

Black Cat
Syndicate

BLACK CAT SYNDICATE LTD

ACN 620 896 282

For an offer of up to 30,000,000 Shares at an issue price of \$0.20 per Share to raise up to \$6,000,000 (**Offer**).

Completion of the Offer is conditional upon satisfaction of the Conditions, which are detailed further in Section 2.1 of this Prospectus. No Shares will be issued pursuant to this Prospectus until such time as the Conditions are satisfied.

PROSPECTUS

Lead Manager to the Offer:



IMPORTANT INFORMATION

This is an important document that should be read in its entirety. If you do not understand it you should consult your professional advisers without delay. **The Shares offered by this Prospectus should be considered highly speculative.**

TABLE OF CONTENTS

1.	CORPORATE DIRECTORY.....	1
2.	IMPORTANT NOTICE	2
3.	CHAIRMAN'S LETTER.....	5
4.	KEY OFFER INFORMATION.....	7
5.	INVESTMENT OVERVIEW	8
6.	DETAILS OF THE OFFER.....	19
7.	COMPANY AND PROJECT OVERVIEW.....	24
8.	RISK FACTORS	39
9.	INDEPENDENT TECHNICAL ASSESMENT REPORT	50
10.	INVESTIGATING ACCOUNTANT'S REPORT	114
11.	SOLICITOR'S REPORT ON TENEMENTS	130
12.	BOARD AND MANAGEMENT	184
13.	CORPORATE GOVERNANCE.....	186
14.	MATERIAL CONTRACTS	190
15.	ADDITIONAL INFORMATION	199
16.	DIRECTORS' AUTHORISATION	210
17.	GLOSSARY	211

1. CORPORATE DIRECTORY

Directors

Paul Chapman – Chairman
Gareth Solly – Proposed Managing Director¹
Leslie (Les) Davis – Non-Executive Director
Alexander (Alex) Hewlett – Non-Executive Director

Company Secretaries (Joint)

Mark Pitts
Dan Travers

Proposed ASX Code

BC8

Solicitors

Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street
Perth WA 6000

Investigating Accountant and Auditor

Crowe Horwath
Level 5, 45 St Georges Terrace
Perth WA 6000

Registered Office

5/16 Nicholson Road
Subiaco WA 6008
Telephone: + 61 458 007 713
Australia

Email:

admin@blackcatsyndicate.com.au

Website (Corporate):

www.blackcatsyndicate.com.au

Website (Download of Prospectus):

www.BlackCatSyndicateOffer.com.au

Facebook:

@BlackCatSyn8

Twitter:

@BlackCatSyn8

Share Registry²

Computershare Investor Services Pty Ltd
Level 11, 172 St Georges Tce
Perth, WA, Australia
Telephone:
(Within Australia): 1300 850 505
(Outside Australia): +61 3 9415 4000

Independent Geologist

CSA Global
Level 2, 3 Ord Street
West Perth WA 6005

Lead Manager to the Offer

DJ Carmichael Pty Limited
Level 14, Parmelia House
191 St Georges Terrace, Perth,
Western Australia 6000

¹ Appointment commences 1 January 2018.

² This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus.

2. IMPORTANT NOTICE

This Prospectus is dated 27 November 2017 and was lodged with the ASIC on that date. The ASIC, the ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

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

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

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

2.1 Conditional Offer

The Offer is conditional on:

- (a) the Bulong Agreement (a summary of which is set out in Section 14.2) becoming unconditional;
- (b) the Edwards Agreement (a summary of which is set out in Section 14.3) becoming unconditional; and
- (c) the Company receiving ASX conditional approval to admit the Company's Shares to Official Quotation,

(together, the **Conditions**).

Accordingly, the Offer under this Prospectus is inter-conditional with the Bulong Agreement and the Edwards Agreement.

In the event that any of the Conditions are not satisfied, the Offer will not proceed and no Shares will be issued pursuant to this Prospectus. If this occurs, Applicants will be reimbursed their application monies (without interest) and in accordance with the Corporations Act.

2.2 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 and, in those circumstances, any application that has been received may need to be dealt with in accordance with section 724 of the Corporations Act. Applications for Shares under this Prospectus will not be processed by the Company until after the expiry of the Exposure Period. No preference will be conferred on applications lodged prior to the expiry of the Exposure Period.

2.3 Web Site – Electronic Prospectus

A copy of this Prospectus can be downloaded directly from the special purpose website www.BlackCatSyndicateOffer.com.au or indirectly from the website of the Company at www.blackcatsyndicate.com.au. Online applications may be made by following the instructions at www.BlackCatSyndicateOffer.com.au and completing a BPAY® payment.

In order to control costs and to help the environment, the Company has decided not to prepare hard copies of this Prospectus.

If you are accessing this Prospectus for the purpose of making an investment in the Company, you must be an Australian resident and must only access this Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus

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.

2.4 Website

No document or information included on our websites, Facebook page or Twitter account is incorporated by reference into this Prospectus.

2.5 Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' 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 expected to take place.

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 our Company, the Directors and our management.

We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

We have 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.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or

anticipated in these statements. These risk factors are set out in section 8 of this Prospectus.

2.6 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 the Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this prospectus are illustrative only and may not be drawn to scale.

2.7 Competent Persons statement

The information in this Prospectus that relates to Technical Assessment of the Mineral Assets, Exploration Targets, or Exploration Results of the Company is based on information compiled and conclusions derived by Mr Sam Ulrich, a Competent Person who is a Member of the Australian Institute of Geoscientists and Australasian Institute of Mining and Metallurgy, who is bound by and follows the Institute's codes and recommended practices. Mr Sam Ulrich has sufficient experience that is relevant to the Technical Assessment of the Mineral Assets under consideration, the style of the 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' (the **JORC Code**). Mr Sam Ulrich consents to the inclusion in this Prospectus of the matters based on his information in the form and context in which it appears. Mr Sam Ulrich is an employee of the Independent Geologist, CSA Global.

3. CHAIRMAN'S LETTER

Dear Investor

On behalf of the Board, it gives me great pleasure to invite you to become a Shareholder in Black Cat Syndicate Limited (ACN 620 896 282) (**Black Cat or the Company**).

Black Cat has consolidated the ground around the high grade Bulong Gold Field, located just 25km east of Kalgoorlie by sealed road. This provides access to excellent infrastructure with mains power running through the project and 5 regional mills, support services and a residential workforce all nearby.

The Bulong Gold Field has a history of complex, unconsolidated ownership leading to small scale but high grade production of an estimated 151,748 ounces of gold at greater than 1 ounce per tonne. By consolidating the area under one owner, a number of potentially high grade, shallow open cut and deeper underground targets are combined and may lead to economies of scale.

Black Cat has implemented its consolidation strategy through its subsidiary Black Cat (Bulong) Pty Ltd (**Black Cat Bulong**). Black Cat Bulong has acquired and applied for a number of tenements in the Bulong Gold Field. Black Cat Bulong has:

- (a) entered into the Bulong Agreement to obtain an option to acquire the Bulong Tenements;
- (b) entered into the Edwards Agreement to acquire the Edwards Tenements; and
- (c) applied for the grant of the Applications.

Upon the exercise of the option under the Bulong Agreement, settlement of the Edwards Agreement and the grant of the Applications, all Tenements (covering an area of approximately 82 sq kms) will be 100% owned by or held in trust for Black Cat Bulong. Of these 100% owned Tenements, approximately 84% by area are located on granted Tenements with drill ready targets. This means reduced timing and barriers to drilling and mining, hence regular news flow.

News flow will involve rapidly completing infill and extensional drilling around the initial Exploration Targets (Refer to Section 7.1).

Our activities will particularly focus on the Queen Margaret mine. Understanding the opportunity at Queen Margaret involves understanding the history of the mine, including:

- (a) Queen Margaret was mined down to approximately 240m and produced approximately 96,000 ounces at over 1 ounce per tonne of ore extracted;
- (b) an approximate 400m exploration drive from Queen Margaret east to the Slug Hill line went through at least two mineralised lodes plus numerous stringer zones that were considered uneconomic at the time;
- (c) the exploration drive caused water ingress and insufficient pumping capacity at the time caused the mine and tributing to close around 1913 and no mining has occurred at the mine since;

- (d) a trial stope was mined on the same level as the exploration drive at a grade of 10-12 grams of gold per tonne of ore but was considered uneconomic at the time and the east lode and footwall zones did not warrant further development; and
- (e) only three holes have been drilled under Queen Margaret at depth, this was in the 1940's and all were ineffective - one hole was abandoned, one hole hit a stope and the third hole had poor core recovery.

The clear opportunities at the Queen Margaret, a mine that has produced 96,000 ounces of gold at over 1 ounce per tonne of ore extracted are as follows:

- (a) the mine was closed because of water pumping constraints rather than lack of mineralisation and current pumping technology can deal with these constraints;
- (b) there are multiple lodes east of the Queen Margaret main zone (including the footwall zone) that have no drilling yet have evidence of gold mineralisation: and
- (c) Queen Margaret at depth has not seen any effective drilling despite the mine's high-grade production record.

Accordingly, the primary purpose of the Offer is to provide funds to implement Black Cat's strategy and to rapidly advance the potential of the Bulong Gold Field.

This Prospectus is seeking to raise \$6,000,000 by the issue of 30,000,000 Shares at an issue price of \$0.20 per Share.

Black Cat has proven management to implement its strategy with a track record of successful exploration and bringing similar gold assets into production. The Bulong Gold Field is similar in many ways to the Mount Monger Gold Field which is well known to the Board. In particular, Gareth Solly was the Chief Geologist and later Resident Manager at Mount Monger.

Investors may also qualify for mineral exploration tax credits under the government's proposed Junior Mineral Exploration Tax Credit (**JMETC**) scheme. If Black Cat is found to be an eligible company under the Scheme, Black Cat can generate tax credits by giving up a portion of their tax losses from greenfield mineral exploration expenditure, which can then be distributed to shareholders. Australian resident shareholders that are issued with a tax credit will be entitled to a refundable tax offset or additional franking credits. Black Cat's carry forward losses will be reduced to reflect the amount of the credits created. The legislative package for the Scheme is yet to be finalised but it is intended that the Scheme will be retrospectively applied to 1 July 2017 until 30 June 2021.

I look forward to you joining us as a Shareholder and sharing in what we believe are exciting and prospective times ahead. Before you make your investment decision, I urge you to read this Prospectus in its entirety and seek professional advice if required.

Yours sincerely



Paul Chapman
Chairman

4. KEY OFFER INFORMATION**4.1 KEY DATES - Indicative timetable***

Lodgement of Prospectus with the ASIC	27 November 2017
Opening Date	5 December 2017
Closing Date	19 December 2017
Despatch of holding statements	8 January 2018
Expected date for quotation on ASX	15 January 2018

* The above dates are indicative only and may change without notice. The Exposure Period may be extended by the ASIC by not more than 7 days pursuant to Section 727(3) of the Corporations Act. The Company reserves the right to extend the Closing Date or close the Offer early without prior notice. The Company also reserves the right not to proceed with the Offer at any time before the issue of Shares to Applicants.

KEY OFFER DETAILS

Shares on issue as at the date of this Prospectus ¹	26,260,002
Options on issue as at the date of this Prospectus ²	14,460,001
Offer Price per Share	\$0.20
Shares to be issued under Offer	30,000,000
Consideration Shares to be issued ³	1,000,000
Broker Options ⁴	3,000,000
Total number of Shares on issue following the Offer (undiluted)	57,260,002
Total number of Options on issue following the Offer	17,460,001
Total number of Shares on issue following the Offer (fully diluted)	74,720,003
Gross Proceeds of the Offer	\$6,000,000
Market Capitalisation following the Offer (undiluted)	\$11,452,000
Market Capitalisation following the Offer (fully diluted)	\$14,944,000

¹ The terms of these Shares are set out in Section 15.2.

² The terms of these Options are set out in Section 15.3.

³ Refer to Section 14.3 for further details.

⁴ The terms of these Options are set out in Section 15.4.

5. INVESTMENT OVERVIEW

This section is a summary only and not intended to provide full information for investors intending to apply for Shares offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety.

Item	Summary	Further information
A. Company		
Who is the issuer of this Prospectus?	Black Cat Syndicate Limited (ACN 620 896 282) (Company or Black Cat)	
Who is the Company?	<p>The Company and its 100% owned subsidiary, Black Cat (Bulong) Pty Ltd (ACN 620 898 044) (Black Cat Bulong), were incorporated on 4 August 2017 with the purpose of consolidating the ownership of the high grade Bulong Gold Field located just 25km east of Kalgoorlie, Western Australia.</p> <p>Black Cat Bulong has:</p> <ul style="list-style-type: none"> (a) entered into the Bulong Agreement to obtain an option to acquire the Bulong Tenements; (b) entered into the Edwards Agreement to acquire the Edwards Tenements; and (c) applied for the grant of the Applications. 	Sections 7.1
B. Business Model		
What is the Company's business model?	<p>Following completion of the Offer, the Company's proposed business model will be to conduct infill and extensional drilling near Exploration Targets (Queen Margaret, Boundary, Trump and Strathfield) to rapidly progress mining scenarios. In the longer term, the Company intends to test for another Kanowna Belle style deposit (a felsic schist, ultramafic, porphyry system). Further details are contained in the Independent Technical Assessment Report in Section 9 of the Prospectus.</p> <p>The Company proposes to fund its exploration activities over the first two years, as outlined in the table at Section 6.3.</p>	Sections 6.3, 7.1, 7.7 and 9
What are the key business objectives of the Company?	<p>The Company's main objectives following completion of the Offer is to:</p> <ul style="list-style-type: none"> (a) complete the acquisition of the Bulong Tenements and the Edwards Tenements; (b) procure the grant of the Applications; 	Section 7.7.2

Item	Summary	Further information
	<ul style="list-style-type: none"> (c) complete infill and extensional RC drilling around Exploration Targets; and (d) subject to successful exploration, rapidly progress to development at the Bulong Gold Field. 	
What are the key dependencies of the Company's business model?	<p>The key dependencies of the Company's business model include:</p> <ul style="list-style-type: none"> (a) completion of the Offer; (b) exercising the option under the Bulong Agreement to acquire the Bulong Tenements; (c) acquiring the Edwards Tenements; (d) obtaining the grant of the Applications; (e) completing successful exploration on the Tenements to allow the Company to progress to development at the Bulong Gold Field; (f) retaining and recruiting key personnel skilled in the mining and resources sector; (g) sufficient worldwide demand for gold; and (h) the market price of gold remaining higher than the Company's costs of any future production (assuming successful exploration by the Company). 	Section 8
C. Key Advantages and Key Risks		
What are the key advantages of an investment in the Company?	<p>The Directors are of the view that an investment in the Company provides the following non-exclusive list of advantages:</p> <ul style="list-style-type: none"> (a) a portfolio of high grade projects on granted tenements with drill ready targets and established infrastructure; (b) proven management with a track record of successful exploration and bringing similar gold assets into production; and (c) investors may qualify for mineral exploration tax credits under the government's proposed JMETC scheme. 	Section 7.1 and Section 7.13
What are the key risks of an investment in the Company?	The business, assets and operations of the Company, following admission to the Official List, are subject to certain risk factors that have the potential to influence the operating and financial performance of the Company in the future. These risks can impact on the	Section 8

Item	Summary	Further information
	<p>value of an investment in the Shares of the Company.</p> <p>These risks include a variety of Company specific, industry specific and general risks, including:</p> <ul style="list-style-type: none"> (a) risks associated with the Trust Tenement being held on trust for the Company (refer to Section 8.2(b)); (b) liquidity risk associated with a portion of the Shares not being traded for a period of time either due to ASX requirements or the Voluntary Restriction Agreements (Refer to Section 7.11 and Section 14.5); (c) the risk that the Company will be obliged to pay royalties (Refer to Section 8.2(e)); (d) the Company having a limited operating history; (e) the Company being subject to customary risks associated with an exploration company, such as the volatility of metal prices and exchange rates, exploration costs and risks with respect to the holding of tenure that has been subject to historic dealings. <p>The Board aims to manage these risks by carefully planning its activities and implementing risk control measures. Some of the risks are, however, highly unpredictable and the extent to which the Board can effectively manage them is limited. Based on the information available, a non-exhaustive list of the specific key risk factors affecting the Company are set out in Section 8.2. Additional risk factors which will affect the Company are disclosed at Section 8 of this Prospectus.</p>	
D. Directors and Key Management Personnel		
Directors	<p>The Board of the Company consists of:</p> <ul style="list-style-type: none"> (a) Paul Chapman – Chairman; (b) Gareth Solly – Managing Director (commencing 1 January 2018); (c) Les Davis – Non-Executive Director; and (d) Alex Hewlett - Non-Executive Director. 	Section 7.8

Item	Summary	Further information
Other Key Management Personnel	The only other senior management position held within the Company is that of Company Secretary, which is held jointly by Mark Pitts and Dan Travers.	Section 7.8
What experience do the Directors have?	<p>Paul Chapman (Chairman) B.Comm, ACA, Grad. Dip. Tax, MAICD, MAusIMM</p> <p>Paul is a chartered accountant with over thirty years' experience in the resources sector gained in Australia and the United States. Paul has experience across a range of commodity businesses including gold, nickel, uranium, manganese, bauxite/alumina and oil/gas and has held managing director and other senior management roles in public companies. Paul was a founding shareholder/director of the following ASX listed companies: Reliance Mining Pty Ltd; Encounter Resources Ltd; Rex Minerals Ltd; Silver Lake Resources Ltd and Paringa Resources Ltd. Paul is a non-executive director of ASX listed copper/gold producer Avanco Resources Ltd (AVB) and Encounter Resources Ltd (ENR).</p> <p>The Board considers that Paul Chapman is not an independent Director by virtue of his substantial shareholding in the Company.</p> <p>Gareth Solly (Proposed Managing Director): B. Sc (Geology) First Class Honours, Dip. Business</p> <p>Gareth has 18 years mining industry experience covering numerous orebody types in both underground and surface environments with a proven ability in leading mine geology, resource development and near mine exploration teams. This includes 11 years senior management experience in roles of Registered Manager, Chief Geologist and Group Geology Manager in organisations including Saracen Gold Mines Ltd, Silver Lake Resources Ltd and Norilsk Nickel. Of particular relevance, Gareth was the Chief Geologist and later Resident Manager at Mount Monger which is similar in many ways to Bulong and involved managing a workforce of approximately 200.</p> <p>The Board considers that Gareth Solly will not be an independent Director following commencement of his appointment on 1 January 2018 by virtue of his role as Managing Director.</p>	Section 7.8

Item	Summary	Further information										
	<p>Les Davis (Non-Executive Director): M.Sc (Min Econs)</p> <p>Les has a Master's Degree in Mineral Economics from Curtin University of WA and over 38 years mining industry experience including 17 years hands-on experience in mine development and narrow vein mining. Les' career incorporates over 20 years senior management and executive experience including roles as Mine Manager, Technical Services Manager, Concentrator Manager, Resident Manager and GM Expansion Projects with organisations including WMC Resources Ltd, Reliance Mining Ltd and Consolidated Minerals Ltd and is the founding Managing Director of ASX listed Silver Lake Resources Ltd. Les is a non-executive director of Silver Lake Resources Ltd.</p> <p>The Board considers that Les Davis is an independent Director.</p> <p>Alex Hewlett (Non-Executive Director): B.Sc, MAusIMM</p> <p>Alex has a degree in Earth Science from the University of Western Australia and is a member of the Australian Institute of Mining and Metallurgy. Alex is currently the CEO of ASX listed gold and base metal explorer Hammer Metals Ltd (HMX) who is partnered with Newmont Mining Corporation and is an active explorer in the Mount Isa region of Queensland. Alex is also chairman of ASX listed explorer Spectrum Rare Earths Ltd.</p> <p>The Board considers that Alex Hewlett is not an independent Director by virtue of his substantial shareholding in the Company.</p>											
What benefits (salary & superannuation) are being paid to the Directors and Proposed Director?	<table><tr><td>(a) Paul Chapman</td><td>\$60,000</td></tr><tr><td>(b) Gareth Solly</td><td>\$240,900</td></tr><tr><td>(c) Les Davis</td><td>\$40,000</td></tr><tr><td>(d) Alex Hewlett</td><td>\$40,000</td></tr><tr><td>(above benefits include statutory superannuation)</td><td></td></tr></table>	(a) Paul Chapman	\$60,000	(b) Gareth Solly	\$240,900	(c) Les Davis	\$40,000	(d) Alex Hewlett	\$40,000	(above benefits include statutory superannuation)		Section 12.2
(a) Paul Chapman	\$60,000											
(b) Gareth Solly	\$240,900											
(c) Les Davis	\$40,000											
(d) Alex Hewlett	\$40,000											
(above benefits include statutory superannuation)												

Item	Summary	Further information
What are the Directors' and Proposed Directors' interests in the Company?	<p>At the date of this Prospectus, the Directors, Proposed Director and their associates hold the following number of Shares and Options:</p> <p>(a) Paul Chapman – 2,880,001 Shares and 2,880,001 Options (and has indicated an intention to apply for up to an additional 500,000 Shares under the Offer);</p> <p>(b) Gareth Solly – 1,200,000 Shares and 1,200,000 Options;</p> <p>(c) Les Davis – 2,400,000 Shares and 2,400,000 Options (and has indicated an intention to apply for up to an additional 250,000 Shares under the Offer); and</p> <p>(d) Alex Hewlett – 2,880,000 Shares and 2,880,000 Options.</p>	Section 12.2
What related party agreements is the Company a party to?	<p>The Company has entered into a lease agreement for office rental with Paul Chapman's company Stone Poneys Nominees Pty Ltd atf Chapman Super Fund.</p> <p>The lease terms are as follows:</p> <p>(a) month to month rental with termination on 30 days' notice;</p> <p>(b) \$1,500 rent paid per month; and</p> <p>(c) variable outgoings estimated at \$500 per month.</p> <p>Tracey Chapman, Paul Chapman's wife, also provides support services to the Company at a rate of \$500 per day on an as needed basis of 1 to 3 days per week.</p>	Section 12.3
E. Financial Information		
What is the Company's financial position?	<p>The Company was recently incorporated (4 August 2017) for the specific purpose of consolidating the Bulong Gold Field and has no operating history and limited historical financial performance. The Company is yet to conduct its own exploration activities on the area of land the subject of the Tenements.</p> <p>As a result, the Company is not in a position to disclose any key financial ratios other than its audited balance sheet, cash flow statement and statement of profit and loss, which are included as an annexure to the Investigating Accountant's Report set out in Section 10 of this Prospectus, together with a pro forma balance sheet assuming completion of the Offer.</p> <p>The Company's subsidiary, Black Cat Bulong</p>	Section 10

Item	Summary	Further information
	has also only been recently incorporated (4 August 2017) for the purpose of holding the Tenements. Black Cat Bulong has had no material operations other than making the Applications and entering into the Bulong Agreement and the Edwards Agreement (detailed in Section 14.2 and 14.3)	
What is the financial outlook for the Company?	<p>Given the current status of the Company, the Directors do not consider it appropriate to forecast future earnings.</p> <p>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 on a reasonable basis.</p>	
F. Offer		
What is being offered?	The Company invites applications for up to 30,000,000 Shares at an issue price of \$0.20 per Share to raise up to \$6,000,000. The key information relating to the Offer and references to further details are set out below.	Section 6.1
Who is eligible to participate in the Offer?	This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.	Section 6.7
How do I apply for Shares under the Offer?	<p>If you wish to apply for Shares under the Offer you may:</p> <p>(a) apply online using an online Application Form attached to the Prospectus directly from the special purpose website www.BlackCatSyndicateOffer.com.au or indirectly from the website of the Company at www.blackcatsyndicate.com.au and pay the application monies by completing a BPAY® payment;⁵ or</p> <p>(b) complete a paper-based application using the Application Form attached to,</p>	Section 6.4

Item	Summary	Further information
	or accompanying this Prospectus	
What will the Company's capital structure be upon completion of the Offer?	The Company's capital structure on a post-Offer basis is set out in Section 7.9.	Section 7.9
What are the terms of the Shares offered under the Offer?	A summary of the material rights and liabilities attaching to the Shares offered under the Offer is set out in Section 15.2.	Sections 15.2
Will any of the Shares issued under the Offer be subject to escrow?	<p>Shares issued under the Offer will not be subject to escrow. However, certain securities on issue prior to the Offer will be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of Official Quotation.</p> <p>Further, a portion of the Shares issued by way of seed capital raising are likely to be escrowed for 12 months from the date of issue (for investors who are not related parties or promoters of the Company) and 24 months from the date of official quotation (for investors who are related parties or promoters of the Company).</p> <p>A number of the Company's existing shareholders including all of the Board have also entered into Voluntary Restriction Deeds with respect to their Shares and Options under which each Restricted Shareholder has agreed that the Restricted Securities will be restricted from trading for 2 years from the date of the Company listing on the ASX (Refer to Section 14.5 for more information).</p> <p>During the period in which these Shares are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner.</p> <p>The Company will announce to the ASX full details (quantity and duration) of the Shares required to be held in escrow prior to the Shares commencing trading on ASX.</p>	Section 7.11 and 14.5

Item	Summary	Further information
What is the Company's 'free float'?	The Company's 'free float' (being the percentage of Shares not subject to escrow and held by Shareholders that are not related parties of the Company (or their associates) at the time of admission to the Official List will be greater than 20%.	Section 7.11
Will the Shares issued under the Offer be quoted?	The Company will make an application to ASX for quotation of all Shares to be issued under the Offer within 7 days of lodgement of the Prospectus.	Section 6.4.1
What are the key dates of the Offer?	The key dates of the Offer are set out in the indicative timetable in the Key Information Section.	Key Information Section
What is the minimum investment size under the Offer?	Applications for Shares must be for a minimum of 10,000 Shares (\$2,000) and thereafter in multiples of 2,500 Shares (\$500) and payment for the Shares must be made in full at the issue price of \$0.20 per Share.	Section 6.4
G. Use of proceeds		
How will the proceeds of the Offer be used?	The proceeds of the offer will be used for: (a) payment of the consideration under the Bulong Agreement (see Section 14.2) and the Edwards Agreement (see Section 14.3); (b) exploration expenditure and assessment of the Projects in the manner set out in Section 6.3; (c) costs of the Offer; (d) working capital; and (e) administration costs.	Section 6.3 and Section 14
H. Additional information		
Is there any brokerage, commission or stamp duty payable by applicants?	No brokerage, commission or duty is payable by Applicants on the acquisition of Shares under the Offer.	Section 6.11
What are the tax implications of investing in Shares?	The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. It is not possible to provide a comprehensive summary of the possible taxation positions of all potential applicants.	Section 6.11

Item	Summary	Further information
	<p>As such, all potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.</p> <p>Investors may also qualify for mineral exploration tax credits under the government's proposed Junior Mineral Exploration Tax Credit (JMETC) scheme. If Black Cat is found to be an eligible company under the Scheme, Black Cat can generate tax credits by giving up a portion of their tax losses from greenfield mineral exploration expenditure, which can then be distributed to shareholders. Australian resident shareholders that are issued with a tax credit will be entitled to a refundable tax offset or additional franking credits. Black Cat's carry forward losses will be reduced to reflect the amount of the credits created. The legislative package for the Scheme is yet to be finalised but it is intended that the Scheme will be retrospectively applied to 1 July 2017 until 30 June 2021.</p> <p>To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.</p>	
What is the Company's dividend policy?	<p>The Board anticipates that significant expenditure will be incurred in the evaluation and development of the Company's Project. These activities, together with the possible acquisition of interests in other projects, are expected to dominate at least, the first two year periods following the date of this Prospectus. Accordingly, the Company does not expect to declare any dividends during that period.</p> <p>Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of distributable earnings and operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to</p>	Section 7.12

Item	Summary	Further information
	dividends can be given by the Company.	
What are the corporate governance principles and policies of the Company?	<p>To the extent applicable, our Company has adopted the Corporate Governance Principles and Recommendations (3rd Edition) as published by ASX Corporate Governance Council (Recommendations). The Company's compliance and departures from the Recommendations as at the date of this Prospectus are set out as Annexure 1 to this Report.</p> <p>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.</p> <p>The Company's main corporate governance policies and practices as at the date of this Prospectus are outlined in Section 13 and the Company's full Corporate Governance Plan is available in a dedicated corporate governance information section of the Company's corporate website (www.blackcatsyndicate.com.au).</p>	Section 13, Annexure 1
Where can I find more information?	<p>(a) By speaking to your sharebroker, solicitor, accountant or other independent professional adviser;</p> <p>(b) By contacting the Company Secretary on +61 8 9316 9100;</p> <p>(c) By contacting the Share Registry on:</p> <ul style="list-style-type: none"> (Within Australia): 1300 850 505 (Outside Australia): +61 3 9415 4000 	

6. DETAILS OF THE OFFER

6.1 The Offer

Pursuant to this Prospectus, the Company invites applications for up to 30,000,000 Shares at an issue price of \$0.20 per Share to raise up to \$6,000,000. The Shares offered under this Prospectus will rank equally with the existing Shares on issue.

6.2 Minimum subscription

If the minimum subscription to the Offer of \$6,000,000 has not been raised within 4 months after the date of this Prospectus, the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

6.3 Use of Funds

The Company intends to apply funds raised from the Offer, together with existing cash reserves, over the first two years following admission of the Company to the official list of ASX as follows:

Funds available	Full Subscription (\$) (\$6,000,000)	Percentage of Funds (%)
Existing cash reserves ¹	\$523,000	8.02%
Funds raised from the Offer	\$6,000,000	91.98%
Total	\$6,520,000	100%
Allocation of funds		
Exploration expenditure at Bulong Project ²	\$3,280,000	50.28%
Exercise of Bulong Option (including estimated stamp duty)	\$735,000	11.27%
Acquisition of Edwards Tenements (including estimated stamp duty)	\$194,000	2.97%
Costs of the Offer	\$564,000	8.65%
Administration and working capital costs ³	\$1,750,000	26.83%
Total	\$6,520,000	100%

Notes:

1. Refer to the Financial Information set out in Section 10 of this Prospectus for further details. As at 31 October 2017, the Company had \$95,122 in cash and raised a further \$428,125 following that date. The Company's estimated cash expenditure from 27 November to completion of the Offer is approximately \$250,000.
2. Refer to section 3 of the Independent Technical Assessment Report in Section 9 of this Prospectus for further information on the planned exploration activities and expenditure budget.
3. The administration costs include the general costs associated with the management and operation of the Company's business including administration expenses, management salaries, directors' fees, rent and other associated costs.

6.4 Applications

If you wish to apply for Shares under the Offer you may:

- (a) apply online using an online Application Form attached to the Prospectus directly from the special purpose website www.BlackCatSyndicateOffer.com.au or indirectly from the website of the Company at www.blackcatsyndicate.com.au and pay the application monies by completing a BPAY® payment; or
- (b) complete a paper-based application using the Application Form attached to, or accompanying this Prospectus.

6.4.1 Online Applications

Online applications may be made by following the instructions at from the special purpose website www.BlackCatSyndicateOffer.com.au or indirectly from the website of the Company at www.blackcatsyndicate.com.au. and completing a BPAY® payment (or, and only if directed by your broker, an EFT payment). Follow the instructions below to complete your payment. If you do not make a BPAY® (or, if directed by your broker, an EFT payment), your application will be incomplete and will not be accepted. Your online Application Form and payment must be completed and received by no later than 5.00pm (WST) on the Closing Date.

If you are applying online using an online Application Form and making your application payment by BPAY®, you will be given a BPAY® biller code and unique customer reference number for your application once you have completed your online Application Form.

BPAY® payments must be made from an Australian dollar account of an Australian financial institution. Using these BPAY® details, you must:

- (a) access your participating BPAY® financial institution either through telephone or internet banking;
- (b) select to use BPAY® and follow the prompts;
- (c) enter the supplied biller code and unique customer reference number;
- (d) enter the total amount to be paid which corresponds to the value of Shares you wish to apply for under each application;
- (e) select which account you would like your payment to come from;
- (f) schedule your payment to occur on the same day that you complete your online Application Form. Applications without payment will not be accepted; and
- (g) record and retain the BPAY® receipt number and date paid.

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

6.4.2 Completing an Application Form

By completing an Application Form, or applying using the online process described in Section 6.4.1, each Applicant under the Offer will be taken to have declared that all details and statements made by you are complete and accurate and that you have personally received the Application Form together with a complete and unaltered copy of the Prospectus.

Applications for Shares must be for a minimum of 10,000 Shares (\$2,000) and thereafter in multiples of 2,500 Shares (\$500) and payment for the Shares must be made in full at the issue price of \$0.20 per Share.

Completed Application Forms and accompanying cheques, made payable to "Black Cat Syndicate Limited" and crossed "Not Negotiable", must be mailed or delivered to the address set out on the Application Form by no later than 5.00pm (WST) on the Closing Date.

The Company reserves the right to close the Offer early.

If you require assistance in completing an Application Form, please contact the Share Registry on:

- (a) (Within Australia): 1300 850 505; and
- (b) (Outside Australia): +61 3 9415 4000.

6.5 ASX listing

Application for Official Quotation by ASX of the Shares offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus.

If the Shares are not admitted to Official Quotation by ASX before the expiration of 3 months after the date of issue of this Prospectus, or such period as varied by the ASIC, the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

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

Subject to the Company being admitted to the Official List, certain Shares on issue prior to the Offer will be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of Official Quotation. None of the securities issued under the Offer will be subject to escrow under the ASX Listing Rules. Further details are set out in Section 7.11.

A number of the Company's existing shareholders have entered into Voluntary Restriction Deeds with respect to their Shares and Options under which each Restricted Shareholder has agreed that the Restricted Securities will be restricted from trading for 2 years from the date of the Company listing on the ASX (Refer to Section 14.5 for more information).

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

6.6 Issue

Subject to the minimum subscription to the Offer being reached and ASX granting conditional approval for the Company to be admitted to the Official List, issue of Shares offered by this Prospectus will take place as soon as practicable after the Closing Date.

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

The Directors will determine the recipients of the issued Shares in their sole discretion. The Directors reserve the right to reject any application or to allocate any applicant fewer Shares than the number applied for. Where the number of Shares issued is less than the number applied for, or where no issue is made, surplus application monies will be refunded without any interest to the Applicant as soon as practicable after the Closing Date.

6.7 Applicants outside Australia

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

No action has been taken to register or qualify the Shares or otherwise permit a public offering of the Shares the subject of this Prospectus in any jurisdiction outside Australia. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

If you are outside Australia it is your responsibility to obtain all necessary approvals for the issue of the Shares pursuant to this Prospectus. The return of a completed Application Form or making of the application payment for Shares by BPAY® will be taken by the Company to constitute a representation and warranty by you that all relevant approvals have been obtained.

6.8 Oversubscriptions

No oversubscriptions will be accepted by the Company.

6.9 Not underwritten

The Offer is not underwritten.

6.10 Lead Manager

DJ Carmichael Pty Limited has been appointed as Lead Manager to the Offer. The terms of the lead manager mandate with DJ Carmichael Pty Limited are summarised in Section 14.1.

DJ Carmichael Pty Limited is a licensed financial services provider offering a broad range of services to unlisted and listed companies including stockbroking, corporate advisory and wealth management services.

DJ Carmichael Pty Limited will receive the following remuneration in connection with the Offer:

- (a) a Corporate Advisory retainer of \$10,000 per month (plus GST) (or part thereof) will be payable by the Company to DJ Carmichael Pty Limited for corporate advisory services;
- (b) a fee of 6% plus GST of the gross amount raised under the Offer; and
- (c) 3,000,000 Broker Options will be issued to DJ Carmichael Pty Limited and/or its nominees at DJ Carmichael Pty Limited's discretion exercisable at the IPO price expiring five years from the date of listing on completion of the IPO and having the terms and conditions set out in Section 15.4.

6.11 Taxation

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. It is not possible to provide a comprehensive summary of the possible taxation positions of all potential applicants. As such, all potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus. No brokerage, commission or duty is payable by Applicants on the acquisition of Shares under the Offer.

Investors may also qualify for Mineral Exploration Tax Credits, as explained further in Section 7.13.

7. COMPANY AND PROJECT OVERVIEW

7.1 Background

The Company and its 100% owned subsidiary, Black Cat Bulong, were both incorporated on 4 August 2017 with the purpose of advancing drilling and development of the high grade Bulong Gold Field (**Bulong**) located just 25km east of Kalgoorlie, Western Australia.

Black Cat Bulong has acquired or has an option to acquire a number of Tenements. Black Cat Bulong has also applied for a number of tenements in the Bulong Gold Field. Black Cat Bulong has:

- (a) entered into the Bulong Agreement to acquire the Bulong Tenements;
- (b) entered into the Edwards Agreement to acquire the Edwards Tenements; and
- (c) applied for the grant of the Applications.

Bulong has access to infrastructure with a sealed road and mains power running through the project. In addition, there are five regional mills and support services including a workforce readily available.

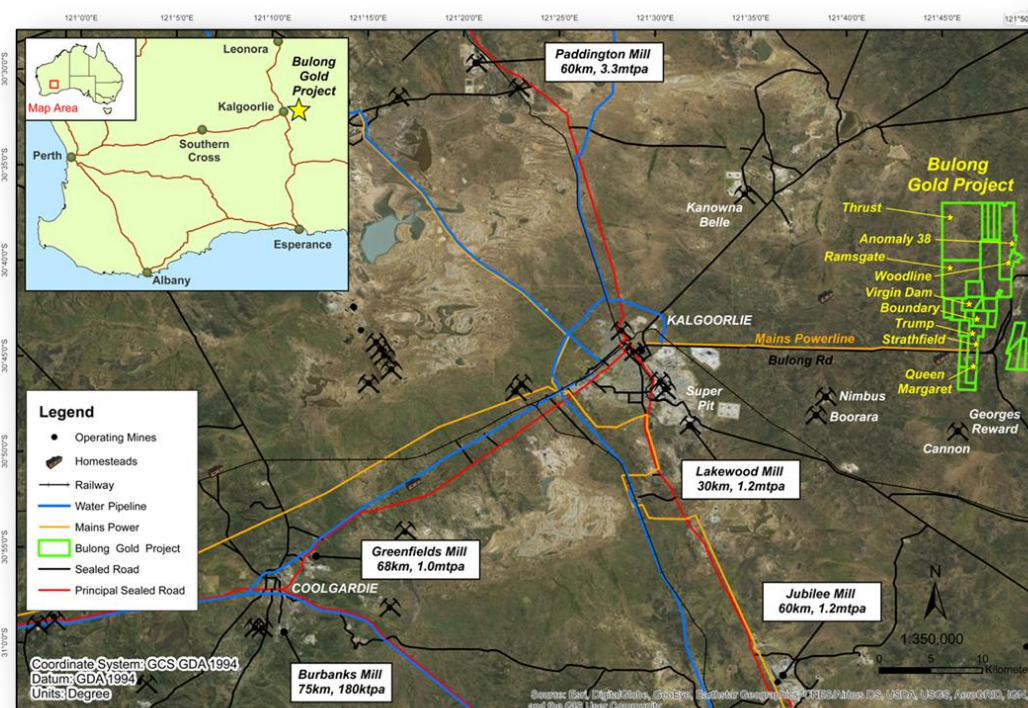


Figure 1: Location map, showing Tenements and proximity to towns, mills and other infrastructure .

Bulong's history is one of complex, unconsolidated ownership with small scale production from a number of high grade mines. Records show historic mine production that has produced an estimated 151,748 ounces of gold at greater than 1 ounce per tonne of ore, plus significant alluvial nugget gold recoveries. The now consolidated project has seen significant shallow drilling targeting open

cut positions with a number of near production deposits identified but which lack follow up drilling.

Previous work by prospectors on the project area have delivered nuggets as shown in Figure 2 below. These nuggets are not owned by the Company.



Figure 2: Gold nuggets found by prospectors on the Edwards Tenements (L) & Bulong Tenements (R).

Numerous high-grade project areas on granted mining leases exist with drill ready targets including:

- (a) **Queen Margaret:** shear hosted gold mineralisation with numerous historic mines and drill ready targets including Queen Margaret Deeps;
- (b) **Queen Margaret North:** hosted in sheared and silicified ultramafics, metasediments and thin porphyry under cover comprising transported sands up to 30m thick - host to the highly prospective Boundary, Virgin Dam, Thrust and Federation targets;
- (c) **Porphyry:** hosting the Trump and Ramsgate targets being a felsic schist, ultramafic, porphyry system similar to the package that hosts Kanowna Belle (5m ozs);
- (d) **Woodline:** a significant alluvial gold field and host to the highly prospective Patch Dam and Woodline deposits;
- (e) **Anomaly 38:** covered with 10-50m of transported sand, bedrock geology is composed of cumulative textured ultramafic rocks with rare spinifex texture, also basalt and felsic volcanics in places; and
- (f) **Bulong East & Bulong North:** contain old workings yet have seen minimal exploration activity.

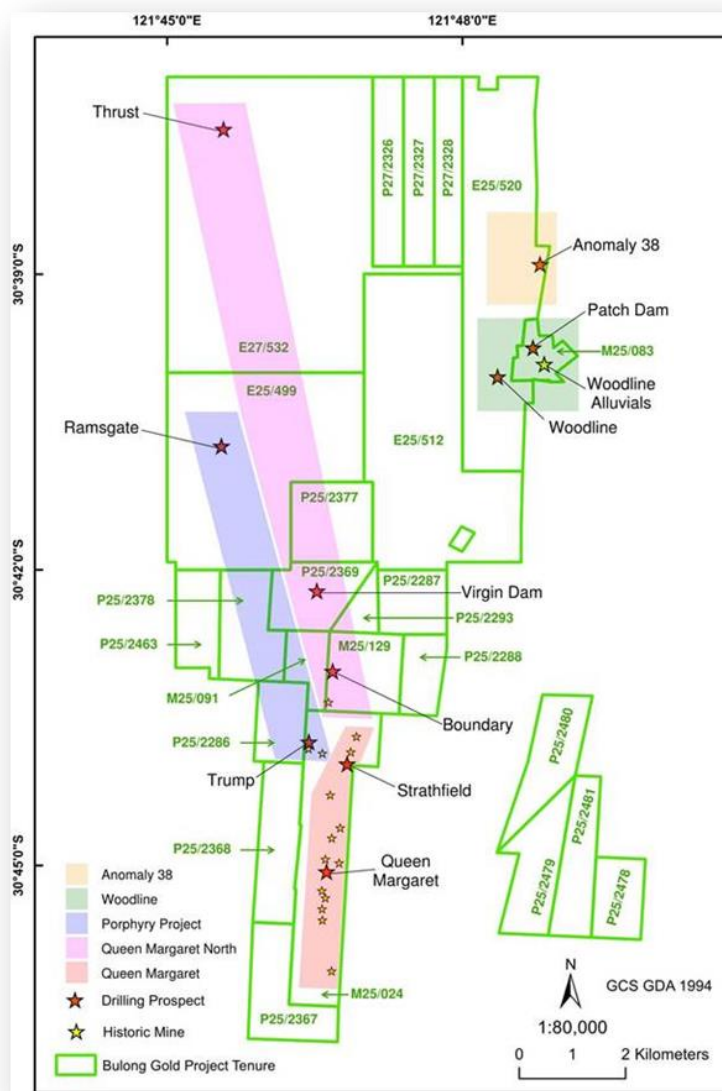


Figure 3: Map showing Tenements with high grade project areas.

The Company's strategy is to conduct infill and extensional drilling around initial Exploration Targets of approximately 4,550,000 – 7,000,000 tonnes at a grade of 1.5 to 2 grams of gold per tonne. It should be noted that the potential quantity and grade of the Exploration Targets are conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

The tenements within the Bulong Gold project area's have an extensive history of exploration and the Exploration Targets has been developed based on historic drill results and on the proposed exploration program outlined below in Sections 7.2 to 7.6. In the longer term, the Company intends to test for another Kanowna Belle type deposit (a felsic schist, ultramafic, porphyry system).

Further detail with respect to the Exploration Target, historic exploration and historic production in the Bulong Gold Field is set out below, and in the Independent Technical Assessment Report in Section 9 of this Prospectus (which includes a summary of all material significant drill interceptions).

The Company has a proven management team with a track record of successful exploration and bringing similar gold assets into production.

7.2 Overview of Queen Margaret Project Area

The geology of the Queen Margaret Project Area consists of a shear hosted gold mineralisation with numerous historic mines.

In this area, we will particularly focus on the Queen Margaret mine. Understanding the opportunity at Queen Margaret involves understanding the history of the mine, including:

- (a) Queen Margaret was mined down to approximately 280m and produced approximately 96,000 ounces of gold at over 1 ounce per tonne of ore extracted;
- (b) an approximate 400m exploration drive from Queen Margaret east to the Slug Hill line went through at least two mineralised lodes plus numerous stringer zones that were considered uneconomic at the time;
- (c) the exploration drive caused water ingress and insufficient pumping capacity caused the mine and tributing to close around 1913 and no mining has occurred at the mine since;
- (d) a trial stope was mined on the same level as the exploration drive at a grade of 10-12 grams of gold per tonne of ore, but was considered uneconomic and the east lode and footwall zones did not warrant further development; and
- (e) only three holes have been drilled under Queen Margaret at depth, this was in the 1940's and all were ineffective - one hole was abandoned, one hole hit a stope and the third hole had poor core recovery.

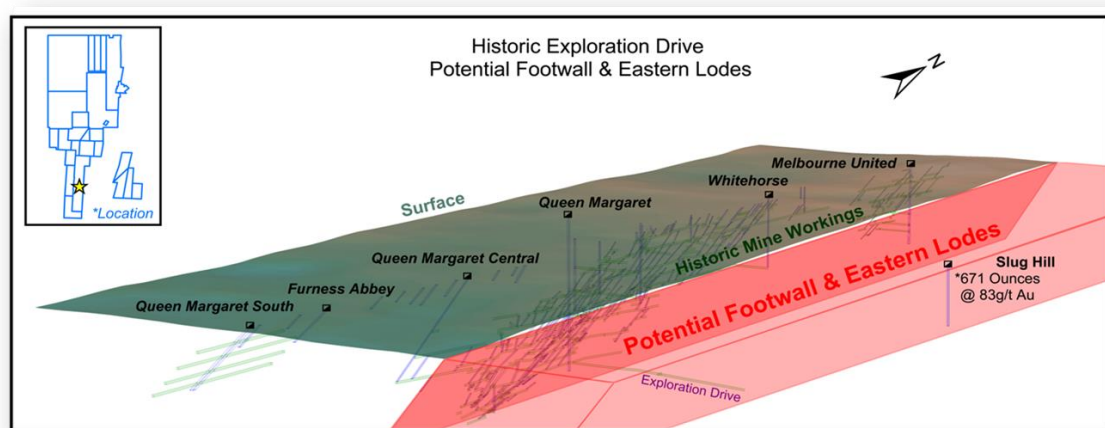


Figure 4: Image showing location of historic mines and workings on the Queen Margaret Project Area. Bottom right is the ~400m exploration drive from Queen Margaret to the Slug line that went through at least two mineralised lodes plus numerous stringer zones.

The clear opportunities at the Queen Margaret, a mine that has produced 96,000 ounces of gold at over 1 ounce per tonne of ore extracted, are as follows:

- (a) the mine was closed because of water pumping constraints rather than lack of mineralisation and current pumping technology can deal with these constraints;

- The area is considered to have significant high grade potential at the main lode, footwall zone and eastern lodes. Modelling of historic drilling already highlights open cut potential in the footwall zone.



Previous mining and drilling has identified a number of lode gold target areas. Proposed activities include:

- (a) identify open cut potential by confirmatory drilling and modelling of shallow drill data (to 50m) to establish potential resource and pit economics;
- (b) identify underground potential by drilling the footwall and eastern zones from 50m to 200m and below the old workings. If exploration defines footwall/eastern zones and depth extensions, then a conceptual mine plan may involve a decline from surface or base of an open cut to the

primary footwall/eastern zones with development across to historic workings to assess backfill volumes and grade; and

- (c) any underground development may also be used as drill platforms targeting repetitions at depth, east and west.



Figure 6: Specimens recovered from the Queen Margaret waste dump.

The Queen Margaret Project Area is considered high priority due to its near-term production potential.

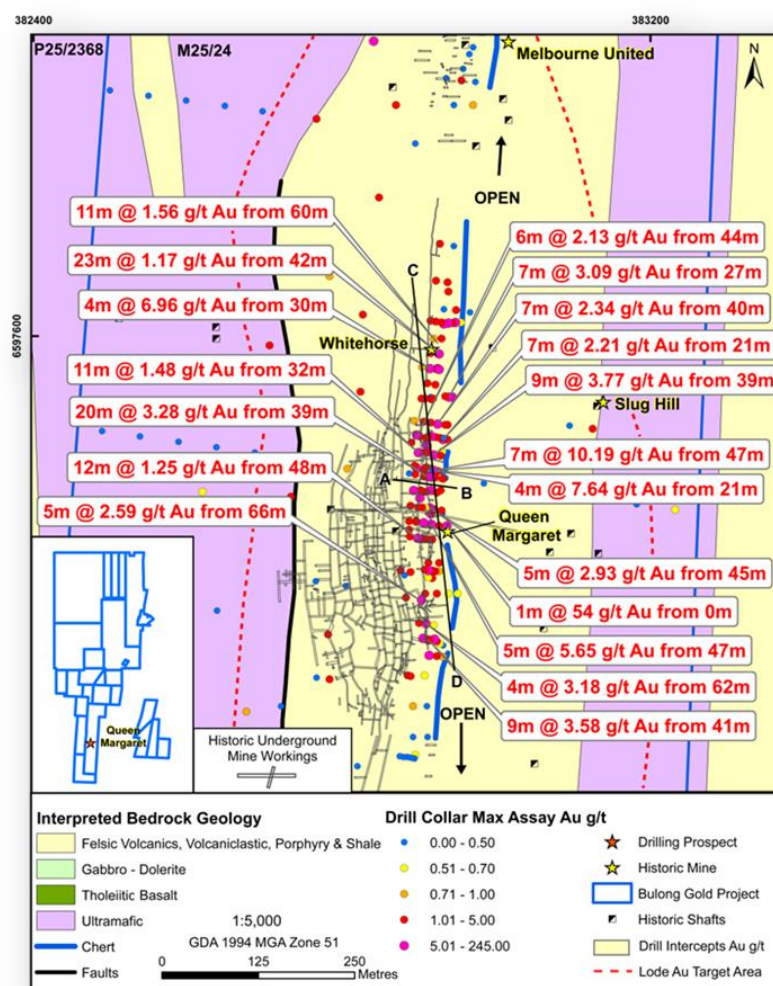


Figure 7: Queen Margaret, Whitehorse, Slug Hill and Melbourne United targets displaying historic drilling collars with maximum Au assay over interpreted geology and significant Au Intercepts.

See the Independent Technical Assessment Report for further details.

7.3 Overview of Queen Margaret North Project Area

The Queen Margaret North Project Area is hosted in sheared and silicified ultramafics, metasediments and thin porphyry under cover comprising transported sands up to 30m thick - host to the highly prospective Boundary, Virgin Dam, Thrust and Federation targets.

Previous drilling has identified a number of lode gold target areas, proposed drilling to target:

- increasing the lode gold target volume;
- extending the lode gold target area to the north of the main mineralisation zone; and
- follow up better intersections: 30m @ 5.75gt Au, 19m @ 4.54gt Au, 16m @ 3.13gt Au, 14m @ 5.1gt Au and 11m @ 2.85gt Au.

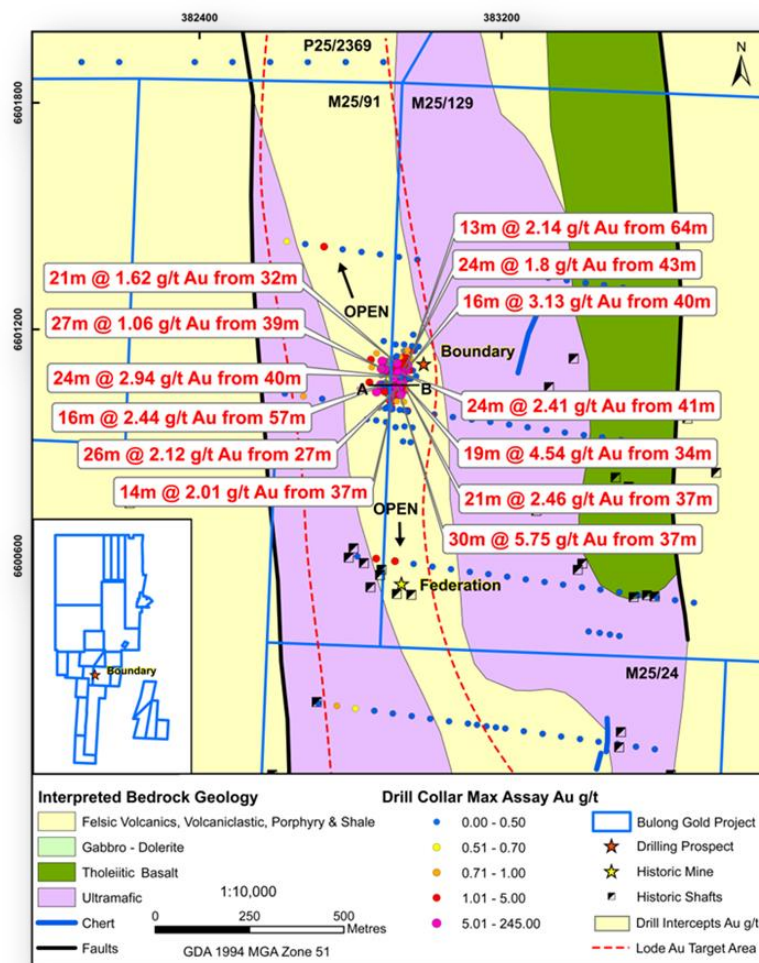


Figure 8: Boundary and Federation targets displaying historic drilling collars with maximum Au assay over interpreted geology and significant Au Intercepts. See the Independent Technical Assessment Report for further details.

7.4 Overview of Porphyry Project Area

The Porphyry Project Area consists of a felsic schist, ultramafic, porphyry system similar to the package that hosts Kanowna Belle (5m ozs) and host to the Trump, Ramsgate, Fuaioe and Myrhee targets.

Previous drilling has identified a number of lode gold target areas, with proposed drilling to target:

- increasing the lode gold target volume by exploring the undrilled mineralisation corridor north and south of each of Trump, Fuaioe and Myrhee;
- follow up significant intersections 7m @ 8.06gt Au, 3m @ 5.27gt Au; and
- conduct soil sampling over 120ha untested soil anomaly at Trump West.

7.5 Overview of Woodline Project Area

The Woodline Project Area is a significant alluvial gold field and has yielded over 100 ounces of gold nuggets from the Woodline alluvials area. The Area is host to the highly prospective Patch Dam and Woodline deposits. Previous drilling has identified a number of lode gold target areas, proposed drilling to target:

- (a) increasing the lode gold target volume to the north and south of Patch Dam and Woodline; and
- (b) follow up better intersections of 2m @ 28.3gt Au, 10m @ 5.03gt Au.

7.6 Overview of Anomaly 38 Project Area

The Anomaly 38 Project is covered with 10-50m of transported sand. The bedrock geology is composed of cumulative textured ultramafic rocks with rare spinifex texture. Basalt and felsic volcanics exist in the area.

Previous drilling has identified a number of lode gold target areas, proposed drilling to target:

- (a) increasing the lode gold target volume;
- (b) extending the lode gold target area to the north of the main mineralisation zone; and
- (c) high grade intersections near the margin of the mineralised envelope for underground potential (5m @ 16.91gt Au, 4m @ 7.05gt Au, 4m @ 23.94gt Au, 7m @ 9.37gt Au).

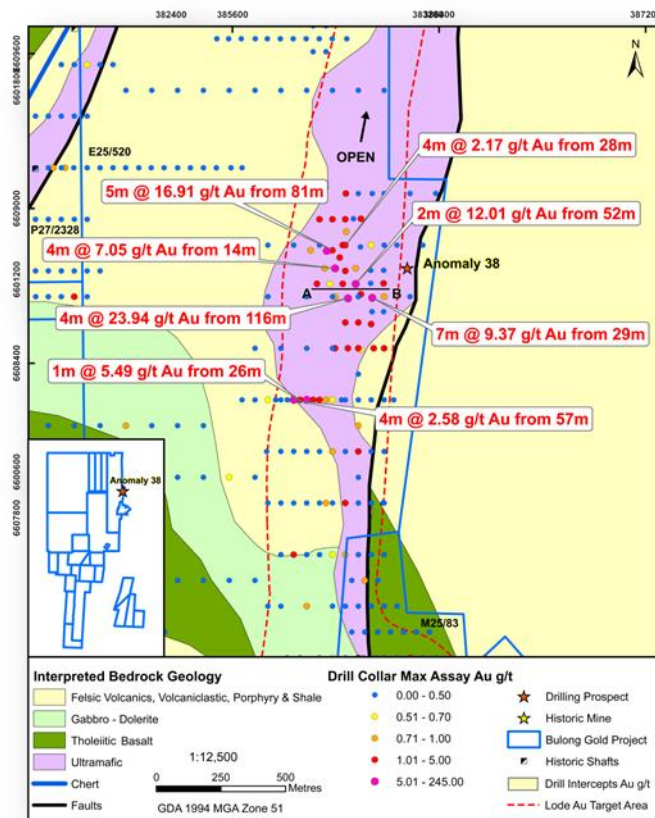


Figure 9: Anomaly 38 target displaying historic drilling collars with maximum Au assay over interpreted geology and significant Au intercepts. See the Independent Technical Assessment Report for further details.

Refer to the Independent Technical Assessment Report for further information in respect of the above Projects including further information on the historical exploration results referred to above.

7.7 Business Model

7.7.1 Proposed Drilling Program and Expenditure

Details of the Company's intended drilling program and expenditure are contained in section 3 of the Independent Technical Assessment Report in Section 9 of this Prospectus.

The drilling programs and budgeted expenditure outlined in the Independent Technical Assessment Report are subject to modification on an ongoing basis and are contingent on circumstances, results and other opportunities. Expenditure may be reallocated as a consequence of such changes or new opportunities arising and will always be prioritised in accordance with due regard to geological merit and other business decisions related to the Company's activities. Ongoing assessment of the Company's Projects may lead to increased or decreased levels of expenditure reflecting a change of emphasis.

7.7.2 Strategy Post Listing

The Company's strategy following completion of the Offer is to complete the acquisition of the Bulong Tenements and the Edwards Tenements, and to rapidly progress to development by infilling and extensional drilling on priority targets.

7.8 Directors and key personnel

Paul Chapman (Chairman): B.Comm, ACA, Grad. Dip. Tax, MAICD, MAusIMM

Paul is a chartered accountant with over thirty years' experience in the resources sector gained in Australia and the United States. Paul has experience across a range of commodity businesses including gold, nickel, uranium, manganese, bauxite/alumina and oil/gas and has held managing director and other senior management roles in public companies. Paul was also a director of Albidon Ltd from 2007 until Albidon Ltd was placed into administration in 2009 and was suspended from official quotation between 26 March 2009 and 14 October 2010. Paul was a founding shareholder/director of the following ASX listed companies: Reliance Mining Ltd; Encounter Resources Ltd; Rex Minerals Ltd; Silver Lake Resources Ltd and Paringa Resources Ltd. Paul is a non-executive director of ASX listed copper/gold producer Avanco Resources Ltd (AVB) and Encounter Resources Ltd (ENR).

The Board considers that Paul Chapman is not an independent Director due to his substantial shareholding.

Gareth Solly (Proposed Managing Director – Commencing 1 January 2018): B. Sc (Geology) First Class Honours, Dip. Business

Gareth has 18 years mining industry experience covering numerous orebody types in both underground and surface environments with a proven ability in leading mine geology, resource development and near mine exploration teams. This includes 11 years senior management experience in roles of Registered Manager, Chief Geologist and Group Geology Manager in organisations including Saracen Gold Mines Ltd, Silver Lake Resources Limited and Norilsk Nickel. Of particular relevance, Gareth was the Chief Geologist and later Resident Manager at Mount Monger which is similar in many ways to Bulong and involved managing a workforce of approximately 200.

The Board considers that Gareth Solly will not be an independent Director upon commencement of his appointment as Director by virtue of his role as Managing Director.

Les Davis (Non-Executive Director): M.Sc (Min Econs)

Les has a Master's Degree in Mineral Economics from Curtin University of WA and over 38 years mining industry experience including 17 years hands-on experience in mine development and narrow vein mining. Les's career incorporates over 20 years senior management and executive experience including roles as Mine Manager, Technical Services Manager, Concentrator Manager, Resident Manager and GM Expansion Projects with organisations including WMC Resources Ltd, Reliance Mining Ltd and Consolidated Minerals Ltd and is the founding Managing Director of ASX listed Silver Lake Resources Ltd. Les is a non-executive director Silver Lake Resources Ltd.

The Board considers that Les Davis is an independent Director.

Alex Hewlett (Non-Executive Director): B.Sc, MAusIMM

Alex has a degree in Earth Science from the University of Western Australia and is a member of the Australian Institute of Mining and Metallurgy. Alex is currently the CEO of ASX listed gold and base metal explorer Hammer Metals Limited (HMX) who is partnered with Newmont Mining Corporation and is an active explorer in the Mount Isa region of Queensland. Alex is also chairman of ASX listed explorer Spectrum Rare Earths Ltd.

The Board considers that Alex Hewlett is not an independent Director due to his substantial shareholding.

Other Management**Joint Company Secretary – Mark Pitts and Dan Travers from Endeavour Corporate**

The Company has entered an agreement with Endeavour Corporate to undertake Company Secretarial services to assist with the management of the statutory compliance and reporting obligations of the Company on the terms and conditions set out in Section 14.8.

Mark Pitts (Joint Company Secretary): BBus, FCA, GAICD

Mark Pitts has over 30 years' experience in business administration and corporate compliance. Having started his career with KPMG in the Perth and San Francisco offices, Mark has worked at a senior management level in a variety of commercial and consulting roles including mining services, healthcare and property development. The majority of the past 15 years has been spent working for or providing services to publicly listed companies in the junior resources sector. Mark is a registered company auditor and holds a Bachelor of Business Degree from Curtin University, is graduate of the Australian Institute of Company Directors and is a Fellow of the Institute of Chartered Accountants.

Dan Travers (Joint Company Secretary): BSc (Hons), FCCA

Dan is a Fellow of the Association of Chartered Certified Accountants with over 10 years' experience in the administration and accounting of publicly listed companies following significant public practice experience. He holds undergraduate degrees with honours in both Mathematics and Accounting and is an employee of Endeavour Corporate, which specialises in the provision of company secretarial and accounting services to ASX listed entities in the mining and exploration industry.

7.9 Capital Structure

The capital structure of the Company following completion of the Offer is summarised below:

Shares¹

	Number
Shares currently on issue	26,260,002
Shares to be issued pursuant to the Edwards Agreement	1,000,000
Shares to be issued pursuant to the Offer	30,000,000
Total Shares on completion of the Offer	57,260,002

Notes:

1. The rights attaching to the Shares are summarised in Section 15.2 of this Prospectus.

Options

	Number
Options currently on issue ¹	14,460,001
Broker Options ²	3,000,000
Total Options	17,460,001

Notes:

1. The Options are exercisable 5 years from the date of the ASX listing and on the terms and conditions set out in section 15.3.
2. Exercisable five years from the date of the ASX listing and on the terms and conditions set out in section 15.4.

7.10 Substantial Shareholders

Those Shareholders holding 5% or more of the Shares on issue both as at the date of this Prospectus and on completion of the Offer (assuming full subscription) are set out in the respective tables below.

Substantial shareholdings as at the date of the Prospectus

Shareholder	Total Shares	%
Paul Chapman and associates ⁶	2,880,001	10.97%
Elefantino Pty. Ltd.	2,880,000	10.97%
Davis, Leslie Brian & Annette Fay	2,400,000	9.14%
Maurice Catina and associates ⁷	2,400,000	9.14%
Briken Nominees Pty. Ltd.	1,600,000	6.09%

⁶ Paul's associates are: Stone Poneys Nominees Pty Ltd; Prudence Anne Chapman; Andrew Chapman and Mitzee Nominees Pty Ltd

⁷ Maurice Catina's associates are: Sauron Capital Pty Ltd; Hamila Pty Ltd and Viewmore Holdings Pty Ltd.

Substantial shareholdings post-Offer

Shareholder	Total Shares	%
Elefantino Pty. Ltd	2,880,000	5.03%
Paul Chapman and associates ⁸	2,880,001	5.03%

The Company will announce to the ASX details of its top-20 Shareholders (following completion of the Offer) prior to the Shares commencing trading on ASX.

7.11 Restricted Securities

Subject to the Company being admitted to the Official List, Shares issued under the Offer will not be subject to escrow. However, certain securities on issue prior to the Offer will be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of the Official Listing.

Further, a portion of the Shares issued by way of seed capital raising are likely to be escrowed for 12 months from the date of issue (for investors who are not related parties or promoters of the Company) and 24 months from the date of official quotation (for investors who are related parties or promoters of the Company).

A number of the Company's existing shareholders (including all board members) have also entered into Voluntary Restriction Deeds with respect to their Shares and Options under which each Restricted Shareholder has agreed that the Restricted Securities will be restricted from trading for 2 years from the date of the Company listing on the ASX (Refer to Section 14.5 for more information).

During the period in which these Shares are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner.

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.

7.12 Dividend Policy

The Board anticipates that significant expenditure will be incurred in the evaluation and development of the Company's Project. These activities, together with the possible acquisition of interests in other projects, are expected to dominate at least, the first two year periods following the date of this Prospectus. Accordingly, the Company does not expect to declare any dividends during that period.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of distributable earnings and operating results and financial condition of the

⁸ Paul's associates are: Stone Poneys Nominees Pty Ltd; Prudence Anne Chapman; Andrew Chapman and Mitzee Nominees Pty Ltd

Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

7.13 Mineral Exploration Tax Credit Scheme

The Australian federal government has announced its intention to introduce a Junior Mineral Exploration Tax Credit (**JMETC**) to provide a tax incentive for junior exploration companies to encourage investment and risk taking.

It is anticipated that:

- (a) the JMETC will enable eligible companies to generate tax credits by giving up a portion of their tax losses from greenfield mineral exploration expenditure, which can then be distributed to shareholders;
- (b) tax credits will only be able to be generated for shares issued in the relevant income year;
- (c) Australian resident shareholders that are issued with a tax credit will be entitled to a refundable tax offset or additional franking credits;
- (d) the issuing company's carry forward losses will be reduced to reflect the amount of the credits created;
- (e) the scheme will apply from 1 July 2017 until 30 June 2021, with total credits limited to \$100 million; and
- (f) the ability to generate credits will be available on a first-in, first-served basis until the annual cap has been reached.

Legislation is currently being developed in relation to the proposed JMETC.

If implemented, investors in the Company may qualify for mineral exploration tax credits under the JMETC.

8. RISK FACTORS

8.1 Introduction

The Shares offered under this Prospectus are considered highly speculative. An investment in our Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus, before deciding whether to apply for Shares and to consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

There are specific risks which relate directly to our business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares.

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

8.2 Company specific

(a) Limited history

The Company was only recently incorporated on the 4 August 2017, specifically to consolidate the Bulong Gold Field, and has no operating history and limited historical financial performance. Exploration has previously been conducted on the area of land the subject of the Tenements, however, the Company is yet to conduct its own exploration activities. No assurance can be given that the Company will achieve commercial viability through the successful exploration and/or mining of the Project. Until the Company is able to realise value from its Projects, it is likely to incur ongoing operating losses.

(b) Tenement held on Trust

Pursuant to the Mining Act, an exploration licence cannot be transferred within the first 12 months of its grant unless approval from the Minister is obtained. A condition under the Bulong Agreement, includes Bulong Mining completing the acquisition of E25/520 from Mr Henri Chassaing (Refer to Sections 14.2 and 14.4).

E25/520 was granted to Mr Henri Chassaing on 9 August 2017. As this Tenement was granted to the current holder less than 12 months ago, legal title to this Tenement will not be capable of transfer to the Company's subsidiary until 9 August 2018, unless Ministerial approval is obtained. Prior to transfer of legal title, the Tenement will be held on trust for Black Cat Bulong by the registered holder. While Black Cat Bulong is contractually entitled to exercise all rights in respect of E25/520, there is a risk that the Tenement will not be transferred to Black Cat Bulong and the Company will be required to seek enforcement of these contractual arrangements in Court. Refer to Section 14.4 for details with respect to the trust arrangements between Mr Henri Chassaing and Black Cat Bulong.

(c) **Gold price and demand volatility and exchange rate**

Changes in the market price of gold, which in the past have fluctuated widely, will affect the profitability of the Company's operations and its financial condition. The Company's revenues, profitability and viability depend on the market price of gold produced from the Company's mines. The market price of gold is set in the world market and is affected by numerous industry factors beyond the Company's control including the demand for gold, expectations with respect to the rate of inflation, interest rates, currency exchange rates, gold production levels, inventories, cost of substitutes, changes in global or regional investment or consumption patterns, and sales by central banks and other holders, speculators and procedures of gold in response to any of the above factors, and global and regional political and economic factors.

A decline in the market price of gold below the Company's production costs for any sustained period would have a material adverse impact on the profit, cash flow and results of operations of the Company's projects and anticipated future operations. Such a decline also could have a material adverse impact on the ability of the Company to finance the exploration and development of its existing and future projects. A decline in the market price of gold may also require the Company to write-down its material reserves which would have a material adverse effect on the value of the Company's securities. Further, if revenue from gold sales declines, the Company may experience liquidity difficulties. The Company will also have to assess the economic impact of any sustained lower gold prices on recoverability and therefore, on cut-off grades and the level of its reserves and resources.

Further any revenue derived through the sale of gold exposes the potential income of the Company to price and exchange rate risks. Gold prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for gold, technological advancements, forward selling activities and other macro-economic factors.

(d) **Liquidity risk**

In accordance with the escrow requirements in Chapter 9 of the ASX Listing Rules, at completion of the Offer a proportion of the Shares on issue will not be able to be traded either due to ASX mandate or the Voluntary Restriction Agreements (Refer to Section 7.11 and Section 14.5). This could result in an increased liquidity risk as a substantial portion of issued capital may not be able to be traded freely for a period of time.

(e) **Royalty risk**

As set out in the Solicitor's Report on Tenements set out in Section 11 of this Prospectus, there are historical agreements registered against certain of the Tenements, under which historical royalties have been granted.

As a result, there is a possibility that the Company may need to pay royalties on some or all minerals derived from some of the Tenements

upon the commencement of production from those Tenements. However, we note that as at the date of this Prospectus, the Company does not currently have any existing current mining operations and therefore there is no production on which any royalty may be payable.

(f) **Operating and Development Risks**

The Company's ability to achieve production, development, operating cost and capital expenditure estimates on a timely basis cannot be assured.

The business of mining involves many risks and may be impacted by factors including ore tonnes, grade and metallurgical recovery, input prices (some of which are unpredictable and outside the control of the Company), overall availability of free cash to fund continuing development activities, labour force disruptions, cost overruns, changes in the regulatory environment and other unforeseen contingencies. Other risks also exist such as environmental hazards (including discharge of pollutants or hazardous chemicals), industrial accidents, occupational and health hazards, cave-ins and rock bursts. Such occurrences could result in damage to, or destruction of, production facilities, personal injury or death, environmental damage, delays in mining, increased production costs and other monetary losses and possible legal liability to the owner or operator of the mine. The Company may become subject to liability for pollution or other hazards against which it has not insured or cannot insure, including those in respect of past mining activities for which it was not responsible.

In addition, the Company's profitability could be adversely affected if for any reason its production and processing of or mine development is unexpectedly interrupted or slowed. Examples of events which could have such an impact include unscheduled plant shutdowns or other processing problems, mechanical failures, the unavailability of materials and equipment, pit slope failures, unusual or unexpected rock formations, poor or unexpected geological or metallurgical conditions, poor or inadequate ventilation, failure of mine communications systems, poor water condition, interruptions to gas and electricity supplies, human error and adverse weather conditions.

(g) **Mine development**

Possible future development of mining operations of the projects is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.

If the Company commences production of any of the projects, its operations may be disrupted by a variety of risks and hazards which are beyond the control of the Company. No assurance can be given that

the Company will achieve commercial viability through the development of the Project.

The risks associated with the development of a mine will be considered in full should the Project reach that stage and will be managed with ongoing consideration of stakeholder interests.

(h) **Environmental**

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 mine development proceeds. It is the Company's intention to conduct its activities to the required standard of environmental obligation, including compliance with all environmental laws.

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall, flood or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become even more onerous making the Company's operations more expensive.

Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.

Further, under the *Mining Rehabilitation Fund Act 2012 (WA)* (*Mining Rehabilitation Fund Act*), the Company will be required to provide assessment information to the Department of Mines, Industry Regulation and Safety in respect of a mining rehabilitation levy payable for mining tenements granted under the *Mining Act 1978*. The Company will be required to contribute annually to the mining rehabilitation fund established under the *Mining Rehabilitation Fund Act* if its rehabilitation liability is above \$50,000. The Company's rehabilitation liability estimate is currently less than \$50,000. However, there is a risk that as the Company increases its activities in the future, that it may exceed this \$50,000 threshold and it will therefore need to contribute to the Mining Rehabilitation Fund.

8.3 Industry specific

(a) Tenure, access and grant of applications

Mining and exploration tenements are subject to periodic renewal. There is no guarantee that current or future tenements and/or applications for tenements will be approved.

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

The Company considers the likelihood of tenure forfeiture to be low given the laws and regulations governing exploration in Western Australia and the ongoing expenditure budgeted for by the Company. However the consequence of forfeiture or involuntary surrender of a granted tenements for reasons beyond the control of the Company could be significant.

Please refer to the Solicitor's Report on Tenements in Section 11 for further details.

(b) Exploration and operating

Potential investors should understand that mineral exploration and development are high-risk undertakings. The Company has not defined any mineral resources or reserves under the JORC Code and there can be no assurance that future exploration of the Tenements, or any other mineral licences 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 or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, native title process, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company being able to maintain title to the mineral exploration licences comprising the Projects and obtaining all required approvals for their contemplated activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Projects, a reduction in the cash reserves of the Company and

possible relinquishment of the mineral exploration licence comprising the Projects.

(c) **Exploration costs**

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainty, and accordingly, the actual costs may materially differ from the estimates and assumptions. Accordingly no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely impact the Company's viability.

(d) **Exploration Targets**

The Company has identified a number of exploration targets based on geological interpretations and limited geophysical data, geochemical sampling and historical drilling. Insufficient data however, exists to provide certainty over the extent of the mineralisation. Whilst the Company intends to undertake additional exploratory work, no assurances can be given that additional exploration will result in any of the exploration targets identified.

(e) **Resources and Reserves**

The Company has not defined in Reserves or Resources under the JORC Code. Even if the Company is able to do so, Reserve and Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when initially calculated may alter significantly when new information or techniques become available. In addition, by their very nature resource and reserve estimates are imprecise and depend to some extent on interpretations which may prove to be inaccurate. Even if a resource is identified, no assurance can be provided that this can be economically extracted

(f) **Failure to satisfy Expenditure Commitments**

Interests in tenements in Western Australia are governed by the mining acts and regulations that are current in those States and are evidenced by the granting of licences or leases. Each licence 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 licence conditions are not met or if insufficient funds are available to meet expenditure commitments.

(g) **Equipment and availability**

The Company's ability to undertake mining and exploration activities is dependent upon its ability to source and acquire appropriate mining equipment. Equipment is not always available and the market for mining equipment experiences fluctuations in supply and demand. If the Company is unable to source appropriate equipment economically

or at all then this would have a material adverse effect on the Company's financial or trading position.

(h) **Environmental Health and Safety matters**

The Company's mining operations will be subject to extensive Australian health and safety and environmental laws and regulations which could impose significant costs and burdens on the Company (the extent of which cannot be predicted). These laws and regulations provide for penalties and other liabilities for violation of such standards and if established, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted. Permission to operate could be withdrawn temporarily where there is evidence of serious breaches of health and safety and environmental laws and regulations and even permanently in the case of extreme breaches.

(i) **Native title and Aboriginal heritage**

In relation to the Tenements which the Company has an interest in, 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. Please refer to the Solicitor's Report on Tenements in Section 11 of this Prospectus for further details.

The Directors will closely monitor the potential effect of native title claims involving the Tenements in which the Company has or may have an interest.

8.4 **General risks**

(a) **Economic**

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

(b) **Commodity price volatility and exchange rate risks**

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of product exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors.

Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company will be taken into account in Australian

currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

(c) **Competition risk**

The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake 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.

(d) **Currently no market**

There is currently no public market for the Company's Shares, the price of its Shares is subject to uncertainty and there can be no assurance that an active market for the Company's Shares will develop or continue after the Offer.

The price at which the Company's Shares trade on ASX after listing may be higher or lower than the Offer price and could be subject to fluctuations in response to variations in operating performance and general operations and business risk, as well as external operating factors over which the Directors and the Company have no control, such as movements in mineral prices and exchange rates, changes to government policy, legislation or regulation and other events or factors.

There can be no guarantee that an active market in the Company's Shares will develop or that the price of the Shares will increase.

There may be relatively few or many potential buyers or sellers of the Shares on ASX at any given time. This may increase the volatility of the market price of the Shares. It may also affect the prevailing market price at which Shareholders are able to sell their Shares. This may result in Shareholders receiving a market price for their Shares that is above or below the price that Shareholders paid.

(e) **Market conditions**

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

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

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

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

(f) **Taxation**

The acquisition and disposal of Shares 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 Shares from a taxation viewpoint and generally.

Investors may also qualify for Mineral Exploration Tax Credits detailed further in Section 7.13.

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

(g) **Additional requirements for capital**

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the capital raising. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

(h) **Reliance on key personnel**

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

(i) **Agents and contractors**

The Directors are unable to predict the risk of the insolvency or managerial failure by any of the contractors used (or to be used in the future) by the Company in any of its activities or the insolvency or other managerial failure by any of the other service providers used (or to be used in the future) by the Company for any activity.

(j) **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.

(k) **Government policy changes**

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

(l) **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.

(m) **Insurance**

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 of all risks associated with mineral exploration and production is not always available and where available the costs can be prohibitive.

(n) **Regulatory risks**

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

authorities to authorise the Company's operations. These permits relate to exploration, development, production and rehabilitation activities.

Obtaining necessary permits can be a time consuming process and there is a risk that the Company will not obtain these permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Company from proceeding with the development of a project or the operation or development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more of the Tenements.

8.5 Investment speculative

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

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

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

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9. INDEPENDENT TECHNICAL ASSESMENT REPORT



CSA Global
Mining Industry Consultants

**Independent Technical
Assessment Report**

**Black Cat Syndicate Limited
Bulong Gold Project**

CSA Global Report N° R360.2017

**17 November 2017
www.csaglobal.com**

Report prepared for

Client Name	Black Cat Syndicate Limited
Project Name/Job Code	BCSITA01
Contact Name	Paul Chapman
Contact Title	Chairman
Office Address	

Report issued by

CSA Global Office	CSA Global Pty Ltd Level 2, 3 Ord Street West Perth, WA 6005 P.O. Box 141 West Perth, WA 6872 AUSTRALIA
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Author	Sam Ulrich BSc(Hons), GDipAppFinInv MAusIMM, MAIG, FFin	Signature:	Electronic signature not for duplication. Electronic signature not for duplication. Electronic signature not for duplication. Electronic signature not for duplication. Electronic signature not for duplication. Electronic signature not for duplication. Electronic signature not for duplication. Electronic signature not for duplication.
Contributing Author	Marcus Willson BSc, MSc, MAIG, R.P.Geo (Expl)	Signature:	Electronic signature not for duplication. Electronic signature not for duplication. Electronic signature not for duplication. Electronic signature not for duplication. Electronic signature not for duplication. Electronic signature not for duplication. Electronic signature not for duplication. Electronic signature not for duplication.
Contributing Author	Leah Moore BSc(Hons), MAIG, MSEG	Signature:	Electronic signature not for duplication. Electronic signature not for duplication. Electronic signature not for duplication. Electronic signature not for duplication. Electronic signature not for duplication. Electronic signature not for duplication. Electronic signature not for duplication. Electronic signature not for duplication.
Peer Reviewer	Graham M. Jeffress BSc (Hons), RPGeo, FAIG, FAusIMM, FSEG	Signature:	Electronic signature not for duplication. Electronic signature not for duplication. Electronic signature not for duplication. Electronic signature not for duplication. Electronic signature not for duplication. Electronic signature not for duplication. Electronic signature not for duplication. Electronic signature not for duplication. Electronic signature not for duplication. Electronic signature not for duplication. Electronic signature not for duplication. Electronic signature not for duplication.
CSA Global Authorisation			

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Executive Summary

CSA Global Pty Ltd (CSA Global) was requested by Black Cat Syndicate Limited (“Black Cat” 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 (30 million fully paid ordinary shares at an issue price of 20¢ per share to raise A\$6 million) for Black Cat to enable a listing on the Australian Securities Exchange (ASX). The funds raised will be used for the purpose of acquisition, exploration and evaluation of the project areas.

The Company has acquired a portfolio of tenements (exploration, prospecting and mining licences and applications for licences) within the Gindalbie Domain of the Kurnalpi Terrane of the Yilgarn Craton of Western Australia (WA). Seventeen tenements are granted, and eight applications remain pending, as listed in Table 2 and shown in Figure 1. The granted tenements and tenement applications, covering an area of approximately 81.8 km².

Bulong Gold Project, Western Australia

The Bulong Gold Project (“the Project”) of Black Cat comprises four exploration licences, five mining licences and 16 prospecting licences covering approximately 81.8 km², located approximately 25 km east of the significant regional mining centre town of Kalgoorlie-Boulder in the Eastern Goldfields of WA. Black Cat has consolidated a 100% controlled, contiguous tenement package that has previously been subject to complex joint ventures. Black Cat has an option to acquire 100% of the Woodline and Margaret tenure. Black Cat has a purchase agreement for 100% of the Edwards tenure.

The principal mineralisation style associated with the Project area is Archaean Lode Gold, also referred to as orogenic gold. This type of mineralisation occurs worldwide in Archaean Greenstone belts of similar age to the Eastern Goldfields Province of WA, such as the Abitibi, Ontario, Canada. It is typified by fault and shear related, structural complex mineralisation that can occur in a spectrum of styles ranging from narrow, high-grade vein associated (e.g. Kundana and Daisy Milano near Kalgoorlie), to shear hosted disseminated (e.g. Thunderbox near Leonora), to sheeted vein or stockwork mineralisation (e.g. Mount Charlotte in Kalgoorlie). Black Cat is targeting mineralisation similar to that at the nearby Kanowna Belle gold mine, where mineralisation is contained in felsic schists, ultramafics and porphyry.

The exploration model for this area is based on standard Archaean Lode orogenic gold models. The model is based on a series of geological criteria that provide a framework of amenable environments within which the mineralisation processes may effectively produce an ore deposit – a process model.

CSA Global has developed an Exploration Target for the Bulong Gold Project (Table 1). The potential quantity and grade is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource. See [Appendix 2](#) for a list of significant intersections from historical drilling used within the Exploration Target and Section 2.6.1 for details as to how the Exploration Target was developed.

Table 1: Bulong Gold Project Exploration Target

Area	Tonnes	Gold grade (g/t)
Queen Margaret	3,000,000–4,500,000	1.5–2.0
including	300,000–400,000	2.5–3.5
Other Exploration Prospects	1,550,000–2,500,000	1.5–2.0
Total	4,550,000–7,000,000	1.5–2.0

The tenements within the Bulong Gold Project have an extensive history of exploration, which have been reviewed by way of compilation of WAMEX reports, of which a minimum of 25 contain information pertaining to drilling and surface geochemistry completed within the current tenement areas. Minimal on-ground work has been completed by Black Cat since securing exploration rights to these tenements.

Black Cat's activities have focused on compiling and interrogating the geological data available into a comprehensive database, from which to allow appropriate evaluation to define ongoing work programs.

Eight targets for further work have been identified within the Bulong Gold Project for immediate follow-up drilling. Black Cat has proposed a Phase 1 exploration budget for this work totalling A\$3.21 million (for the capital raising) – A\$2.18 million in the first year, and A\$1.10 million for the second year. CSA Global considers Black Cat's proposed budgets reasonable, appropriate for the stage of the Project, and recommends that the Company proceed with the proposed work programs.

Use of Funds

A high-level summary of the use of funds directed towards the technical evaluation of the Company's projects is presented in Table 5.

The Company's commitments to exploration and production activities satisfy the requirements of ASX Listing Rules 1.3.2(b) and 1.3.3(b). CSA Global also understands that the Company will have sufficient working capital to carry out its stated objectives, satisfying the requirements of ASX listing Rules 1.3.3(a), following the minimum capital raising contemplated.

The Company has prepared staged exploration, development and production programs and budgets, specific to the Project, which is consistent with the budget allocations. CSA Global considers that the relevant areas have sufficient technical merit to justify the proposed programs, and associated expenditure, satisfying the requirements of ASX Listing Rules 1.3.3(a).

The proposed exploration budget also exceeds the anticipated minimum statutory annual expenditure commitments on the Project tenements.

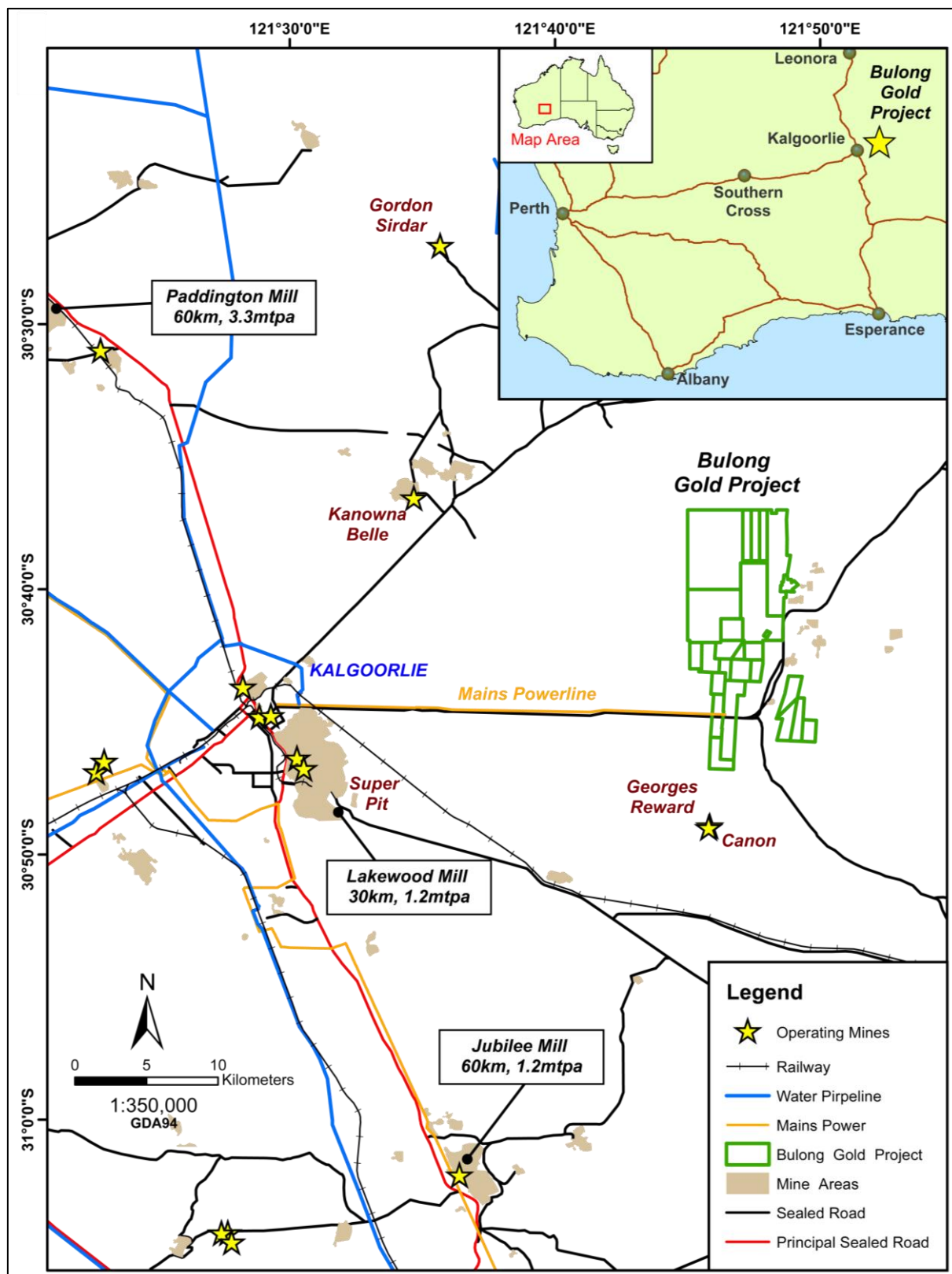


Figure 1: Regional location of Black Cat's Bulong Gold Project, showing operating mines and toll treatment mill
Source: Black Cat

Contents

Report prepared for.....	I
Report issued by	I
Report information	I
Author and Reviewer Signatures	I
EXECUTIVE SUMMARY	II
Bulong Gold Project, Western Australia	II
Use of Funds	III
CONTENTS	V
1 INTRODUCTION.....	1
1.1 Context, Scope and Terms of Reference	1
1.2 Compliance with the VALMIN and JORC Codes.....	1
1.3 Principal Sources of Information and Reliance on Other Experts	1
1.4 Authors of the Report	2
1.5 Independence.....	3
1.6 Declarations.....	3
1.6.1 Purpose of this Document.....	3
1.6.2 Competent Person's Statement	4
1.6.3 Site Inspection	4
1.7 About this Report	4
2 BULONG GOLD PROJECT.....	5
2.1 Location, Access and Land Use.....	5
2.2 Climate	5
2.3 Tenure	5
2.4 Local Geology	8
2.4.1 Regional Geology.....	8
2.4.2 Local Geology	9
2.4.3 Mineralisation Styles	11
2.5 Mining and Exploration History.....	14
2.5.1 Historical Mining	14
2.5.2 Exploration History.....	14
2.5.3 Assessment of Historical Exploration	18
2.6 Targets and Exploration Potential	21
2.6.1 Exploration Target.....	21
2.6.2 Queen Margaret.....	25
2.6.3 Boundary.....	25
2.6.4 Strathfield.....	28
2.6.5 Trump.....	28
2.6.6 Anomaly 38	28
2.6.7 Woodline.....	31
2.6.8 Virgin Dam.....	31
2.6.9 Ramsgate.....	31
2.7 Exploration Strategy	35
2.8 Work Completed	35
2.9 Risks.....	35
3 PROPOSED EXPLORATION BUDGET SUMMARY	37

4	REFERENCES	38
4.1	Project References	38
5	GLOSSARY	40

Figures

Figure 1:	Regional location of Black Cat's Bulong Gold Project, showing operating mines and toll treatment mill	IV
Figure 2:	Bulong Gold Project tenure, showing historic workings and prospects	7
Figure 3:	Eastern Goldfields - Yilgarn Craton showing Black Cat's tenements	9
Figure 4:	Bulong Gold Project – local geology, Interpreted geology after Gee (2017)	11
Figure 5:	Bulong Gold Project – gridded geochemistry (auger sampling)	17
Figure 6:	Bulong Gold Project – historic drilling by drill different drill types (unknown drill types are most likely RAB or AC drillholes)	19
Figure 7:	Bulong Gold Project – historic drilling by maximum drill length	20
Figure 8:	Plan of Bulong Gold Project Exploration Target prospects (coordinate system GDA94 Zone 51 in eastings and northings)	22
Figure 9:	Queen Margaret prospect narrow vein interpretation looking north – Section 6,597,220mN with 20 m clipping (coordinate system GDA94 Zone 51 in eastings and RL)	23
Figure 10:	Queen Margaret prospect, long section of narrow vein scenario Exploration target isosurfaces. Oblique view looking east (azimuth 094°, plunge 74°). Coordinate system GDA94 Zone 51 in northings and RL.	24
Figure 11:	Queen Margaret prospect, showing total downhole gold gram metres being representative of the historical drilling with selected gold intersections displayed (see Appendix 2 for full list of gold intersections), on interpreted geology after Gee (2017), surface expression of historical workings displayed.....	26
Figure 12:	Boundary prospect showing total downhole gold gram metres being representative of the historical drilling with selected gold intersections displayed (see Appendix 2 for full list of gold intersections), on interpreted geology after Gee (2017)	27
Figure 13:	Strathfield and Trump prospects showing total downhole gold gram metres being representative of the historical drilling with selected gold intersections displayed (see Appendix 2 for full list of gold intersections), on interpreted geology after Gee (2017).....	29
Figure 14:	Anomaly 38 prospect showing total downhole gold gram metres being representative of the historical drilling with selected gold intersections displayed (see Appendix 2 for full list of gold intersections), on interpreted geology after Gee (2017)	30
Figure 15:	Woodline prospect showing total downhole gold gram metres being representative of the historical drilling with selected gold intersections displayed (see Appendix 2 for full list of gold intersections), on interpreted geology after Gee (2017)	32
Figure 16:	Virgin Dam prospect showing total downhole gold gram metres being representative of the historical drilling with selected gold intersections displayed (see Appendix 2 for full list of gold intersections), on interpreted geology after Gee (2017).....	33
Figure 17:	Ramsgate prospect showing total downhole gold gram metres being representative of the historical drilling with selected gold intersections displayed (see Appendix 2 for full list of gold intersections), on interpreted geology after Gee (2017)	34

Tables

Table 1:	Bulong Gold Project Exploration Target	II
Table 2:	Bulong Gold Project tenements.....	5
Table 3:	Historical gold production on Black Cat's Bulong Gold Project tenements	14
Table 4:	Bulong Gold Project Exploration Target	21
Table 5:	Proposed exploration expenditure summary by activity (\$6 million capital raising).....	37

Appendices

Appendix 1:	JORC Code Table 1 for Exploration Results
Appendix 2:	Bulong Gold Project Drillhole Intersections >1.00 g/t

1 Introduction

1.1 Context, Scope and Terms of Reference

CSA Global Pty Ltd (CSA Global) was requested by Black Cat Syndicate Limited (“Black Cat” 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 (30 million fully paid ordinary shares at an issue price of 20¢ per share to raise A\$6 million) for Black Cat 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.

The Company holds tenure in the Kurnalpi Terrane of the Yilgarn Craton of Western Australia (WA). Seventeen tenements are granted and the remaining eight tenements pending and cover an area of 81.8 km².

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.
- Relied on the accuracy and completeness of the data provided to it by Black Cat, and that Black Cat made CSA Global aware of all material information in relation to the projects.
- Relied on Black Cat’s representation that it will hold adequate security of tenure for exploration and assessment of the projects to proceed.
- Required that Black Cat provide an indemnity to the effect that Black Cat 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 Black Cat or any of its directors or officers knowingly providing CSA Global with any false or misleading information, or Black Cat, or its directors or officers knowingly withholding material information.
- Required an indemnity that Black Cat 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

This 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 Reports (IERs).

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 Black Cat, along with technical reports prepared by consultants, government agencies and previous tenement holders, and other relevant published and unpublished data.

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> >

CSA Global has also relied upon discussions with Black Cat's management for information contained within this assessment. This report has been based upon information available up to and including 13 October 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 Black Cat in the form of documentation and digital data.

Black Cat 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 Black Cat or its technical consultants. CSA Global has also relied on web-based information from the Western Australian Department of Minerals and Petroleum GeoView systems (<https://geoview.dmp.wa.gov.au/GeoViews/>) in respect to the Bulong Gold Project ("the Project").

CSA Global has not independently verified the legal status or ownership of the property or any of the underlying agreements, however all the information appears to be of sound quality. This information should be contained within the Independent Solicitors Report and described therein under Summary of Material Agreements, elsewhere in the prospectus.

Black Cat 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 ITAR 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 sources or the ASX. The authors of these reports have not consented to their statements use in this ITAR, and these statements are included in accordance with ASIC Corporations (Consent and Statements) Instrument 2016/72.

1.4 Authors of the Report

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

This ITAR has been prepared by a team of consultants sourced principally from CSA Global's Perth, WA office. The individuals who have provided input to the ITAR have extensive experience in the mining industry and, are members in good standing of appropriate professional institutions. The Consultant preparing this ITAR is a specialist in the field of geology and exploration, in particular, relating to orogenic gold.

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 Sam Ulrich (Principal Consultant Geologist with CSA Global in Perth, WA) responsible for the entire report.
- Contributing author – Ms Leah Moore (Senior Consultant Geologist with CSA Global in Perth, WA) responsible for the Exploration Target.
- Contributing author – Mr Marcus Willson (Manager – Exploration of CSA Global in Perth, WA) responsible for technical oversight and direct regional knowledge sufficient so that a site visit was not deemed necessary.
- Peer reviewer – Mr Graham Jeffress (Manager Corporate of CSA Global in Perth, WA) responsible for the entire report.

Sam Ulrich has over 20 years' experience in gold, copper and uranium mineral exploration and resource development in Australia, China, Laos, Indonesia and the Kyrgyz Republic. He has worked at all stages of exploration with extensive experience in Archaean lode/orogenic gold deposits. Sam has completed numerous independent technical reports (IGR, QPR) and valuations of mineral assets.

Leah Moore is a multi-skilled geologist with 10 years' experience in the Australian and Papua New Guinean gold mining industry. Her experience ranges from underground production and grade control modelling through to early and late stage exploration. Leah has expertise in Archaean Lode/orogenic gold, regolith interpretation and geochemistry as well as detailed 3D software and interpretation.

Marcus Willson has approximately 30 years' experience in the mining industry related to exploration and management in Australia, Canada, USA, Chile, Venezuela, Suriname, West Africa and other jurisdictions. He has worked in all stages of exploration from regional generative through to feasibility programs in a wide range of mineral styles including orogenic gold, volcanic massive sulphide, porphyry copper/gold, epithermal gold and base metals, etc. He has extensive international experience in Archaean Lode gold and has worked over an extended period in and around the area associated with this review. Marcus has completed a number of independent technical reports encompassing JORC, NI 43-101, VALMIN and CIMVal associated with mineral assets.

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 Black Cat or the mineral properties in which Black Cat has an interest. CSA Global's relationship with Black Cat is solely one of professional association between client and independent consultant.

CSA Global is an independent geological consultancy. Fees are being charged to Black Cat 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\$37,000.

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

There is no formal agreement between CSA Global and Black Cat as to Black Cat 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 Black Cat. Its purpose is to provide an ITA of Black Cat's Bulong Gold Project.

The report is to be included in its entirety or in summary form within a prospectus to be prepared by Black Cat, 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 13 October 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 Sam Ulrich, a Competent Person who is a Member of the Australian Institute of Geoscientists and Australasian Institute of Mining and Metallurgy.

Mr Ulrich is employed by CSA Global.

Mr Ulrich 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 Ulrich 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

No site visit was made to the Project as the author has extensive knowledge of this region; while certain of the projects have previously undergone mining, apart from remnants of this, there is little from which to provide additional material information.

1.7 About this Report

This report describes the prospectivity of Black Cat's Bulong Gold Project, located within the Archaean Gindalbie Domain of the Kurnalpi Terrane in the Eastern Goldfields Province of WA, to host orogenic gold only style mineralisation, as typically hosted within Archaean greenstone belts.

The geology and mineralisation for the Project area is discussed, as well as the exploration work done, and the results obtained there from. A great wealth of data pertains to the work done on the projects and an effort was made to summarise this so as to contain the size and readability of the report. Maps of the areas are presented and statistics on the drilling are provided.

No valuation has been requested or completed for the Project.

2 Bulong Gold Project

2.1 Location, Access and Land Use

The Bulong Gold Project is located 25 km east of Kalgoorlie in WA. (Figure 1). Access is excellent, via the sealed Bulong Road and, an extensive network of previous mining and exploration roads. Mains electricity passes through the Project area. The Project's close location to the regional mining centre of Kalgoorlie provides it with access to a skilled mining labour force. There are also a number of gold processing plants in the area available for the potential toll treatment of gold ore. The physiography is mostly flat, with occasional low hills and is thinly vegetated by scrub and a few larger trees. Most of the Project is located on the Hampton Hill pastoral lease with part of one tenement on the Black Flag pastoral lease. The current land use is predominantly for cattle production.

2.2 Climate

Kalgoorlie and surrounding regions are classified as having a semi-arid climate with hot to extremely hot summers and mild winters. Mean summer maximum temperature is 33.6°C with temperatures above 40°C common, mean winter maximum temperature is 16.7°C and mean low is 4.8°C. Occurring south of the Menzies line, the region gets most of its average 260 mm of rain during the winter months, raining on average 68 days a year.

2.3 Tenure

The Bulong Gold Project comprises four granted exploration licences (ELs), five granted mining licences (MLs), nine granted prospecting licences (PLs) and eight pending PLs (Table 2). The total tenement area is approximately 81.8 km². The Bulong Gold Project comprises two separate tenements groups; Bulong and Bulong East to the east (Figure 2). Black Cat has consolidated a 100% controlled, contiguous tenement package that has previously been subject to complex joint ventures. Black Cat has a 100% interest in the Balagundi, Hampton Hill and East Bulong tenure. Black Cat has an option to acquire 100% of the Woodline and Margaret tenure. Black Cat has a purchase agreement for 100% of the Edwards tenure. Full details on the tenements (royalties, Native Title, Crown reserves etc.) is provided in the Independent Solicitor's Report elsewhere in the prospectus.

Table 2: Bulong Gold Project tenements

Tenement	Project area	Status	Grant date	End date	Area (km ²)
E25/520	Woodline	Granted	09/08/2017	08/08/2022	8.31*
M25/83	Woodline	Granted	28/03/1990	27/03/2032	0.73
M25/24	Margaret	Granted	04/07/1986	03/07/2028	4.86
M25/91	Margaret	Granted	12/04/1991	11/04/2033	0.83
M25/129	Margaret	Granted	03/06/1994	02/06/2036	1.79
P25/2286	Margaret	Granted	30/01/2015	29/01/2019	1.21
P25/2367	Margaret	Granted	03/10/2016	02/10/2020	2.00
P25/2368	Margaret	Granted	03/10/2016	02/10/2020	1.96
P25/2369	Margaret	Granted	03/10/2016	02/10/2020	1.70
E25/499	Edwards	Granted	30/05/2014	29/05/2019	9.84*
E25/512	Edwards	Granted	02/02/2015	01/02/2020	10.12*
E27/532	Edwards	Granted	02/02/2015	01/02/2020	18.45*
P25/2287	Edwards	Granted	09/03/2015	08/03/2019	1.35
P25/2288	Edwards	Granted	09/03/2015	08/03/2019	1.01
P25/2293	Edwards	Granted	29/04/2015	28/04/2019	0.53
P25/2377	Edwards	Granted	18/10/2016	17/10/2020	1.99
P25/2378	Edwards	Granted	04/01/2017	03/01/2021	1.93
P25/2463	Balagundi	Pending			1.35
P27/2326	Hampton Hill	Pending			1.78
P27/2327	Hampton Hill	Pending			1.78
P27/2328	Hampton Hill	Pending			1.64
P25/2478	East Bulong	Pending			1.21
P25/2479	East Bulong	Pending			1.92
P25/2480	East Bulong	Pending			1.83
P25/2481	East Bulong	Pending			1.68
Total					81.80

* km² area was determined using GIS software

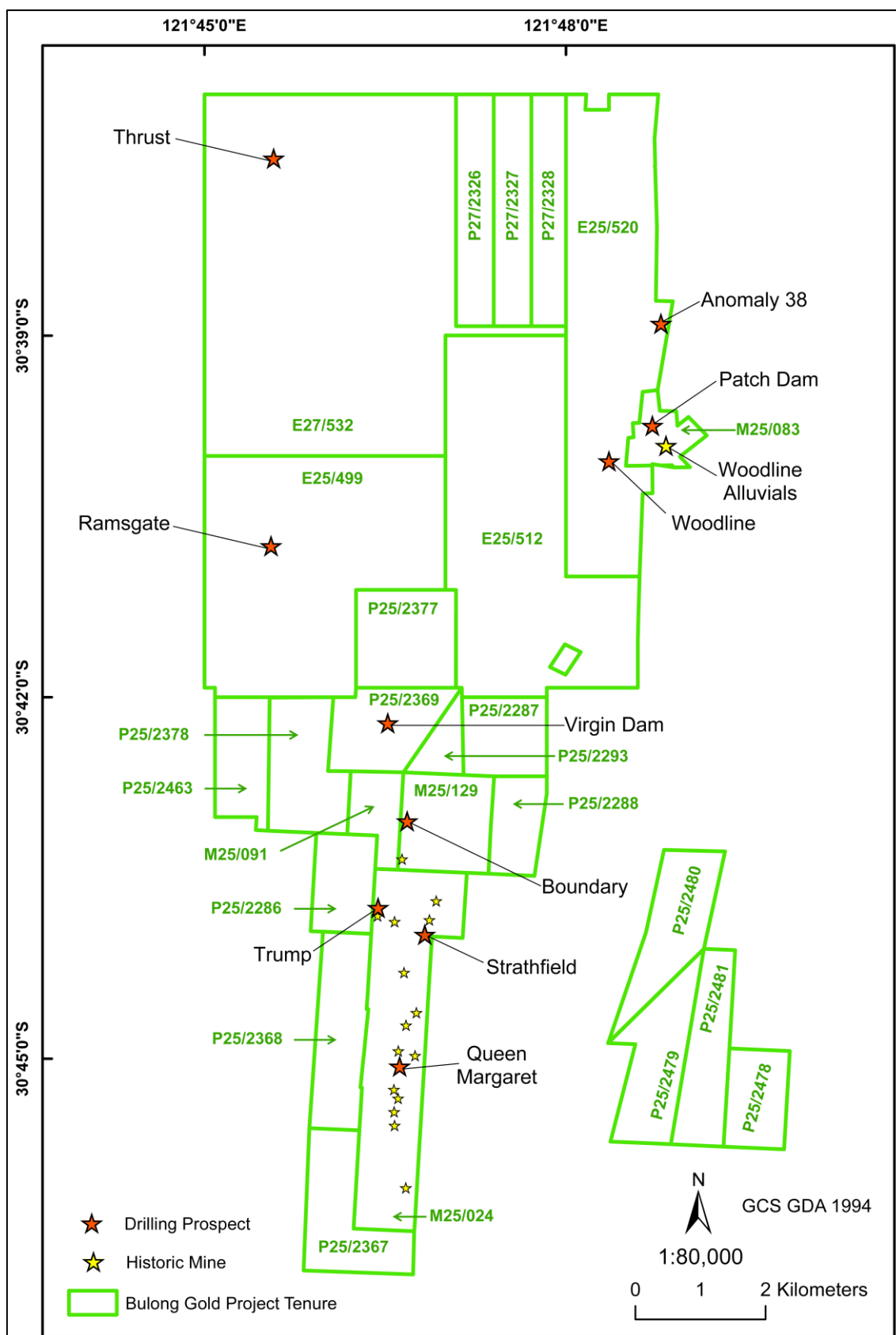


Figure 2: Bulong Gold Project tenure, showing historic workings and prospects
Source: Black Cat

2.4 Local Geology

2.4.1 Regional Geology

The Bulong Gold Project occurs in the Eastern Goldfields Mineral Province of WA, within the Archaean age Yilgarn Craton. Stratigraphy ranges in age between approximately 2,800 Ma and 2,650 Ma. The Eastern Goldfields have been divided into a series of domains (Cassidy *et al.*, 2006). The Bulong Gold Project area tenure is within the Gindalbie Domain, which occurs within the Kurnalpi Terrane. In the Kurnalpi Terrane, overall stratigraphy can be divided in three sequences: the Minerie sequence comprises mafic-ultramafic rocks of between approximately 2.8 Ga and 2.7 Ga (McQuaig *et al.*, 2010); the Gindalbie sequence comprises coeval felsic and mafic (bimodal) or andesitic volcanic centres (Barley *et al.*, 2008). Overlying these, and structurally controlled, are late siliciclastic basins, varying from fine-grained siltstones to coarse clastic polymict and oligomict conglomerates. Locally, Banded Iron Formations (BIFs) also occur. These rocks have been variably deformed, depending on formational/depositional age. Blewett *et al* (2010) defined six deformation events summarised as:

1. Early Arc related deformation switching between extension and thickening/mountain building, occurring between approximately 2,690 Ma and 2,680 Ma.
2. Arc closure with resultant folding and faulting with crustal thickening, occurring between at approximately 2,670 Ma.
3. Extensional doming event with resultant late basin formation, and local orogenic escape perpendicular to compression, occurring at approximately 2,660 Ma.
4. Sinistral transpression resulting in regional folding, including late basins, with formation of significant reverse (thrust) faults. Heterogeneous stress resulted in sinistral strike slip movement along north-northwest trending faults.
5. Late dextral strike slip faulting, as a result of transtensional deformation, along north to north-northeast oriented faults, occurring at between approximately 2,650 Ma and 2,630 Ma.
6. Late, unknown timing orogenic collapse, with radial doming.

While there is evidence for multiple gold mineralisation events through this period of deformation, it is generally accepted that the majority of mineralisation occurs during phase four and five deformation, represented by numerous styles and types of deposits, including narrow high-grade vein, sheeted vein array type, endo-skarn associated mineralisation, and shear hosted, amongst others.

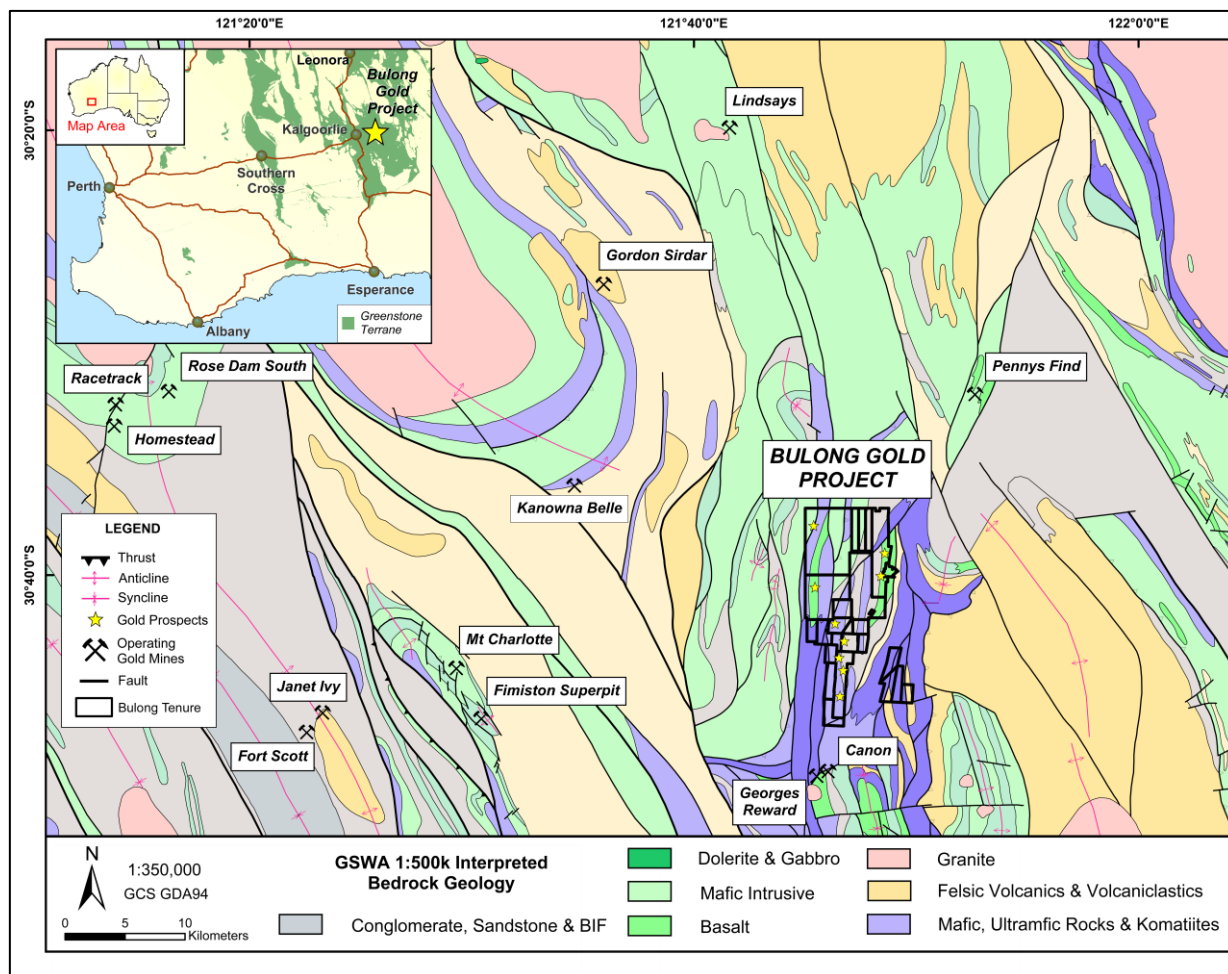


Figure 3: Eastern Goldfields - Yilgarn Craton showing Black Cat's tenements

Source: Black Cat using public domain GIS data from Geoscience Australia (GA) and the Geological Survey of WA (GSWA).

2.4.2 Local Geology

The Bulong Gold Project lies within the Gindalbie Domain of the Kurnalpi Terrane. It is bounded on the west by the Mount Monger Fault and to the east by the Emu Fault and Penny Dam conglomerate and the Randall Fault in the southeast. The Project area lies on the northwest edge of the Yindarlgoooda Dome. The area has undergone major deformation and regional metamorphism to greenschist/amphibolite facies.

The dominant rock types consist of north-northwest trending ultramafic (komatiites) and sedimentary successions, which dip steeply west, away from the Bulong Anticline axis. Intercalated felsic-intermediate volcaniclastics are also major rock types.

The local geology of the Queen Margaret line of workings, consists of a sequence of moderate to strongly altered hanging wall komatiites (100–200 m thick; Spivey, 1990), which are locally overturned, and underlain by the Queen Margaret Main Lode (quartz vein and pyritic carbonated tuff hosted gold mineralisation – 1–2 m wide). Within the Queen Margaret Main Lode, two pitches of ore shoots were noted. The main pitch of 60° to the south, and a subsidiary pitch of 70° to the north (Lissimann, 1974). These could be explained by the pitch directions of the host rocks, which apparently control the pitches of the ore shoots (Henderson, 1973). A general discussion on structural controls of mineralisation is given in Keele (1990). A strongly intensely altered felsic to intermediate intrusive or “porphyry” underlies the main lode with narrow black shale (1–10 m thick) occasionally present above or below the lode on the contact. Where the shale unit is present, flexures (dilatational jogs) occur. The best gold grades occur in

these areas, with barren intervals between. Rare telluride was noted in some reports. In one case 1,800 ounces of gold were produced from approximately 2 m³ of ore (Spivey, 1990). Where the shale unit is absent, grades are patchy or absent.

In the footwall of the Main Lode, a felsic “porphyry” or felsite occurs, which pinches and swells and may be up to 30–50 m wide or not present at all. The “porphyry” was, as far as can be established, not mined, but does contain abundant quartz-carbonate veining (including mineralised east-west, south dipping veins), with low grade gold mineralisation. Where quartz veining is developed in the footwall of the “porphyry” this has been called the East Lode. Rare biotite-carbonate lamprophyre has been reported from several gold workings (Shaw & Associates, 1992). However, Giles (1981) refers to the “porphyry” as an intensely altered “quartzitic” greywacke based on clastic textures, transition into greywackes at depth and along strike, and abundant flattened wispy clasts, interpreted to be originally shale and now altered assemblages of chlorite, biotite, sericite and rare carbonate. Shaw & Associates (1992) who support a felsic intrusive affinity, contradict this. This “porphyry” is underlain by a sequence of unaltered black shales and intermediate tuffs. The overall sequence is around 400–500 m wide, dips west at about 55–65°, and may be repeated east and west of the Queen Margaret workings. To the north, a partial facies change from the sedimentary units to a conglomerate rich unit occurs. A massive sulphide gossan was observed in DDH4 from 95 m to 96.4 m which elevated nickel was recorded. A thick pyritic black shale horizon was noted from DDH8 between 79.2 m and 85.7 m. This horizon may have some significance for future gold exploration in this area (Giles, 1981).

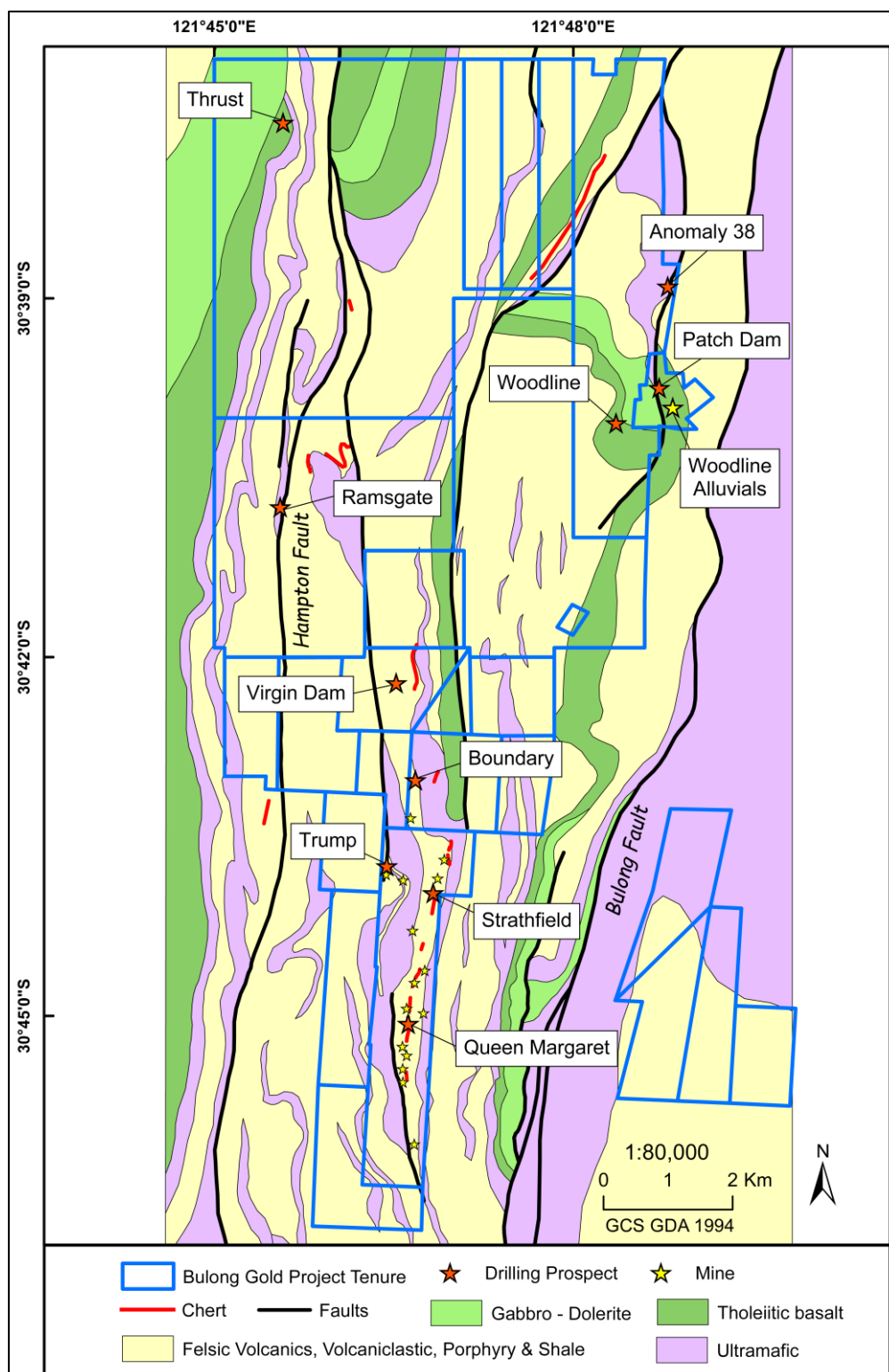


Figure 4: Bulong Gold Project – local geology, Interpreted geology after Gee (2017)
Source: Black Cat

2.4.3 Mineralisation Styles

The principal mineralisation style associated with the Project area is Archaean Lode gold, also referred to as orogenic gold. This type of mineralisation occurs worldwide in Archaean Greenstone belts of similar age to the Eastern Goldfields Province of WA, such as the Abitibi, Ontario, Canada. It also has strong similarities to mineralisation found in Birimian greenstone belts such as West Africa and north-eastern

South America. It is typified by fault and shear related, structural complex mineralisation that can occur in a spectrum of styles ranging from narrow, high-grade vein associated (e.g. Kundana and Daisy Milano near Kalgoorlie), to shear hosted disseminated (e.g. Thunderbox near Leonora), to sheeted vein or stockwork mineralisation (e.g. Mount Charlotte in Kalgoorlie).

The exploration model for this area is based on standard Archaean Lode orogenic gold models. The model is based on a series of geological criteria that provide a framework of amenable environments within which the mineralisation processes may effectively produce an ore deposit – a process model. Work completed by the pmdCRC constrained these criteria within the “Five Question” framework. The summary below is a summary of work completed within the pmdCRC, AMIRA, MERIWA, individual research (e.g. Halley, 2007; Champion and Sheraton, 1997), as well as personal observations by the authors.

Geodynamics and Pressure-Temperature History of the System

This relates to the tectonic evolution of the potentially mineralised belt – located within an Archaean Greenstone belt with a complex tectonic history:

- To included evidence of early extension:
 - Felsic to andesitic volcanoclastic material.
- Early tectonic setting and pre-metasomatism of the underlying mantle/mantle wedge → fertility of the belt:
 - Structurally constrained variable thicknesses of mafic and ultramafic stratigraphy – particularly associated with the second phase of mafic/ultramafic volcanism
 - Early Hi-Ca crustal melt TTG plutonism.
- Evidence for later inversion and escape tectonics:
 - Fore-thrust and strike slip (pull-apart) basins (e.g. Timmiskaming, Wallaby-Lancefield, Kurrawang, Penny Dam, etc.)
 - Escape wedges and transform wedges – e.g. Sandstone etc., Sumitomo area
 - Lateral ramp thrusts – e.g. Timmins, Yamarna North.
- Greenstone facies metamorphism:
 - Indicative of process preferred crustal level at time of potential mineralisation. Likely related to:
- Fundamental pressure and temperature criteria and transitions thereof during deformation/mineralisation:
 - Ductile vs. brittle deformation
 - Hydrostatic pressure vs. lithostatic pressure
 - Fluid/metal complex transport stabilities
 - Where metamorphism is generally higher grade, evidence of a retrograde transition through the greenschist facies may be acceptable (e.g. Hemlo, Big Bell).

Architecture

This relates to the deep seated structural setting that allows for:

- Access to deep crustal fluid reservoirs
- Intrusion of fractionated, mantle contaminated, moderate to small volume intrusive bodies (mafic series and syenites) – Cassidy and Champion (2004), and Beakhouse (2003).

Structural/tectonic criteria are effectively the same as those described under geodynamics.

Fluids

Three primary groups of fluids occur in Archaean systems.

Reduced Acid Fluid (Halley, 2007):

- Inferred to be related to either deep mantle tapping structures or derived from black-shale rich basins
- Typically associated with long diffuse anomalies related to large through-going structures
- Pyrite, pyrrhotite, arsenopyrite sulphide dominant: o may see diffuse magnetic signature
- Na – depleted
- Paragonite and Muscovite Mica, Fe-Chlorite
- Ankerite
- As – Sb – S, \pm Li
- Sulphur isotopes: $\sim +2$.

Oxidised Neutral Fluid (Halley, 2007):

- Inferred to be related to fractionated “internal” granites (mafic series and syenites)
- Pyrite, hematite, magnetite dominant
- Actinolite – Epidote – Mg – Chlorite – Albite alteration
- Phengite Mica
- W-Mo-Bi (\pm Te), \pm Cs
- Sulphur isotopes: moderately to strongly negative (-2, -10).

“Chloride” Fluid:

- May be a similar source to the deep crustal fluids above, but with possible secondary crustal pooling
- Fluid inclusions show relatively higher salinities
- Galena (Pb), Sphalerite (Zn) signature
- Often related to narrow, higher grade deposits:
 - evidence for phase separation.

Pathways

Representative of the structural pathways that must be present within which the fluids travel and access potential trap-sites. Brittle vs. ductile consideration is relevant:

- Deep seated, long lived structured (e.g. Yamarna Shear, Ida Fault) tend to be dominantly ductile in nature with fluids able to percolate slowly with relative wall rock equalisation:
 - Likely to produce potentially large but low-grade (sub-economic) mineralisation (e.g. Attila).
- Second order structures, particularly those that tap relatively deeply, may allow for more brittle tapping of these fluids – faster flow, less equalisation.
- Third order pathways represent ways in which primary fluids are likely to interact with surrounding lithologies and related trap sites.

Trap Sites

These are related to positions in which the fluid chemistry is allowed, or forced to change, such that metal precipitation occurs:

- Physical traps sites: Anticlines, impermeable lithological caps (e.g. black shale on sedimentary basin), Pressure shadows, domes, etc.
- Rheology traps: Change in competency and density that allow for local strain partitioning attracting and retained fluid

- Chemical traps: Lithologies with specific chemical characteristics that allow or cause alteration and precipitation or force precipitation through chemical reaction (e.g. magnetite-rich dolerite, graphitic shale, or shear zones, etc).
- Pressure traps: Shears or structures that, as a result of local complexity, focus fluid flow and act as fault-valve systems.

2.5 Mining and Exploration History

2.5.1 Historical Mining

Gold was first discovered in the Project area in 1893. There have been two phases of historical mining, the main activity between 1897 and 1912 and small-scale production 1923 to 1935 by small syndicates. In 1934, there was an unsuccessful attempt to resurrect the Queen Margaret Mine (WAMEX Report a45238). Maitland (1919) described the historical gold production from the entire Bulong District, being 119,617 ounces of gold produced from 153,991 tonnes of ore, equating to an average grade of 24.9 g/t; in addition, 41,531 ounces of gold were recovered from alluvial workings.

Total production from the historical workings located on the Black Cat tenements, including both phases of historical mining, which includes mining after Maitland's summary in 1919, is presented in Table 3. Underground mining centred around the Queen Margaret mine, which operated from 1896 to 1908. The mining area extends 1.4 km from the Melbourne United mine in the North, to the Queen Margaret South mine, collectively known as the Queen Margaret line of workings. Underground mining extended, at its deepest, to a vertical depth of approximately 240 m, centred on the Queen Margaret mine. It is estimated that pre-1897, 30,000 ounces of gold was mined from the Queen Margaret mine. The mineral system was characterised by relatively high grades.

Table 3: Historical gold production on Black Cat's Bulong Gold Project tenements

Production source area	Ore tonnes (t)	Grade (g/t)	Gold (oz)
Bulong Surprise	219	100.5	708
Melbourne United	252	39.2	318
Newstead	20	858.9	552
Queen Margaret	63,876	32.6	65,925
Queen Margaret (pre-1897 estimate)	29,159	32.0	30,000
Queen Margaret Central	514	169.6	2,803
Queen Margaret South	634	194.3	3,961
Queen Margaret South Extended	446	18.6	267
Slug Hill	252	82.8	671
Strathfield	282	51.6	468
Sweet Nell	400	74.8	962
Trump	406	63.9	834
Various	792	23.6	601
White horse	2,956	22.6	2,149
Total Hard Rock	100,209	34.2	110,217
Alluvial and specimens to 1919 (Maitland, 1919)	N/A	N/A	41,531
Total			151,748

Notes: Totals subject to rounding

2.5.2 Exploration History

The Bulong Gold Project area has had an extensive exploration history, with multiple owners and joint ventures. The exploration history is primarily divided up between the areas surrounding the Queen Margaret line of workings and the Virgin Dam to Woodline area, with some joint ventures covering both these two areas.

In 1947–1948, Paringa Gold Mines Ltd (Paringa) completed three diamond holes for 746.8 m into the Queen Margaret workings (PAR001–PAR003). The quality and effectiveness of the Paringa drilling is questionable, with bad drilling conditions and very poor core recovery. One hole was reported to have missed its target, one hit an open stope and one hole successfully intersected its target but, core recovery was a significant issue (WAMEX Report 66108).

Spargos Mining NL (Spargos) initiated the first modern exploration on the Queen Margaret–Melbourne line, with first field work commencing in 1973. Spargos undertook diamond drilling of the Queen Margaret zone, to supplement geological information. To assist with geological mapping, Spargos completed shallow rotary air blast (RAB) drilling program. Auger drilling was used to assess the prospectivity of the alluvials (WAMEX Report a45238).

Spargos dewatered the Queen Margaret mine to 6 level (183 m) in 1981 and rehabilitated the New Main Shaft to 5 level (152 m), with the view to drilling from underground. By 1982, the shaft had been retimbered to 6 level and limited access was possible to parts of 6 level drive. It was found that only limited underground access was possible at that level due to collapses. Work was put on hold, with the underground workings put on care and maintenance, with water kept below 3 level.

In 1989, Spargos undertook a program of percussion drilling (average hole depth ~94 m) targeting the deeply weathered and stockworked Queen Margaret mine footwall felsic and main load, testing its open pitable potential. Spargos drew a conclusion at the time, that the results were either too low grade or patchy to be economic.

Geochemical BLEG surveys by Spargos, outlined the Trump and Boundary anomalies in 1988, with additional BLEG sampling undertaken during 1989 to further define the Boundary anomaly and, an area to the south of the Queen Margaret workings.

In 1990, Spargos commissioned a structural study on the controls of mineralisation at the Queen Margaret Gold mine. The conclusions by Keele (1990) were:

- The Queen Margaret Shear is a synclinal axis that juxtaposes the folded komatiitic volcanics and intermediate to felsic volcanics.
- The Queen Margaret lode suffered pure rather than simple shear, and ore shoots were outlined by the intersection of north-northwest and north-northeast striking extensional faults. The orebody is discoid and, Keele suggested, new ore positions are more likely to be at depth beneath the present workings, rather than along strike.

Mount Monger Gold Project Pty Ltd (MMGP), comprising Ramsgate Resources NL and General Gold Resources NL, farmed into Spargos's ground in November 1991. MMGP expanded the exploration ground and securing further tenements under various option agreements. A regional geochemistry program was completed, and air-core (AC)/reverse circulation (RC) drilling programs, aimed at outlining open pitable ore, were conducted on the targets generated. Further drilling on the Strathfield prospect and the Queen Margaret prospect confirmed the wide zones of low grade with patchy higher grades. The Boundary prospect was defined as a small complex deposit under ~20 m of cover that was considered economically marginal at the time of discovery. RC drilling tested the Trump (33 RC holes for 1,935 m) and Queen Margaret (51 RC holes for 3,486 m) prospects and, stockwork zones were not upgraded and, considered sub-economic at the time (WAMEX Report a45238).

Between 1983 and 1985, Aztec Exploration Ltd (AIH Gold Pty Ltd) completed a regional exploration program on the Virgin Dam Joint Venture (held by four parties). This work included infrared aerial photography, geological mapping and rock chip sampling in the area to the north of the old Bulong townsite and, along strike from the Queen Margaret Mine.

BP Minerals (manager) in joint venture with Falconia Exploration & Mining and Fawden, Skett & Sturch undertook geochemical sampling and an inclined RAB drilling program and completed 38 drillholes totalling 1,777 m (average hole depth ~47 m). This was completed along the fence line west of Patch Dam and, assayed for gold and base metals by ICP analysis (WAMEX reports a15077, A15131, a17333, a20308,

a22978). Results did not live up to expectations and Aztec Exploration Ltd withdrew from the joint venture.

Between 1986 and 1990, Eastern Gold NL explored for gold north and northwest of Virgin Dam. Work included soil sampling mapping, colour photography and rock chip laterite sampling. Only low order gold mineralisation was detected. Melbourne Exploration NL explored the area south of the Woodline and north of the Queen Margaret Line between 1985 and 1989. They completed mapping, soil and rock chip sampling, costeaning and drilled 37 RAB holes totalling 1,904 m (average hole depth ~51 m); only weakly anomalous areas were identified.

Enmik Exploration acquired ground in the Bulong/Queen Margaret area in 1991 and started regional geochemistry work and prospect generation.

Later, a joint venture with Cyprus Gold Australia Corporation (Cyprus Gold) was formed. Cyprus Gold became the joint venture manager of the Bulong joint venture from 1992 to 1996. The joint venture completed a new aeromagnetic survey and carried out regional soil geochemistry (4,828 samples), RAB (309 drillholes for 15,728 m), AC (298 drillholes for 17,789 m), RC (24 drillholes for 4,641 m) and diamond (one drillhole for 201 m) drilling (average hole depth for all drilling ~60 m). Geochemistry work undertaken by Cyprus Gold identified the Virgin Dam and Anomaly 38 prospects. Cyprus Gold drilled the targets with RAB and shallow RC.

Tindals Gold Mines NL explored the M25/83 in 1994–1995, completing 47 RAB drillholes for 1,638 m (average hole depth ~35 m), with results reported as being disappointing (WAMEX Report a44059).

Acacia Resources (Brocks Creek) Pty Ltd (Acacia) became the major joint venture partner in 1996. Acacia followed up previous work with regional multi-element geochemistry and some RC drilling. AngloGold Australia Limited (AngloGold) came in as new joint venture managers as part of the takeover of Acacia. A new airborne survey was undertaken, and further geochemistry completed with limited RC and diamond drilling undertaken on selected targets. A revised bedrock geology plan was compiled from drilling and interpretation of the magnetics. At the Queen Margaret joint venture, between May 1998 and August 2001, AngloGold and formerly Acacia completed 1,423 auger soil samples, mostly on 50 m x 200 m spacings, with some broader spaced at 100 m x 400 m. AngloGold completed 243 RAB drillholes for 19,107 m, 37 AC drillholes for 3,152 m and eight RC drillholes for 1,573 m (average hole depth for all drilling ~83 m). The RAB and AC drilling was undertaken at the Boundary, Trump, Strathfield, Queen Margaret and Ramsgate prospects and was designed to test extensions of gold mineralisation from previous drilling, to infill between previous drill lines on anomalous trends, and to test newly generated gold in auger soil anomalies (WAMEX reports a56027, a58970, a61026, a63592 and a65018).

At the New Bulong joint venture, between May 1998 and August 2001, AngloGold and formerly Acacia completed 4,391 auger soil samples, mostly on 50 m x 200 m spacings, with some broader spaced at 100 m x 400 m (Figure 5). AngloGold completed 343 RAB drillholes for 19,925 m, 69 AC drillholes for 4,103 m, 50 RC drillholes for 7,948 m and five diamond drillholes for 1,022.3 m (average hole depth for all drilling ~70 m). The RAB and AC drilling targeted many prospects, including the Woodline and Anomaly 38 prospects. The RC and diamond drilling targeted the Virgin Dam and Anomaly 38 prospects (WAMEX reports a54344, a57934, a59936, a61983 and a63586).

By the end of 2001, AngloGold concluded that there was little potential within the joint venture area to host a gold deposit the size and grade that meets AngloGold's criteria and, initiated a program of ground rationalisation, with the plan to eventually dispose of their interest. AngloGold, however also in their conclusion, said the project was situated in a highly prospective region of the Gindalbie Domain and potential remains for the existence of narrow, high-grade gold deposits and that the potential for nickel mineralisation had been inadequately tested.

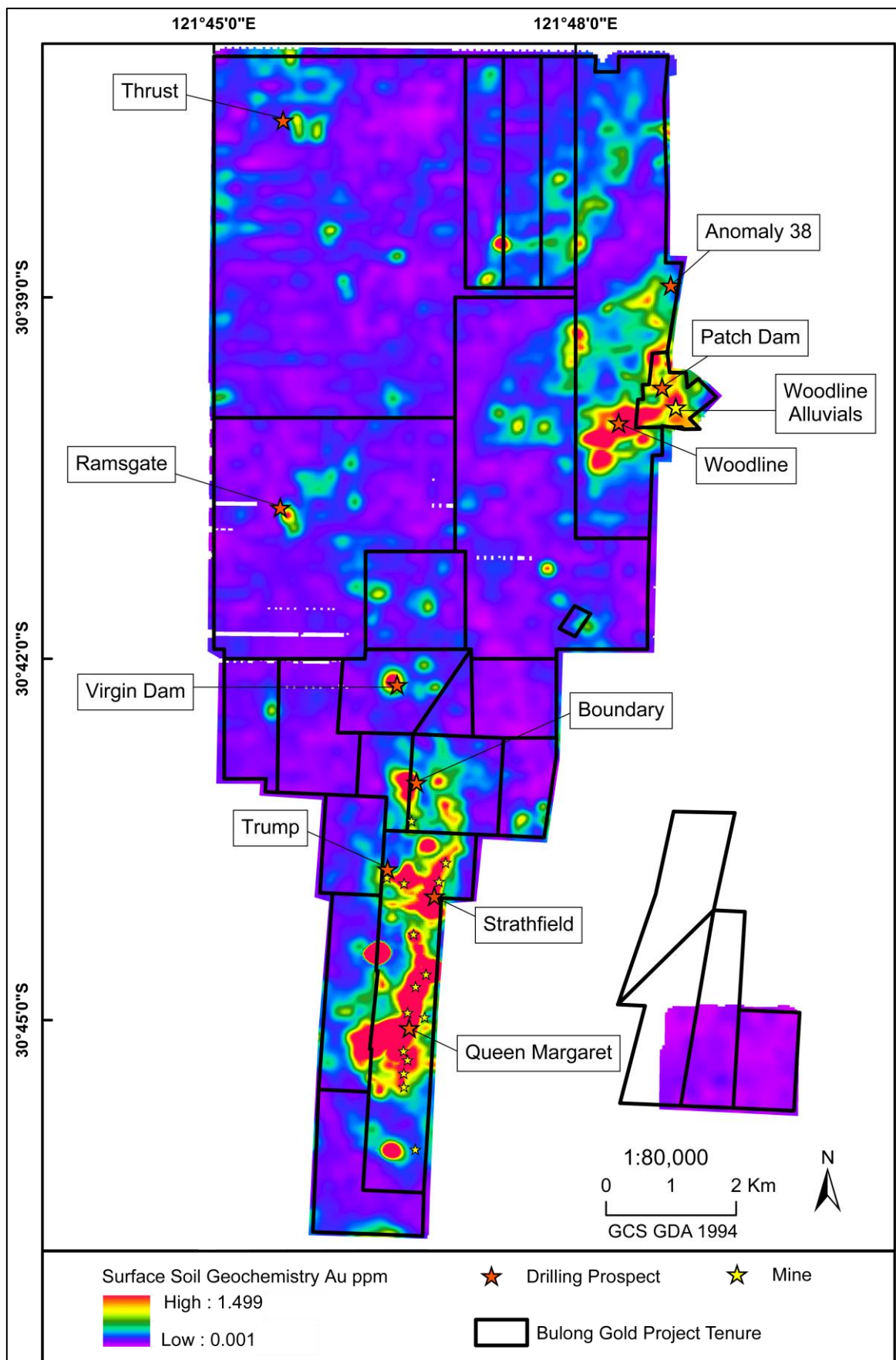


Figure 5: Bulong Gold Project – gridded geochemistry (auger sampling)

Yilgarn Gold Limited (Yilgarn Gold) took up a pre-emptive right over the Queen Margaret and New Bulong joint ventures and, purchased 100% of the project, naming it the New Bulong Project. Central Kalgoorlie Goldmines Limited (CKGL) (renamed Sherlock Bay Nickel Corporation Limited) entered into an earn-in joint venture with Yilgarn Gold in 2003, exiting it in 2004 (WAMEX Report a70093).

CKGL, at the Boundary prospect, drilled a total of 27 RC holes for 2,300 m. All were drilled at a plunge of -60° at an azimuth of 270°. CKGL drilled two RC holes at the Virgin Dam prospect VD1, which was drilled to a depth of 222 m and VD2 drilled to a depth of 288 m. At the Woodline prospect, CKGL drilled three RC drillholes following previous nickel values on the ultramafic/high magnesium basalt contact. Drillhole W1 was drilled to a depth of 350 m, W2 drilled to a depth of 222 m and W3 (a vertical hole) was drilled to a depth of 84 m. No significant nickel mineralisation was intersected; however, a reinterpretation of the geology suggests that these holes missed the intended target.

Yilgarn Gold carried out RC drilling programs on the Melbourne United mine and the Queen Margaret South mine to test for down-dip extensions to the gold mineralisation. A line of RC holes was also drilled to the south of Queen Margaret South mine to test for any southerly strike extension to the gold mineralisation. The results were disappointing, except for south of the Queen Margaret South mine. Yilgarn Gold also completed infill angled RC drilling (-60° to the east) within the near surface footwall mineralisation of the Queen Margaret mine (WAMEX reports a66108, a68527, a70093, a72025, a75205 and a77925).

Bulong Mining Pty Ltd (Bulong Mining) took over management of the tenements in August 2009 from Kairiki Energy, formerly Yilgarn Gold. An agreement was signed in which Bulong Mining had an option to purchase the tenement package within three years, which they did in August 2012.

Bulong Mining dug six costeans between the Queen Margaret and White Horse mines in December 2009 to assess the gold mineralisation. These costeans were orientated east/west to intersect the old workings over a length of 300 m. In 2012, Bulong Mining completed four shallow RC holes (TE1 to TE4) at Trump East to assess the potential shallow gold mineralisation. Also completed were 83 RC holes targeting deep lead and shallow alluvials in the drainage on the eastern slope of the Queen Margaret mine and south of Slug Hill. No deep channel was intercepted but, two shallow potential alluvial areas were identified.

A list of significant intersections is provided in [Appendix 2](#). Reported intersections are >1.00 g/t Au and a minimum of 2 gram-metres, using a grade cut-off of 0.1 g/t Au and no internal dilution. All intersections are reported as downhole intervals, true widths unknown. The competent person considers that this threshold for reporting material intersections to be appropriate for the nature and style of gold mineralisation being considered and the developmental stage of the mineral asset.

2.5.3 Assessment of Historical Exploration

Most exploration activities within the Bulong Gold Project occurred during the 1980s and 1990s when different economic conditions prevailed; these economic conditions effected the decision making of the companies at that time. References by past companies to the potential economics of the prospects, within the present Bulong Gold Project, were relevant at the time, to that company. There is not enough information to make an assessment as to the potential economics of the prospects under current economic conditions.

A summary of the historical drilling by drill type (RAB, AC, RC, diamond or unknown) and maximum drillhole length in metres is presented in Figure 6 and Figure 7 respectively.

CSA Global considers that little drilling has effectively tested for gold mineralisation within fresh rock at the Bulong Gold Project's prospects. The Project area is deeply weathered, up to 90–100 m deep in places, with variable thicknesses of transported material from 0 to 30 m. Historically, complete sampling and assaying of drillholes was not routine. Significant alluvial gold has been recovered from the Project area (Table 3). In many instances, the transported cover was not sampled. The average depth of drilling at the Queen Margaret, Boundary, Trump, Strathfield and Woodline prospects is less than 50 m in depth. Many holes at these prospects historically targeted potential shallow, open pitable gold mineralisation, with

deeper mineralised intersections not followed up. Difficulties in the drilling were noted in deeper diamond drilling, with poor core recovery an issue.

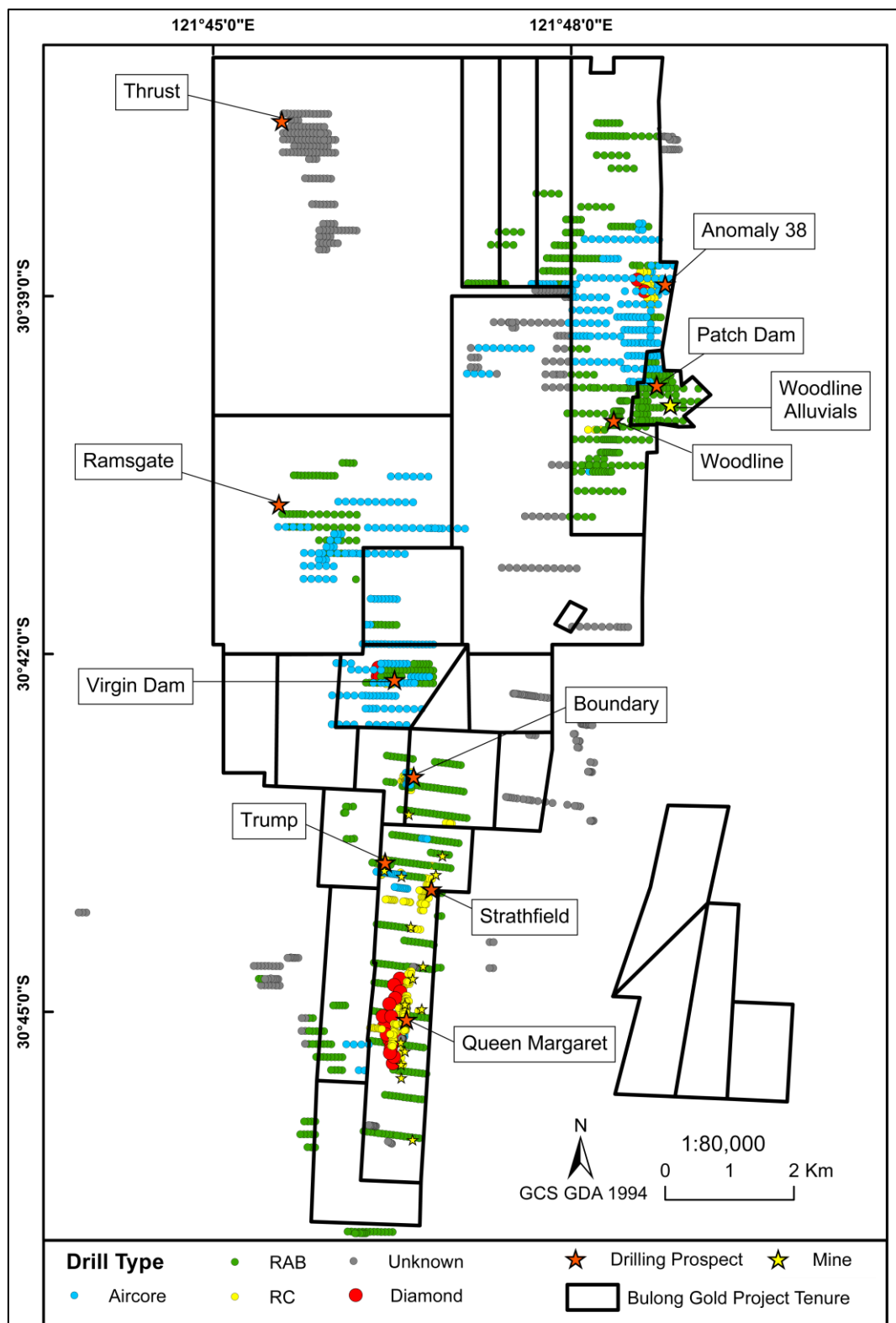


Figure 6: Bulong Gold Project – historic drilling by drill different drill types (unknown drill types are most likely RAB or AC drillholes)

Source: Black Cat

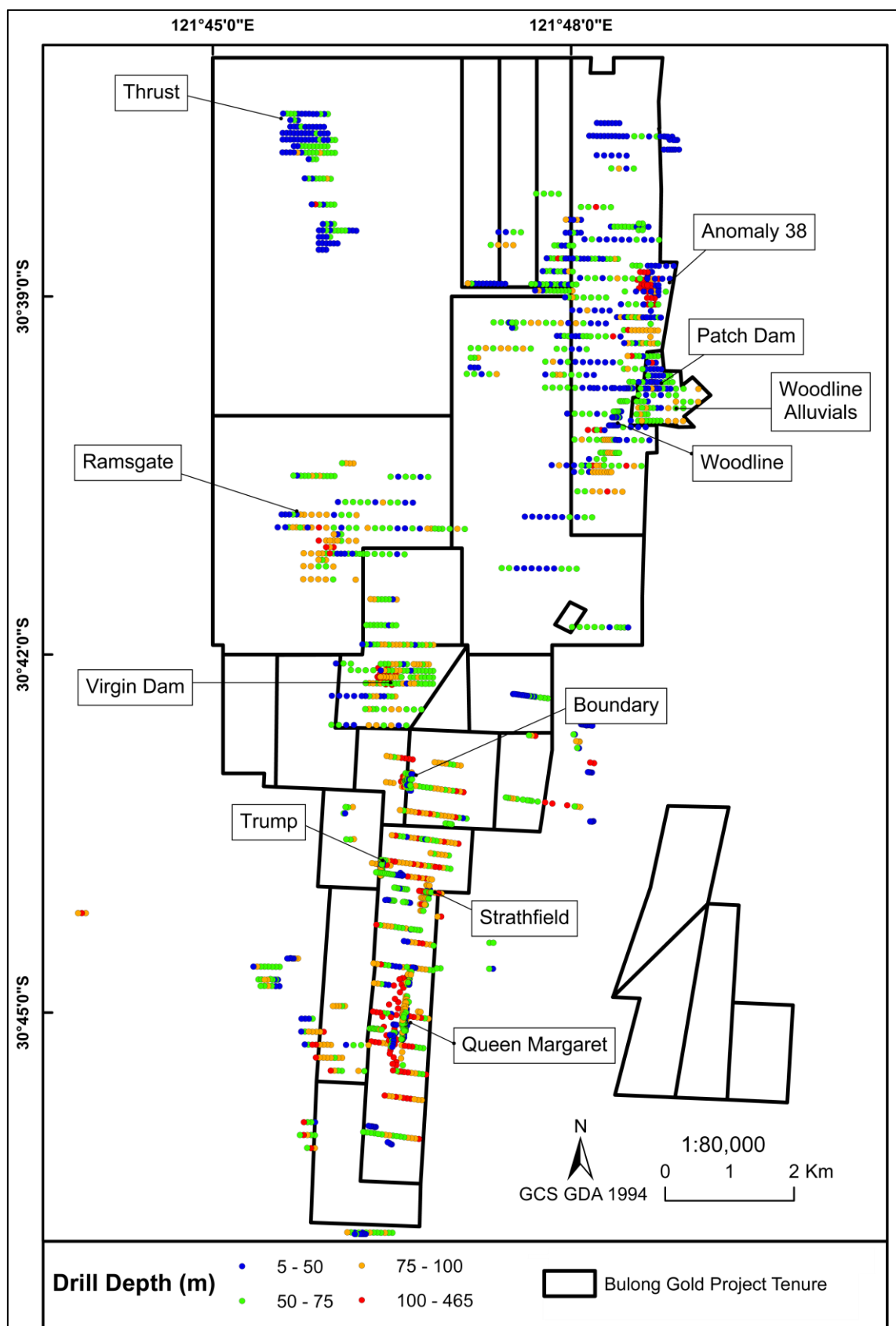


Figure 7: Bulong Gold Project – historic drilling by maximum drill length
Source: Black Cat

2.6 Targets and Exploration Potential

2.6.1 Exploration Target

CSA Global has developed an Exploration Target for the Bulong Gold Project (Table 4). The potential quantity and grade is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and, it is uncertain if further exploration will result in the estimation of a Mineral Resource. See [Appendix 2](#) for a list of significant intersections from historical drilling used within the Exploration Target.

Table 4: Bulong Gold Project Exploration Target

Area	Tonnes	Gold grade (g/t)
Queen Margaret	3,000,000–4,500,000	1.5–2.0
including	300,000–400,000	2.5–3.5
Other Exploration Prospects	1,550,000–2,500,000	1.5–2.0
Total	4,550,000–7,000,000	1.5–2.0

Included within the Queen Margaret Exploration Target is a higher-grade subset of 300,000–400,000 tonnes grading 2.5–3.5 g/t Au, based on a narrow vein scenario. Within the Queen Margaret Exploration Target, production from historical underground workings was 100,209 tonnes grading 34.2 g/t Au for 110,217 ounces (Table 3). It is not unreasonable to expect similar high-grade material to exist within the Queen Margaret Exploration Target area, evidenced by grades within historical drilling. Due to the nature of these high-grade lodes and, how the Exploration Target was developed, it is difficult to reflect these high-grade lodes effectively within the Exploration Target.

The Exploration Target is based on historical drilling (RAB, AC, RC and diamond) at the Queen Margaret and other exploration prospects (Boundary, Strathfield, Trump, Virgin Dam, Anomaly 38 and Woodline) (Figure 8). At Queen Margaret and Virgin Dam, both narrow vein and bulk mining scenarios were investigated. At the other prospects, only a bulk mining scenario was applied. Historical underground workings were used as a guide for determining the geometry of the mineralisation, as was historical lithological logging.

For the narrow vein scenarios, the orientation was primarily based on interpreted mineralised structures. Grade specific isosurfaces based on these structures were developed in Leapfrog software, to determine a volume. A lower 1.00 g/t cut-off and no top cut were applied. A uniform bulk density of 2.7 t/m³ was applied, based on the interpreted bulk density range, being 1.9 t/m³ to 3.2 t/m³ of the lithologies present, and the depth of weathering. A simple block model was used to estimate the potential range of the gold grades within the narrow vein volumes.

For the bulk mining scenarios, grade specific isosurfaces were developed in Leapfrog software to determine a volume using a lower 1.00 g/t cut-off. A top cut of 20 g/t Au was applied to limit the effects of isolated high-grade values on the potential grade ranges. As with the narrow vein scenario, a uniform bulk density of 2.7 t/m³ was applied. A simple block model was used to estimate grade ranges within the grade shells.

A cross-section and long section of the Queen Margaret prospect is presented in Figure 9 and Figure 10 respectively.

Black Cat plan to undertake drilling at the Exploration Target with the funds raised.

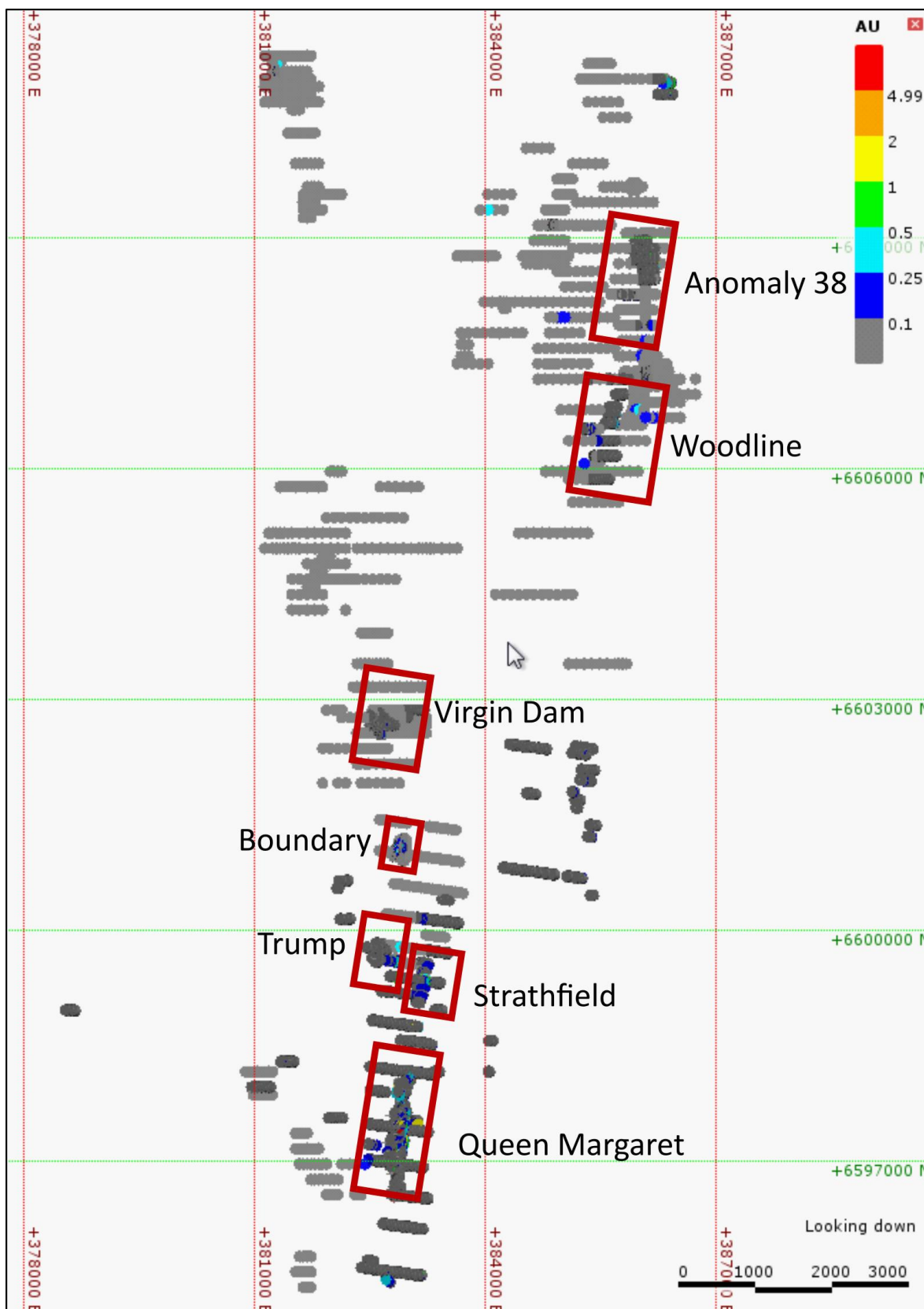


Figure 8: Plan of Bulong Gold Project Exploration Target prospects (coordinate system GDA94 Zone 51 in eastings and northings)

Source: CSA Global

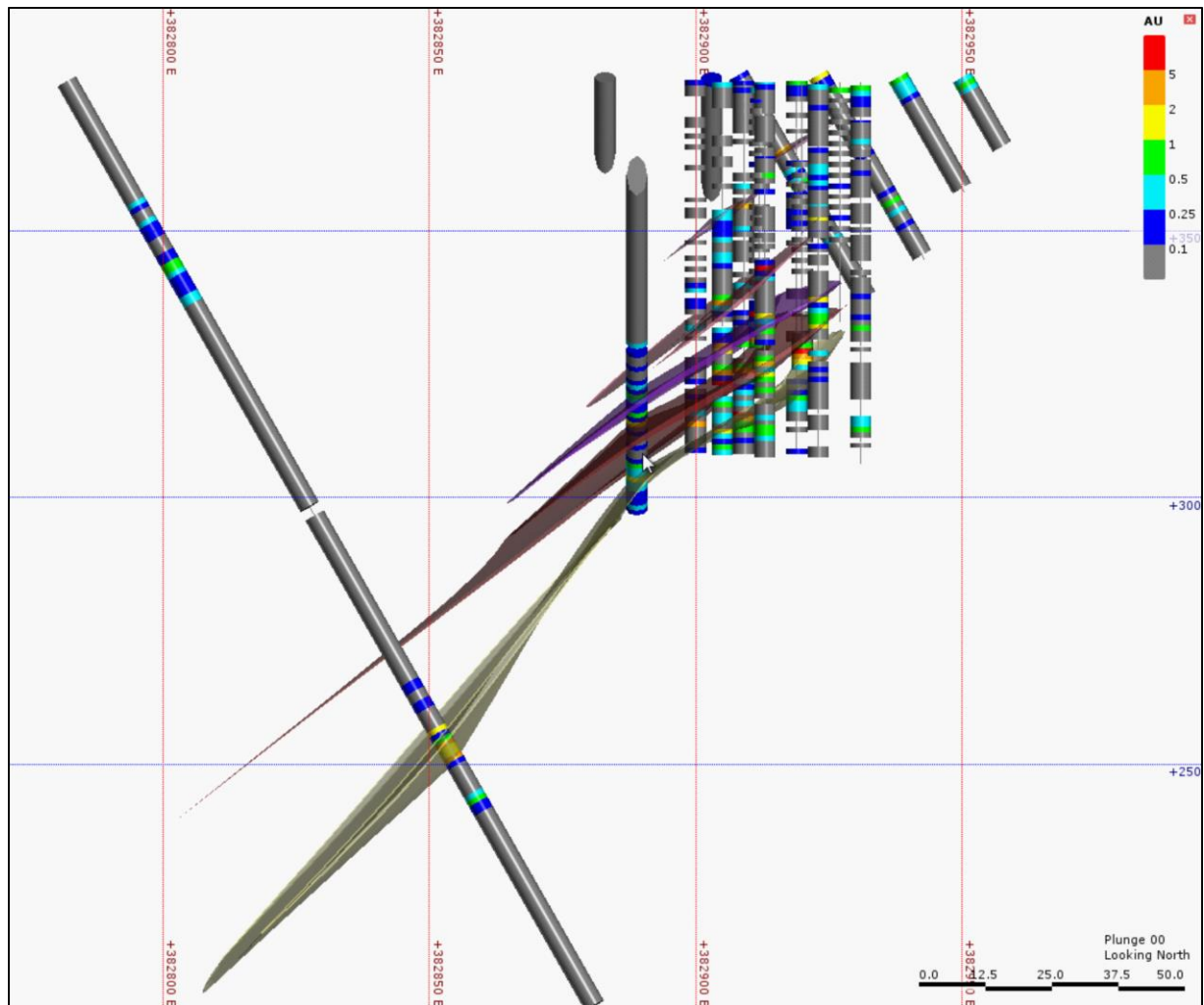


Figure 9: Queen Margaret prospect narrow vein interpretation looking north – Section 6,597,220mN with 20 m clipping (coordinate system GDA94 Zone 51 in eastings and RL)
Source CSA Global

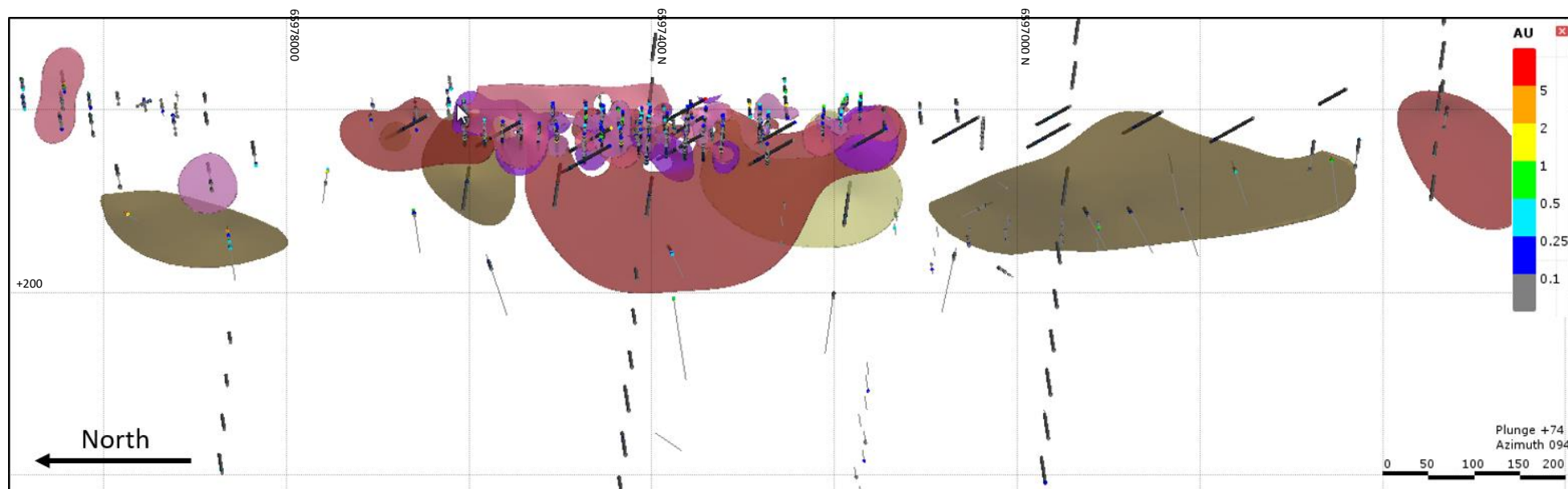


Figure 10: Queen Margaret prospect, long section of narrow vein scenario Exploration target isosurfaces. Oblique view looking east (azimuth 094°, plunge 74°). Coordinate system GDA94 Zone 51 in northings and RL.
Source CSA Global

2.6.2 Queen Margaret

At the Queen Margaret prospect, the main lode of gold mineralisation is a large, west-dipping (~65°) quartz lode, 0.5 m to 1.0 m wide. The lode is reported to consist of black shales and a discontinuous chert-quartzite layer that lie between hangingwall komatiitic flows and a footwall of stockworked syenite. Below the felsic volcanics, a thick sequence of graded shales and intermediate tuffs occur. The hanging wall komatiites are locally overturned.

A list of significant intersections at the Queen Margaret prospect are provided in [Appendix 2](#). Mineralisation is characterised by broad mineralised intersections containing 1 m to 2 m of higher grade. Better intersections include BAC70 – 7 m at 10.19 g/t Au from 47 m (includes 1 m at 64.00 g/t Au from 48 m) and 4 m at 7.64 g/t Au from 21 m (including 1 m at 22.70 g/t Au from 23 m), 93BRC6 – 20 m at 3.28 g/t Au from 39 m (including 2 m at 26.10 g/t Au from 48 m) and 94BRC30 – 9 m at 3.77 g/t Au from 39 m (including 1 m at 16.00 g/t Au from 39 m).

The Queen Margaret main lode is a target with potential to host narrow vein, high grade gold, with potential at depth and along strike of the historical workings. Repetitions may also exist to the east and west of the Queen Margaret main lode. A lode to the east (eastern lode) of the main lode was encountered in a crosscut, driven to the east. Trial stoping produced 9 g/t Au over 3 m, this grade was not considered economic at the time (~1903). Keele (1990) suggested new ore positions are more likely to be at depth beneath the present workings, rather than along strike.

The Queen Margaret footwall felsic unit underlying the Queen Margaret main lode represents a target with potential to define open pitable resources. This felsic unit has been described as a porphyry, syenite and felsite by past explorers. The felsic unit is up to 50 m thick, deeply weathered and altered. It is variably veined in a stockwork style. Exploration to date has identified broad zones of low grade material to 70 m in depth.

Figure 11 shows total down hole gram metres along the Queen Margaret line of workings, which demonstrates the sparsely drilled areas along the mineralised trend, for example, from Queen Margaret to Melbourne United and Queen Margaret to Queen Margaret South and, continuing further to the south. The area to the east of Queen Margaret is largely untested by drilling.

2.6.3 Boundary

Gold mineralisation at the Boundary prospect is hosted by a near vertical system of quartz veins, in a complex sequence of sheared and weathered, carbonaceous black shales, fine grained sediments, ultramafics and porphyry. The Boundary prospect has a large gold surface geochemical anomaly measuring 700 m x 300 m. Due to the depth of transported cover this surface anomaly is thought to be caused by transported maghemite pisoliths (Gee, 2014). Historical drilling had identified a supergene halo up to 200 m long and less than 100 m wide, beneath 20 m of transported material. The supergene gold dispersion is narrow and is confined adjacent to the source rocks. Historical holes on the eastern half of the prospect generally failed to reach bedrock due to deep weathering, the fresh bedrock source of the supergene gold anomalism was therefore inadequately tested.

A list of significant intersections at the Boundary prospect are provided in [Appendix 2](#). Mineralisation is characterised by broad lower grade intersections containing a few metres of higher grade material. Better intersections include 92BRC33 – 30 m at 5.75 g/t Au from 37 m (includes 4 m at 15.60 g/t Au from 39 m and 5 m at 17.20 g/t Au from 51 m), 92BRC29 – 19 m at 4.54 g/t Au from 34 m (includes 5 m at 13.12 g/t Au from 34 m) and NBB7 – 24 m at 2.94 g/t Au from 40 m (includes 4 m at 7.69 g/t Au from 46 m and 3 m at 7.67 g/t Au from 58 m).

Potential exists for further mineralisation along strike (Figure 12), where the drilling is sparse and historical sampling is incomplete within the transported material. The full extent of the geochemical anomaly has not been drill tested. The Boundary footwall position has not been closed off, especially to the north where >600 m of strike remains untested.

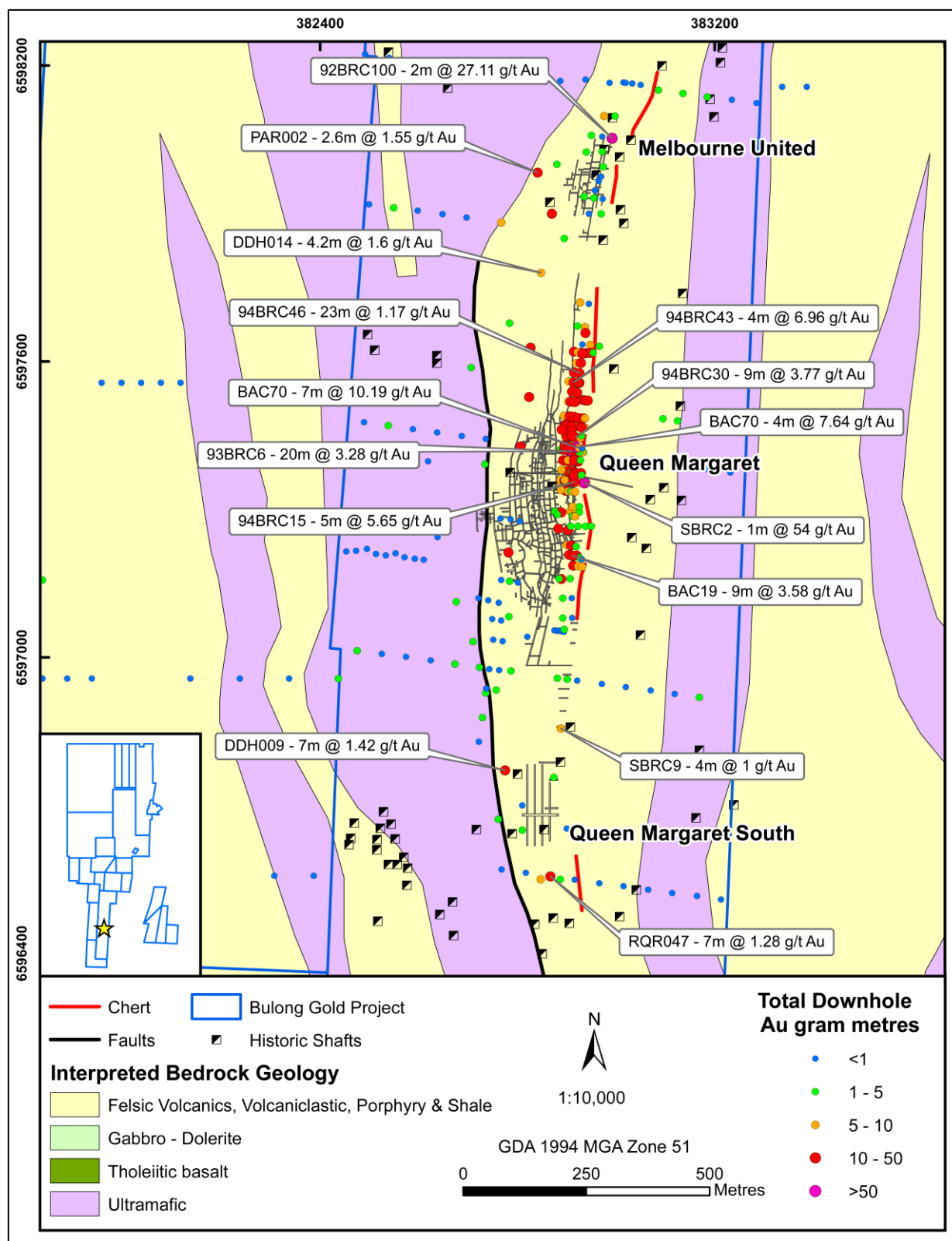


Figure 11: Queen Margaret prospect, showing total downhole gold gram metres being representative of the historical drilling with selected gold intersections displayed (see Appendix 2 for full list of gold intersections), on interpreted geology after Gee (2017), surface expression of historical workings displayed

Source: Black Cat

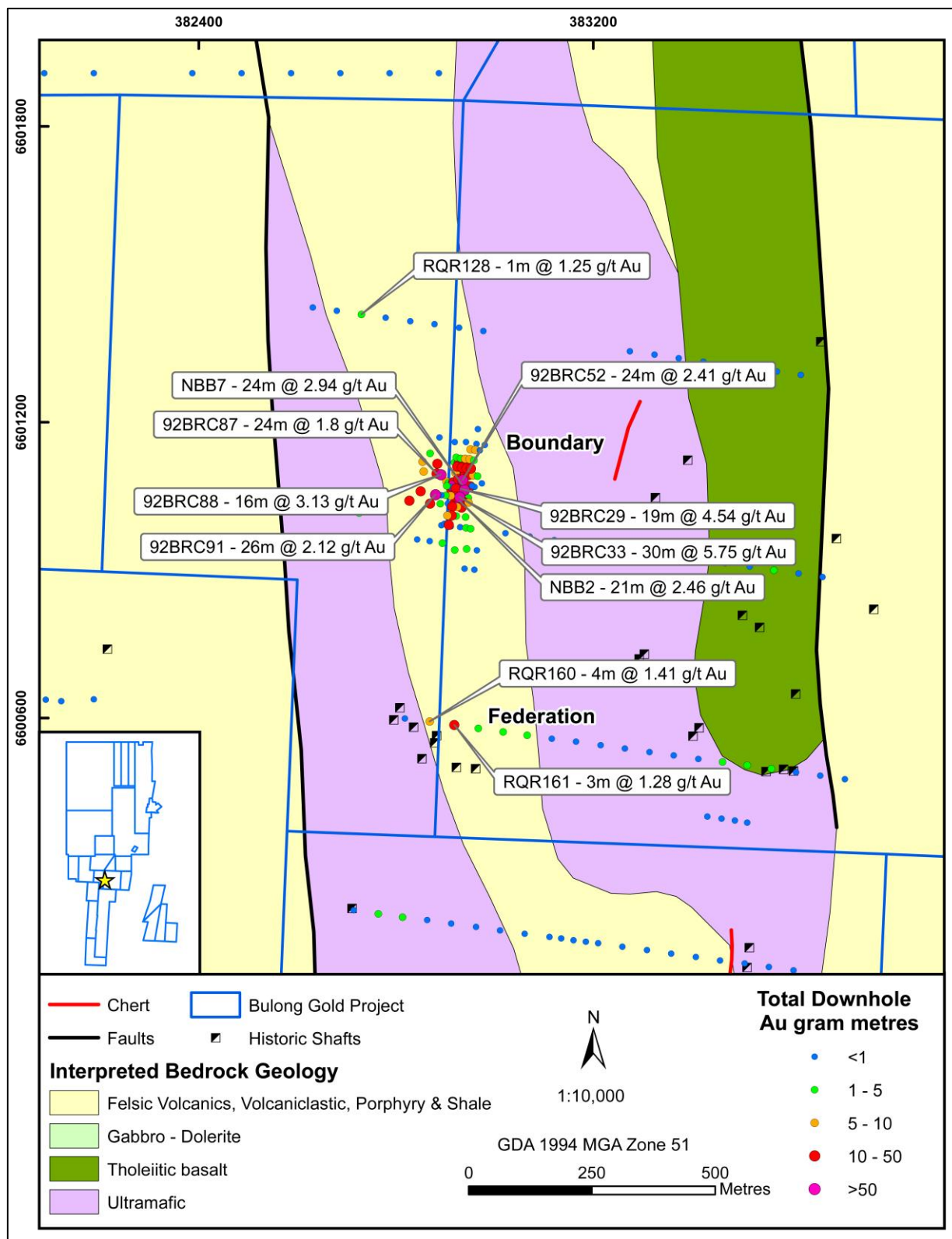


Figure 12: Boundary prospect showing total downhole gold gram metres being representative of the historical drilling with selected gold intersections displayed (see Appendix 2 for full list of gold intersections), on interpreted geology after Gee (2017)

Source: Black Cat

2.6.4 Strathfield

The Strathfield prospect is located over the old workings at Castle Corner and Storm King and is located along strike from Queen Margaret and the Melbourne United in the northern section of M25/24.

Gold mineralisation at the Strathfield Prospect is hosted by a west-dipping system of quartz veins in a sequence of sheared fine-grained carbonaceous black shales, ultramafics, felsic volcanics and felsic-intermediate porphyries. Strathfield has a supergene halo up to 400 m long and approximately 100 m wide. The supergene gold mineralisation envelope dips at the same angle (50–60°) as the bedrock source.

A list of significant intersections at the Strathfield prospect are provided in [Appendix 2](#). Better intersections include SBRC38 – 3 m at 81.80 g/t Au from 48 m (including 1 m at 245.00 g/t Au from 48 m), SBRC22 – 3 m at 8.43 g/t Au from 95 m (including 1 m at 25.00 g/t Au from 96 m), 92BRC38 – 8 m at 2.99 g/t Au from 37 m (including 2 m at 10.50 g/t Au from 37 m) and SBRC20 – 2 m at 11.43 g/t Au from 24 m (including 1 m at 22.50 g/t Au from 24 m).

Potential exists for further mineralisation along strike (Figure 13), as it has not been effectively tested by drilling. Anomalous drillholes are located along strike to the north towards Wakeful and to the south towards Vulcan (Figure 13). The mineralisation is open down dip. Strathfield contains a large volume of low grade (< 1 g/t) material.

2.6.5 Trump

At the Trump prospect, gold mineralisation is hosted by a steeply west-dipping or near vertical system of quartz veins in a sequence of carbonated and sheared, felsic to intermediate volcanics, including quartz rich felsic porphyry. Trump is located beneath 25 m of transported cover. The historical drilling defined a supergene halo up to 200 m long and around 50 m wide. Only a small number (14 out of 43) of holes penetrated fresh rock. The source of the supergene gold mineralisation, whether a discrete quartz vein system, a quartz stockwork, or a more dispersed sulphidic hydrothermal system is not known. Past explorers appear to have been constrained by the western tenement boundary in the past.

A list of significant intersections at the Trump prospect are provided in [Appendix 2](#). Better intersections include 94BRC65 – 7 m at 8.06 g/t Au from 53 m (including 1 m at 34.30 g/t Au from 58 m) and 94BRC68 – 3 m at 5.27 g/t Au from 40 m (including 1 m at 15.20 g/t Au from 41 m).

Figure 13 shows total downhole gold gram metres at the Trump prospect. It is open along strike to the north and south, where there has been little historical drilling.

2.6.6 Anomaly 38

The Anomaly 38 prospect is located on sand covered flats north of the Woodline Area and, is thinly vegetated by scrub and a few large trees and, is covered by 10–50 m of transported sand. The bedrock geology in Anomaly 38 is predominantly composed of cumulative textured ultramafic rocks with rare spinifex textures. Other rock types intersected by the drilling included basalt and felsic volcanics.

A list of significant intersections at the Anomaly 38 prospect are provided in [Appendix 2](#). Better intersections include BURCO23 – 5 m at 16.91 g/t Au from 81 m (including 1 m at 82.00 g/t Au from 83 m), BURCO25 – 4 m at 23.94 g/t Au from 116 m (including 1 m at 93.00 g/t Au from 116 m) and BURCO26 – 7 m at 9.37 g/t Au from 29 m (including 2 m at 26.80 g/t Au from 31 m).

Figure 14 shows that potential remains along strike to the north and south of the mineralisation identified to date at Anomaly 38, due to sparse drilling.

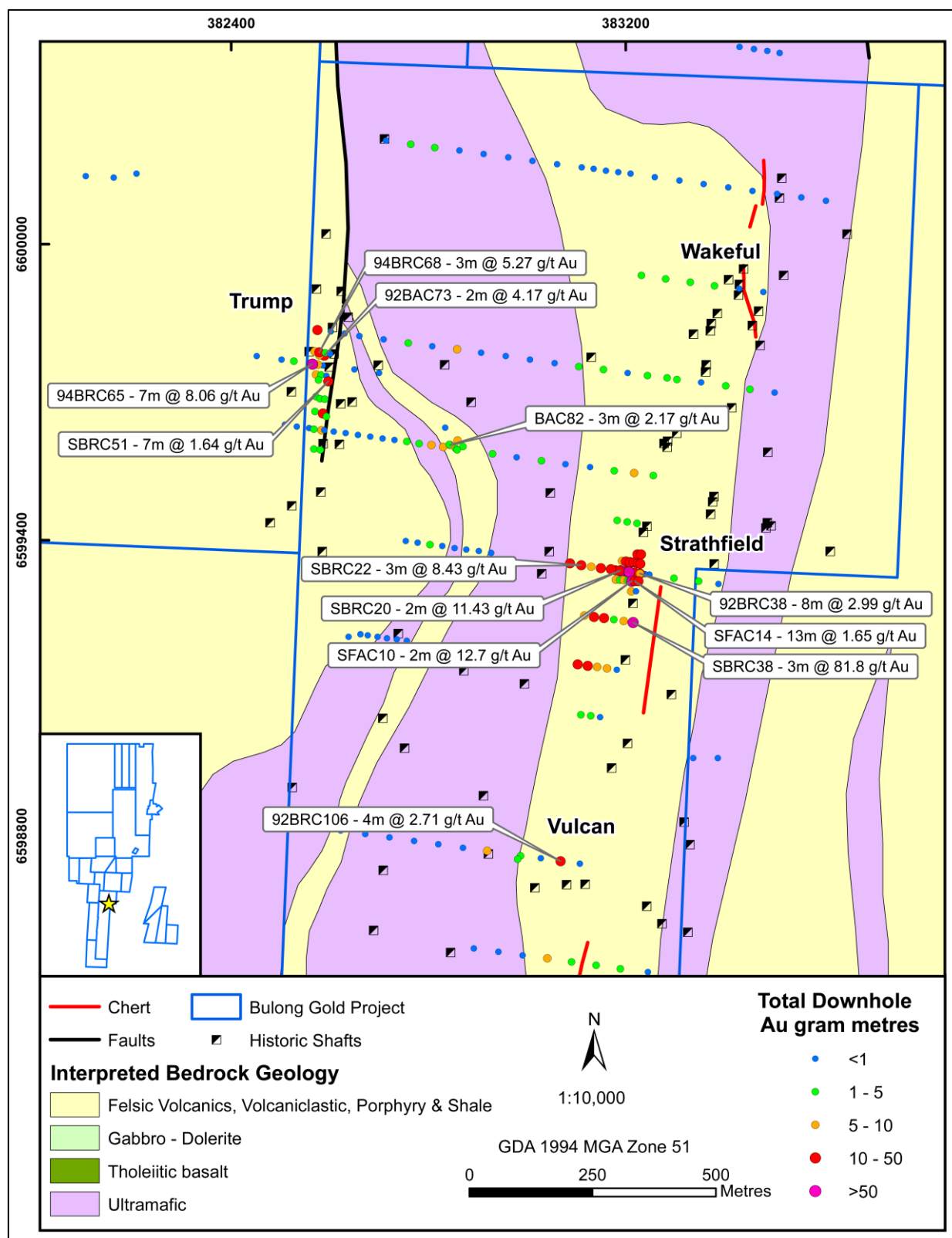


Figure 13: Strathfield and Trump prospects showing total downhole gold gram metres being representative of the historical drilling with selected gold intersections displayed (see Appendix 2 for full list of gold intersections), on interpreted geology after Gee (2017)

Source: Black Cat

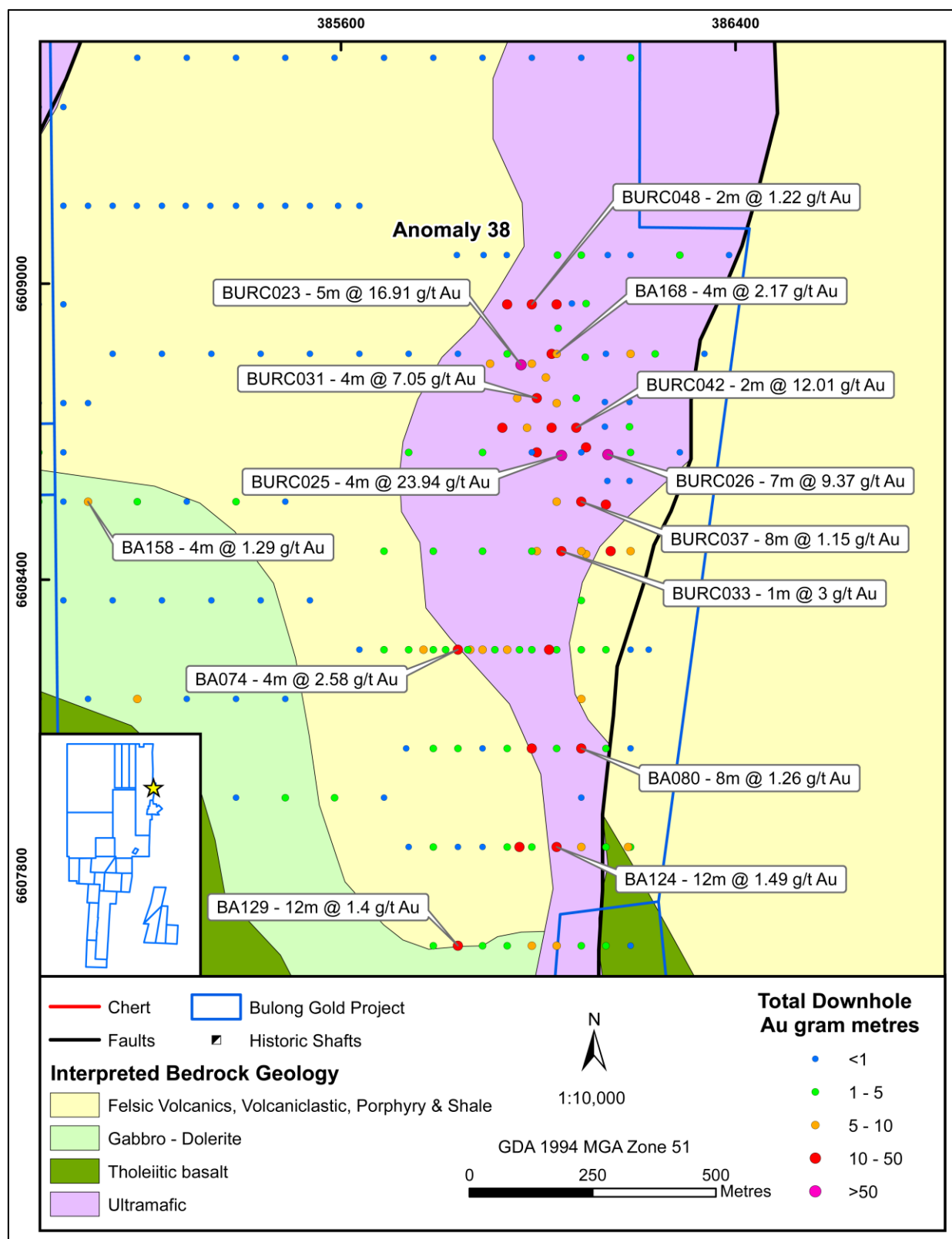


Figure 14: Anomaly 38 prospect showing total downhole gold gram metres being representative of the historical drilling with selected gold intersections displayed (see Appendix 2 for full list of gold intersections), on interpreted geology after Gee (2017)

Source: Black Cat

2.6.7 Woodline

The Woodline prospect was discovered in about 1895 and, a large rush took place, during which it is reported that a number of 100 ounce gold nuggets were found. Woodline is located on a large, prominent gold geochemistry anomaly, first defined by Cyprus Gold. RAB drilling appeared to show the mineralisation is associated with the contact between basalt and an altered ultramafic package.

A list of significant intersections at the Woodline prospect are provided in [Appendix 2](#). Better intersections include BUR149 – 2 m at 28.30 g/t Au from 66 m (including 1 m at 51.00 g/t Au from 67 m) and 10 m at 5.03 g/t Au from 69 m, BRC002 – 8 m at 2.38 g/t Au from 120 m (includes 2 m @ 7.96 g/t Au from 126 m) and BA129 – 12 m at 1.40 g/t Au from 40 m.

Figure 15 shows the Woodline and Patch Dam prospects. A number of the intersections shown have not been followed up at depth. The effectiveness of the regional RAB and AC drilling needs to be fully assessed to see if potential strike extensions have been tested.

2.6.8 Virgin Dam

Mineralisation lies in the extension of the Queen Margaret geological package. Drill logs indicate the presence of felsic volcanics (rhyodacite), porphyry, felsic sediment, and ultramafic schist. There appears to be a single chert layer to the east, in a footwall position close to the well-defined ultramafic that bounds the eastern margin of the Queen Margaret geological package. The western margin of the Queen Margaret geological package, with more felsic rocks to the west, is probably a fault (Gee, 2014). The weathering is deep, with no indication of the depth of transported cover provided, with recognisable saprolite still occurring at 50–60 m.

A list of significant intersections at the Virgin Dam prospect are provided in [Appendix 2](#). Better intersections include BUD002 – 14 m at 5.10 g/t Au from 208 m (including 2 m at 16.50 g/t Au from 212 m) and VD1 – 11 m at 2.85 g/t Au from 190 m (including 1 m at 10.80 g/t Au from 191 m).

Figure 16 shows sparse drilling along strike to the north and south, with potential also at depth, highlighted by the depth of the gold intersections in drillholes BUD002 and VD1.

2.6.9 Ramsgate

The Ramsgate prospect is an early stage target (Figure 17). It occurs in the western-most thrust slice, which also hosts Trump prospect 5 km to the south. The prospect area straddles the regolith transition from residual weathered rock devoid of duricrust, to eroding regolith terrain, characterised by thin transported residual debris and sheetwash (Gee, 2017). Geologically, the area of interest is a detached fold core of ultramafic, enveloped by felsic quartz-eye schist with porphyry. The chert bed, recognised by sparse outcrop and drill chips, wraps around the felsic unit, and marks the contact with underlying ultramafic. The contact zone between the ultramafics and felsics is potentially a favourable area for gold mineralisation.

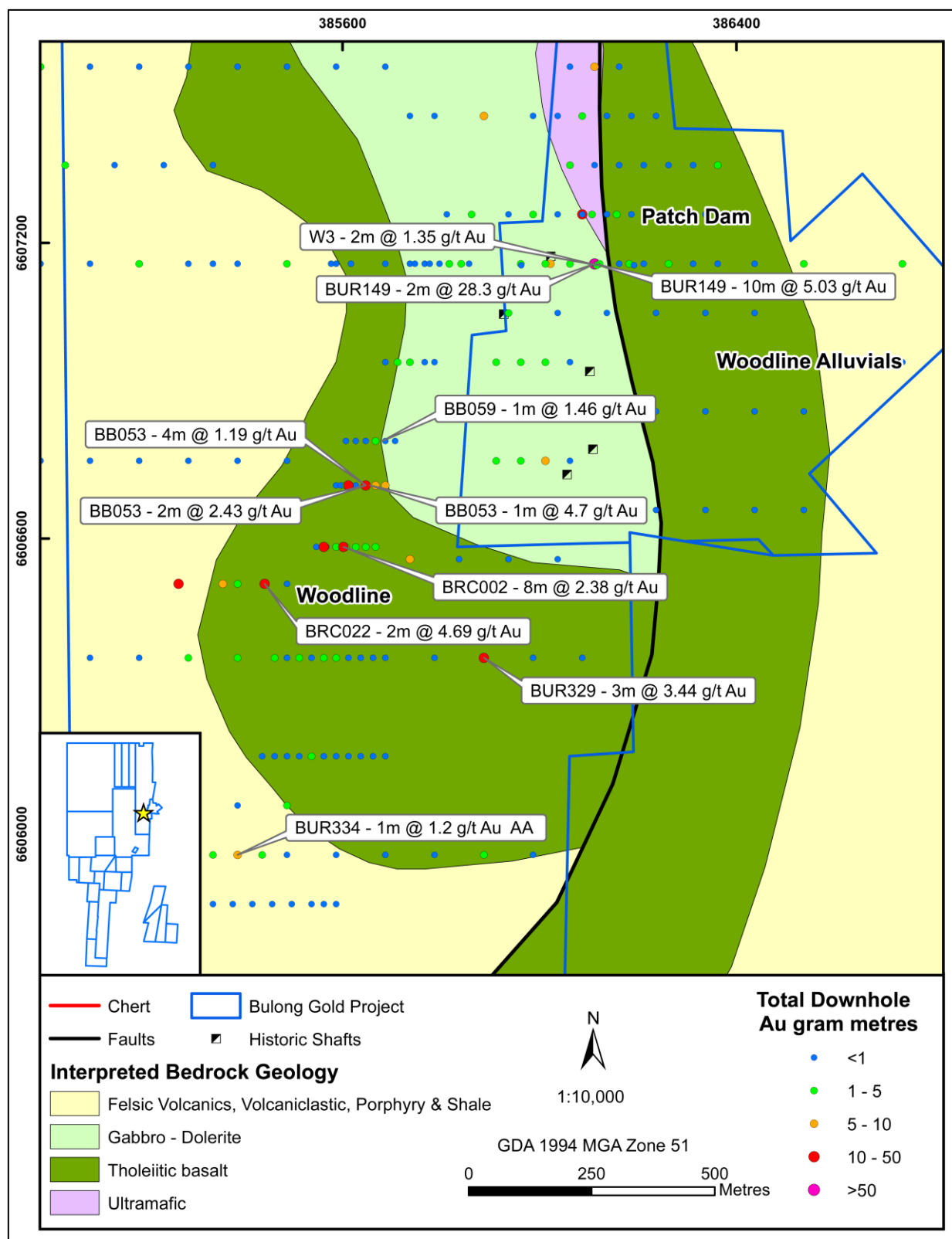


Figure 15: Woodline prospect showing total downhole gold gram metres being representative of the historical drilling with selected gold intersections displayed (see Appendix 2 for full list of gold intersections), on interpreted geology after Gee (2017)

Source: Black Cat

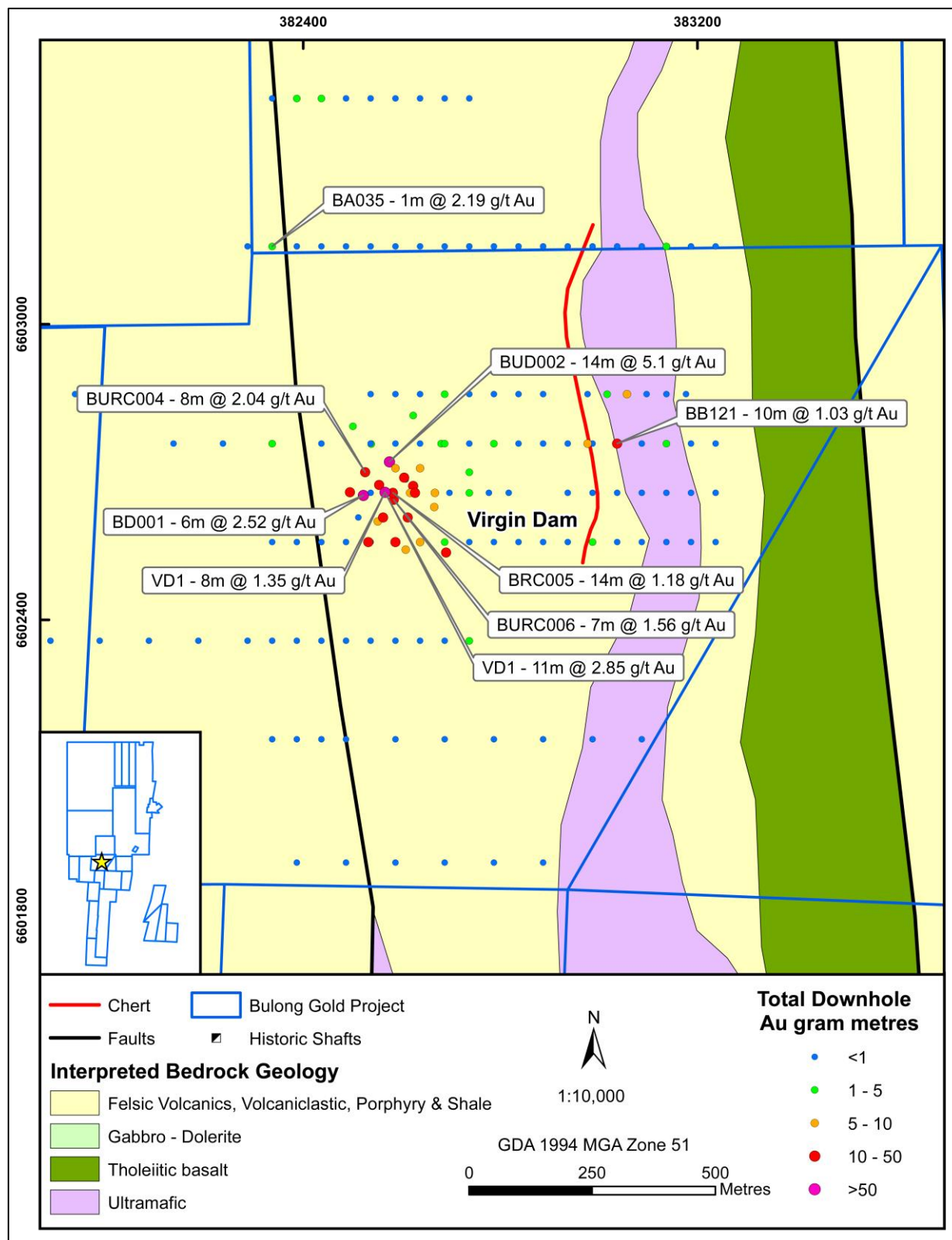


Figure 16: Virgin Dam prospect showing total downhole gold gram metres being representative of the historical drilling with selected gold intersections displayed (see [Appendix 2](#) for full list of gold intersections), on interpreted geology after Gee (2017)

Source: Black Cat

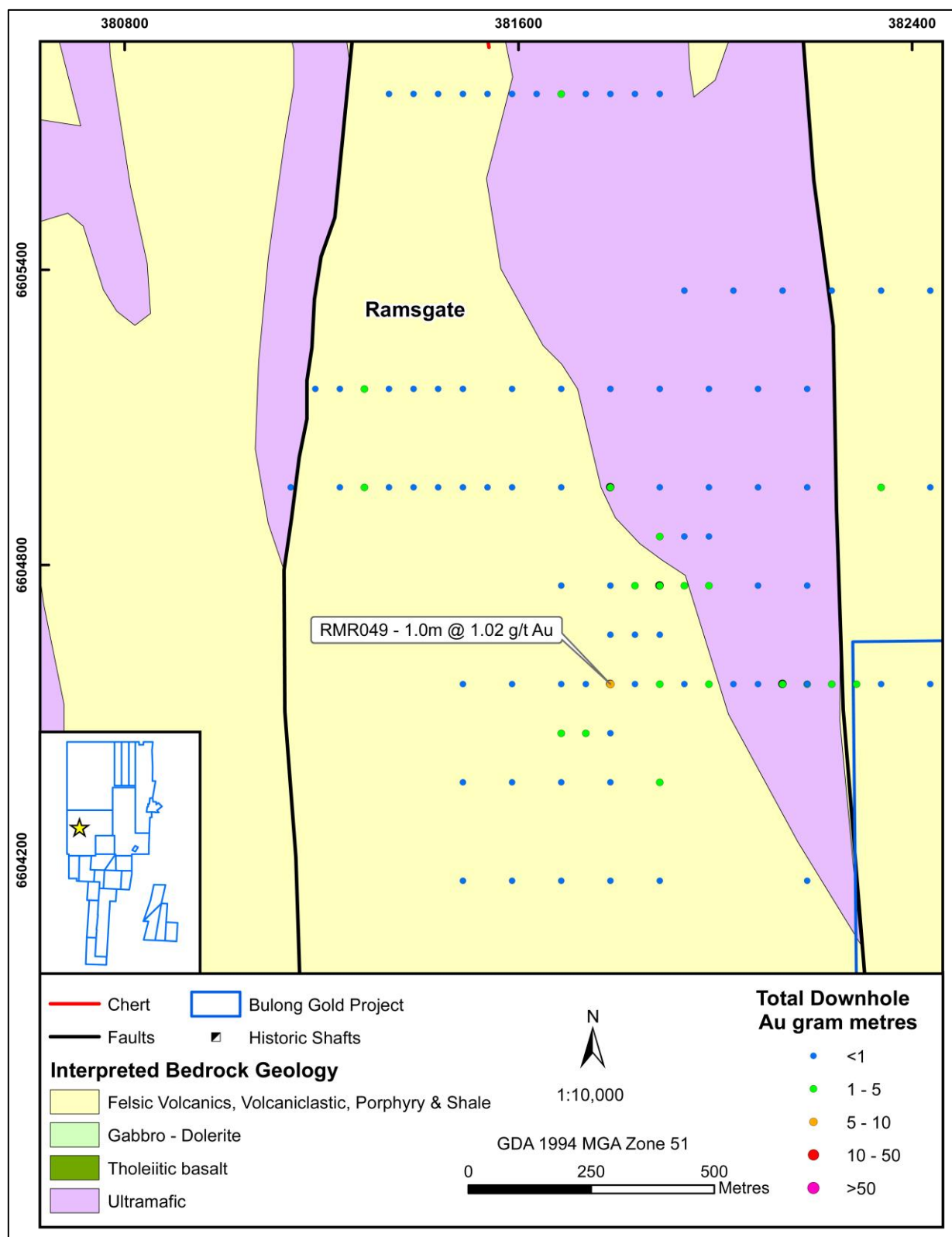


Figure 17: Ramsgate prospect showing total downhole gold gram metres being representative of the historical drilling with selected gold intersections displayed (see [Appendix 2](#) for full list of gold intersections), on interpreted geology after Gee (2017)

Source: Black Cat

2.7 Exploration Strategy

Black Cat's short-term exploration strategy is to undertake infill and extensional RC drilling at the more advanced prospects (Queen Margaret, Boundary, Strathfield and Trump) within the Exploration Target to develop Mineral Resources with the view to develop near-term production. Black Cat will investigate both shallow targets (<50 m) and deeper targets (>50 m). Black Cat plan to drill below historical workings to test for continuation of and repetitions of mineralisation at depth as well as deeper drilling into the Queen Margaret.

Black Cat's longer-term strategy is to target mineralisation similar to that at the Kanowna Belle a >5 million-ounce deposit, where mineralisation is hosted in porphyry within felsic schist and ultramafics. The same lithologies have been identified within the Bulong Gold Project. Black Cat plan to undertake an infill surface geochemistry program in the Virgin Dam North area, encompassing the northern extension of the Queen Margaret geological package over a strike length of 1.35 km. Black Cat will also target the Queen Margaret geological package to the south of the Queen Margaret prospect, where 1.6 km of strike length remains largely untested, with only two transect drill lines having been completed to date.

2.8 Work Completed

Black Cat has undertaken minimal on the ground work since securing the rights to the Project tenements. Black Cat's activities have focused on compiling and interrogating the geological data available into a comprehensive database, to allow them to assess the potential and define their future exploration program.

2.9 Risks

All compiled data is based on WAMEX reports compiled by way of searches. Evidence and review indicates that these searches have been extensive and appear thorough, but may have failed to identify material information. In certain circumstances, WAMEX references included in provided digital datasets could not validate the data provided, particularly where reference to such data was derived from earlier work being reported within. In addition, recent work is retained in confidentiality by the Department of Minerals and Petroleum for up to five years. As such, this data may not be available, and could have a material impact on future exploration decisions.

While certain of the WAMEX reports from which the data is derived discuss the use of quality assurance and quality control (QAQC) procedures as part of the sampling programs, this data is not formally reported. As such, quality and variability, even where original assays are reported, cannot be assessed.

Efforts have been made in the compilation of data to ascertain the grid reference system in which coordinates are reported. However, this is not always reported within the related WAMEX reports. A review of drill hole locations against large scale satellite images, which may have their own errors, suggests that some holes may be mis-located, either as result of incorrect grid reference, or due to errors in original location. Combined errors of grid reference shift and global positioning system (GPS) error would deliver an expected maximum location error of approximately 200 m.

The inability to properly validate data reported herein and upon which future exploration decisions will be made increases the overall risk of the exploration process. In addition, incorrect data that cannot be validated may lead to inappropriate or ineffective exploration process.

Previous explorers have reported difficulties in drilling diamond holes, where core recovery has been poor, as has been the success in intersecting the planned target. The risk of poor core or in general poor sample recovery, is that assays from such zones cannot be considered representative as may be under or over reporting. As a result, the geological understanding of the prospects may vary. This may have either a positive or negative impact on prospectivity.

No Mineral Resources have been defined to date within the Project. Exploration is an intrinsically risky process, particularly at an early stage, which some of the prospects within the Bulong Gold Project can be considered to be. It is likely, based on industry accepted statistics, that no significant mineralisation will

be located within the Project. Even in the event significant mineralisation does exist within the Project, factors both in and out of the control of the Company may prevent the location of such mineralisation. This may include, but is not limited to, factors such as mineability, waste management, metallurgical considerations, availability and suitability of processing facilities, meeting regulatory requirements, ability to develop infrastructure appropriately, and mine closure processes. In additional variations in commodity prices, saleability of commodities and other factors outside the control of the Company may have either negative or positive impacts on the Project that may be defined.

3 Proposed Exploration Budget Summary

The exploration strategy is discussed in more detail in Section 2.7. Table 5 provides a summary of expenditure, by activity and prospect, for Black Cat's Bulong Gold Project. The RC drilling budget is an all-inclusive cost, which includes the cost of drilling, sampling, assaying, personnel and all other on costs. All costs included in Australian dollars (A\$).

Table 5: Proposed exploration expenditure summary by activity (\$6 million capital raising)

Project	Program	\$6M raising			
		Total budget (\$M)	Drilling (m)	Year 1 (\$M)	Year 2 (\$M)
Bulong	Geophysics	0.30		0.15	0.15
	RC drilling	2.85		1.96	0.89
	- Queen Margaret		5,000		
	- Melbourne United		1,500		
	- Strathfield		1,500		
	- Boundary		2,500		
	- Virgin Dam		1,500		
	- Trump		2,500		
	- Woodline		1,250		
	- Anomaly 38		1,250		
	Total		17,000		
	Tenement costs	0.13		0.07	0.07
GRAND TOTAL		3.28		2.18	1.11

The proposed budget is considered consistent with the exploration potential of Black Cat's projects and, is considered adequate to cover the costs of the proposed program. The budgeted expenditure is also sufficient to meet the minimum statutory expenditure on the tenements.

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5 Glossary

For further information or for terms that are not described here, please refer to internet sources such as Wikipedia .

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Appendix 1: JORC Code Table 1 for Exploration Results

Section 1: Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>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 downhole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.</i>	<p>All data presented herein are from past exploration activities prior to Black Cat Syndicate Limited's (Black Cat) involvement and have been obtained from open file public records.</p> <p>Black Cat is undertaking a full validation of the nature and quality of the sampling undertaken. At time of writing such information was not yet available.</p> <p>Samples are from early stage exploration work comprising surface soil and rock samples, auger soil samples, rotary air blast (RAB) and air-core (AC) geochemical sampling. Some prospects have reverse circulation (RC) percussion sampling and limited diamond drilling.</p>
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	<p>All data presented herein are previous and Black Cat is undertaking a full validation of the nature and quality of the sampling undertaken.</p> <p>Black Cat has however done sufficient verification of the sampling techniques. The sampling techniques have also been reviewed by the Competent Person's and in their opinion, provides sufficient confidence that sampling was performed to adequate industry standards and is fit for the purpose of planning exploration programmes and generating targets for investigation.</p> <p>For the stage of the Bulong Gold Project the quality of past data is considered fit for purpose.</p>
	<i>Aspects of the determination of mineralisation that are Material to the Public Report.</i>	<p>All references to mineralisation are taken from reports and documents prepared by previous explorers and have been reviewed by Black Cat and considered to be fit for purpose</p> <p>The authors of the Independent Technical Assessment Report (ITAR) concluded that the results highlighted by Black Cat are anomalous and warrant further investigation based on their experience in the areas of the Company project.</p>
	<i>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.</i>	<p>All data presented herein are previous and Black Cat is undertaking a full validation of the nature and quality of the sampling completed.</p> <p>Black Cat has done sufficient verification of the sampling techniques, in the Competent Person's opinion to provide sufficient confidence that sampling was performed to adequate industry standards for the time in which it was undertaken and is fit for the purpose of planning exploration programmes and generating targets for investigation.</p>
Drilling techniques	<i>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.).</i>	<p>Various drill types have been used previously including AC, RAB, RC and diamond. At this time, hole diameters and detailed information regarding drilling has not been compiled and are not considered material to supporting the assessment of the prospectivity of the Project.</p>

Criteria	JORC Code explanation	Commentary
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	Black Cat is undertaking validation of the data to determine whether this information has been collected in full.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	Spot checks undertaken by the Competent Person noted that, for a number of drill programs, sample recovery was recorded. Poor recovery was an issue for some of the early drill programs, such as the one undertaken by Paringa Gold Mines Limited.
	<i>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>	The Competent Person is satisfied that the data is fit for purpose of planning exploration programs and generating targets for investigation.
Logging	<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.</i>	All holes have been geologically logged to various degrees of detail. Black Cat is undertaking verification of the quality and level of detail of the geological logging data.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	Black Cat has done sufficient verification of the data, in the Competent Person's opinion to provide sufficient confidence that the logging was performed to adequate industry standards and is fit for the purpose of planning exploration programs and generating targets for investigation.
	<i>The total length and percentage of the relevant intersections logged.</i>	
Subsampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	It is unknown how early diamond core programs were sampled, more recent programmes were sawn and sampled according to industry standard (half core), Black Cat is undertaking validation of the data.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	<p>Various sampling methods have been employed including grab spear sampling, dry riffle split sampling for previously drilled non-core drilling, Black Cat is undertaking to verify the exact nature of this sampling.</p> <p>Spot check undertaken by the Competent Person of the open file data showed that for a number of samples, no details of how the samples were prepared exists. A summary of the known sampling methods is provided below.</p> <p>BP Minerals, 1983-88</p> <p>RAB samples were combined into 8 m composites, anomalous composites were resampled on a 2 m basis. Sampling method not specified. RC samples were taken on a 2 m basis. Sampling method not specified.</p> <p>Mount Monger Gold Project Pty Ltd (MMGP), 1993</p> <p>Drill samples – 5 m composite samples taken if assayed >0.2 g/t resampled on a 1 m basis. Dry samples were riffle split, wet samples a large spear sample was taken.</p> <p>MMGP, 1994</p> <p>Drill samples – 4 m composite spear samples if assayed >0.2 g/t resampled on 1 m intervals. Soils – top 10 cm removed soil sample taken from below sieved to -1 mm, 250 g sample collected. Auger – 1 m composite sample collected from 0 to 1 m.</p> <p>Acacia/AngloGold Ashanti, 1997-2001</p> <p>Augur – sample collected from calcrete rich horizon 0.5 to 1.5 m depth. RAB/AC – samples collected as 4 m composites. Sampling method not specified. RC – All individual samples were riffle split and collected as 1 m samples off the drilling rig. From 0 to 60 m samples a combined 4 m composite was collected and from 60 m were combined into 2 m composites for submission. Any anomalous composites were resampled as 1 m samples.</p>

Criteria	JORC Code explanation	Commentary
		<p>Yilgarn Gold, 2002-2007</p> <p>Not recorded in the public reports how the RC samples were collected.</p> <p>Bulong Mining Pty Ltd, 2010-2012</p> <p>AC and RC drillholes were sampled on a 1 m basis. How the samples were collected was not specified.</p>
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	<p>Black Cat has done sufficient verification of the data, in the Competent Person's opinion to provide sufficient confidence that the sampling was performed to adequate industry standards and is fit for the purpose of planning exploration programs and generating targets for investigation.</p> <p>The spot checks by the Competent Person of the open file data showed that Acacia/AngloGold Ashanti stated they used blanks and standards routinely.</p>
	<i>Quality control procedures adopted for all subsampling stages to maximise representivity of samples.</i>	
	<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>	
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	Black Cat has done sufficient verification of the assay data, in the Competent Person's opinion to provide sufficient confidence that the assaying was appropriate for the mineralisation present and is fit for the purpose of planning exploration programs and generating targets for investigation. Black Cat continues to fully verify the data.
	<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>	It is believed that geophysical surveys have been undertaken according to industry standard. However, this is yet to be validated. None of the previous reports that have been reviewed by Black Cat to date specified the use of any spectrometers or handheld x-ray fluorescence (XRF) tools.
	<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>	<p>Black Cat has done sufficient verification of the data, in the Competent Person's opinion to provide sufficient confidence that the quality control procedures were performed to adequate industry standards and is fit for the purpose of planning exploration programs and generating targets for investigation. Black Cat continues to fully verify the data.</p> <p>Not all historical programs detailed the nature of the quality control procedures undertaken. The spot checks by the Competent Person of the open file data showed that Acacia/AngloGold Ashanti stated they used blanks and standards routinely.</p>
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	Significant intersections have been taken from previous databases. The Competent Persons completed a number of spot checks of the source data and did not identify any material issues with the reported intersections.
	<i>The use of twinned holes.</i>	<p>No validation or check assaying has yet been carried out by Black Cat.</p> <p>Black Cat is yet to twin any holes from the previous work.</p>
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	Black Cat has done sufficient verification of the data, in the Competent Person's opinion to provide sufficient confidence that sampling was performed to adequate industry standards for the time in which it was undertaken and is fit for the purpose of planning exploration programs and generating targets for investigation.
	<i>Discuss any adjustment to assay data.</i>	No adjustments have been made to any of the assay data.

Criteria	JORC Code explanation	Commentary
Location of data points	<i>Accuracy and quality of surveys used to locate drillholes (collar and downhole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	Black Cat has done sufficient verification of the data, in the Competent Person's opinion to provide sufficient confidence in the accuracy and quality of survey data and that it is fit for the purpose of planning exploration programmes and generating targets for investigation. Black Cat continues to fully verify the data. A Mineral Resource or Ore Reserve is not determined.
	<i>Specification of the grid system used.</i>	Several grid systems have been used previously, including AGD 1966 AMG Zone 51, AGD 1984 AMG Zone 51 and GDA 1994 MGA Zone 51. Black Cat uses the grid system GDA 1994 MGA Zone 51. Previous data in grid systems AGD 1966 AMG Zone 51 and AGD 1984 AMG Zone 51 have been converted to MGA 94 Zone 51.
	<i>Quality and adequacy of topographic control.</i>	The local topography in the area is flat and nominal RLs have been assigned using the Shuttle Radar Topography Mission (SRTM) digital elevation model. Black Cat continues to fully verify the data and has not found any material issues to date.
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	Various data spacing has been used at various prospects by previous explorers. Examples of data spacing are provided in the ITAR.
	<i>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.</i>	Not applicable as a Mineral Resource or Ore Reserve is not determined.
	<i>Whether sample compositing has been applied.</i>	Not applicable as a Mineral Resource or Ore Reserve is not determined.
Orientation of data in relation to geological structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	The orientation of controlling structures has not been fully determined and a variety of drill orientations have been used previously. Black Cat's review so far has indicated no material issues exist to date. Black Cat recognises the importance of understanding the structural controls on mineralisation and will prioritise the collection of oriented drill core early in test programs to address this criteria.
	<i>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.</i>	Unable to be addressed due to insufficient data at this stage.
Sample security	<i>The measures taken to ensure sample security.</i>	Due to the historical nature of the data, this has not and may not be determinable. None of the historical samples have been preserved. There are no concerns about sample security or possible tampering with historical samples.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	Black Cat has not performed any audits at this time. The authors of the ITAR completed spot checks on data compiled by Black Cat to check the accuracy of the compilation and did not identify any issues in these checks.

Section 2: Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<i>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.</i>	The details and status of Black Cat's exploration, mining and prospecting licences and prospecting licence applications is provided in Table 1 of the ITAR. Issues relating to royalties, native title, historical sites and declared reserves are covered in the Independent Solicitors Report found elsewhere in the prospectus. As stated in the ITAR, landownership within Black Cat's tenements are mostly freehold.
	<i>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.</i>	Black Cat's granted tenements E25/499, E25/512, E25/520, E27/532, M25/24, M25/83, M25/83, M25/91, M25/129, M25/252, P25/2286, P25/2287, P25/2288, P25/2293, P25/2367, P25/2368, P25/2369, P25/2377 and P25/2378 are either owned 100% by Black Cat, or Black Cat have the option to acquire or are part of an acquisition agreement for 100% of the rights to and are in good standing. Black Cat is unaware of any impediments for exploration on these licences. In terms of Black Cat's tenement applications P25/2463, P27/2326, P27/2327, P27/2328, P25/2478, P25/2479, P25/2480 and E25/2481, Black Cat is the only applicant and is unaware of any impediments that may negatively impact on the granting of these applications.
Exploration done by other parties	<i>Acknowledgment and appraisal of exploration by other parties.</i>	All the exploration reported in this ITAR has been completed by a variety of companies, as noted in the text of the reports and described more fully in the open file WAMEX reports referenced throughout the text. Previous exploration has been completed on Black Cat's projects by a variety of companies. Please refer to the ITAR for details and references to the previous work.
Geology	<i>Deposit type, geological setting and style of mineralisation.</i>	Black Cat's projects are located in the Gindalbie Domain of the Kurnalpi Terrane of the Archaean Yilgarn Craton. Project-scale geology consists of granite-greenstone lithologies that were metamorphosed to greenschist facies grade. The Archaean lithologies are cut by Proterozoic dolerite dykes. More detailed information is provided in the ITAR. The style of mineralisation is Archaean orogenic gold. Please refer to the ITAR for more detail.
Drillhole information	<i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes:</i> <ul style="list-style-type: none"> • easting and northing of the drillhole collar • elevation or RL (Reduced Level – elevation above sea level in metres) of the drillhole collar • dip and azimuth of the hole • downhole length and intersection depth • hole length. 	Summaries of significant previous drill intersections at Black Cat's Bulong Gold Project are provided in the ITAR. These data pertain to all holes drilled that returned a best gold assay intersection equal to or greater than 1 m at 1.00 g/t Au and a minimum 2 gram metres.
	<i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i>	Not applicable, as no information has been excluded.

Criteria	JORC Code explanation	Commentary
Data aggregation methods	<i>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.</i>	All assays are based on previous databases, and upon review have been treated at face value. No validation or check assaying has been carried out by Black Cat.
	<i>Where aggregate intersections 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>	Reported intersections >1.00 g/t Au and minimum 2 gram metres, grade cut-off 0.1 g/t Au, no internal dilution.
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	Not applicable, as no metal equivalent values have been reported.
Relationship between mineralisation widths and intersection lengths	<i>These relationships are particularly important in the reporting of Exploration Results.</i>	Previous drilling has been undertaken on various drill orientations, and thus does not represent true width intersections. Future work by Black Cat will involve validation and reinterpretation of previous results and the drilling of additional holes to determine the orientation of mineralisation and thus true widths.
	<i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i>	Not applicable, as the geometry of the mineralisation with respect to the drill angles has yet to be verified.
	<i>If it is not known and only the downhole lengths are reported, there should be a clear statement to this effect (e.g. "downhole length, true width not known").</i>	The statement "downhole length, true width not known" has been added to captions and footnotes of relevant tables and figures presented in the ITAR.
Diagrams	<i>Appropriate maps and sections (with scales) and tabulations of intersections 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>	Please refer to the ITAR for details.
Balanced reporting	<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 previous drillholes are reported that have reported intersections >1.00 g/t Au and minimum 2 gram metres, grade cut-off 0.1 g/t Au, no internal dilution.
Other substantive exploration data	<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 data presented herein are previous and Black Cat is yet to complete a full validation of the nature and quality of the previous work undertaken within its tenements. All material data encountered by Black Cat to date has been reported herein.
Further work	<i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i>	Black Cat will undertake extensive validation and field confirmation of previous drill and sampling data at the various prospects. Once the previous data review is completed, it is planned that Black Cat will undertake RC drilling programs to test Queen Margaret, Boundary, Trump, Strathfield and other high-priority targets.
	<i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	Please refer to the ITAR.

Appendix 2: Bulong Gold Project Drillhole Intersections >1.00 g/t

Reported intersections >1.00 g/t Au and minimum 2 gram metres, grade cut-off 0.1 g/t Au, no internal dilution. All intersections reported as downhole intervals, true widths unknown.

The Competent Person considers that this threshold for reporting material intersections to be appropriate for the nature and style of gold mineralisation being considered and the developmental stage of the mineral asset.

Hole ID	GDA east	GDA north	RL	From (m)	To (m)	Interval (m)	Au (g/t)	Hole depth (m)	Hole type*
Anomaly 38									
BA073	385,887	6,608,258	358	26	27	1	5.49	51	AC
BA074	385,837	6,608,258	357	57	61	4	2.58	83	AC
BA080	386,087	6,608,058	357	36	40	4	1.78	87	AC
				48	56	8	1.26		
BA083	386,087	6,608,458	354	36	44	8	1.02	74	AC
BA124	386,037	6,607,858	358	28	40	12	1.05	58	AC
				44	56	12	1.49		
				Incl. 44	48	4	3.90		
BA144	386,187	6,608,458	358	32	36	4	1.30	58	AC
BA168	386,037	6,608,858	351	28	32	4	2.17	45	AC
BRC015	386,037	6,607,858	358	50	58	8	1.37	192	RC
BURC023	385,965	6,608,836	351	58	60	2	1.06	150	RC
				81	86	5	16.91		
				Incl. 83	84	1	82.00		
BURC025	386,047	6,608,652	351	116	120	4	23.94	178	RC
				Incl. 116	117	1	93.00		
BURC026	386,141	6,608,654	351	29	36	7	9.37	100	RC
				Incl. 31	33	2	26.80		
BURC027	386,097	6,608,668	352	129	132	3	1.19	150	RC
				134	138	4	1.30		
BURC031	385,997	6,608,768	352	14	18	4	7.05	160	RC
				Incl. 15	16	1	22.90		
BURC033	386,047	6,608,458	354	114	115	1	3.00	150	RC
BURC035	386,147	6,608,458	353	48	50	2	1.13	150	RC
BURC037	386,087	6,608,558	352	40	41	1	2.30	180	RC
				42	50	8	1.15		
BURC042	386,077	6,608,708	351	52	54	2	12.01	142	RC
				Incl. 52	53	1	23.80		
				64	66	2	2.03		
				106	112	6	1.62		
				Incl. 108	110	2	4.50		
BURC046	386,027	6,608,858	351	38	42	4	1.09	179	RC
BURC048	385,987	6,608,958	350	76	78	2	1.22	150	RC
Y48	386,015	6,608,810	352	31	37	6	1.46	50	AC

Hole ID	GDA east	GDA north	RL	From (m)	To (m)	Interval (m)	Au (g/t)	Hole depth (m)	Hole type*
Boundary									
92BAC42	382,914	6,601,071	386	35	42	7	4.33	51	AC
				Incl. 38	40	2	12.28		
				46	51	5	3.90		
				Incl. 47	48	1	10.70		
92BRC29	382,931	6,601,065	386	34	53	19	4.54	66	RC
				Incl. 34	39	5	13.12		
92BRC31	382,939	6,601,063	386	30	31	1	6.15	78	RC
				39	42	3	1.52		
				57	73	16	2.44		
				Incl. 62	64	2	8.60		
92BRC32	382,921	6,601,049	386	29	53	24	1.57	66	RC
				Incl. 35	39	4	5.63		
92BRC33	382,929	6,601,048	386	37	67	30	5.75	72	RC
				Incl. 39	43	4	15.60		
				Incl. 51	56	5	17.20		
92BRC34	382,924	6,601,110	386	32	53	21	1.62	66	RC
				Incl. 42	47	5	5.24		
92BRC35	382,934	6,601,108	386	65	78	13	1.12	78	RC
92BRC47	382,951	6,600,984	387	39	41	2	1.02	72	RC
92BRC48	382,933	6,601,027	387	47	53	6	2.26	72	RC
				69	72	3	1.45		
92BRC51	382,926	6,601,085	386	31	36	5	1.56	66	RC
				59	62	3	2.43		
92BRC52	382,935	6,601,083	386	41	65	24	2.41	72	RC
				Incl. 43	47	4	5.41		
92BRC71	382,914	6,601,029	387	37	51	14	2.01	77	RC
				Incl. 46	48	2	9.30		
92BRC75	382,907	6,600,992	387	57	67	10	1.65	83	RC
92BRC76	382,943	6,601,107	386	35	38	3	1.89	83	RC
				43	48	5	1.16		
92BRC77	382,952	6,601,106	386	41	42	1	2.60	77	RC
				64	77	13	2.14		
92BRC78	382,940	6,601,126	386	42	43	1	2.25	71	RC
92BRC82	382,961	6,601,144	386	40	41	1	4.40	77	RC
92BRC87	382,882	6,601,096	386	43	67	24	1.80	83	RC
92BRC88	382,891	6,601,094	386	40	56	16	3.13	83	RC
				Incl. 43	49	6	7.48		
92BRC89	382,884	6,601,116	386	29	33	4	3.00	83	RC
				37	43	6	1.65		
				56	60	4	1.27		
				61	63	2	2.75		
				64	67	3	1.02		
92BRC91	382,880	6,601,053	386	27	53	26	2.12	83	RC
				Incl. 42	51	9	4.14		
92BRC92	382,869	6,601,035	387	36	41	5	1.62	77	RC
				70	77	7	1.42		
NBB1	382,920	6,601,040	387	31	41	10	1.16	96	RC

Hole ID	GDA east	GDA north	RL	From (m)	To (m)	Interval (m)	Au (g/t)	Hole depth (m)	Hole type*
NBB10	382,930	6,601,096	386	26	27	1	2.10	80	RC
				34	43	9	1.34		
				45	61	16	1.47		
				Incl. 49	55	6	3.22		
NBB11	382,940	6,601,094	386	39	66	27	1.06	80	RC
				Incl. 45	49	4	3.79		
NBB12	382,948	6,601,093	386	58	81	23	1.05	96	RC
				Incl. 62	65	3	3.70		
				82	90	8	1.19		
NBB15	382,936	6,601,117	386	72	74	2	1.02	96	RC
				81	83	2	1.01		
NBB16	382,946	6,601,116	386	40	44	4	1.05	84	RC
NBB2	382,929	6,601,040	387	37	58	21	2.46	90	RC
				Incl. 52	56	4	11.05		
				65	73	8	1.27		
NBB22	382,912	6,601,063	386	26	29	3	2.03	65	RC
				30	33	3	1.37		
NBB23	382,937	6,601,048	386	44	45	1	2.00	95	RC
				92	94	2	1.46		
NBB26	382,938	6,601,038	387	78	82	4	1.74	89	RC
NBB3	382,921	6,601,060	386	27	55	28	1.05	80	RC
NBB4	382,931	6,601,059	386	31	33	2	1.00	90	RC
				51	63	12	1.16		
				79	87	8	3.60		
				Incl. 79	81	2	10.86		
NBB5	382,916	6,601,078	386	35	37	2	1.98	83	RC
				38	40	2	1.30		
				68	72	4	1.87		
NBB6	382,924	6,601,076	386	30	37	7	1.33	89	RC
				38	48	10	1.10		
NBB7	382,934	6,601,074	386	40	64	24	2.94	90	RC
				Incl. 46	50	4	7.69		
				Incl. 58	61	3	7.67		
NBB8	382,943	6,601,072	386	45	62	17	1.36	90	RC
				78	85	7	2.16		
				Incl. 80	81	1	9.81		
RQR160	382,868	6,600,593	387	60	64	4	1.41	64	RAB
RQR161	382,918	6,600,586	388	75	78	3	1.28	86	RAB
Y59	382,902	6,601,080	386	30	32	2	2.33	43	AC
Melbourne									
92BRC100	382,992	6,598,053	386	36	38	2	1.38	81	RC
				39	41	2	27.11		
				Incl. 39	40	1	52.80		
DDH014	382,848	6,597,780	380	140.3	144.5	4.2	1.60	165	DD
PAR002	382,841	6,597,983	381	137	139.6	2.6	1.55	193.9	DD

Hole ID	GDA east	GDA north	RL	From (m)	To (m)	Interval (m)	Au (g/t)	Hole depth (m)	Hole type*
Midas									
BA098	384,987	6,608,658	352	56	57	1	3.13	57	AC
BA158	385,087	6,608,558	351	36	40	4	1.29	72	AC
Queen Margaret South									
BUR263	381,687	6,595,557	371	56	58	2	1.52	58	RAB
DDH009	382,775	6,596,771	371	159	166	7	1.42	214	DD
RQR047	382,867	6,596,556	370	57	64	7	1.28	120	RAB
SBRC9	382,888	6,596,856	373	60	64	4	1.00		RC
Y01	382,887	6,596,550	370	53	56	3	1.64	60	RC
Y02	382,847	6,596,550	370	80	83	3	1.39	100	RC
Queen Margaret									
92BRC108	382,901	6,597,390	380	17	21	4	1.67	60	RC
92BRC110	382,889	6,597,294	379	30	32	2	2.35	72	RC
				33	34	1	4.89		
92BRC42	382,909	6,597,430	381	27	28	1	3.40	60	RC
92BRC43	382,894	6,597,432	381	48	52	4	1.50	96	RC
92BRC56	382,912	6,597,470	381	25	27	2	1.00	84	RC
				34	36	2	2.27		
				43	44	1	2.85		
92BRC57	382,897	6,597,472	381	44	50	6	2.13	96	RC
				Incl. 47	48	1	9.40		
92BRC58	382,918	6,597,519	382	14	22	8	1.02	84	RC
				35	40	5	1.38		
92BRC61	382,926	6,597,557	382	24	26	2	1.14	84	RC
				38	40	2	3.28		
92BRC62	382,929	6,597,618	383	25	28	3	1.13	78	RC
				29	33	4	1.54		
92BRC63	382,915	6,597,620	383	41	50	9	1.39	96	RC
93BRC12	382,904	6,597,378	380	28	30	2	2.38	70	RC
				37	39	2	2.56		
93BRC14	382,914	6,597,377	380	35	38	3	1.90	50	RC
				45	50	5	2.93		
				Incl. 45	46	1	9.01		
93BRC17	382,898	6,597,338	380	48	60	12	1.25	75	RC
93BRC19	382,908	6,597,337	380	46	48	2	1.18	60	RC
93BRC20	382,913	6,597,336	380	47	48	1	3.84	55	RC
93BRC23	382,912	6,597,296	379	56	59	3	2.11	70	RC
93BRC24	382,917	6,597,296	379	22	24	2	1.62	60	RC
93BRC6	382,911	6,597,418	381	39	59	20	3.28	59	RC
				Incl. 48	50	2	26.10		
93BRC7	382,916	6,597,417	381	25	28	3	4.46	59	RC
				Incl. 26	27	1	9.02		
				38	40	2	1.75		
94BRC1	382,913	6,597,186	378	33	37	4	1.76	70	RC
				43	45	2	1.07		
94BRC11	382,917	6,597,286	379	17	19	2	1.39	54	RC
				20	22	2	1.34		
94BRC13	382,896	6,597,359	380	25	27	2	1.08	70	RC

Hole ID	GDA east	GDA north	RL	From (m)	To (m)	Interval (m)	Au (g/t)	Hole depth (m)	Hole type*
94BRC14	382,906	6,597,358	380	20	23	3	4.01	70	RC
				Incl. 21	22	1	10.80		
94BRC15	382,916	6,597,356	380	12	17	5	1.23	60	RC
				22	24	2	1.05		
				47	52	5	5.65		
				Incl. 49	50	1	27.00		
94BRC16	382,926	6,597,354	380	10	11	1	2.00	90	RC
94BRC19	382,929	6,597,374	380	16	23	7	1.06	45	RC
				Incl. 16	17	1	4.50		
94BRC20	382,893	6,597,400	380	52	56	4	1.75	70	RC
				Incl. 52	53	1	6.20		
				60	67	7	1.07		
94BRC21	382,902	6,597,399	381	50	51	1	2.75	71	RC
				61	64	3	1.33		
94BRC22	382,908	6,597,398	380	41	48	7	1.07	60	RC
94BRC23	382,923	6,597,397	380	13	16	3	1.29	60	RC
				17	19	2	1.50		
94BRC26	382,896	6,597,430	381	46	49	3	1.01	70	RC
				54	57	3	2.15		
94BRC27	382,906	6,597,427	381	27	30	3	1.23	70	RC
94BRC28	382,899	6,597,449	381	32	43	11	1.48	72	RC
94BRC29	382,909	6,597,449	381	45	46	1	2.45	70	RC
94BRC30	382,919	6,597,446	381	15	18	3	1.18	60	RC
				19	20	1	3.20		
				28	33	5	1.09		
				39	48	9	3.77		
				Incl. 39	40	1	16.00		
94BRC31	382,928	6,597,445	381	11	15	4	1.08	50	RC
				36	38	2	1.36		
94BRC33	382,909	6,597,468	381	29	31	2	1.77	70	RC
94BRC35	382,906	6,597,489	382	38	41	3	1.10	70	RC
94BRC36	382,915	6,597,488	382	35	42	7	1.17	66	RC
94BRC37	382,924	6,597,486	381	12	19	7	1.39	60	RC
				40	47	7	2.34		
				Incl. 40	41	1	10.00		
94BRC38	382,934	6,597,485	382	40	42	2	1.63	50	RC
94BRC4	382,905	6,597,208	378	53	57	4	2.32	70	RC
94BRC40	382,916	6,597,518	382	48	51	3	1.56	70	RC
94BRC42	382,921	6,597,537	382	34	36	2	2.30	76	RC
94BRC43	382,914	6,597,558	382	30	34	4	6.96	70	RC
				Incl. 31	32	1	27.00		
94BRC46	382,926	6,597,577	382	32	34	2	1.30	70	RC
				36	39	3	1.06		
				42	65	23	1.17		
				Incl. 62	63	1	15.00		
94BRC48	382,929	6,597,597	383	50	52	2	1.01	72	RC
				59	66	7	1.24		
94BRC49	382,922	6,597,619	383	52	54	2	1.61	70	RC

Hole ID	GDA east	GDA north	RL	From (m)	To (m)	Interval (m)	Au (g/t)	Hole depth (m)	Hole type*
94BRC5	382,913	6,597,206	378	41	46	5	1.26	66	RC
94BRC50	382,932	6,597,616	384	31	34	3	2.27	75	RC
				Incl. 31	32	1	6.40		
				36	41	5	2.05		
				42	48	6	1.24		
94BRC51	382,888	6,597,340	380	42	44	2	1.09	70	RC
				63	65	2	1.10		
94BRC6	382,900	6,597,228	378	64	65	1	4.70	70	RC
94BRC7	382,909	6,597,227	378	23	24	1	2.50	70	RC
				53	55	2	1.63		
				62	66	4	3.18		
				Incl. 62	64	2	5.60		
BAC19	382,912	6,597,206	378	41	50	9	3.58	50	UNKN
				Incl. 43	44	1	25.60		
BAC2	382,938	6,597,617	384	21	24	3	4.08	32	UNKN
BAC20	382,920	6,597,207	378	49	54	5	3.29	54	UNKN
				Incl. 50	52	2	7.12		
BAC4	382,947	6,597,618	384	11	23	12	1.41	54	UNKN
				24	27	3	1.17		
BAC6	382,916	6,597,470	381	18	22	4	2.14	54	UNKN
				Incl. 19	20	1	7.72		
				49	51	2	1.06		
BAC65	382,934	6,597,522	383	18	24	6	1.22	50	UNKN
				31	32	1	2.47		
				41	42	1	3.21		
BAC66	382,939	6,597,521	383	27	34	7	3.09	43	UNKN
				Incl. 29	33	4	5.05		
BAC70	382,919	6,597,426	381	21	25	4	7.64	54	UNKN
				Incl. 23	24	1	22.70		
				47	54	7	10.19		
				Incl. 48	49	1	64.00		
BAC8	382,927	6,597,468	381	7	14	7	1.19	46	UNKN
				19	24	5	1.02		
BAC9	382,931	6,597,466	382	21	28	7	2.21	35	UNKN
				Incl. 26	27	1	7.60		
BRC151	382,896	6,597,359	380	25	27	2	1.15	70	RC
				32	34	2	1.26		
PAR003	382,710	6,597,032	377	194.5	196.3	1.8	1.35	201.2	DD
RQR044	383,169	6,596,919	376	25	27	2	1.84	101	RAB
RQRC008	382,782	6,597,213	378	140	148	8	1.43	200	RC
SBRC1	382,910	6,597,459	381	29	31	2	3.61	92	RC
				42	45	3	2.52		
SBRC12	382,916	6,597,357	380	26	28	2	2.63	92	RC
				51	57	6	1.05		
SBRC14	382,924	6,597,558	382	36	38	2	2.80	99	RC
				60	71	11	1.56		
				Incl. 63	64	1	10.00		
				73	75	2	1.10		

Hole ID	GDA east	GDA north	RL	From (m)	To (m)	Interval (m)	Au (g/t)	Hole depth (m)	Hole type*
SBRC2	382,936	6,597,354	380	0	1	1	54.00	92	RC
SBRC3	382,903	6,597,258	379	66	71	5	2.59	90	RC
				Incl. 67	68	1	9.80		
Y25	382,910	6,597,450	381	23	24	1	2.01	45	AC
				27	31	4	2.07		
Y27	382,902	6,597,400	380	31	32	1	2.00	51	AC
Y28	382,915	6,597,400	380	21	22	1	5.44	36	AC
				34	36	2	3.01		
Y29	382,928	6,597,400	380	13	15	2	1.18	21	AC
Y30	382,915	6,597,370	380	14	19	5	1.43	31	AC
Y34	382,908	6,597,266	379	16	17	1	2.17	50	AC
Ramsgate									
RMR049	381,787	6,604,558	375	36	37	1	1.02	75	RAB
Strathfield									
92BRC38	383,229	6,599,332	398	8	16	8	1.58	78	RC
				Incl. 14	15	1	7.40		
				37	45	8	2.99		
				Incl. 37	39	2	10.50		
92BRC40	383,200	6,599,337	397	23	26	3	1.19	62	RC
				32	33	1	4.60		
				36	40	4	1.62		
SBRC18	383,123	6,599,145	393	44	48	4	4.66	105	RC
				Incl. 46	47	1	15.50		
				87	91	4	1.23		
SBRC19	383,229	6,599,332	398	45	47	2	3.05	92	RC
SBRC20	383,189	6,599,338	397	12	16	4	1.73	99	RC
				17	21	4	2.66		
				Incl. 17	19	2	5.00		
				24	26	2	11.43		
				Incl. 24	25	1	22.50		
				30	32	2	1.14		
SBRC22	383,110	6,599,349	395	95	98	3	8.43	105	RC
				Incl. 95	96	1	25.00		
SBRC24	383,217	6,599,536	398	71	73	2	1.20	92	RC
SBRC31	383,207	6,599,335	397	11	15	4	3.82	99	RC
				Incl. 13	14	1	14.00		
				16	19	3	1.97		
				24	25	1	4.00		
				30	31	1	3.00		
				32	34	2	2.03		
SBRC33	383,170	6,599,341	396	37	50	13	1.13	99	RC
SBRC38	383,215	6,599,233	396	48	51	3	81.80	60	RC
				Incl. 48	49	1	245.00		
SBRC39	383,196	6,599,236	395	13	16	3	1.41	80	RC
SBRC41	383,156	6,599,242	394	69	70	1	2.05	99	RC
SBRC42	383,136	6,599,244	394	63	68	5	3.20	99	RC
				Incl. 64	65	1	15.00		
SBRC45	383,142	6,599,143	393	29	31	2	1.75	92	RC

Hole ID	GDA east	GDA north	RL	From (m)	To (m)	Interval (m)	Au (g/t)	Hole depth (m)	Hole type*
SFAC10	383,212	6,599,317	397	23	25	2	12.70	51	AC
				Incl. 24	25	1	25.20		
				33	34	1	3.21		
				35	38	3	4.28		
				Incl. 36	37	1	12.35		
SFAC12	383,231	6,599,371	398	15	17	2	7.85	45	AC
				Incl. 15	16	1	15.55		
				19	20	1	2.02		
				21	22	1	2.83		
SFAC13	383,230	6,599,352	398	7	14	7	1.25	29	AC
SFAC14	383,218	6,599,317	397	10	16	6	1.20	50	AC
				37	50	13	1.65		
				Incl. 44	47	3	5.26		
SFAC15	383,226	6,599,317	397	34	35	1	7.19	50	AC
SFAC16	383,211	6,599,296	397	37	39	2	2.32	50	AC
Trump									
92BAC51	382,583	6,599,623	389	27	31	4	1.55	60	AC
92BAC73	382,589	6,599,774	390	31	33	2	4.17	57	AC
				36	38	2	1.03		
92BAC74	382,579	6,599,775	390	48	54	6	1.16	57	AC
94BRC57	382,586	6,599,657	389	28	30	2	3.94	60	RC
94BRC62	382,572	6,599,736	389	51	54	3	1.42	70	RC
94BRC65	382,565	6,599,757	390	51	52	1	8.94	80	RC
				53	60	7	8.06		
				Incl. 58	59	1	34.30		
94BRC67	382,569	6,599,783	390	52	57	5	1.16	80	RC
94BRC68	382,579	6,599,781	390	40	43	3	5.27	60	RC
				Incl. 41	42	1	15.20		
				47	48	1	2.10		
SBRC51	382,597	6,599,722	390	50	57	7	1.64	92	RC
Unknown									
BB183	386,312	6,611,008	353	12	22	10	1.13	22	UNKN
BUR009	381,287	6,611,158	362	12	23	11	1.02	23	UNKN
Virgin Dam									
BB004	382,617	6,602,658	373	84	90	6	1.06	90	RAB
BB005	382,667	6,602,658	372	74	77	3	1.01	84	RAB
BB007	382,737	6,602,658	373	75	76	1	3.19	90	RAB
BB121	383,037	6,602,758	375	52	62	10	1.03	62	RAB
BD001	382,522	6,602,653	374	162	163.5	1.5	5.55	300	DD
				183	187.5	4.5	1.47		
				233	234.5	1.5	1.55		
				237	243	6	2.52		
BRC005	382,582	6,602,658	373	76	84	8	1.15	150	RC
				128	142	14	1.18		
BRC007	382,637	6,602,708	373	78	80	2	3.45	131	RC
BRC008	382,587	6,602,708	374	72	74	2	1.20	160	RC
BRC010	382,562	6,602,608	374	80	90	10	1.01	147.5	RC
				Incl. 86	88	2	3.50		

Hole ID	GDA east	GDA north	RL	From (m)	To (m)	Interval (m)	Au (g/t)	Hole depth (m)	Hole type*
BRC014	382,532	6,602,558	374	116	120	4	1.43	142	RC
BUD002	382,575	6,602,721	375	208	222	14	5.10	252	DD
				Incl. 212	214	2	16.50		
BUD003	382,554	6,602,674	374	182	194	12	1.08	230	DD
BURC004	382,526	6,602,700	375	232	240	8	2.04	240	RC
BURC006	382,584	6,602,644	373	80	83	3	1.16	154	RC
				105	112	7	1.56		
VD1	382,566	6,602,659	374	177	180	3	2.60	222	DD
				181	189	8	1.35		
				190	201	11	2.85		
				Incl. 191	192	1	10.80		
Virgin Dam North									
BA035	382,337	6,603,158	374	40	41	1	2.19	58	AC
Vulcan									
92BRC106	383,068	6,598,749	389	55	59	4	2.71	72	RC
				Incl. 56	57	1	10.40		
BAC82	382,844	6,599,593	393	10	13	3	2.17	27	AC
Woodline									
BA129	385,837	6,607,658	359	40	52	12	1.40	104	AC
BB053	385,647	6,606,708	372	18	20	2	2.43	40	RAB
				25	28	3	1.32		
				36	40	4	1.19		
BB055	385,687	6,606,708	372	16	18	2	1.20	49	RAB
				34	36	2	1.21		
BRC002	385,602	6,606,583	372	120	128	8	2.38	150	RC
				Incl. 126	128	2	7.96		
BRC022	385,442	6,606,508	375	30	32	2	4.69	162	RC
BUR149	386,112	6,607,158	367	66	68	2	28.30	90	RAB
				Incl. 67	68	1	51.00		
				69	79	10	5.03		
BUR329	385,887	6,606,358	375	39	42	3	3.44	52	RAB
				Incl. 39	40	1	8.15		
BUR333	385,287	6,605,958	374	43	44	1	2.30	55	RAB

*AC – Aircore, DD – Diamond, RAB – Rotary Air Blast, RC – Reverse Circulation, UNKN – Unknown

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10. INVESTIGATING ACCOUNTANT'S REPORT

24 November 2017

Black Cat Syndicate Limited
5/16 Nicholson Road
SUBIACO WA 6008

Dear Directors

INVESTIGATING ACCOUNTANT'S REPORT

Independent Limited Assurance Report ("Report") on Black Cat Syndicate Limited Historical and Pro Forma Historical Financial Information

Introduction

We have been engaged by Black Cat Syndicate Limited ("Black Cat" or the "Company") to report on the historical financial and pro forma financial information of the Company and its controlled entity (the "Group") for the period from incorporation on 4 August 2017 to 31 October 2017 for inclusion in the prospectus ("Prospectus") of Black Cat dated on or about 24 November 2017 in connection with Black Cat's initial public offering and listing on the Australian Securities Exchange ("ASX"), pursuant to which the Company is offering up to 30,000,000 ordinary Black Cat shares at an issue price of \$0.20 per share to raise \$6 million before costs (the "Offer").

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

The future prospects of the Group, other than the preparation of Pro Forma Historical Financial Information, assuming completion of the transactions summarised in Appendix A 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 Group.

Background

Black Cat Syndicate Pty Ltd was incorporated on 4 August 2017 and owns 100% of Black Cat (Bulong) Pty Ltd. Black Cat (Bulong) Pty Ltd holds the option to acquire 100% of the Bulong Gold Project. The Bulong Gold Project is located 25km east of Kalgoorlie and covers an area of approximately 50km².

Under the Option Agreement (details of which have been included in Section 14 of the Prospectus – Material Contracts) between Black Cat (Bulong) Pty Ltd and Bulong Mining Pty Ltd (dated 8 August 2017), the amounts payable to Bulong Mining Pty Ltd to acquire the Tenements (as defined in the Option Agreement) comprising the Bulong Gold Project are as follows:

- Payment of a non-refundable Option Fee of \$50,000 – this provides Black Cat (Bulong) Pty Ltd with the exclusive right to undertake due diligence for the period up to and including 28 February 2018;
- Payment of a non-refundable Renewal Fee of \$50,000 – which extends the option exercise period to 31 August 2018; and
- Payment of the Consideration of \$700,000 – in order to exercise the option.

On 10 November 2017, Black Cat Syndicate Pty Ltd was converted to a public company and was subsequently referred to as Black Cat Syndicate Limited.

On 14 November 2017, Black Cat (Bulong) Pty Ltd executed a heads of agreement (the Edwards Agreement) with Mr Cranston Gilbert Edwards atf The Emex Trust, for the acquisition of 100% of the rights, title and interest in the Edwards Tenements. The key terms of the Edwards Agreement are disclosed within the Prospectus. The Consideration paid and payable for the acquisition is as follows:

- Payment of a non-refundable deposit of \$30,000 by Black Cat (Bulong) Pty Ltd upon execution of the Edwards Agreement;
- A cash payment of \$150,000 payable by Black Cat (Bulong) Pty Ltd at Settlement;
- The issue of 1,000,000 Black Cat ordinary shares to Mr Cranston Gilbert Edwards (or nominee);
- The payment of a \$20,000 Contract Extension Fee, to extend the Agreement period to 31 August 2018; and
- A 1% gross revenue royalty in respect of minerals produced within the boundaries of the Edwards Tenements.

Scope

Historical financial information

You have requested Crowe Horwath Perth to review the historical financial information of the Group included in Appendix A of this Report, and comprising:

- The statement of financial position of the Group at 31 October 2017; and
- The statement of profit or loss and other comprehensive income of the Group for the period 4 August 2017 to 31 October 2017.

(together the “Historical Financial Information”).

This 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 Group’s adopted accounting policies.

The Historical Financial Information represents that of the Group and has been extracted from:

- The financial statements of the Group for the period from incorporation on 4 August 2017 to 31 October 2017, which were audited by Crowe Horwath Perth in accordance with Australian Auditing Standards. The audit report issued for the period ended 31 October 2017 included an emphasis of matter as the financial statements were prepared under a special purpose framework for the purpose of assisting the Group in preparing for its listing on the Australian Securities Exchange (“ASX”). The audit opinion was not qualified in respect of this matter.

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 Crowe Horwath Perth to review the pro forma historical statement of financial position as at 31 October 2017 and the pro forma historical statement of profit or loss and other comprehensive income for the period ended 31 October 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 Group after adjusting for the effects of the pro forma adjustments described in Appendix A of this Report. The stated basis of preparation is the recognition and measurement principles of the Australian Accounting 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 Appendix A of 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 Group’s actual or prospective financial position or statement of financial performance.

Directors’ responsibility

The Directors of the Group are responsible for the preparation and presentation 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, as presented in Appendix A to this Report. 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 Group'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 Appendix A of 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 Appendix A of this Report; and comprising:

- The statement of financial position of the Group at 31 October 2017; and
- The statement of profit or loss and other comprehensive income of the Group for the period 4 August 2017 to 31 October 2017,

is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Appendix A of 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 Appendix A of this Report, is not presented fairly in all material respects, in accordance with the stated basis of preparation, as described in Appendix A of this Report.

Subsequent Events

There have been no material items, transactions or events subsequent to 31 October 2017 not otherwise disclosed in the Prospectus or this Report which have come to our attention during the course of our review that would require comment in, or adjustment to, the content of this Report or which would cause such information included in this Report to be misleading.

Restriction of 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

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

Disclosure of Interest

Crowe Horwath Perth 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. Crowe Horwath Perth will receive a professional fee for the preparation of this Report.

CROWE HORWATH PERTH



CYRUS PATELL

Partner

Appendix A: Financial Information

Introduction

This Appendix sets out the Historical Financial Information and Proforma Financial Information. The basis for preparation and presentation is set out below.

The Directors are responsible for the inclusion of all Financial Information in the Prospectus. Crowe Horwath Perth has prepared an Investigating Accountant's Report in respect of the Historical Financial Information and Proforma Financial Information. A copy of this report precedes the Financial Information contained within this Appendix.

The Financial Information has been prepared by management and adopted by the Directors of the Company. The Financial Information comprises the consolidated financial information of Black Cat Syndicate Limited and its 100% controlled subsidiary, Black Cat (Bulong) Pty Ltd, together referred to as "the Group".

Basis of Preparation

The Historical Financial Information and Proforma Financial Information has been prepared for illustrative purposes and has been prepared in accordance with the measurement and recognition criteria of Australian Accounting Standards, adopted by the Australian Accounting Standards Board ("AASB") and the Corporations Act 2001.

The Historical Financial Information and Proforma Financial Information is presented in an abbreviated form insofar as it does not include all the disclosures, statements, comparative information and notes required in an annual financial report prepared in accordance with Australian Accounting Standards and the Corporations Act 2001.

The Group's financial statements for the period since incorporation, being 4 August 2017 to 31 October 2017 have been audited by Crowe Horwath Perth. The audit report issued included an emphasis of matter as the financial statements were prepared under a special purpose framework for the purpose of assisting the Group in preparing for its listing on the Australian Securities Exchange ("ASX"). The audit opinion was not qualified in respect of this matter.

The Proforma Financial Information of the Group provided in this Appendix comprises the Proforma consolidated statement of financial position as at 31 October 2017 and the Proforma consolidated statement of profit or loss and other comprehensive income, which are based upon:

- the Group's audited statement of financial position as at 31 October 2017 and the audited statement of profit or loss and other comprehensive income for the period ended 31 October 2017 (the **Historical Financial Information**); and
- relevant Proforma adjustments required to present the Group's financial position as if those Proforma adjustments occurred on 31 October 2017, (together with the Historical Financial Information, the **Proforma Financial Information**).

The information in this Appendix is presented on a Proforma basis only, and as a result it is likely that this information will differ from the actual financial information for the Group as at completion of the ASX listing.

Proforma Financial Information

This Section contains the Proforma Financial Information for the Group. The Proforma Financial Information is presented to provide shareholders with an indication of the Group's consolidated financial position as if the Proforma Adjustments appearing below had been implemented as at 31 October 2017. The Proforma Adjustments are:

1. The issue by the Group, pursuant to the Prospectus of upto 30,000,000 fully paid ordinary shares at \$0.20 each to raise \$6,000,000 before costs of the Offer;
2. The issue by the Group, to sophisticated investors only of upto 4,000,000 fully paid ordinary shares at \$0.10 each to raise \$400,000;
3. The exercise of the option to acquire the Bulong Tenements from Bulong Mining Limited via the payment of the following:
 - a. \$700,000 cash (plus refundable GST); and
 - b. Estimated stamp duty of \$30,000.

For the purposes of the Proforma Financial Information, it has been assumed that:

- the \$50,000 Option Renewal Fee payable under the Bulong Agreement, to extend the option exercise period to 31 August 2018 will not be paid; and
 - all the necessary legal and administrative procedures (outlined in Section 14 of the Prospectus), will be completed to enable the successful transfer and registration of ownership of Tenement E25/520 to the Group.
4. The payment to Mr Cranston Gilbert Edwards att The Emex Trust ("Edwards"), for the acquisition of 100% of the rights, title and interest in the Edwards Tenements, comprising:
 - a. \$30,000 (plus refundable GST) cash non-refundable deposit upon execution of the Heads of Agreement between Black Cat (Bulong) Pty Ltd and Edwards. This amount was paid on 14 November 2017;
 - b. \$150,000 (plus GST) cash at Settlement; and
 - c. The issue of 1,000,000 Black Cat Syndicate Limited fully paid ordinary shares at Settlement.

It has been assumed that the \$20,000 Contract Extension Fee payable under the Heads of Agreement, to extend the agreement period to 31 August 2018 will not be paid.

Under the Heads of Agreement, the consideration for the acquisition also includes the payment of a 1% gross revenue royalty in respect of minerals produced within the boundaries of the Edwards

Tenements. No value has been ascribed to this component of the consideration as there is no reliable basis for determining the gross revenue to be achieved from the minerals within the Edwards Tenements at this stage.

The estimated stamp duty payable on the acquisition is \$14,000 and has been included as a Proforma Adjustment.

5. In accordance with Accounting Standards, the Group has accounted for the costs incurred in relation to the Prospectus preparation as follows:
- a. Costs which are solely attributable to the raising of additional equity through the offering and issuance of new shares is an equity transaction and has been deducted from equity - these costs total \$1,204,800 and include the value attributed to the unlisted options issued to DJ Carmichael Pty Ltd of \$844,800 (Refer to 6(d));
 - b. Costs which are solely attributable to the listing procedure are expensed – these costs total \$87,652; and
 - c. Certain costs are attributable to both the offering of new shares and the listing process. These costs are allocated on a systematic basis between the share issue and the listing and are recorded in part as an equity deduction and in part as an expense. The allocation of these costs is on the basis of shares on issue before and after the listing. The total of these costs is \$130,222 of which \$68,227 has been deducted from equity and \$61,995 has been expensed.
6. On 15 November 2017, the Group executed a Corporate Advisory Services Mandate with D J Carmichael Pty Ltd. Under the terms of this Mandate, DJ Carmichael Pty Ltd are to receive:
- a. A corporate advisory retainer of \$10,000/month invoiced and payable quarterly in advance. The retainer is to commence from the date of the Mandate and will only become payable upon listing. The Proforma Adjustments include an amount of \$10,000 in relation the retainer applicable from the date of the Mandate to the estimated date of listing;
 - b. A selling fee of 6% of the gross amount raised, payable in cash or via the issue of fully paid ordinary shares. The Proforma Adjustments assume the payment of the selling fee in cash, in the amount of \$360,000. This amount has been included in the \$1,204,800 deducted from equity as a cost of the Offer;
 - c. 2,500,000 fully paid ordinary shares at an issue price of \$0.01125 per share, raising \$28,125. Should the Group's listing be unsuccessful, the shares can be sold back to the Group at cost;
 - d. Unlisted Options:
 - i. 2,500,000 attaching unlisted options exercisable at the IPO price and expiring 5 years from the date of issue. These options are subject to a voluntary escrow period of 24 months from the date of the Group's listing; and
 - ii. 3,000,000 unlisted Broker Options exercisable at the IPO price and expiring 5 years from the date of listing.

The options have been valued for illustrative purposes using a Black & Scholes methodology and based on the following assumptions:

Option Strike Price	\$0.20
Underlying Share Price	\$0.20
Term to Expiry	5 years
Risk Free rate (representing the 5 year Australian Government Bond Rate)	2.24%
Volatility	100%

Based on the above, the value of each option has been calculated at \$0.1536 with the total value ascribed to the 5,500,000 unlisted options being \$844,800. This amount has been included in the \$1,204,800 deducted from equity as a cost of the Offer.

7. The Group executed an Executive Services Agreement ("ESA") with Managing Director, Mr Gareth Solly on 20 November 2017. Under the terms of the ESA, the annual salary payable to Mr Solly of \$240,000 (inclusive of superannuation) accrues on a daily basis and is payable in equal monthly instalments in arrears. The Proforma Adjustments reflect one month's accrued salary (\$20,000) up to the estimated date of listing;
8. The Managing Director, Mr Gareth Solly, will subscribe to and be issued with 1,200,000 fully paid ordinary shares at a price of \$0.01125 per share, raising \$13,500; and
9. Following the Offer, the Group will have 17,460,001 unlisted options on issue. Except for the 5,500,000 unlisted options to be issued to DJ Carmichael Pty Ltd, the remaining options totalling 11,960,001 (consisting of 10,760,001 unlisted options held by existing shareholders and 1,200,000 unlisted options issued to the Managing Director) were issued as free attaching options and have therefore been ascribed a nil value for the purposes of the Proforma Financial Information.

Black Cat Syndicate Limited – consolidated Pro Forma Statement of Financial Position

	Consolidated Historical 31 October 2017 Audited	Consolidated Proforma 31 October 2017 Unaudited	Notes
ASSETS			
Current Assets			
Cash	95,122	4,951,373	1
Receivables	8,466	96,466	2
Other	80,524	-	3
Total Current Assets	184,112	5,047,839	
Non-Current Assets			
Exploration and Evaluation	-	1,124,000	4
Total Non-Current Assets	-	1,124,000	
TOTAL ASSETS	184,112	6,171,839	
LIABILITIES			
Current Liabilities			
Other Payables and Accruals	75,327	29,304	5
Total Current Liabilities	75,327	29,304	
TOTAL LIABILITIES	75,327	29,304	
NET ASSETS	108,785	6,142,535	
EQUITY			
Issued Capital	208,801	5,577,399	6
Reserves	-	844,800	7
Accumulated Losses	(100,016)	(279,664)	8
TOTAL EQUITY	108,785	6,142,535	

Black Cat Syndicate Limited – consolidated Pro Forma Statement of Profit or Loss and Other Comprehensive Income

	Consolidated Historical 31 October 2017 Audited	Consolidated Proforma 31 October 2017 Unaudited	Notes
Revenue	-		
Expenses			
Employee benefits expense	-	(20,000)	8
Consultants / Professional Fees	(37,147)	(47,147)	8
Project Acquisition Costs	(59,824)	(59,824)	
Other Expenses	(3,045)	(152,693)	8
Loss from ordinary activities before tax	(100,016)	(279,664)	
Income Tax	-	-	
Loss from ordinary activities after tax	(100,016)	(279,664)	
Other Comprehensive Income	-	-	
Total Comprehensive Loss	(100,016)	(279,664)	

Notes to the Consolidated Pro forma Statement of Financial Position and Consolidated Statement of Profit or Loss and Other Comprehensive Income

Note 1:

	Proforma \$6m Minimum raising \$
Opening cash	95,122
Public Capital raising	6,000,000
Seed raising from Sophisticated Investors	400,000
Shares issued to DJ Carmichael Pty Ltd	28,125
Shares issued to Gareth Solly	13,500
Payments for Edwards Tenements, including Stamp Duty and GST	(212,000)
Payments to Bulong Mining Limited, including Stamp Duty and GST	(800,000)
Payments to DJ Carmichael Pty Ltd for Selling Fee (\$360,000) and Retainer (\$10,000)	(370,000)
Other amounts paid in relation to Costs of the Offer	(203,374)
Closing Cash	4,951,373

Note 2:

	Proforma \$6m Minimum raising \$
Opening Receivables	8,466
Refundable GST paid in relation to Edwards Agreement	18,000
Refundable GST paid in relation to Bulong Tenements	70,000
Closing Receivables	96,466

Note 3:

	Proforma \$6m Minimum raising \$
Opening Other Receivables	80,524
Amounts in relation to Costs of the Offer, prepaid or recognised at 31 October 2017, reclassified against equity	(80,524)
Closing Other Receivables	-

Note 4:

	Proforma \$6m Minimum raising \$
Opening Exploration and Evaluation	-
Tenements acquired pursuant to the Edwards Agreement, including related Stamp Duty	394,000
Tenements acquired from Bulong Mining Limited upon exercise of Option, including related Stamp Duty	730,000
Closing Exploration and Evaluation	1,124,000

Note 5:

	Proforma \$6m Minimum raising \$
Opening Other Payables and Accruals	75,327
Payments of amounts accrued at 31 October 2017 in relation to Costs of the Offer	(66,023)
One month's salary accrual for Managing Director	20,000
Closing Other Payables and Accruals	29,304

Note 6:

	Proforma \$6m Minimum raising \$	Issued Capital Number of Shares
Opening Issued Capital	208,801	18,560,002
Public Capital Raising	6,000,000	30,000,000
Shares issued pursuant to Edwards Agreement	200,000	1,000,000
Shares issued to Sophisticated Investors	400,000	4,000,000
Shares issued to DJ Carmichael Pty Ltd	28,125	2,500,000
Shares issued to Managing Director – Gareth Solly	13,500	1,200,000
Amounts deducted as Costs of the Public Capital Raising	(1,273,027)	-
Closing Issued Capital	5,577,399	57,260,002

Note 7:

	Proforma \$6m Minimum raising \$	Options Number of Options
Opening Reserves	-	10,760,001
Unlisted options issued to DJ Carmichael Pty Ltd	844,800	5,500,000
Free attaching Unlisted options issued to Managing Director – Gareth Solly	-	1,200,000
Closing Reserves	844,800	17,460,001

Note 8:

	Proforma \$6m Minimum raising \$
Opening Accumulated Losses	100,016
Prospectus preparation and listing procedure costs expensed	149,648
DJ Carmichael Pty Ltd monthly retainer	10,000
Managing Director salary accrual for one month	20,000
Closing Accumulated Losses	279,664

Note 9:

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

Statement of Significant Accounting Policies of the Group

The principal accounting policies adopted by the Group in the preparation of the Historical Financial Information and the Proforma Financial Information are shown below.

a. Basis of preparation

The financial information has been prepared in accordance with the measurement and recognition requirements (but not all of the disclosure requirements) of applicable Accounting Standards and Interpretations issued by the Australian Accounting Standards Board, as appropriate for for-profit oriented entities. The financial information has been prepared using the accrual basis of accounting, including the historical cost convention.

b. Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of the subsidiary of Black Cat Syndicate Limited and the results of its subsidiary from the date control was obtained. The Company controls another entity when the Company is exposed to, or has the rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is fully transferred. They are deconsolidated from the date control ceases.

Intercompany transactions, balances and unrealized gains on transactions between entities in the group are eliminated on consolidation.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest without a loss of control, is accounted for as an equity transaction.

Where the group loses control over a subsidiary, it derecognizes the assets including goodwill, liabilities and non-controlling interest in the subsidiary, together with any cumulative translation differences recognised in equity. The group recognises the fair value of the consideration received and the fair value of any investment retained together with any gains or loss in profit or loss.

c. Exploration and Evaluation

Mineral exploration and evaluation expenditure is written off as incurred or accumulated in respect of each identifiable area of interest and capitalised.

These costs are carried forward only if they relate to an area of interest for which rights of tenure are current and in respect of which:

- such costs are expected to be recouped through the successful development and exploitation of the area of interest, or alternatively by its sale; or
- exploration and/or evaluation activities in the area have not reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active or significant operations in, or in relation to, the area of interest are continuing.

In the event that an area of interest is abandoned or if the Directors consider the expenditure to be of reduced value, accumulated costs carried forward are written off in the period in which that assessment is made. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

d. Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

e. Share Based Payments

Equity settled transactions are awards of shares, or options over shares that are provided in exchange for the rendering of services.

The cost of equity-settled transactions are measured at fair value at grant date. Fair value is determined using an option pricing model that takes into account the exercise price, term of the option, share price at grant date, expected volatility of the underlying share price, risk free rate of return for the term of the option. The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit and loss is calculated on the grant date fair value, the best estimate of the number of options that are likely to vest and the expired portion of the vesting period.

f. Issued Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown as a deduction against equity.

g. 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 in the balance sheet are shown inclusive of GST.

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11. SOLICITOR'S REPORT ON TENEMENTS



Level 4, The Read Buildings
16 Milligan Street
Perth WA 6000

GPO Box 2799
Perth WA 6001

Telephone: +61 8 9321 4000

Facsimile: +61 8 9321 4333

Web: www.steinpag.com.au

27 November 2017

Black Cat Syndicate Ltd
5/16 Nicholson Road
SUBIACO WA 6008

Dear Sirs

SOLICITOR'S REPORT ON TENEMENTS

This Report is prepared for inclusion in a prospectus for the initial public offer of 30,000,000 shares in the capital of Black Cat Syndicate Ltd (ACN 620 896 282) (**Company**) at an issue price of \$0.20 cents per share to raise \$6,000,000 (**Prospectus**).

1. SCOPE

We have been requested to report on certain mining tenements in which the Company has an interest, being:

- (a) the Bulong Tenements – as set out in Section A of the Tenement Schedule set out in Part I;
- (b) the Edwards Tenements – as set out in Section B of the Tenement Schedule set out in Part I; and
- (c) the Applications – as set out in Section C of the Tenement Schedule set out in Part I,

(together, the **Tenements**).

The Tenements are located in Western Australia.

This Report is limited to the Searches (as defined below) set out in Section 2 of this Report.

2. SEARCHES

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

- (d) we have obtained mining tenement register searches of the Tenements from the registers maintained by the Western Australian Department of Mines, Industry Regulation and Safety (**DMIRS**) (**Tenement Searches**). These searches

were conducted on 5 October 2017, 20 October 2017 and 1 November 2017.¹ Key details on the status of the Tenements are set out in Part I of this Report;

- (e) we have obtained 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 and national land use agreements as maintained by the National Native Title Tribunal (**NNTT**) for any native title claims (registered or unregistered), native title determinations and indigenous land use agreements (**ILUAs**) that overlap or apply to the Tenements. This material was obtained on 20 October 2017 and 1 November 2017. Details of any native title claims (registered or unregistered), native title determinations and ILUAs are set out in Section 5 of this Report and Part II of this Report;
- (f) we have obtained searches from the online Aboriginal Heritage Enquiry System maintained by the Department of Planning, Lands and Heritage (**DPLH**) for any Aboriginal sites registered on the Western Australian Register of Aboriginal sites over the Tenements (**Heritage Searches**). These searches were conducted on 20 October 2017 (the search of Tenement P25/2463 was conducted on 23 October 2017) and the 1 November 2017.² Details of any Aboriginal Sites are set out in Section 4 and Part I of this Report;
- (g) we have obtained quick appraisal user searches of Tengraph which is maintained by the DMIRS to obtain details of features or interests affecting the Tenements (**Tengraph Searches**). These searches were conducted on 20 October 2017 and 1 November 2017.³ Details of any material issues identified from the Tengraph Searches are set out in the notes to Part I of this Report; and
- (h) we have reviewed all material agreements relating to the Tenements provided to us or registered as dealings against the Tenements as at the date of the Tenement Searches and have summarised the material terms (details of which are set out in Part III of this Report).

2. OPINION

As a result of our Searches, but subject to the assumptions and qualifications set out in this Report, we are of the view that, as at the date of the relevant Searches this Report provides an accurate statement as to:

- (a) **(Company's interest)**: the Company's interest in the Tenements;
- (b) **(Good standing)**: the validity and good standing of the Tenements; and
- (c) **(Third party interests)**: third party interests, including encumbrances, in relation to the Tenements.

¹ The following Tenements were searched on 20 October 2017: P25/2478; P25/2479; P25/2480; P25/2481. The following Tenements were searched on 1 November 2017: E25/512, E27/532, E25/499, P25/2377, P25/2378, P25/2293, P25/2287 and P25/2288. The remaining Tenement searches were conducted on 5 October 2017.

² Heritage Searches were conducted for the following Tenements on 1 November 2017: E25/512, E27/532, E25/499, P25/2377, P25/2378, P25/2293, P25/2287 and P25/2288. The search of Tenement P25/2463 was conducted on 23 October 2017. The remaining tenements were searched on 20 October 2017.

³ Tengraph searches were conducted for the following Tenements on 1 November 2017: E25/512, E27/532, E25/499, P25/2377, P25/2378, P25/2293, P25/2287 and P25/2288. The remaining tenements were searched on 20 October 2017.

3. DESCRIPTION OF THE TENEMENTS

The Tenements comprise Mining Leases, Exploration Licences and Prospecting Licences (and applications for Prospecting Licences) granted under the *Mining Act 1978 (WA)* (**Mining Act**). The Schedule provides a list of the Tenements. This Section 3 provides a description of the nature and key terms of these types of mining tenements as set out in the Mining Act and potential successor tenements.

3.1 Prospecting licence

Application: A person may lodge an application for a prospecting licence in accordance with the Mining Act. The mining registrar or warden decides whether to grant an application for a prospecting licence. An application for a prospecting licence (unless a reversion application) cannot be legally transferred and continues in the name of the applicant.

Rights: The holder of a prospecting licence is entitled to enter upon land for the purposes of prospecting for minerals with employees and contractors, and such vehicles, machinery and equipment as may be necessary or expedient.

Term: A prospecting licence has a term of 4 years. Where the prospecting licence was applied for and granted after 10 February 2006, the Minister may extend the term by 4 years and if retention status is granted (as discussed below), by a further term or terms of 4 years. Where a prospecting licence is transferred before a renewal application has been determined, the transferee is deemed to be the applicant.

Retention status: The holder of a prospecting licence applied for and granted after 10 February 2006 may apply for approval of retention status for the prospecting licence. The Minister may approve the application where there is an identified mineral resource in or under the land the subject of the prospecting licence, but it is impractical to mine the resource for prescribed reasons. Where retention status is granted, the minimum expenditure requirements are reduced in the year of grant and cease in future years. However, the Minister has the right to impose a program of works or require the holder to apply for a mining lease. The holder of a prospecting licence applied for or granted before 10 February 2006 can apply for a retention licence (see below), rather than retention status.

Conditions: Prospecting licences are granted subject to various standard conditions including conditions relating to minimum expenditure, the payment of rent and observance of environmental protection and reporting requirements. These standard conditions are not detailed in Part 1 of this Report. A failure to comply with these conditions or obtain an exemption from compliance may lead to forfeiture of the prospecting licence.

Relinquishment: There is no requirement to relinquish any portion of the prospecting licence.

Priority to apply for a mining lease: The holder of a prospecting licence has priority to apply for a mining lease over any of the land subject to the prospecting licence. An application for a mining lease must be made prior to the expiry of the prospecting licence. The prospecting licence remains in force until the application for the mining lease is determined.

Transfer: There is no restriction on transfer or other dealing in a prospecting licence.

3.2 Exploration Licence

Rights: The holder of an exploration licence is entitled to enter the land for the purposes of exploration for minerals with employees and contractors and such vehicles, machinery and equipment as may be necessary or expedient.

Term: An exploration licence has a term of 5 years from the date of grant. The Minister may extend the term by a further period of 5 years followed by a further period or periods of 2 years.

Retention status: The holder of an exploration licence granted after 10 February 2006 may apply for approval of retention status for the exploration licence. The Minister may approve the application where there is an identified mineral resource in or under the land the subject of the exploration licence but it is impractical to mine the resource for prescribed reasons. Where retention status is granted, the minimum expenditure requirements are reduced in the year of grant and cease in future years. However, the Minister has the right to impose a programme of works or require the holder to apply for a mining lease.

Conditions: Exploration licences are granted subject to various standard conditions, including conditions relating to minimum expenditure, the payment of prescribed rent and royalties and observance of environmental protection and reporting requirements. These standard conditions are not detailed in Part 1 of this Report. A failure to comply with these conditions or obtain an exemption from compliance may lead to forfeiture of the exploration licence.

Relinquishment: The holder of an exploration licence applied for and granted after 10 February 2006 must relinquish not less than 40% of the blocks comprising the licence at the end of the fifth year. A failure to lodge the required partial surrender could render the tenement liable for forfeiture.

Priority to apply for mining lease: The holder of an exploration licence has priority to apply for a mining lease over any of the land subject to the exploration licence. Any application for a mining lease must be made prior to the expiry of the exploration licence. The exploration licence remains in force until the application for the mining lease is determined.

Transfer: No legal or equitable interest in an exploration licence can be transferred or otherwise dealt with during the first year of its term without the prior written consent of the Minister. Thereafter, there is no restriction on transfer or other dealings.

3.3 Mining lease

Application: 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 Minister decides whether to grant an application for a mining lease.

The application, where made after 10 February 2006, must be accompanied by either a mining proposal or a statement outlining mining intentions and 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.

Rights: The holder of a mining lease is entitled to mine for and dispose of any minerals on the land in respect of which the lease was granted. A mining lease entitles the holder to do all acts and things necessary to effectively carry out mining operations.

Term: A mining lease has a term of 21 years and may be renewed for successive periods of 21 years. Where a mining lease is transferred before a renewal application has been determined, the transferee is deemed to be the applicant.

Conditions: Mining leases are granted subject to various standard conditions, including conditions relating to expenditure, the payment of prescribed rent and royalties and observance of environmental protection and reporting requirements. An unconditional performance bond may be required to secure performance of these obligations. A failure to comply with these conditions may lead to forfeiture of the mining lease.

Transfer: The consent of the Minister is required to transfer a mining lease.

4. ABORIGINAL HERITAGE

Aboriginal sites were identified from the Heritage Searches undertaken (as noted in Section B of Part I of this Report).

Based on our Searches P25/2478; P25/2479; P25/2480 and P25/2481 contain areas of Aboriginal heritage.

The existence of areas of Aboriginal heritage within the Tenements stated above may restrict the Company's ability to explore and mine within the affected area.

Further, Black Cat (Bulong) Pty Ltd (**Black Cat Bulong**) has entered an Agreement for Heritage Protection Over Exploration and Prospecting Tenure with Maduwongga Native Title Claim (No WC2017/001) Group for the following Tenements currently under application (See Part I, Section C): P25/2463, P27/2326, P27/2327 and P27/2328 (**Heritage Agreement**). The terms of this Heritage Agreement are set out in Part III of this Report. The Company and Black Cat Bulong are not currently party to any other heritage agreements.

Notwithstanding the existence of the Aboriginal sites identified above, it is noted that there is no obligation under the relevant legislation to register sites or objects and the exact location of Aboriginal sites within the area of a known site cannot be ascertained from these Heritage Searches.

It is important to note that additional Aboriginal sites may:

- (a) exist in any area of Western Australia;
- (b) not have been recorded in the Register of Aboriginal Sites or elsewhere; and
- (c) not have been identified in previous heritage surveys or reports on that area,

but remain fully protected under the *Aboriginal Heritage Act 1972* (WA). Therefore, the absence of any reference to an Aboriginal site of interest from the Aboriginal Heritage Inquiry System is not conclusive.

We have not obtained information from the Commonwealth in connection with any places, areas and objects, which are registered or recognised in the National Heritage List, the Commonwealth Heritage List or other heritage lists or registers maintained by the Commonwealth.

Accordingly, the Company must ensure that it does not breach the Commonwealth and applicable State legislation relating to Aboriginal heritage as set out below. To ensure that it does not contravene such legislation, it would be prudent for the Company (and it would accord with industry practice and Aboriginal expectations) to conduct heritage surveys to determine if any additional Aboriginal sites or objects exist within the area of the Tenements. Any interference with these sites or objects must be in strict conformity with the provisions of the relevant legislation. It may also be necessary for the Company to enter into separate arrangements with the traditional owners of the sites.

4.2 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 Aboriginal areas 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.

4.3 Western Australian legislation

Tenements are granted subject to a condition requiring observance of the *Aboriginal Heritage Act 1972* (WA) (**WA Heritage Act**).

The WA Heritage Act makes it an offence to alter or damage sacred ritual or ceremonial Aboriginal sites and areas of significance to Aboriginal persons (whether or not they are recorded on the register or otherwise known to the Register of Aboriginal Sites, DPLH or the Aboriginal Cultural Material Committee).

The Minister's consent is required where any use of land is likely to result in the excavation, alteration or damage to an Aboriginal site or any objects on or under that site.

Aboriginal sites may be registered under the WA Heritage Act. However, there is no requirement for a site to be registered. The WA Heritage Act protects all registered and unregistered sites.

5. NATIVE TITLE

5.1 Introduction

This section of the Report examines the effect of native title on the Tenements.

The existence of native title rights held by indigenous Australians was first recognised in Australia in 1992 by the High Court in the case *Mabo v. Queensland (no.2)* (1992) 175 CLR 1 (**Mabo no.2**).

The High Court in Mabo no. 2 held that certain land tenure existing as at the date of that case, including mining tenements, where granted or renewed without due regard to native title rights, were invalid. The High Court concluded that:

- (a) native title has been wholly extinguished in respect of land the subject of freehold, public works or other previous "exclusive possession" acts; and
- (b) native title has been partially extinguished as a result of the grant of "non-exclusive possession" pastoral leases and mining leases, and also as a result of the creation of certain reserves.

As a result of Mabo no. 2, the *Native Title Act 1993* (Cth) (**NTA**) was passed to:

- (a) provide a process for indigenous people to 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;
- (b) provide (together with associated State legislation) that any land tenures granted or renewed before 1 January 1994 were valid despite Mabo no. 2 (**Past Acts**). This retrospective validation of land tenure was subsequently extended by the NTA to include freehold and certain leasehold (including pastoral leases) granted or renewed before 23 December 1996 (**Intermediate Period Acts**). Broadly speaking, this means that native title is not extinguished, merely suspended, for the duration of the mining tenement; and
- (c) provide that an act that may affect native title rights (such as the grant or renewal of a mining tenement) carried out after 23 December 1996 (a **Future Act**) must comply with certain requirements for the Future Act to be valid under the NTA. These requirements are called the **Future Act Provisions**.

5.2 Future Act Provisions

The Future Act Provisions vary depending on the Future Act to be carried out. In the case of the grant of a mining tenement, typically there are four alternatives: the Right to Negotiate, an ILUA, the Infrastructure Process (defined below) and the Expedited Procedure. These are summarised below.

Right to Negotiate

The Right to Negotiate involves a formal negotiation between the State, the applicant for the tenement and any registered native title claimants and holders of native title rights. The aim is to agree the terms on which the tenement can be granted. The applicant for the tenement is usually liable for any compensation that the parties agree to pay to the registered native title claimants and holders of native title. The parties may also agree on conditions that will apply to activities carried out on the tenement (eg in relation to heritage surveys). The classes of conditions typically included in a mining agreement are set out at section 5.3 below.

If agreement is not reached to enable the tenement to be granted, the matter may be referred to arbitration before the NNTT, which has six (6) months to decide whether the State, the applicant for the tenement and any registered native title claimants and holders of native title rights have negotiated in good faith (only if the issue is raised by one of the parties) and then whether the tenement can be granted and if so, on what conditions. The earliest an application for arbitration can be made to the

NNTT is six (6) months after the date of notification of commencement of negotiations by the DMIRS.

If the Right to Negotiate procedure is not observed, the grant of the mining tenement will be invalid to the extent (if any) that it affects native title.

ILUA

An ILUA is a contractual arrangement governed by the NTA. Under the NTA, an ILUA must be negotiated with all registered native title claimants for a relevant area. The State and the applicant for the tenement are usually the other parties to the ILUA.

An ILUA must set out the terms on which a tenement can be granted. An ILUA will also specify conditions on which activities may be carried out within the tenement. The applicant for a tenement is usually liable for any compensation that the parties agree to pay to the registered native title claimants and holders of native title in return for the grant of the tenement being approved. These obligations pass to a transferee of the tenement.

Once an ILUA is agreed and registered, it binds the whole native title claimant group and all holders of native title in the area (including future claimants), even though they may not be parties to it.

Infrastructure Process

The NTA establishes a simplified process for the carrying out of a Future Act that is the creation of a right to mine for the sole purpose of the construction of an infrastructure facility (**Infrastructure Process**). The NTA defines infrastructure facility to include a range of transportation, marine, aeronautical, electrical, oil, gas, mineral and communication facilities. In Western Australia, DMIRS applies the Infrastructure Process to two classes of mining tenements:

- (a) miscellaneous licences for most purposes under the Mining Regulations 1981 (WA) that but, notably, not for a minesite administration facility or a minesite accommodation facility (both of which are dealt with under the Right to Negotiate) or for a search for groundwater (which is dealt with under the Expedited Procedure); and
- (b) most general purpose leases.

The State commences the Infrastructure Process by giving notice of the proposed grant of the tenement to any registered native title claimants or native title holders in relation to the land to be subject to the tenement. Those registered native title claimants or holders have two (2) months after the notification date to object in relation to the effect of the grant of the tenement on any registered or determined native title rights. Any objection is lodged with DMIRS.

If a registered native title claimant or holder objects, the applicant for the tenement must consult with that claimant or holder about:

- (a) ways of minimising the effect of the grant of the tenement on any registered or determined native title rights;
- (b) if relevant, any access to the land; and
- (c) the way in which anything authorised by the tenement may be done.

If the registered native title claimant or holder does not subsequently withdraw their objection, the State is required to ensure that the objection is heard by an independent person (in Western Australia, this is the Chief Magistrate). The independent person must determine whether or not the registered native title claimant or holder's objection should be upheld or other conditions should be imposed on the tenement.

Expedited Procedure

The NTA establishes a simplified process for the carrying out of a Future Act that is unlikely to adversely affect native title rights (**Expedited Procedure**). The grant of a tenement can occur under the Expedited Procedure if:

- (a) the grant will not interfere directly with the carrying on of the community or social activities of the persons who are the holders of native title in relation to the land;
- (b) the grant is not likely to interfere with areas or sites of particular significance, in accordance with their traditions, to the persons who are holders of native title in relation to the land; and
- (c) the grant is not likely to involve major disturbance to any land or waters concerned or create rights whose exercise is likely to involve major disturbance to any land.

If the State considers the above criteria are satisfied, it commences the Expedited Procedure by giving notice of the proposed grant of the tenement in accordance with the NTA. Persons have until three (3) months after the notification date to take steps to become a registered native title claimant or native title holder in relation to the land to be subject to the tenement.

If there is no objection lodged by a registered native title claimant or a native title holder within four (4) months of the notification date, the State may grant the tenement.

If one or more registered native title claimants or native title holders object within that four (4) month notice period, the NNTT must determine whether the grant is an act attracting the Expedited Procedure. If the NNTT determines that the Expedited Procedure applies, the State may grant the tenement. Otherwise, the Future Act Provisions (eg Right to Negotiate or ILUA) must be followed before the tenement can be granted.

The State of Western Australia currently follows a policy of granting mining leases, prospecting licences and exploration licences under the Expedited Procedure where the applicant has entered into a standard Aboriginal heritage agreement with the relevant registered native title claimants and native title holders. The standard Aboriginal heritage agreement provides a framework for the conduct of Aboriginal heritage surveys over the land the subject of a tenement prior to the conducting of ground-disturbing work and conditions that apply to activities carried out within the tenement.

Exception to requirement to comply with Future Act Provisions

The grant of a tenement does not need to comply with the Future Act Provisions if in fact native title has never existed over the land covered by the tenement, or has been validly extinguished prior to the grant of the tenement. We have not

undertaken the extensive research needed to determine if in fact native title does not exist, or has been validly extinguished in relation to the Tenements.

Unless it is clear that native title does not exist (eg in relation to freehold land), the usual practice of the State is to comply with the Future Act Provisions when granting a tenement. This ensures the grant will be valid in the event a court determines that native title rights do exist over the land subject to the tenement.

Where a tenement has been retrospectively validated or validly granted under the NTA, the rights under the tenement prevail over any inconsistent native title rights.

Application to the Tenements

The following sections of the Report identify:

- (a) any native title claims (registered or unregistered), native title determinations and ILUAs in relation to the Tenements (see Section 5.3);
- (b) any Tenements which have been retrospectively validated under the NTA as being granted before 23 December 1996 (see Section 5.5);
- (c) any Tenements which have been granted after 23 December 1996 and as such will need to have been granted following compliance with the Future Act Provisions to be valid under the NTA. This Report assumes that the Future Act Provisions have been complied with in relation to these Tenements (see Section 5.5); and
- (d) any Tenements which are yet to be granted and as such may need to be granted in compliance with the Future Act Provisions in order to be valid under the NTA (see Section 5.5).

5.3 Native title claims, native title determinations and ILUAs

Our searches indicate that all of the Tenements are within the external boundaries of the native title claim specified in Part II of the Schedule. This claim is yet to be determined by the Federal Court. The claim is registered.

Our searches did not return any results for ILUAs in relation to any of the Tenements.

Registered native title claimants (and holders of native title under the determinations) are entitled to certain rights under the Future Act Provisions in respect of land in which native title may continue to subsist.

Freehold land

We have assumed that all of the freehold land the subject of the Tenements was validly granted prior to 23 December 1996 and that therefore:

- (a) native title has been extinguished in respect of that land;
- (b) registered native title claimants (and determined native title holders) are not entitled to rights under the Future Act Provisions in respect of that land.

The Company has advised us that it proposes to undertake exploration and, subject to receipt of relevant approvals, mining activities on areas designated as freehold land. On the basis that native title is extinguished over freehold land, the Company

will not be required to enter into negotiations with respect to native title in order to conduct its activities.

Non-freehold land

Native title may continue to subsist in certain parcels of non-freehold land or 'Crown land', including pastoral leases, vacant/unallocated Crown land and certain Crown reserves that were not vested prior to 23 December 1996 and which have not been subsequently developed as public works.

Unless it is essential that the Company has access to any of the above-mentioned parcels (or any other non-freehold land), it is recommended that all parcels of non-freehold land are excised from any applications for mining leases. If the Company wishes to undertake mining activities on any of the above-mentioned parcels, we would expect the Right to Negotiate to apply.

Native title mining agreement

A typical native title mining agreement would impose obligations on the Company in relation to the matters set out below.

- (a) **(Compensation):** The Company would be required to make a number of milestone payments prior to commencement of production (eg at signing of the agreement and at decision to mine). It is currently typical for these payments to total between \$150,000 and \$350,000. The Company would be required to make a payment based on mineral production, which would be likely to be calculated as a percentage of the 'Royalty Value' of the mineral, as defined by the *Mining Regulations 1981*(WA). It is currently typical for these payments to be 0.5% of the 'Royalty Value' although they vary by commodity and project. Over the past several years they have ranged between 0.25% and 1%+ of the 'Royalty Value'.
- (c) **(Aboriginal heritage):** The Company would be required to give notice prior to any ground-disturbing activities and to conduct an Aboriginal heritage survey through the relevant registered native title claimants prior to doing so. The Company's right to apply to disturb Aboriginal sites under the *Aboriginal Heritage Act 1972* (WA) would be subject to, as a minimum, an obligation to consult with the registered native title claimants prior to doing so.
- (d) **(Access):** The Company would be required to avoid unreasonably restricting the registered native title claimants' rights of access to the relevant areas.
- (e) **(Environment):** The Company would be required to provide copies of all of its environmental approvals to the registered native title claimants. The Company may be required to consider funding the participation of the registered native title claimants in its environmental survey and monitoring processes.
- (f) **(Training, employment and contracting):** The Company would be required to provide certain training, employment and contracting benefits to the registered native title claimants, which may include measures such as funding for Aboriginal scholarships or traineeships, implementation of an Aboriginal training and employment policy and business development assistance for Aboriginal contractors or entities that work with Aboriginal contractors (eg in joint venture arrangements).

- (g) **(Cross-cultural awareness):** The Company would be required to ensure that all of its employees and contractors participate in cross-cultural awareness training, which would be likely to be coordinated by the registered native title claimants.
- (h) **(Social impact):** The Company may be asked to fund a study into the social impact of its operations, including the social impact on the registered native title claimants.

5.4 Validity of Tenements under the NTA

Our Searches indicate that all Tenements are within the external boundaries of the native title claim Maduwongga WC2017/001 (Federal Court No: WAD186/2017). There are no native title determinations or ILUAs (Refer to Part II of this Report for further details).

Native title claimants, holders of native title under the determinations and native title parties under ILUAs are entitled to certain rights under the Future Act Provisions.

5.5 Validity of Tenements under the NTA

The sections below examine the validity of the Tenements under the NTA.

Tenements granted before 1 January 1994 (Past Acts)

Our Searches indicate that the following Tenements were granted before 1 January 1994 and as such have been retrospectively validated under the NTA:

Tenement	Date of Grant
M25/83	19.03.1990
M25/24	12.06.1986
M25/91	07.04.1991

Tenements granted between 1 January 1994 and 23 December 1996 (Intermediate Period Acts)

Our Searches indicate that the following Tenements were granted after 1 January 1994 but before 23 December 1996 and as such have been retrospectively validated under the NTA (and associated State legislation) provided the Tenements are over freehold or pastoral or other leasehold interests recognised by the High Court. Where the Tenements are not over such land tenure (we have not determined this), we have assumed that the Future Act Provisions were complied with and that the Tenements are therefore valid under the NTA.

Tenement	Date of Grant
M25/129	02.06.1994

Tenements granted after 23 December 1996

Our Searches indicate that the following Tenements were granted after 23 December 1996.

Tenement	Date of Grant
E25/520	09.08.2017
P25/2286	30.01.2015
P25/2367	03.10.2016
P25/2368	03.10.2016
P25/2369	03.10.2016
P25/2287	09.03.2015
E25/512	02.02.2015
E27/532	02.02.2015
E25/499	30.05.2014
P25/2288	09.03.2015
P25/2293	29.04.2015
P25/2377	18.10.2016
P25/2378	04.01.2017

We have assumed that these Tenements were granted in accordance with the Future Act Provisions and as such are valid under the NTA.

Tenements renewed after 23 December 1996

Renewals of mining tenements made after 23 December 1996 must comply with the Future Act Provisions in order to be valid under the NTA.

An exception is where the renewal is the first renewal of a mining tenement that was validly granted before 23 December 1996 and the following criteria are satisfied:

- the area to which the mining tenement applies is not extended;
- the term of the renewed mining tenement is not longer than the term of the old mining tenement; and
- the rights to be created are not greater than the rights conferred by the old mining tenement.

In such cases, the mining tenement can be renewed without complying with the Future Act Provisions. It is currently uncertain whether this exemption applies to a second or subsequent renewal of such a mining tenement.

Our Searches indicate that the following Tenements have been renewed after 23 December 1996, and as such, may need to have complied with the Future Act Provisions to be validly renewed. We have assumed that the Future Act Provisions were complied with to the extent necessary.

Tenement	Date of Grant	Date of Renewal
M25/83	19.03.1990	11.02.2011
M25/24	12.06.1986	26.07.2007
M25/91	07.04.1991	16.03.2012

Tenement	Date of Grant	Date of Renewal
M25/129	02.06.1994	02.06.2015

Renewals of Tenements in the future will need to comply with the Future Act Provisions in order to be valid under the NTA. The registered native title claimants and holders of native title identified in Section 5.3 of this Report will need to be involved as appropriate under the Future Act Provisions.

Valid grant of applications for Tenements

The following Tenements are all currently applications and as such the grant of the Tenements will need to satisfy the Future Act Provisions in order to be valid under the NTA.

Applicant	Tenement
Black Cat (Bulong) Pty Ltd (ACN 620 898 044)	P25/2463
	P27/2326
	P27/2327
	P27/2328
	P25/2478
	P25/2479
	P25/2480
	P25/2481

The registered native title claimants identified in Section 5.3 of this Report will be involved in accordance with the Future Act Provisions.

6. CROWN LAND

As set out in Part I of this Report, some of the land the subject of the Tenements overlaps Crown land as set out in the table below.

Tenement	Crown land	% overlap
P25/2478	Vacant Crown Land (VCL No. 503)	3.1%
P25/2479	Vacant Crown Land (VCL No. 503)	5.2%
P25/2481	Vacant Crown Land (VCL No. 503)	36.5%

The Mining Act:

- (a) prohibits the carrying out of prospecting, exploration or mining activities on Crown land that is less than 30 metres below the lowest part of the natural surface of the land and:
 - (i) for the time being under crop (or within 100 metres of that crop);
 - (ii) used as or situated within 100 metres of a yard, stockyard, garden, cultivated field, orchard vineyard, plantation, airstrip or airfield;

- (iii) situated within 100 metres of any land that is an actual occupation and on which a house or other substantial building is erected;
- (iv) the site of or situated within 100 metres of any cemetery or burial ground; or
- (v) if the Crown land is a pastoral lease, the site of or situated within 400 metres of any water works, race, dam, well or bore not being an excavation previously made and used for purposes by a person other than the pastoral lessee,

without the written consent of the occupier, unless the warden by order otherwise directs.

- (b) imposes restrictions on a tenement holder passing over Crown land referred to in section 6(a), including:
 - (i) taking all necessary steps to notify the occupier of any intention to pass over the Crown land;
 - (ii) the sole purpose for passing over the Crown land must be to gain access to other land not covered by section 6(a) to carry out prospecting, exploration or mining activities;
 - (iii) taking all necessary steps to prevent fire, damage to trees, damage to property or damage to livestock by the presence of dogs, the discharge of firearms, the use of vehicles or otherwise; and
 - (iv) causing as little inconvenience as possible to the occupier by keeping the number of occasions of passing over the Crown land to a minimum and complying with any reasonable request by the occupier as to the manner of passage.
- (c) requires a tenement holder to compensate the occupier of Crown land:
 - (i) by making good any damage to any improvements or livestock caused by passing over Crown land referred to in section 6(a) or otherwise compensate the occupier for any such damage not made good; and
 - (ii) in respect of land under cultivation, for any substantial loss of earnings suffered by the occupier caused by passing over Crown land referred to in section 6(a).

The warden may not give the order referred to in section 6(a) that dispenses with the occupier's consent in respect of Crown land covered by section 6(a)(iii). In respect of other areas of Crown land covered by the prohibition in section 6(a), the warden may not make such an order unless he is satisfied that the land is genuinely required for mining purposes and that compensation in accordance with the Mining Act for all loss or damage suffered or likely to be suffered by the occupier has been agreed between the occupier and the tenement holder or assessed by the warden under the Mining Act.

Although the Company will be able to undertake its proposed activities on those parts of the Tenements not covered by the prohibitions and pass over those parts of the Tenements to which the restrictions do not apply immediately upon listing on ASX, the

Company should consider entering into access and compensation agreements with the occupiers of the Crown land upon commencement of those activities in the event further activities are required on other areas of the Tenements which are subject to prohibitions or restrictions.

7. CROWN RESERVES

Certain land the subject of the Tenements overlaps Crown reserves as set out in the table below.

Tenement	Crown reserve	Class	% overlap
M25/024	Crown Reserve 7721 (Trades Hall)	C	<0.1%
M25/024	Crown Reserve 2840 (Historic Site (Cemetery))(H97890))	C	0.8%
M25/024	Crown Reserve 2843 (Camping)	C	0.6%
P25/2368	Crown Reserve 2843 (Camping)	C	15.3%
P25/2480	Crown Reserve 3794 (Camping)	C	0.3%
P25/2481	Crown Reserve 3912 (Water)	C	10.0%
P25/2479	Crown Reserve 3912 (Water)	C	12.2%

Under section 41 of the *Land Administration Act 1997* (WA) (**LAA**) the Minister may set aside Crown lands by Ministerial Order in the public interest. Every such reservation has its description and designated purpose registered on a Crown Land Title (**CLT**) and is depicted on an authenticated map held by Landgate.

The *Land Act 1933* (WA) provided for State reserves to be classified as Class A, B or C. There is no provision in the LAA to create new Class B reserves and there is no longer reference to Class C reserves.

Upon the *Land Act 1933* (WA) being repealed, all Class C reserves became reserved land under the LAA. Schedule 3 of the *Land Administration Amendment Act 2000* (WA), at section 3(5), provides that any land which was classified as a Class C reserve, upon the day the LAA came into operation, is to be treated as a reserve within the meaning of the LAA. Tenement holders are limited as to what activities may be undertaken on reserved land, requiring the written consent of the Minister for Mines and Petroleum.

Class A affords the greatest degree of protection for reserved lands, requiring approval of Parliament to amend the reserve's purpose or area, or to cancel the reservation. The A classification is used solely to protect areas of high conservation or high community value. Class B reserves continue, but are no longer created under the LAA. The Minister for Lands may deal with Class B reserved lands as normal reserves, provided that, should the reservation be cancelled, a special report is made to both Houses of Parliament within 14 days from the cancellation or within 14 days after the commencement of the next session.

Once created, a reserve is usually placed under the care, control and management of a State government department, local government or incorporated community group by way of a Management Order registered against the relevant CLT. A Management Order under the LAA does not convey ownership of the land – only as much control as is essential for the land's management. Crown Reserve 9701 is

managed by the Department of Regional Development and Lands and Crown Reserve 18301 is managed by the Shire of Roebourne.

8. PASTORAL LEASES

As set out in Part I of the Schedule to this Report, all of the Tenements overlap with pastoral lease N049710 (Hampton Hill). Pastoral Lease N049574 (Black Flag) was found on E27/532 (505.30 Ha., 27.4% encroachment percentage).

The Mining Act:

- (a) prohibits the carrying out of mining activities on or near certain improvements and other features (such as livestock and crops) on Crown land (which includes a pastoral lease) without the consent of the lessee;
- (b) 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
- (c) provides that the holder of a mining tenement must pay compensation to an occupier of Crown land (ie the pastoral lessee) 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, including the passing and re-passing over any land.

We have been advised by the Company and the Company has confirmed that to the best of its knowledge it is not aware of any improvements and other features on the land the subject of the pastoral leases which overlaps the Tenements which would require the Company to obtain the consent of the occupier or lease holder or prevent the Company from undertaking its proposed mining activities on the Tenements. [

Upon commencing mining operations on any of the Tenements, the Company should consider entering into a compensation and access agreement with the pastoral lease holders to ensure the requirements of the Mining Act are satisfied and to avoid any disputes arising. In the absence of agreement, the Warden's Court determines compensation payable.

The DMIRS imposes standard conditions on mining tenements that overlay pastoral leases.

9. ROYALTIES

As set out in Part I of the Schedule to this Report, there are historical agreements registered against certain of the Tenements. Our review of these agreements indicates that certain royalties have previously been granted in relation to certain of the Tenements. However, the Mining Act no longer permits the registration of contractual interests against a tenement and the previous registration of contractual interests, in and of itself, does not create an obligation on the current holder of the tenement to pay any historical royalties.

As a result, there is a possibility that the Company may need to pay royalties on some or all minerals derived from some of the Tenements upon the commencement of production from those Tenements. However, we note that as at the date of this

Prospectus, the Company does not currently have any existing current mining operations and therefore there no production on which any royalty may be payable.

A royalty is payable under the Edwards Agreement, the terms of which are set out in Section 14.4 of the Prospectus.

10. MINING REHABILITATION FUND

The DMIRS Mining Rehabilitation Fund (**MRF**) is a pooled fund to which Western Australian mining operators contribute. The *Mining Rehabilitation Fund Act 2012*, which provides the framework for the fund, was enacted in 2012.

All tenement holders operating on *Mining Act 1978 (Mining Act)* tenure (with the exception of tenements covered by State Agreements not listed in the regulations), are required to report disturbance data and contribute annually to the fund. Tenements with a rehabilitation liability estimate below a threshold of \$50,000 must report disturbance data but are not required to pay into the fund. The Company's rehabilitation levy estimate is less than \$50,000 and there was a nil assessment for the year ended 30 June 2017.

11. QUALIFICATIONS AND ASSUMPTIONS

This Report is subject to the following qualifications and assumptions:

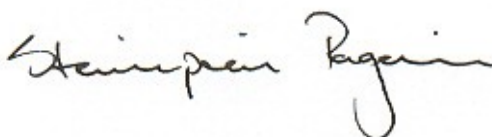
- (a) we have assumed the accuracy and completeness of all Searches, register extracts and other information or responses which were obtained from the relevant department or authority including the NNTT;
- (b) we assume that the registered holder of a Tenement has valid legal title to the Tenement;
- (c) this Report does not cover any third party interests, including encumbrances, in relation to the Tenements that are not apparent from our Searches and the information provided to us;
- (d) we have assumed that any agreements provided to us in relation to the Tenements are authentic, were within the powers and capacity of those who executed them, were duly authorised, executed and delivered and are binding on the parties to them;
- (e) with respect to the granting of the Tenements, we have assumed that the State and the applicant for the Tenements have complied with, or will comply with, the applicable Future Act Provisions;
- (f) we have assumed the accuracy and completeness of any instructions or information which we have received from the Company or any of its officers, agents and representatives;
- (g) unless apparent from our Searches or the information provided to us, we have assumed compliance with the requirements necessary to maintain a Tenement in good standing;
- (h) with respect to the application for the grant of a Tenement, we express no opinion as to whether such application will ultimately be granted and that reasonable conditions will be imposed upon grant, although we have no reason to believe that any application will be refused or that unreasonable conditions will be imposed;

- (i) references in Parts I and II of this Report to any area of land are taken from details shown on searches obtained from the relevant department. It is not possible to verify the accuracy of those areas without conducting a survey;
- (j) the information in Parts I and II of this Report is accurate as at the date the relevant Searches were obtained. We cannot comment on whether any changes have occurred in respect of the Tenements between the date of the Searches and the date of this Report;
- (k) where Ministerial consent is required in relation to the transfer of any Tenement, 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 matter which would cause consent to be refused;
- (l) we have not conducted searches of the Database of Contaminated Sites maintained by the Department of the Environment and Conservation;
- (m) native title may exist in the areas covered by the Tenements. Whilst we have conducted Searches to ascertain that native title claims and determinations, 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 native title claims could be made in the future; and
- (n) Aboriginal heritage sites or objects (as defined in the WA 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 the Register of Aboriginal Sites established by the WA Heritage Act or is the subject of a declaration under the Commonwealth Heritage Act. Other than the Heritage Searches, have not conducted any legal, historical, anthropological or ethnographic research regarding the existence or likely existence of any such Aboriginal heritage sites or objects within the area of the Tenements.

12. CONSENT

This report is given 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.

Yours faithfully



STEINEPREIS PAGANIN

PART I – TENEMENT SCHEDULE

SECTION A - BULONG TENEMENTS

Under the Bulong Agreement, Black Cat Bulong will acquire the following granted tenements (**Bulong Tenements**):

TENEMENT	REGISTERED HOLDER	SHARES HELD	GRANT DATE	EXPIRY DATE	AREA SIZE (Blocks or Hectares)	ANNUAL RENT (Next rental year)	MINIMUM ANNUAL EXPENDITURE	REGISTERED DEALINGS/ ENCUMBRANCES	NOTES	NATIVE TITLE AND ABORIGINAL HERITAGE
M25/83	Bulong Mining Pty Ltd (ACN 136 647 008)	1000/1000	19.03.1990 (Renewed on 11.02.2011)	27.03.2032	72.76500 HA	Rent for the tenement year ended 27/03/2019: \$1284.80	<p>Previous Tenement Yr to 27.03.2017 – Expended in full</p> <p>Current Tenement Yr to 27.03.2018 – \$10,000.00 Commitment</p> <p>Minimum Expenditure not met in: 1997, 2002, 2007 and 2008. Exemptions granted except for 2008 where exemption was refused and penalty of \$666 imposed</p>	Registered Dealings 1 – 2 (Notes)	Conditions 11 – 24 Tengraph 1- 4, 7 - 8, 19	<p>Area subject to Native Title Claim (Federal Court No: WAD186/2017).</p> <p>No Aboriginal Heritage Sites registered.</p>

TENEMENT	REGISTERED HOLDER	SHARES HELD	GRANT DATE	EXPIRY DATE	AREA SIZE (Blocks or Hectares)	ANNUAL RENT (Next rental year)	MINIMUM ANNUAL EXPENDITURE	REGISTERED DEALINGS/ ENCUMBRANCES	NOTES	NATIVE TITLE AND ABORIGINAL HERITAGE
E25/520	Henri Vincent Andre Chassaing	100/100	09.08.2017	08.08.2022	4BL	Rent for the tenement year ended 08/08/2019: \$536.00	Previous Tenement Yr - N/A Current Tenement Yr to 08.08.2018 – Yr 1 - \$15,000 Commitment	No material registered dealings or encumbrances.	Conditions 15, 25 – 29 Endorsements 1 – 9 Tengraph 1 – 4, 6 – 8, 19	Area subject to Native Title Claim (Federal Court No: WAD186/2017). Native Title Referral 27.02.2015- Expedited Procedure No Aboriginal Heritage Sites registered.
M25/24	Bulong Mining Pty Ltd (ACN 136 647 008)	1000/1000	12.06.1986 (Renewed 26.07.2007)	03.07.2028	485.85000 HA	Rent for the tenement year ended 03/07/2019: \$8,553.60	Previous Tenement Yr to 03.07.2017 – expended in full Current Tenement Yr to 03.07.2018 – \$48,600.00 Commitment Minimum Expenditure not met in: 1991, 1996, 1997, 2000-2002, 2008 Exemptions granted except	Registered Dealings 3 – 9(Notes).	Conditions 11 – 17, 22-24 and 30 - 40 Tengraph 2 – 5, 7 – 10, 14 – 16, 19	Area subject to Native Title Claim (Federal Court No: WAD186/2017). No Aboriginal Heritage Sites Registered.

TENEMENT	REGISTERED HOLDER	SHARES HELD	GRANT DATE	EXPIRY DATE	AREA SIZE (Blocks or Hectares)	ANNUAL RENT (Next rental year)	MINIMUM ANNUAL EXPENDITURE	REGISTERED DEALINGS/ ENCUMBRANCES	NOTES	NATIVE TITLE AND ABORIGINAL HERITAGE
							for 2008 where exemption was refused and penalty of \$666 imposed (Application for forfeiture made on 9 October 2008 but dismissed on 27 November 2009)			
M25/91	Bulong Mining Pty Ltd (ACN 136 647 008)	1000/1000	07.04.1991 (Renewed 16.03.2012)	11.04.2033	83.28000 HA	Rent for the tenement year ended 11/04/2019: \$1,478.40	Previous Tenement Yr to 11.04.2017 - Expended in full Current Tenement Yr to 11.04.2018 - \$10,000.00 Commitment Minimum Expenditure not met in: 1994 - 1998, 2001 - 2002, 2007 - 2008. Exemptions granted except for 2007 and 2008. Penalty of \$620 imposed	Registered Dealings 3 - 10(Notes)	Conditions 11 - 17 Tengraph 2 - 5, 7 - 8, 19	Area subject to Native Title Claim (Federal Court No: WAD186/2017). No Aboriginal Heritage Sites Registered.

TENEMENT	REGISTERED HOLDER	SHARES HELD	GRANT DATE	EXPIRY DATE	AREA SIZE (Blocks or Hectares)	ANNUAL RENT (Next rental year)	MINIMUM ANNUAL EXPENDITURE	REGISTERED DEALINGS/ ENCUMBRANCES	NOTES	NATIVE TITLE AND ABORIGINAL HERITAGE
M25/129	Bulong Mining Pty Ltd (ACN 136 647 008)	1000/1000	02.06.1994 (Renewed 02.06.2015)	02.06.2036	179.40000HA	Rent for year ended 02.06.2019: \$3,168.00	<p>Previous Tenement Yr to 02.06.2017: Expended in Full</p> <p>Current Tenement Yr to 02.06.2018: \$18,000 commitment</p> <p>Minimum Expenditure not met in: 1995, 1997, 1998, 2001, 2002, 2007 and 2008.</p> <p>Exemptions granted except for 2007. Minimal fines imposed in 2008 and 2010. Forfeiture in 2010, \$90 penalty imposed.</p>	Registered Dealings – 5, 6, 8, 9, 11, 12, 13	<p>Endorsement 1 Conditions 11, 13-17</p> <p>Tengraph 2 – 5, 7 – 8, 19</p>	<p>Area subject to Native Title Claim (Federal Court No: WAD186/2017).</p> <p>No Aboriginal Heritage Sites Registered.</p>
P25/2286	Bulong Mining Pty Ltd (ACN 136 647 008)	100/100	30/01/2015	29/01/2019	121.27000 HA	Rent for the tenement year ended 29/01/2019: \$317.20	<p>Previous Tenement Yr to 29/01/2017 – Expended in full.</p> <p>Current Tenement Yr to 29/01/2017: \$4,880.00</p>	None	<p>Conditions 13, 15, 26-28</p> <p>Endorsements 1-6, 9 and 10</p> <p>Tengraph 2 – 5, 7 – 9, 19</p>	<p>Native Title Referral 05.09.14 – Expedited Procedure</p> <p>Area subject to Native Title Claim (Federal Court No:</p>

TENEMENT	REGISTERED HOLDER	SHARES HELD	GRANT DATE	EXPIRY DATE	AREA SIZE (Blocks or Hectares)	ANNUAL RENT (Next rental year)	MINIMUM ANNUAL EXPENDITURE	REGISTERED DEALINGS/ ENCUMBRANCES	NOTES	NATIVE TITLE AND ABORIGINAL HERITAGE
							Commitment			WAD186/2017). No Registered Aboriginal Sites
P25/2367	Bulong Mining Pty Ltd (ACN 136 647 008)	100/100	03/10/2016	02/10/2020	200.00000 HA	Rent for the tenement year ended 02/10/2019: \$520.00	Previous Tenement Yr to 02.10.17: No expenditure lodged Current Tenement Yr to 02.10.2018: \$8,000.00 Commitment	No material registered dealings or encumbrances.	Conditions 15, 26-28 Endorsements 1-9 Tengraph 1 – 5, 7 – 8, 19	Native Title Referral 21.04.16 - Expedited Procedure Area subject to Native Title Claim (Federal Court No: WAD186/2017). No Registered Aboriginal Sites
P25/2368	Bulong Mining Pty Ltd (ACN 136 647 008)	100/100	03/10/2016	02/10/2020	196.00000 HA	Rent for the tenement year ended 02/10/2019: \$509.60	Previous Tenement Yr to 02/10/17: No expenditure lodged Current Tenement Yr to 02.10.2018: \$7,840.00 Commitment	No material registered dealings or encumbrances.	Conditions 15, 26-28 and 42 Endorsements 1-9 Tengraph 2 – 5, 7 – 10, 14, 19	Native Title Referral 21.04.16 – Expedited Procedure Area subject to Native Title Claim (Federal Court No: WAD186/2017).

TENEMENT	REGISTERED HOLDER	SHARES HELD	GRANT DATE	EXPIRY DATE	AREA SIZE (Blocks or Hectares)	ANNUAL RENT (Next rental year)	MINIMUM ANNUAL EXPENDITURE	REGISTERED DEALINGS/ ENCUMBRANCES	NOTES	NATIVE TITLE AND ABORIGINAL HERITAGE
										No Registered Aboriginal Sites
P25/2369	Bulong Mining Pty Ltd (ACN 136 647 008)	100/100	03/10/2016	02/10/2020	170.00000 HA	Rent for the tenement year ended 02/10/2019: \$442.00	<p>Previous Tenement Yr to 02/10/17: No expenditure lodged</p> <p>Current Tenement Yr to 02.10.2018: \$6,800.00 Commitment</p>	No material registered dealings or encumbrances.	<p>Conditions 15, 26-28</p> <p>Endorsements 1-9</p> <p>Tengraph 2 – 5, 7 – 8, 19</p>	<p>Native Title Referral 21.04.16 - Expedited Procedure</p> <p>Area subject to Native Title Claim (Federal Court No: WAD186/2017).</p> <p>No Registered Aboriginal Sites</p>

SECTION B – EDWARDS TENEMENTS

Under the Edwards Agreement, Black Cat Bulong will acquire the following granted tenements (**Edwards Tenements**):

TENEMENT	REGISTERED HOLDER	SHARES HELD	GRANT DATE	EXPIRY DATE	AREA SIZE (Blocks or Hectares)	ANNUAL RENT (Next rental year)	MINIMUM ANNUAL EXPENDITURE	REGISTERED DEALINGS/ ENCUMBRANCES	NOTES	NATIVE TITLE AND ABORIGINAL HERITAGE
P25/2287	Cranston Gilbert Edwards	96/96	09.03.2015	08.03.2019	135.00000 HA	Rent for the Tenement Year ended 08/03/2019: \$351.00	Previous Tenement Yr to 08.03.2016 - Expended in full Current Tenement Yr to 08.03.2018 - \$5,400.00 Commitment	Registered Dealings / Encumbrances – 14 (Notes)	Conditions 13 – 15, 26 – 28 Endorsements 1 – 6, 9 – 10 Tengraph 2 – 5, 7 – 8, 19	Native Title Referral 25.09.2014 - Expedited Procedure Area subject to Native Title Claim (Federal Court No: WAD186/2017). No Aboriginal Heritage Sites registered.
E25/512	Cranston Gilbert Edwards	96/96	02/02/2015	01/02/2020	4 BL	Rent for the Tenement Year ended 01/02/2019: \$832.00	Previous Tenement Yr to 01/02/2017 - Expended in full Current Tenement Yr to 01/02/2018 - \$15,000.00 Commitment	Registered Dealings / Encumbrances – 15 – 17 (Notes)	Conditions 13-16, 24, 27-29, 41, 44 and 45 Endorsements 1 – 6, 9 – 10 Tengraph 2 – 4, 7 – 8, 11, 19	Native Title Referral 05.09.2014- Expedited Procedure Area subject to Native Title Claim (Federal Court No: WAD186/2017). No Aboriginal Heritage Sites registered.

TENEMENT	REGISTERED HOLDER	SHARES HELD	GRANT DATE	EXPIRY DATE	AREA SIZE (Blocks or Hectares)	ANNUAL RENT (Next rental year)	MINIMUM ANNUAL EXPENDITURE	REGISTERED DEALINGS/ ENCUMBRANCES	NOTES	NATIVE TITLE AND ABORIGINAL HERITAGE
E27/532	Cranston Gilbert Edwards	96/96	02/02/2015	01/02/2020	8 BL	Rent for the Tenement Year ended 01/02/2019: \$1,664.00	Previous Tenement Yr to 01/02/2017 - Expended in full Current Tenement Yr to 01/02/2018: \$20,000 Commitment	Registered Dealings / Encumbrances - 15 - 16 (Notes)	Conditions 13 - 16, 19, 27 - 28, 43, 44 Endorsements 1 - 6, 9 - 10 Tengraph 1 - 4, 6 - 8, 18 - 19	Native Title Referral 03.09.2014- Expedited Procedure Area subject to Native Title Claim (Federal Court No: WAD186/2017). No Aboriginal Heritage Sites registered.
E25/499	Cranston Gilbert Edwards	120/120	30/05/2014	29/05/2019	4 BL	Rent for the Tenement Year ended 29/05/2019: \$820.00	Previous Tenement Yr to 29/05/2017 - Expended in full Current Tenement Yr to 29/05/2018: \$20,000 Commitment	Registered Dealings / Encumbrances - 17 (Notes)	Conditions 13 - 16, 27 - 28 Endorsements 1 - 6, 9 - 10 Tengraph 2 - 4, 7 - 8, 19	Native Title Referral 10.12.2013- Expedited Procedure Area subject to Native Title Claim (Federal Court No: WAD186/2017). No Aboriginal Heritage Sites registered.
P25/2288	Cranston Gilbert Edwards	96/96	09/03/2015	08/03/2019	101.00000 HA	Rent for the Tenement Year ended 08/03/2019:	Previous Tenement Yr to 08/03/2017 -	Registered Dealings / Encumbrances - 14	Conditions 13 - 15, 26 - 28 Endorsements 1	Native Title Referral 25.09.2014- Expedited

TENEMENT	REGISTERED HOLDER	SHARES HELD	GRANT DATE	EXPIRY DATE	AREA SIZE (Blocks or Hectares)	ANNUAL RENT (Next rental year)	MINIMUM ANNUAL EXPENDITURE	REGISTERED DEALINGS/ ENCUMBRANCES	NOTES	NATIVE TITLE AND ABORIGINAL HERITAGE
						\$262.60	Expended in full Current Tenement Yr to 08/03/2018: \$4040.00 Commitment	(Notes)	- 6, 9 - 10 Tengraph 2 - 5, 7 - 8, 19	Procedure Area subject to Native Title Claim (Federal Court No: WAD186/2017). No Aboriginal Heritage Sites registered.
P25/2293	Cranston Gilbert Edwards	96/96	29.04.2015	28.04.2019	52.730000 HA	Rent for the Tenement Year ended 28/04/2019: \$137.80	Previous Tenement Yr to 28/04/2017 - Expended in full Current Tenement Yr to 24/04/2018: \$2120.00 Commitment	Registered Dealing / Encumbrance - 18 (Notes)	Conditions 13 - 15, 26 - 28 Endorsements 1 - 6, 9 - 10 Tengraph 2 - 5, 7 - 8, 19	Native Title Referral 06.11.2014- Expedited Procedure Area subject to Native Title Claim (Federal Court No: WAD186/2017). No Aboriginal Heritage Sites registered.
P25/2377	Cranston Gilbert Edwards	96/96	18.10.2016	17.10.2020	198.52810 HA	Rent for the Tenement Year ended 17/10/2019: \$517.40	Previous Tenement Yr to 17/10/2017 - Expended in full Current Tenement Yr to 17/10/2018: \$7,960.00	Registered Dealing / Encumbrance - 19 (Notes)	Conditions 15, 26 - 28 Endorsements 1 - 9 Tengraph 2 - 4, 7 - 8, 19	Native Title Referral 10.05.2016- Expedited Procedure Area subject to Native Title Claim (Federal

TENEMENT	REGISTERED HOLDER	SHARES HELD	GRANT DATE	EXPIRY DATE	AREA SIZE (Blocks or Hectares)	ANNUAL RENT (Next rental year)	MINIMUM ANNUAL EXPENDITURE	REGISTERED DEALINGS/ ENCUMBRANCES	NOTES	NATIVE TITLE AND ABORIGINAL HERITAGE
							Commitment			Court No: WAD186/2017). No Aboriginal Heritage Sites registered.
P25/2378	Cranston Gilbert Edwards	96/96	04.01.2017	03.01.2021	192.69560 HA	Rent for the Tenement Year ended 03/01/2019: \$501.80	Previous Tenement Yr - N/A Current Tenement Yr to 03/01/2018: \$7,720.00 Commitment	Registered Dealing / Encumbrance - 19 (Notes)	Conditions 15, 26 - 28 Endorsements 1 - 9 Tengraph 2 - 5, 7 - 8, 19	Native Title Referral 10.05.2016- Expedited Procedure Area subject to Native Title Claim (Federal Court No: WAD186/2017). No Aboriginal Heritage Sites registered.

SECTION C - APPLICATIONS

Below is a summary of those tenements that the Company's subsidiary, Black Cat Bulong, has directly applied for (**Applications**):

TENEMENT	APPLICANT	SHARES HELD	APPLICATION DATE	EXPIRY DATE	AREA SIZE (Blocks or Hectares)	ANNUAL RENT (Next rental year)	MINIMUM ANNUAL EXPENDITURE	REGISTERED DEALINGS/ ENCUMBRANCES	NOTES	NATIVE TITLE AND ABORIGINAL HERITAGE
P25/2463	Black Cat (Bulong) Pty Ltd (ACN 620 898 044)	100/100	14/08/2017	N/A	135.0000 HA	N/A (Rental payment of \$351 made on 14/08/2017)	N/A	None	Tengraph 2 – 5, 7 – 8, 19	Area subject to Native Title Claim (Federal Court No: WAD186/2017). No Aboriginal Heritage Sites registered. However, a Heritage Agreement has been entered (see Part III)
P27/2326	Black Cat (Bulong) Pty Ltd (ACN 620 898 044)	100/100	14/08/2017	N/A	178.00000HA	N/A (Rental payment of \$462.80 made on 14/08/2017)	N/A	None	Tengraph 1 – 4, 6 – 8, 19	Area subject to Native Title Claim (Federal Court No: WAD186/2017). No Aboriginal Heritage Sites registered. However, a Heritage Agreement has been entered (see

TENEMENT	APPLICANT	SHARES HELD	APPLICATION DATE	EXPIRY DATE	AREA SIZE (Blocks or Hectares)	ANNUAL RENT (Next rental year)	MINIMUM ANNUAL EXPENDITURE	REGISTERED DEALINGS/ ENCUMBRANCES	NOTES	NATIVE TITLE AND ABORIGINAL HERITAGE
										Part III)
P27/2327	Black Cat (Bulong) Pty Ltd (ACN 620 898 044)	100/100	14/08/2017	N/A	178.00000 HA	N/A (Rental payment of \$462.80 made on 14/08/2017)	N/A	None	Tengraph 1 – 4, 6 – 8, 19	Area subject to Native Title Claim (Federal Court No: WAD186/2017). No Aboriginal Heritage Sites registered. However, a Heritage Agreement has been entered (see Part III)
P27/2328	Black Cat (Bulong) Pty Ltd (ACN 620 898 044)	100/100	14/08/2017	N/A	164.00000 HA	N/A (Rental payment of \$462.40 made on 14/08/2017)	N/A	None	Tengraph 1 – 4, 6 – 8, 19	Area subject to Native Title Claim (Federal Court No: WAD186/2017). No Aboriginal Heritage Sites registered. However, a Heritage Agreement has been entered (see Part III)

TENEMENT	APPLICANT	SHARES HELD	APPLICATION DATE	EXPIRY DATE	AREA SIZE (Blocks or Hectares)	ANNUAL RENT (Next rental year)	MINIMUM ANNUAL EXPENDITURE	REGISTERED DEALINGS/ ENCUMBRANCES	NOTES	NATIVE TITLE AND ABORIGINAL HERITAGE
P25/2478	Black Cat (Bulong) Pty Ltd (ACN 620 898 044)	100/100	20/09/2017	N/A	121.00000 HA	N/A (Rental payment of \$314.60 made on 20/09/2017)	N/A	None	Tengraph 1 – 5, 7 – 8, 17, 19	Area subject to Native Title Claim (Federal Court No: WAD186/2017) Registered Aboriginal Sites: 1)Lake Yindarl goda, Mammu Tjukurrpa (ID: 30602); 2) Lake Yindarl gooda - Duncan Swamp Story Line (ID:30609)
P25/2479	Black Cat (Bulong) Pty Ltd (ACN 620 898 044)	100/100	20/09/2017	N/A	192.00000 HA	N/A (Rental payment of \$499.20 made on 20/09/2017)	N/A	None	Tengraph 1 – 5, 7 – 8, 12, 17, 19, 20	Area subject to Native Title Claim (Federal Court No: WAD186/2017) Registered Aboriginal Sites: 1)Lake Yindarl goda, Mammu Tjukurrpa (ID:

TENEMENT	APPLICANT	SHARES HELD	APPLICATION DATE	EXPIRY DATE	AREA SIZE (Blocks or Hectares)	ANNUAL RENT (Next rental year)	MINIMUM ANNUAL EXPENDITURE	REGISTERED DEALINGS/ ENCUMBRANCES	NOTES	NATIVE TITLE AND ABORIGINAL HERITAGE
										30602); 2) Lake Yindarlgooda - Duncan Swamp Story Line (ID:30609)
P25/2480	Black Cat (Bulong) Pty Ltd (ACN 620 898 044)	100/100	20/09/2017	N/A	183.00000 HA	N/A (Rental payment of \$475.80 made on 20/09/2017)	N/A	None	Tengraph 1 – 5, 7 – 8, 10, 13, 19, 20	Area subject to Native Title Claim (Federal Court No: WAD186/2017) Yes – area is subject to Registered Aboriginal Site: Lake Yindarlgooda, Mammu Tjukurrpa (ID: 30602).
P25/2481	Black Cat (Bulong) Pty Ltd (ACN 620 898 044)	100/100	20/09/2017	N/A	168.00000 HA	N/A (Rental payment of \$436.80 made on 20/09/2017)	N/A	None	Tengraph 1 – 5, 7 – 8, 12, 17, 19, 20	Area subject to Native Title Claim (Federal Court No: WAD186/2017) Registered Aboriginal Sites: 1)Lake Yindarlgooda,

TENEMENT	APPLICANT	SHARES HELD	APPLICATION DATE	EXPIRY DATE	AREA SIZE (Blocks or Hectares)	ANNUAL RENT (Next rental year)	MINIMUM ANNUAL EXPENDITURE	REGISTERED DEALINGS/ ENCUMBRANCES	NOTES	NATIVE TITLE AND ABORIGINAL HERITAGE
										Mammu Tjukurrpa (ID: 30602); 2) Lake Yindarlgooda - Duncan Swamp Story Line (ID:30609)

Key to Tenement Schedule

- P – Prospecting Licence
- E – Exploration Licence
- M – Mining Lease

References to numbers in the “Notes” column refers to the notes following this table.

Unless otherwise indicated, capitalised terms have the same meaning given to them in the Prospectus.

Please refer to Part II of this Report for further details on native title and Aboriginal heritage matters.

Notes:

Tenement conditions and endorsements

ENDORSEMENTS	
1.	The Licensee's/Lessee's attention is drawn to the provisions of the Aboriginal Heritage Act 1972 and any Regulations thereunder.
2.	The Licensee's attention is drawn to the Environmental Protection Act 1986 and the Environmental Protection (Clearing of Native Vegetation) Regulations 2004, which provides for the protection of all native vegetation from damage unless prior permission is obtained.

ENDORSEMENTS	
3.	<p>The Licensee attention is drawn to the provisions of the:</p> <ul style="list-style-type: none">• Waterways Conservation Act, 1976• Rights in Water and Irrigation Act, 1914• Metropolitan Water Supply, Sewerage and Drainage Act, 1909• Country Areas Water Supply Act, 1947• Water Agencies (Powers) Act 1984• [Water Resources Legislation Amendment Act 2007 – included as an endorsement for tenements: P25/2286, E25/512, E27/532, P25/2287, E25/499, P25/2288, P25/2293]
4.	<p>The rights of ingress to and egress from, and to cross over and through, the mining tenement being at all reasonable times preserved to officers of Department of Water (DoW) for inspection and investigation purposes.</p>
5.	<p>The storage and disposal of petroleum hydrocarbons, chemicals and potentially hazardous substances being in accordance with the current published version of the DoWs relevant Water Quality Protection Notes and Guidelines for mining and mineral processing.</p>
6.	<p>The taking of groundwater from an artesian well and the construction, enlargement, deepening or altering of any artesian well is prohibited unless current licences for these activities have been issued by DoW.</p>
7.	<p>Measures such as drainage controls and stormwater retention facilities are to be implemented to minimise erosion and sedimentation of adjacent areas, receiving catchments and waterways.</p>
8.	<p>All activities to be undertaken so as to avoid or minimise damage, disturbance or contamination of waterways, including their beds and banks, and riparian and other water dependent vegetation.</p>
9.	<p>In respect to Proclaimed Ground Water Area 21 following endorsement applies: The taking of groundwater and the construction or altering of any well is prohibited without current licences for these activities issued by DoW, unless an exemption otherwise applies.</p>
10.	<p>In respect to Waterways the following endorsement applies: Advice shall be sought from the DoW if proposing any prospecting within a defined waterway and within a lateral distance of:</p> <ul style="list-style-type: none">· 50 metres from the outer-most water dependent vegetation of any perennial waterway, and· 30 metres from the outer-most water dependent vegetation of any seasonal waterway.

CONDITIONS	
11.	<p>Survey.</p>
12.	<p>Compliance with the provisions of the Aboriginal Heritage Act, 1972 to ensure that no action is taken which is likely to interfere with or damage any Aboriginal site.</p>
13.	<p>All surface holes drilled for the purpose of exploration are to be capped, filled or otherwise made safe after completion.</p>

CONDITIONS	
14.	All costeans and other disturbances to the surface of the land made as a result of exploration, including drill pads, grid lines and access tracks, being backfilled and rehabilitated to the satisfaction of the Environmental Officer, Department of Industry and Resources (DoIR). Backfilling and rehabilitation being required no later than 6 months after excavation unless otherwise approved in writing by the Environmental Officer, DoIR.
15.	All waste material, rubbish, plastic sample bags, abandoned equipment and temporary buildings being removed from the mining tenement prior to or at the termination of exploration programme.
16.	Unless the written approval of the Environmental Officer, DoIR is first obtained, the use of scrapers, graders, bulldozers, backhoes or other mechanised equipment for surface clearing or the excavation of costeans is prohibited. Following approval, all topsoil being removed ahead of mining operations and separately stockpiled for replacement after backfilling and/or completion of operations.
17.	No developmental or productive mining or construction activity being commenced until the tenement holder has submitted a plan of the proposed operations and measures to safeguard the environment to the Director, Environment, DoIR for assessment; and until his written approval has been obtained.
18.	The complete excision of any portion encroaching on Mining Lease 25/78.
19.	The development and operation of the project and measures to safeguard the environment being carried out so as to create minimal disturbance to the existing vegetation and natural landform and in accordance with the proposal titled "Test Mining on M25/29" dated 20 April 1990, signed by Gregory Semczuk and contained on Mines Department File No. 568/90.
20.	No expansion of the project on the lease beyond that stated in the document above, before a detailed plan of operations and measures to protect the environment has been submitted to the State Mining Engineer for his assessment and until his written approval to proceed has been obtained.
21.	<p>The construction and operation of the project and measures to protect the environment being carried out generally in accordance with the document titled:</p> <ul style="list-style-type: none"> "Low Impact Mining - Notice of Intent for scraping and detecting on Mining Lease 25/83" (NOI 4864) dated 26 November 2004 signed by Mr Ian Brailey and retained on Department of Industry and Resources File No. E0196/200401". "Letter - Low Impact Mining M25/83 Bulong" dated 10 December 2004 and signed by Mr Bernie Mazza and retained on Department of Industry and Resources File No. E0196/200401; Programme of Work titled: "Low Impact Mining Activities - Scraping and Detecting on Mining Lease 25/83" dated 8 July 2009 and signed by N Bassett and B Mazza (Reg ID 22182) and retained on Department of Mines and Petroleum File No. T3739/200501 <p>Where a difference exists between the above document(s) and the following conditions, then the following conditions shall prevail.</p>
22.	The development and operation of the project being carried out in such a manner so as to create the minimum practicable disturbance to the existing vegetation and natural landform.
23.	All rubbish and scrap is to be progressively disposed of in a suitable manner.
24.	During any year that prospecting activities are undertaken on the lease under an approved Programme of Works, the lessee is to submit to the Executive Director, Environment Division, DMP, in May of that year, a map and brief report that identifies the location of all disturbances and rehabilitation activities that have occurred on the tenement under the approved Programme(s) of Works.
25.	All disturbances to the surface of the land made as a result of exploration, including costeans, drill pads, grid lines and access tracks, being backfilled and rehabilitated to the satisfaction of the Environmental Officer, DMIRS. Backfilling and rehabilitation being required no later than 6 months after excavation unless otherwise approved in writing by the Environmental Officer, DMIRS.
26.	Unless the written approval of the Environmental Officer, DMIRS is first obtained, the use of drilling rigs, scrapers, graders, bulldozers, backhoes or other mechanised equipment for surface disturbance or the excavation of costeans is prohibited. Following approval, all topsoil being removed ahead of mining operations and separately stockpiled for replacement after backfilling and/or completion of operations.

CONDITIONS	
27.	The Licensee notifying 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, backhoes, drilling rigs; water carting equipment or other mechanised equipment.
28.	The Licensee or transferee, as the case may be, shall within thirty (30) days of receiving written notification of: <ul style="list-style-type: none"> 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.
29.	No interference with Geodetic Survey Station SSM-KURN 77 and mining within 15 metres thereof being confined to below a depth of 15 metres from the natural surface.
30.	All topsoil being removed ahead of mining operations and stockpiled for replacement in accordance with the directions of the District Mining Engineer.
31.	The complete excision of License to Treat Tailing 25/39 with rights of ingress to and egress from the ground comprised therein being at all times preserved to the licensee thereof.
32.	No mining on Extension of Townsite Reserve 6438, Camping Reserve 2843 and Trades Hal Reserve 7721 without the prior written consent of the Minister for Minerals and Energy.
33.	Mining on any road or road reserve being confined to below a depth of 15 metres from the natural surface.
34.	No interference with the telegraph line or the installations in connection therewith.
35.	Rights of ingress to and egress from the telegraph line being at all times preserved to employees of the Australian Telecommunications Commission.
36.	The construction and operation of the project and measures to protect the environment being carried out generally in accordance with the document titled: "Notice of Intent – Low Impact Mining Operation" dated 4 June 1996, signed by Mr Rodney Hodges and retained on Department of Minerals and Energy File No: 2086/96: <ul style="list-style-type: none"> "Low Impact Mining - Notice of Intent for Scraping and Detecting and Dryblowing on Mining Lease 25/24" dated 9 June 2004 (NOI 4707) signed by Mr Ian Brailey, "Letter: Low Impact Mining M25/24" addressed to Mr Noel Taylor and signed by Mr Bernie Mazza and retained on Department of Industry and Resources File No. E0196/200401; "Programme of Work for costeans and scraping and detecting on M25/24" (Reg ID 21822) dated 8 May 2009 signed by Glyn Morgan and Neville Bassett and retained on Department of Mines and Petroleum File No. 10859/2002Vol01
37.	All topsoil being removed ahead of all mining operations from sites such as pit areas, waste disposal areas, ore stockpile areas, pipeline, haul roads and new access roads and being stockpiled for later respreading or immediately respread as rehabilitation progresses.
38.	At the completion of operations, all buildings and structures being removed from site or demolished and buried to the satisfaction of the State Mining Engineer.
39.	At the completion of operations, or progressively where possible, all access roads and other disturbed areas being covered with topsoil, deep ripped and revegetated with local native grasses, shrubs and trees to the satisfaction of the State Mining Engineer.
40.	Any alteration or expansion of operations within the lease boundaries beyond that outlined in the above document(s) not commencing until a plan of operations and a programme to safeguard the environment are submitted to the Director, Environment, DoIR for his assessment and until his written approval to proceed has been obtained.
41.	During any year that prospecting activities are undertaken on the lease under an approved Programme of Works, the lessee is to submit to the Executive Director, Environment Division, DMP, in May of that year, a map and brief report that identifies the location of all disturbances and rehabilitation activities that have occurred on the tenement under the approved Programme(s) of Works.
42.	The prior written consent of the Minister responsible for the Mining Act 1978 being obtained before commencing any prospecting activities on Camping Reserve 2843
43.	Exploration and prospecting activities are to be managed to ensure that no more than two hectares of disturbance may be undertaken at any time without progressive rehabilitation.

CONDITIONS

44.	During any year that prospecting activities are undertaken on the Licence under an approved Programme of Works, the Licensee is to submit to the Executive Director, Environment Division, DMP, in December of that year, a map and brief report that identifies the location of all disturbances and rehabilitation activities that have occurred on the tenement under the approved Programme(s) of Works.
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REGISTERED DEALINGS/
ENCUMBRANCES

	Dealing	Description
1.	Agreement 142H/989	Agreement (Sale and Assignment and Termination of Tindals Agreement) ACACIA RESOURCES (BROCKS CREEK) PTY LTD, GENERAL GOLD RESOURCES NL, GREAT SOUTHERN MINES NL, ACCLAIM EXPLORATION NL and Gregory Anton SEMCZUK Lodged 9:30:00 AM on 06 Apr 1999 REGISTERED 9:30 AM 06 Apr 1999
2.	Agreement 163H/989	Agreement (New Bulong Joint Venture Agreement.) ACACIA RESOURCES (BROCKS CREEK) PTY LTD and GENERAL GOLD RESOURCES NL Lodged 2:00:00 PM on 18 May 1999 REGISTERED 2:00 PM 18 May 1999
3.	Agreement 112H/912	Agreement (Farm In) SPARGOS MINING NL, RAMSGATE RESOURCES LTD and QUEEN MARGARET GOLD MINES NL Lodged 12:00:00 PM on 13 Nov 1991 REGISTERED 12:00 PM 13 Nov 1991
4.	Agreement 133H/945	Agreement (Sale) QUEEN MARGARET GOLD MINES NL, SPARGOS MINING NL, RAMSGATE RESOURCES LTD and GENERAL GOLD RESOURCES NL Lodged 3:40 PM on 24 Nov 1994 Registered 10:00 AM 27 Jan 1995
5.	Agreement 18H/989	Agreement (Farm In) ACACIA RESOURCES (BROCKS CREEK) PTY LTD, RAMSGATE RESOURCES NL and GENERAL GOLD RESOURCES NL Lodged 3:30:00 PM on 11 Aug 1998 REGISTERED 8:30 AM 26 Oct 1998
6.	Agreement 19H/989	Agreement (Deed of Variation-Farm In.) ACACIA RESOURCES (BROCKS CREEK) PTY LTD, RAMSGATE RESOURCES NL and GENERAL GOLD RESOURCES NL Lodged 3:30 PM on 11 Aug 1998

	Dealing	Description
		REGISTERED 8:30 AM 26 Oct 1998
7.	Agreement 20H/989	Agreement (Deed of Assumption and Consent) QUEEN MARGARET GOLD MINES NL, SPARGOS MINING NL, ACACIA RESOURCES (BROCKS CREEK) PTY LTD, RAMSGATE RESOURCES NL and GENERAL GOLD RESOURCES NL Lodged 3:30 PM on 11 Aug 1998 REGISTERED 8:30 AM 26 Oct 1998
8.	Agreement 25H/989	Agreement (Letter Agreement) WESTGOLD RESOURCES NL, RAMSGATE RESOURCES NL and GENERAL GOLD RESOURCES NL Lodged 3:30:00 PM on 11 Aug 1998 REGISTERED 8:30 AM 26 Oct 1998
9.	Agreement 163H/989	Agreement (New Bulong Joint Venture Agreement.) ACACIA RESOURCES (BROCKS CREEK) PTY LTD and GENERAL GOLD RESOURCES NL Lodged 2:00:00 PM on 18 May 1999 REGISTERED 2:00 PM 18 May 1999
10	Agreement 263H/912	Agreement (Deed of Variation and Confirmation of Trust) Spargos Mining NL and Queen Margaret Gold Mines NL NL lodged 3:50:00 PM on 04 Jun 1992 Registered 3:50PM 04 Jun 1992
11	Agreement 76H/945	Agreement (Option) RAMSGATE RESOURCES LTD and GENERAL GOLD RESOURCES NL Lodged 12:55 PM on 15 Sep 1994 REGISTERED 12:55 PM 15 Sep 1994
12	Agreement 21H/989	Agreement (Deed of Assignment and Assumption) ACACIA RESOURCES (BROCKS CREEK) PTY LTD, RAMSGATE RESOURCES NL and GENERAL GOLD RESOURCES NL Lodged 3:30:00 PM on 11 Aug 1998 REGISTERED 8:30 AM 26 Oct 1998

	Dealing	Description
13	Agreement 94H/989	Agreement (Termination of Sinclair Agreement) ACACIA RESOURCES (BROCKS CREEK) PTY LTD, GENERAL GOLD RESOURCES NL, RAMSGATE RESOURCES NL, Neil Wesley SINCLAIR and Richard Henry COOKE Lodged 11:30 AM on 15 Jan 1999 REGISTERED 11:30 AM 15 Jan 1999
14	Excess Tonnage 472066	Lodged 00:00 29 July 2015 GRANTED 09:03:46 30 July 2015 An additional nine thousand five hundred (9,500) tonnes of material for the purpose of scraping, detecting, dry blowing, bulk sampling, costean, trenching and auger drilling activities.
15	Excess Tonnage 477723	Lodged: 08:30 30 June 2015 RECORDED: 08:30 30 June 2015 REFUSED: 08:30 23 March 2016
16	Excess Tonnage 491793	Lodged: 08:30 24 June 2016 RECORDED: 08:30 24 June 2016 GRANTED: 09:29:25 13 December 2016 Approved for additional 100,000 tonnes.
17	Application to Amend 427308	Lodged: 14:38 17 July 2013 Amending: Locality From: Mount Yule To: Mount Youle RECORDED: 14:38 17 July 2013
18	Excess Tonnage 472067	Lodged: 00:00 29 July 2015 RECORDED: 00:00 29 July 2015 GRANTED: 09:15:28 30 July 2015 An additional nine thousand five hundred (9,500) tonnes of material for the purposes of scraping, detecting, dryblowing, bulk sampling, costean/trenching and auger drilling activities.
19	Extension of Time 485057	Lodged: 13:25 13 April 2016

Dealing		Description
		Type: Service on Pastoralist RECORDED: 13:25 13 April 2016 APPROVED: 08:37 14 April 2016

Tengraph interests

	Land Type	Description
1.	Aboriginal Heritage Survey	<p>Aboriginal Heritage Survey Areas are areas in which an Aboriginal Heritage Survey has been undertaken and results are described in a Heritage Survey Report. The Department of Aboriginal Affairs holds copies of these reports.</p> <p>A heritage survey conducted in a particular area does not necessarily mean that another heritage survey does not need to be undertaken. This will depend on the type of survey undertaken and also when the original survey was undertaken. Not all Aboriginal sites within a survey area are necessarily recorded in the survey. The type of survey undertaken, such as site identification or Site Avoidance, is decided by the professional heritage consultant engaged by the proponent and depends upon the scope and nature of the project. What is appropriate for one project may not be for a different project.</p> <p>Aboriginal Heritage Survey Areas were identified on the following Tenements: M25/83; E25/520; P25/2367; P27/2326; P27/2327; P27/2328; P25/2478; P25/2479; P25/2480; P25/2481; E27/532</p> <p>Refer to Section 4 of this Report for further information and details of the Tenements which overlap Aboriginal Heritage Sites.</p>
2.	Mineralisation Zone (Non Section 57(2aa))	<p>Area in which applications of Exploration Licences are restricted to a maximum of 70 blocks (required by s57(1) Mining Act). Section 57(2aa) Mining Act states that if the area of land is in an area of the state designated under s57A(1) it shall not be more than 200 blocks.</p> <p>The following Mineralisation Zones were identified:</p> <ul style="list-style-type: none"> • M25/83 – MZ/2, Mineralisation Zone, Non Section 57(2aa) (72.74 Ha., 100.0% encroachment percentage); • E25/520 - MZ/2, Mineralisation Zone, Non Section 57(2aa) (830.69 Ha., 100.0% encroachment percentage); • M25/024 – MZ/2, Mineralisation Zone, Non Section 57(2aa) (485.30 Ha., 100.0% encroachment percentage); • M25/091 – MZ/2, Mineralisation Zone, Non Section 57(2aa) (83.23 Ha., 100.0% encroachment percentage); • M25/129 - MZ/2, Mineralisation Zone, Non Section 57(2aa) (179.31 Ha., 100.0% encroachment percentage); • P25/2286 – MZ/2, Mineralisation Zone, Non Section 57(2aa) (121.28 Ha., 100.0% encroachment percentage); • P25/2367 – MZ/2, Mineralisation Zone, Non Section 57(2aa) (195.27 Ha., 100.0% encroachment percentage); • P25/2368 - MZ/2, Mineralisation Zone, Non Section 57(2aa) (196.75 Ha., 100.0% encroachment percentage); • P25/2369 - MZ/2, Mineralisation Zone, Non Section 57(2aa) (169.12 Ha., 100.0% encroachment percentage); • P25/2463 - MZ/2, Mineralisation Zone, Non Section 57(2aa) (134.52 Ha., 100.0% encroachment percentage); • P27/2326 - MZ/2, Mineralisation Zone, Non Section 57(2aa) (177.42 Ha., 100.0% encroachment percentage); • P27/2327 - MZ/2, Mineralisation Zone, Non Section 57(2aa) (177.45 Ha., 100.0% encroachment percentage); • P27/2328 - MZ/2, Mineralisation Zone, Non Section 57(2aa) (163.22 Ha., 100.0% encroachment percentage); • P25/2478 - MZ/2, Mineralisation Zone, Non Section 57(2aa) (120.86 Ha., 100.0% encroachment percentage); • P25/2479 - MZ/2, Mineralisation Zone, Non Section 57(2aa) (191.44 Ha., 100.0% encroachment percentage); • P25/2480 - MZ/2, Mineralisation Zone, Non Section 57(2aa) (183.28 Ha., 100.0% encroachment percentage); • P25/2481 - MZ/2, Mineralisation Zone, Non Section 57(2aa) (168.03 Ha., 100.0% encroachment percentage); • P25/2293 - MZ/2, Mineralisation Zone, Non Section 57 (2aa) (53.28 Ha., 100.0% encroachment percentage); • P25/2377 - MZ/2, Mineralisation Zone, Non Section 57 (2aa) (198.48 Ha., 100.0% encroachment percentage);

	Land Type	Description
		<ul style="list-style-type: none">• E25/499 – MZ/2, Mineralisation Zone, Non Section 57 (2aa) (928.80 Ha., 100.0% encroachment percentage);• P25/2378 – MZ/2, Mineralisation Zone, Non Section 57 (2aa) (192.71 Ha., 100.0% encroachment percentage);• E25/512 – MZ/2, Mineralisation Zone, Non Section 57 (2aa) (1020.34 Ha., 100.0% encroachment percentage);• P25/2288 – MZ/2, Mineralisation Zone, Non Section 57 (2aa) (101.50 Ha., 100.0% encroachment percentage);• E27/532 – MZ/2, Mineralisation Zone, Non Section 57 (2aa) (1842.50 Ha., 100.0% encroachment percentage);• P25/2287 – MZ/2, Mineralisation Zone, Non Section 57 (2aa) (134.88 Ha., 100.0% encroachment percentage);

	Land Type	Description
3.	Groundwater Area	<p>Groundwater is a reserve of water beneath the earth's surface in pores and crevices of rocks and soil. Recharge of groundwater aquifers is slow and can take many years. Groundwater often supports wetland and stream ecosystems.</p> <p>Groundwater areas are proclaimed under the Rights in Water and Irrigation Act, 1914.</p> <p>There are 45 proclaimed groundwater areas in Western Australia where licences are required to construct or alter a well and to take groundwater. The Department of Water is responsible for managing proclaimed areas under the Act.</p> <p>The following Tenements are subject to groundwater areas:</p> <ul style="list-style-type: none"> • M25/083 – GWA/21, Goldfields (72.74 Ha., 100% encroachment percentage); • E25/520 - GWA/21, Goldfields (830.69 Ha., 100% encroachment percentage); • M25/024 - GWA/21, Goldfields (485.30 Ha., 100% encroachment percentage) • M25/091 - GWA/21, Goldfields (83.23 Ha., 100% encroachment percentage); • M25/129 - GWA/21, Goldfields (179.31 Ha., 100% encroachment percentage); • P25/2286 - GWA/21, Goldfields (121.28 Ha., 100% encroachment percentage); • P25/2367 - GWA/21, Goldfields (195.27 Ha., 100% encroachment percentage); • P25/2368 - GWA/21, Goldfields (196.75 Ha., 100% encroachment percentage); • P25-2369 - GWA/21, Goldfields (169.12 Ha., 100% encroachment percentage); • P25/2463 - GWA/21, Goldfields (134.52 Ha., 100% encroachment percentage); • P27/2326 - GWA/21, Goldfields (177.42 Ha., 100% encroachment percentage); • P27/2327 - GWA/21, Goldfields (177.45 Ha., 100% encroachment percentage); • P27/2328 - GWA/21, Goldfields (163.22 Ha., 100% encroachment percentage); • P25/2478 - GWA/21, Goldfields (120.86 Ha., 100% encroachment percentage); • P25/2479 - GWA/21, Goldfields (191.44 Ha., 100% encroachment percentage); • P25/2480 - GWA/21, Goldfields (183.28 Ha., 100% encroachment percentage); • P25/2481 - GWA/21, Goldfields (168.03 Ha., 100% encroachment percentage); • P25/2293 – GWA/21, Goldfields (53.28 Ha., 100% encroachment percentage); • P25/2377 - GWA/21, Goldfields (198.48 Ha., 100% encroachment percentage); • E25/499 – GWA/21, Goldfields (982.80 Ha., 100% encroachment percentage); • P25/2378 – GWA/21, Goldfields (192.71 Ha., 100% encroachment percentage); • E25/512 – GWA/21, Goldfields (1020.34 Ha., 100% encroachment percentage); • P25/2288 – GWA/21, Goldfields (101.50 Ha., 100% encroachment percentage); • E27/532 – GWA/21, Goldfields (1842.50 Ha., 100% encroachment percentage); • P25/2287 – GWA/21, Goldfields (134.88 Ha., 100% encroachment percentage).

	Land Type	Description
4.	Pastoral Lease N049710 (Hampton Hill)	<p>A lease of Crown land has been granted under Section 114 of the Land Act 1933 (WA), which provides that any Crown land within the State which is not withdrawn from the selection for pastoral purposes, and which is not required to be reserved, may be leased for pastoral purposes.</p> <p>Refer to Section 8 of this Report for information and details of the Tenements which overlap pastoral leases.</p>
5.	Special Category Land (S57/2, Section 57 (4))	<p>Defined under Section 57(4) of the Mining Act 1978 as being those lands that, due to the intensity of mining activity, are exempt from being the subject of an Exploration License.</p> <p>The following Tenements are subject to Section 57(4):</p> <ul style="list-style-type: none"> • M25/024 - S57/2, Section 57 (4) (485.30 Ha., 100% encroachment percentage); • M25/091 - S57/2, Section 57 (4) (83.23 Ha., 100% encroachment percentage); • M25/129 - S57/2, Section 57 (4) (179.31 Ha., 100% encroachment percentage); • P25/2286 - S57/2, Section 57 (4) (121.28 Ha., 100% encroachment percentage); • P25/2367 - S57/2, Section 57 (4) (195.27 Ha., 100% encroachment percentage); • P25/2368 - S57/2, Section 57 (4) (196.75 Ha., 100% encroachment percentage); • P25-2369 - S57/2, Section 57 (4) (149.48 Ha., 88.4% encroachment percentage); • P25/2463 - S57/2, Section 57 (4) (134.52 Ha., 100% encroachment percentage); • P25/2478 - S57/2, Section 57 (4) (120.86 Ha., 100% encroachment percentage); • P25/2479 - S57/2, Section 57 (4) (191.44 Ha., 100% encroachment percentage); • P25/2480 - S57/2, Section 57 (4) (183.28 Ha., 100% encroachment percentage); • P25/2481 - S57/2, Section 57 (4) (168.03 Ha., 100% encroachment percentage); • P25/2293 - S57/2, Section 57 (4) (52.64 Ha., 98.8% encroachment percentage); • P25/2378 - S57/2, Section 54 (4) (192.71 Ha., 100% encroachment percentage); • P25/2288 - S57/2, Section 54 (4) (101.50 Ha., 100% encroachment percentage); • P25/2287 - S57/2, Section 54 (4) (134.88 Ha., 100% encroachment percentage);
6.	Mineral Field 27: N E Coolgardie Mineral Field Kanowna Dist 27	<p>The Tenement is partially overlapped by N E Coolgardie Mineral Field Kanowna Dist 27:</p> <ul style="list-style-type: none"> • E25/520: 265.05 Ha., 31.9% encroachment; • P27/2326: 148.80 Ha., 83.6% encroachment; • P27/2327: 138.98 Ha., 78.3% encroachment; • P27/2328: 119.49 Ha., 73.2% encroachment; • E27/532: 1231.24 Ha., 66.8% encroachment.
7.	Mineral Field 25: E Coolgardie Mineral Field Bulong Dist 25:	<p>The Tenements are overlapped by E Coolgardie Mineral Field Bulong Dist 25 as follows:</p>

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	Land Type	Description
		<ul style="list-style-type: none"> • M25/083: 72.74 Ha., 100% encroachment; • E25/520: 565.64 Ha., 68.1% encroachment; • M25/024: 485.30 Ha., 100.0% encroachment; • M25/091: 83.23 Ha., 100.0% encroachment; • M25/129: 179.31 Ha., 100% encroachment; • P25/2286: 121.28 Ha., 100% encroachment; • P25/2367: 195.27 Ha., 100% encroachment; • P25/2368: 196.75 Ha., 100% encroachment; • P25/2369: 169.12 Ha., 100% encroachment; • P25/2463: 134.52 Ha., 100% encroachment; • P27/2326: 29.02 Ha., 16.4% encroachment; • P27/2327: 38.47 Ha., 21.7% encroachment; • P27/2328: 43.73 Ha., 26.8% encroachment; • P25/2478: 120.86 Ha., 100% encroachment; • P25/2479: 191.44 Ha., 100% encroachment; • P25/2480: 183.28 Ha., 100.0% encroachment; • P25/2481: 168.03 Ha., 100.0% encroachment; • P25/2293: 53.28 Ha., 100.0% encroachment; • P25/2377: 198.48 Ha., 100.0% encroachment; • E25/499: 982.80 Ha., 100.0% encroachment; • P25/2378: 192.71 Ha., 100.0% encroachment; • E25/512: 1020.3 Ha., 100.0% encroachment; • P25/2288: 101.50 Ha., 100% encroachment; • E27/532: 611.25 Ha., 33.2% encroachment; • P25/2287: 134.88 Ha., 100.0% encroachment.
8.	Local Government Authority (LGA) 4280 City of Kalgoorlie-Boulder	<ul style="list-style-type: none"> • M25/083: 72.74 Ha., 100% encroachment; • E25/520: 830.69 Ha., 100% encroachment; • M25/024: 485.30 Ha., 100% encroachment; • M25/091: 83.23 Ha., 100% encroachment; • M25/129: 179.31 Ha., 100% encroachment; • P25/2286: 121.28 Ha., 100% encroachment; • P25/2367: 195.27 Ha., 100% encroachment; • P25/2368: 196.75 Ha., 100% encroachment; • P25/2369: 169.12 Ha., 100% encroachment; • P25/2463: 134.52 Ha., 100% encroachment; • P27/2326: 177.42 Ha., 100% encroachment; • P27/2327: 177.45 Ha., 100% encroachment;

	Land Type	Description
		<ul style="list-style-type: none"> • P27/2328: 163.22 Ha., 100% encroachment; • P25/2478: 120.86 Ha., 100% encroachment; • P25/2479: 191.44 Ha., 100% encroachment; • P25/2480: 183.28 Ha., 100.0% encroachment • P25/2481: 168.03 Ha., 100.0% encroachment • P25/2293: 53.28 Ha., 100.0% encroachment; • P25/2377: 198.48 Ha., 100.0% encroachment; • E25/499: 982.80 Ha., 100.0% encroachment; • P25/2378: 192.71 Ha., 100.0% encroachment; • E25/512: 1020.3 Ha., 100.0% encroachment; • P25/2288: 101.50 Ha., 100.0% encroachment; • E27/532: 1842.50 Ha., 100.0% encroachment; • P25/2287: 134.88 Ha., 100.0% encroachment.
9.	Road Reserve No. 1259	<p>The Tenement is partially overlapped by Road Reserve No. 1259:</p> <ul style="list-style-type: none"> • M25/024: 0.00 Ha., <0.1% encroachment; • P25/2368: 0.00 Ha., <0.1% encroachment; • P25/2286: 0.00Ha., <0.1% encroachment.
10.	Bulong Road Reserve	<p>The Tenement is partially overlapped by Bulong Road Reserve:</p> <ul style="list-style-type: none"> • M25/24: 0.00 Ha., < 0.1% encroachment; • P25/2368: 0.00 Ha., <0.1% encroachment; • P25/2480: 0.00 Ha., <0.1% encroachment;
11.	Road Reserve	E25/512: 0.00Ha.,<0.1% encroachment

	Land Type	Description
12.	Crown Reserve 3912 (Water)	<p>Under section 41 of the Land Administration Act 1997 the Minister may set aside Crown lands by Ministerial Order in the public interest. Every such reservation has its description and designated purpose registered on a Crown Land Title (CLT) and is depicted on an authenticated map held by Landgate.</p> <p>Reservation action is normally initiated by the Department of Lands following community or Government request, land planning decisions, or as a result of the subdivision of land.</p> <p>The Land Act 1933 provided for State reserves to be classified as Class A, B or C. There is no provision in the LAA to create new Class B reserves and there is no longer reference to Class C reserves. Class A affords the greatest degree of protection for reserved lands, requiring approval of Parliament to amend the reserve's purpose or area, or to cancel the reservation. The A classification is used solely to protect areas of high conservation or high community value. Class B reserves continue, but are no longer created under the LAA. The Minister for Lands may deal with Class B reserved lands as normal reserves, provided that, should the reservation be cancelled, a special report is made to both Houses of Parliament within 14 days from the cancellation or within 14 days after the commencement of the next session.</p> <p>Once created, a reserve is usually placed under the care, control and management of a State government department, local government or incorporated community group by way of a Management Order registered against the relevant CLT. A Management Order under the LAA does not convey ownership of the land – only as much control as is essential for the land's management.</p> <p>Crown Reserve 3912 were found on the following Tenements:</p> <ul style="list-style-type: none">• P25/2481: 16.77 Ha., 10.0% encroachment (Class C)• P25/2479: 23.44 Ha., 12.2% encroachment (Class C)
13.	Crown Reserve 3794 (Camping)	<p>See description of Crown Reserve as above.</p> <p>Crown Reserve 3794 were found on the following Tenements:</p> <ul style="list-style-type: none">• P25/2480: 0.46 Ha., 0.3% encroachment (Class C)

	Land Type	Description
14.	Crown Reserve 2843 (Camping)	See description of Crown Reserve above. Crown Reserve 2843 was found on: <ul style="list-style-type: none"> • M25/024: 2.80 Ha., 0.6% encroachment (Class C) • P25/2368: 30.09 Ha., 15.3% encroachment (Class C)
15.	Crown Reserve 2840 (Historic Site (Cemetery))(H97890))	See description of Crown Reserve above. Crown Reserve 2840 was found on M25/024: 3.79 Ha., 0.8% encroachment (Class C)
16.	Crown Reserve 7721 (Trades Hall)	See description of Crown Reserve above. Crown Reserve 7721 was found on M25/024: 0.10 Ha., <0.1% encroachment (Class C)
17.	Vacant Crown Land (VCL No. 503)	Vacant Crown Land was found on the following tenements: <ul style="list-style-type: none"> • P25/2478: 3.76 Ha., 3.1% encroachment; • P25/2479: 9.93 Ha., 5.2% encroachment. • P25/2481: 61.26Ha., 36.5% encroachment
18.	Pastoral Lease N049574 (Black Flag)	See description of pastoral lease above. Pastoral Lease N049574 (Black Flag) was found on E27/532: 505.30 Ha., 27.4% encroachment percentage.
19.	Land Dist 0 - Hampton	All Tenements
20.	Townsite Boundary -Bulong	Tenement P25/2479: 133.71Ha, 69.8%

PART II – NATIVE TITLE CLAIM

NATIVE TITLE CLAIM

TENEMENT AFFECTED	TRIBUNAL NUMBER	FEDERAL COURT NUMBER	APPLICATION NAME	REGISTERED	STATUS
M25/83 E25/520 M25/24 M25/91 M25/129 P25/2286 P25/2367 P25/2368 P25/2369 P25/2463 P27/2326 P27/2327 P27/2328 P25/2478 P25/2479 P25/2480 P25/2481	WC2017/001	WAD186/2017	Maduwongga	Yes	Active

NATIVE TITLE DETERMINATIONS

None

ILUAs

The land the subject of the Tenements is not subject to any ILUAs.

HERITAGE & COMPENSATION AGREEMENTS

Agreement for Heritage Protection Over Exploration and Prospecting Tenure with Maduwongga Native Title Claim (No WC2017/001) Group (**Native Title Claim Group**) dated 3 October 2017 (**Heritage Agreement**) (Refer to Part III).

ABORIGINAL HERITAGE SITES – WESTERN AUSTRALIA

Our searches returned two registered Aboriginal Heritage Sites:

1. Lake Yindarlgotha, Mammu Tjukurrpa (ID: 30602) – over P25/2478; P25/2479; P25/2481 and P25/2480;
2. Lake Yindarlgotha, Duncan Swamp Story Line (ID:30609) – over P25/2478; P25/2479; P25/2481.

PART III – MATERIAL CONTRACT SUMMARIES

1. HERITAGE AGREEMENT

The Company's wholly owned subsidiary, Black Cat Bulong, entered into an Agreement for Heritage Protection Over Exploration and Prospecting Tenure with Maduwongga Native Title Claim (No WC2017/001) Group (**Native Title Claim Group**) dated 3 October 2017 (**Heritage Agreement**).

The Heritage Agreement is made in respect of the following Tenements: P25/2463, P27/2326, P27/2327 and P27/2328 (**Tenements**).

The purpose of the Heritage Agreement is as follows to:

- (a) enable the Applications to be granted without objection; and
- (b) ensure that in its exercise of rights under the Tenements by Black Cat Bulong, the Aboriginal Sites are protected.

A summary of the key terms of the Heritage Agreement are set out below:

- (a) **Commitment to Cooperate**
 - (i) The parties agree to cooperate with each other in order to ensure the proper identification, management and preservation of Aboriginal Sites with the Tenements.
 - (ii) The Parties agree that if, having considered the factors to be taken into account in determining whether a Survey is required, Black Cat Bulong may elect a type of Survey consistent with the level of mining activity they wish to undertake with respect to the Tenements.
 - (iii) In consideration of Black Cat Bulong complying with the Heritage Agreement, the Native Title Claim Group agrees:
 - (A) not to lodge an Objection against the grant of the Applications;
 - (B) to withdraw an existing objection (if any) within 7 days of the date of the Heritage Agreement; and
 - (C) to enter into any further or supplementary agreement necessary to perfect the grant of the Applications.
 - (iv) Black Cat Bulong has agreed not to make an application under section 18 Aboriginal Heritage Act without first notifying and consulting with the Native Title Claim Group.
- (b) **Identifying Areas Where Survey Required** - The Parties agree to consult with each other to decide which parts of the Tenements require Survey.
- (c) **Co-operation for Survey** – the Parties agree to cooperate with each other, the Coordinating Anthropologist and any archaeologist and use best endeavours to ensure that any Survey of the Tenements is carried out.

- (d) **Co-ordinating Anthropologist** – the Co-ordinating Anthropologist will be a person agreed to by the Parties.
- (e) **Survey Costs** – the Co-ordinating Anthropologist must prepare and deliver to the Parties for their approval a budget for the completion of any Survey. The budget must be agreed between the Parties before the commencement of the Survey. Black Cat Bulong will need to make payments to certain members of the Native Title Claim Group or the Heritage Account in accordance with the agreed budget, to cover all costs associated with participation in the survey and logistical costs. Black Cat Bulong will also be responsible for the payment of administration costs and the Co-ordinating Anthropologist and archaeologists reasonable costs.
- (f) **Survey Report** - the Co-ordinating Anthropologist will, in consultation with the Survey Team, prepare a report in accordance with the Guidelines set out in the Agreement.
- (g) **Confidential Information** – The Final Report must not be disclosed by Black Cat Bulong to any third party unless the Native Title Claim group agrees to its disclosure.
- (h) **Assignment** – Black Cat Bulong may assign the whole or part of its interest in the Agreement provided that the Assignee covenants to be bound by the terms of the Agreement.
- (i) **Application of clauses** – the Agreement applies only to the area the subject of the native title determination application (in its form from time to time) made under the *Native Title Act 1993* (Cth) by the Native Title Claim Group which is identified by Federal Court number WAD 186/2017 (**Native Title Claim**) and which remains subject to:
- (i) the Native Title Claim;
 - (ii) another native title claim made by or on behalf of the Native Title Claim Group; or
 - (iii) an approved determination that the Native Title Group holds native title in respect of that part of the Native Title Claim Area.

12. BOARD AND MANAGEMENT

12.1 Directors and key personnel

The Board of the Company consists of:

- (a) **Paul Chapman** – Chairman – Refer to Section 7.8 for Mr Chapman's biography;
- (b) **Gareth Solly** – Proposed Managing Director - Refer to Section 7.8 for Mr Solly's biography;
- (c) **Les Davis** – Non-Executive Director – Refer to Section 7.8 for Mr Davis' biography; and
- (d) **Alex Hewlett** - Non-Executive Director – Refer to Section 7.8 for Mr Hewlett's biography.

Other senior management positions held by the Company are Mark Pitts and Dan Travers appointed as Joint Company Secretaries. The biographies for Mark Pitts and Dan Travers are contained in Section 7.8.

The Company is aware of the need to have sufficient management to properly supervise the exploration and (if successful) the development of the projects in which the Company has, or will in the future have, an interest and the Board will continually monitor the management roles in the Company. As the Company's Project requires an increased level of involvement the Board will look to appoint additional management and/or consultants when and where appropriate to ensure proper management of the Company's projects.

12.2 Disclosure of Interests

The Company has paid no remuneration to its Board since incorporation to the date of this Prospectus and no remuneration will be paid or accrue until such time as the Company is admitted to the Official List.

For each of the Directors, the proposed annual remuneration for the financial year following the Company being admitted to the Official List together with the relevant interest of each of the Directors and their associates in the securities of the Company as at the date of this Prospectus is set out in the table below.

Director	Remuneration (Including superannuation)	Shares and % voting power	Options
Paul Chapman¹	\$60,000	2,880,001 (10.97%)	2,880,001 Options
Gareth Solly	\$240,900	1,200,000 (4.57%)	1,200,000 Options
Les Davis²	\$40,000	2,400,000 (9.14%)	2,400,000 Options
Alex Hewlett³	\$40,000	2,880,000 (10.97%)	2,880,000 Options

Notes:

1. Paul Chapman has indicated that he (or his associates) may apply for up to an additional 500,000 Shares under the Prospectus.

2. Les Davis has indicated that he (or his associates) may apply for up to an additional 250,000 Shares under the Prospectus.
3. Alex Hewlett is also a minority shareholder in K2 Advisory Partners Pty Ltd, which holds 100,000 Shares.

12.3 Agreements with Directors and Related Parties

The Company's policy in respect of related party arrangements is:

- (a) a Director with a material personal interest in a matter is required to give notice to the other Directors before such a matter is considered by the Board; and
- (b) for the Board to consider such a matter, the Director who has a material personal interest is not present while the matter is being considered at the meeting and does not vote on the matter.

As at the date of this Prospectus, the Company has entered into a lease agreement for office rental with Paul Chapman's company, Stone Poneys Nominees Pty Ltd atf Chapman Super Fund. The lease terms are set out below:

- (a) month to month rental with termination on 30 days' notice;
- (b) \$1,500 rent paid per month; and
- (c) variable outgoings estimated at \$500 per month.

Tracey Chapman, Paul Chapman's wife, also provides support services to the Company at a rate of \$500 per day on an as needed basis of 1 to 3 days per week.

12.4 Agreements with Management

Refer to Sections 14.614.6 and 14.7 for summaries of the director appointment letters entered into between the Company and the Directors.

12.5 Deeds of indemnity, insurance and access

The Company has entered into a deed of indemnity, insurance and access with each of its Directors. Under these deeds, the Company will agree to indemnify each officer to the extent permitted by the Corporations Act against any liability arising as a result of the officer acting as an officer of the Company. The Company will also be required to maintain insurance policies for the benefit of the relevant officer and allow the officers to inspect board papers in certain circumstances.

13. CORPORATE GOVERNANCE

13.1 ASX Corporate Governance Council Principles and Recommendations

Our 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 policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent applicable, our Company has adopted *The Corporate Governance Principles and Recommendations (3rd Edition)* as published by ASX Corporate Governance Council (**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 outlined below and the Company's full Corporate Governance Plan is available in a dedicated corporate governance information section of the Company's website (www.blackcatsyndicate.com.au).

13.2 Board of directors

The Board is responsible for corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. The goals of the corporate governance processes are to:

- (a) maintain and increase Shareholder value;
- (b) ensure a prudential and ethical basis for the Company's conduct and activities; and
- (c) ensure compliance with the Company's legal and regulatory objectives.

Consistent with these goals, the Board assumes the following responsibilities:

- (a) developing initiatives for profit and asset growth;
- (b) reviewing the corporate, commercial and financial performance of the Company on a regular basis;
- (c) acting on behalf of, and being accountable to, the Shareholders; and
- (d) identifying business risks and implementing actions to manage those risks and corporate systems to assure quality.

The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors' participation in the Board discussions on a fully-informed basis.

13.3 Composition of the Board

Election of Board members is substantially the province of the Shareholders in general meeting. However, subject thereto:

- (a) membership of the Board of Directors will be reviewed regularly to ensure the mix of skills and expertise is appropriate; and
- (b) the composition of the Board has been structured so as to provide the Company with an adequate mix of directors with industry knowledge, technical, commercial and financial skills together with integrity and judgment considered necessary to represent shareholders and fulfil the business objectives of the Company.

The Board currently consists of three directors (with Gareth Solly to be appointed on and from 1 January 2018) of which Les Davis is considered independent. The Board considers the current balance of skills and expertise is appropriate for the Company for its currently planned level of activity.

To assist the Board in evaluating the appropriateness of the Board's mix of qualifications, experience and expertise, the Board will maintain a Board Skills Matrix.

The Board undertakes appropriate checks before appointing a person as a Director or putting forward to Shareholders a candidate for election as a Director.

The Board ensures that Shareholders are provided with all material information in the Board's possession relevant to a decision on whether or not to elect or re-elect a Director.

The Company shall develop and implement a formal induction program for Directors which allows new directors to participate fully and actively in Board decision-making at the earliest opportunity, and enable new Directors to gain an understanding of the Company's policies and procedures.

13.4 Identification and management of risk

The Board's collective experience will enable accurate 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.

13.5 Ethical standards

The Board is committed to the establishment and maintenance of appropriate ethical standards.

13.6 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.

13.7 Remuneration arrangements

The remuneration of an executive Director will be decided by the Board, without the affected executive Director participating in that decision-making process.

The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$300,000 per annum.

In addition, a Director may be paid fees or other amounts (i.e. subject to any necessary Shareholder approval, non-cash performance incentives such as Options) as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director.

Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The Board reviews and approves the remuneration policy to enable the Company to attract and retain executives and Directors who will create value for Shareholders having consideration to the amount considered to be commensurate for a company of its 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.

13.8 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 (ie Directors and, if applicable, any employees reporting directly to the managing director). The policy generally provides that the written acknowledgement of the Chair (or the Board in the case of the Chairman) must be obtained prior to trading.

13.9 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.

13.10 Audit committee

The Company will not have a separate audit 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.

13.11 Diversity policy

The Board has adopted a diversity policy which provides a framework for the Company to achieve, amongst other things, a diverse and skilled workforce, a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff, improved employment and career development opportunities for employees and a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives.

13.12 Departures from Recommendations

Under the ASX Listing Rules the Company will be required to provide a statement in its annual financial report or on its website disclosing the extent to which it has followed the Recommendations during each reporting period. Where the Company has not followed a Recommendation, it must identify the Recommendation that has not been followed and give reasons for not following it.

The Company's compliance and departures from the Recommendations as at the date of this Prospectus are set out as Annexure 1 to this Report.

14. MATERIAL CONTRACTS

14.1 Lead Manager Mandate

On 15 November 2017, the Company and DJ Carmichael Pty Limited, a licensed security dealer (AFSL 232571), entered into a mandate pursuant to which DJ Carmichael Pty Limited agreed to act as the exclusive lead manager (**Services**) in relation to the Offer (**Lead Manager's Mandate**).

The Mandate duration will be 12 months from the signing of the Mandate, with an option to renew automatically for rolling three-month terms.

DJ Carmichael Pty Limited will receive the following remuneration in consideration for providing the Services:

- (a) a Corporate Advisory retainer of \$10,000 per month (plus GST) (or part thereof) will be payable by the Company to DJ Carmichael Pty Limited for corporate advisory services;
- (b) a fee of 6% plus GST of the gross amount raised under the Offer, be payable in cash or via the issue of fully paid ordinary shares in the Company (at the election of DJ Carmichael Pty Limited) at \$0.20 per Share, to be issued to DJ Carmichael Pty Limited and/or its nominee, at DJ Carmichael Pty Limited's discretion as soon as practicable; and
- (c) an amount of 3,000,000 Broker Options will be issued to DJ Carmichael Pty Limited and/or its nominees at DJ Carmichael Pty Limited's discretion.

Following consultation with the Company, DJ Carmichael Pty Limited will have the right to offer any and all future capital raises to any investor and in any quantum at its sole and absolute discretion, provided that DJ Carmichael Pty Limited will only make offers to investors and seek commitments from parties that it reasonably believes are institutional, professional or sophisticated investors exempt from the disclosure requirements of Chapter 6D of the Corporations Act. DJ Carmichael Pty Limited will consult with the Company in respect to any existing shareholders that the Company wishes to be invited to participate in the equity capital raises. DJ Carmichael Pty Limited will receive a capital raising fee equal to 6% plus GST of the amounts raised under such equity capital raises.

The Lead Manager's Mandate contains conditions, termination and indemnity provisions customary for an agreement of this nature.

14.2 Bulong Agreement

The Company's wholly owned subsidiary, Black Cat Bulong, entered into an Bulong Agreement with Bulong Mining Pty Ltd (ACN 136 647 008) (**Bulong Mining**) dated 8 August 2017 (**Bulong Agreement**), whereby Bulong Mining has agreed to grant to Black Cat Bulong the sole and exclusive option to purchase all of its right, title and interest in the Bulong Tenements .

Black Cat Bulong has also been granted the exclusive right to undertake due diligence and financing on the Bulong Tenements.

A summary of the key terms and conditions of the Bulong Agreement are set out below:

- (a) **Conditions Precedent** - The Bulong Agreement is subject to and conditional on:

- (i) the parties obtaining any necessary consents and approvals under the Mining Act;
- (ii) the receipt of consents from persons who are party to royalty deeds binding on Bulong Mining relating to the Bulong Tenements (**Royalty Condition**); and
- (iii) Bulong Mining completing the acquisition of E25/520 from Henri Chassaing.

The Conditions Precedent are to be satisfied on or before 8 February 2018. If the Conditions Precedent are not satisfied as a result of any act or omission of Black Cat Bulong, Black Cat Bulong will be required to pay the remainder of the Option Fee (detailed below) to Bulong Mining.

- (b) **Option Fee** - Black Cat Bulong has paid to Bulong Mining a non-refundable option fee of \$50,000 plus GST (**Option Fee**).
- (c) **Option Period** - the option commences on the date that the last Condition Precedent is satisfied or waived, and is exercisable at any time on or before 28 February 2018, unless extended in which case the option is exercisable at any time on or before 31 August 2018. A non-refundable, renewal fee of \$50,000 plus GST will apply to extend the option.
- (d) **Licences to conduct activities** - under the Bulong Agreement:
- (i) **Prospecting licence** - Black Cat Bulong granted to Bulong Mining the sole and exclusive right to search for and remove gold from the Bulong Tenements during the Option Period. The licence includes the right to enter, bring such vehicles and equipment, and take samples from the Bulong Tenements and the right to exercise all or any rights of the registered holder and beneficial owner of the Bulong Tenements.
 - (ii) **Exploration licence** - Bulong Mining grants to Black Cat Bulong the sole and exclusive right to carry out exploration upon the Bulong Tenements for the Option Period. The licence includes the right to enter, bring such vehicles and equipment, drill and take samples from the Bulong Tenements, and the right to exercise all or any rights of the registered holder and beneficial owner of the Bulong Tenements.
- (e) **Abandonment and termination** - Black Cat Bulong may at any time abandon the option. If the option is not exercised on or before the expiry of the Option Period or Black Cat abandons the option, the agreement will terminate.
- (f) **Completion and Consideration** - if Black Cat Bulong exercises the option, the consideration payable for the acquisition of the Bulong Tenements (and the Mining Information with respect to the Bulong Tenements) is \$700,000 (plus GST).

14.3 Edwards Agreement

On 14 November 2017, the Company's subsidiary, Black Cat Bulong, entered into a heads of agreement (**Edwards Agreement**) with Mr Cranston Gilbert Edwards as trustee for The Emex Trust (ABN 61 231 926 411) (**Edwards**) for the acquisition of 100% of the rights, title and interest in the Edwards Tenements.

A summary of the key terms and conditions of the Edwards Agreement is set out below:

- (a) (**Consideration**): the consideration to be paid to Edwards for the Acquisition is:
- (i) a non-refundable deposit of \$30,000 (plus GST) payable by Black Cat Bulong immediately upon execution of the Agreement (which amount has been paid);
 - (ii) a cash payment of \$150,000 (plus GST), payable by Black Cat Bulong at Settlement (**Cash Consideration**);
 - (iii) the Company issuing Edwards (or his nominee) at Settlement, 1,000,000 Shares (**Consideration Shares**); and
 - (iv) a 1% gross revenue royalty (**Royalty**) in respect of minerals produced from the area within the boundaries of the Edwards Tenements, as those boundaries exist as at the date of the Agreement.
- (b) (**Conditions Precedent**): Settlement of the acquisition is conditional upon the satisfaction (or waiver by the parties) of the following conditions precedent:
- (i) Black Cat Bulong completing technical, financial and legal due diligence on the Assets, to the sole and absolute satisfaction of Black Cat Bulong;
 - (ii) Black Cat Bulong obtaining all required third party, regulatory and governmental approvals and consents to give effect to the acquisition including any necessary shareholder approvals required by the Corporations Act (and any other applicable law or regulations);
 - (iii) conditional approval being obtained from ASX to grant official quotation of the securities of the Company to trading on ASX (after the Company complies with Chapters 1 and 2 of the ASX Listing Rules) and those conditions being satisfied to the reasonable satisfaction of the parties;
 - (iv) the Vendor obtaining all regulatory and governmental approvals and third-party approvals, consents and/or waivers to give effect to Acquisition including any necessary shareholder approvals;
 - (v) Black Cat Bulong being satisfied as at Settlement that there has been no material adverse change in relation to the Edwards Tenements; and

- (vi) each of the warranties given by the Vendor being true and correct on the date of settlement.

If the Conditions set out above are not satisfied (or waived by the Company) on or before 5.00pm (WST) on 1 March 2018 (**End Date**) or such later date as is agreed between the parties in writing, either party may terminate this Agreement.

Black Cat Bulong may extend the End Date to 31 August 2018 in consideration for making a non-refundable payment of \$20,000 (plus GST).

The Heads of Agreement otherwise contains terms and conditions which are considered standard for an agreement of its nature.

14.4 Tenement E25/520 – Trust Arrangements

Black Cat Bulong, Mr Henri Chassaing and Bulong Mining Pty Ltd, are parties to a trust deed with respect to exploration licence E25/520 (**Trust Tenement**) under which it was agreed as follows:

- (a) (**Acknowledgment**): The parties acknowledge the following:
- (i) Mr Henri Chassaing is the current registered holder of the Trust Tenement;
 - (ii) Mr Henri Chassaing has agreed to transfer the Trust Tenement to Bulong Mining;
 - (iii) it is a Condition Precedent under the Option Agreement that Bulong Mining is to complete the acquisition of the Trust Tenement from Mr Henri Chassaing as soon as possible;
 - (iv) pursuant to section 64 of the Mining Act 1978 (WA) (Act), during the first year of the term for which the Trust Tenement is granted, a legal or equitable interest in or affecting the Trust Tenement shall not be transferred or otherwise dealt with, whether directly or indirectly, unless prior written consent to the dealing or other transaction in or affecting the interest is given by the Minister responsible for administration of the Act (**Minister**), or an officer of the Department of Mines, Industry Regulation and Safety (**Department**) acting with the authority of the Minister;
- (b) (**Right to Possession**): on and from Completion under the Option Agreement, right to possession of the Trust Tenement will pass to Black Cat and until such time as the Trust Tenement is transferred to Black Cat, the rights of Mr Henri Chassaing as the registered holder of the Trust Tenement, are hereby transferred to Black Cat to be exercised by Black Cat in the name of Mr Henri Chassaing and are held on trust by Mr Henri Chassaing for Black Cat;
- (c) (**Deliverables**): Mr Henri Chassaing will deliver to Black Cat Bulong following Completion under the Bulong Agreement:
- (i) an executed transfer, in favour of Black Cat, of Mr Henri Chassaing's registered interest in the Trust Tenement to enable

Black Cat to become the registered holder of the Trust Tenement;

- (ii) a duly executed letter from Mr Henri Chassaing to the Department instructing that from the Completion Date, all notices relating to the Trust Tenement be sent to Black Cat; and
 - (iii) an executed power of attorney in favour of Black Cat to do all things, and exercise all rights with regards to the Trust Tenement; and
- (d) **(Further Assistance):** Mr Henri Chassaing shall, at the cost of Black Cat Bulong, provide any reasonable assistance that Black Cat Bulong may request with respect to the Trust Tenement.

14.5 Voluntary Restriction Deeds

The Company has entered into Voluntary Restriction Deeds with the following shareholders:

Restricted Shareholder	Restricted Securities	
	Shares	Options
Justin and Tina Hardy	1,280,000	320,000
Australian Commercial Minerals Exporters Pty Ltd (ACN 612 264 614)	1	Nil
P.B. & C.A. Johnston <The Johnston Family A/C>	1,280,000	320,000
Elefantino Pty Ltd <Talula Trust A/C> (ACN 133 139 661)	2,880,000	2,880,000
Briken Nominees Pty Ltd <Briken AC> (ACN 125 712 236)	1,600,000	400,000
Viewmore Holdings Pty Ltd (ACN 086 256 975)	200,000	50,000
Hamila Pty Ltd (ACN 009 020 035)	200,000	50,000
Sauron Capital Pty Ltd (ACN 141 179 731)	2,000,000	500,000
Mitzee Nominees Pty Ltd <Tracey's Super Fund A/C> (ACN 164 386 949)	177,778	177,778
Nameo Pty Ltd (ACN 155 839 197)	1,280,000	320,000
Leslie Brian Davis & Annette Fay Davis <LB & AF Davis Super Fund A/C>	2,400,000	2,400,000
Ivanhoe Investments Proprietary Limited (ACN 160 273 227)	1,280,000	320,000
Ashok Parekh	1,280,000	320,000
Prudence Anne Chapman	177,778	177,778
Paul Ian Chapman <Estate of Pamela May Chapman>	177,778	177,778
Stone Poneys Nominees Pty Ltd <Chapman Super Fund A/C> (ACN 113 583 743)	2,168,889	2,168,889
Andrew Paul William Chapman	177,778	177,778
Gareth Solly	600,000	600,000
Fiona Solly	600,000	600,000

Under the Voluntary Restriction Deeds, each Restricted Shareholder has agreed that the Restricted Securities will be restricted from trading for 2 years from the date of the Company listing on the ASX (**Escrow Period**). For a number of these Shareholders, the Escrow Period will be equivalent to the restriction imposed under the ASX Listing Rules.

The key terms of the Voluntary Restriction Deeds are as follows:

- (a) **(Restrictions)**: Subject to certain exceptions, during the Escrow Period, the Restricted Shareholder will not:
 - (i) dispose of, or agree or offer to dispose of, the Restricted Securities;
 - (ii) create or agree or offer to create, any security interest in the Restricted Securities; or
 - (iii) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of the Restricted Securities.
- (b) **(Condition Precedent)**: The Voluntary Restriction Deeds are conditional upon the Company's Shareholders passing a resolution, under item 7 of section 611 of the Corporations Act, allowing the Company to obtain a relevant interest in itself by entering into the Voluntary Restriction Deeds, which give the Company a relevant interest in more than 20% of its issued share capital.
- (c) **(Holding Lock)**: Subject to certain exceptions (including accepting a takeover offer or having the Shares dealt with under a scheme of arrangement), during the Escrow Period, the Restricted Securities will be subject to a holding lock and the Company may apply the holding lock and prevent a transfer of the Restricted Securities by either requesting the Share Registry to apply the holding lock or refusing to register a paper-based transfer document in respect of the Restricted Securities.
- (d) **(Consequence of Breach)**: If a Restricted Shareholder breaches a Voluntary Restriction Deed, each of the following applies:
 - (i) the Company must take the steps necessary to enforce the Voluntary Restriction Deed, or to rectify the breach; and
 - (ii) the Company must refuse to acknowledge, deal with, accept or register any sale, assignment, transfer or conversion of any of the Restricted Securities.

14.6 Executive Director Appointment Letter – Gareth Solly

The Company and Gareth Solly have entered into an executive services agreement (**Solly ESA**) pursuant to which Mr Solly is appointed as Managing Director of the Company. The material terms of the Solly ESA are as follows:

- (a) **(Term)**: Mr Solly's employment will be for a term of 3 years commencing on 1 January 2018. The Company may extend the term for another 3-year period by giving not less than 6 months' notice.

- (b) **(Remuneration):** The Company will pay Mr Solly for services rendered, a salary of \$220,000 per year, on a Total Employment Cost basis (being the cost to the Company of providing remuneration to the Executive and is inclusive of base salary (exclusive of superannuation of \$20,900), Taxes and non cash benefits and any other benefit specifically provided for in the Agreement). Mr Solly will not, in addition to the Salary, receive director's fees from the Company. The Company may at any time during the Term pay to Mr Solly a performance-based bonus over and above the Salary.
- (c) **(Termination by the Company):** the Company may at its sole discretion terminate Mr Solly in the following manner and in accordance with the NES under the Fair Work Act:
- (i) by giving not less than one (1) month's written notice if at any time Mr Solly:
 - (A) is or becomes incapacitated by illness or injury of any kind which prevents Mr Solly from performing duties under this Agreement for a period of two (2) consecutive months or any periods aggregating two (2) months in any period of 12 months during the term of the Employment; or
 - (B) is or becomes of unsound mind or under the control of any committee or officer under any law relating to mental health;
 - (C) commits any serious or persistent breach of any of the provisions contained in the Solly ESA and the breach is not remedied within 14 days of the receipt of written notice from the Company to the Executive to do so;
 - (D) in the reasonable opinion of the Board, is absent in, or demonstrates incompetence with regard to the performance of the Mr Solly's duties under the Solly ESA, or is neglectful of any duties under the Solly ESA or otherwise does not perform all duties under the Solly ESA in a satisfactory manner, provided that Mr Solly:
 - (I) has been counselled on at least three separate occasions of the specific matters complained of by the Board; and
 - (II) after each such occasion has been provided with a reasonable opportunity of at least a month to remedy the specific matters complained of by the Board;
 - (E) Mr Solly commits or becomes guilty of any Gross Misconduct; or
 - (F) refuses or neglects to comply with any lawful reasonable direction or order given to Mr Solly by the Company which the Mr Solly, after receipt of prior notice, has failed to rectify to the reasonable

satisfaction of the Company within 21 business days of receipt of that notice; or

- (ii) summarily without notice:
 - (A) if at any time Mr Solly is convicted of any major criminal offence which brings the Company or any of its Related Bodies Corporate into lasting disrepute, by giving notice effective immediately and without payment of any salary other than salary accrued to the date of termination; or
 - (B) as otherwise set out in the Solly ESA; or.
- (iii) by giving three (3) months' written notice to Mr Solly. The Company may elect to pay Mr Solly the equivalent of three (3) months' salary and dispense with the notice period.
- (d) **(Termination by the Executive):** Mr Solly may at his sole discretion terminate the Employment in the following manner:
 - (i) if at any time the Company commits any serious or persistent breach of any of the provisions contained in the Solly ESA and the breach is not remedied within 28 days of receipt of written notice from Mr Solly to the Company to do so, by giving notice effective immediately; or
 - (ii) by giving three (3) months' written notice to the Company.

The Solly ESA also contains various other terms and conditions that are considered standard for an agreement of this nature.

14.7 **Non-Executive Director Appointment Letters – Paul Chapman, Les Davis and Alex Hewlett**

The Company has entered into non-executive director appointment letters with Paul Chapman, Les Davis and Alex Hewlett pursuant to which Paul Chapman, Les Davis and Alex Hewlett are appointed as Non-Executive Directors of the Company. Paul Chapman will act as Chairman of the Company.

The Non-Executive Directors are appointed on the following terms:

- (b) **(Fees):** The Directors will be paid the following fees (which includes superannuation entitlements):
 - (i) Paul Chapman - \$60,000 per annum;
 - (ii) Les Davis - \$40,000 per annum;
 - (iii) Alex Hewlett - \$40,000 per annum.

Payment of fees will only commence upon a successful ASX listing by the Company. No fees will be accrued or paid in respect of the period prior to the ASX listing.

- (c) **(Term):** the term of the Non-Executive Director's appointments are subject to provisions of the Constitution relating to retirement by rotation

and re-election of directors and will automatically cease at the end of any meeting at which the Non-Executive Director is not re-elected by Shareholders.

The appointment letters otherwise contain terms and conditions that are considered standard for agreements of this nature.

14.8 Services Agreement – Endeavour Corporate

The Company has entered an agreement with Endeavour Corporate for the provision of Company Secretarial services to assist with the management of the statutory compliance and reporting obligations of the Company.

The key terms of the service agreement are as follows:

- (a) **(Scope of Engagement):** Endeavour Corporate will undertake to provide a Company Secretarial service to assist with the management of the statutory compliance and reporting obligations of the Company. Endeavour Corporate will also assist with the provision of finance and accounting support within the organization.
- (b) **(Commencement):** the provision of professional services will commence in October 2017.
- (c) **(Fees):** A fee of \$7,500 per month for Company Secretarial and Financial Accounting services post IPO.
- (d) **(Termination):** Either party may terminate the engagement at any time by the provision of 1 month's written notice to the other party (or payment of monthly fees in lieu thereof).

15. ADDITIONAL INFORMATION**15.1 Litigation**

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

15.2 Rights attaching to Shares

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

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

(a) General meetings

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

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

(b) Voting rights

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

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

(c) Dividend rights

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time

declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, divide among the shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution of the Company, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

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

(f) **Transfer of Shares**

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

(g) **Variation of rights**

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

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

(h) **Alteration of Constitution**

The Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

15.3 Options

A summary of the material terms of the Options are set out below:

- (a) **(Entitlement)** - each Option entitles the holder to subscribe for one Share upon exercise of the Option.
- (b) **(Exercise Price)**- the amount payable upon exercise of each Option will be the higher of the ASX IPO price or \$0.20.
- (c) **(Expiry Date)** - Each Option will expire at 5:00 pm (WST) on that date which is 60 months from the date the Company is admitted to the Official List of ASX. 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 on or prior to the Expiry Date.
- (e) **(Notice of Exercise)** - The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate 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.
- (f) **(Exercise Date)** - A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds.
- (g) **(Shares issued on exercise)** - Shares issued on exercise of the Options rank equally with the then issued shares of the Company.
- (h) **(Reconstruction of capital)** - If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (i) **(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 without exercising the Options.

- (j) **(Change in exercise price)** - An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.
- (k) **(Not Quoted)** - The Company will not apply for quotation of the Options on the ASX.
- (l) **(Transferability)** - The Options are transferable subject to any restriction or escrow arrangements imposed by the Company, the ASX or under applicable Australian securities laws.

15.4 Broker Options

A summary of the material terms of the Broker Options are set out below:

- (a) **(Entitlement)** - each Broker Option entitles the holder to subscribe for one Share upon exercise of the Broker Option.
- (b) **(Exercise Price)**- the amount payable upon exercise of each Broker Option will be \$0.20.
- (c) **(Expiry Date)** - Each Broker Option will expire at 5:00 pm (WST) on that date which is 60 months from the date the Company is admitted to the Official List of ASX. A Broker Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) **(Exercise Period)** - The Broker Options are exercisable at any time on or prior to the Expiry Date.
- (e) **(Notice of Exercise)** - The Broker Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Broker Option certificate and payment of the Exercise Price for each Broker Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.
- (f) **(Exercise Date)** - A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Broker Option being exercised in cleared funds.
- (g) **(Shares issued on exercise)** - Shares issued on exercise of the Broker Options rank equally with the then issued shares of the Company.
- (h) **(Reconstruction of capital)** - If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (i) **(Participation in new issues)** - There are no participation rights or entitlements inherent in the Broker Option and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Broker Options without exercising the Broker Options.

- (j) **(Change in exercise price)** – A Broker Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Broker Option can be exercised.
- (k) **(Not Quoted)** - The Company will not apply for quotation of the Broker Options on the ASX.
- (l) **(Transferability)** - The Broker Options are transferable subject to any restriction or escrow arrangements imposed by the Company, the ASX or under applicable Australian securities laws.

15.5 Incentive Option Plan

The Company has adopted an employee incentive option plan (**ESOP or Option Plan**) on the terms and conditions as set out below:

- (a) **(Eligibility and Grant of Plan Options)**: The Board may grant options to acquire Shares under the Option Plan (**ESOP Options**) to any full or part time employee or director of the Company or subject to, and in accordance with, any necessary ASIC relief being obtained, a casual employee or contractor of the Company (**Eligible Participant**). ESOP Options may be granted by the Board at any time.
- (b) **(No Consideration)**: Unless the ESOP Options are quoted on ASX, ESOP Options will be issued for no more than nominal cash consideration.
- (c) **(Conversion)**: Each ESOP Option is exercisable into one Share ranking equally in all respect with the existing issued Shares.
- (d) **(Exercise Price and Expiry Date)**: The exercise price and expiry date for ESOP Options granted under the Option Plan will be determined by the Board prior to the grant of the ESOP Options.
- (e) **(Exercise Restrictions)**: The ESOP Options granted under the Option Plan may be subject to conditions on exercise as may be fixed by the Board prior to grant of the ESOP Options (**Exercise Conditions**). Any restrictions imposed by the Board must be set out in the offer for the ESOP Options.
- (f) **(Renounceability)**: Eligible Participants may renounce their offer in favour of a nominee (the Eligible Participants and their nominees are each **Participants**).
- (g) **(Lapsing of ESOP Options)**: Unless the Board determines otherwise, subject to the terms of the offer made to a Participant, an unexercised ESOP Option will lapse upon the earlier to occur of:
 - (i) an unauthorised dealing in, or hedging of, the Option;
 - (ii) a Vesting Condition in relation to the Option is not satisfied by the due date, or becomes incapable of satisfaction, as determined by the Board in its absolute discretion, unless the Board exercises its discretion to waive the Vesting Condition and vest the Option;
 - (iii) in respect of unvested Options only, a Relevant Person ceases to be an Eligible Participant, unless the Board:

- (A) exercises its discretion to vest the Option; or
- (B) in its absolute discretion, resolves to allow the unvested Options to remain unvested after the Relevant Person ceases to be an Eligible Participant;
- (iv) in respect of vested Options only, a Relevant Person ceases to be an Eligible Participant and the Option granted in respect of that Relevant Person is not exercised within one (1) month (or such later date as the Board determines) of the date the Relevant Person ceases to be an Eligible Participant;
- (v) the Board deems that an Option lapses due to fraud, dishonesty or other improper behaviour of the holder/Eligible Participant;
- (vi) the Company undergoes a Change of Control or a winding up resolution or order is made, and the Option does not vest in; and
- (vii) the Expiry Date of the Option.
- (h) **(Share Restriction Period):** Shares issued on the exercise of ESOP Options may, at the discretion of the Board, be subject to a restriction that they may not be transferred or otherwise dealt with until a restriction period has expired, as specified in the offer for the ESOP Options.
- (i) **(Disposal of Options):** ESOP Options will not be transferable and will not be quoted on the ASX, unless the offer provides otherwise or the Board in its absolute discretion approves.
- (j) **(Trigger Events):** The Company may permit ESOP Options to be exercised in certain circumstances where there is a change in control of the Company (including by takeover) or entry into a scheme of arrangement.
- (k) **(Participation):** There are no participating rights or entitlements inherent in the ESOP Options and holders will not be entitled to participate in new issues of capital offered to shareholders of the Company during the currency of the ESOP Options.
- (l) **(Change in exercise price):** An ESOP Option will not confer a right to a change in exercise price or a change in the number of underlying Shares over which the ESOP Option can be exercised.
- (m) **(Reorganisation):** If at any time the capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a Participant are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.
- (n) **(Limitations on Offers):** the Company must have reasonable grounds to believe, when making an offer under the Option Plan that the number of Shares to be received on exercise of ESOP Options, when aggregated with the number of Shares issued or that may be issued as a result of offers made at any time during the previous 3 year period under

an employee incentive scheme covered by an ASIC Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the offer.

15.6 Interests of Directors

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

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

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

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

15.7 Interests of Experts and Advisers

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

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

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

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

(ii) the Offer; or

(c) the Offer,

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

(d) the formation or promotion of the Company; or

(e) the Offer.

CSA Global has acted as Independent Geologist and has prepared the Independent Technical Assessment Report which is included in section 9 of this Prospectus. The Company estimates it will pay CSA Global a total of \$45,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, CSA Global has not received fees from the Company for any other services.

Crowe Horwath has acted as Investigating Accountant and has prepared the Investigating Accountant's Report which is included in section 10 of this Prospectus. The Company estimates it will pay Crowe Horwath a total of \$5,000-9,500 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Crowe Horwath has not received any fees from the Company for any other services.

DJ Carmichael Pty Limited will receive 6% plus GST of the gross amount raised under the Offer, as well as Broker Options and a retainer fee. Further details in respect to the Lead Manager Mandate with DJ Carmichael Pty Limited are set out in Section 14.1. During the 24 months preceding lodgement of this Prospectus with the ASIC, DJ Carmichael Pty Limited has received \$31,846.74 from the Company for corporate advisory and capital raising services.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer and has prepared the Solicitor's Report on Tenements which is included in section 11 of this Prospectus. The Company estimates it will pay Steinepreis Paganin \$65,000 (excluding GST) for these services. Subsequently, fees will be charged in accordance with normal charge out rates. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has not received fees from the Company for any other services.

15.8 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Securities), the Directors, the persons named in the Prospectus with their consent as Proposed Directors, any underwriters, 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.

Each of the parties referred to in this section:

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

CSA Global has given its written consent to being named as Independent Geologist in this Prospectus, the inclusion of the Independent Technical Assessment Report in section 9 of this Prospectus in the form and context in which the report is included and the inclusion of statements contained in the Chairman's Letter, Investment Overview in section 7 of this Prospectus in the form and context in which those statements are included. CSA Global has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC.

Crowe Horwath has given its written consent to being named as Investigating Accountant in this Prospectus and to the inclusion of the Investigating Accountant's Report in section 10 of this Prospectus in the form and context in which the information and report is included. Crowe Horwath has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC.

DJ Carmichael Pty Limited has given its written consent to being named as Lead Manager to the Company in this Prospectus. DJ Carmichael Pty Limited has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus and to the inclusion of the Solicitor's Report on Tenements in section 11 of this Prospectus in the form and context in which the report is included. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Computershare has given its written consent to being named as the share registry to the Company in this Prospectus. Computershare has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

15.9 Expenses of the Offer

The total expenses of the Offer (excluding GST) are estimated to be approximately \$564,000 and are expected to be applied towards the items set out in the table below:

Item of Expenditure	Full Subscription (\$6,000,000)
ASIC fees	\$2,000
ASX fees	\$72,000
Broker Commissions*	\$360,000
Legal Fees	\$65,000
Independent Geologist's Fees	\$45,000
Investigating Accountant's Fees	\$10,000
Prospectus Distribution	\$5,000
Miscellaneous	\$5,000
TOTAL	\$564,000

* Broker commissions will only be paid on applications made through a licensed securities dealers or Australian financial services licensee and accepted by the Company (refer to section 6.10 of this Prospectus for further information). The amount calculated is based on 100% of applications being made in this manner.

15.10 Continuous disclosure obligations

Following admission of the Company to the Official List, 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 Company's securities.

Price sensitive information will be publicly released through ASX before it is disclosed to shareholders and market participants. Distribution of other information to shareholders and market participants will also be managed through disclosure to the ASX. In addition, the Company will post this information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

15.11 Electronic Prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please contact the Company and the Company will send you, for free, a further electronic copy of this Prospectus. Alternatively, a copy of this Prospectus can be downloaded directly from the special purpose website www.BlackCatSyndicateOffer.com.au or indirectly from the website of the Company at www.blackcatsyndicate.com.au. Online applications may be made by following the instructions at www.BlackCatSyndicateOffer.com.au and completing a BPAY® payment.

In order to control costs and to help the environment, the Company has decided not to prepare hard copies of this Prospectus.

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.

15.12 Financial Forecasts

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

15.13 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will apply to participate in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company.

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

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

15.14 Privacy statement

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

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

You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the share registry at the relevant contact number set out in this Prospectus.

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

16. DIRECTORS' AUTHORISATION

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

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

Paul Chapman
Chairman
for and on behalf of
BLACK CAT SYNDICATE LIMITED

17. GLOSSARY

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

\$ means an Australian dollar.

Application Form means the application form attached to or accompanying this Prospectus relating to the Offer.

Applications means the applications made for those tenements set out in Part I, Section C of the Solicitor's Report on Tenements in Section 11.

ASIC means Australian Securities & Investments Commission.

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

ASX Listing Rules means the official listing rules of ASX.

Board means the board of Directors as constituted from time to time.

Broker Option means an option to acquire a Share on the terms set out in Section 15.4.

Bulong Agreement has the meaning set out in Section 14.2.

Bulong Project means the project set out in Section 7.1.

Bulong Tenements means those tenements set out in Part I, Section A of the Solicitor's Report on Tenements in Section 11.

Closing Date means the closing date of the Offer as set out in the indicative timetable in the Investment Overview in section 4.1 of this Prospectus (subject to the Company reserving the right to extend the Closing Date or close the Offer early).

Company means Black Cat Syndicate Limited (ACN 620 896 282).

Constitution means the constitution of the Company.

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

Directors means the directors of the Company at the date of this Prospectus and the Proposed Director.

Edwards Agreement means the agreement dated 14 November 2017 with Cranston Gilbert Edwards as trustee for The Emex Trust (ABN 61231926411) with respect to the Edwards Tenements.

Edwards Tenements means those Tenements set out in Section B of the Solicitor's Report on Tenements in Section 11.

Exploration Target means the exploration target estimated by the Independent Geologist, as set out in section 2.6.1 of the Independent Technical Assessment Report set out in Section 9 of this Prospectus.

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.

Incentive Option Plan means the employee incentive option plan of the Company dated 27 November 2017 as summarised in Section 15.5.

JORC Code means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

Mining Act means the *Mining Act 1978* (WA).

Offer means the offer of Shares pursuant to this Prospectus as set out in Section 6 of this Prospectus.

Official List means the official list of ASX.

Official Quotation means official quotation by ASX in accordance with the ASX Listing Rules.

Option means an option to acquire a Share on the terms set out in Section 15.3.

Optionholder means a holder of an Option or a Broker Option.

Proposed Director means Gareth Solly, who will be appointed as Managing Director with effect from 1 January 2018.

Prospectus means this prospectus.

Tenements means the Bulong Tenements, the Edwards Tenements and the Applications.

Trust Tenement has the meaning given to it in Section 14.4.

Section means a section of this Prospectus.

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

Shareholder means a holder of Shares.

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

ANNEXURE 1: COMPLIANCE AND DEPARTURES FROM ASX RECOMMENDATIONS

BLACK CAT SYNDICATE LIMITED
ACN 620 896 282
(Company)

CORPORATE GOVERNANCE STATEMENT

This Corporate Governance Statement is current as at 27 November 2017 and has been approved by the Board of the Company on that date.

This Corporate Governance Statement discloses the extent to which the Company will, as at the date it is admitted to the official list of the ASX, follow the recommendations set by the ASX Corporate Governance Council in its publication Corporate Governance Principles and Recommendations (**Recommendations**). The Recommendations are not mandatory, however the Recommendations that will not be followed have been identified and reasons provided for not following them along with what (if any) alternative governance practices the Company intends to adopt in lieu of the recommendation.

The Company has adopted a Corporate Governance Plan which provides the written terms of reference for the Company's corporate governance duties.

Due to the current size and nature of the existing Board and the magnitude of the Company's operations, the Board does not consider that the Company will gain any benefit from individual Board committees and that its resources would be better utilised in other areas as the Board is of the strong view that at this stage the experience and skill set of the current Board is sufficient to perform these roles. Under the Company's Board Charter, the duties that would ordinarily be assigned to individual committees are currently carried out by the full Board under the written terms of reference for those committees.

The Company's Corporate Governance Plan is available on the Company's website at www.blackcatsyndicate.com.au.

RECOMMENDATIONS (3 RD EDITION)	COMPLY	EXPLANATION
<i>Principle 1: Lay solid foundations for management and oversight</i>		
<p>Recommendation 1.1</p> <p>A listed entity should have and disclose a charter which sets out the respective roles and responsibilities of the Board, the Chair and management, and includes a description of those matters expressly reserved to the Board and those delegated to management.</p>	YES	<p>The Company has adopted a Board Charter that sets out the specific roles and responsibilities of the Board, the Chair and management and includes a description of those matters expressly reserved to the Board and those delegated to management.</p> <p>The Board Charter sets out the specific responsibilities of the Board, requirements as to the Board's composition, the roles and responsibilities of the Chairman and Company Secretary, the establishment, operation and management of Board Committees, Directors' access to Company records and information, details of the Board's relationship with management, details of the Board's performance review and details of the Board's disclosure policy.</p> <p>A copy of the Company's Board Charter, which is part of the Company's Corporate Governance Plan, is available on the Company's website.</p>
<p>Recommendation 1.2</p> <p>A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a Director; and</p> <p>(b) provide security holders with all material information relevant to a decision on whether or not to elect or re-elect a Director.</p>	YES	<p>(a) The Company has guidelines for the appointment and selection of the Board in its Corporate Governance Plan. The Company's Nomination Committee Charter (in the Company's Corporate Governance Plan) requires the Nomination Committee (or, in its absence, the Board) to ensure appropriate checks (including checks in respect of character, experience, education, criminal record and bankruptcy history (as appropriate)) are undertaken before appointing a person, or putting forward to security holders a candidate for election, as a Director.</p> <p>(b) Under the Nomination Committee Charter, all material information relevant to a decision on whether or not to elect or re-elect a Director must be provided to security holders in</p>

RECOMMENDATIONS (3 RD EDITION)	COMPLY	EXPLANATION
		the Notice of Meeting containing the resolution to elect or re-elect a Director.
<p>Recommendation 1.3</p> <p>A listed entity should have a written agreement with each Director and senior executive setting out the terms of their appointment.</p>	YES	<p>The Company's Nomination Committee Charter requires the Nomination Committee (or, in its absence, the Board) to ensure that each Director and senior executive is a party to a written agreement with the Company which sets out the terms of that Director's or senior executive's appointment.</p> <p>The Company has written agreements with each of its Directors and senior executives.</p>
<p>Recommendation 1.4</p> <p>The company secretary of a listed entity should be accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.</p>	YES	<p>The Board Charter outlines the roles, responsibility and accountability of the Company Secretary. In accordance with this, the Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.</p>
<p>Recommendation 1.5</p> <p>A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the Board or a relevant committee of the Board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period:</p> <p>(i) the measurable objectives for achieving gender diversity set by the Board in accordance with the entity's diversity policy and its progress towards achieving them; and</p>	PARTIALLY	<p>(a) The Company has adopted a Diversity Policy which provides a framework for the Company to establish and achieve measurable diversity objectives, including in respect of gender diversity. The Diversity Policy allows the Board to set measurable gender diversity objectives if considered appropriate, and to assess annually both the objectives if any have been set and the Company's progress in achieving them.</p> <p>(b) The Diversity Policy is available, as part of the Corporate Governance Plan, on the Company's website.</p> <p>(c)</p> <p>(i) The Board does not presently intend to set measurable gender diversity objectives because:</p> <p>- the Board does not anticipate there will be a</p>

RECOMMENDATIONS (3 RD EDITION)	COMPLY	EXPLANATION
<p>(ii) either:</p> <p>a. the respective proportions of men and women on the Board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>b. if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in the Workplace Gender Equality Act.</p>		<p>need to appoint any new Directors or senior executives due to limited nature of the Company's existing and proposed activities and the Board's view that the existing Directors and senior executives have sufficient skill and experience to carry out the Company's plans; and</p> <p>- if it becomes necessary to appoint any new Directors or senior executives, the Board considered the application of a measurable gender diversity objective requiring a specified proportion of women on the Board and in senior executive roles will, given the small size of the Company and the Board, unduly limit the Company from applying the Diversity Policy as a whole and the Company's policy of appointing based on skills and merit; and</p> <p>(ii) the respective proportions of men and women on the Board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes) for each financial year will be disclosed in the Company's Annual Report.</p>
<p>Recommendation 1.6</p> <p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the Board, its committees and individual Directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the</p>	YES	<p>(a) The Company's Nomination Committee (or, in its absence, the Board) is responsible for evaluating the performance of the Board, its committees and individual Directors on an annual basis. It may do so with the aid of an independent advisor. The process for this is set out in the Company's Corporate Governance Plan, which is available on the Company's website.</p> <p>(b) The Company's Corporate Governance Plan requires the</p>

RECOMMENDATIONS (3 RD EDITION)	COMPLY	EXPLANATION
reporting period in accordance with that process.		Company to disclose whether or not performance evaluations were conducted during the relevant reporting period. The Company intends to complete performance evaluations in respect of the Board, its committees (if any) and individual Directors for each financial year in accordance with the above process.
<p>Recommendation 1.7</p> <p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	YES	<p>(a) The Company's Nomination Committee (or, in its absence, the Board) is responsible for evaluating the performance of the Company's senior executives on an annual basis. The Company's Remuneration Committee (or, in its absence, the Board) is responsible for evaluating the remuneration of the Company's senior executives on an annual basis. A senior executive, for these purposes, means key management personnel (as defined in the Corporations Act) other than a non executive Director.</p> <p>The applicable processes for these evaluations can be found in the Company's Corporate Governance Plan, which is available on the Company's website.</p> <p>(b) The Company's Corporate Governance Plan requires the Company to disclose whether or not performance evaluations were conducted during the relevant reporting period. The Company intends to complete performance evaluations in respect of the senior executives (if any) for each financial year in accordance with the applicable processes.</p> <p>At this stage, due to the current size and nature of the existing Board and the magnitude of the Company's operations, the Company has not appointed any senior executives.</p>

RECOMMENDATIONS (3 RD EDITION)	COMPLY	EXPLANATION
<i>Principle 2: Structure the Board to add value</i>		
<p>Recommendation 2.1</p> <p>The Board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <ul style="list-style-type: none"> (i) has at least three members, a majority of whom are independent Directors; and (ii) is chaired by an independent Director, 2. and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address Board succession issues and to ensure that the Board has the appropriate balance of skills, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively.</p>	YES	<p>(a) The Company does not have a Nomination Committee. The Company's Nomination Committee Charter provides for the creation of a Nomination Committee (if it is considered it will benefit the Company), with at least three members, a majority of whom are independent Directors, and which must be chaired by an independent Director.</p> <p>(b) The Company does not have a Nomination Committee as the Board considers the Company will not currently benefit from its establishment. In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by the Nomination Committee under the Nomination Committee Charter, including the following processes to address succession issues and to ensure the Board has the appropriate balance of skills, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively:</p> <ul style="list-style-type: none"> (i) devoting time at least annually to discuss Board succession issues and updating the Company's Board skills matrix; and (ii) all Board members being involved in the Company's nomination process, to the maximum extent permitted under the Corporations Act and ASX Listing Rules.
<p>Recommendation 2.2</p> <p>A listed entity should have and disclose a Board skill matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership.</p>	YES	<p>Under the Nomination Committee Charter (in the Company's Corporate Governance Plan), the Nomination Committee (or, in its absence, the Board) is required to prepare a Board skill matrix setting out the mix of skills and diversity that the Board currently has (or is looking to achieve) and to review this at least annually against the Company's Board skills matrix to ensure the</p>

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		<p>appropriate mix of skills and expertise is present to facilitate successful strategic direction.</p> <p>Given the current size and stage of development of the Company the Board has not yet established a formal board skills matrix. Gaps in the collective skills of the Board are regularly reviewed by the Board as a whole, with the Board proposing candidates for directorships having regard to the desired skills and experience required by the Company as well as the proposed candidates' diversity of background.</p> <p>The Board Charter requires the disclosure of each Board member's qualifications and expertise. Full details as to each Director and senior executive's relevant skills and experience are available in the Company's Annual Report.</p>
<p>Recommendation 2.3</p> <p>A listed entity should disclose:</p> <p>(a) the names of the Directors considered by the Board to be independent Directors;</p> <p>(b) if a Director has an interest, position, association or relationship of the type described in Box 2.3 of the ASX Corporate Governance Principles and Recommendation (3rd Edition), but the Board is of the opinion that it does not compromise the independence of the Director, the nature of the interest, position, association or relationship in question and an explanation of why the Board is of that opinion; and</p> <p>(c) the length of service of each Director</p>	YES	<p>(a) The Board Charter requires the disclosure of the names of Directors considered by the Board to be independent. The Company will disclose those Directors it considers to be independent in its Annual Report and on its ASX website. The Board considers Les Davis to be independent.</p> <p>(b) There are no independent Directors who fall into this category. The Company will disclose in its Annual Report and ASX website any instances where this applies and an explanation of the Board's opinion why the relevant Director is still considered to be independent.</p> <p>(c) The Company's Annual Report will disclose the length of service of each Director, as at the end of each financial year.</p>

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<p>Recommendation 2.4</p> <p>A majority of the Board of a listed entity should be independent Directors.</p>	NO	<p>The Company's Board Charter requires that, where practical, the majority of the Board should be independent.</p> <p>The Board currently comprises a total of four directors, of whom one is considered to be independent.</p>
<p>Recommendation 2.5</p> <p>The Chair of the Board of a listed entity should be an independent Director and, in particular, should not be the same person as the CEO of the entity.</p>	NO	<p>The Board Charter provides that, where practical, the Chair of the Board should be an independent Director and should not be the CEO/Managing Director.</p> <p>The Chair of the Company is not an independent Director and is not the CEO/Managing Director.</p>
<p>Recommendation 2.6</p> <p>A listed entity should have a program for inducting new Directors and providing appropriate professional development opportunities for continuing Directors to develop and maintain the skills and knowledge needed to perform their role as a Director effectively.</p>	YES	<p>In accordance with the Company's Board Charter, the Nominations Committee (or, in its absence, the Board) is responsible for the approval and review of induction and continuing professional development programs and procedures for Directors to ensure that they can effectively discharge their responsibilities. The Company Secretary is responsible for facilitating inductions and professional development.</p>
<i>Principle 3: Act ethically and responsibly</i>		
<p>Recommendation 3.1</p> <p>A listed entity should:</p> <p>(a) have a code of conduct for its Directors, senior executives and employees; and</p> <p>(b) disclose that code or a summary of it.</p>	YES	<p>(a) The Company's Corporate Code of Conduct applies to the Company's Directors, senior executives and employees.</p> <p>(b) The Company's Corporate Code of Conduct (which forms part of the Company's Corporate Governance Plan) is available on the Company's website.</p>
<i>Principle 4: Safeguard integrity in financial reporting</i>		
<p>Recommendation 4.1</p> <p>The Board of a listed entity should:</p>	YES	<p>(a) The Company does not have an Audit and Risk Committee. The Company's Corporate Governance Plan contains an Audit and Risk Committee Charter that provides for the</p>

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<p>(a) have an audit committee which:</p> <ul style="list-style-type: none"> (i) has at least three members, all of whom are non-executive Directors and a majority of whom are independent Directors; and (ii) is chaired by an independent Director, who is not the Chair of the Board, <p>and disclose:</p> <ul style="list-style-type: none"> (iii) the charter of the committee; (iv) the relevant qualifications and experience of the members of the committee; and (v) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its financial reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>		<p>creation of an Audit and Risk Committee (if it is considered it will benefit the Company), with at least three members, all of whom must be independent Directors, and which must be chaired by an independent Director who is not the Chair.</p> <p>(b) The Company does not have an Audit and Risk Committee as the Board considers the Company will not currently benefit from its establishment. In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by the Audit and Risk Committee under the Audit and Risk Committee Charter including the following processes to independently verify and safeguard the integrity of its financial reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner:</p> <ul style="list-style-type: none"> (i) the Board devotes time at annual Board meetings to fulfilling the roles and responsibilities associated with maintaining the Company's internal audit function and arrangements with external auditors; and (ii) all members of the Board are involved in the Company's audit function to ensure the proper maintenance of the entity and the integrity of all financial reporting.
<p>Recommendation 4.2</p> <p>The Board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that</p>	YES	<p>The Company's Audit and Risk Committee Charter requires the CEO and CFO (or, if none, the person(s) fulfilling those functions) to provide a sign off on these terms.</p> <p>The Company intends to obtain a sign off on these terms for each of its financial statements in each financial year.</p>

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the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.		
<p>Recommendation 4.3</p> <p>A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.</p>	YES	The Company's Corporate Governance Plan provides that the Board must ensure the Company's external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.
<i>Principle 5: Make timely and balanced disclosure</i>		
<p>Recommendation 5.1</p> <p>A listed entity should:</p> <p>(a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and</p> <p>(b) disclose that policy or a summary of it.</p>	YES	<p>(a) The Board Charter provides details of the Company's disclosure policy. In addition, the Corporate Governance Plan details the Company's disclosure requirements as required by the ASX Listing Rules and other relevant legislation.</p> <p>(b) The Corporate Governance Plan, which incorporates the Board Charter, is available on the Company website.</p>
<i>Principle 6: Respect the rights of security holders</i>		
<p>Recommendation 6.1</p> <p>A listed entity should provide information about itself and its governance to investors via its website.</p>	YES	Information about the Company and its governance is available in the Corporate Governance Plan which can be found on the Company's website.
<p>Recommendation 6.2</p> <p>A listed entity should design and implement an investor relations program to facilitate effective two-way</p>	YES	The Company has adopted a Shareholder Communications Strategy which aims to promote and facilitate effective two-way communication with investors. The Strategy outlines a range of ways in which information is communicated to shareholders and

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communication with investors.		is available on the Company's website as part of the Company's Corporate Governance Plan.
<p>Recommendation 6.3</p> <p>A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.</p>	YES	Shareholders are encouraged to participate at all general meetings and AGMs of the Company. Upon the despatch of any notice of meeting to Shareholders, the Company Secretary shall send out material stating that all Shareholders are encouraged to participate at the meeting.
<p>Recommendation 6.4</p> <p>A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.</p>	YES	<p>The Shareholder Communication Strategy encourages and provides that security holders can register with the Company to receive email notifications when an announcement is made by the Company to the ASX, including the release of the Annual Report, half yearly reports and quarterly reports. Links are made available to the Company's website on which all information provided to the ASX is immediately posted.</p> <p>Shareholders queries should be referred to the Company Secretary at first instance.</p>
<i>Principle 7: Recognise and manage risk</i>		
<p>Recommendation 7.1</p> <p>The Board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(ii) has at least three members, a majority of whom are independent Directors; and</p> <p>(iii) is chaired by an independent Director, and disclose:</p> <p>(iv) the charter of the committee;</p>	YES	<p>(a) The Company does not have an Audit and Risk Committee. The Company's Corporate Governance Plan contains an Audit and Risk Committee Charter that provides for the creation of an Audit and Risk Committee (if it is considered it will benefit the Company), with at least three members, all of whom must be independent Directors, and which must be chaired by an independent Director.</p> <p>(b) A copy of the Corporate Governance Plan is available on the Company's website.</p> <p>(c) The Company does not have an Audit and Risk Committee as the Board consider the Company will not currently benefit</p>

RECOMMENDATIONS (3 RD EDITION)	COMPLY	EXPLANATION
<p>(v) the members of the committee; and</p> <p>(vi) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the process it employs for overseeing the entity's risk management framework.</p>		<p>from its establishment. In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by the Audit and Risk Committee under the Audit and Risk Committee Charter including the following processes to oversee the entity's risk management framework:</p> <p>(d) The Board devotes time at its regular Board meetings to fulfilling the roles and responsibilities associated with overseeing risk and maintaining the entity's risk management framework and associated internal compliance and control procedures.</p>
<p>Recommendation 7.2</p> <p>The Board or a committee of the Board should:</p> <p>(a) review the entity's risk management framework with management at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose in relation to each reporting period, whether such a review has taken place.</p>	YES	<p>(a) The Audit and Risk Committee Charter requires that the Audit and Risk Committee (or, in its absence, the Board) should, at least annually, satisfy itself that the Company's risk management framework continues to be sound.</p> <p>(b) The Company's Corporate Governance Plan requires the Company to disclose at least annually whether such a review of the company's risk management framework has taken place.</p>
<p>Recommendation 7.3</p> <p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	YES	<p>(a) The Audit and Risk Committee Charter provides for the Audit and Risk Committee to monitor the need for an internal audit function.</p> <p>(b) As set out in Recommendation 7.1, the Board is responsible for overseeing the establishment and implementation of effective risk management and internal control systems to manage the Company's material business risks and for reviewing and monitoring the Company's application of those systems.</p> <p>(c) The Board devotes time at its regular Board meetings to fulfilling the roles and responsibilities associated with</p>

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		overseeing risk and maintaining the entity's risk management framework and associated internal compliance and control procedures.
<p>Recommendation 7.4</p> <p>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	YES	<p>The Audit and Risk Committee Charter requires the Audit and Risk Committee (or, in its absence, the Board) to assist management determine whether the Company has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p> <p>The Company's Corporate Governance Plan requires the Company to disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks. The Company will disclose this information in its Annual Report and on its ASX website as part of its continuous disclosure obligations.</p>
<i>Principle 8: Remunerate fairly and responsibly</i>		
<p>Recommendation 8.1</p> <p>The Board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <ul style="list-style-type: none"> (i) has at least three members, a majority of whom are independent Directors; and (ii) is chaired by an independent Director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of 	YES	<p>(a) The Company does not have a Remuneration Committee. The Company's Corporate Governance Plan contains a Remuneration Committee Charter that provides for the creation of a Remuneration Committee (if it is considered it will benefit the Company), with at least three members, a majority of whom must be independent Directors, and which must be chaired by an independent Director.</p> <p>(b) The Company does not have a Remuneration Committee as the Board considers the Company will not currently benefit from its establishment. In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by the Remuneration Committee under the Remuneration Committee Charter including the following processes to set the level and composition of remuneration for Directors and senior</p>

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<p>the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for Directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>		<p>executives and ensuring that such remuneration is appropriate and not excessive:</p> <ul style="list-style-type: none"> - The Board devotes time at the annual Board meeting to assess the level and composition of remuneration for Directors and senior executives.
<p>Recommendation 8.2</p> <p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive Directors and the remuneration of executive Directors and other senior executives and ensure that the different roles and responsibilities of non-executive Directors compared to executive Directors and other senior executives are reflected in the level and composition of their remuneration.</p>	YES	<p>The Company's Corporate Governance Plan requires the Board to disclose its policies and practices regarding the remuneration of Directors and senior executives, which is disclosed on the Company's website.</p>
<p>Recommendation 8.3</p> <p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	N/A	<p>The Company's Corporate Governance Plan requires the Remuneration Committee (or, in its absence, the Board) to review, manage and disclose the policy (if any) under which participants to a Plan may be permitted (at the discretion of the Company) to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the Plan.</p> <p>Upon issue of equity incentives, the Board will devote time at the annual Board meeting to assess the level and composition of remuneration for Directors and senior executives.</p>