

ADAMUS RESOURCES LIMITED
ABN 80 094 543 389

PROSPECTUS

For a renounceable pro rata offer to Eligible Shareholders of approximately 60,3823,920 New Shares at an issue price of \$0.36 per share on the basis of 1 New Share for every 5 Existing Shares held to raise up to \$21,737,851 before issue costs

JOINT LEAD MANAGERS

Patersons Securities Limited
ACN 008 896 311

Helmsec Global Capital Limited
ACN 129 825 798

Important Notice

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Shares being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Shares offered by this Prospectus should be considered speculative.

This document is not for publication or distribution, directly or indirectly, in or into the United States of America (including its territories and possessions, any state of the US and the District of Columbia). This document is not an offer of securities for sale into the United States or to, or for the account or benefit of, US Persons. The securities referred to herein have not been and will not be registered under the US Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons. No public offering of securities is being made in the United States.

INVESTMENT HIGHLIGHTS

- ✓ Developing Southern Ashanti Gold Project
- ✓ JORC Mineral Resource 30.2Mt @ 1.78g/t for 1.75Moz Au (Measured and Indicated) and 6.98Mt @ 1.62g/t for 0.36Moz Au (Inferred)
- ✓ JORC Ore Reserve 16.5Mt @ 2g/t for 1.07Moz Au (80% proven)
- ✓ 4 months into a 14 month construction program
- ✓ Construction to date on time and budget
- ✓ First gold production expected in first quarter of 2011
- ✓ Significant exploration upside
- ✓ Aggressive exploration program planned for 2010
- ✓ Strong management team with significant Ghanaian and gold experience
- ✓ High quality Board with relevant Ghanaian and gold mining experience

An investment in the Company is not risk free and investors should consider the risk factors described below in section 5, together with information contained elsewhere in this Prospectus, before deciding whether to apply for Shares. Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Shares.

IMPORTANT NOTES

This Prospectus is dated 12 March 2010 and a copy of this Prospectus was lodged with the ASIC on that date. The ASIC and ASX take no responsibility for the content of this Prospectus. No Shares will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus. The Company will apply to ASX for the Shares to be granted quotation on ASX.

This Prospectus does not constitute an offer in any place in which or to any person to whom it would not be lawful to make such an offer. Refer to section 1.10 for treatment of overseas shareholders. Applications for Shares offered pursuant to this Prospectus can only be submitted on an original Application Form which accompanies this Prospectus.

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

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

This Prospectus including each of the documents attached to it and which form part of this Prospectus is important and should be read in its entirety prior to making an investment decision. If you do not fully understand this Prospectus or are in any doubt as to how to deal with it, you should consult your professional adviser.

In particular, it is important that you consider the risk factors (see section 5 of this Prospectus) that could affect the performance of the Company before making an investment decision.

Some words and expressions used in this Prospectus have defined meanings which are explained in section 8.

ELECTRONIC PROSPECTUS

A copy of the Prospectus can be downloaded from the website of the Company at www.adamusresources.com.au, or the website of ASX at www.asx.com.au. Any person accessing the electronic version of the Prospectus for the purposes of making an investment in the Company must be an Australian resident and must only access the Prospectus from within Australia.

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

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SUMMARY OF IMPORTANT DATES

Lodgement Date	12 March 2010
"Ex" date and Rights trading commences	17 March 2010
Record date to determine Entitlement	23 March 2010
Prospectus with Application Form dispatched	26 March 2010
Rights trading ends	6 April 2010
Closing date for acceptances	13 April 2010
Notify ASX of under subscriptions	16 April 2010
Allotment and issue of New Shares	21 April 2010
Dispatch of shareholding statements	21 April 2010
Trading of New Shares expected to commence	22 April 2010

This timetable is indicative only and subject to change. The Company reserves the right to vary the above dates.

LETTER FROM THE CHAIRMAN

12 March 2010

Dear Shareholder

On behalf of the Board of Adamus Resources Limited ("**Adamus**"), I am pleased to invite you to participate in a renounceable rights issue of approximately 60,382,920 New Shares at an issue price of 36 cents per New Share to raise up to approximately \$21,737,851. This Prospectus outlines the details of the Offer.

The Offer is being made to all Shareholders whose registered addresses are within Australia and New Zealand on the Record Date ("**Eligible Shareholders**").

The funds to be raised by the Company via the Rights Issue will be used:

- (a) to fund the Company's planned exploration program over the next 12 months
- (b) to provide a contingency fund in relation to the development costs of the Project; and
- (c) for expenses of the Offer.

Please read this Prospectus carefully before deciding whether or not to invest. An investment in Adamus contains specific risks which you should consider before making that decision. If there is any matter on which you require further information, you should consult your stockbroker, accountant or other professional advisor.

I look forward to your continuing support.

Yours sincerely

John Hopkins
Chairman

1 DETAILS OF THE OFFER

1.1 The Issue

A renounceable pro rata entitlements issue to Eligible Shareholders of approximately 60,382,920 New Shares (assuming no Options are exercised before the Record Date) on the basis of 1 New Share for every 5 Existing Shares held as at the Record Date at an issue price of \$0.36 each to raise up to \$21,737,851 before issue costs.

1.2 Minimum Subscription

The minimum subscription in relation to this Offer is \$11,400,000. In the event that the minimum subscription is not achieved within 4 months of the date of this Prospectus, then the Company will repay all application monies received in full and without interest. The Company will not accept any over-subscriptions.

1.3 Underwriting

The Offer is not underwritten.

The Company will pay a stamping fee of 2% on all Applications received where the Application Form bears the stamp of an AFSL licence holder approved by the Company.

1.4 Entitlement to Rights Issue

Eligible Shareholders who are on the Company's Share Register at the close of business on the Record Date are eligible to participate in the Offer.

Fractional Entitlements will be rounded up to the nearest whole number of New Shares. For this purpose, holdings in the same name are aggregated for calculation of Entitlements. If the Company considers that holdings have been split to take advantage of rounding, the Company reserves the right to aggregate holdings held by associated Shareholders for the purpose of calculating Entitlements.

An Application Form setting out your Entitlement to New Shares accompanies this Prospectus.

1.5 Acceptances

This Offer may be accepted in whole or in part prior to the Closing Date subject to the rights of the Company to extend the Offer period or close the Offer early.

Instructions for accepting your Entitlement are set out in section 3 and on the Application Form which accompanies this Prospectus.

1.6 Rights Trading

The Rights to Shares are renounceable, which enables Shareholders who do not wish to take up some or all of their Entitlements to sell or otherwise transfer all or part of their Entitlement. Trading of Rights on the ASX is expected to commence on 17 March 2010 and end on 6 April 2010.

1.7 Shortfall

A Shortfall will arise if the Applications received for New Shares under the issue are less than the number of New Shares offered.

The Directors reserve the right, subject to the requirements of the Listing Rules and the Corporations Act, to place any Shortfall Shares in conjunction with the Joint Lead Managers within 3 months after the Closing Date. Shortfall Shares will be issued at a price not less than the issue price of New Shares under the Rights Issue.

1.8 Allotment and Application Money

New Shares will be issued only after all Application Money has been received and ASX has granted permission for the New Shares to be quoted. It is expected that New Shares will be issued on 21 April 2010 and normal trading of the New Shares on ASX is expected to commence on 22 April 2010.

All Application Money received before New Shares are issued will be held in a special purpose account. After Application Money is refunded (if required) and New Shares are issued to Applicants, the balance of funds in the account plus accrued interest will be received by the Company.

Application will be made within seven days of the date of issue of this Prospectus for the New Shares to be granted Official Quotation by ASX. If such an application is not made within these seven days, or Official Quotation of the New Shares is not granted by ASX within three months of the date of this Prospectus, then the Company will not allot or issue any New Shares and all Application Money received pursuant to this Prospectus will be repaid as soon as practicable, without interest.

If the New Shares are not quoted by ASX within three months after the date of this Prospectus, the Company will refund all Application Money in full.

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

1.9 Issue Outside Australia and New Zealand

This Prospectus does not constitute an offer of Shares in any jurisdiction where, or to any person to whom, it would not be lawful to issue the Prospectus or make the Offer. No action has been taken to register or qualify the Shares or the Issue or otherwise to permit an offering of the Shares in any jurisdiction outside Australia and New Zealand.

This document is not for publication or distribution, directly or indirectly, in or into the United States of America (including its territories and possessions, any state of the US and the District of Columbia). This document is not an offer of securities for sale into the United States or to, or for the account or benefit of, US Persons. The securities referred to herein have not been and will not be registered under the US Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons. No public offering of securities is being made in the United States.

1.10 Treatment of Overseas Shareholders

The Offer in this Prospectus is not being extended to any Shareholder, as at the Record Date, whose registered address is not situated in Australia or New Zealand because of the small number of such Shareholders, and the cost of complying with applicable regulations in jurisdictions outside Australia and New Zealand. The Prospectus is sent to those Shareholders for information only.

The Offer contained in this Prospectus to Eligible Shareholders with registered addresses in New Zealand is made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand). Members of the public in New Zealand who are not existing Shareholders on the Record Date are not entitled to apply for any Shares.

Recipients may not send or otherwise distribute this Prospectus or the Application Form to any person outside Australia (other than to Eligible Shareholders).

Subject to ASIC's consent, the Company has appointed Patersons as nominee to sell the Non-qualifying Foreign Shareholders' Rights. Patersons will only sell those Rights if there is a viable market in those Rights and a premium over the expenses of sale can be obtained.

Any such sale will be at a price and be conducted in a manner that Patersons will determine in its absolute discretion.

The proceeds of sale (in Australian dollars) will be distributed to the Non-qualifying Foreign Shareholders for whose benefits the Rights have been sold in proportion to their shareholdings as at the Record Date (after deducting the costs of the sale and the distribution of the proceeds), save that individual amounts of less than \$10 will be retained by the Company.

Neither the Company nor Patersons will be liable for any failure to sell the Rights or to sell the Rights at any particular price. If there is no viable market for the Rights of the Non-qualifying Foreign Shareholders, their Entitlement will be allowed to lapse and the relevant Shares will become Shortfall Shares.

1.11 Market Prices of Existing Shares on ASX

The highest and lowest market sale price of the Existing Shares, which are on the same terms and conditions as the New Shares being offered under this Prospectus, during the three months immediately preceding the lodgement of this Prospectus with the ASIC, and the last market sale price on the date before the lodgement date of this Prospectus, are set out below.

	3 months high	3 months low	Last Market Sale Price
Existing Shares	\$0.505 on 14 January 2010	\$0.355 on 10 March 2010	\$0.40 on 11 March 2010

1.12 Opening and Closing Dates

The Offer will open for receipt of acceptances on 26 March 2010 and will close on 13 April 2010, subject to the right of the Company to vary these dates.

1.13 CHESS

The Company participates in the Clearing House Electronic Sub-register System ("CHESS"). ASTC, a wholly owned subsidiary of ASX, operates CHESS in accordance with the ASX Listing Rules and the ASTC Settlement Rules.

Under CHESS, applicants will not receive a certificate but will receive a statement of their holding of New Shares.

If you are broker sponsored, ASTC will send you a CHESS statement.

The CHESS statement will set out the number of New Shares issued under this Prospectus, provide details of your holder identification number and give the participation identification number of the sponsor.

If you are registered on the issuer sponsored sub register, your statement will be dispatched by the Company's share registrar and will contain the number of New Shares issued to you under this Prospectus and your security holder reference number.

A CHESS statement or issuer sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their shareholding changes. Shareholders may request a statement at any other time, however, a charge may be made for additional statements.

1.14 Rights and Liabilities attaching to the New Shares

The New Shares will rank equally in respect of dividends and in all other respects (e.g. voting, bonus issues) as Existing Shares.

A summary of the rights and liabilities attaching to the New Shares is set out in section 4.

1.15 Taxation Implications

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

1.16 Notice to nominees and custodians

Nominees and custodians that hold Shares should note that the Offer is available only to Eligible Shareholders. The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of securities. If any nominee or custodian is acting on behalf of a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Offer is compatible with applicable foreign laws.

1.17 Enquiries

Any queries regarding the Offer should be directed to Mr Ian Cunningham, Adamus' Company Secretary on +61 8 9322 5943.

Any queries regarding the Entitlement and Acceptance Form should be directed to the Share Registry on +61 3 9415 4852.

You can also contact your stockbroker or professional adviser with any queries in relation to the Offer.

2 PURPOSE AND EFFECT OF THE ISSUE

2.1 Purpose of the Issue

The purpose of the Issue is to raise up to approximately \$21,737,851 before Issue costs.

The Directors intend to apply the proceeds from the Offer (together with the Company's existing cash reserves, the debt facility with Macquarie Bank Limited (further information is set out in section 10.2) and the funds raised from the placement announced on 10 March 2010) for the following purposes in accordance with the table set out below:

- to fund the Company's planned exploration program over the next 12 months;
- to provide a contingency fund in relation to the development costs of the Project; and
- to fund Issue expenses.

The table assumes that Entitlements are taken up in full and that no Options are exercised.

Proceeds of the Issue	\$m
Planned exploration program over the next 12 months*	5.5 to 9.0
Contingency fund in relation to the development costs of the Project (inclusive of working capital)*	11.5 to 15.0
Expenses of the Offer	1.2
ESTIMATED TOTAL	21.7

*It is intended that any unused contingency may be applied to exploration.

In the event that circumstances change or other opportunities arise the Directors reserve the right to vary the proposed use of funds to maximise benefits to Shareholders.

Exploration

The planned exploration budget for calendar year 2010 consists of two phases:

- (a) an initial program of some \$5.5 million; and
- (b) a follow-up program of up to \$3.5 million, dependent upon timing and results of the initial phase and other future funding requirements.

This exploration budget is focussed on:

- (a) expanding the known near surface free milling mineral resource base at Avrebo where excellent widths of good gold mineralisation have already been identified and at Avrebo East and West where soil geochemistry and trenching has identified potential repetitions to the mineralisation currently defined at Avrebo;
- (b) further developing known prospects which have had limited initial drilling including Aliva, Akropon and Bokrobo which together with Avrebo, offer significant potential for the Company to identify additional free milling oxide deposits at or near surface;
- (c) expanding the ore reserve base below the currently identified Salman Trend mineralisation. This core zone of some 6 kilometres is open at depth along its entire length and has only been drilled to an average depth of 100 metres. The

Company believes the potential to identify significant vertical extensions to the known mineralisation with corresponding large increases in mineral resources and subsequently ore reserves is significant; and

- (d) conducting additional metallurgical testwork on deeper Salman Trend ores for the purpose of demonstrating production of a commercially viable high grade concentrate.

The exploration program may be further expanded with additional fund raising dependent on its results and the market.

Actual expenditure on the projects may vary depending on the results achieved.

Contingency

Funds allocated to Contingency will be used to fund general working capital requirements and the balance provide a contingency fund of approximately [\$6.5 to \$10] million to provide additional financing capacity in the event of Project development costs exceeding current estimates, design changes or future delay in Project completion. To date, Adamus in on time and within current budget in its construction of the Project.

In the event the Company achieves Minimum Subscription but not Full Subscription, the funds raised will be applied firstly to fund the Company's general working capital requirements and the provision of a minimum contingency fund of approximately \$5.5 million. Any excess funds would be firstly allocated to meeting the Company's targeted contingency fund of \$6.5 million to \$10 million and thereafter towards the planned exploration programme. Funds allocated to the contingency fund may be used for the planned exploration program as and when the Company decided that additional financing cover was no longer required for Project development.]

2.2 Effect of the Issue and Pro Forma Statement of Financial Position

The effect of the Issue will be (assuming no Options are exercised and Entitlements are taken up in full) that:

- (a) cash reserves will initially increase by approximately \$21.7 million (before costs); and
- (b) the number of Shares on issue will increase from 301,914,598 to 362,297,518.

2.3 Statement of Financial Position

Set out below is the Consolidated Statement of Financial Position of the Company as at 31 December 2009 (reviewed), and the Consolidated Pro-Forma Statement of Financial Position as at 31 December 2009 (unaudited) assuming Minimum Subscription and Full Subscription on the basis of the assumptions detailed further. The significant accounting policies upon which the Statement of Financial Position and the Pro-Forma Statement of Financial Position are based are contained in the audit reviewed financial report for six months ended 31 December 2009.

ADAMUS RESOURCES LIMITED
Pro-Forma Statement of Financial Position

	Consolidated Actual 31 Dec 2009 (Reviewed)	Consolidated Pro- Forma 31 Dec 2009 Minimum Subscription (Unaudited)	Consolidated Pro-Forma 31 Dec 2009 Full Subscription (Unaudited)
	\$	\$	
Current Assets			
Cash and cash equivalents	32,291,636	43,091,636	52,829,487
Trade and other receivables	119,894	119,894	119,894
Prepayments	255,866	255,866	255,866
Total Current Assets	32,667,396	43,467,396	53,205,247
Non Current Assets			
Other receivables	16,000	16,000	16,000
Property, plant and equipment	105,210	105,210	105,210
Intangibles	130,096	130,096	130,096
Mineral exploration and development	36,970,998	36,970,998	36,970,998
Total Non Current Assets	37,222,304	37,222,304	37,222,304
TOTAL ASSETS	69,889,700	80,689,700	90,427,551
Current Liabilities			
Trade and other payables	2,042,970	2,042,970	2,042,970
Provisions	96,332	96,332	96,332
Total Current Liabilities	2,139,302	2,139,302	2,139,302
Non Current Liabilities			
Loans	3,832,250	-	-
Provisions	30,867	30,867	30,867
Total Non Current Liabilities	3,863,117	30,867	30,867
TOTAL LIABILITIES	6,002,419	2,170,169	2,170,169
NET ASSETS	63,887,281	78,519,531	88,257,382
Equity			
Contributed equity	109,606,408	124,238,658	133,976,509
Reserves	7,528,179	7,528,179	7,528,179
Accumulated losses	(53,247,306)	(53,247,306)	(53,247,306)
TOTAL EQUITY	63,887,281	78,519,531	88,257,382

The Pro-Forma Statement of Financial Position includes the following adjustments:

- (a) Exercise of 17,032,222 options exercisable at 22.5 cents each, which took place on 12 March 2010, the proceeds of which were used to repay the convertible loan liability of \$3,832,250.
- (b) Issue of 60,382,920 shares at 36 cents per share pursuant to the 1 for 5 Rights Issue, to raise \$21,737,851 fully subscribed. At Minimum Subscription, issue of 31,666,666 shares at 36 cents per share pursuant to the 1 for 5 Rights Issue, to raise \$11,400,000; and
- (c) Estimated cost of the Issue of \$1,200,000 Fully Subscribed and \$600,000 at Minimum Subscription.

As announced on 10 March 2010, the Company is currently undertaking a placement of up to 25 million Shares to sophisticated and professional investors (as defined in sections 708A(8) to 708A(11) of the Corporations Act) in two separate tranches. It is currently intended that the first tranche of 14 million Shares will be placed prior to the Record Date and that those placees will be entitled to participate in the Rights Issue. If the first tranche placement is completed prior to the Record Date, then the number of New Shares that will be offered under the Rights Issue will increase by 2.8 million and up to a further \$1,008,000 will be raised (before expenses).

The Pro-Forma Statement of Financial Position does not include any adjustment for the Placement. The effect of the placement on the Pro-Forma Statement of Financial Position would be to increase the Company's Cash and Contributed Equity by \$9 million (before expenses). These funds will be used for contingency in relation to construction of the Project.

2.4 Effect on Capital Structure

A comparative table of changes in the capital structure of the Company as a consequence of the Issue and the placement is set out below, assuming that the Issue is fully subscribed.

Capital Structure after Completion of Issue

Shares	
301,914,598	Shares quoted on ASX as at the date of this Prospectus
14,000,000	Shares issued pursuant to the first tranche of the placement
60,382,920	Shares issued pursuant to this Prospectus
11,000,000	Shares issued pursuant to the second tranche of the placement
387,297,518	Total issued Shares

Options	
2,500,000	Unlisted Options exercisable at \$0.65 on or before 31 October 2010
925,000	Unlisted Options exercisable at \$0.75 on or before 30 November 2010
2,900,000	Unlisted Options exercisable at \$0.75 on or before 31 March 2011
250,000	Unlisted Options exercisable at \$0.75 on or before 30 September 2010

250,000	Unlisted Options exercisable at \$0.90 on or before 30 September 2010
250,000	Unlisted Options exercisable at \$1.10 on or before 30 September 2010
400,000	Unlisted Options exercisable at \$0.30 on or before 31 January 2012
150,000	Unlisted Options exercisable at \$0.50 on or before 30 June 2012

3 ACTIONS REQUIRED BY ELIGIBLE SHAREHOLDERS

3.1 What you may do

As an Eligible Shareholder, you may:

- subscribe for all of your Entitlement (refer section 3.2);
- sell all of your Entitlement on ASX (refer section 3.3);
- take up part of your Entitlement and sell the balance on ASX (refer section 3.4);
- deal with part or all of your Entitlement other than on ASX (refer section 3.5); or
- allow all or part of your Entitlement to lapse (refer section 3.6).

3.2 To subscribe for all of your Entitlement

If you wish to subscribe for all of your Entitlement, complete the accompanying Application Form in accordance with the instructions set out in that form. The Application Form sets out the number of New Shares you are entitled to subscribe for. The completed Application Form must be accompanied by a cheque or bank draft made payable to "Adamus Resources Limited" and crossed "Not Negotiable" for the appropriate Application Money in Australian dollars calculated at \$0.36 per New Share accepted, and received by the Company at either of the following addresses by no later than 5.00 pm (WST) on 13 April 2010. The Company will present the cheque or bank draft on or around the day of receipt of the Application Form. If a cheque is not honoured upon its first presentation, the Directors reserve the right to reject the relevant Application Form.

If the amount of your cheque(s) or bank draft(s) for Application Money (or the amount for which those cheque(s) or bank draft(s) clear in time for allocation) is insufficient to pay for the number of New Shares you have applied for in your Application Form, you may be taken to have applied for such lower number of New Shares as your cleared Application Money will pay for (and to have specified that number of New Shares in your Application Form) or your Application may be rejected.

By hand delivery:	By post:
Adamus Resources Limited c/- Computershare Investor Services Pty Ltd Level 2, Reserve Bank Building 45 St Georges Terrace Perth WA 6000	Adamus Resources Limited c/- Computershare Investor Services Pty Ltd Locked Bag 2508 Perth WA 6001

3.3 If you wish to sell all of your Entitlement

Complete the section marked "Instructions to Stockbroker" on the back of the Application Form, which accompanies this Prospectus, in accordance with the instructions contained on the form and lodge it with your stockbroker as soon as possible.

Rights trading will commence on ASX on 17 March 2010. Sale of your Rights must be completed by 6 April 2010 when Rights trading is expected to cease.

3.4 If you wish to take up part of your Entitlement and sell the balance

Please complete the Application Form, which accompanies this Prospectus, by inserting the number of New Shares for which you wish to accept (being less than as specified on the Application Form) and complete the section marked "Instructions to Stockbroker" on the back of the form in respect of that part of your Entitlement you wish to sell.

Forward the form to your stockbroker together with your cheque for the total amount payable in respect of the New Shares accepted. Your stockbroker will need to ensure that the completed Application Form reaches the Company's share registry, by 5.00 pm (WST) on 13 April 2010.

Cash will not be accepted and no receipts will be issued.

Rights trading will commence on ASX on 17 March 2010. Sale of your Rights must be completed by 6 April 2010 when Rights trading is expected to cease.

3.5 If you wish to transfer your Entitlement other than on ASX

If you are a Shareholder and hold Existing Shares on the issuer sponsored sub-register, forward a completed Renunciation Form (obtainable through your stockbroker or the Company's share registrar) together with your Application Form completed by the transferee together with a cheque for the appropriate Application Monies to reach the Company's share registry (at the address shown above), by 5.00 pm WST on 13 April 2010.

If you are a Shareholder and hold Existing Shares registered on CHESS, you should contact your sponsoring broker.

Cash will not be accepted and no receipts will be issued.

3.6 Entitlements not taken up

If you are a Shareholder and do not wish to accept all (or part) of your Entitlement, you are not obliged to do anything. You will receive no benefit or New Shares and your Entitlement will become Shortfall Shares.

If you wish to receive a benefit, you must take action to accept your Entitlement in accordance with the instructions above and on the back of the accompanying Application Form.

The number of Existing Shares you hold as at the Record Date and the rights attached to those Existing Shares will not be affected if you choose not to accept any of your Entitlement.

Your Entitlement may have value and accordingly you should consider renouncing (selling) your Rights, rather than allowing them to lapse.

The Company, in conjunction with the Joint Lead Managers will deal with any New Shares not accepted.

3.7 Application Form is binding

A completed and lodged Application Form constitutes a binding offer to acquire New Shares on the terms and conditions set out in this Prospectus and, once lodged, cannot be withdrawn. If the Application Form is not completed correctly, it may still be treated as a valid application for New Shares. The Directors' decision whether to treat an acceptance as valid and how to construe, amend or complete the Application Form is final.

By completing and returning your Application Form with the requisite Application Monies, you will be deemed to have represented that you are an Eligible Shareholder. In addition, you will also be deemed to have represented and warranted on behalf of yourself or each person on whose account you are acting that the law in your place of residence and/or where you have been given the Prospectus, does not prohibit you from being given the Prospectus and that you:

- agree to be bound by the terms of the Offer;

- declare that all details and statements in the Application Form are complete and accurate;
- declare that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Application Form;
- authorise the Company and its respective officers or agents, to do anything on your behalf necessary for the New Shares to be issued to you, including to act on instructions of the Company's share registry upon using the contact details set out in the Application Form;
- declare that you are the current registered holder of Shares and are an Australian or New Zealand resident, and you are not in the United States or a US Person, or acting for the account or benefit of a US Person;
- acknowledge that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs; and
- acknowledge that the New Shares have not, and will not be, registered under the securities laws in any other jurisdictions outside Australia and New Zealand and accordingly, the New Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of applicable securities laws in particular the US Securities Act.

If you have any queries concerning your entitlement or allocation, please contact:

Mr Ian Cunningham, the Company Secretary

Tel: (08) 9322 5943 Fax: (08) 9322 5907

or contact your stockbroker or professional adviser

4 RIGHTS AND LIABILITIES ATTACHING TO NEW SHARES

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

The rights attaching to the New Shares arise from a combination of the Company's Constitution, the Corporations Act, the ASX Listing Rules and general law. A copy of the Company's Constitution is available for inspection free of charge during business hours at its registered office.

The New Shares to be issued pursuant to this Prospectus are ordinary shares and will as from their allotment rank equally in all respects with all Existing Shares.

A summary of the rights attaching to the New Shares is set out below.

(a) Voting Rights

Subject to the Constitution of the Company and any rights or restrictions at the time being attached to a class of shares, at a general meeting of the Company every Shareholder present in person, or by proxy, attorney or representative has one vote on a show of hands, and upon a poll, one vote for each Share held by the Shareholder. In the case of an equality of votes, the chairperson has a casting vote.

(b) Dividends

Subject to the Corporations Act, the ASX Listing Rules and any rights or restrictions attached to a class of shares, the Company may pay dividends as the Directors resolve but only out of profits of the Company. The Directors may determine the method and time for payment of the dividend.

(c) Winding up

Subject to the Corporations Act, the ASX Listing Rules and any rights or restrictions attached to a class of shares, on a winding up of the Company any surplus must be divided among the shareholders of the Company.

(d) Transfer of Shares

Generally, shares are freely transferable, subject to satisfying the requirements of the ASX Listing Rules, ASTC Settlement Rules and the Corporations Act. The Directors may decline to register any transfer of Shares but only where permitted to do so by the Corporations Act, the ASX Listing Rules, the ASTC Settlement Rules, or under the Company's Constitution.

(e) Further Increases in Capital

Subject to the Corporations Act, the ASX Listing Rules, the ASTC Settlement Rules and any rights attached to a class of shares, the Company (under the control of the Directors) may allot and issue shares and grant options over shares, on any terms, at any time and for any consideration, as the Directors resolve.

(f) Variation of Rights

Subject to the Corporations Act, the ASX Listing Rules, the ASTC Settlement Rules and the terms of issue of shares in a particular class, the Company may vary or cancel rights attached to shares in that class by either special resolution passed at

a general meeting of the holders of the shares in that class, or with the written consent of the holders of at least 75% of the votes in that class.

(g) Meetings and Notices

Each Shareholder will be entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive notices, accounts and other documents required to be furnished to Shareholders under the Company's Constitution, the Corporations Act and the ASX Listing Rules.

5 RISK FACTORS

The Company's principal activity is mineral exploration and development, companies in this industry are subject to many and varied kinds of risks. While risk management cannot eliminate the impact of all potential risks, the Company strives to manage such risks to the extent possible and practical. Following are the risk factors which the Company believes are most important in the context of the Company's business. It should be noted that this list is not exhaustive and that other risk factors may apply.

5.1 Increase in Development Costs

There can be no assurance that the estimated development costs will not be exceeded.

An increase in the development cost of the Southern Ashanti Gold Project could adversely affect the Company's profitability and financial position. It may also necessitate the Company requiring additional capital in the future and no assurance can be given that such capital will be available at all or available on terms acceptable to the Company.

If additional capital is raised by an issue of securities, this may have the effect of diluting shareholders' interests in the Company. Any additional debt financing, if available, may involve financial covenants which limit the Company's operations. If the Company cannot obtain such additional capital, the Company may not be able to complete the development of the Southern Ashanti Gold Project which would adversely affect its business, operating results and financial condition.

5.2 Macquarie Debt Financing Risk

As announced on 21 December 2009, the Company has accepted a credit approved offer from Macquarie Bank Limited ("MBL") to provide debt, bonding and hedging facilities for the development of the Company's Southern Ashanti Gold Project (together, the "Facilities"). Further information on the Facilities is set out in section 10.2. The formal documentation is currently being prepared.

The letter of offer from MBL sets out the conditions precedent and subsequent for the Facilities. In the event that the Company is unable to satisfy one or more of the conditions precedent or subsequent to the Facilities, the Company's ability to fund the construction of the Southern Ashanti Gold Project may be adversely affected, unless it is unable to obtain alternative debt funding.

Each drawdown under the debt facility will also be subject to satisfaction of conditions precedent, including that the aggregate of existing equity funding and the undrawn debt and bonding facilities provided by MBL exceeds the estimated construction and development costs for the Southern Ashanti Gold Project.

Accordingly, the Company may be required to raise additional equity funding in order to be in a position to drawdown under the debt facility in the event that costs for the Southern Ashanti Gold Project exceed current estimates by an amount greater than the contingency funds set aside by the Company.

5.3 The Company currently depends heavily on achieving successful operations and mineral recovery at the Southern Ashanti Gold Project

The Company's activities are focused primarily on the Southern Ashanti Gold Project. Any adverse changes or developments affecting this project, such as, but not limited to, the Company's inability to hire suitable personnel and mining contractors may have a material adverse effect on the Company's financial performance and results of operations.

5.4 Fluctuations in Metal Prices

The price of gold, other precious metals and other minerals fluctuates widely and is affected by numerous factors beyond the control of the Company such as industrial and retail supply and demand, exchange rates, inflation rates, changes in global economies, confidence in the global monetary system, forward sales of metals by producers and speculators as well as other global or regional political, social or economic events. The supply of metals consists of a combination of new mine production from the Company's mining properties, including the Southern Ashanti Gold Project, is dependent upon the price of gold, other precious metals and other minerals being adequate to make these properties economic. Future serious price declines in the market value of gold, other precious metals or other minerals could cause the continued development of, and eventually the commercial production from, the Southern Ashanti Gold Project and the Company's other properties to be rendered uneconomic. Depending on the price of gold, other precious metals and other minerals, the Company could be forced to discontinue production or development and may lose its interest in, or may be forced to sell, some of its properties. There is no assurance that, even as commercial quantities of gold and other precious metals are produced, a profitable market will exist for them.

In addition to adversely affecting the reserve estimates of the Company and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if a project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

5.5 Mining is inherently dangerous and subject to conditions or events beyond the control of the Company, and any operating hazards could have a material adverse effect on its business

The Company's business operations are subject to risks and hazards inherent in the mining industry. The exploration for and the development of mineral deposits involves significant risks, including: environmental hazards; industrial accidents; metallurgical and other processing problems; unusual or unexpected rock formations; structure cave-in or slides; flooding; fires and interruption due to inclement or hazardous weather conditions. These risks could result in damage to, or destruction of, mineral properties, production facilities or other properties, personal injury or death, environmental damage, delays in mining, increased production costs, monetary losses and possible legal liability.

Whether income will result from projects undergoing exploration and development programs depends on the successful establishment of mining operations. Factors including costs, actual mineralisation, consistency and reliability of ore grades and commodity prices affect successful project development.

5.6 Foreign Operations Risks

The operations of the Company are currently primarily conducted in Ghana and, as such, the operations of the Company are exposed to various levels of political, economic and other risks and uncertainties. These risks and uncertainties include, but are not limited to, terrorism; hostage taking; military repression; extreme fluctuations in currency exchange rates; high rates of inflation; labour unrest; the risks of war or civil unrest; expropriation and nationalisation, renegotiation or nullification or existing concessions, licences, permits and contracts; illegal mining; changes in taxation policies; restrictions on foreign exchange and repatriation; and changing political conditions, currency controls and governmental

regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction.

Changes, if any, in mining or investment policies or shifts in political attitude in Ghana may adversely affect the operations or profitability of the Company. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, income taxes, expropriation of property, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety.

Failure to comply strictly with applicable laws, regulations and local practices relating to mineral rights applications and tenure, could result in loss, reduction or expropriation of entitlements, or the imposition of additional local foreign parties as joint venture partners with carries or other interests.

The occurrence of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on the operations or profitability of the Company.

5.7 Insurance and Uninsured Risks

The business of the Company is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to properties of the Company or others, delays in mining, monetary losses and possible legal liability.

Although the Company maintains insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with its operations and insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks because of high premiums or other reasons.

Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

5.8 Environmental Risks and Regulations

All phases of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects, and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on the properties on which the Company holds interests which are unknown to the Company at present and which have been caused by previous or existing owners or operators of the properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining and exploration companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in exploration expenses, capital expenditures, or production costs, or reduction in levels of production at producing properties, or require abandonment or delays in development of new mining properties.

5.9 Government Regulation

The mining, processing, development and mineral exploration activities of the Company are subject to various laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people, and other matters. Although the exploration and development activities of the Company are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing operations and activities of mining and milling or more stringent implementation thereof could have a substantial adverse impact on the Company.

5.10 Licences and Permits

The Company's mining exploration activities are dependent upon the grant, or as the case may be, the maintenance of appropriate licences, concessions, leases, permits and regulatory consents which may be withdrawn or made subject to limitations. The maintaining of tenements, obtaining renewals, or getting tenements granted, often depends on the Company being successful in obtaining the required statutory approvals for its proposed activities and that the licences, concessions, leases, permits or consents it holds will be renewed as and when required. There is no assurance that such renewals will be given as a matter of course and there is no assurance that new conditions will not be imposed in connection therewith.

5.11 Title to Properties

There can be no assurances that the interest in the Company's properties is free from defects or that the material contracts between the Company and the entities owned or controlled by foreign government will not be unilaterally altered or revoked. The Company has investigated its rights and believes that these rights are in good standing. There is no assurance, however, that such rights and title interests will not be revoked or significantly altered to the detriment of the Company. There can be no assurances that the Company's rights and title interests will not be challenged or impugned by third parties.

5.12 Competition

The Company competes with other companies, some which have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business opportunities. The Company competes with other mining companies

for the acquisition of mineral claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel. Many of the Company's competitors not only explore for and produce minerals, but also carry out downstream operations on these and other products on a worldwide basis. There can be no assurance that the Company can compete effectively with these companies.

5.13 Dependence on Key Personnel

The Company is reliant on key personnel employed or engaged by the Company. Loss of such personnel may have a material adverse impact on the performance of the Company. In addition, the recruiting of qualified personnel is critical to the Company's success. As the Company's business grows, it will require additional key financial, administrative, mining, marketing and public relations personnel as well as additional staff for operations. While the Company believes that it will be successful in attracting and retaining qualified personnel, there can be no assurance of such success.

5.14 Currency

The Company's expected future revenue and expenditure will be in US dollars while its reporting currency is Australian dollars. As a result of the use of these different currencies, the Company is subject to foreign currency fluctuations. Foreign currencies are affected by a number of factors that are beyond the control of the Company. These factors include economic conditions in the relevant country and elsewhere and the outlook for interest rates, inflation and other economic factors. Foreign currency fluctuations may materially affect the Company's financial position and operating results.

The Company has not hedged against fluctuations in exchange rates as yet, though the Company may enter into some hedge contracts, particularly in relation to foreign currencies, at a later date.

5.15 Repatriation of Earnings

There is no assurance that Ghana or any other foreign country in which the Company may operate in the future will not impose restrictions on the repatriation of earnings to foreign entities.

5.16 The Company Does Not Have Any Production Revenues

To date, the Company has not recorded any revenues from its projects nor has the Company commenced commercial production on any of its properties. There can be no assurance that significant additional losses will not occur in the near future or that the Company will be profitable in the future. The Company's operating expenses and capital expenditures may increase in subsequent years as additional consultants, personnel and equipment associated with advancing exploration, development and commercial production of the Southern Ashanti Gold Project are added. The amounts and timing of expenditures will depend on the progress of ongoing exploration and development, the results of consultants' analyses and recommendations, the rate at which are beyond the Company's control.

The Company expects to continue to incur losses unless and until such time as its Southern Ashanti Gold Project enters into commercial production and generates sufficient revenues to fund its continuing operations. The development of the Company's Southern Ashanti Gold Project will require the commitment of substantial resources to conduct the time-consuming exploration and development. There can be no assurance that the Company will generate any revenues or achieve profitability. There can be no assurance that the underlying assumed levels of expenses will prove to be accurate.

5.17 Stock Exchange Prices

The market price of a publicly traded stock is affected by many variables not all of which are directly related to the success of the Company. In recent years, the securities markets have experienced a high level of price and volume volatility, and the market price of securities of many companies, particularly those considered to be development stage companies, has experienced wide fluctuations which have not necessarily been related to the operating performance or underlying asset values of such companies. There can be no assurance that such fluctuations will not affect the price of the Company's securities.

5.18 Conflicts of Interest

Certain directors of the Company are, and may continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnership or joint ventures which are potential competitors of the Company. Situations may arise in connection with potential acquisitions in investments where the other interest of these directors may conflict with the interests of the Company. Directors of the Company with conflicts of interest will be subject to and will follow the procedures set out in applicable corporate and securities legislation, regulations, rules and policies.

5.19 Resource and Reserve Estimates

The resource and reserve estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates, which were valid when made, may change significantly upon new information becoming available. In addition, the estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. Should the Company encounter mineralisation or formations different from those predicted by past sampling and drilling, current estimates may have to be adjusted and mining plans may have to be altered in a way which could have a negative effect on the Company's operations. A mineral resource is not the equivalent of a commercially mineable orebody or a mineral reserve.

6 ADDITIONAL INFORMATION

6.1 Continuous Disclosure Obligations

The Company is a "disclosing entity" (as defined in section 111 AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities. The New Shares which will be issued pursuant to this Prospectus are in the same class of Shares that have been quoted on the official list of the ASX during the 12 months prior to the issue of this Prospectus.

This Prospectus is a "transaction specific prospectus" to which the special content rules under section 713 of the Corporations Act apply. That provision allows the issue of a more concise prospectus in relation to an offer of securities in a class which has been continuously quoted by ASX in the three months prior to the date of the prospectus. In general terms "transaction specific prospectuses" are only required to contain information in relation to the effect of the issue of New Shares on the Company and the rights attaching to the New Shares. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 12 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the financial statements of the Company for the financial year ended 30 June 2009 being the last financial statements for a financial year, of the Company lodged with the ASIC before the issue of this Prospectus; and
 - (ii) the half-year financial report of the Company for the half-year ended 31 December 2009, being the half-year financial report of the Company

lodged with the ASIC after lodgement of the financial statements referred to in paragraph (i) above and before the issue of this Prospectus; and

- (iii) any documents used to notify ASX of information relating to the Company in the period from lodgement of the financial statements referred to in paragraph (i) above until the issue of the Prospectus in accordance with the Listing Rules as referred to in section 674(1) of the Corporations Act.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

The Company has lodged the following announcements with ASX since the lodgement of the 2009 audited financial statements:

Date	Description of Announcement
12/10/2010	Appendix 3B
10/03/2010	Placement and Rights Issue
10/03/2010	Reinstatement to Official Quotation
08/03/2010	Suspension from Official Quotation
04/03/2010	Request for Trading Halt
04/03/2010	Trading Halt
02/03/2010	Half Yearly Report and Accounts
02/03/2010	Project Site - Pictorial Update (End Feb 2010)
16/02/2010	Project Site - Pictorial Update (Feb 2010)
12/02/2010	Hedging Contracts Locked In
29/01/2010	Quarterly Activities Report and Appendix 5B
27/01/2010	Project Site - Pictorial Update
21/01/2010	Change in substantial holding - J.P. Morgan
14/01/2010	Construction Progress
21/12/2009	Credit-Approved Finance Package
08/12/2009	Initial Director`s Interest Notice
07/12/2009	Martin Reed joins Board
27/11/2009	Results of Meeting
27/11/2009	Siteworks Advancing on Schedule
06/11/2009	Competent Person Statement
30/10/2009	Quarterly Activities Report and Appendix 5B
26/10/2009	Notice of Annual General Meeting/Proxy Form

26/10/2009	Annual Report to shareholders
23/10/2009	Lycopodium selected as preferred Engineer
12/10/2009	Siteworks Commenced
30/09/2009	2009 Annual Report

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

6.2 Material Contracts

The following is a summary of the significant terms of the material agreements which relate to the business of the Company.

Lead Manager Appointment

The Company has entered into agreements with Helmsec and Patersons whereby Helmsec and Patersons have each agreed to act as Joint Lead Managers to the Issue.

Under the terms of the agreements, each of Helmsec and Patersons has agreed to use their respective best endeavours to assist the Company to complete the placement of \$9 million by the Company and to place any Shortfall that may arise under the Issue. The Company announced the capital raising to the ASX on 10 March 2010.

The remuneration payable to Helmsec and Patersons is set out in section 10.4.

In addition, the Company provides representations and warranties and indemnities that are standard for agreements of this nature.

Macquarie Debt Facilities

As announced on 21 December 2009, the Company has accepted a credit approved offer from Macquarie Bank Limited (“**MBL**”) to provide debt, bonding and hedging facilities for the development of the Company’s Southern Ashanti Gold Project (together, the “**Facilities**”).

It is proposed that the funds will be borrowed by the Company’s subsidiary, Adamus Resources Limited (Ghana), with the Company and its subsidiaries Nkroful Mining Limited, Akanko Mining Limited and Adamus Holdings Pty Ltd acting as guarantors (together, the borrower and guarantors are the “**Obligors**”).

Securities for the Facilities will include an unconditional guarantee and indemnity from each Obligor, first ranking fixed and floating charges over each Obligor’s assets and undertakings, a first ranking share mortgage over all of the shares that the Company holds in Adamus Resources Limited (Ghana) and Nkroful Mining Limited and a first ranking mortgage over key Southern Ashanti Gold Project tenements (“**Securities**”).

As announced on 12 February 2010, the formal documentation for the hedging facilities has been signed. It provides for deliveries totalling 290,000 ounces of gold over the first 5.5 years of operations at US\$1075/oz. The remaining documentation is currently being prepared.

The letter of offer from MBL provides that conditions precedent for the Facilities would include those that are standard for facilities of a similar size and nature, including:

- all material government approvals and consents required for the construction and operation of the Southern Ashanti Gold Project, the Facilities, the Securities

and the accounts to be established pursuant to the Facilities having been obtained to the satisfaction of MBL;

- execution of the documentation for the Facilities and Securities, all relevant approvals being obtained, and confirmation of registration and stamping of the documentation with Ghanaian and Australian authorities (if required), including a waiver from ASX under Listing Rule 10.1 with respect to the Facilities and the Securities;
- satisfactory searches and replies to requisitions by MBL and its solicitors in respect of each Obligor, the Southern Ashanti Gold Project and the Securities;
- confirmation that the Obligor's assets are free from encumbrances (other than to MBL or permitted encumbrances) and litigation;
- evidence satisfactory to MBL (acting reasonably) that the Southern Ashanti Gold Project tenements (excluding Bokrobo) and licences have been granted and that no breach of their conditions exists;
- entry into all title and legal agreements relating to the Southern Ashanti Gold Project and the Facilities by any party with national, state or local government authorities of Ghana to be satisfactory to MBL (including any shareholders agreements with the Government of Ghana);
- MBL being satisfied with the Company's life of mine plan, any agreements between Obligors, any material contracts and agreements with process engineers, mining contractors and service companies in the implementation of the life of mine plan and construction and operation of the Southern Ashanti Gold Project;
- confirmation that no material adverse change has occurred in the operational or financial condition or otherwise of the Southern Ashanti Gold Project or the Obligors (from that contemplated in the life of mine plan, bankable feasibility study and materials provided to MBL during its due diligence);
- a legal opinion from MBL's counsel satisfactory to MBL (acting reasonably) as to the ability of the Obligors to enter into and perform the transactions contemplated by the letter of offer and as to other matters reasonably requested by MBL;
- evidence that all project insurance considered appropriate and necessary by MBL is in place as confirmed by a reputable insurance broker, and that such insurance is underwritten or reinsured by an international insurance company or companies satisfactory to MBL;
- the Company having sufficient initial equity funding in place to the satisfaction of MBL such that when combined with the undrawn debt and bonding facilities to be provided by MBL (together, the "**Available Funding**") is greater than construction and development costs for the Southern Ashanti Gold Project and a specified minimum liquid funds position (together, "**Costs to Complete**");
- satisfaction of a specified minimum loan life cover ratio, project life cover ratio, debt-service cover ratio and reserve tail on a forward looking basis (which must be maintained throughout the duration of the Facilities);
- establishment of accounts required by the Facilities, and deposit of all the Company's free cash into a specified account within 1 day of transacting the gold hedging programme;

- payment of all stamp duty and other taxes, fees, costs and expenses (including legal costs and expenses) associated with the Facilities and the Securities;
- satisfactory technical, environmental, commercial and legal review and due diligence of the Southern Ashanti Gold Project, the Obligors and the security structure;
- satisfactory tax opinion of the Life of Mine Plan in regards to all material Ghanaian fiscal assumptions and calculations;
- confirmation that all material (in the reasonable opinion of MBL) Government or third party consents, authorisations, permits and approvals have been granted and received to enable the construction and operation of the Southern Ashanti Gold Project (including associated infrastructure) as planned and that no breach or revocation has occurred for any of these grants; and
- such further information, certificates, authorisations and documents as MBL may reasonably require from the Obligors or their associated subsidiaries.

Each condition precedent must be provided or satisfied in a form and substance satisfactory to MBL.

The letter of offer also provides that conditions subsequent for the Facilities would include those that are standard for facilities of a similar size and nature, including evidence satisfactory to MBL that the Southern Ashanti Gold Project tenements relating to Bokrobo have been granted by the earlier of 31 March 2011 or 180 days prior to commencement of mining on the tenement, and that no breach exists of any conditions attached to this title.

Further, each drawdown under the debt facility would be subject to satisfaction of conditions precedent, including that there is no event or default, that all undertakings are being complied with and all representations are true and correct, and that MBL be provided with an estimate of the sum of the Costs to Complete. The letter of offer also states that no drawdown will be permitted until such time as the Available Funding exceeds Costs to Complete.

Lycopodium ECPM agreement

As announced on 23 October 2009, Lycopodium Minerals Pty Ltd ("**Lycopodium**") has been selected as the Company's preferred contractor to engineer and manage the construction of the processing plant for the Project.

A formal engineering, procurement and construction management services ("**EPCM**") agreement is currently being prepared. Lycopodium commenced work at the site in January 2010 despite the ongoing drafting of the formal EPCM agreement.

6.3 Directors' Interests

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

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

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

Directors' direct and indirect interests in securities of the Company at the date of this Prospectus are:

Name	Securities
John Hopkins	20,000 Shares 300,000 unlisted Options exercisable at \$0.75 on or before 31 March 2011
Mark Bojanjac	950,000 Shares 1,000,000 unlisted Options exercisable at \$0.65 on or before 31 October 2010
Mark Connelly	1,500,000 unlisted Options exercisable at \$0.65 on or before 31 October 2010
Antony Harwood	300,000 unlisted Options exercisable at \$0.75 on or before 31 March 2011
Peter Tredger	42,215 Shares 300,000 unlisted Options exercisable at \$0.75 on or before 31 March 2011
Peter Rowe	Nil
Martin Reed	Nil

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

In the two years preceding lodgement of this Prospectus, \$1,734,695 (excluding GST where applicable) has been paid by the Company by way of remuneration for services provided by all Directors, companies associated with the Directors or their associates in their capacity as Directors, employees, consultants or advisers. Directors, companies associated with the Directors or their associates are also reimbursed for all reasonable expenses properly incurred in the course of conducting their duties which include, but are not in any way limited to, out of pocket expenses, travelling expenses, disbursements made on behalf of the Company and other miscellaneous expenses.

6.4 Interests and Consents of Experts and Advisers

The following parties have given (and not before the date of this document withdrawn) their consent to be named in this document in the form and context in which they are named:

- Patersons Securities Limited, in its capacity as Joint Lead Manager;

- Helmsec Global Capital Limited, in its capacity as Joint Lead Manager;
- Stantons International in its capacity as auditor of the Company; and
- Allion Legal, in its capacity as solicitors to the Company.

In addition, Stantons International has consented to the inclusion of the Company's reviewed financial statements as at 31 December 2009 in the form and context in which they appear in section 2 of this Prospectus.

Each of Patersons Securities Limited, Helmsec Global Capital Limited, Stantons International and Allion Legal has not:

- authorised or caused the issue of this Prospectus;
- made, or purported to have made, any statement in this Prospectus or on which a statement in this Prospectus is based except as set out in this section; or
- assumed the responsibility for any part of this Prospectus except as set out in this section and to the maximum extent permitted by law, expressly disclaims 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.

Other than as set out below or elsewhere in this Prospectus, all persons named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation of or distribution of this Prospectus do not have, and have not had in the two years before the date of this Prospectus, any interest in:

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

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) and no other benefit has been given or agreed to be given to any of those persons for services provided by those persons in connection with the formation or promotion of the Company or the offer of Securities pursuant to this Prospectus.

Patersons Securities Limited ("**Patersons**") and Helmsec Global Capital Limited ("**Helmsec**") are acting as Joint Lead Managers for the Offer and for this are entitled to be paid the following fees (exclusive of GST):

- a corporate fee of \$60,000 payable to each of Patersons and Helmsec;
- a Rights Issue fee equal to 1.5% of the amount raised under the Rights Issue paid to each of Patersons and Helmsec;
- a Rights Issue stamping fee to each of Patersons and Helmsec equal to 2% of the amount subscribed for under the Rights Issue pursuant valid Applications that bear the Patersons' stamp or Hemsec stamp (as the case may be); and
- a shortfall fee equal to 2.5% of the amount raised under the Shortfall offer, to be paid to each of Patersons and Helmsec.

In addition, Patersons and Helmsec are acting as Joint Lead Managers for the placement announced on 10 March 2010 and for this are entitled to be paid the following fees (exclusive of GST):

- A placement fee equal to 5% of the amount raised pursuant to the first tranche of the placement, to be shared equally between Patersons and Helmsec; and
- A placement fee equal to 5% of the amount raised pursuant to the second tranche of the placement, to be shared equally between Patersons and Helmsec.

Adamus has also agreed to pay Patersons' and Helmsec's costs incurred in connection with the Rights Issue or the placement, including legal costs.

Allion Legal is entitled to be paid \$45,000 for advice and assistance in relation to certain aspects of this Prospectus, assisting the Company in relation to its due diligence regime and enquiries and in relation to application for quotation of the New Shares on ASX.

References to Computershare Investor Services Pty Ltd and Computershare Investor Services Inc appear for information purposes only. Computershare Investor Services Pty Ltd and Computershare Investor Services Inc has not been involved in, authorised or caused the issue of this Prospectus.

6.5 Competent Person Statement

Information in this prospectus pertaining to mineral resources was compiled by Nic Johnson, an employee of Hellman & Schofield Pty Ltd, who is a Member of the Australian Institute of Geoscientists and has more than 5 years experience in estimation of recoverable resources in gold deposits. He qualifies as a "Qualified Person" under Canadian National Instrument 43-101 – Standards of Disclosure for Mineral Projects. Nic Johnson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a "Competent Person" as defined in the JORC Code. Nic Johnson has not consented to the inclusion in the Prospectus of the matters based on this information.

Information in this Prospectus pertaining to ore reserves was compiled by Glenn Williamson, an employee of Mining Resources Pty Ltd, who is a Member of the Australasian Institute of Mining and Metallurgy. He qualifies as a "Qualified Person" under Canadian National Instrument 43-101 – Standards of Disclosure for Mineral Projects. Glenn Williamson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a "Competent Person" as defined in the JORC Code. Glenn Williamson has not consented to the inclusion in the Prospectus of the matters based on this information.

6.6 Estimated Expenses of Issue

The estimated expenses of the Issue are approximately \$1.2 million including fees payable to the Joint Lead Managers, legal, ASIC, ASX and printing costs.

6.7 Litigation

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

6.8 Privacy Act

If you complete an application for New Shares, 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, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your New Shares in the context of takeovers, regulatory bodies,

including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company share registry.

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

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

6.9 Directors' Consent

Each Director has consented to the lodgement of this Prospectus with the ASIC.

Signed on behalf of the Directors pursuant to a resolution of the Board.



Mark Bojanjac
Managing Director

7 CORPORATE DIRECTORY

DIRECTORS	<p>John Hopkins Non-Executive Chairman</p> <p>Mark Bojanjac Managing Director/Chief Executive Officer</p> <p>Mark Connelly Executive Director/Chief Operating Officer</p> <p>Antony Harwood Non-Executive Director</p> <p>Peter Tredger Non-Executive Director</p> <p>Peter Rowe Non-Executive Director</p> <p>Martin Reed Non-Executive Director</p>
COMPANY SECRETARY	Ian Cunningham
REGISTERED OFFICE	<p>Level 2 45 Richardson Street West Perth WA 6005</p> <p>Tel: +61 8 9322 5943 Fax: 61 8 9322 5907</p>
SHARE REGISTRARS	<p>Computershare Investor Services Pty Ltd*</p> <p>Level 2, 45 St Georges Tce PERTH WA 6000</p> <p>Tel: +61 8 9323 2000 Fax: +61 8 9323 2033</p> <p>Computershare Investor Services Inc.*</p> <p>3rd Floor, 510 Burrard Street Vancouver, BC V6C 3B9</p> <p>Tel: +604 661 9400 ext 4223 Fax: +604 661 9401</p>
AUDITORS	<p>Stantons International Level 1 1 Havelock Street WEST PERTH WA 6005</p>
JOINT LEAD MANAGERS	<p>Helmsec Global Capital Limited Level 17 15 Castlereagh Street Sydney NSW 2000</p> <p>Patersons Securities Limited Level 23, Exchange Plaza 2 The Esplanade Perth WA 6000</p>
SOLICITORS	<p>Allion Legal Level 2 50 Kings Park Road West Perth WA 6005</p>

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

For personal use only

"A\$", "\$" and "dollars" means Australian dollars, unless otherwise stated.

"Adamus or "Company" means Adamus Resources Limited ABN 80 094 543 389.

"Additional New Shares" means New Shares in addition to an Eligible Shareholder's Entitlement for which an Applicant makes an Application.

"Application" means an application for New Shares pursuant to the Application Form.

"Application Form" means the Application form attached to or accompanying this Prospectus.

"Application Money" means the money received from Eligible Shareholders in respect of their Application.

"ASIC" means the Australian Securities and Investments Commission.

"ASTC" means ASX Settlement and Transfer Corporation Pty Limited (ABN 49 008 504 532).

"ASTC Settlement Rules" means the settlement rules of ASTC.

"ASX" means ASX Limited (ABN 98 008 624 691).

"Board" means the board of Directors.

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

"CHES" means ASX Clearing House Electronic Sub-registry System.

"Closing Date" means 13 April 2010, or such other date as may be determined by the Directors under this Prospectus.

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

"Corporations Act" means the Corporations Act 2001 (Commonwealth).

"Director" means directors of the Company at the date of this Prospectus.

"Eligible Shareholders" means a Shareholder as at the Record Date other than a Non-qualifying Foreign Shareholder.

"Entitlement" or "Right" means a Shareholder's entitlement to subscribe for New Shares offered by this Prospectus.

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

"Full Subscription" means the amount of \$21,737,851 (less issue costs) to be raised under the Offer.

"Helmsec" means Helmsec Global Capital Limited ACN 129 825 798.

"Issue" means the issue of Securities under this Prospectus.

"Joint Lead Managers" means each of Helmsec and Patersons.

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

"Minimum Subscription" means the amount of \$11,400,000 (less issue costs).

"New Shares" means a fully paid ordinary share in the capital of the Company to be issued under this Prospectus.

"Non-qualifying Foreign Shareholders" means a Shareholder whose registered address is not situated in Australia or New Zealand.

“**Offer**” means the offer of one New Share for every five Existing Shares held at the Record Date at an issue price of \$0.36 per New Share.

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

“**Option**” means an option to subscribe for a Share.

“**Patersons**” means Patersons Securities Limited ABN 69 008 896 311.

“**Project**” means the Southern Ashanti Gold Project in Ghana.

“**Prospectus**” means the prospectus constituted by this document.

“**Record Date**” means 5pm WST on 23 March 2010.

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

“**Shareholder**” means the holder of a Share.

“**Shortfall**” will occur if the Company does not hold successful valid Applications for all the New Shares offered by the Company under this Prospectus by the Closing Date.

“**Shortfall Shares**” means New Shares for which successful valid Applications have not been received by the Closing Date.

“**US person**” has the meaning given to that term in Regulation S under the US Securities Act.

“**US Securities Act**” means the United States Securities Act of 1933, as amended.

“**WST**” means Western Standard Time.