches Beds and the Norseman-Wiluna greenstone belt are separated by the major north-south trending Bare Hill Shear, which passes through and is interpreted as the source of mineralisation at the Kiaki Soaks Prospect.

Proposed exploration by Accelerate will comprise aircore drilling to test the strike extension of gold mineralisation north of the Kiaki Soaks prospect. RC drilling will be undertaken to test the identified mineralisation at depth (\$0.3m).



CSA Global endorses this high-level approach to exploration; targeting extensions to existing well-defined mined structures, and subsequently applying the understanding from known structures to regional targets. High level review and more detailed planning for the Comet and Pilbara projects will be conducted once the grants of the tenements are finalised and tenure is secured. CSA Global is satisfied that this is a prudent approach to the use of funds for exploration.

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1 Introduction

1.1 Context, Scope and Terms of Reference

CSA Global Pty Ltd (CSA Global) was requested by Accelerate Resources Limited (“Accelerate” or “the Company”) to prepare an Independent Technical Assessment Report (ITAR) for use in a prospectus to support an initial public offering (IPO) of shares (22.5 to 25 million fully paid ordinary shares at an issue price of 20¢ per share to raise A\$4.5-5 million) for Accelerate to enable a listing on the Australian Securities Exchange (ASX). The funds raised will be used for the purpose of exploration and evaluation of the Project areas.

This ITAR details Accelerates' principal project in Tasmania, the company's Mount Read Cobalt Project which includes the Thomas Creek and Henrietta prospects areas, and gold projects in Western Australia (together, the **Projects**).

The ITAR is subject to the Code for the Technical Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Expert Reports 2015 (“VALMIN¹ Code”). In preparing this ITAR, CSA Global:

- Adhered to the VALMIN Code.
- Took due note of the rules and guidelines issued by such bodies as the Australian Securities and Investments Commission (ASIC) and the ASX, including ASIC Regulatory Guide 111 – Content of Expert Reports and ASIC Regulatory Guide 112 – Independence of Experts.
- Relied on the accuracy and completeness of the data provided to it by Accelerate, and that Accelerate made CSA Global aware of all material information in relation to the projects.
- Relied on Accelerate's representation that it will hold adequate security of tenure for exploration and assessment of the projects to proceed.
- Required that Accelerate provide an indemnity to the effect that Accelerate would compensate CSA Global in respect of preparing the report against any and all losses, claims, damages and liabilities to which CSA Global or its Associates may become subject under any applicable law or otherwise arising from the preparation of the Report to the extent that such loss, claim, damage or liability is a direct result of Accelerate or any of its directors or officers knowingly providing CSA Global with any false or misleading information, or Accelerate, or its directors or officers knowingly withholding material information.
- Required an indemnity that Accelerate would compensate CSA Global for any liability relating to any consequential extension of workload through queries, questions, or public hearings arising from the reports.

1.2 Compliance with the VALMIN and JORC Codes

The report has been prepared in accordance with the VALMIN Code, which is binding upon Members of the Australian Institute of Geoscientists (AIG) and the Australasian Institute of Mining and Metallurgy (AusIMM), the JORC² Code and the rules and guidelines issued by such bodies as the Australian Securities and Investments Commission (ASIC) and ASX that pertain to Independent Expert Report's (IER).

¹ Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (The VALMIN Code), 2015 Edition, prepared by the VALMIN Committee of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. < <http://www.valmin.org> >

² Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. (The JORC Code), 2012 Edition. Prepared by: The Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC). < <http://www.jorc.org> >

1.3 Principal Sources of Information and Reliance on Other Experts

CSA Global has based its review of the Project on information made available to the principal authors by Accelerate, along with technical reports prepared by consultants, government agencies and previous tenements holders, and other relevant published and unpublished data. CSA Global has also relied upon discussions with Accelerate's management for information contained within this assessment. This report has been based upon information available up to and including November 21st, 2017.

CSA Global has endeavoured, by making all reasonable enquiries, to confirm the authenticity, accuracy, and completeness of the technical data upon which this report is based. Unless otherwise stated, information and data contained in this technical report or used in its preparation has been provided by Accelerate in the form of documentation.

Accelerate was provided a final draft of this report and requested to identify any material errors or omissions prior to its lodgement.

Descriptions of the mineral tenure; tenure agreements, encumbrances and environmental liabilities were provided to CSA Global by Accelerate or its technical consultants. Accelerate has warranted to CSA Global that the information provided for preparation of this report correctly represents all material information relevant to the Project. Full details on the tenements is provided in the Independent Solicitor's Report elsewhere in the prospectus.

This report contains statements attributable to third parties. These statements are made or based upon statements made in previous technical reports that are publicly available from either government departments or the ASX. The authors of these previous reports have not consented to the statements' use in this report, and these statements are included in accordance with ASIC Corporations (Consents to Statements) Instrument 2016/72.

1.4 Authors of the Report

CSA Global is a privately owned, mining industry consulting company headquartered in Perth, Western Australia. CSA Global provides geological, resource, mining, management and corporate consulting services to the international resources sector and has done so for more than 30 years.

This Independent Technical Assessment (ITA) has been prepared by a team of consultants sourced principally from CSA Global's Perth, Western Australia office. The individuals who have provided input to the ITA have extensive experience in the mining industry and are members in good standing of appropriate professional institutions. The Consultant preparing this ITA is a specialist in the field of geology and exploration, in particular relating to nickel and cobalt.

The following individuals, by virtue of their education, experience and professional association, are considered Competent Persons, as defined in the JORC Code (2012), for this report. The Competent Persons' individual areas of responsibility are presented below:

Principal author – Mr Tony Donaghy (Principal Consultant – based in Tasmania but working through CSA Global in Perth, Western Australia) is responsible for the entire report.

Peer reviewer – Mr Marcus Willson (Manager Exploration and Evaluation of CSA Global in Perth, Western Australia) is responsible for the entire report.

Tony is an internationally recognised expert in the global search for nickel, copper, cobalt and platinum group elements, with more than 15 years' experience covering all continents and all aspects of the industry - from leading continental-scale grassroots targeting exercises, through greenfields and brownfields exploration project design and execution, mining, property evaluation and due diligence, to board level strategy development and guidance.

Ivy Chen is a corporate governance specialist with more than 28 years' experience in mining and resource estimation. She served as the national geology and mining adviser for the Australian Securities and Investments Commission (ASIC) from 2009–2015 and is currently Principal Consultant at CSA Global. Ivy's experience in the

mining industry in Australia and China, as an operations and consulting geologist includes open pit and underground mines for gold, manganese and chromite. As a consulting geologist she has conducted mineral project evaluation, strategy development and implementation, through to senior corporate management roles. Ivy joined the VALMIN committee in 2015.

Marcus Willson has close to 30 years' experience in the mineral industry, ranging from early stage exploration activities, exploration management, strategy development and implementation, through to senior corporate management roles. Marcus has specialist expertise in Archaean and Birimian orogenic, intrusion related, and porphyry related gold (with copper), regolith interpretation and geochemistry as well as in litho-tectonic/structural analysis in the context of hydrothermal mineralisation. He uses these skills to deliver integrated, mineral systems-based, geological models and targeting advice. Marcus' significant corporate experience provides skills in project risk analysis, ranking and valuation

Peer review was completed by Graham Jeffress, a geologist with over 28 years' experience in exploration geology and management in Australia, Papua New Guinea and Indonesia. He has worked in exploration (ranging from grassroots reconnaissance through to brownfields, near-mine, and resource definition), project evaluation and mining in a variety of geological terrains, commodities, and mineralisation styles within Australia and internationally, including gold exploration in the Murchison, Eastern Goldfields and in the Lake Grace region. Graham has completed numerous independent technical reports (IGR, CPR, QPR) and valuations of mineral assets.

1.5 Independence

Neither CSA Global, nor the authors of this report, has or has had previously, any material interest in Accelerate or the mineral properties in which Accelerate has an interest. CSA Global's relationship with Accelerate is solely one of professional association between client and independent consultant.

CSA Global is an independent geological consultancy. Fees are being charged to Accelerate at a commercial rate for the preparation of this report, the payment of which is not contingent upon the conclusions of the report. The fee for the preparation of this report is approximately A\$24,900.

No member or employee of CSA Global is, or is intended to be, a director, officer or other direct employee of Accelerate. No member or employee of CSA Global has, or has had, any shareholding in Accelerate.

There is no formal agreement between CSA Global and Accelerate as to Accelerate providing further work for CSA Global.

1.6 Declarations

1.6.1 Purpose of this document

This report has been prepared by CSA Global at the request of, and for the sole benefit of Accelerate. Its purpose is to provide an ITA of Accelerate's Tasmanian and Western Australian Projects.

The report is to be included in its entirety or in summary form within a prospectus to be prepared by Accelerate in connection with an IPO. It is not intended to serve any purpose beyond that stated and should not be relied upon for any other purpose.

The statements and opinions contained in this report are given in good faith and in the belief that they are not false or misleading. The conclusions are based on the reference date of November 21st, 2017, and could alter over time depending on exploration results, mineral prices and other relevant market factors.

1.6.2 Competent Person's Statement

The information in this report that relates to Technical Assessment of the Mineral Assets, Exploration Targets, or Exploration Results is based on information compiled and conclusions derived by Mr Tony Donaghy, a Competent Person who is a Registered Professional Geoscientist with the Association of Professional Geoscientists of Ontario,

an RPO, in relation to the Tasmanian assets. And by Ms Ivy Chen working under the supervision of Mr Marcus Willson in relation to the West Australian Assets.

Mr Donaghy, Ms Chen and Mr Willson are employed by CSA Global.

Mr Donaghy has sufficient experience that is relevant to the Technical Assessment of the Mineral Assets under consideration, the style of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a Practitioner as defined in the 2015 edition of the 'Australasian Code for the public reporting of technical assessments and Valuations of Mineral Assets', and as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Donaghy consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Ms Chen has sufficient experience that is relevant to the Technical Assessment of the Mineral Assets under consideration, the style of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a Practitioner as defined in the 2015 edition of the 'Australasian Code for the public reporting of technical assessments and Valuations of Mineral Assets', and as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Ms Chen consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Mr Willson has sufficient experience that is relevant to the Technical Assessment of the Mineral Assets under consideration, the style of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a Practitioner as defined in the 2015 edition of the 'Australasian Code for the public reporting of technical assessments and Valuations of Mineral Assets', and as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Willson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

1.6.3 Site Inspection

Mr Donaghy completed a site visit to the Mineral Resources Tasmania Mornington Core Library, in Tasmania, to inspect drill core from the Tasmanian projects. No site visit was made to the West Australian Projects as the authors felt that they have sufficient knowledge of this region; the projects are at an early stage, and there is very limited relevant outcrop of interest to inspect.

1.7 About this Report

This report describes the prospectivity of the Accelerate tenements, located in the Cape Sorell Peninsula south of Macquarie Harbour in western Tasmania, and tenements in the Murchison and Pilbara regions of Western Australia. The geology and mineralisation for each tenement or project area is discussed, as well as the exploration work done, and the results obtained there from.

No valuation has been requested or completed for the Project.

2 Tasmanian Projects

2.1 Location, Access and Infrastructure

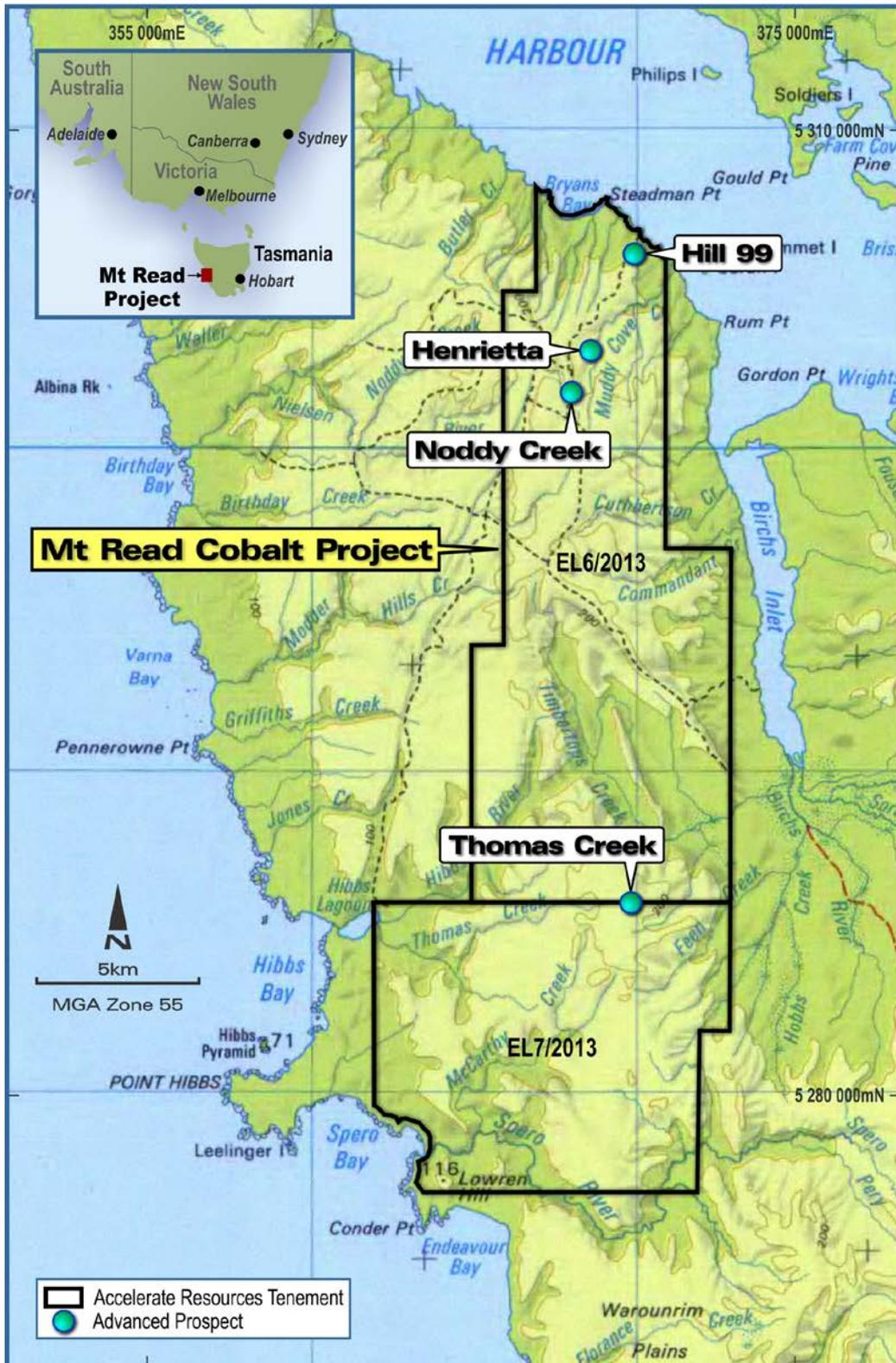


Figure 4: Accelerate’s Mount Read Cobalt Project tenement and location.
source: Accelerate

The licence areas are located on the Cape Sorell Peninsula south of Macquarie Harbour in the Southwest Conservation Area (Figure 4), approximately 30 kilometres south of the town of Strahan, which is located on the northern side of the harbour. Strahan has a population of about 1000 people, and has a commercial fishing and tourism industry.

Access to the project area can be achieved via a coastal landing by boat or by helicopter from Strahan. Access within the project areas is achieved on foot via historical exploration tracks and cut lines. The licences contain many road tracks cut by previous mineral explorers. However, since the 1990's these roads have been not maintained, and now are generally not suitable for vehicle access. Some of the key access roads could possibly be re-established with modest re-grading works. Vehicles would need to be transported to the field area via barge from Strahan.

Historically, Strahan was used as a port for the transport of copper-gold concentrates from the nearby Queenstown Copper mines, although the current port facilities are not capable of such material transport. A rail head at Melba Flats, north of the town of Zeehan and approximately 52 kilometres to the north by road from Strahan, is equipped for loading and transport of mineral concentrates to the port of Burnie on the northwest coast of Tasmania.

The Southwest Conservation Area has been included in the Tasmanian Government's Strategic Prospectivity Zones Act 1993, in recognition of the mineral potential of the area. The Act aims to promote exploration and provides security to explorers, by providing development provisions and compensation if a development is halted. The Tasmanian Government has demonstrated strong support for any significant mining development, albeit with provisions to ensure proper management of the regions natural environment. Modern systematic mineral exploration has occurred in the region since the mid 1950's.

There have been no determinations of native title in Tasmania and there are no registered claims that affect the Mount Read Tenements.

2.2 Climate, Topography and Vegetation

The area has a high annual rainfall of approximately 1750 millimetres. The natural vegetation is temperate rain forest with myrtle, gum and celery top pine. Second storey trees include ti-tree, sassafras, horizontal and leatherwood. Dense undergrowth, including bauera, ti-tree and cutting grass, is developed locally. Bauera scrub areas are very thick, and generally impenetrable without prior line cutting work. Where tree canopy is high, undergrowth is significantly less, and access over the ground can be achieved with some effort.

The topography of the Sorell Peninsula is characterised by steeply-sided peneplaned hills with a range of bench levels between sea level and approximately 280m ASL. These are deeply incised by creeks, some of which meander markedly, thus indicating relatively recent uplift and an antecedent drainage pattern.

Exploration is generally confined to the summer during the warmer, dryer months from November to May, when helicopter support is more reliable.

2.3 Tenure

The company's Mount Read Cobalt Project tenure comprises two granted Exploration Licences with a combined area of 226 km² (Figure 4). Exploration Licence EL7/2013 is held by Sherlock Minerals Pty Ltd, and Exploration Licence EL6/2013 is held by Thylacine Resources Pty Ltd, a 100% owned subsidiary of Sherlock Minerals. Both Tenements were awarded through an Exploration Release Area competitive bid process, and have been granted for a period of five years. Tenement details are provided in Table 1. Sherlock Minerals acquired Thylacine Resources through a share purchase agreement after the award of EL6/2013. At the end of the second anniversary period, in September 2015, Sherlock made a voluntary reduction of non-core licence areas.

Table 1: Tenement details for the Tasmanian Projects

Tenement	Status	Holder	Grant date	Expiry Date	Area (km2)
EL6/2013	Granted	Thylacine Resources Pty Ltd	02/10/2013	01/10/2018	135
EL7/2013	Granted	Sherlock Minerals Pty Ltd	22/10/2013	21/10/2018	91

Source: Accelerate

2.4 Geology

2.4.1 Regional Geology

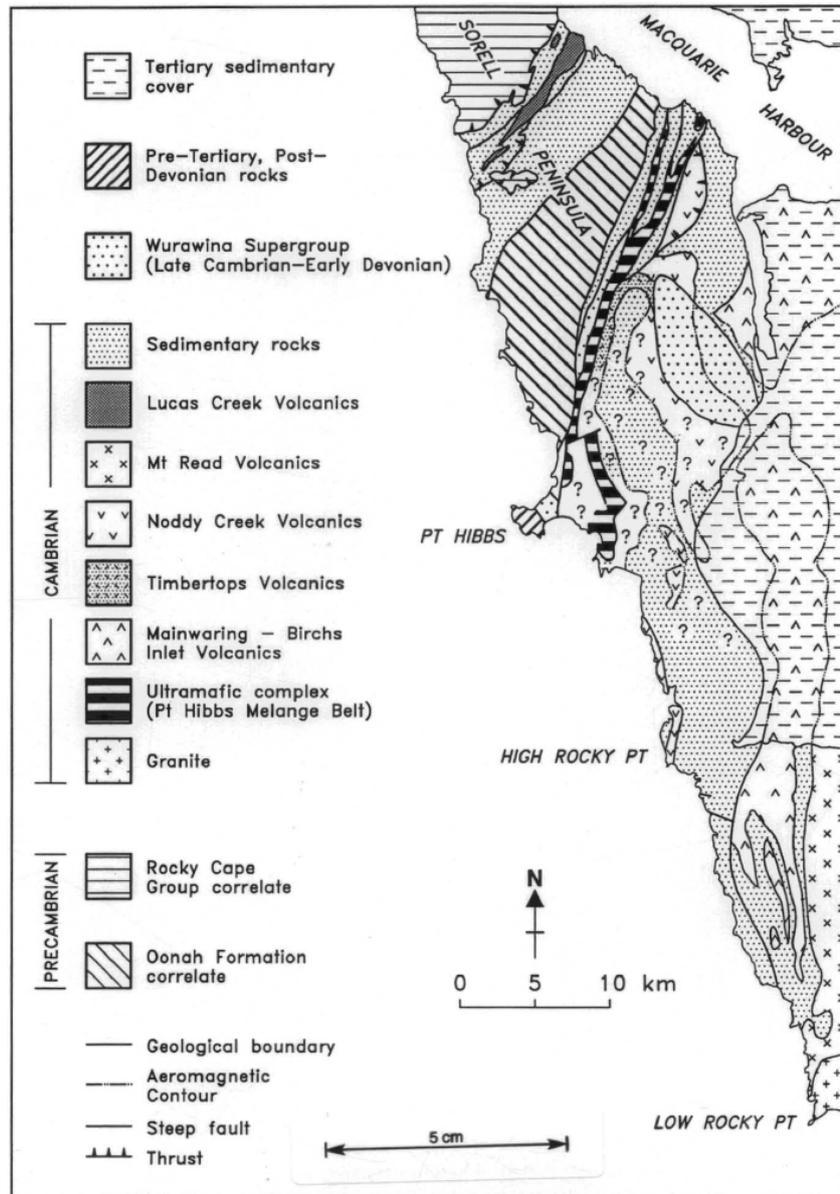


Figure 5: Regional Geology of the Sorell Peninsular

Source: Brown et al., 1991.

The geology of the Sorell Peninsula has been described in unpublished company reports of BHP and Amoco/Cyprus, and in a 1975 PhD thesis (White, 1975). Mapping in the late 1960's by BHP was largely based on coastal exposures and a few inland traverses, with a large component relying upon aerial photo interpretation. Subsequent explorers have relied heavily upon BHP's initial mapping, with a re-interpretation provided by Close and Reid (1995). Limited description of the regional geology is given in Corbett and Solomon (1989).



Regional mapping by the Mines Department at 1:50,000 has covered the area to the north of Varna Bay ("Macquarie Harbour" map sheet; McCleneghan and Findlay, 1989) and to the south of High Rocky Point ("Montgomery" map sheet; Brown, 2011). The Pt Hibbs 1:50,000 sheet, encompassing the bulk of the company's Mount Read Cobalt Project area, lies between these, and has been partially mapped, but remains incomplete due to lack of funding. A report (Brown et al., 1991) supplements this mapping and provides the most extensive discussion and interpretation of the Sorell Peninsula geology to date. The following is a synopsis of the results from that report.

The Sorell Peninsula-Low Rocky Point region of south-western Tasmania contains two areas of Precambrian rock successions; six Eocambrian-Cambrian volcanosedimentary associations; Tertiary graben-fill sediments; and Recent coastal deposits (Figure 5).

These multiply-deformed associations are bounded by a series of NE to NNE-trending faults and the distribution of these associations is interpreted (Brown *et al.*, 1991) to result from thrust sheet stacking. Their structural model of "thin skinned tectonics" probably incorporates a pre-Ordovician thrusting event, reworked by late (Devonian?) thrusting. Thrusts are interpreted as eastward dipping, with west/north-west thrust direction. Younger transcurrent faulting further disrupted the Point Hibbs Melange Belt.

2.4.2 Local Geology

The Tasmanian Projects covers four of the six early Cambrian-Cambrian volcanosedimentary associations (Figure 6). These associations are:

1. Andesite-rhyolite association (Noddy Creek Volcanics);
2. Boninitic association (Timbertops Volcanics);
3. Picritic basalt- basalt association (Birch's Inlet-Mainwaring River Volcanics);
4. Serpentinised ultramafic rock-gabbro association, incorporating sheared blocks of Associations 1. and 2. (Point Hibbs Melange Belt).

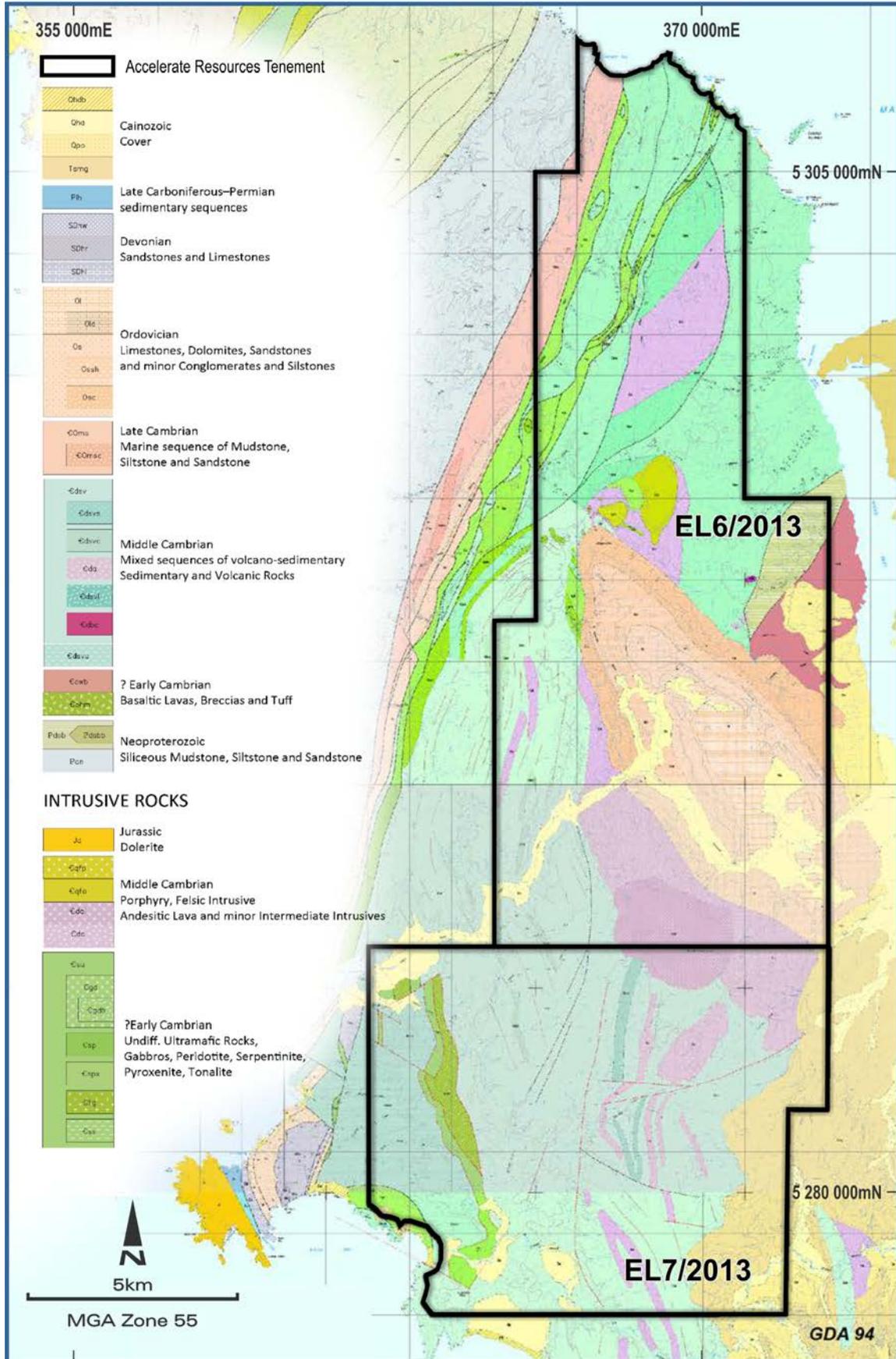


Figure 6: Geological map of Tasmanian Projects tenements. Source: after Reid (2017)

Noddy Creek Volcanics (NCV)

This association contains calc-alkaline andesitic, dacitic and rhyolitic lavas with intercalated pyroclastic, volcanoclastic and epiclastic rocks. Where the sequence is dominated by volcanic units, it consists of autobrecciated flows or porphyritic flows with volcanic xenoliths, interbedded with volcanic-wacke and thin vitric tuff or volcanoclastic siltstone beds. Where sedimentary rocks dominate the succession, the volcanic rocks occur as pillowed and sheet lavas, breccia flows and porphyritic flows with volcanic xenoliths. Geochemically, these calc-alkaline rocks represent the late evolution of an island-arc sequence.

Channelised sandstone to pebble-cobble conglomerate units occur within the sedimentary rock dominated part of the succession. These units contain numerous sedimentary structures and zones of slump folding. Granule to pebble conglomerate units contain clasts of locally-derived volcanic rocks and mudstone. However, the main clastic component is derived from a quartz-rich acid volcanic terrane with a minor metamorphic rock component.

One sample of pebble conglomerate contains a clast of boninitic lava, indicating prior development of boninitic lavas within the area of formation of the NCV sequence. The composition of the spinel grains in this sample is typical of the boninites of Western Tasmania. Similarly, one sample of plagioclase phyric andesite contains spinel grains with a Cr/(Cr+Al) cr# of 76.6, a ratio that is similar to spinel grains in spinel-bearing andesite from the Que River area.

The NCV hosts a series of diorite intrusions, and an extensive intrusive complex of diorites occurs within the southern portion of the NCV, south west of the Timbertops Syncline. The Thomas Creek Cu-Co-Au Prospect is interpreted to be hosted by a roof pendant within this intrusive complex.

A U-Pb SHRIMP radiometric age of 502.8 ± 4.4 Ma (Middle Cambrian) was obtained from igneous zircon in a NCV felsic intrusive rock just north of Thomas Creek (Black et al., 1997).

Timbertops Volcanics (TV)

The boninitic association consist of vesicular lava and breccia flows which are interbedded with mudstone and siltstone units. Boninitic rocks in the Timbertops area are closely associated with the calc-alkaline NCV, but the contact between the two associations is not exposed. Outcrop distribution suggests a low angle thrust relationship, with the NCV being the upper plate thrust over the TV.

Birch's Inlet-Mainwaring River Volcanics (BMV)

Volcanic rocks from this association comprise vesicular, pillow and sheet flows of pyroxene phyric and pyroxene-plagioclase phyric lavas interbedded with hyaloclastite and breccia flows. Picritic samples contain pseudomorphed olivine and chrome spinel grains. Geochemically, these lavas contain samples which are similar to Island Arc tholeiite lavas as well as units similar to intra-plate basalts.

This association contains interbedded sedimentary rocks which increase in proportion south from Birchs Inlet to the Mainwaring River area. The sedimentary rocks contain one area of interbedded mudstone and chert, and other areas of volcanoclastic siltstone and lithicwacke with minor, interbedded, mudstone and carbonate units. Sedimentary features within this succession indicate a predominantly east-facing sequence. The petrography of the clastic rocks indicates a mixed volcanic and low-grade metamorphic source.

Point Hibbs Melange Belt (PHM)

Ultramafic rock association within the Sorell Peninsula occurs as a complex series of fault slivers and lenses within a 1 to 2-kilometre-wide NNE-trending zone of faults. The belt divides into two at Hibbs Lagoon, with the inland belt being mainly mapped from aeromagnetic data. The main rock types are sheared serpentinite, serpentinitised pyroxenite, peridotite, gabbro, and sheared altered basaltic rocks. The ultramafic rocks consist of massive and highly sheared serpentinitised peridotite within highly sheared serpentinite. Rhythmic layering, suggestive of a cumulate origin, is present. In the Macquarie Harbour map sheet, the ultramafic rocks occur in close spatial association with sheared talc-rich rocks containing flattened vesicles. These rocks were probably derived from

boninitic lavas. In the Pt Hibbs map sheet, the body of ultramafic rocks at Spero Bay consists of interlayered dunite and harzburgite.

2.4.3 Correlation with the Mount Read Volcanics (MRV)

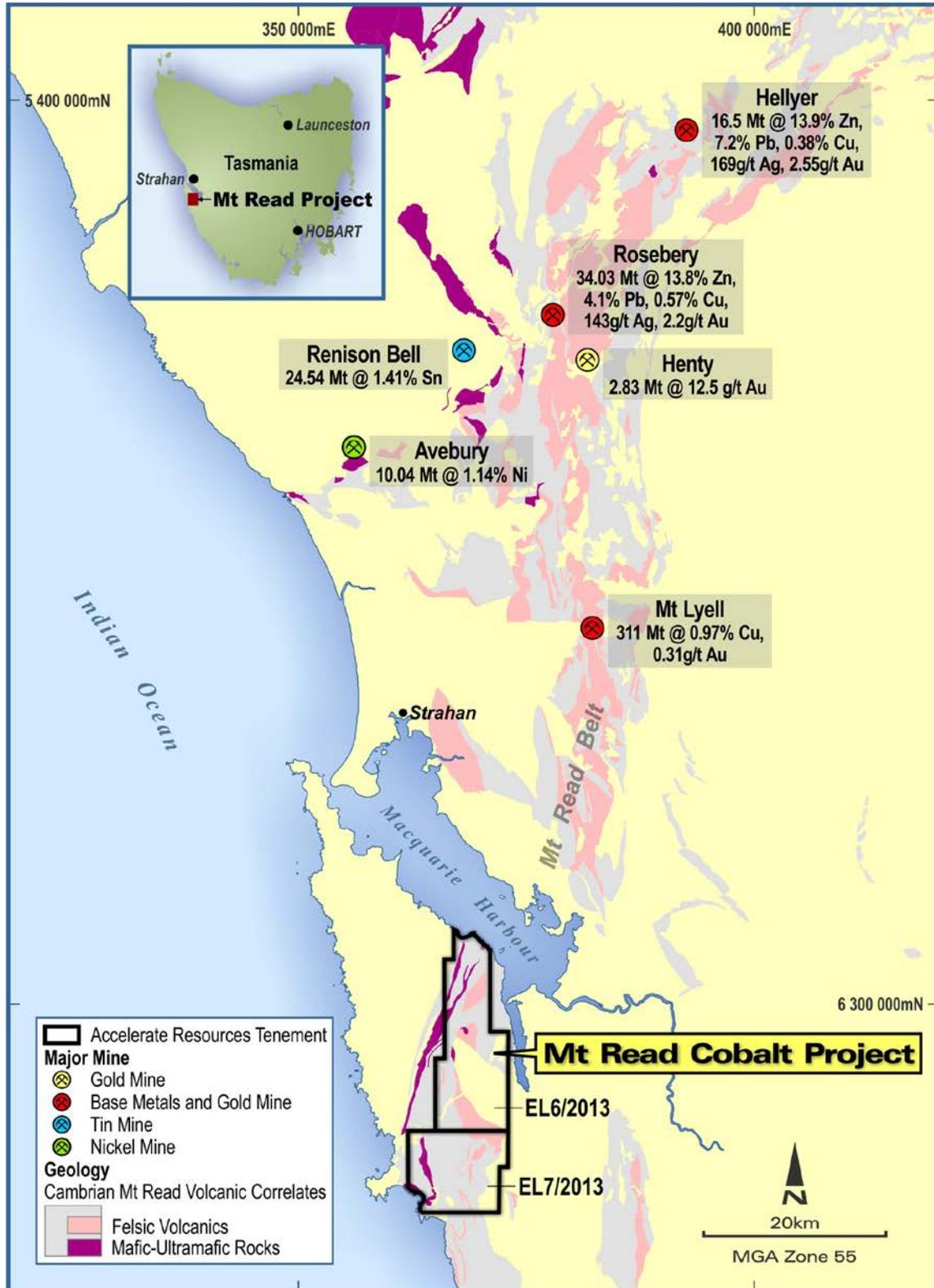


Figure 7: Regional Correlation with the Mount Read Volcanics.
 Source: Seymour, DB, Green, GR and Calver CR, 2007

While clearly the geology of the Sorell Peninsular is directly analogous to that of the MRV proper, the exact relationship between the two is a matter of interpretation. The MRV are host to all Western Tasmania's significant base and precious metal mines and mineral occurrences (Figure 7), several of which have been significant producers of base metals for over 100 years.

The southern extension of the main MRV belt crops out in a N-S trending belt to the east of the Sorell Peninsular, and extends from Mount Darwin, disappearing beneath a Tertiary Graben to re-emerge further south in the D'Aguillar Range area. Brown *et al.* (1991) interprets one of the Eocambrian-Cambrian calc-alkaline andesite-bearing successions, the Noddy Creek Volcanics (NCV), as a southern extension of the Middle Cambrian, pyroxene-plagioclase phyric andesitic rocks of the Lynchford and Que River areas. The latter hosts the Hellyer and Que River base metal deposits, as well as other showings. As such, the NCV association in the Sorrell Peninsular is thought to directly correlate with one of the more mineralised parts of the MRV. Others, (Corbett and Solomon, 1989) have correlated the NCV with the MRV based on similar calc-alkaline composition, and suggest the NCV could be a smaller, separate arc or sub-arc west of the main Mount Read Belt. The U-Pb zircon age date of 502.8 ± 4.4 Ma (Middle Cambrian) is coeval to the age of the MRV.

There are other associations within the Sorell Peninsular that correlate to the geology of the Eocambrian to Cambrian MRV of Western Tasmania.

Although highly altered, the boninitic rocks of the Timbertops Volcanics exhibit remnant textures, chrome spinel grains with $Cr/(Cr+Al) Cr\# \sim 90$, and geochemical data similar to other boninitic rocks in western Tasmania.

Geochemically, the Birchs Inlet-Mainwaring volcanic rocks resemble the Miners Ridge basalt from near Queenstown. The Miners Ridge lavas have been interpreted as near the base of the Middle to Late(?) Cambrian andesite-rhyolite succession of the Mount Read Volcanics.

The presence of sheared, serpentinised boninitic, dunitic and rhythmically layered harzburgitic rocks, together with boudins of gabbro, suggests a correlation of rocks within the Pt Hibbs Melange Belt with both the Layered Pyroxenite-Gabbro, and Layered Dunite-Harzburgite successions that form the basement section on which the MRV was deposited elsewhere in Western Tasmania (Figure 7).

2.4.4 Previous Exploration

Sporadic small-scale mining/prospecting was carried out around the beginning of the 20th century in areas where coastal access facilitated work. Elements mined include:

1. Asbestos at Asbestos Point;
2. Copper at Birthday Bay (where a few tonnes of chalcopyrite, bornite and copper carbonates were produced from near-shore workings); and
3. Alluvial osmiridium, gold, and chrome along the Spero River south of Point Hibbs and on creeks along the north coast near Gravelly Beach and parts of Birchs Inlet.

The difficulty of access to early explorers, without the benefit of helicopter support, has served to inhibit exploration of the area until the last five decades. At this point, several regional mineral exploration programs by large companies and regional mapping surveys by Mineral Resources Tasmania were carried out, leading to a greater understanding of the geology and mineral potential of the region.

1956–1962 Lyell-EZ Explorations (LEE)

A helicopter-based exploration program was undertaken by Lyell-EZ Explorations (LEE) over an area stretching from Queenstown to Port Davey from 1956 to 1962. This program greatly expanded knowledge of the geology of South West Tasmania, which was largely unexplored at the time. Airborne magnetics (the first over the southwest), EM and scintillometer surveys were flown over much of the area in 1958, and a variety of ground geophysical methods were used as follow-up. The program led to first recognition of the PHM ultramafic belt between Point Hibbs and Macquarie Harbour, but did not result in any commercial mineral discoveries.

1964–1972 BHP Exploration

A second major helicopter-based exploration program, covering most of South West Tasmania was conducted by BHP between 1964 and 1972. Regional mapping with stream sediment geochemistry was a key undertaking of the program. BHP based their exploration on follow-up of the LEE aeromagnetic and EM surveys. The stream sediment samples were not assayed for Au and Sn, two metals with proven economic potential elsewhere in western Tasmania.

BHP cut a considerable number of tracks and costeans along the northern part of the Hibbs Ultramafic Belt, concentrating on the nickel and chrysotile asbestos potential. Rock chip sampling from costeans across this contact returned a zone of disseminated pentlandite about 12 m wide occurring as small blebs up to 6 mm in slightly sheared olive-green serpentinite had been found along with specks of pentlandite in shear planes in a costean. One hole was drilled to 95m, testing a ground EM anomaly. No nickel sulphide was intersected, and the EM anomaly was interpreted as explained by an intersection of 3.4 meters of graphitic siltstone below the ultramafic contact. BHP recommended that EM traverses be run at 30 m intervals along strike along the ultramafic belt, but no further work was done on nickel. Towards the south of the belt an area of anomalous Zn and Ni was determined from stream sediment sampling in creeks between Hibbs Lagoon and Point Hibbs.

In 1971/72 BHP followed up an aeromagnetic anomaly southwest of Birch's Inlet with ground magnetics, soil sampling and rock chip sampling. The results are presented unprocessed with no discussion and it appears that there was no follow-up. The samples were taken from rocks and boulders with visible disseminated sulphides in the Thomas Creek area.

1983-88 Amoco Minerals Australia Company.

Amoco Minerals' work initially comprised a detailed 150m line spaced airborne aeromagnetic and radiometric survey (Figure 8) to assist geological mapping over the whole Sorell Peninsula. The focus of the program was to locate tin replacement deposits similar to the Renison Mine, located between Zeehan and Rosebery.

In 1983-84, Amoco conducted reconnaissance mapping and sampling of the NCV around Timbertops, and north to Briggs Creek and south to Thomas Creek, to assess various aeromagnetic anomalies. The main target type for this program was a polymetallic volcanogenic massive sulphide (VMS) orebody, similar to the Rosebery and Que River/Hellyer deposits in the MRV.

A DigHEM survey was flown over the northern portion of the PHM and NCV in 1986 (Figure 8), which identified lower priority targets that were never followed up. The focus of follow-up work on DigHEM anomalies shifted to higher priority targets in the south over the Lucas Creek Volcanics at Elliot Bay.

Weak base metal veining was reported adjacent to diorite at Timbertops. Significantly, a Cu-Au-(Ba) association with diorites and intermediate volcanics was recognised in the Warrens to Thomas Creek area. The mineralisation was related to a sub-volcanic diorite intrusion south west of the anomalous Cu-Pb-Zn-Ag values reported by BHP.

Follow-up bedrock soil surveys was conducted over a grid at Thomas Creek in 1984. This outlined a zone of anomalous copper approximately 300 metres by 400 metres in size. Amoco had a polymetallic VMS focus and the absence of significant associated Pb-Zn with the copper and lack of regularly repeatable high-Au values downgraded the prospect and no further exploration was conducted.

1992-1998 Plutonic Operations limited

Plutonic Operations Ltd explored tenements that covered most of the ground currently held by Accelerate.

During 1994-95, a large programme of gridding, soil sampling, and petrology over the Thomas Creek Project confirmed Amoco's results and indicated a significant zone of alteration with the characteristics of a porphyry Cu-Au system. The main copper soil anomaly extended to approximately 1000 m x 700 m, with other satellite anomalous zones also appearing. Many high-copper soil values were returned over 1000 ppm, including 2 samples with 2.4% Cu and 1.04 g/t Au, and another with 7.5 % Cu and 2.96 g/t Au in highly pyritic, chloritic and chalcopyrite bearing rocks interpreted to be microdiorite. Gold values were generally below detection across the area, except

where associated with samples with high copper (>2000 ppm). Panned concentrate from drainage areas fringing the eastern side of the Thomas Creek plateau returned some visible gold with assays returning up to 3 g/t Au.

In 1995, Zonge Engineering were contracted to conduct surveys were designed to outline the extent and relative intensity of disseminated or stockwork vein controlled sulphide mineralisation in the Thomas Creek prospect area. The surveys included two gradient array surveys totalling seven line kilometres over a grid and three dipole-dipole lines amounting to 1.25 line kilometres within a detailed grid. These. The IP surveys defined one major and three minor discrete chargeability zones. Zone A is a broad (600m x 400m) multi-peaked, moderate to strong (3 times background) chargeability anomaly coincident with observed disseminated pyrite and copper anomalism in the detailed grid area.

In March 1996 Plutonic carried out a 200m line space airborne GEOTEM survey over the NCV (Figure 8). The survey identified numerous targets for follow up, but this appears not to have occurred, as ground operations focussed on the Thomas Creek Project.

In 1996, a light "Gopher" drilling rig was used to test areas of high Cu soil geochemistry and corresponding IP chargeability. The program comprised 8 BQ sized holes angled 45 degrees to the South, drilled to between 90 and 127m hole depths. Significant core loss was encountered due to clays from highly altered/weathered rock. More consolidated core sections showed intense K-feldspar alteration and silicification, with pyrite, chlorite, actinolite, magnetite, hematite, pyrite and chalcopryrite, as well as late tourmaline, pyrite, smectite, and epidote alteration. Potentially, drilling may only have tested what may be the outer propylitic to calc-sodic alteration zone typical of the extremities of porphyry-style systems with potential to host copper-gold mineralisation. The drilling revealed widespread low-level copper anomalism. Given the high tenor of the soil geochemistry, Plutonic expressed disappointed that better copper grades were not intersected in drilling. Plutonic relinquished the area in 1998.

1998-2001 - Pacific-Nevada Mining Pty Ltd

In 1999, Pacific-Nevada Mining Pty Ltd conducted a reconnaissance mapping and sampling programme adjacent to the southern shore of Macquarie Harbour. The Hill 99 Project was identified after an outcrop of massive pyrite-quartz mineralisation was located. A subsequent soil sample campaign identified an anomalous zone, extending inland along strike from the coastal pyrite-quartz mineralisation. The zone trends north-east and is broadly coincident with a topographic high. Sampling of gossanous float material along the grid lines returned sporadic anomalous gold values were returned from a chlorite altered lithicwacke sample. A single panned concentrate stream sediment sample in the area returned a value of 5.1 g/t Au.

A subsequent gradient array IP survey carried out over a grid at Hill 99 identified a linear, moderate conductivity anomaly coincident with the zone of anomalous copper-zinc soil values. A bullseye conductivity anomaly was also identified. A fixed loop ground EM survey failed to identify any conductive bodies, however results were interpreted to show a conductivity anomaly sitting outboard of the survey area off the western edge of the survey, coincident with a prominent magnetic feature. Thick vegetation precluded the survey being extended further west at that time, and this target remains untested.

Pacific-Nevada drilled three diamond drill holes totalling 669 m at Hill 99. The first two drill holes H99-01 & 02 targeted the Cu-Zn soil anomalies and alteration geochemical signature, in an area with mapped gossanous float. These drill holes intersected a highly altered chlorite-carbonate-fuchsite volcanic rock with minor Cu, Zn and Au. The third drill hole, H99-03, tested a coincident high phase and resistivity low anomaly modelled at 150m depth. Localised narrow zones were intersected of pyrite-and lesser chalcopryrite mineralisation, and minor quartz-carbonate- with lesser sphalerite-galena veining, associated with intense fuchsite alteration. Drilling was stopped due to hole instability approximately 30m above the IP target.

2007 – 2012 MHM Metals

In 2010, MHM commissioned a detailed 100m line spaced helicopter borne VTEM surveys over 4 areas (Figure 8). The survey areas covered the PHM belt, an area along the north coast region covering a portion of the NCV, and over the Hill 99 and Thomas Creek Project areas. The surveys identified many conductive responses, the best

associated with the ultramafic in an area immediately north of BHP's asbestos work at Noddy Creek. Some of the conductors associated with the ultramafic rocks were followed up with a limited spot soil sampling campaign at EM target sites and returned nickel up to 2500 ppm and gold up to 1 g/t. Other EM conductors in remote areas including some sites identified near Thomas Creek were not followed up.

MHM Metals drilled two further diamond drill holes at Hill 99 prospect, totalling 368m, to follow up previous results from Pacific Nevada's Drilling. Drill hole H99-04 tested strike persistency of mineralised intercepts from drill holes H99-01 and 2, and hole H99-05 tested the concentric IP anomaly identified by Pacific Nevada work. Geochemical results from hole H99-04 showed anomalous gold with peak values of 0.105, 0.182 and 0.105ppm Au, associated with fuchsite-quartz-sericite alteration of andesites and basalts from 155 to 172m. Copper from a 30cm massive quartz-chalcopyrite vein intersected at 177.6m returned a grade of 10.55% Cu, and 0.244% Zn. Independent geochemical analysis of the core suggested the sequence is comparable to Suite I of the MRV, which hosts several major deposits including Mount Lyell (Cu-Au), Henty (Au), and Rosebery (Pb-Zn-Ag-Au).

MHM undertook soil sampling at Thomas Creek at 50 m spacing around the circular magnetic high edging the intermediate intrusive. This work extended the copper anomalous areas further south at Thomas Creek, but also identified a new region of significant copper anomalism about 1.5 km northwest of the original project.

2013 – 2017 Sherlock Minerals Pty Ltd

In 2014, Sherlock Minerals conducted dipole-dipole induced polarisation (IP) surveys for a total of 7.3-line kilometres at the Thomas Creek Project. The IP surveys revealed the presence of a chargeability anomaly approximately (at least) 300 m wide and 500 m long at 100 to 200m depth, that did not appear to have been tested by historical shallow exploration drill holes.

Field reconnaissance visits were undertaken to priority geophysical and geological targets in the Thomas Creek, Henrietta and Hill 99 areas using a portable Niton XRF analyser, with 97 sample readings taken to confirm previous explorer's results and anomalous areas identified.

Reprocessing and interpretation of historical airborne electromagnetic survey data identified a conductive target within the PHM, 'Henrietta', approximately 1.3 km in strike length. Preliminary field investigations at Henrietta located gossanous material with elevated nickel anomalism noted at the easternmost extent of a traverse across the centre of the Henrietta EM target.

In 2015, at Thomas Creek, high-grade copper and gold mineralisation was identified at the surface as a result of follow-up of high-copper values in soils. The mineralisation comprised a massive pyrite zone approximately 5 metres wide, containing abundant copper sulphides hosted within highly weathered saprolitic bedrock, beneath peaty soil cover. Geochemical analyses of the mineralised saprock zone returned values ranging between 0.8% to 3.8% copper, 0.7 g/t to 1.3 g/t gold, and 0.1% to 0.78% cobalt. The mineralisation occurs above the chargeability IP anomaly identified in 2014. In October 2017, the Thomas Creek site was revisited by representatives of Sherlock Minerals and Accelerate Resources who collected soil samples. Samples were panned to concentrate heavy minerals so as to confirm the presence of sulphides. The sulphide panned heavy mineral fraction was analysed and confirmed that the cobalt, copper and gold was associated with sulphide, and not silicate or alteration minerals.

At the Henrietta Project, portable XRF and geochemical sampling of soils and rare rock outcrops confirmed the elevated nickel geochemistry along the previously identified 1.4 km long airborne EM anomaly.

Also in 2015, Sherlock voluntarily relinquished tenement area, reducing tenure down to the current tenement position.

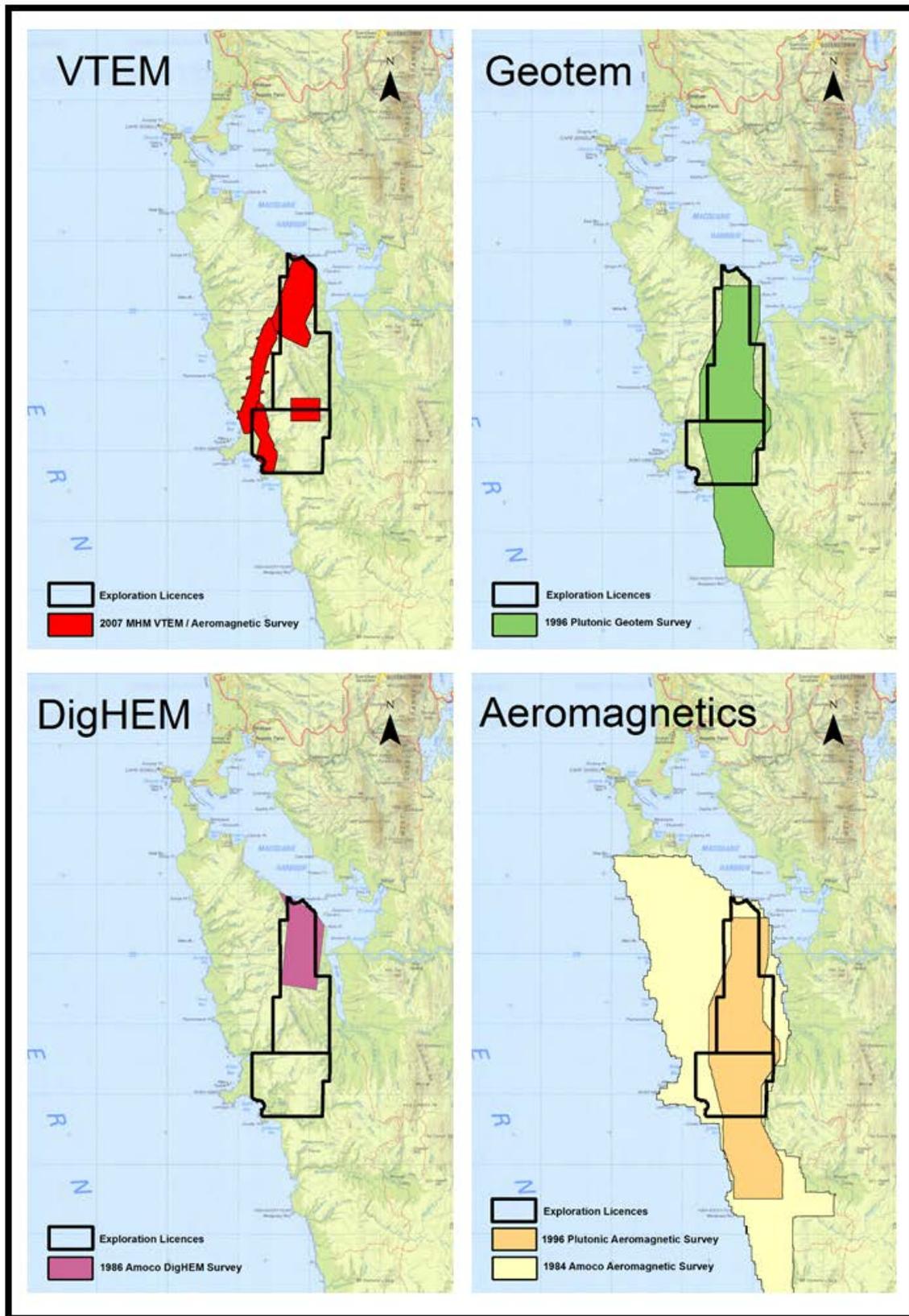


Figure 8: Summary of airborne geophysical surveys conducted over Accelerate’s Mount Read Cobalt Project. Source: After Reid (2017)

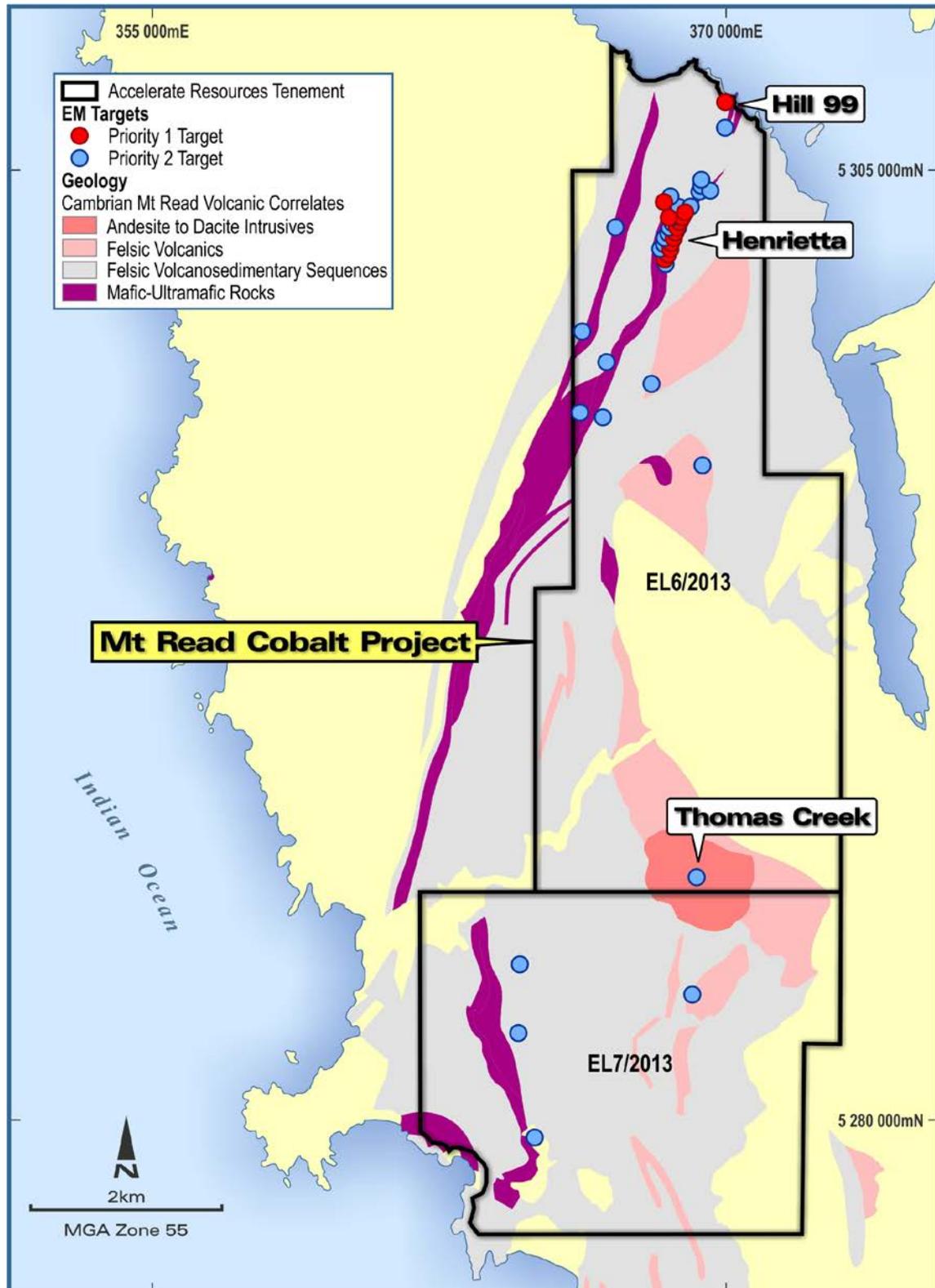


Figure 9: Airborne EM targets identified from reprocessing of AEM data
 Red dots – high priority; blue dots – low priority, shown over simplified geology of the Sorell Peninsular highlighting MRV correlated stratigraphy. (Source: Accelerate)

2.5 Thomas Creek Prospect

The Thomas Creek Prospect occurs centrally to Accelerate's Mount Read Cobalt Project (Figure 9), roughly straddling the boundary between EL 6/2013 and EL 7/2013. The Thomas Creek area forms a high plateau (230m

ASL) with several creek systems radiating away from the topographic high. A prominent coincident vegetation anomaly occurs, comprising low Bauera scrub developed on dark peaty and boggy soils. Away from the central project area, taller forested areas occur. The Bauera scrub is very dense and requires line cutting for easy movement around the prospect area.

2.5.1 Local Geology

The Thomas Creek intrusive complex is an oval-shaped, dioritic intrusive complex. Preliminary interpretations of map relationships indicate that the Thomas Creek complex may intrude andesitic lavas and associated volcanoclastic rocks of the NCV, and an adjacent Cambrian lithicwacke-siltstone-conglomerate sequence which may stratigraphically underlie the andesites (Figure 6).

Thomas Creek forms a major demagnetised zone with an ovoid magnetic rim clearly visible in Reduced-to-Pole (RTP) regional aeromagnetic datasets (Figure 10). Porphyry copper-gold deposits often exhibit such concentric demagnetised zones centred on the intrusive stock responsible for the porphyry system. The aeromagnetic data also highlight structural features of a major north-south trend, with a conjugate north-east and a subtle west-northwest trending structural system concentrated around the location of the intrusive body. The major north-south trending structure is interpreted to represent a major crustal fault, with the intersecting conjugate north-east and north-west rift and transfer fault systems providing the potential dilational site for magmatic intrusion and associated mineralisation. Thomas Creek is also clearly visible on regional radiometric data and is defined by a distinct potassium anomaly coincident with the ovoid magnetic feature (Figure 11).

The soil profile depth across the Thomas Creek project ranges from 30 cm to a metre thick, with underlying highly weathered, saprolitic clay.

In October 2017 the Thomas Creek site was visited by representatives of Sherlock Minerals and Accelerate Resources who collected soil samples. Accelerate collected four samples: two were lightly panned to confirm the presence of sulphides (S1, S2), and two were submitted for assay without panning (S3, S4). These four samples were submitted to ALS Laboratory Perth for analysis, and the results are presented in Table 2.

Table 2: Soil sample results from the October 2017 field visit

Sample Description	Co (ppm)	Cu (%)	Ni (ppm)	Au (g/t)
S1 Pan washed sample of sulphides	7400	0.5880	2000	0.58
S2 lightly Pan washed sample of sulphides	7800	0.8600	2300	0.81
S3 Sample 40cm below surface	5700	1.69	1500	0.80
S4 Soil Sample 40cm below surface	3300	1.52	1000	0.59

Source: Accelerate

CSA Global notes that while demonstrating the presence of anomalous metals of interest in the sulphide concentrate, the values in the panned samples are not significant due to the arbitrary concentration involved. The panned concentrate grades do not represent the likely grades of these metals in primary mineralisation. However, the results collectively highlight the likely presence of a mineral system that has resulted in potentially economic mineralisation, which warrants further exploration.

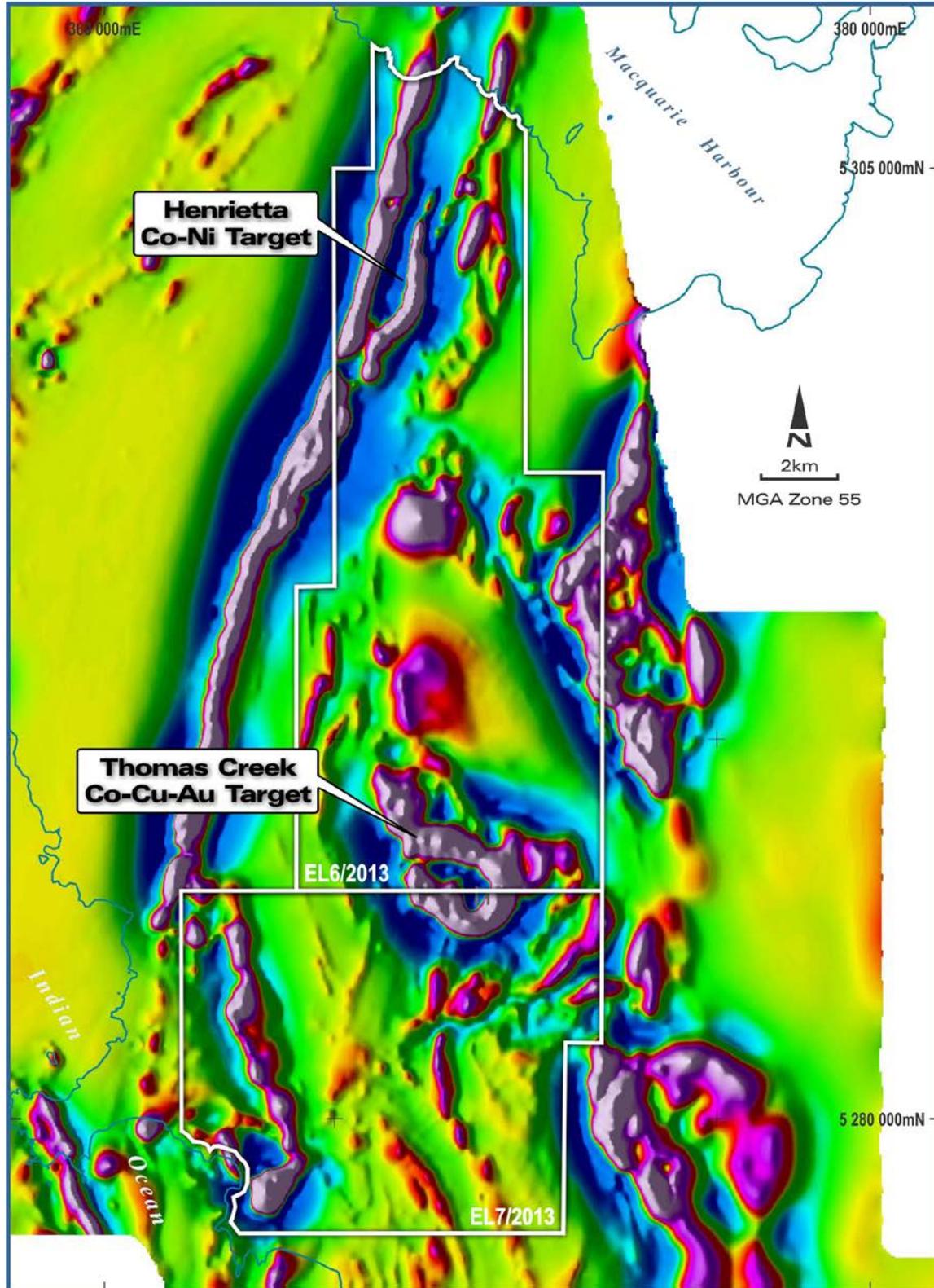


Figure 10: RTP aeromagnetic data of the Tasmanian Projects tenements. Note the highlighted concentric magnetic pattern associated with the Thomas Creek project, as well as the prominent regional structural trends centred on the Thomas Creek diorite intrusion. (Source: Accelerate)

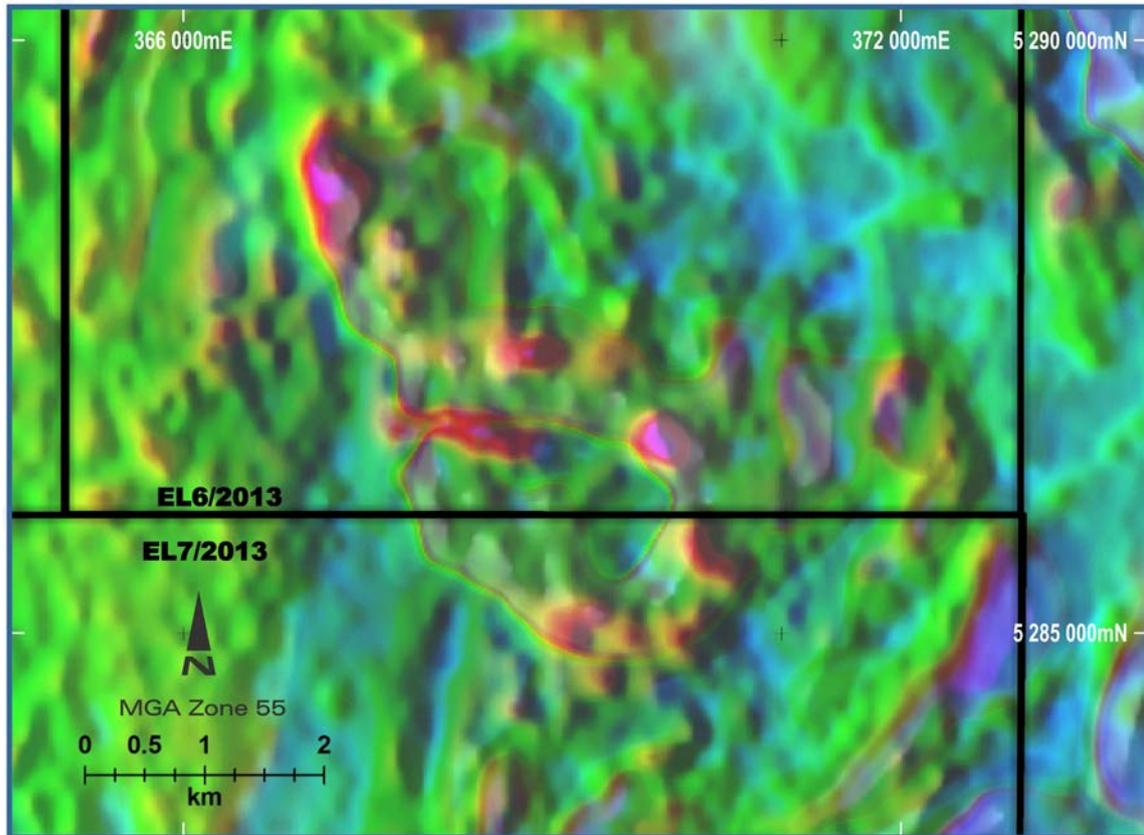


Figure 11: Potassium radiometric data for the Thomas Creek prospect. Overlain by transparent drape of RTP aeromagnetic data. Source: after Reid (2017)

2.5.2 Mineralisation

Reid (2001) studied data provided by Plutonic Resources from their exploration activity of the project. He found that copper mineralisation at Thomas Creek is hosted by intrusive diorite and feldspar-augite porphyritic andesite, which have been intruded by chalcopyrite-bearing porphyritic micromonzodiorite.

Geochemistry indicated that the diorite and porphyritic micromonzodiorite form a co-magmatic fractionation series. Four stages of mineralisation were interpreted:

1. Early magnetite and feldspar (albite)-silicate alteration.
2. Emplacement of Cu-bearing micromonzodiorite intrusions and precipitation of coeval actinolite and tourmaline veins.
3. K-feldspar–smectite vein formation.
4. Epidote and carbonate veining.

According to Reid (2001), phases 1 and 2 represent periods of magma emplacement with some mixing of magmatic-hydrothermal water with seawater-derived fluid; phase 3 veins appear to be of magmatic character, with minimal seawater influence; and phase 4 probably represents final incursion of seawater-derived fluids as the magmatic system waned.

Soil sampling defines an in-situ copper +/- gold anomaly approximately 1000 m long and 700 m wide using a 100ppm copper cut off, roughly coincident with the demagnetised zone in the RTP aeromagnetic data (Figure 12), and may indicate why the chargeable IP geophysical response becomes stronger at about 100-200 metres (Figure 13), as leaching may be absent and primary copper mineralisation may still be present. The soil geochemical responses are highly varied over short (10m) distances and it is interpreted that this represents a remnant

geochemical profile, following deep vertical leaching due to the high rainfall in the area. High copper-cobalt-gold values are interpreted to be attributed to remnant mineralisation.

Below a surface layer of 50cm of peaty soil, fresh massive pyrite and abundant sulphides of copper over a 6-metre-wide zone within weathered saprolitic bedrock have been located. Petrological analysis of panned concentrate of the sulphides identified copper ores comprising predominantly of chalcopyrite but also include bornite, covellite and some chalcocite, with ubiquitous pyrite. Highly weathered host rock samples indicate the mineralisation occurs as a coarse stockwork of veins. The copper mineralisation under microscope show evidence of extensive leaching and it is postulated the surface sample grades for Cu-Co-Au are remnant, and may indicate why the chargeable IP geophysical response becomes stronger at about 100-200 metres (Figure 13), as leaching may be absent and primary copper mineralisation may still be present

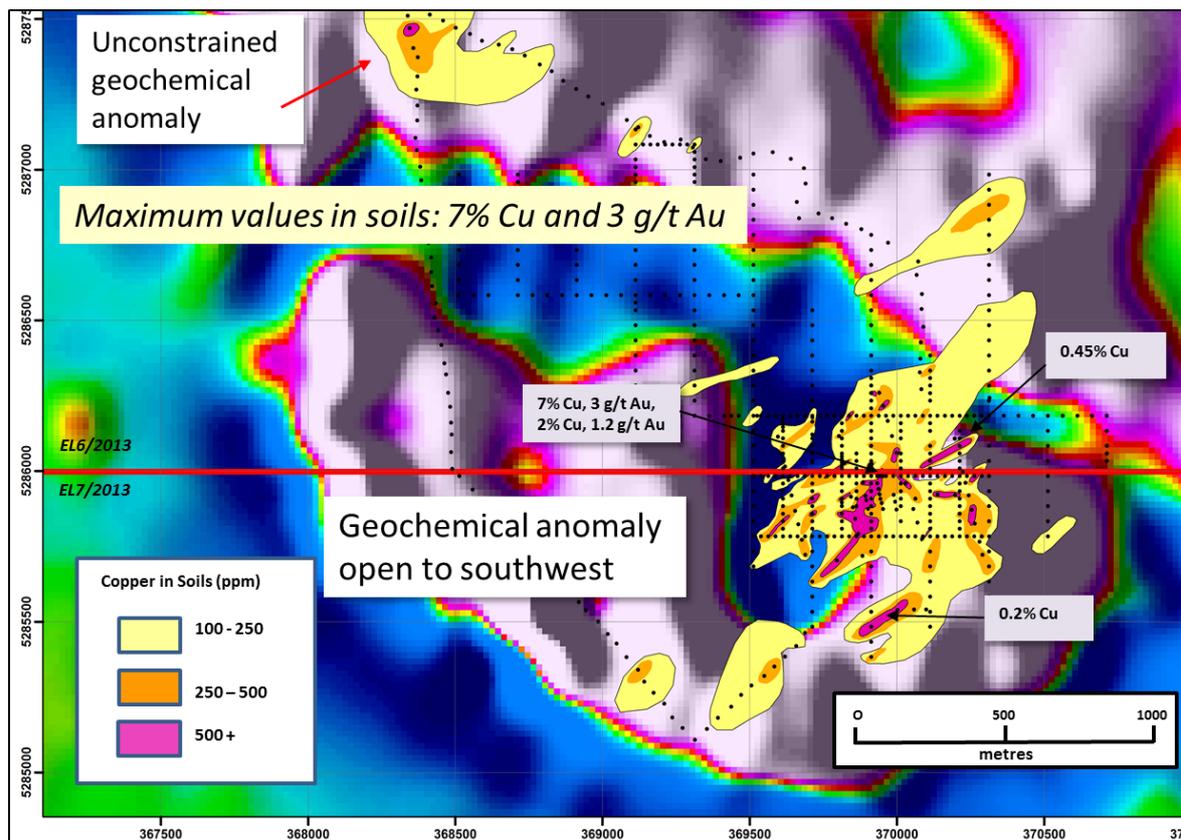


Figure 12: Thomas Creek copper-in-soils contours overlying RTP aeromagnetic image. Selected results highlighted. Source: after Reid (2017).

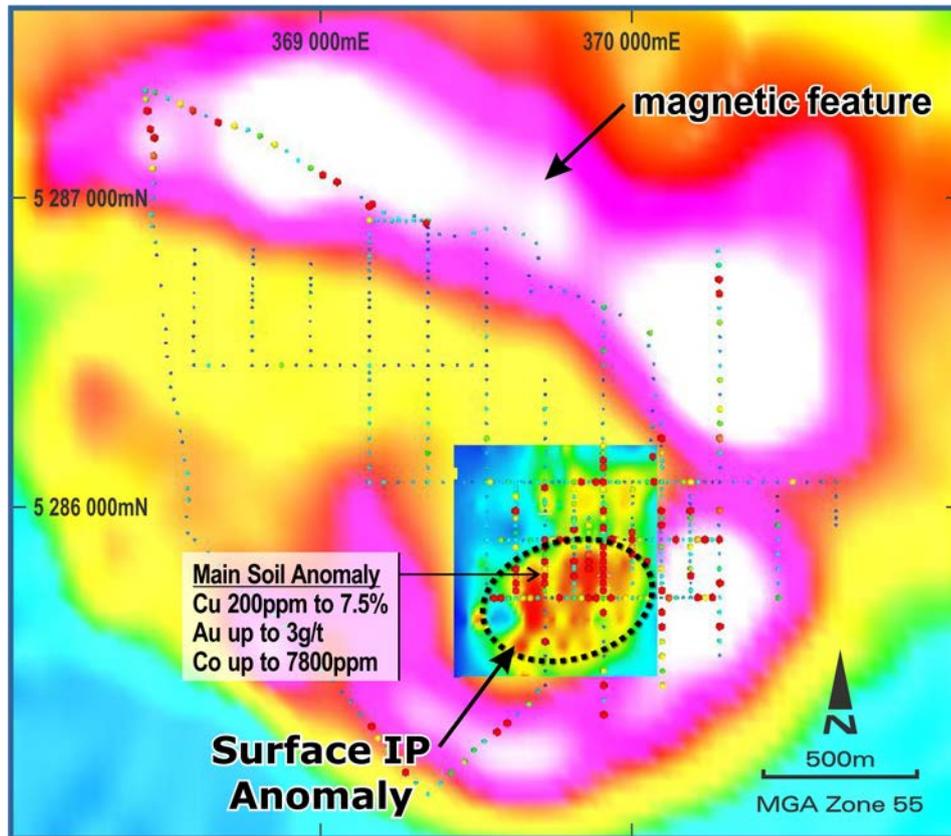


Figure 13: Thomas Creek copper-in-soils contours
Overlying RTP aeromagnetic image and surface projection of IP anomalism. Source: after Reid (2017)

The limited drill campaign undertaken by Plutonic at Thomas Creek, drilling 8 BQ sized diamond drill holes, were angled 45 degrees to the south and ranged between 88m and 127m drill hole depth. Vertical penetration is calculated to be 63 to 90m. However, given the narrow diameter of the holes, there is a reasonable likelihood of some drill hole lift occurring, and vertical penetration could be less than calculated. Down-hole drill orientation surveys were not undertaken.

Recovered drill core was commonly highly broken with significant core loss evident, particularly in some clay-rich zones associated with the peak downhole assay values. Plutonic commented that the effect of this loss upon the grades from some intervals had not been fully assessed, but could be significant if appreciable chalcopyrite had been associated with the clay-rich vein phase. The drilling returned widespread low-grade copper mineralisation, and is notable for broad zones of stockwork hematite veining and pervasive chloritic alteration, which appear to be associated with brecciation and faulting. Fresher porphyry intervals show pervasive K-feldspar-silica alteration, and these more competent zones have finely disseminated chalcopyrite visible between mineral grains. It is postulated the hematite stockwork may be surficial oxidation after primary sulphide and the shallow drilling has only tested the weathered saprock leached zone of the mineralised system. However, inspection of core as a part of this report suggests that an alternate explanation could be that the hematite veining is a primary alteration vein set. The hematite veins host fresh pyrite with clear boundaries between the pyrite and hematite, suggesting a primary pyrite-hematite association rather than the hematite arising from oxidation of sulphides. Further work is required to understand the implications, if any, for the mineralisation potential of the project.

2.5.3 Exploration Potential and Targets

The Thomas Creek Prospect shows many alteration affinities to the Mount Lyell deposit of the MRV (311Mt @ 0.97% Cu, 0.31g/t Au). Recent interpretations of Mount Lyell suggest this a deeper, high-sulphidation, possibly

intrusion-related system, and part of the syn-volcanic activity driving the Mount Read Volcanic VMS mineralisation. Reid (2001) suggested the mineralisation style at Thomas Creek also shared similarities with the alkaline porphyry Cu-Au deposits of British Columbia, with Thomas Creek possibly representing the submarine analogue of a porphyry system intruding coeval submarine volcanic and associated sedimentary rocks in the back-arc environment of the MRV.

The first drill ready target to test at Thomas Creek is the chargeability anomaly defined in the dipole-dipole IP survey conducted by Sherlock, coincident with peak Co, Cu and Au values in soil geochemistry. The anomaly is visible on three of the four survey lines completed (Figure 14) and is at least 300m W-E by 500m N-S. Modelling of the IP data indicates that the top of this large chargeability feature lies at depths of between 100 and 200m below surface and has not been tested by previous drilling. 3D modelling of the target highlights the spatial relationship between the chargeability anomaly within the demagnetised zone in the aeromagnetic data, and lying beneath the surface geochemical copper anomaly (Figure 15).

A second separate chargeable feature has also been partly identified from the IP and is associated with a second zone of copper soil anomalism on the north-western edge of magnetic ring feature offering further potential and warrants further follow-up.

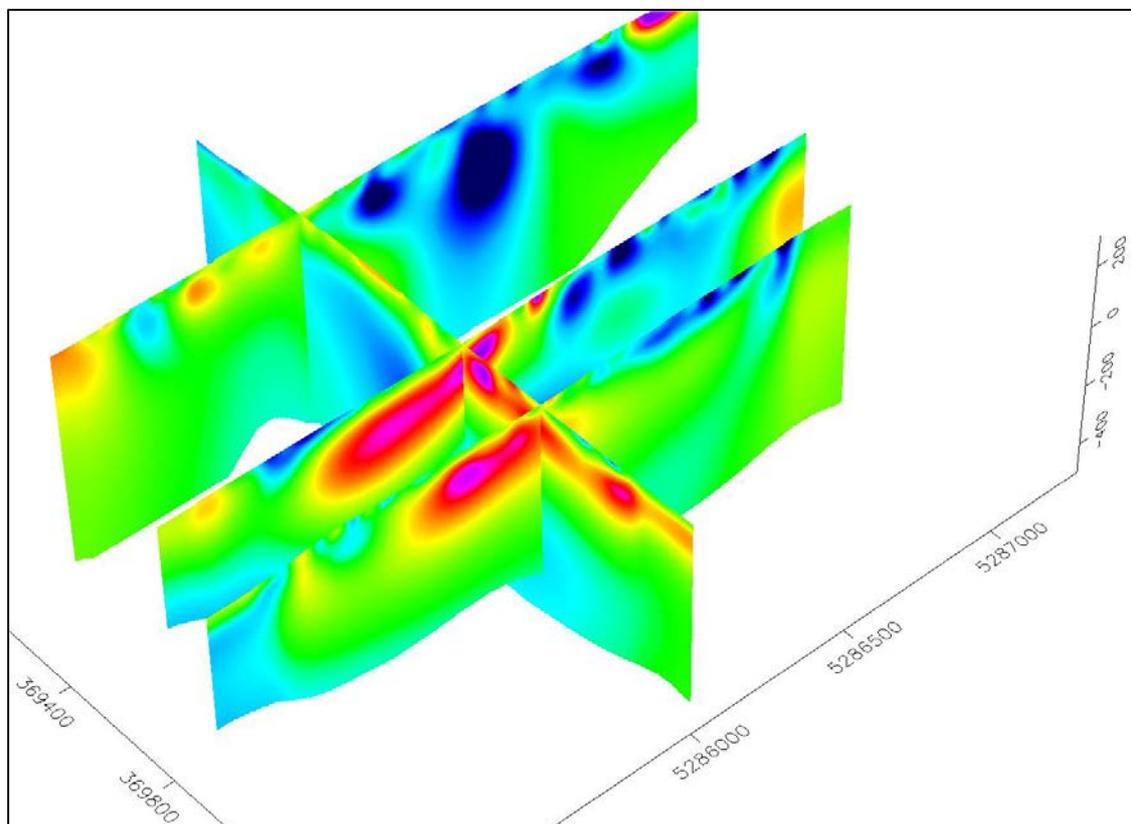


Figure 14: 3D IP inversion model showing large chargeable target (red and magenta colours).
Source: after Reid (2017)

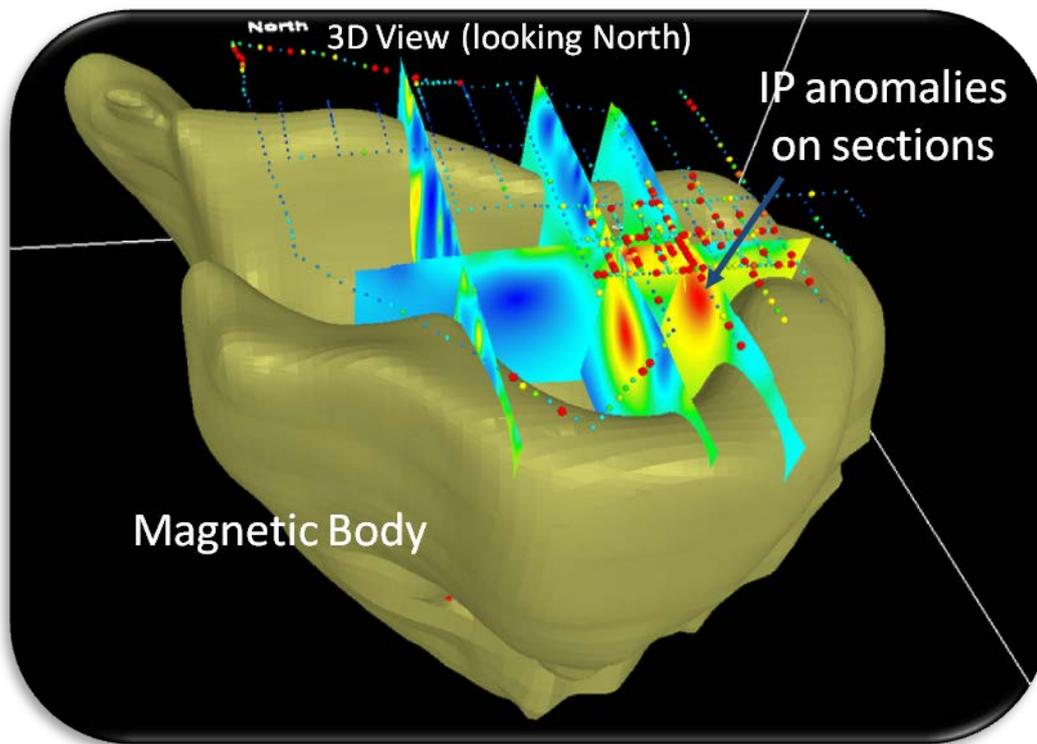


Figure 15: 3D model showing chargeable target, Also showing ovoid magnetic rim surrounding demagnetised core and copper in soil anomaly (point data). Source: after Reid (2017)

2.5.4 Planned Work

Accelerate plan the following exploration activity in the first two years of operation at Thomas Creek:

- Extend the soil geochemical sampling grid to cover the demagnetised airborne aeromagnetic anomaly.
- IP and EM ground geophysics to test at depth and any potential new extensions of the Thomas Creek mineralised system.
- Diamond drill 6 x 300m + 2 x 400m holes. Drilling will seek to test beneath the potential leached zone into the core of the current IP anomaly.

CSA Global endorses this exploration approach exploring for the style of copper-cobalt mineralisation targeted at Thomas Creek. These programs are reasonable given the targets to be tested and the operational logistics of helicopter supported exploration activity in the project area. In addition, CSA Global would recommend alteration mapping of bedrock, wherever feasible, to test the hypothesis that Thomas Creek represents a porphyry-style system capable of hosting copper-cobalt-gold mineralisation. Concentric zonation of systematic styles of alteration is characteristic of porphyry-style systems and offers a vector to any potential core of higher-grade mineralisation.

2.6 Henrietta Project

The 1996 GEOTEM survey and the subsequent 2010 VTEM survey data (Figure 16) were reprocessed by Sherlock and from this work numerous priority 1 & 2 targets have been identified (Figure 16). Approximately half of the identified airborne EM targets lie within the volcano-sedimentary package correlated with the MRV, and these have potential for VMS style base metal and gold mineralisation. The remainder lie within rocks mapped as mafic-ultramafic complexes, and these targets have potential for Co-Cu-Ni

style mineralisation.

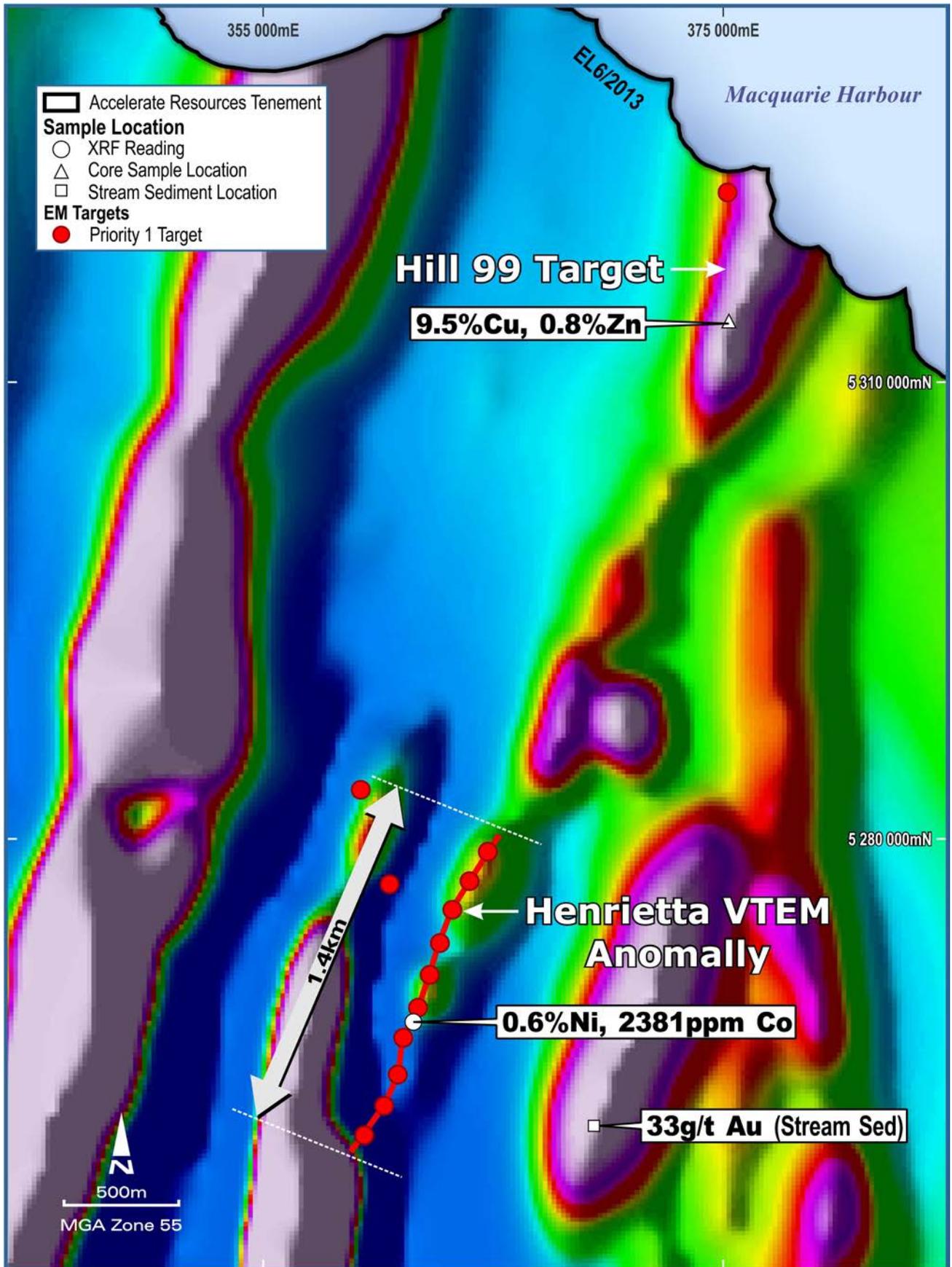


Figure 16: Henrietta 2010 VTEM survey anomaly, After Reid (2017)

Henrietta Project

Exploration Potential and Targets

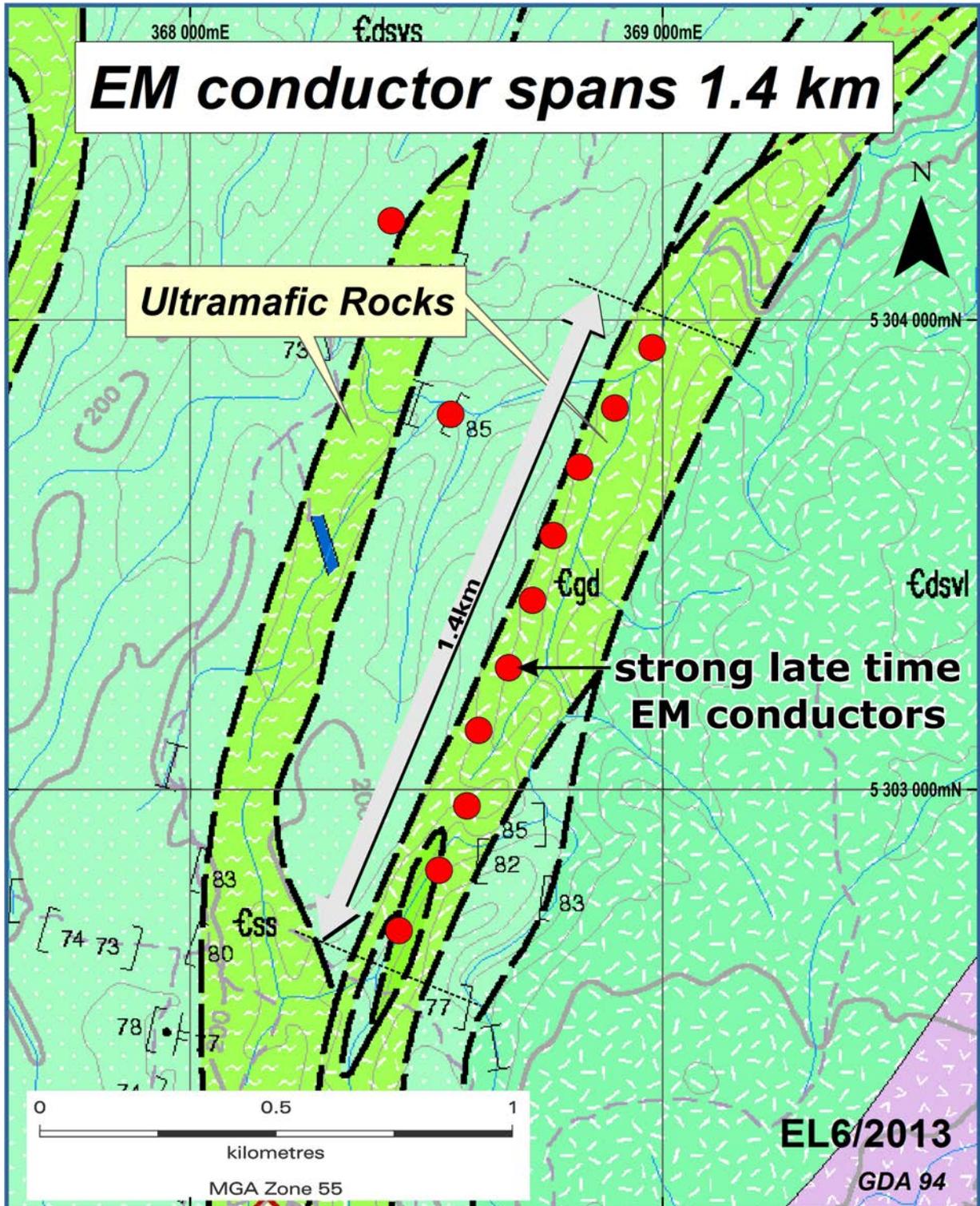


Figure 17: Henrietta Prospect area
 Showing locations of priority 1 Airborne EM Targets (red circles). Source: after Reid (2017)

The only occurrences of Nickel-Copper-Cobalt magmatic sulphide mineralisation that have been historically documented in western Tasmania occur within narrow mafic sills and dykes at Melba Flats, north of Zeehan. Another style of nickel sulphide mineralisation associated with ultramafic rocks in western Tasmania was mined

at Aveybury, west of Zeehan, and the operation is currently on care and maintenance. The Aveybury mineralisation is unusual in that it is not primary magmatic sulphide, but rather resulted from hydrothermal remobilisation of nickel from the ultramafic silicate assemblage and precipitation as nickel sulphides on the contact between the ultramafic and overlying volcanosedimentary sequence. The hydrothermal fluids are thought to be sourced from the nearby Heemskirk Granite, a Devonian batholith that intruded the sequence and exsolved fluids rich in volatiles able to scavenge the nickel from the altered ultramafic.

Since no Devonian granites comparable to the Heemskirk are documented in the Sorell Peninsular, an Aveybury analogue mineralised system within the project area is unlikely. The possibility exists for magmatic nickel-copper-cobalt mineralisation within the PHM mafic-ultramafic association similar to that observed at Melba Flats.

The highest priority of the regional airborne EM targets for follow up exploration is a series of anomalies with a north-north easterly strike length in excess of 1.4 km (Figure 17) mapped as a faulted splay of the PHM, coincident with a second order magnetic feature interpreted as buried ultramafic rock, known as the Henrietta Project (Figure 18).

Sherlock undertook a limited reconnaissance field sampling of portions of the Henrietta Project. Portable XRF sampling of soils and rare rock outcrops has confirmed elevated nickel geochemistry along the 1.4 km airborne EM anomaly at Henrietta Project. Highly weathered gossanous float material coincident with the peak of the EM anomaly comprised massive secondary iron oxides, partially silicified, and some quartz vein material with box work textures. Laboratory analysis of samples from the area returned assays of up to 0.17% nickel, 0.14% cobalt and 52 ppb platinum.

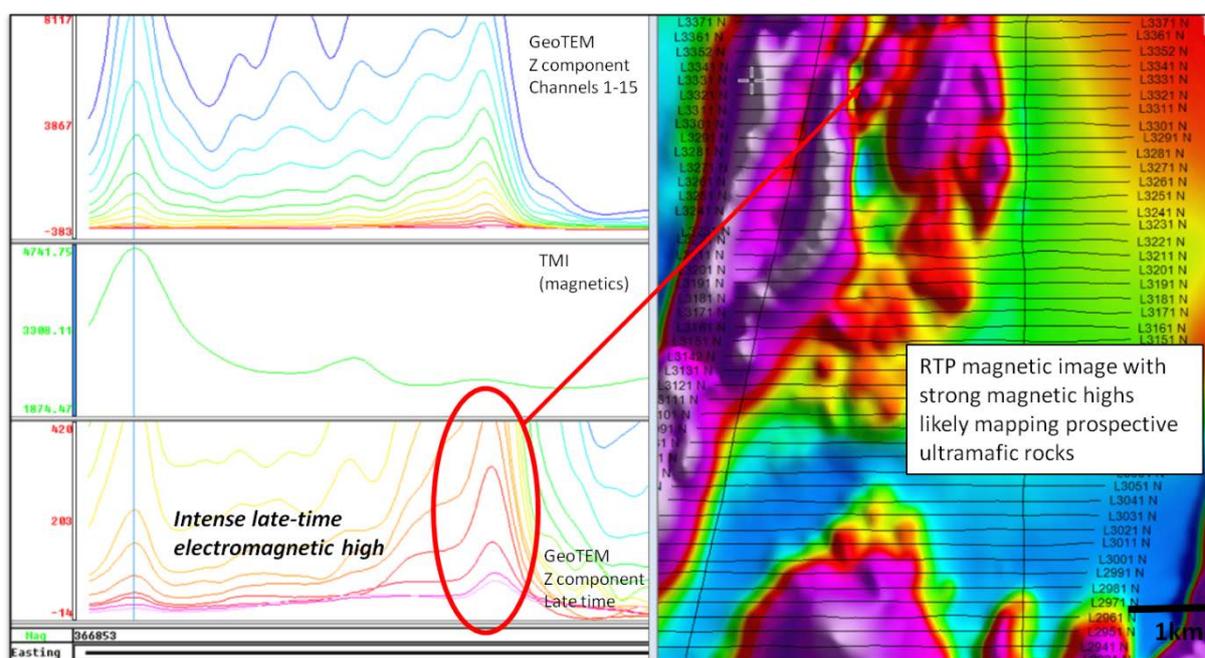


Figure 18: Typical Airborne EM profile and magnetic response for the Henrietta Project.
Source: after Reid (2017)

2.6.1 Planned Work

Accelerate plan the following exploration activity in the first two years of operation at Henrietta:

- Conduct a ground EM survey to confirm the airborne EM anomalies associated with the ultramafic rocks, and derive drill targets.
- Diamond drill 5 x 200m holes to test any EM anomalies derived from the ground EM surveys.



CSA Global endorses this exploration approach exploring for the style of nickel-copper-cobalt mineralisation targeted at Henrietta. These programs are reasonable given the targets to be tested and the operational logistics of helicopter supported exploration activity in the project area. The use of ground electromagnetics is good practice for exploration for magmatic nickel-copper-cobalt sulphides as they invariably form conductivity anomalies when concentrated into potentially economic quantities.

2.7 Other Targets

Exploration Potential and Targets

As mentioned above, airborne EM conductors within the volcano-sedimentary sequence correlated with the MRV require follow-up for VMS style mineralisation potential. The highest priority of these are close to the known Hill 99 base metal anomalous mineralisation. The targets appear to be part of the same conductive feature originally noted by the Pacific-Nevada geophysicist, forming off the western edge of their fixed loop ground TEM grid, but not followed up.

Accelerate plan a program of reconnaissance follow up with lines of ground EM geophysics and soil sampling on airborne EM targets to be prioritised, commencing with Hill 99 and surrounds.

3 Bulgera Project, Western Australia

3.1 Location, Access and Infrastructure

The Bulgera Gold Project comprises two granted exploration licences, E52/3316 and E52/3276 covering 36.8 square kilometres over the north-eastern end of the Plutonic Well Greenstone Belt, 200km north east of Meekatharra. (see Figure 19).

The project is located 10 km east of the Marymia Mining Centre and 48 km via road from the operating Plutonic gold mine, which has produced over 5 million ounces of gold since 1990. The Plutonic mine was recently purchased by Toronto listed Superior Gold Inc. (TSX-V: SGI).

The project contains four shallow open pits that have undergone two phases of mining between 1996 and 1998 and again between 2003 and 2004. Mining of the four pits Bulgera, Mercuri, Venus and Price produced a reported 440,799 tonnes of ore @ 1.65 g/t Au for 23,398 ounces. The ore was treated at the Marymia mining centre during the first phase and the Plutonic processing facility during the second phase. Vango Mining Ltd (ASX: VAN) is in the process of re-developing the K2 underground mine at the Marymia mining centre.

The Bulgera Project is located approximately 850km northeast of Perth and 200km northeast of Meekatharra. The licences are found on the Peak Hill (ED2-1999 SG 50-08) 1:250,000 Map Sheet and the Marymia (SG 50-08-2847) 1:100,000 Map Sheet. The Marymia Pastoral Lease surrounds the Project.

Access is from the Great Northern Highway via the Plutonic access road and then along the Marymia access road. Access to the Bulgera Gold Project from Marymia is along existing haul roads and tracks. The distance via road from Bulgera to the Plutonic treatment plant is 48 km.

3.2 Climate, Topography and Vegetation

The Murchison climate is considered semi-arid to arid, with hot summers and mild winters. Temperatures are highest between January and February, during this time inland average temperatures generally exceed 37°C. Due to sea breezes, coastal temperatures are kept well below those inland. Average winter temperatures are below 18°C. The average annual rainfall of the Murchison is between 190 mm to 250 mm. Rainfall in the Murchison is unreliable. Most of the rainfall occurs in winter and most years there is a dry period of four to six months.

The Murchison bioregion has low hills and mesas separated by flat colluvium and alluvial plains. Vegetation is predominantly low mulga woodlands. The vegetation is predominantly chenopod and Acacia shrublands and woodlands, however many other vegetation types can be found within this region. The Murchison subregion is essentially Western Australia's mulga region. Vegetation within this subregion is closely associated with the climate, geology and soils. Mulga low woodlands are supported by areas of outcropping rock with skeletal soils. On calcareous soils there are hummock grasslands and saltbush shrublands while, on saline alluvium areas, there are low samphire shrubland. To the east of the subregion, mallee-mulga parkland over hummocky grassland is supported by red sand plains. The lake margins in the Murchison are dominated by lignum and low open woodland of river red gum.

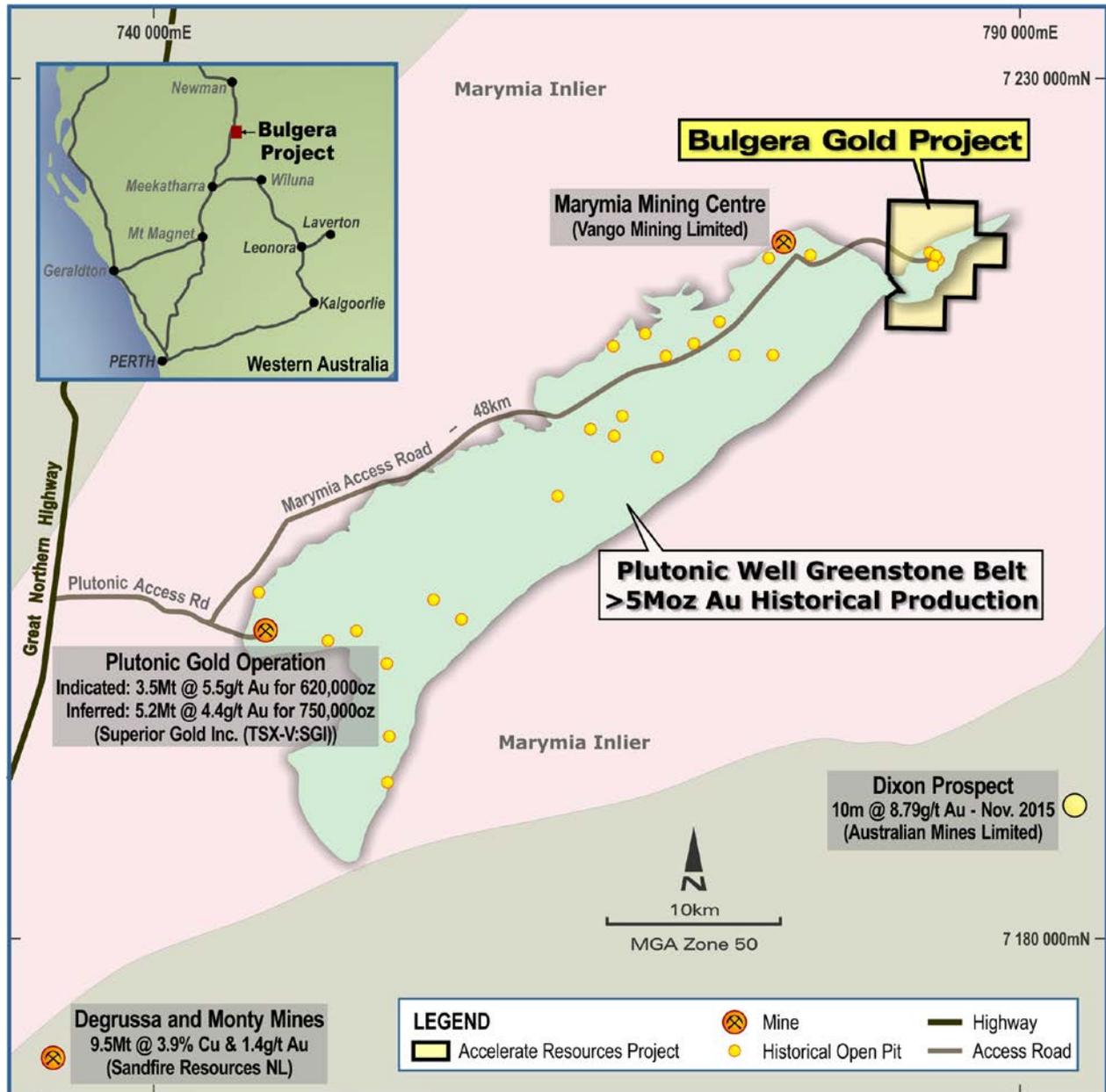


Figure 19: Bulgera project location
Source: Accelerate

3.3 Tenure and Native Title

The Bulgera Project comprises two granted exploration licences E52/3316 and E52/3276 covering 36.8 km². The Licences are currently 100% held by POZ Minerals Ltd (POZ), the vendor of the tenement. Following successful conclusion of the IPO process, Accelerate will control the tenements. This arrangement is summarised in the Executive summary of this report, and full details are included in the body of the prospectus.

Table 3: Tenement details for Bulgera project

Licence	Holder	Status	Grant Date	Expiry Date	Area Block
E52/3316	POZ Minerals Ltd	Granted	8/08/2016	7/08/2021	11
E52/3276	POZ Minerals Ltd	Granted	18/08/2016	17/08/2021	1

The Bulgera Project area falls entirely within the Gingirana Native Title Claim area (WC06/2, WAD6002/03). The project area contains one registered Heritage Site and eight Other Listed Heritage Places, which cover identified artefact scatters, predominantly within E52/3276, as listed in the WA Department of Aboriginal Affairs, Aboriginal Heritage Inquiry System (WADAA - AHES). No Heritage Reports are recorded as being available for these sites, on the WADAA website.

3.4 Geology

3.4.1 Regional Geology

The Bulgera Gold Project is situated in the northeast corner of the Plutonic Well Greenstone Belt, which forms part of the Marymia Inlier. The Plutonic Well Greenstone Belt is a northeast trending belt approximately 50km long and 10km wide, consisting of mafic and ultramafic volcanic rocks, fine to coarse clastic sediments, and felsic to intermediate volcanic rocks, Figure 20. These units generally dip towards the northwest at shallow to locally steep dips. Multiple suites of felsic to intermediate porphyries intrude the greenstone sequence and swarms of dolerite dykes locally cross-cut the strata.

The greenstone belt is enclosed within an envelope of granites and gneisses, is complexly deformed and has experienced multiphase metamorphism and hydrothermal activity. The structural evolution of the area includes the development of early thrusts and shear zones associated with several generations of folds in the Archaean, followed by several stages of brittle-ductile deformation, correlated with the Paleoproterozoic Capricorn Orogeny.

The gold deposits at Marymia are Late Archaean, epigenetic lode-gold deposits, which are synchronous with, or postdate by a short time, regional peak low to mid-amphibolite facies metamorphism. Gold was deposited in structures during a progressive compressional event.

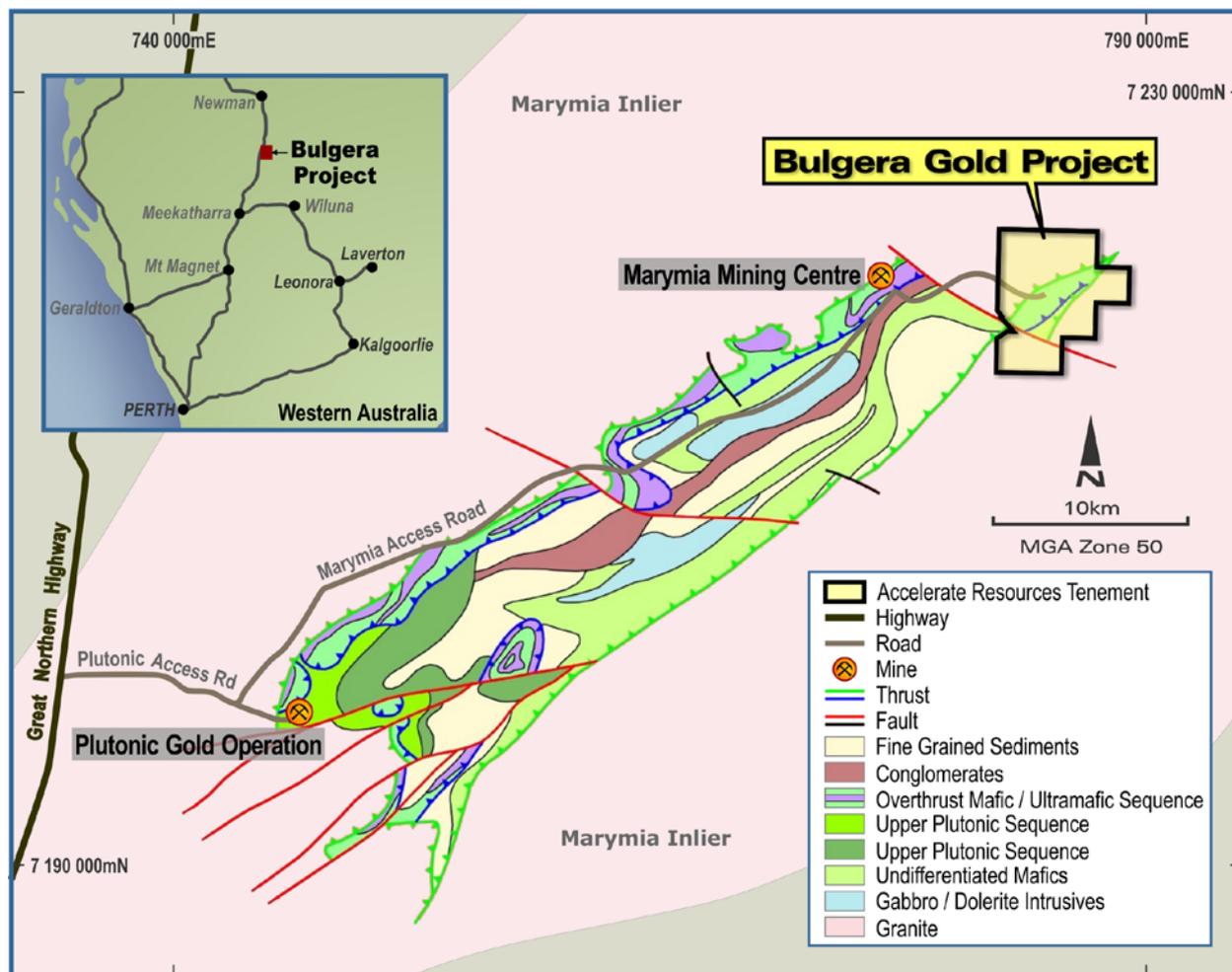


Figure 20: Bulgera Project, Greenstone Geology
Source: Accelerate

The Mercuri / Bulgera area has been interpreted as a faulted extension of the K1 area (Marymia) across a system of curved thrusts, the thrust faults are shown simplified in Figure 20 where Marymia and Bulgera are offset. This is supported by the similarity in lithologies between the deposits and the magnetics which show the drag of the Keillor and Bulgera trends into the interpreted fault structures.

The shallow westerly dipping rocks at Bulgera are interpreted as part of an overturned antiform/synform pair, formed during a period of tight asymmetrical NE/SW trending, folding which followed the earlier phases of isoclinal folding and formation of the penetrative foliation. The folding is outlined by a narrow semi-continuous chert horizon. All of the rock types at Bulgera / Mercuri are intensely foliated. The foliation strikes north-south and dips towards the west. A northwest striking fault coincides with Bulgera Creek). Other structures subparallel to this fault are present in the area (Figure 20).

3.4.2 Local Geology and Mineralisation

The Bulgera deposit consists of a shallow dipping sequence of amphibolites with narrow intercalated layers of ultramafic schist and metasediment. The ultramafic layers increase in frequency towards the south end of the deposit. The amphibolites are of tholeiitic and high magnesian parentage.

The Mercuri deposit also consists of a shallow dipping sequence, but lithologies consist of interlayered felsic volcanics, mafic volcanics, mafic sediments and minor felsic sediments underlain by an ultramafic unit. The mafic volcanics are altered and also high magnesian.

Locally, the sequence strikes grid north-south (southeast – northwest) and dips at 40° towards grid west. Outcrop is common in the area although a thin cover (<5m) of colluvium is present over the mineralised part of the deposit with some laterite appearing at the southern end. The sequence is intruded by minor semi-conformable quartz porphyries.

The Bulgera Trend is a broad mineralised shear structure which extends over a strike length of 550m. It lies on the western side of the Bulgera Gold Project and represents the main mineralised area in the Bulgera pit.

At the south end of the Bulgera pit, gold mineralisation is associated with a sheared and weakly quartz-veined mafic/ultramafic contact. In the main part of the deposit, gold mineralisation is associated with strongly sheared orthoamphibolite and minor mafic sediments containing quartz veins. The veins are generally conformable with the foliation. Sulphides occur in the quartz veins and consist of pyrite, with minor pyrrhotite, arsenopyrite and chalcopyrite. High grade gold intercepts often contain traces of scheelite.

The mineralised shear structure is about 45m thick. Within this structure, the interpreted lodes dip at 40° to the west, subparallel to the layering. The mineralisation-grade bearing lodes (>1.0g/t) have an average thickness of 5m but can be up to 17m thick. This is a multiple lode orebody with up to 8 lodes occurring on a section. The length of the lodes down-dip can be up to 140m.

All gold observed in the field and petrographic studies occurs as disseminated particles of free gold in quartz. Host rock alteration consists of silica-biotite alteration.

3.5 Previous Work

A number of companies have explored the Bulgera project area for gold, nickel and base metals since the 1970s. These include International Nickel (INCO), Marymia Canton P/L, Resolute Resources Ltd. (Resolute), Homestake Gold of Australia Ltd. (Homestake) and Barrick Gold of Australia Ltd. (Barrick).

Gold exploration of the Bulgera Project has been predominantly undertaken by Resolute, Homestake and Barrick. The majority of the work carried was out in conjunction with exploration programs focusing on the Plutonic and Marymia deposits.

In 1986, Redross Consultants were granted an exploration licence for the area now over the Plutonic main pit, while Titan Resources commenced exploration in the area surrounding Marymia Hill. In 1987, Redross optioned its Plutonic leases to Great Central Mines. Around this time Resolute Resources entered into a joint venture agreement with Titan over its Marymia Hill leases. Also around this time Battle Mountain Mines (BMA) commenced exploration activities in the Plutonic Bore area which later resulted in the discovery of the Marymia Mine, 10km west of Bulgera. (Richards, J, May 2016)

Bulgera was discovered by Resolute Resources in early 1988 when rock chip samples across an outcropping ferruginous chert returned gold values of 3 to 7g/t. This was followed by a mapping program on a 1:5000 scale, gridding and soil sampling on a 100x50m pattern. Resolute Resources later mined part of the resource via open pit, between 1996 and 1998. This initial phase of production came from the Bulgera, Mercuri and Price pits totalling 134,338 tonnes @ 1.98 g/t Au for 8,562 ounces. (Richards, J, May 2016)

Resolute and joint venture partner Titan consolidated the Marymia area by purchasing the Marymia discovery from BMA. In late 1998 Homestake Gold of Australia Limited, the then owner of Plutonic, acquired all of Resolute Resources' Marymia property and assets, consolidating the entire Plutonic belt. In 2001, Homestake Gold of Australia became Barrick Gold of Australia as a result of the North American merger of their parent companies. The Barrick development team reviewed the Bulgera project and, in 2003-2004, mined the virgin Venus Pit and cutback both the Bulgera and Mercuri pits, with the additional production of approximately 306,461 tonnes @ 1.50g/t Au for 14,836 ounces. (Richards, J, May 2016)

In 2010, Barrick sold the majority of their Plutonic licences, including approximately 600km² of tenure covering the Marymia, Freshwater and Bulgera areas, to Dampier Gold Limited, a junior explorer. Barrick retained the operating underground mine and approximately 100 km² of licences before selling this to Northern Star in 2013,

who continued to mine and process ore at Plutonic until selling the project to Toronto listed Superior Gold Inc. (TSX-V:SGL) in February 2017. Dampier Gold entered into a joint venture with Vango Mining Limited (ASX:VAN) which now holds the entire Marymia tenement package. Vango is in the process of re-developing the K2 underground mine at Marymia. (Richards, J, May 2016)

Accelerate identified three Exploration Licences and ten Mining Leases with open file reports, from searching the WA department of mines (DMIRS – Department of Mines, Industry Regulation and Safety) database which overlay or intersected the current Bulgera Project. Of these licences, four Mining Leases, M52/185, M52/271, M52/555 and M52/571, cover the central Bulgera mining area within E52/3276.

The open file records at DMIRS are incomplete over the period the Bulgera deposit was held by Resolute, Homestake and then Barrick (post the Homestake-Barrick merger in 2001). The historical production summarised in Table 4 should be read as indicative of historical production, rather than a definitive summary.

The Bulgera area was initially mined by Resolute Resources as three open pits, from 1996 to approximately 1998. The Bulgera pit produced a total of 49,000 tonnes @ 1.6 g/t Au for 2,600 oz. of gold. Mercuri consisting of the Mercuri and Price (Mercuri South) pits produced 86,000 tonnes @ 2.2 g/t Au for 6,000 oz. of gold (Richards, May 2016). Table 4 summarise Richards' compilation of historical production compiled from DMIRS open file records.

Table 4: Historical production (rounded to reflect uncertainty)

Company	Pit	Year	Tonnes	Grade	Ounces
Resolute Resources	Bulgera	1996-97	49,000	1.6	2,600
Resolute Resources	Mercuri	1996-97	75,000	2.2	5,300
Resolute Resources	Mercuri South (Price)	1996-97	11,000	1.9	700
	Initial Mining	Sub Total	134,000	2.0	8,600
Barrick Australia	Bulgera Cutback*	2003-04	107,000*	1.4*	4,800**
Barrick Australia	Mercuri Cutback	2004	200,000	1.6	10,000
Barrick Australia	Venus	2004			
	Cutback Phase	Sub Total	306,000	1.5	15,000
	Total Mined		441,000	1.6	23,000

Source: Richards, May 2016

In 2003 Barrick conducted a review of its open pit development assets, including the Bulgera area. Development drilling in 2003 consisted of 5 RC drilling programmes totalling 105 holes for 4900m including some sterilisation drilling. A RAB programme was drilled to the north of the existing Mercuri pit, consisting of 42 holes for 1,869m.

The drilling validated the down dip mineralisation in the existing pits and further proved up mineralisation at Venus, the deposit 100m to the west of Mercuri and east of Bulgera. The existing Price Pit, 200m to the south of the Mercuri pit, had potential for further mineralisation.

A sectional mineral resource, using open pit blocking parameters, was estimated by Homestake for the remaining mineralisation at Bulgera, and Mercuri. The following observation were noted by Mandyczewsky (Mandyczewsky, A, Mar 2001_a and _b) in relation to the 2001 resource estimates:

- The drilling used for the resource had been carried out by Resolute Resources. The quality control for this drilling was poorly documented;
- RC and diamond holes were used for blocking where possible, any RAB drilling used was placed into the Inferred Resource category (CSA Global notes that this was commonly done historically, but is less commonly accepted practice in contemporary Mineral Resource estimation procedures today);
- Resource sections were constructed using the BULGERA local grid;
- Density measurements had not been taken on Bulgera ore, but were used from the nearby Mercuri deposit, which had similar rock types;

- An upper cut of 15g/t was indicated by statistical analysis of drill hole assays.

Following the 2001 round of resource estimates, Homestake geologists interpreted the resource at Bulgera to comprise remnant mineralisation at the base of the open pit, as well as to the north and south. A similar interpretation was applied to the resource at Mercuri, targeting remnant mineralisation at the base of the 2 open pits, along strike from the pits, and in the Western and North-eastern Zones.

These interpretations were substantiated by the mining of 306 kT that were mined subsequently by Homestake in 2003-2004, in the Bulgera and Mercuri cutbacks (including the Venus pit), see Table 4.

The Homestake estimates in 2001 were reported in accordance with the 1999 JORC Code and are not suited to disclosure in a public report. These estimates do, however, remain a part of the public record and are available in the DMIRS open file reports relevant to the tenements. In the opinion of CSA Global, these estimates were completed to an acceptable level of rigour for the time and serve as useful indications of the grade tenor and tonnage ranges that may still exist as resource extension potential beneath the pit and along the structure.

3.6 Mining Studies and Metallurgy

Once Barrick assumed control of Homestake, they developed multiple resource models and development scenarios for Bulgera prior to re-commencing mining in 2003. The production record indicated that open pit mining occurred between 2003 and 2004 (see Table 4).

Metallurgical testwork on Bulgera ore samples by cyanidation indicated good gold recoveries of 91% for oxide, 92% for transitional and 94% for primary ore types. No records could be found of gold recovery from milling operations (Mandyczewsky, A, Mar 2001_a and _b). Metallurgical test-work on Mercuri ore samples by cyanidation indicated variable gold recoveries of between 57-97%. No records could be found of gold recovery from milling operations. There is an indication that Bond ball mill work index determinations were also completed at the same time as the cyanidation tests, but the report detailing this work was not available for review.

3.7 Exploration Potential and Planned Work

The work planned by Accelerate will comprise drilling the strike and depth extensions of the Mercuri and Bulgera pits, and regional targets along the western Bulgera trend. CSA Global endorses this high-level approach to exploration; targeting extensions to existing well-defined mined structures, and subsequently applying the understanding from known structures to regional targets.

Figure 21 present the target areas in the Bulgera project that Accelerate propose to focus on, and Figure 22 presents the interpreted potential extensions that will underpin the development of targets, going forward.

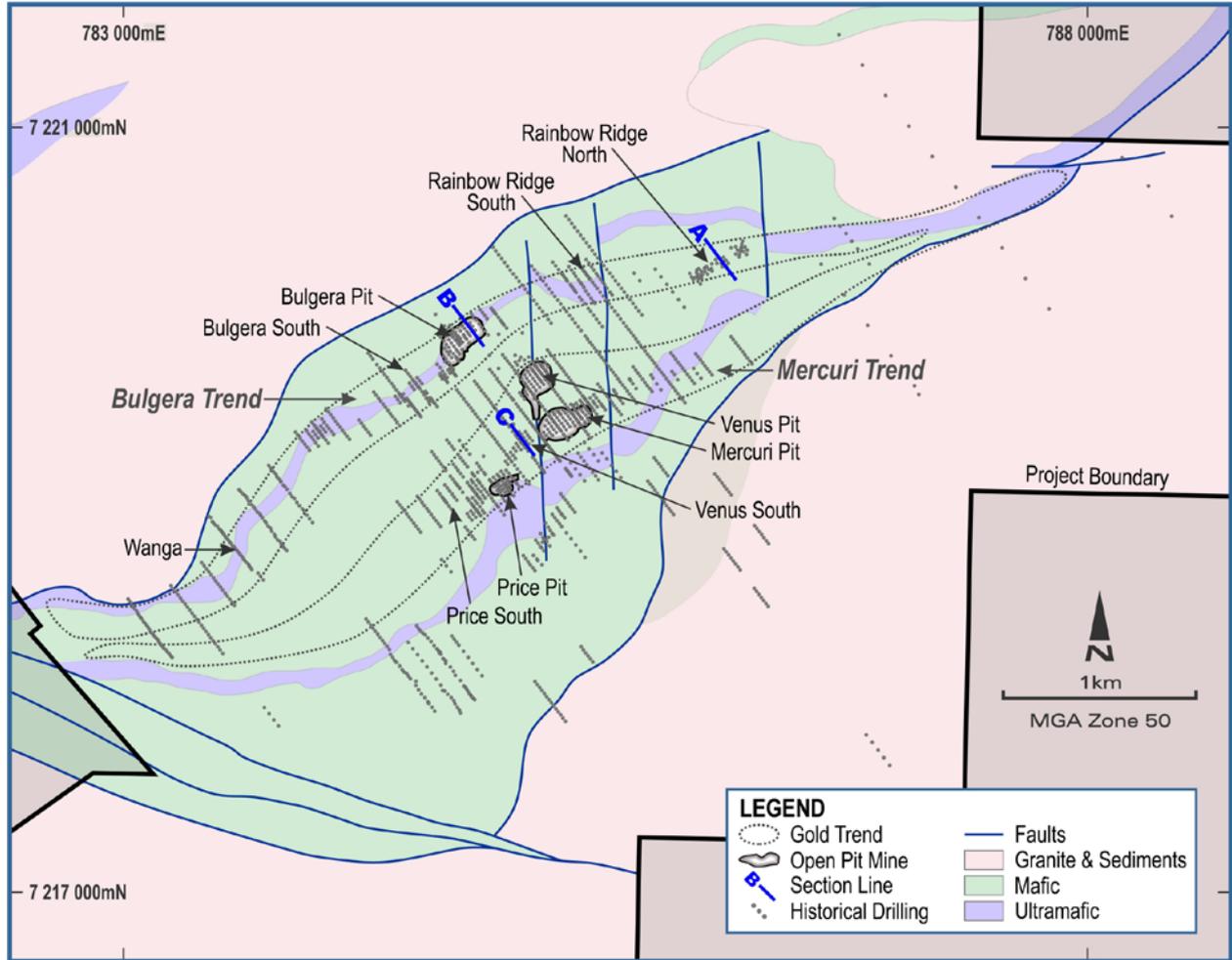


Figure 21: Bulgera target areas
Source: Accelerate

4 Mount Monger, Western Australia

4.1 Location, Access and Infrastructure

Accelerate's Mount Monger Project is located 43km east of Kambalda and approximately 80km east-southeast of Kalgoorlie on the Mount Monger pastoral lease. The licences are found on the Widgiemooltha (ED3-2002 SH 51-14) 1:250,000 Map Sheet and the Mount Belches (SH 51-14-3335) 1:100,000 Map Sheet.

Access from Kalgoorlie is via the Mount Monger road and then along historic mining and station tracks. The project is typified by low hills and flat terrain, draining to the Lake Lefroy salt-lake in the south. Vegetation is sparse to moderate scrubby bushland over alluvial flats, with some salmon gum forest over gently rolling basalts and felsic metasediments in the west. Figure 23 illustrates the location of the project.

Accelerate's Mount Monger Gold Project comprises two granted exploration licences, E25/525 and E25/565, covering 23.5 square kilometres in the Bulong district, 43 km east of Kambalda and approximately 70 km by road from Kalgoorlie. The project area is located 8 km east of Silver Lake Resources Ltd.'s currently operating 1.2Mtpa Randalls gold mill, see Figure 23.

Exploration drilling by earlier workers and more recently by POZ Minerals (ASX: POZ) has outlined a 2.5 km long mineralised gold trend, the Kiaki Soaks prospect, along the Bare Hill Shear Zone, within the Mount Monger project. The mineralised zone is open to the north and lies along the sheared contact between Archaean basalts in the west and sediments to the east.

4.2 Climate, Topography and Vegetation

Mount Monger experiences a semi-arid to desert climate. Average temperatures range from 5.1° to 16.8° in July, to 17.9° to 33.3° in January. Temperatures are highest between January and February, during this time inland average temperatures generally exceed 37°C. Average winter temperatures are below 18°C. Due to sea breezes, coastal temperatures are kept well below those inland. The climate is considered semi-arid to arid, with hot summers and mild winters. The average annual rainfall of the Murchison is between 190 mm to 250 mm. Rainfall in the Murchison is unreliable. Most of the rainfall occurs in winter and most years there is a dry period of four to six months.

The topography at Granny East consists of low hills to flat alluvial terrain to salt-lake. North easterly trending ridges of moderate relief and flat colluvial plains with minor windblown sand banks. Vegetation is sparse to moderate scrubby bushland over alluvial flats, with some salmon gum forest over gently rolling basalts and felsic metasediments in the west.

The region is an undulating plain with occasional ranges of low hills, there are no permanent rivers, the vegetation is characterised by open eucalypt woodlands, with saltbush and bluebush scrub on the more calcareous soils. The eucalypts, which dominate the vegetation, have adapted to survive in an area where the average rainfall is low and unreliable.

A number of historic mining and station tracks provide access around project areas.

4.3 Tenure and Native Title

The Mount Monger Project comprises two granted exploration licences E25/525 and E25/565 covering 23.5 km². One licence is currently held by POZ. (100%) and the other is held by Accelerate.

Table 5: Tenement details for Mount Monger Project

Licence	Holder	Status	Grant Date	Expiry Date	Area Block
E25/525	POZ Minerals Ltd	Granted	17/11/2015	16/11/2020	3
E25/565	Accelerate Resources Ltd	Granted	31/10/2017	30/10/2022	5

Source: Accelerate

No Native Title Claims exist over the Mount Monger Project, although the northern boundary of the Ngadju Native Title Determination area (WCD2014/004, WAD6020/1998) lies less than 2km south of the southern project boundary. There are no Registered Heritage Sites or Other Heritage Places identified within the project area. (Source: WADAA-AHES)

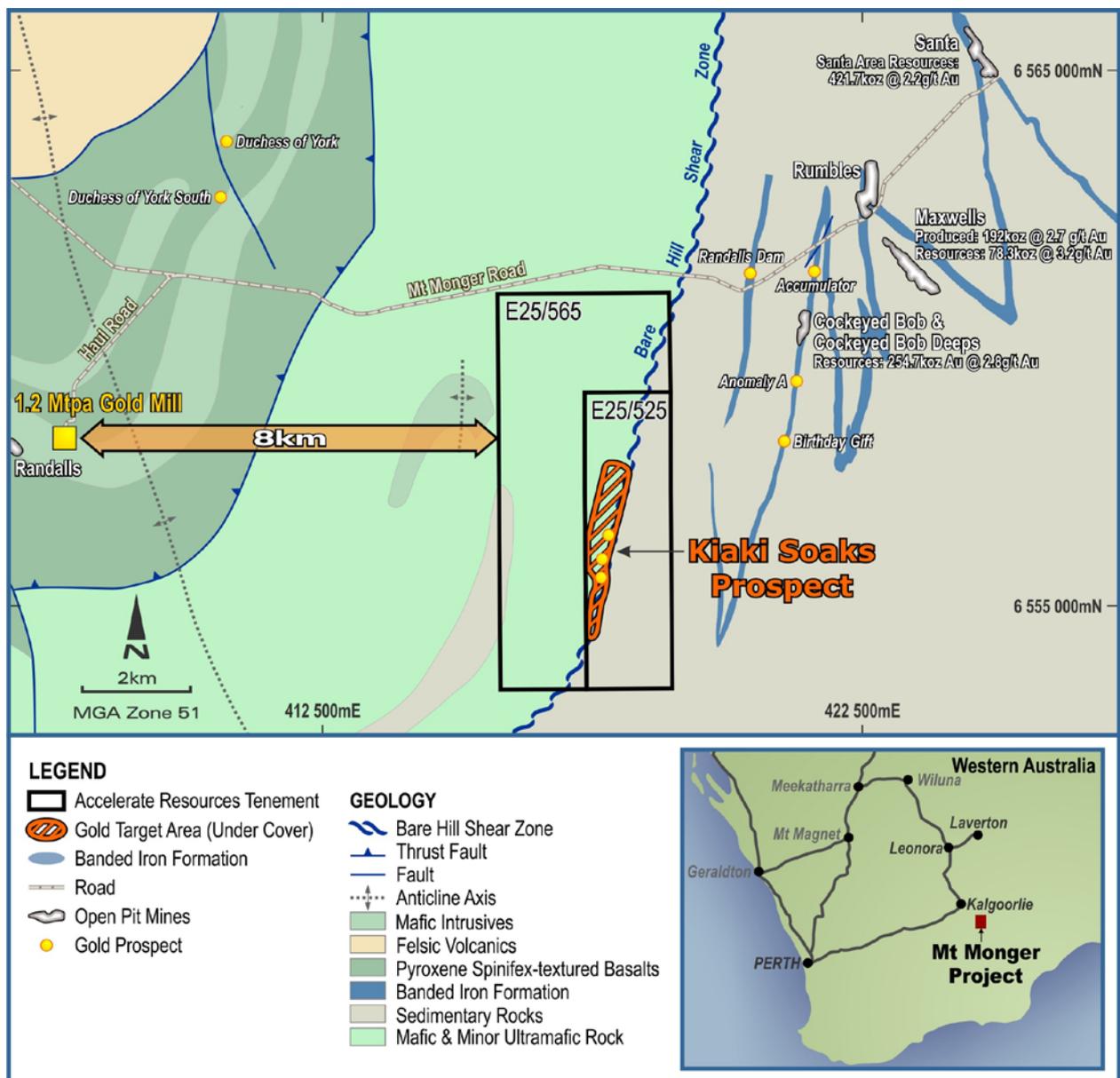


Figure 23: Mount Monger Project Location and Regional Geology

4.4 Geology

4.4.1 Regional Geology

On a regional scale Accelerate's Mount Monger project area is covered by the Mount Belches 1:100,00 map sheet (Painter, MGM., and Groenewald, PB, 2001) of the south-eastern Eastern Goldfields Province of the Yilgarn Craton. The Eastern Goldfields comprises a series of attenuated greenstone belts intruded by, and interstitial to, similarly elongate granitoid plutons and complexes. Anastomosing regional scale faults, mostly of sinistral strike-slip shear, dissect the province, but broad-scale stratigraphic correlations persist across these faults (Passchier, 1994; Swager, 1997).

The regional stratigraphy comprises a lower basaltic unit, overlain by komatiite, followed by an upper basalt unit (with komatiitic affinities), and then a sequence of felsic volcanic and volcanoclastic rocks (Swager, 1995a, 1997; Swager et al., 1995). Clastic sedimentary rocks unconformably overlie this sequence. The komatiite is interpreted as a regional marker that extends across the Eastern Goldfields, but other units vary laterally, and localized felsic volcanic rocks occur at numerous intervals throughout the sequence.

The Mount Monger project area is underlain to the east by mafic-ultramafic rocks comprising the Bulong Anticline of the Norseman-Wiluna greenstone belt, and to the west by the Mount Belches Beds, an Archaean sequence of siltstones, sandstones, greywackes and banded iron formations (BIFs). The Mount Belches Beds and Bulong Anticline are separated by the major north-south trending Bare Hill Shear (BHS), which passes through, and is the interpreted source of mineralisation at the, Kiaki Soaks Prospect. Known mineralisation within the Bulong Anticline at Mount Monger is found in most units, with shearing and lithological contacts being an important feature, as at the BHS target. Figure 23 presents an overview of the regional geology.

Economic mineralisation in the Mount Belches Beds is primarily restricted to the BIF units. Gold is hosted by magnetite-grunerite rich BIF, often proximal to shallowly south westerly-dipping quartz veins, where sulphur-bearing hydrothermal fluids de-sulphidate in the brittle, more permeable BIF units.

The tight chevron folding of the pattern of BIFs in the Mount Belches Beds is the most obvious structural feature of the area. The Santa resources are in the most north easterly antiformal structure and the Maxwells and Rumbles deposits are in the central antiformal structure area. In the vicinity of the Bare Hill Shear zone, these north-westerly oriented and north-easterly dipping, overturned tight folds change to north-oriented and east-dipping overturned isoclinal folds.

The interpreted regional deformation sequence consists of early and dominantly layer-parallel contractional faulting (D1) followed by two progressive stages of regional shortening (D2 and D3) which produced northwest-trending folds and widely-spaced transcurrent faults. A final deformational event (D4) produced north-striking generally dextral faults oblique to the earlier fold (Swager, 1995a, 1997; Swager et al., 1995).

4.4.2 Local Geology and mineralisation

The most significant control on mineralisation appears to be structural, as most of the major historical workings are located on several south to south-southeast trending lineaments parallel to the regional foliation. Localised gold occurrences in en-echelon shear zones have been observed, and in south plunging lenses in the felsic rocks.

Gold mineralisation in the ultramafic rocks is localised in thin serpentinites, and in talc-carbonate-tremolite rocks along the sheared contact with a felsic porphyry.

BIF mineralisation is also prospective for gold. To the north along strike, there are the Cockeyed Bob, Rumbles, Maxwells and Santa open pit gold mines all operated by Silver Lake Resources.

4.5 Previous Work

A number of companies have explored the Mount Monger project and the surrounding area for gold and nickel since the 1980s including United Nickel, Ramsgate Resources NL (Ramsgate), Solomon Australia Pty Ltd (Solomon),

Aurion Gold Exploration Pty Ltd (Aurion), Crest Resources Australia NL (Crest), Hampton Hill Mining NL (Hampton Hill), Integra Mining Ltd (Integra) and Silver Lake Resources Ltd (Silver Lake).

The most focused gold exploration of the Mount Monger Project was predominantly undertaken by Ramsgate, Aurion and later Integra and Silver Lake. Exploration, from the mid 1990's to 2005. This led to the discovery of the gold mineralisation at the Kiaki Soaks gold prospect. Most of the other companies, including Crest Resources and Hampton Hill, who held tenure over parts of the Mount Monger project, focused their exploration on other prospect areas outside the current tenure.

A search of the DMIR's dead tenements and the WAMEX database Identified seven Exploration Licences with open file reports which overlie or intersect the current Mount Monger Project. Of these licences two Exploration Licences E25/88 and E25/297 cover the Kiaki Soaks mineralised trend within the current E25/525.

4.6 Exploration Potential and Planned Work

A review of the historic drilling data by POZ, vendor of tenement E25/525, identified a lode gold target at the Kiaki Soaks Prospect within the E25/525 tenement area.

The principal exploration target is the Kiaki Soaks gold prospect. Exploration to date comprises vertical aircore and angled RAB and RCP drilling and one angled diamond drill hole. The RCP drilling, largely within the central 300m of the target zone, is on east-west traverses on 100 m spaced sections north – south with shallower aircore and RAB drilling on 50 m north-south spaced sections. The drilling undertaken to date has assumed the gold mineralisation is dipping moderately steeply to the east along the contact between mafic-ultramafic rocks of the Norseman-Wiluna greenstone belt to the west and the Mount Belches Beds, an Archaean sequence of siltstones, sandstones, greywackes and banded iron formations (BIFs) to the east. The Mount Belches Beds and the Norseman-Wiluna greenstone belt are separated by the major north-south trending Bare Hill Shear, which passes through and is the interpreted source of mineralisation at the Kiaki Soaks Prospect.

Gold mineralisation so far has been intersected over a 2,500 m approximately north-south trending zone within a section of the Bare Hill shear zone. Within the central 300 m section of the main target zone, several gold intersections were noted in the historical aircore and RAB drilling and in the angled RCP drilling. This included a significant intersection in KIRC007 (which was interpreted to have been drilled down-dip), and was subsequently followed up with scissor RCP and one diamond drill hole. This drilling had largely failed to locate the expected easterly dipping extensions to the gold mineralisation.

However, it is CSA Global's opinion based on a general familiarity with the region, that the possibility exists for northerly or southerly plunging ore shoots and this may present target opportunities going forward. Additionally, a number of drill holes located west of the main target lode position intersected gold values at end-of -hole and could warrant follow-up drilling.

Proposed exploration by Accelerate will comprise aircore drilling to test the strike extension of gold mineralisation north of the Kiaki Soaks prospect. RC drilling will be undertaken to test the identified mineralisation at depth.

5 Comet Project, Western Australia

5.1 Location, Access and Infrastructure

The Comet Gold Project comprises one exploration licence application, E20/908 covering 37.2 square kilometres, located approximately 115 km south southwest of Meekatharra and 20 km southeast of Cue. The project covers part of the Meekatharra to Mount Magnet Greenstone belt, located at the southern end of the Tuckabianna Shear Zone (Figure 24).

The project lies immediately to the north and along strike of the Comet gold mine, but has had very little modern exploration carried out within the licence area. Initial exploration by Newcrest Mining Ltd and Westgold Resources NL, during the mid-1990's identified a mineralised gold trend in shallow RAB drilling to the north of the Comet mine. The RAB drilling returned a number of significant gold values over 1.4 km strike. A second zone of anomalous drilling lies approximately one kilometre to the east. RAB and limited RC drilling returned anomalous gold values. Neither of these targets have been followed up by further exploration or drilling to Accelerate's knowledge.

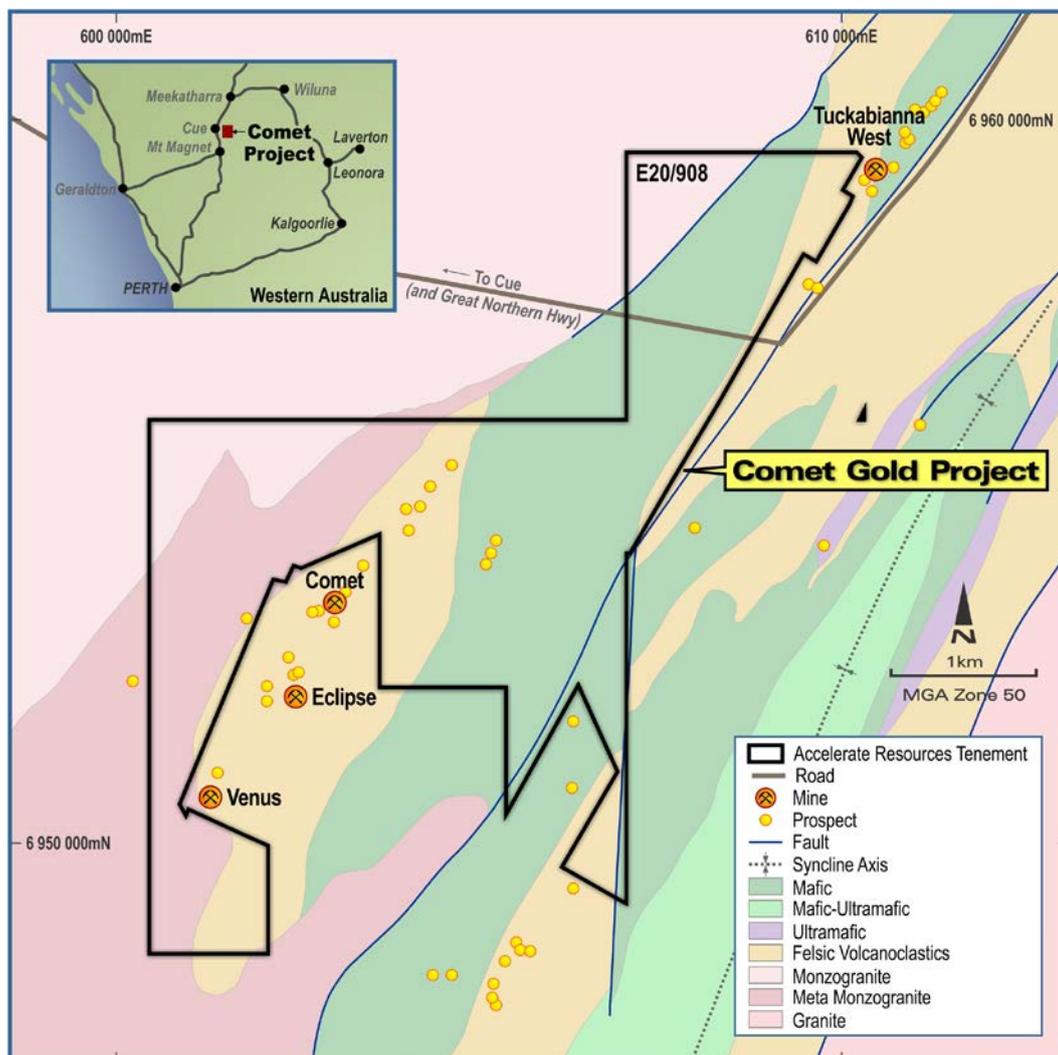


Figure 24: Comet Project tenure and location
Source: Rust, 2017

5.2 Climate, Topography and Vegetation

Please see Section 3.2

5.3 Tenure and Native Title

The Comet Project comprises one exploration licence application E20/908, covering 37.2 km². The licence is currently held by POZ Minerals Ltd. (100%).

Table 6: Tenement details for Comet Project

Licence	Holder	Status	Application Date	Expiry Date	Area Sub-Block
E20/908	POZ Minerals Ltd	Application	2/09/16	n/a	17

Source: Accelerate

Two Native Title Claims are registered over the Comet Project. The Wutha Native Title Claim (WC1999/010, WAD6064/1998) and the Yugunga-Nya Peoples Native Title Claim (WC1999/046, WAD6132/1998). Both claimant groups are represented by the Yamatji Marlpa Aboriginal Corporation. (DMIRS - Mineral Titles Online)

There are no Registered Heritage Sites identified within the project area, but three Other Heritage Places occur within or adjacent to E25/908. (WA Department of Aboriginal Affairs, Aboriginal Heritage Enquiry System)

- Heritage Place 6199 - Artefact Scatter. Tuckabianna South-West
- Heritage Place 6200- Modified Tree, Tukabianna South
- Heritage Place 26010 - Natural feature, water source. "Woman" Gnamma

5.4 Geology

5.4.1 Regional Geology

The Comet project lies Immediately to the north and along strike of the Comet gold mine and covers part of the Meekatharra to Mount Magnet Archaean Greenstone belt, located at the southern end of the Tuckabianna Shear Zone. To the east of the shear zone is a sequence of mafic and ultramafic volcanic and intrusive rocks with banded iron formation that has been folded in to a syncline. To the west of the shear zone and underlying the majority of the Comet project, there is a felsic, mafic and ultramafic sequence forming an antiform. Granitoid rocks have intruded the greenstone sequence, predominantly to the east and the west. The bedrock sequence has undergone deep weathering and much of it is covered by geologically recent superficial materials.

5.4.2 Local Geology and Mineralisation

The historical Tuckabianna gold deposits that were mined in the late 1980s and early 1990s are hosted primarily in a banded iron formation (BIF) sequence. The shear zone has been intruded by post tectonic granitoids, and separates the regional geology, east and west into two domains. Supracrustal sequences are exposed in an asymmetric syncline, including mafic to ultramafic volcanic sequences and associated banded iron formation to the east. To the west, there are the felsic Eelya complex and basalt and high-Mg basalt not associated with BIF.

The Tuckabianna shear zone is poorly exposed and marked by zones of deep weathering. Zones of intense deformation and alteration are separated by areas which are virtually undeformed. The intense lateritisation, paleochannels and the formation of a hard pan conceals much of the geology. The gold deposits occurred in a complex geological setting within shear zone splays, with associated porphyry dyke intrusions, and are largely confined to BIF or rafted BIF within mylonitised mafic sequences.

5.5 Previous Work

A number of companies have explored the Comet project and the surrounding area for gold since the 1980s including Newcrest Mining Ltd (Newcrest), Westgold Resources NL (Westgold), Australmin Holdings Ltd (Australmin), Big Bell Gold Operations Pty Ltd (Big Bell), Westcoast Mining Ltd (Westcoast), Silver Lake Resources Ltd (Silver Lake) and Metals X Ltd (Metals X).

The most focused gold exploration within the current Comet project was undertaken by Newcrest Mining Ltd and Westgold Resources NL. Exploration by these companies during the mid-1990's identified a mineralised gold trend in shallow RAB drilling to the north of the Comet mine and a second zone of anomalous RAB and RC drilling approximately one kilometre to the east. Most of the other companies who held tenure over parts of the current Comet project area, focused their exploration on other prospect areas outside the current tenure.

Accelerate's search of the DMIR's databases identified, six exploration licences with open file reports which overly or intersect the current Comet Project.

Newcrest Mining Ltd. held exploration licence E21/28, between 1991 to 1995, with Westgold Resources NL conducting exploration during the final year of tenure. The licence initially covered a large area surrounding the Comet gold mining lease. Following licence reductions over the years, by 1995 the licence covered the area immediately north and east of the Comet gold mine and a section immediately south of the Venus gold mine.

Newcrest completed geological mapping, soil sampling, RAB and RC drilling, predominantly focusing exploration on the Comet mine and satellite prospects along the Comet-Venus trend to the south southeast, as well as exploring the area around Webbs Patch to the southeast and outside the current E20/908 licence area.

In December 1992, Newcrest completed a RAB drilling program along the granite-greenstone contact immediately west of the Pinnacles and Venus open-cut pits. A total of 203 shallow holes, on seven lines, were completed for 1,692m. Both mafic and granitic lithologies were intersected, but no significant gold values were recorded. The western part of E21/28, overlying the granite terrain, was subsequently surrendered. (WAMEX Report A39168).

During the 1994 reporting period, Newcrest completed RAB drilling, comprising 154 holes for 5,488m and an RC drilling program comprising five holes for 409m. The drilling targeted three geophysical anomalies, including a small magnetic high associated with a buried quartz and BIF unit. The RAB and RC drilling returned a number of significant results and identified an anomalous zone of gold mineralisation approximately one kilometre to the east of the northern extension of the Comet mineralised trend.

Table 7: Historical Exploration Licences in the Comet Project Area

Tenement	Company	Period
E21/28	Newcrest & Westgold	1991 – 1995
E21/125	Metals X & Silver Lake	2008 – 2016
E20/54	Australmin Holdings	1986 – 1991
E20/430	Big Bell Gold	2001 – 2004
E20/464	Westcoast Mining	2004
E20/484	Westcoast Mining	2004

Source: DMIRS open files

During the 1995 reporting period, Westgold completed further RAB drilling along the northern extension of the Comet mineralised trend and over the eastern gold anomaly, identified by Newcrest during 1993. Westgold completed a total of 579 holes for 12,891m. The drilling returned a number of anomalous results from the comet trend, in drillholes PRB620 and PAB233.

Between 1986 to 1991, Australmin Holdings held exploration licence, E20/54, which covered the north-eastern part of the current project, and large areas to the north and north east, outside the current project area. Australmin explored the area for gold and completed a number of RAB and RC drilling programs on prospect areas

outside the current tenure, including Scott Bore and Tuckabianna West. During the 1990 reporting period, broadly spaced pisolite sampling was undertaken, with a number of samples collected from an area near the eastern boundary of the current licence (WAMEX Report A31118). During 1991 work comprised regional geophysical and remote sensing programs and interpretation, predominantly in areas outside the current project. (WAMEX Reports A21173, A26806, A28093, A31118 & A33488).

Big Bell Gold held E20/430 between 2001 and 2004. The licence covered the western part of the current E20/908 project area and areas to the northwest. Big Bell completed structural interpretation, regolith mapping and an airborne EM data review over the western part of the current Comet Project. No targets were generated, and no drilling was conducted. During 2003 the Big Bell mining operations ceased due to economic factors, and parts of the project area were vended to Westcoast Mining Ltd. Exploration during the final year of tenure comprised mining studies over the Comet mine. (WAMEX Reports A64787, A66370, A67939 & A69984).

During 2003, Westcoast Mining purchased the northern part of the Tuckabianna project from Big Bell and undertook an EM survey over the area (WAMEX Report A33488). Westcoast held two licences, E20/464 and E20/484 covering the east and north-eastern parts of the current E20/908 licence. Interpretation of the Tempest EM survey data, identified three sub-parallel groupings of EM anomalies within E20/464. The western most EM anomaly grouping is associated with the Comet line of BIF hosted gold deposits and the two eastern anomalies showed a similar signature to the Comet area. Westcoast inferred that these EM anomalies could represent parallel horizons of BIF or black shale under 30m to 50m of transported cover. During October 2004 the company completed 8 aircore drill holes, for 5,43m, targeting these EM anomalies. The drilling intersected black shale units or massive pyritic zones. Analysis for gold and base metals returned no significant results and Westcoast concluded that the rocks were barren. (WAMEX Report A69533)

Between 2009 and 2016 Silver Lake Resources and Metals X held exploration licence E21/125, which covers the same area as the current E20/908 tenure and the Comet mine leases. Exploration carried out by Silver Lake between 2009 and 2010 focused on RC and diamond drilling at the Comet mine. No exploration activities or drilling appears to have been undertaken in the current project area. (WAMEX Reports A86117, A89385 & A110404)

5.6 Exploration Potential and Planned Work

Geological investigations by companies exploring the Comet mine area (WAMEX report A74359) located immediately south of the Company's application tenure, recognised that gold mineralisation within the Comet mine corridor has a dominant north-easterly trending plunge, controlled by foliation, boudinage and parasitic folding following the axial plunge of a tight east dipping antiformal structure. Previous RAB and RCP drilling, as described in section 5.5, and to the immediate north and east of the Comet mine area intersected multiple Au occurrences and these are reported in WAMEX reports a040185 and a045735. These Au intercepts, located along regional structural trends, are likely relating to the Tuckabianna shear zone, and have not been followed up with more intensive exploration, and represent the principal target with the current tenure.

Once the Company's application for tenure has been granted, exploration will include aircore drilling of the identified targets along the Comet mineralized trend and the eastern gold anomaly. Follow up drilling programs will be conducted to test identified mineralisation at depth. In CSA Global's opinion, this as an appropriate exploration strategy given the early stage of project maturity.

6 Pilbara Project, Western Australia

6.1 Location, Access and Infrastructure

Accelerate's Pilbara Project comprises one exploration licence application E46/1192 covering 31.9 square kilometres, located approximately 70 km east northeast of Nullagine and 120 km southeast of Marble Bar in the Pilbara region of Western Australia. The historical Eastern Creek gold mining centre is located approximately 15km west of the project. Figure 25 illustrates the project location within a regional setting and existing projects in the area.

The project covers part of the Fortescue Basin of the Pilbara Craton and includes units of the Hardey Formation along the western project boundary. The Hardey Formation is overlain by the basalts of the Kyalena Formation which cover the remainder of the project area to the east. Sedimentary units of the Hardey Formation, are thought to be prospective for conglomerate hosted gold mineralisation.

The Pilbara Project is located approximately 70 km east northeast of Nullagine and 120 km southeast of Marble Bar and lies on Vacant Crown land. The licence is found on the Nullagine (SF 51-05) 1:250,000 Map Sheet and the Eastern Creek (SF 51-05-3054) 1:100,000 Map Sheet.

There is no direct road access to the project area, although the Skull Springs Road from Nullagine passes the southern project boundary, approximately six kilometres to the south. Future access is likely to require helicopter support.

6.2 Climate, Topography and Vegetation

Most rainfall occurs in summer, along with thunderstorms and occasional cyclonic activity (George, AS, McKenzie, NL and Doughty, P, 2009). Average annual rainfall is 290 mm, ranging from a monthly average of c. 2 mm in September to 66 mm in February. January, February and March are the wettest months while September and October are the driest. In some years there is rain in early winter. It was noted that the slightly bimodal pattern of rain ensured in good years, that the vegetation growing season was prolonged. There is substantial year-to-year variation in rainfall, both locally and regionally. At least one cyclone traverses the region in a normal summer and others pass close by along the coast. The cyclones supply half of the annual rainfall.

Pilbara landscapes comprise rough ranges, broad plateaux and stony ridges separated by rolling stony plains of alluvial clays, silts, sands and gravels. The uplands are defined by abrupt escarpments and steep scree slopes, which are incompletely mantled by shallow skeletal soils. Gorges, rock-holes and grassy floodplains occur along seasonally active, river systems that drain the uplands.

The regional vegetation includes hummock grasslands, tussock grasslands, sclerophyll shrublands, and shrublands and woodlands with a tussock grass understorey. The most common genera are *Acacia*, *Aristida*, *Ptilotus*, *Senna* and *Triodia*. *Triodia pungens* (soft spinifex), *Acacia inaequilatera* (kanji bush), *Chrysopogon fallax* (ribbon grass) and the introduced grass *Cenchrus ciliaris* (buffel grass) are the most ubiquitous perennials while *Aristida contorta* (wind grass) is the most widespread annual species (van Vreeswyk, AM, Leighton, KA, Payne, AL, and Hennig, P, 2004).

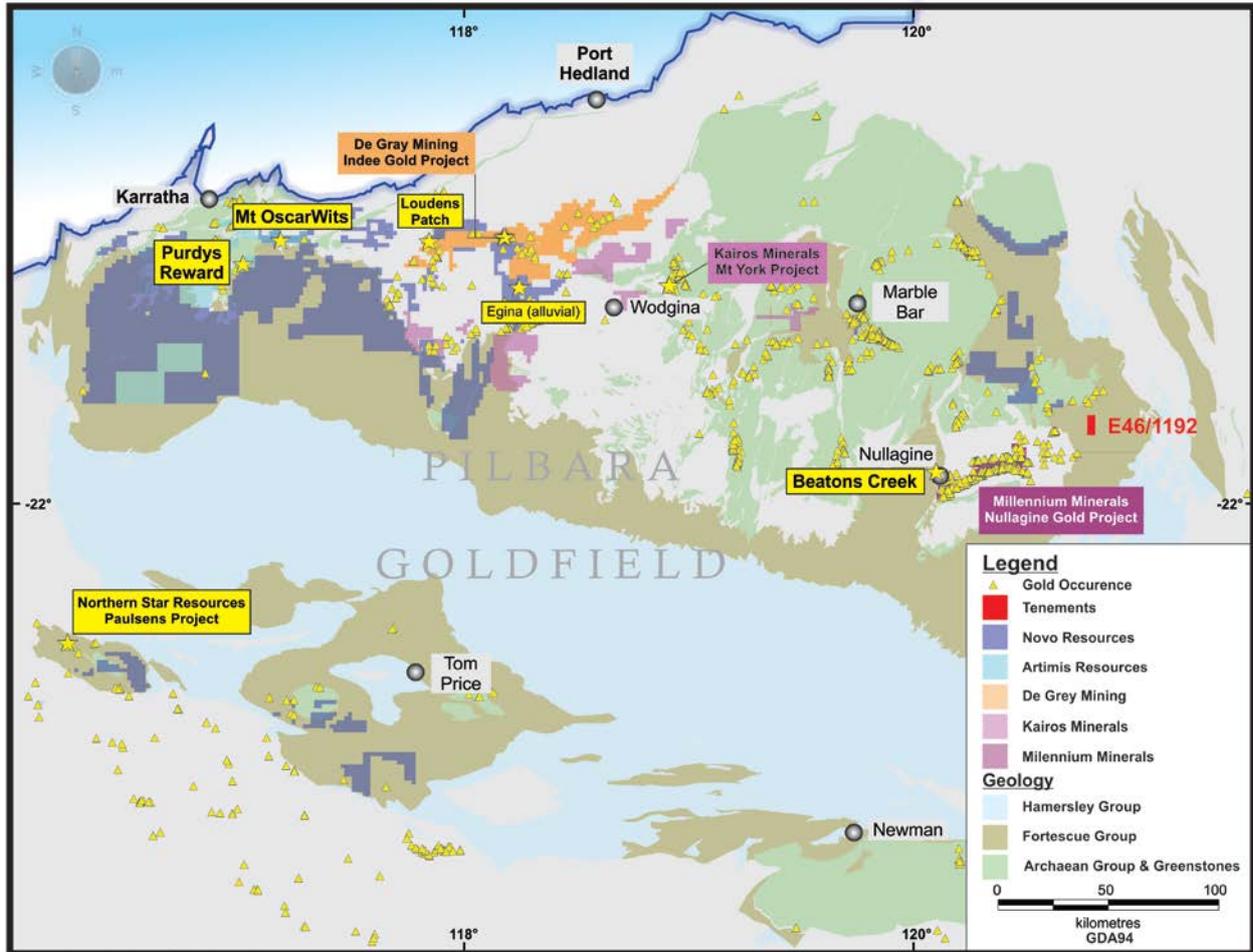


Figure 25: Pilbara Project Regional Location
Source: Accelerate

6.3 Tenure

The Pilbara Project comprises one exploration licence application E46/1192, covering 31.9 km². If granted, the licence will be held by Accelerate (100%).

Table 8: Tenement details for Pilbara projects

Licence	Holder	Status	Application Date	Expiry Date	Area Block
E46/1192	Accelerate	Application	27/09/17	n/a	10

The Pilbara project falls inside the Njama Native Title Claim (WC1999/008, WAD6028/1998). (Source: DMIRS - Mineral Titles Online). There are no Registered Heritage Sites or Other Heritage Places identified within the project area. (Source: WADAA-AHES)

6.4 Geology

The project covers part of the Fortescue Group of the Pilbara Craton and includes units of the Hardey Formation along the western project boundary. The Hardey Formation is overlain by the basalts of the Kyalena Formation which cover the remainder of the project area to the east. Sedimentary units of the Hardey Formation, are thought to be prospective for conglomerate hosted gold mineralisation.

The basement to the region is comprised of Archaean granites and gneisses. These are unconformably overlain by rocks of the Fortescue Group including basalt, sandstones, shales, dolomites, cherts, and felsic volcanic. The

basement consists of Archaean granitoids and greenstone which crop out in places. The Gregory Granitic Complex underlies much of the area. It has been divided into the following three units:

- Felsic lava of the Koongaling volcanics
- Intrusive granophyre equivalent of these volcanics
- Southern granite Complex

The basement rocks are unconformably overlain by the Fortescue Group (mafic volcanics, volcanoclastics and clastic sediments) which is, in turn, overlain by the Hamersley Group (predominantly clastic sediments).

The Hamersley Group is subdivided into the lower 60m thick Marra Mamba Iron Formation (chert, shale, BIFs and jaspilite) and the upper 150m thick Carawine Dolomite (stromatolitic carbonate sequence with intercalated chert beds, veins and nodules). Secondary silicification of the Carawine Dolomite under subaerial conditions has led to the widespread formation of the Mesoproterozoic Pinjian Chert Breccia.

The Phanerozoic lithological units include remnants of Permian glacial sediments (Patterson Formation). Tertiary rocks include silcretes, calcretes, calcareous sandstones, chert breccias, laterite and ferruginous duricrusts. Figure 26 and Figure 27 summarise the regional and local geological settings.

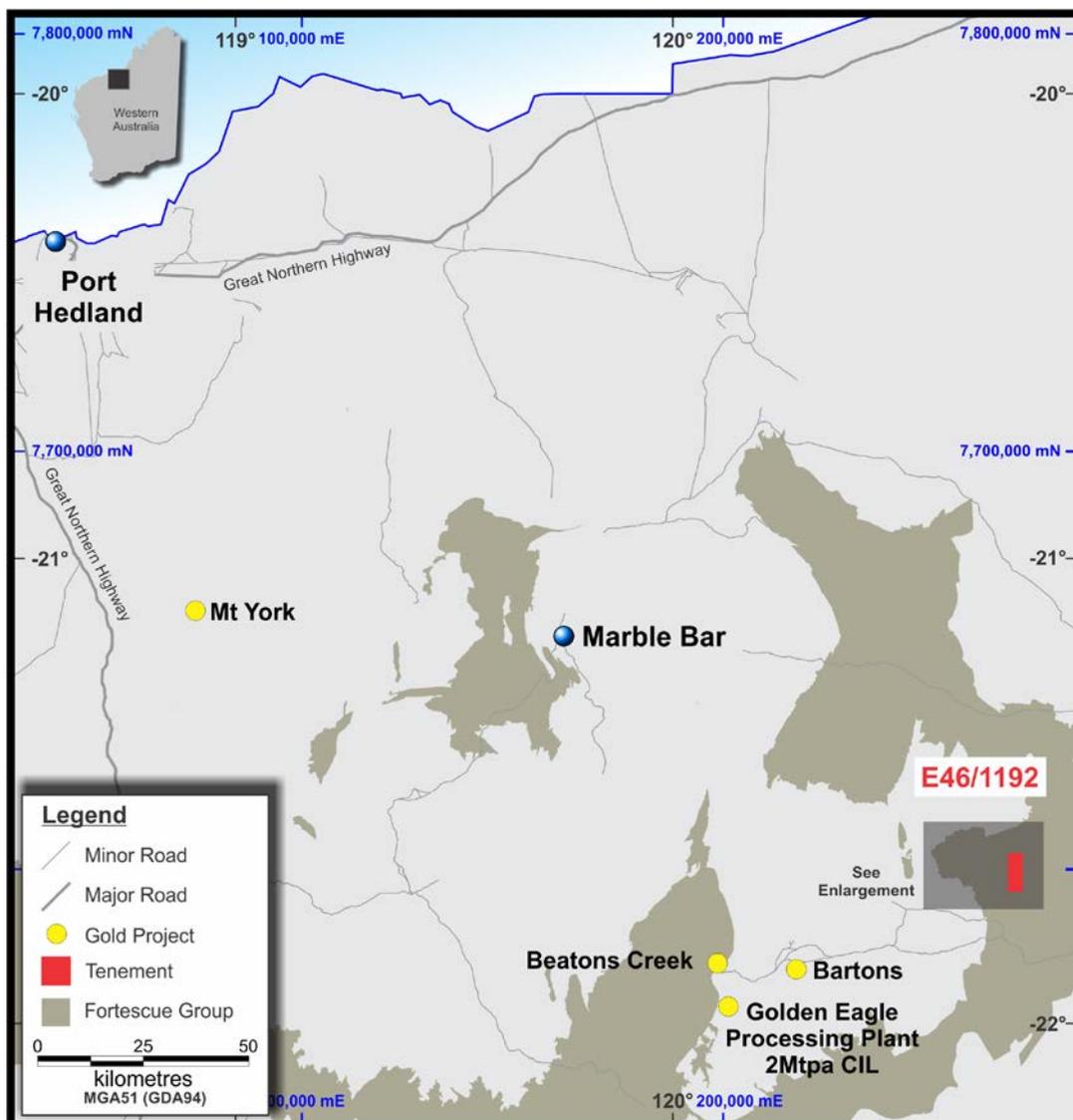


Figure 26: Regional Geological Setting for E46/1192
Source: Accelerate

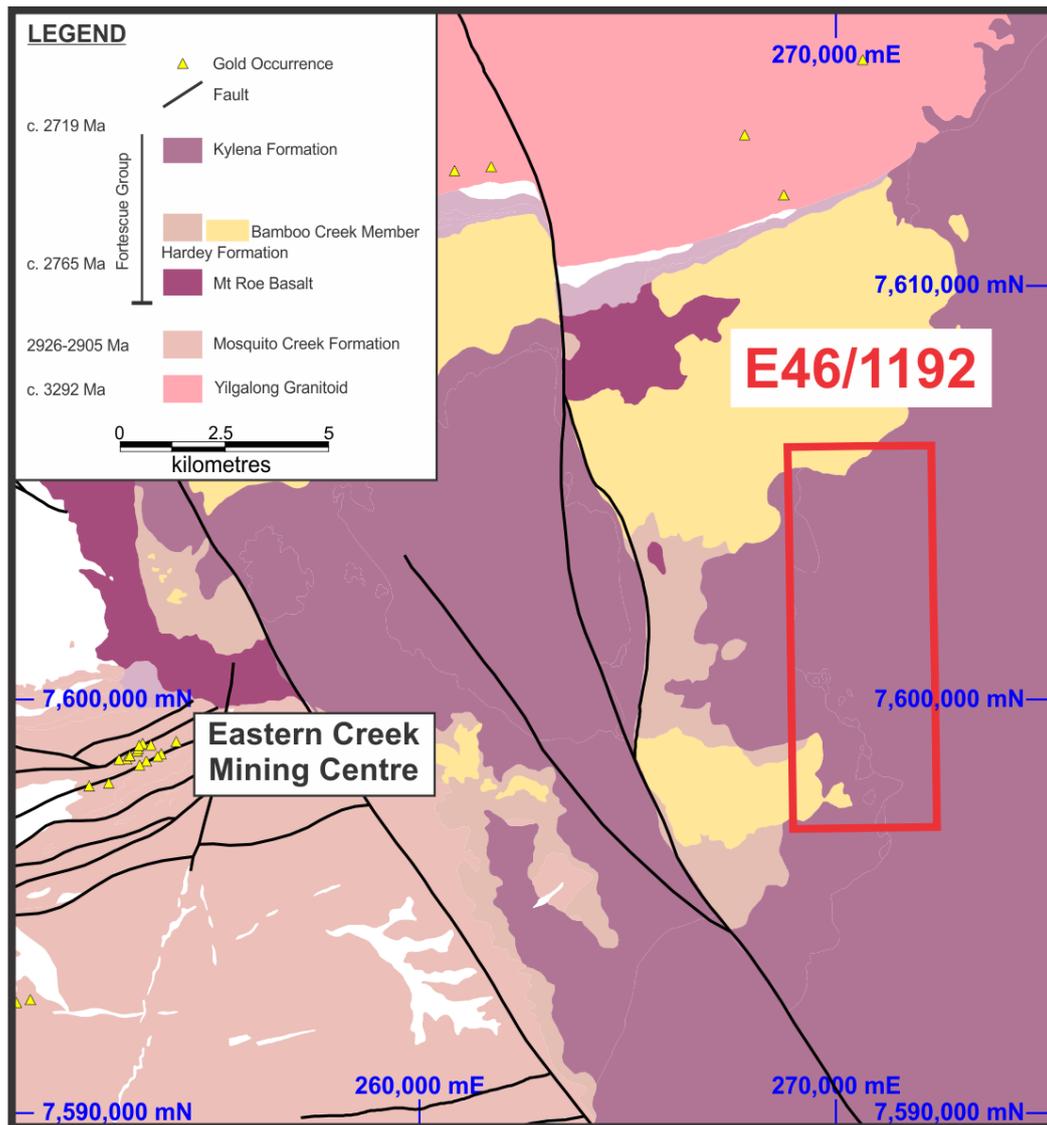


Figure 27: Local Geological Setting for E46/1192
Source: Accelerate

6.5 Previous Work

Only two companies have held exploration licences that cover Accelerate's Pilbara project area, including Homestake Australia Ltd (Homestake) and Spitfire Resources Ltd (Spitfire). A search of the DMIR's dead tenements and the WAMEX database Identified, two exploration licences with open file reports which overly or intersect E46/1192.

Homestake Australia Ltd. held exploration licence E46/281, the Mount Hays project, during 1992. The licence initially covered a large area to the east of the Eastern Creek mining centre, including the area covered by the current E46/1192 licence. Homestake completed extensive rock chip sampling of a gold anomalous, sulphidised, interflow carbonate unit. The sampling, comprising a total of 369 samples, returned only three results greater than 1 g/t Au from the wider project area. (WAMEX Report A37670)

Spitfire Resources Ltd held exploration licence E46/935, the South Woodie Woodie project, between 2011 to 2014. The licence covered the current project area and extended to the east. Spitfire targeted the area for manganese mineralisation. During 2011, Spitfire completed desktop studies of the E46/935 licence area, but did not undertake ground based exploration, due to the lack of access into the area. Based on the results of the desktop study,



Spitfire concluded that the licence had low prospectivity for hosting economic manganese mineralisation. The licence was surrendered in 2014. (WAMEX Report A102235)

6.6 Exploration Potential and Planned Work

The tenure under application has been applied for on the basis that a portion of the Archaean Hardey Formation is exposed within the tenement. Members of the Archaean Hardey Formation (some of the conglomeratic units), are known to host gold mineralisation in the western Pilbara.

The exploration potential is considered to be largely speculative in nature, and no evidence is available from current information, or the very limited previous exploration, to support the conceptual exploration target model. Therefore, exploration is required to confirm or otherwise the exploration model.

7 Technical Risks

A key risk, common to all exploration companies, is that the expected mineralisation may not be present or that it may be too small to warrant commercial exploitation.

The interpretations and conclusions reached in this Report are based on current scientific understanding and the best evidence available to the authors at the time of writing. It is the nature of all scientific conclusions that they are founded on an assessment of probabilities and, however high these probabilities might be, they make no claim for absolute certainty.

The ability of any person to achieve forward-looking production and economic targets is dependent on numerous factors that are beyond CSA Global's control and that CSA Global cannot anticipate. These factors include, but are not limited to, site-specific geological conditions, management and personnel capabilities, availability of funding to properly operate and capitalise the operation, variations in cost elements and market conditions, developing and operating the project in an efficient manner, unforeseen changes in legislation and new industry developments. Any of these factors may substantially alter the performance of any exploration operation.

7.1 Tasmanian Projects

The main non-technical risk associated with the Tasmanian Projects is the location of the projects, namely:

- Within the Southwest Conservation Area;
- Proximity to high-profile tourism operations and commercial fishing; and
- Proximity to the Franklin Gordon Wild Rivers National Park.

Exploration and potential mining activities involving ground disturbance, and any transport of machinery, materials and any potential processing and transport of economic minerals discovered, will need to be carefully managed to maintain a social licence to operate.

Lack of local infrastructure may also represent a risk to any potential future development activities.

7.1.1 *Thomas Creek*

As with most early exploration prospects, the key technical risk is that further exploration may not result in the discovery of an economic resource. The project is early stage, and significant exploration is still required to determine the likelihood of discovery.

7.1.2 *Henrietta*

The exploration potential is speculative, and significant work remains to be done to test the theory of magmatic nickel-copper-cobalt mineralisation in Western Tasmania. Thereafter, there is risk that no economic levels of mineralisation will be defined.

7.2 WA Projects

7.2.1 *Bulgera*

Defining and extracting remnant mineralisation from mature brownfield prospects can pose issues in relation to access around mined pits, underground mining voids, and even historical drillholes which may not have been accurately surveyed and located. The same would apply to planning of regional exploration around brown field sites.

These issues can be managed by careful verification and survey confirmation of historical drillhole locations and previous mining activity. Complexity is compounded by the high density of registered heritage sites very close to

the current pits and possibly adding to the time that may be required to prepare and lodge application for working plan approvals.

The Bulgera project area is a brown fields exploration area and has a substantial history of exploration. This mitigates the risk associated with green fields areas, where there is less information generally available.

The Bulgera areas presents a degree of technical complexity, in terms of the structural controls of mineralisation, but the exploration strategy proposed by Accelerate is appropriate in CSA Global's opinion.

7.2.2 Mount Monger

As with the Bulgera project, the Mount Monger project is also brown fields area, with a long history of exploration, and production from past and current mines in the area. As with all exploration projects, a key technical risk is that further exploration will not result in identifying a body of mineralisation sufficiently large to be considered an economic resource.

7.2.3 Comet

In the case of the Comet project area, there is a minor element of uncertainty, pending the grant of the tenement, however no obstacles to the successful grant of the application to POZ has been identified. The use of funds appropriately reflects the lower certainty of tenure at this point in time.

7.2.4 Pilbara

The exploration potential is speculative and significant work remains to be done to test the theory of conglomerate hosted gold mineralisation, and to be able to define mineralisation with the prospects for eventual economic extraction.

8 Use of Funds

Table 9 summarises Accelerate's proposed exploration expenditure for the initial 2 years after listing. The focus of exploration will be in the Mount Read (Sorell) tenements. The total expenditure on exploration in the first two years amounts to 58-64% the total funds raised (\$2.9 million, out of a total \$4.5 - \$5 million raised), and, of that, 72% (\$2.1 million) will be spent on exploration activities on the Mount Read Cobalt (Sorell) project.

CSA Global has reviewed the exploration programmes and is of the opinion that the programmes are appropriate, and the funds allocated will be sufficient to commence the proposed programmes, and sustain exploration activities over the first two years. Progressive expenditure will naturally depend on the success of the proposed exploration activities. The company may require additional funds, should the outcome of the initial stages of exploration require modifications to the proposed activities.

Table 9: Proposed use of Funds

Mount Read (Sorell) Cobalt Project	Year 1	Year 2	Total
Diamond Drilling and analysis	430,040	704,900	1,134,940
Petrological Studies	5,000	7,000	12,000
Site Preparation and support	303,960	429,100	733,060
IP and EM Geophysics (6km IP, 3km EM)	96,000	104,600	200,600
Soil Geochemistry	8,400	16,800	25,200
Sub-Total for Mount Read Project	843,400	1,262,400	2,105,800
Tasmania Sub-total	843,400	1,262,400	2,105,800
Bulgera Project			
Geophysics		55,000	55,000
RC Drilling and analysis	164,450	149,500	313,950
Field staff and Heritage survey	65,050	63,800	128,850
Sub-Total for Bulgera Project	229,500	268,300	497,800
Mount Monger Project			
AC Drilling and analysis	31,650	0	31,650
RC Drilling and analysis	80,600	111,600	192,200
Field Staff and Earth Moving	34,050	38,500	72,550
Sub-Total for Mount Monger Project	146,300	150,100	296,400
WA Sub-total	375,800	418,400	794,200
Grand Total			
	1,219,200	1,680,800	2,900,000

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10 Glossary

For brevity, the reader is referred to internet sources such as Wikipedia www.wikipedia.org

11 Abbreviations and Units of Measurement

dmtu	dry metric tonne units
g/t Au	Grams per tonne, gold
ha	hectares
km	kilometres
km ²	square kilometres
kT	thousands of tonnes
koz.	thousands of ounces
m	metres
mT	millions of tonnes
oz.	troy ounce (31.103 grams)
ppb	parts per billion
ppm	parts per million
%	percent
QAQC	quality assurance and quality control (for sampling and assaying)

Appendix 1: Tenement Schedule

Please refer to Schedule 1 of the Solicitors' Report for detail.

Project	Tenement	Holder	Status	Grant date	Expiry Date	Area
Tasmanian Tenements						
Mount Read Cobalt	EL6/2013	Thylacine Resources Pty Ltd	Granted	2/10/2013	1/10/2018	135 km2
	EL7/2013	Sherlock Minerals Pty Ltd	Granted	22/10/2013	21/10/2018	91 km2
WA Tenements						
Bulgera	E52/3316	POZ Minerals Ltd	Granted	8/08/2016	7/08/2021	11 Blocks
	E52/3276	POZ Minerals Ltd	Granted	18/08/2016	17/08/2021	1 Block
Mount. Monger	E25/525	POZ Minerals Ltd	Granted	17/11/2015	16/11/2020	3 Blocks
	E25/565	Accelerate Resources Limited	Granted	31/10/2017	30/10/2022	5 Blocks
Comet	E20/908	POZ Minerals Ltd	Application	2/09/2016	n/a	17 Blocks
Pilbara	E46/1192	Accelerate Resources Limited	Application	27/09/2017	n/a	10 Blocks

Appendix 2: JORC Table 1

Accelerate's Mount Read Cobalt Project

Section 1: Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
<i>Sampling techniques</i>	<i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i>	<p>Thomas Creek Prospect - Bulk soil samples collected at base of soil/top of deeply weathered saprolitic basement, at approximately 40cm depth. Samples submitted for assay typically weigh 2-3kg. The analytical data reproduced was generated by ALS Minerals Laboratories using industry standard methods. All certificates of analysis for samples processed for assay were present in the reporting.</p> <p>Henrietta Prospect - Reconnaissance rock chip samples of rare weathered outcrop were undertaken and submitted to ALS Laboratories for geochemical analysis. In addition portable hand held XRF analysis was undertaken.</p> <p>Historical soil, drill hole and rock chip geochemical data sourced from Mineral Resources Tasmania, Department of State Growth databases and open file Company Exploration Records. Certificates of analysis for samples processed for assay and for whole-rock geochemistry were present in the historical reporting.</p>
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	<p>Thomas Creek Prospect - Bulk soil sampling undertaken unless where stated in the table as a panned sample. Light to moderate panning provided a sample concentration of the heavy mineral fraction. The entire panned sample was then submitted for analysis.</p>
	<i>Aspects of the determination of mineralisation that are Material to the Public Report.</i>	<p>Henrietta Prospect – Rock sampling comprised limited reconnaissance sampling of rare outcrop in the area of known airborne VTEM anomalism.</p>
	<i>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i>	<p>Previous historical company soil sampling at Thomas Creek prospect involved hand dug holes to base of soil / top of deeply weathered saprolitic basement where possible, usually at approximately 30 to 50cm depth. Previous historical company drill assay results reproduced from open file historic reports. All sampling was undertaken from drill core.</p>



<i>Drilling techniques</i>	<i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i>	No drilling has been undertaken.
<i>Drill sample recovery</i>	<i>Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	No drilling has been undertaken.
<i>Logging</i>	<i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged.</i>	At the Thomas Creek Prospect the samples collected are qualitative and supports the soil geochemical data collated from historical published exploration reports. At Henrietta Prospect, only limited first pass rock chip sampling has been undertaken.
<i>Sub-sampling techniques and sample preparation</i>	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	Not applicable.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	Some of the soil samples defined in the table were panned to provide a concentrate of the heavy minerals.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	Sample preparation follows industry best practice standards and was conducted by internationally recognized ALS Minerals Laboratory. Historical open file company geochemical data records contain limited information on the nature and quality of the sampling. At the Thomas Creek prospect, the historical reporting states significant core loss was encountered in some sections of the holes drilled and as a consequence the subsequent geochemical analyses reported may not have accurately measured the mineral grades.
	<i>Quality control procedures adopted for all sub- sampling stages to maximise representivity of samples.</i>	Industry best practice has been adopted to ensure there is no cross contamination from sample prep.
	<i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i>	Thomas Creek Prospect - Sampling of the top of in situ saprolitic basement ensures the sample is representative of the source of the mineralisation. Henrietta Prospect – Sampling of weathered basement was undertaken and it is not known if these samples have undergone any leeching or enrichment due to weathering.

	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	Sample size (2-3kg) accepted as general industry standard.
<i>Quality of assay data and laboratory tests</i>	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	Assay and laboratory procedures have been selected following a review of techniques provided by internationally certified laboratories. Samples are submitted for multi-element analyses by ALS laboratories. The assaying completed is a total assay technique. Original certificates of analysis for samples processed for assay were present in the historical open file reporting and demonstrate the results published are accurate.
	<i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i>	Henrietta Prospect – Portable hand held Niton XRF utilized for analysis of weathered outcrop.
	<i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established</i>	Due to the early stage of exploration and type of work completed to date, no verification nor assaying has been undertaken to date. The results obtained however closely match historical sampling results from historical exploration activities by other explorers.
	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	Due to the early stage of exploration and type of work completed to date, no verification nor assaying has been undertaken to date.
<i>Verification of sampling and assaying</i>	<i>The use of twinned holes.</i>	No holes were twinned as no drilling was completed.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	All field data is manually collected, entered into excel spreadsheets, validated and loaded into a database. Photos have been taken to document the process from time to time Electronic data is stored on the Perth server. Data is exported from Access for processing by a number of different software packages. All electronic data is routinely backed up. No hard copy data is retained.
	<i>Discuss any adjustment to assay data.</i>	No adjustment to the assay data has been made.
<i>Location of data points</i>	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	Sample collected were surveyed by GPS with an accuracy of +/- 5m. Historical Company sample and drill hole locations based on published reporting and have not been field checked. These locations may have a larger error due to the poorer GPS and ground surveying technology available at the time.
	<i>Specification of the grid system used</i>	All samples are in GDA 94 MGA Zone 55.



	<i>Quality and adequacy of topographic control.</i>	Not applicable, however, nominal RLs based on regional topographic datasets are available for use.
Data spacing and distribution	Data spacing for reporting of Exploration Results.	Not applicable. Due to the early stage of exploration and type of reconnaissance work completed to date, the sampling is non-systematic nor representative.
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied.	No samples were composited.
Orientation of data in relation to geological structure	Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.	There is currently no known connection interpreted between the sampling of the data in relation to subsurface geological structures.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	Not applicable as no drilling was completed.
Sample security	The measures taken to ensure sample security.	Company geologist supervises all sampling and subsequent storage in field. Company geologist / senior staff deliver samples to the independent laboratory and receives an official receipt of delivery.
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	No audits have been completed.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.	Exploration Licence EL7/2013 is held by Sherlock Minerals Pty Ltd, and Exploration Licence EL6/2013 is held by Thylacine Resources Pty Ltd, a 100% owned subsidiary of Sherlock Minerals. There is no Native Title claim over the tenement area.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	All tenements are in good standing.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	Refer to Section 2.4.2 Previous Exploration
Geology	Deposit type, geological setting and style of mineralisation.	Refer to Section 2.4.2 Local Geology



<i>Drill hole Information</i>	<i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length.</i>	No drilling was completed.
<i>Data aggregation methods</i>	<i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i>	Due to the early stage of exploration and type of work completed to date, the sampling is non-systematic nor representative.
	<i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i>	No data has been aggregated.
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	No metal equivalent values have been reported.
<i>Relationship between mineralisation widths and intercept lengths</i>	<i>These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i>	No drilling was completed.
<i>Diagrams</i>	<i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	Suitable summary plans have been included in the body of this prospectus.
<i>Balanced reporting</i>	<i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	All relevant results have been reported.



<i>Other substantive exploration data</i>	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	All meaningful and material data reported.
Further work	The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large- scale step-out drilling).	Further mapping, geochemical sampling, geophysical surveying and drill testing is planned.

Bulgera project

Section 1 Sampling Techniques and Data

Criteria	JORC Code Explanation	Commentary
Sampling Techniques	Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	<p>A31215: RC. RC holes drilled using a face sampling bit. 1m samples collected through a cyclone into large a plastic bucket and split at 2:1 or 4:1 ratio through a riffle box splitter. Resulting in approximately 2kg of split sample.</p> <p>A41184: RAB. Drill cuttings were collected at 1m intervals through a cyclone and placed in individual piles. The samples were composited over 4m and submitted for analysis.</p> <p>RC. Drill cuttings were collected as 1m intervals, via a cyclone and were riffle split (4:1 ratio) to produce a ~2kg sample for assaying</p> <p>A44222: RC. RC drilling by Drillcorp. 1m samples submitted to Minlabs. No details given on drilling and sampling. Drilling and sampling methods are assumed to be the same as those used for RC drilling recorded in A41184, which used the same drilling company and laboratory.</p> <p>A51239: RAB. Drill cuttings were collected at 1m intervals through a cyclone and placed in individual piles. The samples were composited over 4m by scoop/spear and submitted for analysis.</p> <p>RC. Drill cuttings were collected as 1m intervals, via a cyclone and riffle split</p> <p>A62465: RC. RC holes drilled using a 5.5' face sampling bit. 1m samples collected through a cyclone and riffle box splitter set to 1/8, mounted on a sample trailer.</p> <p>A68298: RC. Drill cuttings were collected via a cyclone and passed through a 1:8 riffle splitter to produce a ± 4kg sample for assaying. Representative samples were taken at 1-metre intervals. 2 samples were collected, that for assaying and archiving. Archive material from the split was collected in calico and poly weave bags for storage and potential re-assaying.</p> <p>RAB: Drill cuttings were passed through a cyclone and then collected in a bucket. Each meter was placed in a spoil piles, 10 meters per line. The RAB programme was sampled in four meter composites. Each quadrant of each meter was scooped and placed in a calico bag. One sample of each composite was collected and sent to the PGM lab for aqua regia assaying.</p> <p>A102578: RC, RAB, DDH. This Final Surrender Report. Report was submitted by Ord River Resources (ORR) when M52/185 was relinquished. ORR acquired the ground from Dampier Gold Ltd as a Farm Out and Joint Venture. Following a review of the data, ORR relinquished the tenement. Drill holes in A102578 were drilled by Dampier (Plutonic) Pty Ltd (1230 drill holes), Barrick Gold of Australia Limited (418 drill holes), Homestake Gold of Australia Limited (39 drill holes), and ORR (1 drill hole). ORR gave no details on historic drilling or analytical procedures. However AX8 notes that many of the drill holes in A102578 are duplicates from A31215, A41184, A44222, A51239, A62465 and A68298, and the sampling and analytical techniques for most holes in A102578 can be inferred from the preceding exploration reports.</p>

		<p>The Competent Person is satisfied that the sampling techniques in described in the WAMEX reports are fit for the purpose of evaluating the prospectivity of the Bulgera project, in terms of assessing the historical exploration practices and the indicative results.</p>
	<p>Aspects of the determination of mineralisation that are Material to the Public Report.</p> <p>In cases where ‘industry standard’ work has been done this would be relatively simple (e.g. ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</p>	<p>A31215: RC. RC samples split at 2:1 or 4:1 ratio through a riffle box splitter. Resulting in approximately 2kg of split sample. Samples assayed for Au at Classic Laboratories in Meekatharra using a 50g fire assay.</p> <p>A41184: RAB. RAB samples were composited over 4m. Samples assayed for Au at Minlabs (Perth) by 50g Aqua Regia digest with AAS finish</p> <p>RC. RC samples riffle split (4:1 ratio) to produce a ~2kg sample. Samples assayed for Au at Minlabs (Perth), homogeneous miller preparation, 50g fire assay digest with AAS finish</p> <p>A44222: RC. RC drilling by Drillcorp. 1m samples submitted to Minlabs. No details given on drilling and sampling. Drilling and sampling methods are assumed to be the same as those used for RC drilling recorded in A41184, which used the same drilling company and laboratory.</p> <p>A51239: RAB. RAB samples were composited over 4m with scoop/spear. Samples assayed for Au at Minlabs (Perth) by AAS.</p> <p>RC. RC samples riffle split. Samples assayed for Au by Minlabs. Initially by AAS. All assays >0.8ppm Au reanalyzed by 50g fire assay.</p> <p>A62465: RC sample riffle split to 1/2 and collected in calico bags. Samples assayed for Au and As at Amdel using a 50g fire assay with AAS finish.</p> <p>A68298: RC. 1-2kg of chips were pulverised to 90% passing 75 µm to produce a 30g charge which was assayed for Au by aqua regia digestion and AAS. All samples indicating a potential mineralised zone were then forwarded to Amdel Laboratories for analysis by Fire Assay, using a 50 gram charge. 10% of samples sent to Amdel were then sent on to Genalysis for further check fire assaying. 10% of assays above 0.3ppm from the PGM lab were sent to Amdel for duplicate assaying and repeatability.</p> <p>RAB. one sample of each composite was collected and sent to the PGM lab for aqua regia assaying. Any 4 metre composite sample returning a grade greater than 0.12g/t was selected for 1m resampling.</p> <p>A102578: see Commentary 1, “Sampling Techniques” nature and quality of sampling.</p>

Drilling Techniques	Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	<p>A31215: Davies Drilling, modified Schramm RC rig. Holes drilled using a normal face sampling bit.</p> <p>A41184: RAB. Kennedy Drilling utilizing blade and hammer open hole drilling.</p> <p>RC. Drillcorp Drilling, using a Drilltech30 drill rig. Drilled using a normal face sampling bit.</p> <p>A44222: RC. RC drilling by Drillcorp. 1m samples submitted to Minlabs. No details given on drilling and sampling. Drilling and sampling methods are assumed to be the same as those used for RC drilling recorded in A41184, which used the same drilling company and laboratory.</p> <p>A51239: RC. RC drilling by Drillcorp using a T4 Schramm drill rig and Grimwood Davies using a Schramm 685.</p> <p>RAB. RABdrilling by Drillwest using a Gacro or KL150 drill rig.</p> <p>A62465: Drillcorp Schramm RC rigs. Holes drilled using a 5.5' face sampling bit.</p> <p>A68298: RC drilled by Drillcorp-Western Deephole using two T3E 500 drilling rig utilising a face sampling hammer equipped with a 51 /2" diameter bit.</p> <p>RAB: all RAB drilling was completed by Drillpower.</p> <p>A102578: see Commentary 1, "Sampling Techniques" nature and quality of sampling.</p> <p>The Competent Person is satisfied that the drilling techniques described in the WAMEX reports are fit for the purpose of evaluating the prospectivity of the Bulgera project, in terms of assessing the historical exploration practices and the indicative results.</p>
Drill sample Recovery	Method of recording and assessing core and chip sample recoveries and results assessed	<p>A31215: no details are provided.</p> <p>A41184: no details are provided.</p> <p>A44222: no details are provided.</p> <p>A51239: no details are provided.</p> <p>A62465: no details are provided.</p> <p>A68298: no details are provided.</p> <p>A102578: see Commentary 1, "Sampling Techniques" nature and quality of sampling.</p>
	Measures taken to maximise sample recovery and ensure representative nature of the samples	Drill sample recovery was not detailed in the historical records, but for the purpose of the assessment of the Bulgera project tenements, the recovery was assumed to be acceptable by the Competent Person , and will be tested by drilling planned by the company
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	Not assessed by previous exploration companies. The Competent Person has assumed that there is no material sample bias. However QAQC procedures will be observed in future drilling to monitor for bias.
Logging	Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource	Chips and core were geologically logged in detail, including, colour lithology, hardness and oxidation. The Competent Person is satisfied that logging is of an acceptable standard and fit for the purpose of assessing the prospectivity of the Bulgera project tenements.

	estimation, mining studies and metallurgical studies.	
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.	Logging was quantitative in nature. Information collected includes: A31215: colour, lithology. A41184: colour, lithology, oxidation, alteration, mineralisation. A44222: colour, lithology, grain size, hardness, water, sulphide %, alteration, comments A51239: colour, lithology, oxidation, mineralisation alteration, % quartz A62465: colour, oxidation, lithology, grain size, recovery, veining, mineralogy, magsus, BOCO, TOFR, comments A68298: colour, oxidation, lithology, grain size, recovery, veining, mineralogy, magsus, BOCO, TOFR, comments A102578: see Commentary 1, “ Sampling Techniques ” nature and quality of sampling.
	The total length and percentage of the relevant intersections logged	A31215, A41184, A44222, A51239, A62485, A68298: All drill holes were logged in full A102578: see Commentary 1, “ Sampling Techniques ” nature and quality of sampling.
Sub Sampling Techniques and Sample Preparation	If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.	A31215: Riffle split A41184: RAB. Drill cuttings were collected at 1m intervals through a cyclone. The samples were composited over 4m and submitted for analysis. RC. Drill cuttings were collected as 1m intervals, via a cyclone and were riffle splitt (4:1 ratio) to produce a ~2kg sample for assaying A44222: RC. RC drilling by Drillcorp. 1m samples submitted to Minlabs. No details given on drilling and sampling. Drilling and sampling methods are assumed to be the same as those used for RC drilling recorded in A41184, which used the same drilling company and laboratory. A51239: RAB. Drill cuttings were collected at 1m intervals through a cyclone and placed in individual piles. The samples were composited over 4m by scoop/spear and submitted for analysis. RC. Drill cuttings were collected as 1m intervals, via a cyclone and riffle split A62465: Riffle split A68298: RC. Drill cuttings were collected via a cyclone and passed through a 1:8 riffle splitter to produce a ± 4kg sample for assaying. RAB: Drill cuttings were passed through a cyclone and then collected in a bucket. Each meter was placed in a spoil piles, 10 meters per line. The RAB programme was sampled in four meter composites. Each quadrant of each meter was scooped and placed in a calico bag. A102578: see Commentary 1, “ Sampling Techniques ” nature and quality of sampling..
Sub Sampling Techniques and Sample Preparation (continued)		
	For all sample types, the nature, quality and appropriateness of the	A31215: RC. Samples assayed for Au at Classic Laboratories in Meekatharra. No details provided A41184: RAB. RAB samples were assayed for Au at Minlabs (Perth) by 50g Aqua Regia digest with AAS finish

	sample preparation technique.	<p>RC. RC samples assayed for Au at Minlabs (Perth), homogeneous mixermill preparation, 50g fire assay digest with AAS finish. AX8 deems this an appropriate technique for the style of mineralisation.</p> <p>A44222: RC. RC samples assayed for Au at Minlabs. No details given on sampling and assaying. Drilling and sampling methods are assumed to be the same as those used for RC drilling recorded in A41184, which used the same drilling company and laboratory.</p> <p>A51239: RAB. RAB samples assayed for Au at Minlabs (Perth) by AAS. Sample preparation details not given. AX8 deems this an appropriate technique for the style of mineralisation.</p> <p>RC. RC samples assayed for Au by Minlabs. Initially by AAS. All assays >0.8ppm Au reanalyzed by 50g fire assay. Sample preparation details not given. AX8 deems this an appropriate technique for the style of mineralisation.</p> <p>A62465: Samples were sent to Amdel for drying and grinding. AX8 deems this an appropriate technique for the style of mineralisation.</p> <p>A68298: RC. 1-2kg of chips were pulverised to 90% passing 75 µm to produce a 30g charge which was assayed for Au by aqua regia digestion and AAS. All samples indicating a potential mineralised zone were then forwarded to Amdel Laboratories for analysis by Fire Assay, using a 50 gram charge.</p> <p>RAB: sample prep techniques were not given.</p> <p>A102578: see Commentary 1, “Sampling Techniques” nature and quality of sampling..</p>
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	<p>A31215: All samples collected through a cyclone and then riffle split.</p> <p>A41184: RAB. Drill cuttings were collected at 1m intervals through a cyclone and placed in individual piles. The samples were composited over 4m. No details provided on splitting</p> <p>RC. Drill cuttings were collected as 1m intervals, via a cyclone and were riffle splitt (4:1 ratio) to produce a ~2kg sample for assaying</p> <p>A44222: RC. RC drilling by Drillcorp. 1m samples submitted to Minlabs. No details given on drilling and sampling. Drilling and sampling methods are assumed to be the same as those used for RC drilling recorded in A41184, which used the same drilling company and laboratory.</p> <p>A51239: RAB. Drill cuttings were collected at 1m intervals through a cyclone and placed in individual piles. The samples were composited over 4m by scoop/spear and submitted for analysis.</p> <p>RC. Drill cuttings were collected as 1m intervals, via a cyclone and riffle split</p> <p>A62465: All samples collected through a cyclone and then riffle split.</p> <p>A68298: RC. All samples collected through a cyclone and then riffle split.</p> <p>RAB: each pile of drill spoil was sampled four times, one sample from each quadrant, and then compiled into 4m composites.</p> <p>A102578: see Commentary 1, “Sampling Techniques” nature and quality of sampling..</p>



	<p>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</p>	<p>A31215: All samples collected as 1m samples through a cyclone and then riffle split.</p> <p>A41184: RAB. Drill cuttings were collected at 1m intervals through a cyclone and placed in individual piles. The samples were composited over 4m. No details provided on splitting</p> <p>RC. Drill cuttings were collected as 1m intervals, via a cyclone and were riffle splitt (4:1 ratio) to produce a ~2kg sample for assaying</p> <p>A44222: RC. Drill cuttings were collected as 1m intervals and submitted to Minlabs. No details given on drilling and sampling. Drilling and sampling methods are assumed to be the same as those used for RC drilling recorded in A41184, which used the same drilling company and laboratory.</p> <p>A51239: RAB. Drill cuttings were collected at 1m intervals through a cyclone and placed in individual piles. The samples were composited over 4m by scoop/spear and submitted for analysis.</p> <p>RC. Drill cuttings were collected as 1m intervals, via a cyclone and riffle split</p> <p>A62465: All samples collected as 1m samples through a cyclone and then riffle split.</p> <p>A68298: RC. 2 samples were collected, that for assaying and archiving. Archive material from the split was collected in calico and polyweave bags for storage and potential re-assaying.</p> <p>RAB: not recorded</p> <p>A102578: see Commentary 1, “Sampling Techniques” nature and quality of sampling.</p>
	<p>Whether sample sizes are appropriate to the grain size of the material being sampled.</p>	<p>No examples of coarse gold affecting gold assay results have been recognized by AX8 in the historic Marymia data. As such the drill techniques used in historic drilling are considered appropriate to the grain size of the material being sampled.</p>

Quality of assay data and laboratory tests	The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.	<p>A31215: Samples analysed by Classic Laboratories by 50g fire assay. Sample digestion description not given.</p> <p>A41184: RAB. RAB assayed for Au at Minlabs (Perth) by 50g Aqua Regia digest with AAS finish. This technique is considered total.</p> <p>RC. RC samples assayed for Au at Minlabs (Perth), homogeneous mixermill preparation, 50g fire assay digest with AAS finish. This technique is considered total.</p> <p>A44222: RC. RC samples assayed for Au at Minlabs. No details given on drilling and sampling. Drilling and sampling methods are assumed to be the same as those used for RC drilling recorded in A41184, which used the same drilling company and laboratory.</p> <p>A51239: RAB. RAB samples assayed for Au at Minlabs (Perth) by AAS. Sample preparation details not given. This technique is considered total.</p> <p>RC. RC samples assayed for Au by Minlabs. Initially by AAS. All assays >0.8ppm Au reanalyzed by 50g fire assay. Sample preparation details not given. This technique is considered total.</p> <p>A62465: Samples analysed by Amdel. Sample digestion description not given.</p> <p>A68298: RC. Aqua regia digest, AAS analysis. This technique is considered total.</p> <p>RAB: not recorded</p> <p>A102578: see Commentary 1, “Sampling Techniques” nature and quality of sampling.</p> <p>The Competent Person is of the opinion that the quality of sampling and analysis is appropriate for the mineralisation style, and fit for the purpose of assessing the prospectivity of the Bulgera project tenements. The work was undertaken by Resolute, Barrick/Homestake, using modern laboratories (Amdel, etc) and industry standard methods.</p>
	For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	No geophysical tools were used to determine element concentrations
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	<p>Standard laboratory QAQC involves the use of internal lab standards using certified reference material, blanks, splits and replicates as part of the in house procedures. In addition to this:</p> <p>A31215: No further information is provided.</p> <p>A41184: No further information is provided.</p> <p>A44222: No further information is provided.</p> <p>A51239: No further information is provided.</p> <p>A62465: No further information is provided.</p> <p>A68298: RC and RAB: This information is not provided</p> <p>A102578: see Commentary 1, “Sampling Techniques” nature and quality of sampling.</p>
Verification of	The verification of significant intersections by either	Not reported.

sampling and assaying	independent or alternative company personnel.	
	The use of twinned holes.	No twinned holes were drilled
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	All data has been extracted from the WAMEX database and from Accession Reports A31215, A41184, A44222, A51239, A62465, A68298 and A102578
	Discuss any adjustment to assay data.	AX8 is not aware of any adjustments to the assay data
Location of Data points	Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.	<p>A31215: No detailed information on surveying is provided. The holes are noted to have been “surveyed” with collar positions given to two decimal places. No details are provided for down hole surveying.</p> <p>A41184; Drill collar surveying details not provided.</p> <p>A44222: Drill collar surveying details not provided.</p> <p>A51239: Drill collar surveying details not provided.</p> <p>A62465: . Drill collar surveying details not provided. All RC and Diamond drill holes were down hole surveyed at 30 to 50m intervals using an Eastman single shot camera recording hole inclination and azimuth. A number of holes including deeper RC holes were down hole surveyed by Surtron, using either a gyro or DEMS tool.</p> <p>A68298: all drillhole collars surveyed by Plutonic Gold Mine surveyors using DGPS. All Diamond drill holes were down hole surveyed at 30 to 50m intervals using an Eastman single shot camera recording hole inclination and azimuth. A number of holes including deeper RC holes were down hole surveyed by Surtron, using either a gyro or DEMS tool.</p> <p>A102578: see Commentary 1, “Sampling Techniques” nature and quality of sampling</p> <p>The Competent Person has assumed that accuracy of the drill collars is accurate to ± 5m or better, which is within acceptable parameters for drilling of that period. It is assumed that the majority of the drill hole collars were surveyed by Plutonic Gold Mine surveyors for the purposes of ore reserve estimation studies.</p>
	Specification of the grid system used.	Grid system is MGA94 zone 51
	Quality and adequacy of topographic control.	No topographic controls are recorded.
Data spacing and distribution	Data spacing for reporting of Exploration Results.	Drill hole positions are shown in Figure 21 of the Independent Geologists Report
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	Not applicable at this stage of exploration

	Whether sample compositing has been applied.	RAB drilling was composited at 3 to 6 metre intervals. RC drilling was sampled every metre.
Orientation of data in relation to geological structure	Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.	Mineralisation at Marymia generally dips around 30° to the northwest. The majority of drilling was conducted on a grid oriented at 52.5°, so that drilling is oriented approximately perpendicular to regional strike and mineralisation orientation. A drill hole plunging at 60° is approximately perpendicular to mineralisation. The Competent Person is satisfied that the orientation of data is appropriate for these target areas. Drilling has been oriented generally perpendicular to strike.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	Any sampling bias due to drill hole orientation is not known at this stage
Sample Security	The measures taken to ensure sample security.	These criteria are not reported, and has been assumed to be typical for the day, and in the Competent Person's opinion adequate for the purpose of assessing the prospectivity of the Bulgera project tenements.
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	At this early stage of assessment, no review of the sampling techniques and data has been initiated or is possible for the historic drilling data

Section 2 Reporting of Exploration Results

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.	Exploration Licences E52/3276 and E52/3316 are 100% held by POZ Minerals with no current agreement in place with any Native Title Party. AX8 has an agreement with POZ to acquire a 100% interest in licences E52/3276 and E52/3316 Both tenements are wholly within the Gingirana Native Title determination area.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The tenements were granted on 18/08/2016 (E52/3276) and 08/08/2016 (E52/3316) with no impediments. Artefact scatter centroid coordinates: 784760mE, 7219633mN. Radius 200m. This centroid is 140m SSE from the edge of Bulgera pit.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	Please see Section 3 of this report
Geology	Deposit type, geological setting and style of mineralisation.	Please see Section 3 of this report

Drill hole Information	<p>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</p> <ul style="list-style-type: none"> • easting and northing of the drill hole collar • elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar • dip and azimuth of the hole • down hole length and interception depth • hole length. 	See: Appendix 3 of this report
Data aggregation methods	<p>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</p>	<p>Where present, multiple gold assays for individual samples were averaged to give a single useable gold value for that interval.</p> <p>Once the above was done, the gold values used in Figure 22 and were calculated as simple averages for all gold values over the reported intervals. Due to the apparent lack of a coarse gold sampling issue and the context of the use of the results (as an exploration target only), it was deemed this was appropriate.</p>
	<p>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</p>	Not Applicable, as no sample aggregation was applied.
	<p>The assumptions used for any reporting of metal equivalent values should be clearly stated.</p>	Not Applicable, as no metal equivalent values were used

Relationship between mineralisation widths and intercept lengths	These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	Mineralisation at Marymia generally dips shallowly to the northwest. The majority of drilling was conducted on a grid oriented at 52.5°, so that drilling is oriented approximately perpendicular to regional strike and mineralisation orientation. A drill hole plunging at 60° is approximately perpendicular to mineralisation.
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	Refer to Figure 21 and Figure 22 in Section 3.8 of the Independent Geologists' Report
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	Reported exploration results for drill holes listed in this Report are available from Accelerate, and have not been included in this report for brevity.
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	The attached report covers geological setting, regional geology, project scale geology, structure and mineralisation. No geotechnical or groundwater information was sourced. Regional open source magnetics data is available and was used. Sulphides occur in the quartz veins and consist of pyrite with minor pyrrhotite, arsenopyrite and chalcopyrite. High grade gold intercepts often contain traces of scheelite. Given 440,799 tonnes of material from Bulgera are reported as having been previously mined and treated through the plutonic mill, there would be a reasonable expectation that the metallurgy of that Bulgera ore was suitable for commercial treatment at that mill. Density data was available but is variable depending on your depth or position in the weathering profile.
Further work	The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).	Targets for exploration consist of down dip extensions, on strike extensions and extensions to other existing areas of known mineralisation.. These targets will be assessed by proposed RC drilling programs



	<p>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive</p>	
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Appendix 3: Drill Hole Information

Drillhole Information

HoleID	mE_MGA94	mN_MGA94	RL m	Type	Depth m	Dip	Azi_Grid
BC415001	784806	7219940	624	RC	30	-60	142.8
BC415002	784797	7219952	625	RC	40	-60	142.8
BG008	784818	7219924	624	RC	30	-60	142.8
BG009	784782	7219971	624	RC	70	-60	142.8
HGB2432501	785164	7219758	627	RC	45	-60	142.8
HGB2432502	785176	7219742	626	RC	40	-60	142.8
HGB2432503	785188	7219726	626	RC	30	-60	142.8
HGB2432504	785200	7219711	626	RC	20	-60	142.8
HGR092	784820	7219095	619	RAB	42	-60	142.8
HGR093	784808	7219111	619	RAB	42	-60	142.8
HGR094	784796	7219127	619	RAB	38	-60	142.8
HGR097	784844	7219063	619	RAB	40	-60	142.8
HGR098	784832	7219079	619	RAB	40	-60	142.8
HGR099	784802	7219119	619	RAB	60	-60	142.8
HGR103	784784	7219143	619	RAB	80	-60	142.8
HGR274	785123	7219275	622	RAB	44	-60	142.8
HGR275	785099	7219307	622	RAB	50	-60	142.8
HGR276	785086	7219323	622	RAB	50	-60	142.8
HGR277	785074	7219339	622	RAB	50	-60	142.8
HGR278	785062	7219355	622	RAB	50	-60	142.8
HGR279	785050	7219371	622	RAB	50	-60	142.8
HGR280	785038	7219386	622	RAB	50	-60	142.8
HGR342	785306	7219364	623	RAB	50	-60	142.8
HGR343	785294	7219380	625	RAB	50	-60	142.8
HGR344	785282	7219396	625	RAB	50	-60	142.8
HGR345	785270	7219412	625	RAB	50	-60	142.8
HGR346	785258	7219428	625	RAB	50	-60	142.8
HGR347	785246	7219444	625	RAB	50	-60	142.8
HGR348	785234	7219460	625	RAB	50	-60	142.8
HGR349	785221	7219476	625	RAB	50	-60	142.8
HGR350	785209	7219492	626	RAB	50	-60	142.8
HGR351	785197	7219507	625	RAB	50	-60	142.8
HGR352	785185	7219523	625	RAB	50	-60	142.8
HGR353	785173	7219539	625	RAB	50	-60	142.8
HGR374	785002	7219434	622	RAB	50	-60	142.8
HGRC017	784850	7219055	619	RC	34	-60	142.8
HGRC018	784838	7219071	619	RC	54	-60	142.8
HGRC023	784826	7219087	619	RC	52	-60	142.8
HGRC024	784814	7219103	619	RC	60	-60	142.8
HGRC031	785264	7219420	625	RC	60	-60	142.8
HGRC032	785252	7219436	625	RC	65	-60	142.8



HGRC033	785240	7219452	625	RC	82	-60	142.8
HGRC034	785228	7219468	625	RC	88	-60	142.8
HGRC035	785044	7219379	622	RC	70	-60	142.8

HoleID	mE_MGA94	mN_MGA94	RL m	Type	Depth m	Dip	Azi_Grid
HGRC036	785020	7219410	622	RC	90	-60	142.8
HGRC061	785215	7219484	626	RC	70	-60	142.8
HGRC071	785203	7219500	626	RC	81	-60	142.8
MCRC009	785080	7219330	621	RC	25	-60	142.8
MCRC010	785069	7219345	622	RC	35	-60	142.8
MCRC011	785057	7219361	622	RC	45	-60	142.8
MHRC026	785122	7219275	599	RC	145	-60	142.8
MCRC032	784862	7219038	619	RC	20	-60	142.8
MCRC050	785032	7219393	622	RC	60	-60	142.8
MCRC066	785195	7219717	626	RC	25	-60	142.8
MCRC067	785182	7219733	626	RC	40	-60	142.8
MCRC068	785170	7219749	627	RC	50	-60	142.8
MCRC079	785159	7219764	627	RC	55	-60	142.8
MCRC080	785146	7219781	627	RC	65	-60	142.8
MCRC081	785206	7219701	626	RC	20	-60	142.8
MCRC094	785304	7219367	623	RC	40	-60	142.8
MCRC096	785299	7219374	624	RC	50	-60	142.8
MHRC027	784930	7219529	599	RC	241	-60	142.8
MRC224	786116	7220301	579	RC	33	-60	142.8
RRRC011	786120	7220277	639	RC	30	-60	142.8
RRRC012	786096	7220309	641	RC	50	-60	142.8



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6. Solicitor's Report

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29 November 2017

The Directors
Accelerate Resources Limited
Suite 1, 16 Ord Street
WEST PERTH WA 6005

Dear Directors

Accelerate Resources Limited Solicitor's Report - Mining Tenements

This report (**Report**) has been prepared for inclusion in a prospectus to be issued by Accelerate Resources Limited (ACN 617 821 771) (**Company**) dated on or about 30 November 2017 for the offer of a minimum of 22.5 million fully paid ordinary shares in the capital of the Company (**Shares**) and a maximum of 25 million Shares at an issue price of \$0.20 each to raise a minimum of \$4.5 million and a maximum of \$5 million (before costs) (**IPO Offer**), as well as an offer of up to 5,000,000 options to the lead manager (or its nominees) in consideration for capital raising services provided to the Company (**Prospectus**).

1. Scope

We have been requested to report on:

- (a) certain mining tenements located in Tasmania (**Tasmanian Tenements**) which the Company intends to acquire an interest in through a tenement sale agreement dated 10 October 2017 between the Company, Sherlock Minerals Pty Ltd (ACN 162 743 991) (**Sherlock**) and Thylacine Resources Pty Ltd (ACN 128 976 778) (**Thylacine**), as amended (**Mt Read Agreement**); and
- (b) certain mining tenements located in Western Australia (**WA Tenements**) which the Company holds or intends to acquire an interest in through a tenement sale agreement dated 28 April 2017 between the Company and POZ Minerals Limited (ACN 129 158 550) (**POZ**), as amended (**POZ Agreement**).

Details of the Tasmanian Tenements and the WA Tenements (together, the **Tenements**) are set out in Schedule 1 of this Report and must be read in conjunction with this Report.

2. Opinion

As a result of:

- (a) our review of the Mt Read Agreement and the POZ Agreement (together, the **Sale Agreements**), summaries of which are set out in paragraph 5; and
- (b) our searches and enquiries, summaries of which are set out in paragraph 6,

and subject to the assumptions, qualifications and exceptions set out in paragraph 12 of this Report, we are of the view that, as at the date of the relevant searches, this Report provides an accurate statement as to:

- (c) **(Company's interest)** the Company's interest in the Tenements;
- (d) **(good standing)** the validity and good standing of the Tenements; and
- (e) **(third party interests)** third party interests, including encumbrances (if any), in relation to the Tenements.

3. Executive summary

The Tenements comprise:

- (a) the Tasmanian Tenements, being 2 granted exploration licences, EL6/2013 and EL7/2013; and
- (b) the WA Tenements, being:
 - (i) 3 exploration licences (E52/3316, E52/3276 and E25/525) and 1 application for an exploration licence (E20/908) currently held by POZ (together, **WA Sale Tenements**); and
 - (ii) 1 exploration licence (E25/565) and 1 application for an exploration licence (E46/1192) in the Company's name (**AX8 Tenements**).

Subject to the qualifications, assumptions and exceptions set out in this Report, we consider the following to be a summary of the key issues in relation to the Tenements:

- (a) **(Company's interests)** the Company does not have a registered legal interest in the Tenements, other than the AX8 Tenements. The Company has an equitable interest under the Sale Agreements to acquire a 100% interest in the remaining Tenements, subject to satisfaction of certain conditions. We express no opinion as to the likelihood of the satisfaction of those conditions. Further details of the Sale Agreements are set out in paragraph 5 of this Report;
- (b) **(native title)** active native title claims affect the land underlying all WA Tenements except the exploration licences comprising the Mt Monger Project (being E25/525 and E25/565). It is possible that native title claims could be made in respect of any of the Tenements in the future. Our enquiries have not uncovered anything to indicate that the granted Tenements have not been validly granted in compliance with the procedures set out in the *Native Title Act 1993* (Cth) (**NTA**);
- (c) **(Aboriginal heritage)** there is one registered Aboriginal site and a number of other heritage places within the area of the WA Tenements (see Schedule 2).

We have been advised by Aboriginal Heritage Tasmania that there are several Aboriginal heritage sites within and in close proximity to the identified exploration areas within the Tasmanian Tenements and that further advice should be sought from Aboriginal Heritage Tasmania in relation to any future work programs (when they are submitted). We have been advised by Mineral Resources Tasmania (MRT) that there are no recorded Aboriginal heritage sites that affect the area covered by the two approved exploration work programs in respect of the Tasmanian Tenements (at the time those programs were approved).

The absence of other registered Aboriginal sites does not preclude the existence of Aboriginal sites located within the boundaries of the Tenements and the Company has reporting obligations in relation to any potential Aboriginal heritage sites that it discovers. Aboriginal sites may exist in the area of the Tenements that have not been recorded in the registers but remain fully protected under the relevant State and/or Commonwealth legislation; and

- (d) **(pastoral leases)** pastoral leases underlie each of the granted WA Tenements. Further details are provided in paragraph 9 of this Report. The Company will need to comply with the requirements of the *Mining Act 1978 (WA)* (**WA Mining Act**), in respect of its activities on these pastoral leases. Compensation may be payable to pastoralists in relation to the Company's activities on pastoral leases in certain circumstances.

No leases have been identified that overlap the area of the Tasmanian Tenements. However, any lease affecting the Tasmanian Tenements is not readily ascertainable as there is no requirement for leases to be registered in Tasmania and, unless a lease is registered pursuant to section 64 of the *Land Titles Act 1980 (Tas)*, it is not capable of being searched in the Land Information System Tasmania. In addition, leases for a duration of 3 years or less are not capable of registration.

4. Risk factors

- (a) **Title risks**

At the date of this Report, the Company only has a registered legal interest in two Tenements: one granted exploration licence and one application for an exploration licence in Western Australia. The Company only has an equitable interest under the Sale Agreements to acquire a 100% interest in the remaining Tenements, subject to the satisfaction of certain conditions. There is a risk that if the conditions to the Sale Agreements are not satisfied or waived, and the Sale Agreements do not complete, that the Company will not acquire an interest in all of the Tenements.

If the Sale Agreements do not complete or a Tenement is not granted, transferred and/or renewed, the Company may suffer significant damage through loss of opportunity to discover and develop any mineral resources on that Tenement.

All of the Tenements carry with them annual expenditure and reporting commitments and will be subject to applications for renewal, the success of which cannot be guaranteed. One of the WA Sale Tenements has reporting obligations in relation to the minimum expenditure requirements due at or around the time of this Report and we cannot comment on whether these minimum expenditure requirements have been met. Under the POZ

Agreement, POZ is responsible for keeping the WA Sale Agreements in good standing and so will be responsible for lodging the required forms.

(b) Native title and Aboriginal heritage risks

The existence of native title and/or native title claims in relation to the land the subject of the Tenements may affect the Company's ability to obtain the grant of future tenure over the Tenements or in their vicinity. If the Tenements have not been validly granted in compliance with the NTA, this may have an adverse impact on the Company's activities.

Aboriginal sites and objects exist on the land the subject of the Tenements and there is a risk that further Aboriginal sites and objects may exist in the area of the Tenements that have not been recorded in the registers but remain fully protected under the relevant State and/or Commonwealth legislation. The existence of such sites and objects may preclude or limit mining activities in certain areas of the Tenements. Further, the disturbance of such sites and objects is likely to be an offence under the applicable legislation, exposing the Company to fines and other penalties.

(c) Environmental risks

We understand that the Tasmanian Tenements are located on the Southwest Conservation Area, which has been designated as High Quality Wilderness and is also adjacent to the Franklin-Gordon Wild Rivers National Park. Whilst the current exploration work programs on the Tasmanian Tenements have been approved (see Schedule 1 for further details), it is possible that future proposed exploration and mining operations that include ground disturbance may be objected to which may cause delays or may mean that approvals are difficult to obtain or may contain onerous conditions.

(d) Third party risks

Under State and Commonwealth legislation, the Company may be required to obtain the consent of and/or pay compensation to the holders of third party interests which overlay areas within the Tenements, including native title claims and pastoral leases, in respect of exploration or mining activities on the Tenements.

Any delay in obtaining necessary consents may impact on the Company's ability to carry out exploration or mining activities within the affected areas.

5. Summary of Sale Agreements

(a) Mt Read Agreement

On 10 October 2017, the Company entered into the Mt Read Agreement with Sherlock and Thylacine for the acquisition of the Tasmanian Tenements. Consideration payable by the Company to Sherlock (or its nominees) is comprised of:

- (i) a non-refundable cash deposit of \$15,000 (inclusive of GST);
- (ii) 2,000,000 Shares at a deemed issued price of \$0.20 each; and
- (iii) 3,000,000 unquoted options to acquire Shares, exercisable at \$0.25 each on or before 30 April 2021.

Completion of the Mt Read Agreement is conditional upon the satisfaction of the following conditions precedent:

- (i) ASX Limited granting the Company conditional approval (subject only to the imposition of conditions satisfactory to the Company's directors, acting reasonably) for its Shares to be listed for quotation on the Australian Securities Exchange (**ASX**);
- (ii) Sherlock and Thylacine obtaining any approvals or consents for the transfer of the Tasmanian Tenements required under the law of Tasmania;
- (iii) the Company conducting due diligence in respect of the Tasmanian Tenements and being satisfied with such due diligence. We have been advised by the Company that this condition has been satisfied;
- (iv) the Company securing a cornerstone investor prepared to commit \$1 million or more by 31 December 2017 and having made its best endeavours to have a lead manager mandated by this date in respect of the Company's initial public offering. We note that the Company entered into a lead manager mandate with GTT Ventures Pty Ltd on 3 November 2017 and that Sherlock confirmed on 7 November that this condition had been satisfied; and
- (v) the Company obtaining all necessary regulatory and shareholder approvals or waivers or modifications in relation to the Company's entry to the ASX official list, pursuant to the ASX Listing Rules and the *Corporations Act 2001* (Cth).

The parties have until 31 March 2018 (or such other date as agreed to by the parties) to satisfy the conditions outlined above that have not already been satisfied.

On 27 November 2017, the parties executed a separate deed of access to ensure that, notwithstanding that the Tasmanian Tenements may remain legally registered in the name of Sherlock and Thylacine for a period of time following completion:

- (i) the Company shall be entitled to exclusive possession and unfettered access to the Tasmanian Tenements; and
- (ii) any and all rights associated with the Tasmanian Tenements will be exercised by the Company in Sherlock and Thylacine's names (as applicable) and will be held on trust by Sherlock and Thylacine as bare trustees for the Company.

Sherlock and Thylacine have acknowledged the manner in which these rights are to be exercised, in the event these circumstances arise.

The Company is entitled to register the Mt Read Agreement against the Tasmanian Tenements with MRT to protect the Company's interests under the Mt Read Agreement.

Following completion of the Mt Read Agreement, the Company is required to lodge a replacement security deposit with the Mineral Resources Tasmania Department of State Growth (expected to be approximately \$46,000), and repay the current security deposit to Sherlock.

Sherlock and Thylacine have covenanted that they will ensure the Tasmanian Tenements are kept in good standing (including paying all rents) until settlement and have provided the Company with warranties in relation to ownership, encumbrances and good standing of the Tasmanian Tenements.

The remainder of the terms and conditions of the Mt Read Agreement are considered standard for an agreement of this nature.

(b) **POZ Agreement**

On 28 April 2017, the Company entered into the POZ Agreement with POZ for the acquisition of the WA Sale Tenements (which was amended by a deed dated 1 September 2017, that extended the conditions precedent satisfaction date). Consideration payable by the Company to POZ is comprised of:

- (i) 3,000,000 Shares at a deemed issue price of \$0.20 per Share;
- (ii) 1,000,000 unquoted options to acquire Shares, exercisable at \$0.25 each on or before 30 April 2021;
- (iii) an aggregate \$60,000 (plus GST) cash payment as reimbursement of previous expenditure, of which \$30,000 is payable as a non-refundable cash deposit; and
- (iv) a 1% net smelter return royalty in respect of all minerals mined from the WA Sale Tenements.

Completion of the POZ Agreement is conditional upon the satisfaction of the following conditions precedent:

- (i) completion of the IPO Offer;
- (ii) the Company obtaining a conditional admission letter from ASX on terms satisfactory to the directors of the Company, acting reasonably;
- (iii) the Company obtaining all necessary regulatory and shareholder approvals or waivers or modifications in relation to the Company's entry to the ASX official list, pursuant to the ASX Listing Rules and the *Corporations Act 2001* (Cth); and
- (iv) POZ obtaining any necessary shareholder approval under ASX Listing Rule 11.4 of the sale of the WA Sale Tenements. We have been advised that POZ has notified the Company that it is not required to obtain shareholder approval (on the basis that a priority offer is made to POZ shareholders as part of the IPO Offer).

If completion of the POZ Agreement does not occur on or before 31 March 2018, or such other date agreed between the parties, the POZ Agreement shall be deemed to be at an end.

If POZ's right and interest in the WA Sale Tenements is not capable of being transferred to the Company on completion, any and all rights associated with the WA Sale Tenements will be exercised by the Company in POZ's name and will be held on trust by POZ as bare trustee for the Company. POZ has acknowledged the manner in which these rights are to be exercised, in the

event these circumstances arise. The POZ Agreement gives the Company a right to lodge caveats over the WA Sale Tenements.

POZ has covenanted that it will ensure the WA Sale Tenements are kept in good standing until settlement. POZ has provided the Company with warranties in relation to ownership, encumbrances and good standing of the WA Sale Tenements.

The remainder of the terms and conditions of the POZ Agreement are considered standard for an agreement of this nature.

6. Searches

For the purposes of this Report, we have conducted searches and made enquiries in respect of all of the Tenements as follows (**Searches**):

(a) searches of:

- (i) the electronic register maintained by the Western Australian Department of Mines, Industry Regulation and Safety (**DMIRS**) pursuant to the WA Mining Act with respect to the WA Tenements; and
- (ii) the electronic register maintained by MRT pursuant to the *Mineral Resources Development Act 1995* (Tas) (**Tasmanian Mining Act**) with respect to the Tasmanian Tenements,

(together, **Tenement Searches**). The Tenement Searches were conducted on 21 November 2017. Key details on the status of the Tenements are set out in Schedule 1 of this Report;

- (b) results of searches of the schedule of native title applications, register of native title claims, national native title register, register of indigenous land use agreements (**ILUA**) and national land use agreements as maintained by the Australian National Native Title Tribunal (**NNTT**) for any native title claims (registered or unregistered), native title determinations and ILUAs that overlap or apply to the Tenements. This material was obtained on 17 November 2017. Details of any native title claims (registered or unregistered), native title determinations and ILUAs are set out in paragraph 10(k) and Schedule 2 of this Report;
- (c) searches from the online Aboriginal Heritage Inquiry System maintained by the Department of Aboriginal Affairs for any Aboriginal sites registered on the WA Register of Aboriginal sites and other heritage places overlapping the WA Tenements (**Heritage Searches**). These searches were conducted on 21 November 2017 and 27 November 2017. Details of any WA Aboriginal sites are set out in paragraph 11(f) of this Report;
- (d) an Aboriginal heritage desktop review received from Aboriginal Heritage Tasmania on 27 November 2017. We have also reviewed approvals from MRT in relation to exploration work programs applied for in respect of the Tasmanian Tenements and correspondence received from MRT on 23 November 2017 in relation to Aboriginal heritage searches undertaken in respect of those exploration program areas. Details of any Tasmanian Aboriginal sites are set out in paragraph 11(e) of this Report; and

- (e) quick appraisal user searches of the Tengraph system maintained by the DMIRS in relation to the WA Tenements (**Tengraph Searches**). These searches were conducted on 21 November 2017. Details of any material issues identified from the Tengraph Searches are set out in the notes to Schedule 1.

7. **Tasmanian Mining Tenements**

The Tasmanian Tenements are exploration licences (prefixed "EL") granted under the Tasmanian Mining Act.

The area of the Tasmanian Tenements comprises the land tenure type being conservation land. Before any on ground exploration activity can proceed in the area of the Tasmanian Tenements, all proposed exploration work programs must be approved by MRT.

Unless stated otherwise or specifically excluded from the Tasmanian Tenements, the land tenures and administrative management zones are available for exploration. It is important to refer to Schedule 1 for details of the exclusions applying to each Tasmanian Tenement.

(a) **Exploration Licences**

(i) Application and authority

A person may lodge an application for an exploration licence in accordance with the Tasmanian Mining Act and the Minister responsible for the Tasmanian Mining Act (**Tasmanian Minister**) will determine whether to grant the application. The Tasmanian Minister may grant a licence subject to any conditions the Tasmanian Minister considers appropriate and may vary any condition of the licence by rescinding, adding, substitution, or amending a condition.

A granted exploration licence authorises the holder to enter on to and explore the type of minerals specified in the exploration licence. Exploration licences may be granted for one or more of the following mineral categories:

- (A) Category 1 - metallic minerals and atomic substances;
- (B) Category 2 - coal, peat, lignite, oil shale and coal seam gas;
- (C) Category 3 - rock, stone, gravel, sand and clay used in construction, bricks and ceramics;
- (D) Category 4 - petroleum products except oil shale;
- (E) Category 5 - industrial minerals, precious stones, semi-precious stones; and
- (F) Category 6 - any geothermal substances.

Only one exploration licence may be issued for the same category of minerals on the same land. The different categories of minerals applicable to each Tasmanian Tenement are set out below:

- (A) EL6/2013 - Category 1 (Metallic minerals and atomic substances) and Category 5 (Industrial minerals, precious stones, semi-precious stones); and
- (B) EL7/2013 - Category 1 (Metallic minerals and atomic substances).

(ii) Term and extension

An exploration licence is issued for 5 years and extends for this period unless revoked earlier.

The Tasmanian Minister may extend exploration licences, upon an application by the licensee, for such term and on such conditions as the Tasmanian Minister sees fit. The Tasmanian Minister must grant an extension of an exploration licence if satisfied that:

- (A) the exploration to be carried out during the term of the licence has been completed;
- (B) the licensee has submitted any report or return as required;
- (C) the licensee has submitted a suitable work program for the period of extension; and
- (D) further detailed exploration is justified because substantiated results indicate the probability of a discovery leading to profitable mining operations.

(iii) Conditions

Mining tenements are granted subject to various conditions and obligations prescribed by the Tasmanian Mining Act including, for example, the payment of rent, compliance with minimum expenditure and reporting requirements. Specific conditions are also applicable to the Tasmanian Tenements and are specified in Schedule 1.

The conditions of the Tasmanian Tenements provide for a prescribed exploration program which is required to be approved by the Tasmanian Minister. Licensees must adhere to the provisions of the set out in the *Mineral Exploration Code of Practice* and any site-specific conditions imposed on individual exploration programs.

Schedule 1 contains an outline of two exploration programs that have been approved by MRT in relation to the Tasmanian Tenements. These approvals contain a number of conditions relating to significant conservation issues and site specific conditions that the Company will need to comply with in undertaking the exploration programs. Any new exploration programs will also require approval and will have conditions attached.

(iv) Rent, expenditure and security deposit requirements

Rent for exploration licences from 1 July 2017 is \$56.26 per square kilometre per annum for each subsequent year after the first 2 years of the term.

Actual expenditure commitment is treated as commercial in confidence with the written consent of the registered licence holder required to release it to a third party. Minimum expenditure requirements are \$10,000 per annum and MRT guidelines for minimum expenditure commitments per square kilometre are as follows:

- (A) year 1: \$200 per km²;
- (B) year 2: \$300 per km²;
- (C) year 3: \$500 per km²;
- (D) year 4: \$700 per km²; and
- (E) year 5: \$1,000 per km².

Following completion of the Mt Read Agreement, the Company is required to lodge a replacement security deposit with the Mineral Resources Tasmania Department of State Growth (expected to be approximately \$46,000), and repay the current security deposit to Sherlock.

(v) Right to apply for Mining Lease

The holder of an exploration licence has the exclusive right to apply for a mining lease over the land within the area of the licence for the minerals specified in the licence subject to any conditions considered appropriate by the Tasmanian Minister.

(vi) Transfer

An exploration licence may be transferred by completing the Application for Transfer of a Mining Tenement form and payment of the prescribed fee. A transfer requires the approval of the Tasmanian Minister. The Company will apply for Ministerial approval to transfer the Tasmanian Tenements upon completion of the Mt Read Agreement.

(vii) Access

The holder of an exploration licence is not permitted to explore on private land within 100 metres of the surface of any lake, dam, reservoir, etc. or any dwelling or substantial building without the consent of the owner and occupier of the land. The holder of an exploration licence is permitted to enter on to and pass over all Crown land for the purposes of exploration. The holder of an exploration licence is also permitted to enter on to and pass over all private land provided 14 days' written notice is given to any owner or occupier of affected land.

Compensation is payable to the owners and occupiers of private land for any compensable loss suffered to likely to be suffered as a result of exploration under an exploration licence. Compensation is payable, as agreed, or in the absence of an agreement, as determined by the Mining Tribunal. Compensation is also payable to the Crown for any damage to any improvement on Crown land. Again,

compensation is payable as agreed, or as determined by the Mining Tribunal.

(b) Mining Leases

(i) Application

An application for a mining lease may be made within 7 days of marking out the area the subject of an exploration licence. Another party may not apply for an exclusive mining lease in respect of land the subject of an exploration licence until 2 months after the expiration of the exploration licence. Any person with an interest in land the subject of an application for a mining lease may object to the grant of a mining lease. An application for a licence lapses 12 months after it is lodged if it is not determined by that time, or on such later date as may be fixed by MRT.

(ii) Grant

A mining lease may be granted on the terms and for the period the Tasmanian Minister determines. A mining lease may be sub-leased or transferred with the prior approval of the Tasmanian Minister, but is of no effect unless approved by the Tasmanian Minister.

(iii) Conditions

Mining tenements are granted subject to various conditions and obligations prescribed by the Tasmanian Mining Act including, for example, the payment of rent, compliance with minimum expenditure and reporting requirements.

(iv) General Prohibition

Mining without a mining lease is prohibited unless carried out on private land.

8. WA Mining Tenements

The WA Tenements comprise of pending and granted WA exploration licences (prefixed "E") pursuant to the WA Mining Act.

(a) Exploration Licences

(i) Licence area and authority

An exploration licence permits the holder to explore over land up to a maximum 200 graticular blocks in designated areas of WA and a maximum of 70 graticular blocks elsewhere. Graticular blocks range in area from approximately 2.8km² to 3.3km². There is no limit to the number of exploration licences which may be held by any one person.

An exploration licence authorises the holder to enter land to explore using vehicles, machinery and equipment as may be necessary or expedient for the purpose of exploring for minerals in, on or under the land. The holder of an exploration licence may excavate, extract

or remove earth, soil, rocks, stone, fluid or mineral-bearing substances not exceeding 1,000 tonnes over the term of the licence.

(ii) Term and extension

Exploration licences are granted for a term of 5 years. The Minister responsible for the WA Mining Act (**WA Minister**) has discretion to extend the exploration licence for one further period of 5 years and then by further 2 year periods if satisfied that a prescribed ground for extension exists.

'Prescribed grounds' for extension include circumstances when the holder experienced difficulties or delays arising from governmental, legal, climatic or heritage reasons, where work carried out justifies further exploration, or where the WA Minister considers the land has been unworkable for the whole or a considerable part of any year of the term.

(iii) Relinquishment requirement

Exploration licences of more than 10 blocks applied for after 10 February 2006 are subject to a requirement that the holder relinquishes 40% of the tenement area at the end of the sixth year that the licence is held. A failure to lodge the required partial surrender could render the exploration licence liable to forfeiture.

(iv) Retention status

The holder of an exploration licence applied for after 10 February 2006 may apply for retention status for the whole or part of the land the subject of the exploration licence which may be approved if there is an identified mineral resource located in the land and mining of that identified mineral resource is impractical for economic or marketing reasons or if there are political, environmental or other difficulties in obtaining requisite approvals. On approval of retention status, the holder of an exploration licence may have to comply with a specified programme of work. The WA Minister may ask the holder of a exploration licence with retention status to show cause why a mining lease or leases should not be applied for over the land.

(v) Transfer during first year

During the first year of grant of an exploration licence, a legal or equitable interest in or affecting the exploration licence cannot be transferred or otherwise dealt with, whether directly or indirectly, without the prior written consent of the WA Minister.

The granted exploration licences that comprise the WA Sale Tenements were all granted more than 12 months ago. WA Sale Tenement E20/908 is an application for an exploration licence. Once this Tenement has been granted, the Company will need to obtain the WA Minister's consent to transfer that Tenement within 12 months of its grant.

(vi) Right to apply for mining lease

During the term of an exploration licence, the holder may apply for and have granted subject to the WA Mining Act, one or more mining leases over any part of land subject to the exploration licence. Where an application for a mining lease is made, and the term of the exploration licence is due to expire prior to the mining lease application being determined, the exploration licence will continue in force over the land subject to the mining lease application pending the outcome of that mining lease application.

(vii) Rent and expenditure requirements

Annual rent for an exploration licence (graticular) is \$134.00 per block for years 1 to 3 of the term of the licence (\$322.00 if for only 1 block), \$208.00 per block for years 4 and 5, \$283.00 per block for years 6 and 7, and \$535.00 per block for year 8 and each subsequent year of the term of the licence (based on rental rates current as at the date of this Report).

Exploration licences are subject to minimum annual expenditure requirements which are calculated at not less than:

- (A) \$1,000 per block for years 1 to 3 of the term of the licence (subject to minimums of \$10,000 for licences of 1 block only, \$15,000 for licences of 2 to 5 blocks and \$20,000 for licences of 6 or more blocks);
- (B) not less than \$1,500 per block for years 4 and 5 of the term of the licence (subject to minimums of \$10,000 for licences of 1 block only, \$20,000 for licences of 2 to 5 blocks and \$30,000 for licences of 6 or more blocks);
- (C) not less than \$2,000 per block for years 6 and 7 of the term of the licence (subject to minimums of \$15,000 for licences of 1 block only, \$30,000 for licences of 2 to 5 blocks and \$50,000 for licences of 6 or more blocks); and
- (D) not less than \$3,000 per block for years 8 and each subsequent year of the term of the licence (subject to minimums of \$20,000 for licences of 1 block only, \$50,000 for licences of 2 to 5 blocks and \$70,000 for licences of 6 or more blocks),

(based on expenditure requirements current as at the date of this Report).

The holder of an exploration licence may apply for exemption from compliance with minimum expenditure requirements on certain grounds set out in the WA Mining Act or at the discretion of the WA Minister. A failure to comply with expenditure requirements, unless exempted, renders the exploration licence liable to forfeiture.

(viii) Forfeiture

The WA Minister may make an order for the forfeiture of an exploration licence for any of the following reasons:

- (A) failure to comply with a condition of an exploration licence such as payment of rent or statutory royalty, or lodgement of a report as required by the Mining Act;
- (B) failure to comply with certain provisions of the Mining Act;
- (C) failure to satisfy expenditure conditions;
- (D) failure by the holder to satisfy a request of the WA Minister;
or
- (E) if the holder is convicted of an offence under the Mining Act.

Rather than forfeiting the exploration licence, the WA Minister may impose a penalty not exceeding \$150,000 if the holder is a body corporate, or award the whole or part of any such penalty to any person or impose no penalty on the holder.

(ix) **Other conditions**

Exploration licences are subject to standard conditions that must be complied with, including rent payments, annual expenditure requirements and the requirement to lodge annual technical reports. Standard conditions also stipulate that a tenement holder obtain the consent of an officer of the DMIRS prior to conducting any ground disturbing work, basic environmental and rehabilitation conditions (such as the removal of all waste, capping of drill holes, etc.) and prohibitions or restrictions on disturbing existing infrastructure such as roads, powerlines, aerial landing ground, airstrips and geodetic survey stations. In addition to these standard conditions, particular conditions affecting the WA Tenements are set out in Schedule 1. On the basis of the Tenement Searches, we are not aware of any non-compliance with the conditions.

(b) **Mining Leases**

(i) **Application for a mining lease**

Any person may lodge an application for a mining lease, although a holder of a prospecting licence, exploration licence or retention licence over the relevant area has priority. The grant of mining leases under the WA Mining Act lies with the WA Minister on recommendation of the Mining Registrar or Warden. Since 11 February 2011, the area over which a mining lease may be granted is unrestricted.

The application, where made after 10 February 2006, must be accompanied by either a mining proposal or a "mineralisation report" indicating there is significant mineralisation in the area over which a mining lease is sought. A mining lease accompanied by a "mineralisation report" will only be approved where the Director, Geological Survey considers that there is a reasonable prospect that the mineralisation identified will result in a mining operation.

(ii) Authority

A mining lease entitles the holder to use, occupy and enjoy the land for the purposes of mining. The holder may work and mine the land for any minerals, extract and dispose of such minerals and do all acts and things necessary in order to carry out mining operations on the land the subject of that mining lease, conditional on a programme of work being approved by the DMIRS.

(iii) Term and extension

A mining lease remains in force for up to 21 years from the date of grant. The holder has an option to renew for a further 21 years and then for a further 21 years with Ministerial consent.

(iv) Transfer

It is a condition of a mining lease that the holder not transfer or mortgage a legal interest in the land or any part of the land without the prior written consent of the WA Minister or an officer of the DMIRS acting on the authority of the WA Minister.

(v) Rent and expenditure requirements

Annual rent for a mining lease is \$17.60 per hectare (based on rental rates current as at the date of this Report).

Mining leases are subject to minimum annual expenditure requirements of not less than \$100 for each hectare, with a minimum of \$10,000 per year during each year of the term of the lease. If the mining lease does not exceed 5 hectares the minimum annual expenditure will be \$5,000 (based on expenditure requirements current as at the date of this Report).

(vi) Other conditions

Mining leases are granted subject to various other standard conditions, including conditions relating to the survey of the land, and the observance of environmental protection and reporting requirements. A failure to comply with the conditions (including expenditure conditions) may lead to forfeiture of the mining lease or the WA Minister imposing a penalty not exceeding \$50,000 as an alternative.

(vii) Royalty

Where minerals of economic significance are discovered, the holder of a mining lease is obliged to report this to the WA Minister promptly. A royalty is payable to the State of Western Australia in relation to minerals obtained from the land that is the subject of a mining lease granted under the WA Mining Act. This is particularly relevant where native title agreement royalties are calculated by reference to the royalty payable to the State of Western Australia. The royalty rates vary according to the product concerned. Western Australia has a three-tiered royalty system which applies one of three royalty rates depending on the form in which the mineral is sold (ore, concentrate or final form), and the extent to which it is processed.

In Western Australia, there are two systems used to collect mineral royalties:

- (A) *specific rate* - calculated as a flat rate per tonne produced and generally applies under legislation to low value construction and industrial minerals. The rates on production between 1 July 2015 and 30 June 2020 are 73 cents per tonne and 117 cents per tonne; and
- (B) *ad valorem* - calculated as a percentage of the 'royalty value' of the mineral, which applies under the *Mining Regulations 1981* (WA). The royalty value is broadly calculated as the quantity of the mineral in the form in which it is first sold, multiplied by the price in that form, minus any allowable deductions. The ad valorem royalty rate takes into account price fluctuations and material grades as follows:
 - (1) bulk material (subject to limited treatment) - 7.5% of the royalty value;
 - (2) concentrate material (subject to substantial enrichment through a concentration plant) - 5% of the royalty value; and
 - (3) metal - 2.5% of the royalty value. Note that the WA Government recently announced a proposed increase to the gold royalty from 2.5% to 3.75% if the price of gold is above \$1,200/ounce. The proposed amendment to the legislation was not passed by the WA Parliament although there is a risk that it could be introduced again in the future.

The 'royalty value' components used to calculate the 'royalty value' are defined under the *Mining Regulations 1981* (WA). In some cases, for example in the case of nickel, an alternative value applies.

(viii) Mining Rehabilitation Fund

The Mining Rehabilitation Fund (**Fund**) is a pooled fund to which Western Australian mining operators contribute. Money in the Fund will be used to rehabilitate abandoned mine sites in Western Australia.

The holders of all mining tenements, except those tenements covered by special agreements with the State of Western Australia not listed in the *Mining Rehabilitation Fund Regulations 2013* (WA), are required to participate in the Fund. This involves reporting disturbance data and contributing annually to the Fund. Holders of tenements with a rehabilitation liability estimate below a threshold of \$50,000 are required to report disturbance data but are not required to pay into the Fund.

9. Land Tenure

(a) Tasmanian land tenure

We have been advised by the Company that there are no pastoral leases affecting the land the subject of the Tasmanian Tenements. However, any lease affecting the Tasmanian Tenements is not readily ascertainable as there is no requirement for leases to be registered in Tasmania and, unless a lease is registered pursuant to section 64 of the *Land Titles Act 1980* (Tas), it is not capable of being searched in the Land Information System Tasmania. In addition, leases for a duration of 3 years or less are not capable of registration.

Where any mining operations are being carried out in, on, or under any land which is subject to any lease granted by the Crown under the *Crown Lands Act 1976* (Tas), and that land cannot be reasonably used for the purposes for which it is authorised to be used under the lease, the Minister under the *Crown Lands Act 1976* (Tas), on the application in writing of the lessee, may cancel the lease as to the land affected by those mining operations.

(b) WA pastoral leases

As set out in Schedule 1, the Searches indicate that pastoral leases underlie 100% of each of the granted WA Tenements.

The WA Mining Act:

- (i) prohibits the carrying out of mining activities on land:
 - (A) for the time being under crop, or which is situated within 100 metres of that land;
 - (B) used as or situated within 100 metres of a yard, stockyard, garden, cultivated field, orchard, vineyard, plantation, airstrip or airfield;
 - (C) situated within 100 metres of any land that is in actual occupation and on which a house or other substantial building is erected;
 - (D) the site of or situated within 100 metres of any cemetery or burial ground; or
 - (E) land the subject of a pastoral lease which is the site of, or is situated within 400 metres of the outer edge of, any water works, race, dam, well or bore, not being used for mining purposes by a person other than a lessee of that pastoral lease,

without the consent of the lessee, unless ordered by the Warden or if the mining is carried out not less than 30 meters below the lowest point of the natural surface;
- (ii) imposes certain restrictions on a mining tenement holder passing through Crown land, including requiring that all necessary steps are taken to notify the occupier of any intention to pass over the Crown land and that all necessary steps are taken to prevent damage to improvements and livestock; and
- (iii) provides that the holder of a mining tenement must pay compensation to an occupier of Crown land, for example a pastoral

lease, in certain circumstances, in particular to make good any damage to improvements, and for any loss suffered by the occupier from that damage or for any substantial loss of earnings suffered by the occupier as a result of, or arising from, any exploration or mining activities.

Upon commencing mining operations on the WA Tenements, the Company should consider entering into compensation and access agreements with the pastoral lease holders to ensure the requirements of the WA Mining Act are satisfied and to avoid any disputes arising. In the absence of agreement, the Warden's Court determines any compensation payable.

(c) **WA encroachments**

Where an application for an exploration licence is encroached on by a live mining tenement, the application as granted will be for a tenement reduced by that amount of land which falls under the live mining tenement. Pending application E20/908 encroaches on:

- (i) existing granted miscellaneous licences: L21/16 (0.39%), L21/17 (0.18%) and L21/20 (0.1%);
- (ii) existing granted mining licences: M20/55 (1.01%), M20/111 (4.46%), M20/183 (0.14%), M20/195 (0.01%), M20/208 (5.56%), M21/8 (0.92%) and M21/72 (8.5%); and
- (iii) an existing prospecting licence: P21/729 (2.52%).

10. **Native title**

(a) **Overview**

The law in Australia recognises native title. In particular, it recognises that Aboriginal people may hold native title rights and interests in respect of their land. Native title exists where Aboriginal people have maintained a traditional connection to their land and waters, provided it has not been extinguished.

The grant of a mining tenement also creates rights in respect of land. Those mining tenement rights may *affect* (i.e. be inconsistent with) any native title rights and interests. As a general statement, those mining tenement rights will be invalid as against any native title rights, unless made valid by certain procedures in the NTA.

The NTA came into effect on 1 January 1994, largely in response to the common law recognition of native title in Australia in *Mabo v Queensland (No. 2)* (1992) 175 CLR 1. Among other things, the NTA:

- (i) provides for the recognition and protection of native title rights by providing for a process by which indigenous people can lodge claims for native title rights over land, for those claims to be registered by the NNTT and for the courts to assess native title claims and determine if native title rights exist. Where a court completes the assessment of a native title claim, it will issue a native title determination that specifies whether or not native title rights exist;

- (ii) confirms the validity of titles granted by the Federal Government prior to the commencement of the NTA and provides for the States and Territories to validate such titles; and
- (iii) provides a framework within which certain acts (such as the grant or renewal of a mining tenement) (**Future Acts**) that are carried out after 23 December 1996 and which may affect native title, must comply in order to be valid under the NTA (**Future Act Provisions**).

The NTA was amended in 1998 by the *Native Title Amendment Act 1998* (Cth). The WA Parliament has enacted the *Titles (Validation) and Native Title (Effect of Past Acts) Act 1995* (WA) which adopts the NTA in WA. The Tasmanian Parliament has enacted the *Native Title (Tasmania) Act 1994* (Tas) which adopts the NTA in Tasmania.

(b) **Native title claims**

The NTA sets out a process by which Aboriginal people may seek a determination by the Federal Court that they hold native title rights and interests. Whilst the Federal Court is assessing the claimed native title rights and interests, a Registrar of the NNTT will assess whether the native title claim meets certain registration requirements set out in the Native Title Act, and if so, the native title claim will be entered on the Register of Native Title Claims (**RNTC**). If the Federal Court determines that the claimed native rights and interests exist, details of the determined native title claim (and the determined native title rights held) are then entered on the National Native Title Register (**NNTR**).

If a claim for native title is entered on the RNTC, or a determined claim is entered on the NNTR, the NTA provides the claimants / holders with certain rights, including procedural rights where a "future act" is proposed. An example of a "future act" is the grant of a mining tenement.

The *Aboriginal Lands Act 1995* (Tas) did not establish a claims process, but vested 15 areas, listed in the schedule, in the Aboriginal Land Council of Tasmania to be held on trust for the benefit of Aboriginal people. There have been no determinations of native title in Tasmania and as at the date of this Report, there are no registered claims that affect the Tasmanian Tenements.

(c) **Validation of act (i.e. grant of a mining tenement)**

The NTA sets out when "acts" will be "valid" in the event they affect (i.e. are inconsistent with) native title, however, this process need only apply where native title exists (a determined native title claim entered on the NNTR) or is claimed to exist (a native title claim entered on the RNTC). The "acts" can be a proposed activity or development on land and waters. A common example in Western Australia is the proposed grants of mining tenements by the DMIRS.

(d) **"Past Acts" (i.e. grants of mining tenements): Prior to 1 January 1994**

The NTA permits, and all States and Territories of Australia have passed, legislation validating certain "acts" which were done before 1 January 1994.

In Western Australia, that legislation is the *Titles (Validation) and Native Title (Effect of Past Acts) Act 1995* (WA). It provides that all "acts" (e.g. grants of mining tenements) prior to 1 January 1994 are valid to the extent they affect native title.

(e) **"Future Acts" (i.e. proposed grants of mining tenements): After 1 January 1994**

Generally, a "future act" is an "act" (e.g. grant of mining tenement) occurring after 1 January 1994 which affects native title.

The NTA sets out the circumstances in which, and procedures by which, "future acts" will be valid should that "act" affect native title.

Such circumstances include if the "act" was done in certain circumstances between 1 January 1994 and 23 December 1996 (called "Intermediate Period Acts"), or if the "act" is permitted by an ILUA, or if certain procedures are to be followed where a claim for native title is entered on the RNTC, or a determined claim is entered on the NNTR. Such procedures include the "Right to Negotiate Procedure" and the "Expedited Procedure".

(f) **"Future Acts": Between 1 January 1994 and 23 December 1996**

Similarly to Past Acts, the NTA permits, and all States and Territories of Australia have passed, legislation validating certain Intermediate Period Acts (e.g. grants of mining tenements) done between 1 January 1994 and to 23 December 1996 over land or water where a freehold estate or lease (including a pastoral lease but not a mining lease) had been validly granted.

(g) **ILUA**

An ILUA is an agreement which has been authorised by the native title claimant group and has been registered with the NNTT. If the ILUA provides that any one or more mining tenements may be granted, then the relevant mining tenement(s) may be granted without following any other procedures, including the Right to Negotiate Procedure and the Expedited Procedure.

(h) **Right to Negotiate Procedure**

(i) **General**

The Right to Negotiate Procedure commences with the relevant State giving notice of the proposed future act (i.e. proposed grant of a mining tenement) (**S29 Notice**).

Then any native title party whose details are registered on the RNTC or NNTR, the applicant for the mining tenement and the relevant State (collectively, the **Negotiation Parties**) are required to negotiate in good faith with a view to the native title party agreeing to the proposed future act.

(ii) **Scope of negotiations**

The scope of the negotiations includes any matters relating to the effect of the grant of the future act on the claimed or determined native title rights and interest. The scope can include any matters about which the parties are willing to negotiate. Where the future act is the proposed grant of an exploration or prospecting licence, usually an agreement is reached which aims to protect Aboriginal heritage. This is because exploration licences confer only limited rights to the registered holder of the licence, conferring rights to conduct exploration and disturb the land for that purpose.

Where the future act is the proposed grant of a mining lease, the negotiations and resulting agreement are usually more complex, as the nature of rights granted for a mining lease contemplates substantial ground disturbance over a portion of the area granted. Such a right is likely to be incompatible with the exercise of some or all native title rights and interest over that portion. It is usual for the resulting agreement to address employment and training, environmental rehabilitation, Aboriginal heritage protection, cultural awareness and the payment of compensation to the native title party.

The NTA stipulates that the Negotiation Parties must "negotiate in good faith" for at least 6 months.

(iii) What if negotiations break down?

If the Negotiation Parties negotiate in good faith but cannot reach agreement as to the doing of the future act, then provided at least 6 months have elapsed since the S29 Notice, any party (in most cases the registered holder of the licence) may apply to the NNTT for a determination as to whether the future act may be done, and if so, on what conditions.

Accordingly, the doing of a future act (i.e. granting of the mining tenement) is dependent on the Negotiation Parties reaching agreement, or the NNTT making a determination that the future act may be done.

(i) **Expedited Procedure**

If the relevant State believes the future act will have minimal impact on native title rights, it may in the S29 Notice elect to use the Expedited Procedure. If the relevant State gives such notice, any native title party whose details are registered on the RNTC or NNTR may object to the use of the Expedited Procedure.

If no objection is lodged, the mining tenement can be granted without delay. If an objection is lodged, the NNTT must determine the validity of the objection. If the objection is dismissed, the tenement can be granted without delay. If the objection is not dismissed, the Right to Negotiate Procedure outlined at paragraph 10(h) applies.

(j) **Compensation**

In certain circumstances holders of native title (a determined native title claim that is registered on the NNTR) may be entitled to apply under the NTA to the Federal Court for compensation for any effect on their native title. The WA Mining Act provides that holders of mining tenements are liable for such compensation where awarded by reason of their mining tenements having affected native title. Native title holders are entitled to compensation under the *Native Title (Tasmania) Act 1994* (Tas) because of the validation of a past act attributable to Tasmania if they would be entitled to compensation under section 17 (1) or (2) (entitlement to compensation) of the NTA.

Consequently, if it has been, or is in the future, determined that native title exists over any of the land the subject of a mining tenement (or granted future act) and the holders of the native title apply to the Federal Court for compensation, the holder of the tenement may be liable and directed to pay

any compensation determined. To date, few claims have been lodged with the Federal Court for compensation and until recently no award for compensation has been made by the Federal Court. It is due to this potential risk that the applicant for a mining lease will agree to the inclusions of payment of compensation provisions during the negotiations that lead to the grant of the mining lease, as the applicant is able to restrict the level of compensation payable.

On 24 August 2016, the Federal Court handed down the first ever judicial assessment of native title compensation in Australia, in *Griffiths v Northern Territory (No 3)* [2016] FCA 900 (**Timber Creek**). The Federal Court ordered the Northern Territory Government to pay over \$3.3 million to the Ngaliwurrurru and Nungali Peoples, as compensation for the impact of certain acts on their native title rights and interests in the town of Timber Creek.

Importantly, as this case is the first ever litigated native title compensation determination, the Federal Court established new principles for valuing native title compensation in accordance with the Native Title Act.

The Federal Court in Timber Creek held that the compensation to be awarded to the Ngaliwurrurru and Nungali Peoples for the extinguishment and impairment of their native title rights and interests comprised of three distinct components:

- (i) \$512,400 for economic loss;
- (ii) \$1.3 million for non-economic loss; and
- (iii) \$1,488,261 for interest on the economic loss component of the compensation.

Although the area in which compensation was claimed in Timber Creek (approximately 23km²) is relatively small having regard to other areas in relation to which native title has been extinguished in Australia, the Federal Court has made it clear that the potential liability arising out of specific acts will be determined on a case by case basis. It is difficult to predict how much compensation will be awarded in other cases, although the Federal Court has offered general guiding principles for valuing native title compensation.

This decision was appealed to the Full Court of the Federal Court, which handed down its decision on 20 July 2017 in *Northern Territory of Australia v Griffiths* [2017] FCAFC 106. The Full Federal Court largely upheld the primary judge's decision although some of the grounds of appeal were upheld, namely that the discount factor should have been 65% of freehold value (down from 80%), interest on damages awarded for prior extinguishment will not be payable on and from the date of revival and damages for trespass for three invalid future acts should not be awarded. Although this appeal reduces the amount of compensation payable, the figure remains significant.

It is possible that one of the parties may seek to appeal Timber Creek to the High Court. Even if the decision is not appealed to the High Court, native title compensation is an evolving area of law and it is likely that the Full Federal Court or High Court will be required to consider and determine another compensation matter. All parties that may be involved with native title compensation (native title holders, applicants for mining tenements and governments) should keep a keen eye on further developments in this area of law.

(k) **Native title search results**

Schedule 2 sets out relevant native title claims (if any) affecting the Tenements. The existence of a lodged claim does not necessarily mean that native title exists over the area claimed, nor does the absence of a claim necessarily indicate that no native title exists in an area. The existence of native title will be established pursuant to the determination of claims by the Federal Court.

There are native title claim proceedings before the Federal Court in respect of two of the granted WA Tenements, E52/3316 and E52/3276 (WAD6002/2003 Gingirana). We have not made enquiries as to whether the current holder of these Tenements (POZ) is a respondent to these claims. If these claims are ultimately determined by the Federal Court, there is a low risk that the determination will hold that these Tenements are invalid Future Acts, in which case the status of the Company's rights pursuant to these Tenements will be uncertain.

The searches of the registers maintained by the NNTT also indicate that there is an ILUA between the Gingirana People and Sandfire Resources NL which overlaps 100% of WA Tenements E52/3316 and E52/3276. However, we understand from the NNTT that as neither POZ nor the Company is a party to the ILUA, it will not affect these Tenements.

The results of the Tenement Searches indicate that the granted Tenements were granted under the Expedited Procedure. The searches indicate that the relevant Future Act Provisions have been complied with and the Tenements are validly granted however we have not independently verified that the State has complied with the Future Act Provisions in respect of the Tenements. If the Tenements have been validly granted in compliance with the Future Act Provisions, the Company's rights as conferred by the Tenements will prevail over any native title rights that exist on the Tenements to the extent of any inconsistency.

11. **Aboriginal heritage**

(a) **General**

Aboriginal heritage is protected by both Commonwealth legislation as well as legislation in each State of Australia.

(b) **Commonwealth Legislation**

The *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (Cth) (**Commonwealth Heritage Act**) is aimed at the preservation and protection of any Aboriginals and objects that may be located on the Tenements.

Under the Commonwealth Heritage Act, the Minister for Aboriginal Affairs may make interim or permanent declarations of preservation in relation to significant Aboriginal areas or objects, which have the potential to halt exploration activities. Compensation is payable by the Minister for Aboriginal Affairs to a person who is, or is likely to be, affected by a permanent declaration of preservation.

It is an offence to contravene a declaration made under the Commonwealth Heritage Act.

We have not undertaken any searches of any register established by the Commonwealth Heritage Act for the purposes of this Report.

(c) **Western Australian legislation**

The *Aboriginal Heritage Act 1972* (WA) (**WA Heritage Act**) provides for the establishment of a Register of Aboriginal Sites in Western Australia and the assessment and registration of Aboriginal sites on that Register. The WA Heritage Act protects all Aboriginal sites in Western Australia, whether the site is registered or not.

It is an offence under the WA Heritage Act to excavate, destroy, damage, conceal or in any way alter an Aboriginal site or any object on or under an Aboriginal site, unless the person or company is acting with the authority of the Registrar or the consent of the relevant Minister. The offence applies regardless of whether the Aboriginal site has been entered on the Register of Aboriginal sites. It is a defence if the person / company charged can prove that he did not know and could not reasonably be expected to have known, that the place or object was protected by the WA Heritage Act.

The WA Heritage Act accordingly applies to activities on a mining tenement. Tenements in Western Australia are granted subject to an endorsement reminding the tenement holder of its obligation to comply with the requirements of the WA Heritage Act.

Agreements reached under the Right to Negotiate procedures will include a process of engagement between the parties to protect Aboriginal heritage; this process includes the undertaking of heritage surveys to identify Aboriginal site. Importantly, a procedure is included for the parties to consider the proposed works on the tenements, and decide on the best course of action given any potential impacts the proposed works may have on Aboriginal sites. In any event, a holder of a Western Australian mining tenement has the legislative right to submit an application under the WA Heritage Act seeking to disturb or destroy an Aboriginal site.

(d) **Tasmanian legislation**

The *Aboriginal Heritage Act 1975* (Tas) (**Tasmanian Heritage Act**) provides for the establishment of a Register of Aboriginal relics in Tasmania and the assessment and registration of Aboriginal relics on that Register. The Tasmanian Heritage Act protects all Aboriginal relics in Tasmania, whether the relic is registered or not. The Tasmanian Heritage Act interprets a relic to be any object, place or site that is of significance to the Aboriginal people of Tasmania.

Where any Aboriginal artefacts or objects of historic interest are discovered, operations shall be conducted so as to not damage or interfere with such site or object, and the licensee shall otherwise observe the provisions of the Tasmanian Heritage Act.

MRT is charged with the maintenance and management of every protected site and the protection and preservation of the protected objects on and in that site. MRT will cause to be carried out such work as is necessary for protecting, preserving, restoring or repairing a protected object or any other object in or on that site.

MRT's consent is required where any use of land is likely to result in the destruction, damage, disfiguration, excavation, alteration or otherwise of any 'protected objects', as declared under the Tasmanian Heritage Act.

(e) **Aboriginal heritage search results - Tasmania**

We have received the following advice from MRT in respect of the Aboriginal heritage searches undertaken in relation to the two approved exploration work programs (outlined in Schedule 1):

- (i) **Thomas Creek Prospect:** Aboriginal Heritage Tasmania completed a search of the Aboriginal Heritage Register regarding the proposed exploration drilling program at the Thomas Creek Prospect and advised that there are no Aboriginal heritage sites recorded within or close to the property. As such there is no requirement for an Aboriginal heritage investigation and Aboriginal Heritage Tasmania had no objection to the work program proceeding; and
- (ii) **Hill 99 Prospect:** MRT advised that there is no evidence in the files that Aboriginal heritage clearance was required for the exploration work program in this area.

We have also been advised by Aboriginal Heritage Tasmania that there are several Aboriginal heritage sites within and in close proximity to the identified exploration areas within the Tasmanian Tenements and that further advice should be sought from Aboriginal Heritage Tasmania in relation to any future work programs (when they are submitted) to ensure that there are no Aboriginal heritage sites that may be affected by those programs.

Sites and objects of significance to Aboriginal persons are protected whether or not those sites are registered under the Commonwealth Heritage Act or the Tasmanian legislation. Further, the Company must comply with the legislation in relation to unanticipated discoveries of Aboriginal heritage sites.

(f) **Aboriginal heritage search results - Western Australia**

The Heritage Searches obtained show that there is one registered Aboriginal site located within WA Tenement E52/3276 and numerous other heritage places located within the WA Tenements, but there may nonetheless be further Aboriginal sites located within the boundaries of the WA Tenements. Further details are set out in Schedule 2.

The registers do not purport to be comprehensive. Sites and objects of significance to Aboriginal persons are protected whether or not those sites are registered under the Commonwealth Heritage Act or the relevant State legislation. Accordingly, the Company will need to engage with Aboriginal persons with appropriate traditional knowledge of the land the subject of the Tenements in order to ensure that any proposed works will not interfere with any Aboriginal sites that are not recorded in the register.

12. **Qualifications and assumptions**

This is a high level Report covering material legal issues affecting the Tenements and does not purport to cover all possible issues which may affect the Tenements. This Report is based on, and subject to, the following qualifications and assumptions (in addition to any assumptions expressed elsewhere in this Report):

- (a) we have relied upon information provided by third parties, including various departments, in response to searches made, or caused to be made, and enquiries by us and have relied upon that information, including the results of Searches, being accurate, current and complete as at the date of its receipt by us;
- (b) references in the Schedules are taken from details shown on the Searches we have obtained from the relevant departments referred to in paragraph 6 above. We have not undertaken independent surveys of the land the subject of the Tenements to verify the accuracy of the Tenement areas or the areas of the relevant native title claims;
- (c) statements made in respect of the standing of the Tenements are based only on the information contained in the relevant search on the instrument of title for the Tenements;
- (d) where compliance with the terms and conditions of the Tenements and all applicable provisions of the mining legislation and regulations in WA and all other relevant legislation and regulations, or a possible claim in relation to the Tenements is not disclosed on the face of the searches referred to above, we express no opinion as to such compliance or claim;
- (e) where Ministerial consent is required, we express no opinion as to whether such consent will be granted, or the consequences of consent being refused, although we are not aware of any matters which would cause consent to be refused;
- (f) we have not conducted searches of the Database of Contaminated Sites maintained by the Department of Environment Conservation;
- (g) native title may exist in the areas covered by the Tenements. Whilst we have conducted searches to ascertain what native title claims, if any, have been lodged in the Federal Court in relation to the areas covered by the Tenements, we have not conducted any research on the likely existence or non-existence of native title rights and interests in respect of those areas. Further the NTA contains no sunset provisions and it is possible that additional native title claims could be made in the future;
- (h) Aboriginal heritage sites, relics or objects (as defined in the WA Heritage Act or the Tasmanian Heritage Act, or under the Commonwealth Heritage Act) may exist in the areas covered by the Tenements regardless of whether or not that site has been entered on a State register or is the subject of a declaration under the Commonwealth Heritage Act. We have not conducted any legal, historical, anthropological or ethnographic research regarding the existence or likely existence of any such Aboriginal heritage sites, relics or objects within the area of the Tenements;
- (i) there are no other documents or materials other than those which were disclosed to us and which we were instructed to review, which related to the matters examined; and
- (j) the information for the material contracts was obtained from details of agreements supplied by the Company and we have assumed that:
 - (i) the contracts referred to in this Report were within the capacity and powers of, and were validly authorised, stamped or lodged for stamping (where necessary), executed, delivered by and are legally

binding on the parties to them and comprise the entire agreement of the parties to each of them with respect to their respective subject matters (except where stated otherwise);

- (ii) the signatures on the contracts referred to in this Report are authentic;
- (iii) there are no material documents or information to be provided other than the contracts referred to in this Report;
- (iv) the contracts referred to in this Report are complete, accurately disclose the details in those agreements and conform to the original documents of all copies reviewed; and
- (v) the parties to each of the contracts referred to in this Report are complying with and will continue to comply with and fulfil the terms of each of the contracts referred to in this Report.

13. Conclusion

Bellanhouse Lawyers have prepared this Report for the purposes of the Prospectus only, and for the benefit of the Company and the directors of the Company in connection with the issue of the Prospectus and is not to be disclosed to any other person or used for any other purpose or quoted or referred to in any public document or filed with any government body or other person without our prior consent.

We consider that the information contained within this Report provides an accurate statement as to the status of the Tenements as at the date of the date of the relevant searches.

Yours sincerely

A handwritten signature in black ink that reads "Bellanhouse Lawyers". The script is cursive and fluid, with the first letters of "Bellanhouse" and "Lawyers" being capitalized and prominent.

Bellanhouse Lawyers

Schedule 1 - Tenement Summary

Tenement	Holder (100%)	District and Project	Status	Area	Application date	Grant date	Expiry date	Minimum expenditure commitment	Notes
<i>Tasmanian Tenements</i>									
EL6/2013	Thylacine	Birchs Inlet - Mt Read Project	Granted	135 km ²	21/03/13	1/10/13	1/10/18	\$222,847	1, 2, 3
EL7/2013	Sherlock	Sepro River - Mt Read Project	Granted	91 km ²	22/03/13	21/10/13	21/10/18	\$189,952	1, 3
<i>WA Tenements</i>									
E52/3316	POZ	Peak Hill M.F. - Bulgera Project	Granted	11 blocks	30/06/15	08/08/16	07/08/21	Previous year expended in full. Current year (7/8/18) commitment is \$20,000.	4, 5, 6
E52/3276	POZ	Peak Hill M.F. - Bulgera Project	Granted	1 block	30/03/15	18/08/16	17/08/21	Previous year expended in full. Current year (17/8/18) commitment is \$10,000.	4, 5
E25/525	POZ	Bulong - Mt Monger Project	Granted	3 blocks	30/04/15	17/11/15	16/11/20	Current year (16/11/18) commitment is \$15,000.	4, 7, 8, 9
E25/565	Company	Bulong - Mt Monger Project	Granted	5 blocks	28/03/17	31/10/17	30/10/22	Previous year expended in full. Current year (30/10/18) commitment is \$15,000.	4, 7, 10
E20/908	POZ	Cue - Comet Project	Pending	17 blocks	2/09/16	-	-	N/A	11
E46/1192	Company	Nullagine - Pilbara Gold Project	Pending	10 blocks	27/09/17	-	-	N/A	-

Notes

The notes below in respect of the WA Tenements refer to results of the Tenement Searches and the Tenement Searches. It is not an exhaustive list. For all conditions and endorsements attached to the WA Tenements, searches of the DMIRS register should be conducted. There are no material registered dealings or encumbrances against the WA Tenements, however it should be noted that most dealings and encumbrances cannot be registered against applications.

1. Under the conditions of the Tasmanian Tenements, the holder must: (i) complete approved exploration programs and meet expenditure commitments punctually; (ii) notify the relevant land manager before entering onto State Forest or Crown Land and comply with the reasonable requirements of the land manager; (iii) compensate or make available for salvage any forest produce that is removed during exploration; (iv) the Minister may increase the value of the security deposit whenever and as often as the Minister sees fit; (v) provide broad indemnities to the Minister in relation to the use of the licence area; (vi) keep current insurances in relation to the licence area; and (vii) not commence work until written approval has been received.
2. On 5 September 2014, MRT approved the exploration work program submitted in relation to EL 6/2013 for a program of ground mapping and soil/rock chip sampling at the Hill 99 prospect and Hill 99 prospect areas, requiring fly camping and hand cutting to re-clear existing tracks in order to aid access via foot. This approval contains a number of conditions that must be complied with, in relation to significant conservation issues and site specific issues.
3. On 7 April 2017, MRT approved the exploration work program submitted in relation to EL 6/2013 and EL 7/2013 for a program of diamond drilling (2-4 holes) involving setting up temporary camping at the existing Thomas Creek prospect. This approval contains a number of conditions that must be complied with, in relation to significant conservation issues and site specific issues.
4. Prior DMIRS environmental approvals are required for land disturbance and construction activity. The licensee must notify the holder of any underlying pastoral or grazing lease by telephone or in person, or by registered post if contact cannot be made, prior to undertaking airborne geophysical surveys or any ground disturbing activities utilising equipment such as scrapers, graders, bulldozers, drilling rigs, water carting equipment or other mechanised equipment. The licensee or transferee, as the case may be, must within 30 days of receiving written notification of the grant of the licence or registration of a transfer introducing a new licensee, advise by registered post, the holder of any underlying pastoral or grazing lease details of the grant or transfer.
5. Pastoral Lease N050486 (Marymia) overlaps 100% of this Tenement.
6. This Tenement does not include the land the subject of mining leases M52/226, 52/270 and 52/323.
7. Pastoral Lease N050166 (Mt Monger) overlaps 100% of this Tenement.
8. This Tenement does not include the land the subject of mining lease M25/236.
9. Expenditure due year end 16 November 2017 is yet to be lodged (previous year ending 16 November 2016 expended in full).

10. According to the Tengraph Searches, the pending application for miscellaneous licence L25/59 encroaches 0.04% on the Tenement and Crown Reserve O 194/25 overlaps 13.9% of this Tenement. The licensee is required to obtain prior written consent of the WA Minister prior to commencing any exploration activities on land the subject of Crown Reserve O 194/25.
11. This application encroaches on the following existing granted miscellaneous licences: L21/16 (0.39%), L21/17 (0.18%) and L21/20 (0.1%); existing granted mining licences: M20/55 (1.01%), M20/111 (4.46%), M20/183 (0.14%), M20/195 (0.01%), M20/208 (5.56%), M21/8 (0.92%) and M21/72 (8.5%); and existing prospecting licence P21/729 (2.52%). Pastoral Lease N049496 (Yarraquin) overlaps 63.25% of this Tenement and Pastoral Lease 050063 (Austin Downs) overlaps 62.87% of this Tenement.

Schedule 2 - Native title claims and determinations, ILUAs and Aboriginal Heritage Sites

Tenement	Native Title Claims					Native Title Determinations	ILUAs	Registered Aboriginal Heritage Sites
	NNTT No.	Federal Court No.	Application Name	Registered	Status			
Tasmanian Tenements								
EL6/2013	No overlap	N/A	N/A	N/A	N/A	No overlap	No overlap	None registered that Company is aware of ¹
EL7/2013	No overlap	N/A	N/A	N/A	N/A	No overlap	No overlap	None registered that Company is aware of ¹
WA Tenements								
E52/3316	WC2006/002	WAD6002/2003	Gingirana ²	Registered from 13/04/06	Active	No overlap	Yes ³	None registered ⁴
E52/3276	WC2006/002	WAD6002/2003	Gingirana ²	Registered from 13/04/06	Active	No overlap	Yes ³	One registered ⁵
E25/525	No overlap	N/A	N/A	N/A	N/A	No overlap	No overlap	None registered
E25/565	No overlap	N/A	N/A	N/A	N/A	No overlap	No overlap	None registered
E20/908	WC1999/010 WC1999/046	WAD6064/1998 WAD6132/1998	Wutha Yugunga-Nya People	Registered from 15/6/99 Registered from 12/6/00	Active Active	No overlap	No overlap	None registered ⁶
E46/1192	WC1999/008	WAD6028/1998	Njamal	Registered from 3/6/99	Active	No overlap	No overlap	None registered

Notes

- As part of the approval process of the work programs outlined in Notes 2 and 3 of Schedule 1, Aboriginal Heritage Tasmania conducted a desktop review of the areas impacted by the proposed work programs and concluded that there were no heritage sites impacted - see comments in paragraph 11(e) of this Report for more detail on these work programs and the approval. We have also been advised by Aboriginal Heritage Tasmania that there are several Aboriginal heritage sites within and in close proximity to the identified exploration areas within the Tasmanian Tenements

and that further advice should be sought from Aboriginal Heritage Tasmania in relation to any future work programs (when they are submitted) to ensure that there are no Aboriginal heritage sites that may be affected by those programs.

2. The Tenement Searches indicate that the objections by the native title claimant were withdrawn with respect to both of these Tenements due to an agreement being reached between the licence holder and the native title claimant, however POZ and the NNTT have confirmed that the outcome for both objections should properly have been recorded as "Objection withdrawn, no agreement".
3. The searches of the registers maintained by the NNTT indicate that there is an ILUA between the Gingirana People and Sandfire Resources NL which overlaps 100% of the Tenement. Refer to paragraph 10(k).
4. The Heritage Searches indicate that there are 2 other heritage places located within the area of this Tenement.
5. The Heritage Searches indicate that there is 1 registered Aboriginal site (Site ID 154 Bulgera (Artefacts/Scatter)) and 7 other heritage places located within the area of this Tenement.
6. The Heritage Searches indicate that there are 3 other heritage places located within the area of this Tenement.

7. Board, Management and Corporate Governance

7.1 Board of Directors

As at the date of this Prospectus, the Board comprises of:

- (a) Mr Grant Mooney - Non-Executive Chairman;
- (b) Ms Yaxi Zhan - Managing Director;
- (c) Mr Andrew Haythorpe - Executive Director; and
- (d) Mr Terence Topping - Non-Executive Director.

7.2 Directors' Profiles

The names and details of the Directors in office at the date of this Prospectus are:

(a) **Grant Mooney - Non-Executive Chairman**

Mr Mooney is the principal of Perth-based corporate advisory firm Mooney & Partners, specialising in corporate compliance administration to public companies. He has a wealth of experience in resources and technology markets and in the areas of corporate and project management, capital raisings, mergers and acquisitions and corporate governance. Mr Mooney serves as Director and Company Secretary to several ASX listed companies including Director of renewable energy developer, Carnegie Clean Energy Ltd and Director of ASX-listed resource companies, Barra Resources Ltd, Talga Resources Ltd and POZ Minerals Limited. Mr Mooney is a member of the Institute of Chartered Accountants in Australia.

(b) **Yaxi Zhan - Managing Director**

Ms Zhan was educated in Inner Mongolia and Curtin University in Western Australia where she gained a Bachelor degree in computer science and a Master's degree in accounting. For the past eleven years she has worked in finance, capital raising, mergers and acquisitions and project development with Sinosteel, Norilsk Nickel and within the Australian listed junior exploration sector. Ms Zhan is an Australian citizen and an active member in various Chinese-Australian business groups. Ms Zhan is a member of CPA Australia and the Australian Institute of Company Directors.

(c) **Andrew Haythorpe - Executive Director**

Mr Haythorpe has 30 years' experience in the mining industry and has over 18 years of experience in the management of public companies listed on ASX and TSX. His recent directorships include Managing Director of Crescent Gold, where he assisted to grow the company from an \$8m explorer to a \$240m producer in 3 years. Since 1999, Mr Haythorpe has been involved in over A\$250m worth of mergers and acquisitions and capital raisings in resources and technology. Mr Haythorpe is a Member of the Australasian Institute of Mining & Metallurgy and the Australian Institute of Company Directors.

(d) **Terence Topping - Non-Executive Director**

Mr Topping has more than 25 years' experience in the mining industry and has extensive experience in the management of public companies listed on ASX and TSX. Mr Topping has experience in corporate finance, mergers and acquisitions and as a mining and exploration geologist in Australia and overseas. Mr Topping was a founding director of Taipan Resources NL which listed as a gold exploration company in 1993 and remained a director until 2002. During this time he was integral in the discovery of the high grade Paulsens gold deposit now mined by Northern Star Resources Ltd. Since 1985, Mr Topping has accumulated experience as an exploration geologist searching for gold, diamonds, base metals and recently in the uranium sector as the founder of Scimitar Resources Ltd (now Cauldron Energy Ltd). Mr Topping is a Member of the Australasian Institute of Mining & Metallurgy and the Australian Institute of Geoscientists. He is currently Executive Chairman of Kairos Minerals Ltd (ASX: KAI) and Non-Executive Director of Orinoco Gold Limited (ASX: OGX).

7.3 Company Secretary

Brett Tucker - Company Secretary

Mr Tucker is a Chartered Accountant who has acted as Company Secretary to a number of ASX listed companies across a wide range of industries. During this time he has been involved in a number of initial public offerings, reverse takeover transactions, corporate transactions and capital raisings. Mr Tucker has a strong corporate and compliance background which includes 8 years working in an international accounting firm within Australia and the UK.

7.4 Interests of Directors

Except as disclosed in this Prospectus, no Director of the Company (or entity in which they are a partner or director) has, or has had in the two years before the date of this Prospectus, any interests 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 Offers; or
- (c) the Offers, and

no amounts have been paid or agreed to be paid and no value or other benefit has been given or agreed to be given to:

- (d) any Director to induce him or her to become, or to qualify as, a Director; or
- (e) any Director of the Company for services which he or she (or an entity in which they are a partner or director) has provided in connection with the formation or promotion of the Company or the Offers.

7.5 Security holdings of Directors

The Directors and their related entities have the following interests in Securities as at the date of this Prospectus:

Director	Shares	% Shareholding ¹	Options ²
Grant Mooney	1,000,000	8.7	1,000,000
Yaxi Zhan	3,000,000	26.0	3,000,000
Andrew Haythorpe	1,500,000	13.0	-
Terence Topping	1,000,000	8.7	1,500,000

Notes:

1. Assuming that there are 11,520,000 Shares on issue and no further Shares are issued or Options exercised.
2. Comprised of Management Options issued on the terms and conditions set out in Section 9.2.

Based on the intentions of the Directors at the date of this Prospectus in relation to the Offers, the Directors and their related entities will have the following interests in Shares on Admission:

Director	Shares	% Shareholding ¹		Options
		Minimum Subscription	Maximum Subscription	
Grant Mooney ²	1,100,000	2.4	2.3	1,000,000
Yaxi Zhan	3,000,000	6.6	6.3	3,000,000
Andrew Haythorpe ³	2,500,000	5.5	5.2	-
Terence Topping	1,000,000	2.2	2.1	1,500,000

Notes:

1. Assuming no further Shares are issued or Options exercised, other than as described in this Prospectus.
2. Mr Mooney intends to subscribe for up to a further 100,000 Shares pursuant to the Public Offer.
3. Prior to Admission the Company intends to issue 1,000,000 Shares at \$0.0001 per Share to Mr Haythorpe as part of his remuneration package. See Section 8.5(b) for further details of Mr Haythorpe's executive services agreement.

7.6 Remuneration of Directors

None of the Directors has received any remuneration since incorporation of the Company.

Ms Zhan was appointed as a Director on incorporation of the Company. On 1 November 2017, Ms Zhan entered into an executive services agreement with the Company,

pursuant to which she will receive an executive services fee of \$150,000 per year (exclusive of superannuation) for services provided as Managing Director of the Company. The remuneration only accrues and becomes payable upon the Company's admission to the Official List. See Section 8.5(a).

Mr Topping was appointed as a Director on incorporation of the Company. On 11 August 2017, Mr Topping entered into a non-executive director letter of appointment with the Company, pursuant to which he will receive remuneration of up to \$40,000 per year (exclusive of superannuation or GST, as applicable) for services provided as Non-Executive Director of the Company. The remuneration only accrues and becomes payable upon the Company's admission to the Official List. See Section 8.5(c).

Mr Mooney was appointed as a Director on 1 June 2017. On that date, Mr Mooney entered into a non-executive director letter of appointment with the Company, pursuant to which he will receive remuneration of \$50,000 per year (exclusive of superannuation or GST, as applicable) for services provided as Non-Executive Chairman of the Company. The remuneration only accrues and becomes payable upon the Company's admission to the Official List. See Section 8.5(c).

Mr Haythorpe was appointed as a Director on 7 September 2017. On 24 November 2017, Mr Haythorpe entered into an executive services agreement with the Company, pursuant to which he will receive remuneration of up to \$100,000 per year (exclusive of GST) for services provided as Executive Director of the Company upon the Company's admission to the Official List. See Section 8.5(b).

7.7 Related Party Transactions

The Company has entered into the following related party transactions on arms' length terms:

- (a) letters of appointment or executive services agreements with each of its Directors on standard terms (refer Section 8.5 for details); and
- (b) deeds of indemnity, insurance and access with each of its Directors on standard terms (refer Section 8.6 for details).

At the date of this Prospectus, no other material transactions with related parties and Directors' interests exist that the Directors are aware of, other than those disclosed in the Prospectus.

7.8 ASX Corporate Governance Council Principles and Recommendations

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the Company's policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent applicable, the Company has adopted the 3rd edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**Recommendations**).

In light of the Company's size and nature, the Board considers that the current Board is a cost effective and practical method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

The Company's main corporate governance policies and practices as at the date of this Prospectus are detailed below. The Company's full Corporate Governance Plan will be available in a dedicated corporate governance information section of the Company's website at www.AX8.com.au.

(a) Board of Directors

The Board is responsible for the corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. Clearly articulating the division of responsibilities between the Board and management will help manage expectations and avoid misunderstandings about their respective roles and accountabilities.

In general, the Board assumes (amongst others) the following responsibilities:

- (i) providing leadership and setting the strategic objectives of the Company;
- (ii) appointing and when necessary replacing the Executive Directors;
- (iii) approving the appointment and when necessary replacement, of other senior executives;
- (iv) undertaking appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a Director;
- (v) overseeing management's implementation of the Company's strategic objectives and its performance generally;
- (vi) approving operating budgets and major capital expenditure;
- (vii) overseeing the integrity of the Company's accounting and corporate reporting systems including the external audit;
- (viii) overseeing the Company's process for making timely and balanced disclosure of all material information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's Securities;
- (ix) ensuring that the Company has in place an appropriate risk management framework and setting the risk appetite within which the Board expects management to operate; and
- (x) monitoring the effectiveness of the Company's governance practices.

The Company is committed to ensuring that appropriate checks are undertaken before the appointment of a Director and the Company has in place written agreements with each Director which detail the terms of their appointment.

(b) Composition of the Board

Election of Board members is substantially the province of the Shareholders in general meeting. The Board currently consists of two Executive Directors, and two Non-Executive Directors whom the Company considers independent.

As the Company's activities develop in size, nature and scope, the composition of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

(c) Identification and management of risk

The Board's collective experience will assist in the identification of the principal risks that may affect the Company's business. Key operational risks and their management will be recurring items for deliberation at Board meetings.

(d) Ethical standards

The Board is committed to the establishment and maintenance of appropriate ethical standards.

(e) Independent professional advice

Subject to the Chairman's approval (not to be unreasonably withheld), the Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.

(f) Remuneration arrangements

The remuneration of any Executive Director will be decided by the Board, without the affected Executive Director participating in that decision-making process.

In addition, subject to any necessary Shareholder approval, a Director may be paid fees or other amounts as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director (e.g. non-cash performance incentives such as Options).

Directors are also entitled to be paid reasonable travel and other expenses incurred by them in the course of the performance of their duties as Directors.

The Board reviews and approves the Company's remuneration policy in order to ensure that the Company is able to attract and retain executives and Directors who will create value for Shareholders, having regard to the amount considered to be commensurate for an entity of the Company's size and level of activity as well as the relevant Directors' time, commitment and responsibility.

The Board is also responsible for reviewing any employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.

(g) Securities trading policy

The Board has adopted a policy that sets out the guidelines on the sale and purchase of Securities in the Company by its key management personnel (i.e. Directors and, if applicable, any employees reporting directly to the Executive Directors). The policy generally provides that the written acknowledgement of the Chairman (or the Board in the case of the Chairman) must be obtained prior to trading.

(h) **Diversity policy**

The Board values diversity and recognises the benefits it can bring to the organisation's ability to achieve its goals. Accordingly, the Company has set in place a diversity policy. This policy outlines the Company's diversity objectives in relation to gender, age, cultural background and ethnicity. It includes requirements for the Board to establish measurable objectives for achieving diversity, and for the Board to assess annually both the objectives, and the Company's progress in achieving them.

(i) **Audit and risk**

The Company will not have a separate audit or risk committee until such time as the Board is of a sufficient size and structure, and the Company's operations are of a sufficient magnitude for a separate committee to be of benefit to the Company. In the meantime, the full Board will carry out the duties that would ordinarily be assigned to that committee under the written terms of reference for that committee, including but not limited to, monitoring and reviewing any matters of significance affecting financial reporting and compliance, the integrity of the financial reporting of the Company, the Company's internal financial control system and risk management systems and the external audit function.

(j) **External audit**

The Company in general meetings is responsible for the appointment of the external auditors of the Company, and the Board from time to time will review the scope, performance and fees of those external auditors.

7.9 Departures from Recommendations

Following Admission, the Company will be required to report any departures from the Recommendations in its annual financial report.

The Company's departures from the Recommendations as at the date of this Prospectus are detailed in the table below.

Principles and Recommendations	Explanation for Departures
2.1 The board of a listed entity should have a nomination committee.	<p>The Company does not comply with Principle 2.1. The Company is not of a relevant size to consider formation of a nomination committee to deal with the selection and appointment of new Directors and as such a nomination committee has not been formed.</p> <p>Nominations of new Directors are considered by the full Board. If any vacancies arise on the Board, all directors are involved in the search and recruitment of a replacement. The Board has taken a view that the full Board will hold special meetings or sessions as required. The Board is confident that this process for selection, including undertaking appropriate checks before appointing a person, or putting forward to Security holders a candidate for election, and review is stringent and full details of all Directors will be provided to</p>

Principles and Recommendations	Explanation for Departures
	Shareholders in the annual report and on the Company's website.
2.4 A majority of the board of a listed entity should be independent directors.	Given the Company's present size and scope, it is currently not the Company's policy to have a majority of independent Directors. Directors have been selected to bring specific skills and industry experience to the Company. The Board has an expansive range of relevant industry experience, financial, legal and other skills and expertise to meeting its objectives. The Board currently comprises two independent Directors, being Grant Mooney and Terence Topping and two non-independent Directors, being Yaxi Zhan and Andrew Haythorpe.
4.1 The board of a listed entity should have an audit committee of at least three members that are non-executive.	<p>The Board has not established a separate audit committee. The full Board carries out the duties that would ordinarily be assigned to the audit committee.</p> <p>The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify having a separate audit committee.</p>
7.1 The board of a listed entity should have a risk committee.	<p>The Board has not established a separate Risk Management Committee. The Board is ultimately responsible for risk oversight and risk management. Discussions on the recognition and management of risks are considered by the Board.</p> <p>The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify having a separate risk committee.</p>
8.1 The board of a listed entity should have a remuneration committee of at least three members, a majority of whom are independent	<p>The Board as a whole performs the function of the Remuneration committee which includes setting the Company's remuneration structure, determining eligibilities to incentive schemes, assessing performance and remuneration of senior management and determining the remuneration and incentives of the Board.</p> <p>The Board may obtain external advice from independent consultants in determining the Company's remuneration practices, including remuneration levels, where considered appropriate.</p> <p>The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify having a separate remuneration committee.</p>

8. Material Contracts

8.1 Introduction

The Directors consider that certain contracts entered into by the Company are material to the Company or are of such a nature that an investor may wish to have particulars of them when making an assessment of whether to apply for Securities under the Offers. The provisions of such material contracts are summarised in this Section.

8.2 Acquisition Agreements

(a) Mt Read Cobalt Project Acquisition Agreement

The Company, Sherlock Minerals Pty Ltd (**Sherlock**) and Thylacine Resources Pty Ltd (**Thylacine**) have entered into an agreement (**Mt Read Cobalt Project Acquisition Agreement**) for the sale and purchase of 2 exploration licences in Tasmania. The effect of the Mt Read Cobalt Project Acquisition Agreement is that the Company acquires the Mt Read Cobalt Tenements for the following consideration:

- (i) 2 million Shares in the Company at a deemed issue price of \$0.20 per Share;
- (ii) 3 million Vendor Options exercisable at \$0.25 each on or before 30 April 2021; and
- (iii) a non-refundable cash deposit of \$15,000 (inclusive of GST) as reimbursement of previous expenditure.

The conditions precedent for the completion of the Mt Read Cobalt Project Acquisition Agreement include:

- (i) ASX granting the Company conditional approval for its Shares to be listed on the ASX;
- (ii) Sherlock and Thylacine obtaining any approvals or consents for the transfer of the Mt Read Cobalt Tenements required under the law of Tasmania;
- (iii) the Company securing a cornerstone investor prepared to commit \$1 million or more by 31 December 2017 and having made its best endeavours to have a lead manager mandated by this date in respect of the Company's initial public offering. The Company has entered into the Lead Manager Mandate with GTT Ventures and on 7 November 2017 Sherlock confirmed that this condition had been satisfied; and
- (iv) the Company obtaining all necessary regulatory and shareholder approvals or waivers or modifications in relation to the Company's entry to the Official List, pursuant to the Listing Rules and Corporations Act.

The parties have until 31 March 2018 (or such other date as agreed to by the parties) to satisfy the conditions outlined above that have not already been satisfied.

Following completion of the Mt Read Cobalt Project Acquisition Agreement, the Company is required to lodge a replacement security deposit with the Mineral Resources Tasmania Department of State Growth (expected to be approximately \$46,000), and repay the current security deposit to Sherlock.

On 27 November 2017, the parties executed a separate deed of access to ensure that, notwithstanding that the Mt Read Cobalt Tenements may remain legally registered in the name of Sherlock and Thylacine for a period of time following completion:

- (i) the Company shall be entitled to exclusive possession and unfettered access to the Mt Read Cobalt Tenements; and
- (ii) any and all rights associated with the Mt Read Cobalt Tenements will be exercised by the Company in Sherlock and Thylacine's names (as applicable) and will be held on trust by Sherlock and Thylacine as bare trustees for the Company.

Sherlock and Thylacine have acknowledged the manner in which these rights are to be exercised, in the event these circumstances arise.

Sherlock and Thylacine have covenanted with the Company that they will ensure the Mt Read Cobalt Tenements are kept in good standing (including paying all rents) until settlement and has provided the Company with warranties in relation to ownership, encumbrances and good standing of the Mt Read Cobalt Tenements.

The remainder of the terms and conditions of the Mt Read Cobalt Project Acquisition Agreement are considered standard for an agreement of this nature.

(b) POZ Acquisition Agreement

The Company and POZ Minerals Limited (**POZ**) entered into an agreement (**POZ Acquisition Agreement**) for the sale and purchase of 3 granted exploration licences and 1 application for an exploration licence in Western Australia. The effect of the POZ Acquisition Agreement is that the Company acquires the WA Sale Tenements for:

- (i) 3 million Shares in the Company at a deemed issue price of \$0.20 per Share;
- (ii) 1 million Vendor Options exercisable at \$0.25 each on or before 30 April 2021;
- (iii) an aggregate \$60,000 cash payment as reimbursement of previous expenditure (of which \$30,000 has been paid as a non-refundable cash deposit); and
- (iv) a 1% net smelter return royalty in respect of all minerals mined from the WA Sale Tenements.

POZ is not a related party of the Company; however, Director Mr Mooney is also a director of POZ.

The conditions precedent for completion of the POZ Acquisition Agreement include:

- (i) completion of the Public Offer;
- (ii) the Company obtaining a conditional admission letter from ASX on terms satisfactory to the Directors, acting reasonably;
- (iii) the Company obtaining all necessary regulatory and shareholder approvals or waivers or modifications in relation to the Company's entry to the Official List, pursuant to the Listing Rules and Corporations Act; and
- (iv) POZ obtaining any necessary shareholder approval under Listing Rule 11.4 for the sale of the WA Sale Tenements. POZ has notified the Company that it is not required to obtain shareholder approval (on the basis that the POZ Offer is made).

If completion of the POZ Acquisition Agreement does not occur on or before 31 March 2018, or such other date agreed between the parties, the POZ Acquisition Agreement shall be deemed to be at an end.

Ministerial consent is not required for the transfer of the granted WA Sale Tenements, but will be required for the transfer of the application for exploration licence E20/908 within 12 months of its grant. If POZ's right and interest in any WA Sale Tenements is not capable of being transferred to the Company on completion, any and all rights associated with the WA Sale Tenements will be exercised by the Company in POZ's name and will be held on trust by POZ for the Company. POZ has acknowledged the manner in which these rights are to be exercised, in the event these circumstances arise. The POZ Acquisition Agreement gives the Company a right to lodge caveats over the WA Sale Tenements.

POZ has covenanted with the Company that it will ensure the WA Sale Tenements are kept in good standing until settlement and has provided the Company with warranties in relation to ownership, encumbrances and good standing of the WA Sale Tenements.

The remainder of the terms and conditions of the POZ Acquisition Agreement are considered standard for an agreement of this nature.

8.3 Lead Manager Mandate

On 3 November 2017, the Company has entered into a lead manager mandate with GTT Ventures Pty Ltd (**GTT Ventures**) pursuant to which GTT Ventures was appointed to act as the lead manager and broker in relation to the second tranche of the seed capital raising and the Public Offer (**Lead Manager Mandate**). A summary of the key terms of the Lead Manager Mandate is set out below.

- (a) **Term:** The Company has engaged GTT Ventures as corporate advisor for a minimum period of 12 months from 3 November 2017 (or such other period as may be agreed between the parties in writing). Following Admission, GTT Ventures will be paid a corporate advisory fee of \$10,000 (plus GST) per month for these services.
- (b) **Lead manager fees:** The Company will pay GTT Ventures \$25,000 (plus GST) in cash upon Admission as a success fee and issue GTT Ventures (or its nominees) 5,000,000 Shares at an issue price of \$0.0001 each and 5,000,000 Lead Manager Options under the Lead Manager Offer. These fees include all fees paid to other brokers introduced by GTT Ventures or the Company under

the Public Offer, and will be shared with other parties as agreed between the parties.

The Company has appointed Aojin Group Pty Ltd as co-lead manager in relation to the seed capital raising and the Public Offer and for these services it is entitled to a percentage of the lead manager fees and Securities above.

- (c) **Capital raising fees:** GTT Ventures will be entitled to a management fee of 6% (plus GST) on the value of any Shares under the second tranche of the seed capital raising or the Public Offer that are either taken up by GTT Ventures (or its nominees) or taken up by parties introduced or provided by GTT Ventures.
- (d) **Termination:** If the Company has not listed on the ASX by 31 March 2018 (or such later date agreed by the parties in writing), the Lead Manager Mandate will automatically terminate unless:
 - (i) the Minimum Subscription has been met and funds are secured in a trust account; and
 - (ii) the Listing Rule requirements regarding minimum spread have been met.

In the event the Lead Manager Mandate automatically terminates, no accrued fees will be payable by the Company.

GTT Ventures may terminate the Lead Manager Mandate immediately by notice in writing to the Company if:

- (iii) the Company does not rectify any breach of the Lead Manager Mandate within 14 days after receiving written notice from GTT Ventures;
- (iv) any warranty or representation given or made by the Company is not complied with or proves to be untrue in any respect; or
- (v) the Company becomes insolvent.

In the event the Lead Manager Mandate is terminated by GTT Ventures, all accrued fees will become immediately due and payable.

The Lead Manager Mandate contains additional provisions considered standard for agreements of this nature.

8.4 Ventnor Agreement

The Company has an agreement with Ventnor Capital Pty Ltd (**Ventnor Capital**) for the provision of corporate advisory and company secretarial services to the Company (**Ventnor Agreement**). A summary of the key terms of the Ventnor Agreement is set out below.

- (a) **Term:** The Company has engaged Ventnor Capital to provide corporate advisory and company secretarial services for 12 months from 2 November 2017.
- (b) **Fees:** Ventnor Capital will be entitled to the following fees according to the achievement of certain milestones:

- (i) **IPO project management fee:** a one-off project management fee of \$10,000 for the management and coordination of the Prospectus;
- (ii) **Public relations fee:** a public relations fee of \$5,000 per month payable following Admission for a term of six months;
- (iii) **Company secretary fees:** company secretarial fees of:
 - (A) 100,000 Shares with an issue price of \$0.001 in consideration for pre-IPO company secretarial services. The Company intends to issue these Shares to Ventnor Capital (or its nominees, on or about the date of issue of the Securities under the Offers; and
 - (B) \$3,000 per month in consideration of company secretarial services following Admission (plus additional amounts if back office and accounting services are to be provided); and
- (iv) **Fees for reports:** customary fees for assistance with the Company's annual report and half yearly report respectively.
- (c) **Termination:** The Ventnor Agreement may be terminated by either party with 3 months' written notice, provided all outstanding fees and expenses are paid.

The Ventnor Agreement contains additional provisions considered standard for agreements of this nature.

8.5 Director agreements

(a) Executive Services Agreement - Yaxi Zhan

The Company has entered into an executive services agreement with Yaxi Zhan (**Zhan Agreement**).

Under the Zhan Agreement, Ms Zhan is engaged by the Company to provide executive services to the Company as Managing Director on a full time basis, commencing from 1 May 2017. The Company will remunerate Ms Zhan for her services with an executive remuneration package comprising the following:

- (i) a base salary of \$150,000 plus superannuation per year; and
- (ii) reimbursement for reasonable expenses necessarily incurred by Ms Zhan in the performance of her services as Managing Director.

The parties have agreed that the above remuneration will not accrue and, as such, will only become payable to Ms Zhan after the Company is admitted to the Official List.

In addition, Ms Zhan has been issued with 3,000,000 Management Options exercisable at \$0.25 each and expiring 30 April 2021. These Management Options will be escrowed for a period of 24 months in accordance with the Listing Rules. Ms Zhan is also entitled to participate in bonus and/or other incentive schemes that may be implemented in the future.

In the event of a change of control, Ms Zhan will receive a bonus payment equal to 12 months' base salary.

The Zhan Agreement commenced on 1 May 2017 and is for an indefinite term, continuing until terminated by either the Company or Ms Zhan giving 6 months' written notice of termination to the other party (or shorter period in limited circumstances).

As Managing Director, Ms Zhan shall (amongst other things):

- (i) be engaged as a full-time employee of the Company and during usual business hours and such other hours as the exigencies of business may from time to time require, shall devote the whole of her time, attention and skill to the duties of her position and to the business of the Company, and such related corporations of the Company as the Company may from time to time direct; and
- (ii) obey all directions given to her by or under the authority of the Board, and use her best endeavours to promote the interests of the Company and of such related corporations of the Company as the Company may from time to time direct.

Ms Zhan is also subject to restrictions in relation to the use of confidential information during and after her employment with the Company ceases and being directly or indirectly involved in a competing business during the continuance of her employment with the Company, on terms which are otherwise considered standard for agreements of this nature.

The Zhan Agreement contains additional provisions considered standard for agreements of this nature.

(b) **Executive Services Agreements - Andrew Haythorpe**

The Company has entered into an executive services consultancy agreement with Andrew Haythorpe trading as Andrew Haythorpe (**Haythorpe Agreement**) pursuant to which Mr Haythorpe will provide the following consultancy services (among others) commencing from 10 September 2017:

- (i) serve the Company in the capacity of Executive Director responsible for the overall management and supervision of the activities, operations and affairs of the Company, subject to the overall control and direction of the Board;
- (ii) subject to the approval of the Company to the contrary and as reasonably necessary, devote at least 2 days per week to the business of the Company;
- (iii) provide the Company with information and reports as to the business and affairs of the Company as reasonably requested by the Board, and generally so as to keep the Company fully informed of all material developments in or relevant to the Company's affairs within the scope of his duties; and
- (iv) in providing the services, comply with the Listing Rules, Corporations Act, Constitution and the Company's policies and procedures generally.

Following Admission, a consultancy fee of \$8,333 per month plus GST (if applicable) is payable to Mr Haythorpe for the consultancy services, subject to annual review by the Board. The Company will also reimburse Mr Haythorpe

for reasonable expenses necessarily incurred in the performance of the consultancy services.

Mr Haythorpe (or his nominee) has already been issued or transferred a total of 1,500,000 Shares as an incentive for future performance. The Company has agreed to issue a further 1,000,000 Shares to Mr Haythorpe (or his nominee) at an issue price of \$0.0001 each upon ASX granting the Company conditional approval for the Company's Shares to be listed on the Official List.

The consultancy shall continue until terminated in accordance with the Haythorpe Agreement. The Haythorpe Agreement may be terminated by either the Company or Mr Haythorpe for any reason on 3 months' notice, in which case the Company can elect for Mr Haythorpe to serve out the whole or part of 3 months' notice and to pay Mr Haythorpe an amount equivalent to the remaining portion of the 3 months' consultancy fees.

The Haythorpe Agreement may also be terminated by the Company summarily at any time, in which case the Company need not make any payment to Mr Haythorpe other than accrued entitlements. Mr Haythorpe may terminate the consultancy immediately if the Company breaches a material term of the Haythorpe Agreement.

Any discoveries and inventions, including geological, mining or exploration discoveries, made or discovered by Mr Haythorpe during the consultancy which relate to the Company's business must be disclosed to the Company and will remain the sole property of the Company.

Mr Haythorpe is also subject to restrictions in relation to the use of confidential information during and after the consultancy ceases and being directly or indirectly involved in any business or activity within 50km of any existing Company exploration project or previously declared area of interest during the continuance of the consultancy, without the Company's prior written consent, on terms which are otherwise considered standard for agreements of this nature.

The Haythorpe Agreement contains additional provisions considered standard for agreements of this nature.

(c) Non-Executive Director Agreements - Grant Mooney and Terence Topping

The Company has entered into a non-executive director letter agreement with each of Mr Mooney and Mr Topping pursuant to which the Company has agreed to pay \$50,000 and \$40,000 excluding superannuation per year to each of Mr Mooney and Mr Topping respectively for services provided to the Company as Non-Executive Directors, with remuneration accruing and payable upon the Company gaining successful admission to the Official List. Mr Mooney is to act as Chairman.

Pursuant to the relevant agreements Mr Mooney and Mr Topping were each issued with 1,000,000 Management Options exercisable at \$0.25 each and expiring 30 April 2021. These Management Options will be escrowed for a period of 24 months in accordance with the Listing Rules.

8.6 Deeds of indemnity, insurance and access

The Company is party to a deed of indemnity, insurance and access with each of the Directors and the Company Secretary. Under these deeds, the Company indemnifies

each Director and the Company Secretary to the extent permitted by law against any liability arising as a result of the Director or Company Secretary acting as a director or company secretary of the Company. The Company is also required to maintain insurance policies for the benefit of the relevant Director or Company Secretary and must allow the Directors and Company Secretary to inspect board papers in certain circumstances. The deeds are considered standard for documents of this nature.

9. Additional information

9.1 Rights attaching to Shares

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

- (a) **(Ranking of Shares):** At the date of this Prospectus, all Shares are of the same class and rank equally in all respects. Specifically, the Shares issued pursuant to this Prospectus will rank equally with existing Shares.
- (b) **(Voting rights):** Subject to any rights or restrictions, at general meetings:
 - (i) every Shareholder present and entitled to vote may vote in person or by attorney, proxy or representative;
 - (ii) has one vote on a show of hands; and
 - (iii) has one vote for every Share held, upon a poll.
- (c) **(Dividend rights):** Shareholders will be entitled to dividends, distributed among members in proportion to the capital paid up, from the date of payment. No dividend carries interest against the Company and the declaration of Directors as to the amount to be distributed is conclusive.

Shareholders may be paid interim dividends or bonuses at the discretion of the Directors. The Company must not pay a dividend unless the Company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend.

- (d) **(Variation of rights):** The rights attaching to the Shares may only be varied by the consent in writing of the holders of three-quarters of the Shares, or with the sanction of a special resolution passed at a general meeting.
- (e) **(Transfer of Shares):** Shares can be transferred upon delivery of a proper instrument of transfer to the Company or by a transfer in accordance with the ASX Settlement Operating Rules. The instrument of transfer must be in writing, in the approved form, and signed by the transferor and the transferee. Until the transferee has been registered, the transferor is deemed to remain the holder, even after signing the instrument of transfer.

In some circumstances, the Directors may refuse to register a transfer if upon registration the transferee will hold less than a marketable parcel. The Board may refuse to register a transfer of Shares upon which the Company has a lien.

- (f) **(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.

The Directors may convene a general meeting at their discretion. General meetings shall also be convened on requisition as provided for by the Corporations Act.

- (g) **(Unmarketable parcels):** The Company's Constitution provides for the sale of unmarketable parcels subject to any applicable laws and provided a notice is given to the minority Shareholders stating that the Company intends to sell their relevant Shares unless an exemption notice is received by a specified date.
- (h) **(Rights on winding up):** If the Company is wound up, the liquidator may with the sanction of special resolution, divide the assets of the Company amongst members as the liquidator sees fit. If the assets are insufficient to repay the whole of the paid up capital of members, they will be distributed in such a way that the losses borne by members are in proportion to the capital paid up.

9.2 Terms of Options

The terms of the Options (comprised of the Management Options, Vendor Options and Lead Manager Options) are as follows:

- (a) **(Entitlement):** Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
- (b) **(Exercise Price):** The Options have an exercise price of \$0.25 per Option (Exercise Price).
- (c) **(Expiry Date):** The Options have the following expiry dates:
 - (i) the Vendor Options and Management Options expire on 5:00pm (WST) on 30 April 2021; and
 - (ii) the Lead Manager Options expire on 5:00pm (WST) on the date which is 4 years from the date of the Company is admitted to the Official List.

(Expiry Date). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) **(Exercise Period):** The Options are exercisable at any time and from time to time on or prior to the Expiry Date.
- (e) **(Quotation of the Options):** The Options will be unquoted.
- (f) **(Transferability of the Options):** The Options are not transferable, except with the prior written approval of the Company.
- (g) **(Notice of Exercise):** The Options may be exercised by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company. Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.

- (h) **(Lodgement instructions):** Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the Options with the appropriate remittance should be lodged at the Company's Share Registry.
- (i) **(Shares issued on exercise):** Shares issued on exercise of the Options rank equally with the then Shares of the Company.
- (j) **(Quotation of Shares on exercise):** Application will be made by the Company to ASX, on the business day the Shares are issued, for quotation of the Shares issued upon the exercise of the Options.
- (k) **(Timing of issue of Shares):** Within 15 business days after the later of the following:
 - (i) receipt of a Notice of Exercise given in accordance with these terms and conditions and payment of the Exercise Price for each Option being exercised; and
 - (ii) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,the Company will:
 - (iii) issue the Shares pursuant to the exercise of the Options;
 - (iv) give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
 - (v) apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.
- (l) **(Participation in new issues):** There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 3 business days after the issue is announced. This will give the holders of Options the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (m) **(Adjustment for bonus issues of Shares):** If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):
 - (i) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and
 - (ii) no change will be made to the Exercise Price.
- (n) **(Adjustment for entitlements issue):** If the Company makes an issue of Shares pro rata to existing Shareholders (other than as a bonus issue, to which paragraph (o) will apply) there will be no adjustment of the Exercise Price of an Option or the number of Shares over which the Options are exercisable.

- (o) **(Adjustments for reorganisation):** If there is any reorganisation of the issued share capital of the Company, the rights of the Option holders will be varied in accordance with the Listing Rules.

9.3 Summary of the Company's Employee Securities Incentive Plan

The Accelerate Resources Limited Employee Securities Incentive Plan (**Plan**) was adopted by the Board on 13 November 2017. The full terms of the Plan may be inspected at the registered office of the Company during normal business hours. A summary of the terms of the Plan is set out below:

- (a) **(Eligible Participant):** Eligible Participant means a person that:
 - (i) is an "eligible participant" (as that term is defined in ASIC Class Order 14/1000) in relation to the Company or an Associated Body Corporate (as that term is defined in ASIC Class Order 14/1000); and
 - (ii) has been determined by the Board to be eligible to participate in the Plan from time to time.
- (b) **(Purpose):** The purpose of the Plan is to:
 - (i) assist in the reward, retention and motivation of Eligible Participants;
 - (ii) link the reward of Eligible Participants to Shareholder value creation; and
 - (iii) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.
- (c) **(Plan administration):** The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion. The Board may delegate its powers and discretion.
- (d) **(Eligibility, invitation and application):** The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides.

On receipt of an Invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.
- (e) **(Grant of Securities):** The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.
- (f) **(Terms of Convertible Securities):** Each 'Convertible Security' represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan.

Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

- (g) **(Vesting of Convertible Securities):** Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.
- (h) **(Exercise of Convertible Securities and cashless exercise):** To exercise an Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by the Company, at any time prior to the earlier of any date specified in the vesting notice and the expiry date as set out in the invitation.

An invitation may specify that at the time of exercise of the Convertible Securities, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.

Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation.

A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.

- (i) **(Delivery of Shares on exercise of Convertible Securities):** As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.
- (j) **(Forfeiture of Convertible Securities):** Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest.

Where the Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breached his or her duties to the Group, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

Unless the Board otherwise determines, or as otherwise set out in the Plan rules:

- (i) any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and
 - (ii) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.
- (k) **(Change of control):** If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event.
- (l) **(Rights attaching to Plan Shares):** All Shares issued under the Plan, or issued or transferred to a Participant upon the valid exercise of a Convertible Security, (**Plan Shares**) will rank pari passu in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.
- (m) **(Disposal restrictions on Plan Shares):** If the invitation provides that any Plan Shares are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.

For so long as a Plan Share is subject to any disposal restrictions under the Plan, the Participant will not:

- (i) transfer, encumber or otherwise dispose of, or have a security interest granted over that Plan Share; or
 - (ii) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.
- (n) **(Adjustment of Convertible Securities):** If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities,

to receive an allotment of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.

Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.

- (o) **(Participation in new issues):** There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.
- (p) **(Amendment of Plan):** Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.

No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.

- (q) **(Plan duration):** The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely, and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.

9.4 Effect of the Offers on control and substantial Shareholders

Those Shareholders (and their associates) holding an interest in 5% or more of the Shares on issue as at the date of this Prospectus are as follows. See Section 2.2 for further details on each of the Shareholders' holdings as listed in the tables below.

Name ¹	Shares	%
Yaxi Zhan	3,000,000	26.0
Andrew Haythorpe	1,500,000	13.0
Grant Mooney	1,000,000	8.7
Terence Topping	1,000,000	8.7

Notes:

1. Ms Zhan and Messrs Haythorpe, Mooney and Topping are Directors of the Company.

Based on the information known as at the date of this Prospectus, on Admission the following persons (and their associates) will have an interest in 5% or more of the Shares on issue:

Name	Minimum Subscription		Maximum Subscription	
	Shares	%	Shares	%
POZ Minerals Limited ¹	3,000,000	6.6	3,000,000	6.3
Yaxi Zhan ²	3,000,000	6.6	3,000,000	6.3
Andrew Haythorpe ³	2,500,000	5.5	2,500,000	5.2

Notes:

1. POZ Minerals Limited is the vendor of the WA Sale Tenements under the POZ Acquisition Agreement.
2. Ms Zhan is a Director of the Company.
3. Mr Haythorpe is a Director of the Company. Prior to Admission the Company intends to issue 1,000,000 Shares to Mr Haythorpe. Please refer to Section 8.5(b) for further details.

Investors should note the details above do not include any POZ Shareholder who participates in the POZ Offer.

9.5 Interests of Promoters, Experts and Advisers

(a) No interest except as disclosed

Other than as set out below or elsewhere in this Prospectus, no persons or entity 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 holds at the date of this Prospectus, or held at any time during the last 2 years, any interest in:

- (i) the formation or promotion of the Company;
- (ii) property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or the Offers; or
- (iii) the Offers,

and the Company has not paid any amount or provided any benefit, or agreed to do so, to any of those persons for services rendered by them in connection with the formation or promotion of the Company or the Offers.

(b) Share Registry

Automic Pty Ltd has been appointed to conduct the Company's share registry functions and to provide administrative services in respect to the processing of Applications received pursuant to this Prospectus, and will be paid for these services on standard industry terms and conditions.

(c) **Auditor**

RSM Australia Partners has been appointed to act as auditor to the Company. The Company has paid RSM Australia Partners a \$3,000 (excluding GST) for services in connection with the audited accounts of the Company for the year ended 30 June 2017. During the 24 months preceding lodgement of this Prospectus with ASIC, RSM Australia Partners has not received any other fees from the Company.

(d) **Investigating Accountant**

RSM Corporate Australia Pty Ltd has acted as Investigating Accountant and has prepared the Investigating Accountant's Report which is included in Section 4 of this Prospectus. The Company estimates it will pay RSM Corporate Australia Pty Ltd a total of \$6,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with ASIC, RSM Corporate Australia Pty Ltd has not provided any other services to the Company.

(e) **Independent Geologist**

CSA Global Pty Ltd has acted as Independent Geologist and has prepared the Independent Geologist's Report which is included in Section 5 of this Prospectus. The Company estimates it will pay CSA Global Pty Ltd a total of \$24,900 (excluding GST) for these services, of which approximately \$12,400 (excluding GST) has been paid. During the 24 months preceding lodgement of this Prospectus with ASIC, CSA Global Pty Ltd has not provided any other services to the Company.

(f) **Solicitors**

Bellanhouse has acted as the Solicitors to the Company in relation to the Offers and has prepared the Solicitor's Report which is included in Section 6 of this Prospectus. The Company estimates it will pay Bellanhouse a total of \$40,000 (excluding GST) for these services, of which approximately \$10,000 (excluding GST) has already been paid. During the 24 months preceding lodgement of this Prospectus with ASIC, Bellanhouse has not provided any other services to the Company.

(g) **Lead Manager and Corporate Advisor**

GTT Ventures has acted as lead manager to the Public Offer and as corporate advisor to the Company and for this is entitled to be paid fees in accordance with the Lead Manager Mandate summarised in Section 8.3. During the 24 months preceding lodgement of this Prospectus with ASIC, GTT Ventures has not provided any other services to the Company.

(h) **Co-Lead Manager**

Aojin Group Pty Ltd has acted as co-lead manager to the Public Offer and for this is entitled to be paid a percentage of the lead manager fees and Securities under the Lead Manager Mandate summarised in Section 8.3, in addition to advertisement and promotional expenses and capital raising fees in respect of the seed raising totalling \$19,100 (excluding GST) which has already been paid. During the 24 months preceding lodgement of this Prospectus, the Co-Lead Manager has not provided any other services to the Company.

(i) **Corporate Advisor**

Ventnor Capital has acted as corporate advisor to the Company during the period preceding lodgement of this Prospectus and for this is entitled to be paid fees in accordance with the Ventnor Agreement summarised in Section 8.4. The Company has paid Ventnor Capital fees of approximately \$22,000 (excluding GST) during the 24 months preceding lodgement of this Prospectus.

9.6 Consents

(a) **General**

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of Shares under this Prospectus), the Directors, any persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

In light of the above, each of the parties referred to below:

- (i) does not make the Offers;
- (ii) does not make, or purport to make, any statement that is included in this Prospectus, or a statement on which a statement made in this Prospectus is based, other than as specified below or elsewhere in this Prospectus;
- (iii) only to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement contained in this Prospectus with the consent of that party as specified below; and
- (iv) has given and has not, prior to the lodgement of this Prospectus with ASIC, withdrawn its consent to the inclusion of the statements in this Prospectus that are specified below in the form and context in which the statements appear.

(b) **Share Registry**

Automic Pty Ltd has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as Share Registry of the Company in the form and context in which it is named.

(c) **Auditor**

RSM Australia Partners has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as auditor of the Company in the form and context in which it is named.

(d) **Investigating Accountant**

RSM Corporate Australia Pty Ltd has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Investigating Accountant to the Company in the form and context in which it is named and has given and not withdrawn its consent to the inclusion of the Investigating Accountant's Report in the form and context in which it is included.

(e) **Independent Geologist**

CSA Global Pty Ltd has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Independent Geologist to the Company in the form and context in which it is named and has given and not withdrawn its consent to the inclusion of the Independent Geologist's Report in the form and context in which it is included.

(f) **Solicitors**

Bellanhouse has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Solicitors to the Company in the form and context in which it is named and has given and not withdrawn its consent to the inclusion of the Solicitor's Report in the form and context in which it is included.

(g) **Lead Manager and Corporate Advisor**

GTT Ventures has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the lead manager to the Public Offer and corporate advisor to the Company in the form and context in which it is named and has given.

(h) **Co-Lead Manager**

Aojin Group Pty Ltd has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the co-lead manager to the Public Offer in the form and context in which it is named and has given.

(i) **Corporate Advisor**

Ventnor Capital has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the corporate advisor to the Company in the form and context in which it is named and has given.

9.7 Expenses of Offers

The total approximate expenses of the Offers payable by the Company are:

Items of expenditure	Minimum Subscription (\$)	Maximum Subscription (\$)
ASX quotation and ASIC lodgement fee	80,000	83,000

Items of expenditure	Minimum Subscription (\$)	Maximum Subscription (\$)
Legal fees	30,000	30,000
Investigating Accountant fees	6,000	6,000
Independent Geologist fees	12,500	12,500
Tenement transfer fees and stamp duty	41,500	41,500
Broker fees ¹	295,000	325,000
Advisor fees ²	10,000	10,000
Printing, postage and administration fees	10,000	10,000
TOTAL	485,000	518,000

Notes:

1. Refer to Section 8.3.
2. Refer to Section 8.4.

9.8 Continuous Disclosure Obligations

Following Admission, the Company will be a "disclosing entity" (as defined in section 111AC of the Corporations Act) and, as such, will be subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company will be 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 Shares (unless a relevant exception to disclosure applies). Price sensitive information will be publicly released through ASX before it is otherwise disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants will also be managed through disclosure to ASX. In addition, the Company will post this information on its website after ASX confirms that an announcement has been made, with the aim of making the information readily accessible to the widest audience.

9.9 Litigation

So far as the Directors are aware, there is no current or threatened civil litigation, arbitration proceedings or administrative appeals, or criminal or governmental prosecutions of a material nature in which the Company is directly or indirectly concerned which is likely to have a material adverse effect on the business or financial position of the Company.

9.10 Electronic Prospectus

Pursuant to Regulatory Guide 107 ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an Electronic Prospectus on the basis of a paper Prospectus lodged with ASIC and the issue of Shares in response to an electronic application form, subject to compliance with certain provisions. 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 email the Company and the Company will send to you, for free, either a hard copy or a further electronic copy of this 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. In such a case, the Application Monies received will be dealt with in accordance with section 722 of the Corporations Act.

9.11 Documents available for inspection

Copies of the following documents are available for inspection during normal business hours at the registered office of the Company:

- (a) this Prospectus;
- (b) the Constitution; and
- (c) the consents referred to in Section 9.6 of this Prospectus.

9.12 Statement of Directors

The Directors report that after due enquiries by them, in their opinion, since the date of the financial statements in the Investigating Accountant's Report in Section 4, there have not been any circumstances that have arisen or that have materially affected or will materially affect the assets and liabilities, financial position, profits or losses or prospects of the Company, other than as disclosed in this Prospectus.

10. Authorisation

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

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

This Prospectus is signed for and on behalf of the Company by:



Grant Mooney
Non-Executive Chairman
Dated: 30 November 2017

11. Glossary of Terms

These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

\$ means Australian dollars.

Acquisition means the acquisition of the Sale Tenements in accordance with the Acquisition Agreements.

Acquisition Agreements means the POZ Acquisition Agreement and the Mt Read Cobalt Project Acquisition Agreement.

Admission means admission of the Company to the Official List, following completion of the Offers.

Aojin Group means Aojin Group Pty Ltd ACN 607 404 151 (Australian Financial Services Licence 387963).

Applicant means a person who submits an Application Form.

Application means a valid application for Securities pursuant to this Prospectus.

Application Form means the IPO Application Form, the POZ Offer Application Form or the Lead Manager Offer Application Form, as the context requires.

Application Monies means application monies for Securities under the Offers received and banked by the Company.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ACN 008 624 691 or, where the context requires, the financial market operated by it.

ASX Settlement means ASX Settlement Pty Limited ACN 008 504 532.

ASX Settlement Rules means ASX Settlement Operating Rules of ASX Settlement.

Board means the board of Directors of the Company as at the date of this Prospectus.

CHESS means the Clearing House Electronic Sub-register System operated by ASX Settlement.

Closing Date means the Offers Closing Date and/or the POZ Offer Closing Date, as applicable.

Co-Lead Manager means Aojin Group.

Company means Accelerate Resources Limited ACN 617 821 771.

Company Secretary means the secretary of the Company.

Constitution means the constitution of the Company.

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

Directors means the directors of the Company.

Electronic Prospectus means the electronic copy of this Prospectus located at the Company's website www.AX8.com.au.

Eligible POZ Shareholder means POZ Shareholders who are registered with POZ on the POZ Offer Record Date.

Exposure Period means the period of 7 days after the date of lodgement of this Prospectus, which period may be extended by the ASIC by not more than 7 days pursuant to section 727(3) of the Corporations Act.

GST means Goods and Services Tax.

GTT Ventures means GTT Ventures Pty Ltd ACN 601 029 636 (Australian Financial Services Licence 001 241 390).

Independent Geologist means CSA Global Pty Ltd ACN 606 524 896.

Independent Geologist's Report means the report contained in Section 5 prepared by the Independent Geologist.

Indicative Timetable means the indicative timetable for the Offers on page viii of this Prospectus.

Investigating Accountant means RSM Corporate Australia Pty Ltd ACN 050 508 024.

Investigating Accountant's Report means the report contained in Section 4.

IPO Application Form means the Application Form accompanying this Prospectus in respect of the Public Offer.

Issue Date means the date, as determined by the Directors, on which the Shares offered under this Prospectus are issued, which is anticipated to be the date identified in the Indicative Timetable.

Lead Manager means GTT Ventures.

Lead Manager Offer means the offer by the Company pursuant to this Prospectus of up to 5,000,000 Options on the terms set out in Section 9.2 to the Lead Manager (or its nominees) in consideration for capital raising services provided to the Company.

Lead Manager Offer Application Form means the Application Form accompanying this Prospectus in respect of the Lead Manager Offer.

Lead Manager Options means the up to 5,000,000 Options to be issued to the Lead Manager (or its nominees), exercisable at \$0.25 and expiring 4 years from the date of issue on the terms and conditions set out in Section 9.2.

Listing Rules means the listing rules of ASX.

Management Options means the 6,000,000 Options exercisable at \$0.25 each on or before 30 April 2021 issued to Directors and management on the terms and conditions set out in Section 9.2.

Maximum Subscription means the raising of \$5,000,000 pursuant to the Public Offer.

Minimum Subscription means the raising of \$4,500,000 pursuant to the Public Offer.

Mt Read Cobalt Project Acquisition Agreement means the agreement between the Company, Sherlock and Thylacine dated 10 October 2017 for the purchase of the Mt Read Cobalt Tenements by the Company.

Mt Read Cobalt Tenements means exploration licences EL6/2013 and EL7/2013.

Offers means the Public Offer, the POZ Offer and the Lead Manager Offer.

Offers Closing Date means the date that the Public Offer and Lead Manager Offer close which is 5.00pm (WST) on 21 December 2017 or such other time and date as the Board determines.

Official List means the official list of ASX.

Official Quotation means official quotation of the Shares by ASX in accordance with the Listing Rules.

Opening Date means the date specified as the opening date of the Offers in the Indicative Timetable.

Option means an option to acquire a Share.

POZ means POZ Minerals Limited ACN 129 158 550.

POZ Acquisition Agreement means the agreement between the Company and POZ dated 28 April 2017 for the purchase of the WA Sale Tenements by the Company, as amended by the extension deed dated 1 September 2017.

POZ Offer means a priority offer of Shares to Eligible POZ Shareholders, as described in Section 1.1(b).

POZ Offer Application Form means the Application Form accompanying this Prospectus in respect of the POZ Offer.

POZ Offer Closing Date means the date that the POZ Offer closes which is 5.00pm (WST) on 15 December 2017 or such other time and date as the Board determines.

POZ Offer Record Date means 5:00pm (WST) on the date identified in the proposed indicative timetable.

POZ Shareholders means holders of fully paid ordinary shares in the capital of POZ.

Projects means the projects described at Section 2.4.

Prospectus means this prospectus dated 30 November 2017.

Public Offer means the offer by the Company, pursuant to this Prospectus, of a minimum of 22,500,000 Shares and a maximum of 25,000,000 Shares at the Public Offer Price to raise a minimum of \$4,500,000 and a maximum of \$5,000,000, and includes the POZ Offer.

Public Offer Price means \$0.20 per Share under the Public Offer.

Section means a section of this Prospectus.

Securities means any securities, including Shares and Options, issued or granted by the Company.

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

Share Registry means Automic Pty Ltd ACN 152 260 814 trading as Automic.

Shareholder means a holder of one or more Shares.

Sherlock means Sherlock Minerals Pty Ltd ACN 162 743 991.

Solicitor's Report means the report contained in Section 6 prepared by the Solicitors.

Solicitors means Bellanhouse Lawyers.

Tenements means the tenements described at Section 2.4.

Thylacine means Thylacine Resources Pty Ltd ACN 128 976 778.

Vendor Options means the 1,000,000 Options to be issued to POZ and the 3,000,000 Options to be issued to Sherlock, exercisable at \$0.25 each on or before 30 April 2021 on the terms and conditions set out in Section 9.2.

Vendors means POZ, Sherlock and Thylacine.

Ventnor Capital means Ventnor Capital Pty Ltd ACN 111 543 741.

WA Gold Tenements means the WA Sale Tenements, exploration licence E25/565, and application for exploration licence E46/1192.

WA Sale Tenements means exploration licences E52/3316, E52/3276 and E25/525, and application for exploration licence E20/908.

WST means Western Standard Time, being the time in Perth, Western Australia.



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