8 July 2016

The Manager
Company Announcements
Australian Securities Exchange
Level 5, 20 Bridge Street
SYDNEY NSW 2000

By Electronic Lodgement

Dear Sirs

Entitlement Offer Prospectus

The Board of Bora Bora Resources Ltd ACN 150 173 032 (ASX: BBR) (Company) has today provided its shareholders with a copy of the attached entitlement offer prospectus lodged with ASIC and ASX on 30 June 2016 (Prospectus). Each eligible shareholder has also been provided with a personalised entitlement and acceptance form in order to participate in the offer under the Prospectus.

If you have any queries, please contact the undersigned on (+61 2) 8072 1400.

Yours faithfully

Andrew Whitten
Company Secretary
For a non-renounceable entitlement issue of one (1) new Share (New Share) for every five (5) Shares held by those Shareholders registered at the Record Date at an issue price of $0.06 per New Share to raise up to approximately $515,000 (before costs) (based on the total number of Shares on issue as at the date of this Prospectus) with one (1) attaching option (New Option) exercisable at $0.10 per New Option on or before 31 July 2019, for every two (2) New Shares issued (Offer).

Note: The Company does not intend to list the New Options for trading on the ASX.

The Offer is fully underwritten by Veritas Securities Limited (AFSL: 297043).

IMPORTANT: This is an important document that should be read in its entirety. The Prospectus is a “transaction specific prospectus” issued in accordance with section 713 of the Corporations Act 2001 (Cth). 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.

The New Shares and New Options offered under this Prospectus should be considered highly speculative.

If you are in any doubt as to the course you should follow you should consult your stockbroker, solicitor, accountant or other professional adviser.
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**Indicative Timetable**

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<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lodgement of Prospectus with ASIC and ASX</td>
<td>30 June 2016</td>
</tr>
<tr>
<td>Company sends notice to the Shareholders of the Company</td>
<td>4 July 2016</td>
</tr>
<tr>
<td>Ex-date for Offer</td>
<td>5 July 2016</td>
</tr>
<tr>
<td>Record Date</td>
<td>7pm on 6 July 2016</td>
</tr>
<tr>
<td>Prospectus and Entitlement and Acceptance Form sent to Shareholders</td>
<td>8 July 2016</td>
</tr>
<tr>
<td>Opening Date</td>
<td>8 July 2016</td>
</tr>
<tr>
<td>Closing Date**</td>
<td>22 July 2016</td>
</tr>
<tr>
<td>Company announces the results of the Offer to ASX</td>
<td>26 July 2016</td>
</tr>
<tr>
<td>Company announces Shortfall under the Offer (if any)</td>
<td>By 27 July 2016</td>
</tr>
<tr>
<td>Issue of New Shares and New Options under the Offer</td>
<td>28 July 2016</td>
</tr>
<tr>
<td>Issue of New Shares and New Options under the Shortfall of the Offer (if any)</td>
<td>1 August 2016</td>
</tr>
</tbody>
</table>

* These dates are indicative only. The Board reserves the right to vary the key dates without prior notice, subject to the ASX Listing Rules.

** The Board may extend the Closing Date by giving at least three Business Days’ notice to ASX prior to the Closing Date. As such, the date the New Shares are expected to commence trading on ASX may vary.
Dear BBR Shareholder,

As reported in the Company’s ASX release of 17 June 2016, the Company recently completed a placement of 4,500,000 Shares at the Issue Price to sophisticated and professional investors raising $270,000 (before costs) (Placement).

The Company is now seeking to raise up to $515,000 (before costs) through a fully underwritten non-renounceable entitlement offer, which offers you the opportunity to acquire one (1) New Share for every five (5) Shares held by eligible Shareholders at the Record Date, together with the offer of one (1) free New Option exercisable at $0.10 on or before 31 July 2019 for every two (2) New Shares subscribed for under this Prospectus (Offer). The Issue Price for the New Shares is the same as that offered under the Placement, being $0.06 per New Share.

The raising will enable BBR to strengthen the Company’s balance sheet and provide further working capital to evaluate potential opportunities within and outside the mineral explorations and resources sector.

The Board wishes to express its appreciation of the continued support of its Shareholders and we believe that this Offer represents a good opportunity to grow Shareholder value, given the opportunities before the Company.

Thank you in anticipation for your support to this Offer.

Please read the Prospectus carefully before applying for any New Shares and New Options. If you have any questions regarding this Prospectus, please consult your stockbroker, solicitor, accountant or other professional adviser.

Patrick Ford
Non-Executive Chairman
IMPORTANT INFORMATION

Below is important information in relation to the Offer. Shareholders should read this document in its entirety and, if in doubt as to any of the matters set out in this Prospectus, should consult their stockbroker, solicitor, accountant or other professional adviser.

Summary of the Offer

As announced on 17 June 2016, Bora Bora Resources Ltd ACN 150 173 032 (BBR or the Company) intends to raise up to $515,000 (before costs) (based on the total number of Shares on issue as at the date of this Prospectus) through a non-renounceable entitlement issue of up to 8,576,190 New Shares at an issue price of $0.06 per New Share. In addition, for every two (2) New Shares issued, one (1) attaching New Option will be issued for no additional consideration. Each New Option will be exercisable at $0.10 per New Option on or before 31 July 2019.

Pursuant to this Prospectus, the Company makes the following Offer:

<table>
<thead>
<tr>
<th>Offer</th>
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<tbody>
<tr>
<td>A non-renounceable entitlement issue comprising the offer of one (1) New Share for every five (5) Shares held by eligible Shareholders registered at the Record Date at an issue price of $0.06 per New Share to raise up to approximately $515,000 (before costs) (based on the total number of Shares on issue as at the date of this Prospectus) together with the offer of one (1) New Option exercisable at $0.10 per New Option on or before 31 July 2019, for every two (2) New Shares issued.</td>
</tr>
</tbody>
</table>

Further details of the Offer are set out in Section 2 of this Prospectus. The Offer is fully underwritten by Veritas Securities Limited (Veritas Securities or Underwriter). Any New Shares and New Options not subscribed for under the Offer will form the Shortfall, further details of which are set out in Section 2.11 of this Prospectus. If there is a Shortfall, the Company will place to the nominees of the Underwriter, at its discretion, that number of New Shares and New Options in accordance with the Shortfall process described in Section 2.11 of this Prospectus.

New Shares offered under this Prospectus are fully paid ordinary shares in BBR, which will rank equally with the Company’s existing Shares. The shares issued on exercise of the New Options will rank equally with the existing Shares on issue as at the date of this Prospectus. The rights attaching to the New Shares and terms of the New Options offered by this Prospectus are described further in Section 7 of this Prospectus.

The purpose of this Prospectus is for the Company to make the Offer in accordance with section 713 of the Corporations Act. This Prospectus is a “transaction specific” prospectus and accordingly, as set out in Section 9.1 of this Prospectus, this Prospectus does not contain the same level of disclosure as an initial public offering prospectus. In preparing this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and professional advisers to whom investors may consult.

Overview of the Company

The Company is a Sydney-based mineral exploration and resources company with a particular focus on graphite and gold exploration. The Company was listed on the ASX on 11 May 2012 with a focus on the St Arnaud Gold Project in Victoria, Australia and since that date has identified and acquired mineral and graphite projects in Sri Lanka.

BBR is currently focused on the Matale/Kurunegala Graphite Project in Sri Lanka and the St Arnaud Gold Project. The Company has a 75% interest in the Matale/Kurunegala Graphite Project near Kandy in Sri Lanka through a deal with Plumbaga Mining Ltd announced in 2012. The Matale/Kurunegala Graphite Project is situated on 145km² of tenements and applications surrounding the historic graphite mine, which has operated since 1872 and produced more than 300,000 tonnes of high-grade graphite. BBR has added to its Sri Lankan graphite project portfolio
the granting of licences for the Paragoda North and Paragoda South Graphite Projects in central Sri Lanka and has also established a graphite project portfolio in southern Sri Lanka.

Since its admission to the official list of the ASX, the Company has conducted successful capital raisings (with the most recent raising, the Placement, completed on 27 June 2016), reviewed its existing businesses and pursued targeted acquisitions within the mineral exploration and resources sector.

Generally, the Company continues to assess new opportunities and possible acquisitions that may add synergies to the existing businesses and assets held by the Company, as well as the opportunities outside the mining and resources sectors.

After payment of fees and costs, funds raised through the Offer will be applied to working capital requirements of the Company including, but not limited to, strengthening the Company’s balance sheet and providing further working capital to evaluate potential opportunities within and outside the mineral exploration and resources sector (refer also to “Purpose of the Offer” in Section 3).
Key Investment Risks

Shareholders should read this Prospectus in its entirety before deciding whether to apply for New Shares and New Options under this Prospectus. In particular, you should consider the risk factors set out in Section 6 carefully (and if necessary, consult your professional adviser) before deciding whether to invest in the Company.

The specific risk and general risk factors set out in Section 6 and in the table below, and other general risks applicable to all investments in Securities not specifically referred to, may in the future affect the value of the New Shares and New Options. Accordingly, an investment in the Company should be considered speculative.

<table>
<thead>
<tr>
<th>Risk area</th>
<th>Further details</th>
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<tbody>
<tr>
<td><strong>Operating risks:</strong> The Company’s current and future operation of the businesses and assets within the Company may be affected by a range of factors, including, but not limited to:</td>
<td>Section 6.2(a)</td>
</tr>
<tr>
<td>i. failure to locate or identify mineral deposits;</td>
<td></td>
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<tr>
<td>ii. failure to achieve predicted grades in exploration and mining;</td>
<td></td>
</tr>
<tr>
<td>iii. operational and technical difficulties encountered in mining;</td>
<td></td>
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<tr>
<td>iv. difficulties in commissioning and operating plant and equipment;</td>
<td></td>
</tr>
<tr>
<td>v. mechanical failure or plant breakdown;</td>
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<tr>
<td>vi. unanticipated metallurgical problems which may affect extraction costs; and</td>
<td></td>
</tr>
<tr>
<td>vii. adverse weather conditions.</td>
<td></td>
</tr>
<tr>
<td><strong>Exploration success:</strong> The gold and graphite tenements are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.</td>
<td>Section 6.2(b)</td>
</tr>
<tr>
<td><strong>Exploration costs:</strong> The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions.</td>
<td>Section 6.2(c)</td>
</tr>
<tr>
<td><strong>Resource estimates:</strong> Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate.</td>
<td>Section 6.2(d)</td>
</tr>
<tr>
<td><strong>Commodity price volatility:</strong> Commodity prices are influenced by the physical and investment demand for those commodities and various other factors such as weather conditions, the price and availability of alternative commodities, actions taken by governments and international cartels, and global and economic and political developments.</td>
<td>Section 6.2(e)</td>
</tr>
<tr>
<td><strong>Environmental and title risks:</strong> The operations and proposed activities of the Company are subject to Australian State and Federal laws and regulation concerning the environment, as well as the laws of Sri Lanka. 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.</td>
<td>Section 6.2(f)</td>
</tr>
<tr>
<td><strong>Tenure and access:</strong> Mining and exploration tenements are subject to periodic renewal. There is no guarantee that current or future tenements or future applications for tenements will be approved in full or at all.</td>
<td>Section 6.2(g)</td>
</tr>
<tr>
<td><strong>Occupation health and safety:</strong> The Company is committed to providing a healthy and safe environment for its personnel, contractors and visitors. Mining operations and mineral exploration activities have inherent risks and hazards.</td>
<td>Section 6.2(h)</td>
</tr>
<tr>
<td><strong>Contractors and service providers:</strong> The Directors are unable to predict the risk of financial failure, default, insolvency or other managerial failure by any of the contractors used by the Company in any of its activities; or insolvency or other managerial failure by any of the other service providers used by the Company for any activity. Such events could adversely impact on the Company’s operations.</td>
<td>Section 6.2(i)</td>
</tr>
<tr>
<td>Risk area</td>
<td>Further details</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
<td>-----------------</td>
</tr>
<tr>
<td><strong>Sovereign risk in Sri Lanka:</strong> The Company is subject to risks associated with operating in a foreign jurisdiction. Any deterioration in the political environment or change in the government’s policies regarding foreign investment and ownership of mineral resources may adversely affect the Company’s operations.</td>
<td>Section 6.2(j)</td>
</tr>
<tr>
<td><strong>Economic risk:</strong> General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company’s development and future activities, as well as on its ability to fund those activities.</td>
<td>Section 6.3(a)</td>
</tr>
<tr>
<td><strong>Share market conditions:</strong> The price of the Company’s Securities will be influenced by international and domestic factors which may cause the market price of the Securities to fall and may be subject to varied and unpredictable influences on the market for equities.</td>
<td>Section 6.3(b)</td>
</tr>
<tr>
<td><strong>Reliance on key management:</strong> 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.</td>
<td>Section 6.3(c)</td>
</tr>
<tr>
<td><strong>Future capital requirements:</strong> The Company’s ongoing activities will require substantial expenditure. There can be no guarantee that the funds raised through the Offer will be sufficient to successfully achieve all objectives of the Company’s overall business strategy.</td>
<td>Section 6.3(d)</td>
</tr>
<tr>
<td><strong>Other acquisitions and investments:</strong> The Company may look to acquire other investments and assets in the future, details of which are not known as at the date of this Prospectus.</td>
<td>Section 6.3(e)</td>
</tr>
<tr>
<td><strong>Legislative changes, government policy and approvals:</strong> Changes in government regulations and policies may adversely affect the financial performance of the Company.</td>
<td>Section 6.3(f)</td>
</tr>
<tr>
<td><strong>Liquidity and realisation risk:</strong> There can be no guarantee that an active market in the Shares will develop or that the price of the Shares will develop or that the price of the Shares will increase.</td>
<td>Section 6.3(g)</td>
</tr>
<tr>
<td><strong>Insurance risk:</strong> The Company intends to adequately 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.</td>
<td>Section 6.3(h)</td>
</tr>
<tr>
<td><strong>Litigation:</strong> As with any company, the Company is (or will be) exposed to risks of litigation which may have a material adverse effect. The Company could become exposed to litigation from employees, regulators or third parties.</td>
<td>Section 6.3(i)</td>
</tr>
<tr>
<td><strong>Investment speculative:</strong> The risk factors referred to in this Prospectus, and others not specifically referred to in this Prospectus, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus.</td>
<td>Section 6.3(j)</td>
</tr>
</tbody>
</table>

**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 6 of this Prospectus.
Directors

Mr Patrick Ford – Non-Executive Chairman

Mr Ford holds a Bachelor of Commerce and has over 25 years’ experience in the Australian financial markets sector, both in an equity capital markets and client advisory capacity. He is currently also a director of ASX-listed Bioxyne Limited (ASX:BXN) (formerly: Probiomics Ltd). Mr Ford is currently an employee of Veritas Securities Limited.

As at the date of this Prospectus, Mr Ford is a Securityholder in the Company. His interest in the Company is set out at Section 9.3.

Mr Christopher Cowan – Non-Executive Director

Mr Cowan is a Chartered Accountant and has previously held roles at KPMG and Ernst & Young in Australia, Eastern Europe and the United Kingdom. Mr Cowan is an entrepreneur who has started, sold, turned around, managed and reconstructed an array of businesses in a number of countries across a broad range of industries.

As at the date of this Prospectus, Mr Cowan is a Securityholder in the Company. His interest in the Company is set out at Section 9.3.

Mr Piers Reynolds – Non-Executive Director

Mr Reynolds has over 20 years’ experience in the resource and finance industries and is currently an Executive Director of Veritas Securities Limited. He worked for nine years in the resource sector as a geologist in gold, base metals and bulk commodities. In 2001 Mr Reynolds joined a mid-tier Australian securities firm as a resource analyst prior to becoming a founding Director of Veritas in 2006. He has significant experience in fundamental analysis and investment banking activities including equity capital markets and corporate advisory in the minerals and energy sectors. He is currently also a director of ASX listed Royalco Resources Limited (ASX:RCO) and is an Executive Director of Veritas Securities Limited.

As at the date of this Prospectus, Mr Reynolds is a Securityholder in the Company. His interest in the Company is set out at Section 9.3.

Mr Nathan Young – Non-Executive Director

Mr Young is currently focussed on providing bespoke disability respite care houses. He has previously worked as an investment consultant and fund manager with prior experience as an investment banker. He has a Bachelor of Commerce degree from the University of Melbourne as well as a Graduate Diploma in Applied Finance and Investment from the Securities Institute of Australia. He commenced his career in the securities industry in 1996 and gained extensive equity and derivatives experience during the following 12 years with firms including Lonsdale Securities and ABN AMRO Australia.

As at the date of this Prospectus, Mr Young is a Securityholder in the Company. His interest in the Company is set out at Section 9.3.
1. CORPORATE DIRECTORY

### Directors

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr Patrick Ford</td>
<td>Non-Executive Chairman</td>
</tr>
<tr>
<td>Mr Christopher Cowan</td>
<td>Non-Executive Director</td>
</tr>
<tr>
<td>Mr Piers Reynolds</td>
<td>Non-Executive Director</td>
</tr>
<tr>
<td>Mr Nathan Young</td>
<td>Non-Executive Director</td>
</tr>
</tbody>
</table>

### Share Registry*

<table>
<thead>
<tr>
<th>Details</th>
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<tbody>
<tr>
<td>Security Transfer Registrars Pty Limited</td>
</tr>
<tr>
<td>770 Canning Highway</td>
</tr>
<tr>
<td>Applecross Perth WA 6153</td>
</tr>
<tr>
<td>Telephone: (08) 9315 2333</td>
</tr>
<tr>
<td>Facsimile: (08) 9315 2233</td>
</tr>
</tbody>
</table>

### Company Secretary

<table>
<thead>
<tr>
<th>Name</th>
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</thead>
<tbody>
<tr>
<td>Mr Andrew Whitten</td>
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</table>

### Legal Advisers

<table>
<thead>
<tr>
<th>Details</th>
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<tbody>
<tr>
<td>Whittens &amp; McKeough Pty Ltd</td>
</tr>
<tr>
<td>Level 5, 137-139 Bathurst Street</td>
</tr>
<tr>
<td>SYDNEY NSW 2000</td>
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</tbody>
</table>

### Registered Office

<table>
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<tr>
<th>Details</th>
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<tbody>
<tr>
<td>Suite 1002, Level 10</td>
</tr>
<tr>
<td>131 Macquarie Street</td>
</tr>
<tr>
<td>SYDNEY NSW 2000</td>
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</tbody>
</table>

### Auditor*

<table>
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<tr>
<th>Details</th>
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<tbody>
<tr>
<td>A D Danieli Audit Pty Ltd</td>
</tr>
<tr>
<td>Level 1, 261 George Street</td>
</tr>
<tr>
<td>SYDNEY NSW 2000</td>
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### ASX Code

<table>
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<th>Details</th>
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<tbody>
<tr>
<td>BBR</td>
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### Corporate Adviser and Underwriter

<table>
<thead>
<tr>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Veritas Securities Limited</td>
</tr>
<tr>
<td>Level 4, 175 Macquarie Street</td>
</tr>
<tr>
<td>SYDNEY NSW 2000</td>
</tr>
</tbody>
</table>

*These parties have been included for information purposes only. They have not been involved in the preparation of this Prospectus.
2. DETAILS OF THE OFFER

2.1 Summary of Offer

The Company is making the Offer pursuant to this Prospectus. The Offer is being made as a non-renounceable entitlement comprising the offer of one (1) New Share for every five (5) Shares held by eligible Shareholders registered at the Record Date (Eligible Applicant), together with the offer of one (1) attaching New Option for nil consideration, exercisable at $0.10 per New Option on or before 31 July 2019, for every two (2) New Shares issued.

The purpose of the Offer and the intended use of funds raised are set out in section 3.1 of this Prospectus. The Offer is not open to Overseas Applicants.

Eligible Applicants should note that the market price of Shares may rise and fall between the date of this Prospectus and the date on which the New Shares and New Options are allotted. Accordingly, the price you pay per New Share pursuant to the Offer may be higher or lower than the market price of Shares at the time of this Offer or at the time the New Shares are issued under this Offer.

The rights attached to the New Shares and terms of the New Options offered pursuant to this Prospectus are summarised in Section 7 of this Prospectus. The New Shares offered under this Prospectus will rank equally with the existing Shares on issue as at the date of this Prospectus. The Shares issued on exercise of the New Options, will rank equally with the existing Shares on issue as at the date of this Prospectus.

<table>
<thead>
<tr>
<th>Offer Details</th>
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<tbody>
<tr>
<td>New Shares:</td>
</tr>
<tr>
<td>New Options:</td>
</tr>
<tr>
<td>Eligible Applicants:</td>
</tr>
<tr>
<td>How to apply:</td>
</tr>
<tr>
<td>Opening Date:</td>
</tr>
<tr>
<td>Closing Date*:</td>
</tr>
</tbody>
</table>

*The Board reserves the right to close the Offer early or extend the Closing Date (as the case may be), should it consider it necessary to do so.

In addition to the Offer, 2,000,000 Veritas Options are being offered under this Prospectus. Each Veritas Option will be exercisable at $0.10 per Veritas Option on or before 31 July 2019 (refer to in Section 7.3 of this Prospectus).

2.2 Allotment and issue

Allotment and issue of the Securities offered by this Prospectus will take place as soon as practicable after the issue of this Prospectus, in accordance with the ASX Listing Rules and the indicative timetable as set out at the commencement of this Prospectus. The Company reserves the right to progressively allot and issue the New Shares and New Options.
Prior to allotment and issue, all application monies shall be held by the Company on trust. The Company, irrespective of whether an allotment and issue of Securities under this Prospectus takes place, will retain any interest earned on the application monies and each Eligible Applicant under this Prospectus waives the right to claim interest.

Holding statements for New Shares and New Options issued under this Prospectus will be mailed in accordance with the ASX Listing Rules and indicative timetable as set out at the commencement of this Prospectus. Holding statements for the remaining New Shares and New Options (if any) issued under the Shortfall Offer will be mailed as soon as practicable after their issue.

Each of the Directors of the Company reserves the right to decline any Application Form. Where no allotment is made, the surplus application monies will be returned by cheque to the Eligible Applicant within 7 days of the allotment date.

2.3 Quotation of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are quoted on ASX under the code BBR.

2.4 Minimum, maximum subscription and underwriting

There is no minimum subscription under the Offer. However, the Offer is fully underwritten by the Underwriter, Veritas Securities. Details of the Underwriting Agreement is set out in Section 9.4 of this Prospectus.

The maximum subscription under the Offer is approximately $515,000 (before costs).

2.5 ASX listing

Application will be made within 7 days after the date of this Prospectus to ASX for quotation of the New Shares issued pursuant to this Prospectus to be listed for quotation by ASX. It is not intended to list the New Options for trading on the ASX.

If ASX does not grant quotation of the New Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus (or such period as varied by the ASIC), the Company will not issue any New Shares or New Options and will repay all application monies for the New Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant 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 offered under this Prospectus.

2.6 Clearing House Electronic Sub-register System (CHESS) and Issuer Sponsorship

The Company will not be issuing Share certificates. The Company will apply to ASX to participate in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of Securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Securities allotted to them under this Prospectus. The notice will also advise holders of their Holder Identification Number (HIN) and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship. Further, monthly statements will be provided to holders in circumstances in which there have been any changes in their security holding in the Company during the preceding month.
2.7 Acceptance of the Offer

Eligible Applicants who wish to participate in the Offer can only accept their Entitlement (whole or part) by completing and returning the Entitlement and Acceptance Form accompanying this Prospectus (unless payment is made by BPAY® - see Section 2.9).

Eligible Applicants may participate in the Offer as follows:

(a) if an Eligible Applicant wishes to accept their FULL Entitlement:
   (i) complete the Entitlement and Acceptance Form; and
   (ii) attach the cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the amount indicated on the Entitlement and Acceptance Form; or

(b) if an Eligible Applicant wishes to accept PART of their Entitlement:
   (i) indicate the number of New Shares and New Options that the Eligible Applicant wishes to accept as part of their Entitlement by filling out the space provided in the Entitlement and Acceptance Form;
   (ii) otherwise, completing the Entitlement and Acceptance Form; and
   (iii) attach the cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the appropriate application monies (calculated at $0.06 per New Share accepted); or

(c) if an Eligible Applicant wishes to NOT accept ANY PART of their Entitlement, then the Eligible Applicant is not obliged to do or complete anything.

2.8 Payment by cheque/bank draft

All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to “Bora Bora Resources Limited” and crossed “Not Negotiable”.

All completed Entitlement and Acceptance Forms and cheques must reach the Company’s Share Registry no later than 5:00pm (AEST) on the Closing Date.

2.9 Payment by BPAY®

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. Eligible Applicants can only make a payment via BPAY® if they are the holder of an account with an Australian financial institution that supports BPAY® transactions.

For those Eligible Applicants who wish to pay by BPAY®, please note the following conditions which apply:

(a) Physical copies of the Entitlement and Acceptance Forms do not need to be submitted to accept your Entitlement under the Offer. Instead, the act of payment by BPAY® will be accepted by the Company as submission of a completed Entitlement and Acceptance Form and acceptance of the declarations therein.

(b) If the payment received by BPAY® is not for your full Entitlement, the Company will deem you to have accepted part of your Entitlement, up to the maximum allowable number of whole New Shares and New Options that can be paid for by the payment received by the Company.

It is the Eligible Applicant’s responsibility to ensure that their BPAY® payment is received by the Share Registry by no later than 5:00pm (AEST) on the Closing
Date. Eligible Applicants should be aware that their financial institutions may implement other cut-off times with regards to electronic payment. Eligible Applicants should therefore take this into consideration when making payment.

Any application monies received for more than the Eligible Applicant’s Entitlement will be refunded. No interest will be paid on any application monies received or refunded.

The Offer is non-renounceable. Accordingly, an Eligible Applicant may not sell or transfer all or part of their Entitlement.

2.10 Dilutionary impact of the Offer

Eligible Applicants should note that if they do not participate in the Offer, their shareholding in the Company will be diluted by the issue of the New Shares and (if exercised) the New Options. Examples of how the dilution may impact Shareholders are set out in the table below:

<table>
<thead>
<tr>
<th>Description of scenarios</th>
<th>New Shares issued</th>
<th>Options Exercised</th>
<th>Projected number of Shares in Company</th>
<th>Percentage Dilution (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Offer under this Prospectus fully subscribed and no existing Options exercised</td>
<td>8,576,190</td>
<td>Nil</td>
<td>51,457,140</td>
<td>16.7%6</td>
</tr>
<tr>
<td>Offer under this Prospectus fully subscribed and all New Options are exercised</td>
<td>8,576,190</td>
<td>4,288,095</td>
<td>55,745,235</td>
<td>23.1%7</td>
</tr>
<tr>
<td>Offer under this Prospectus fully subscribed and all New Options and Veritas Options are exercised</td>
<td>8,576,190</td>
<td>6,288,095</td>
<td>57,745,235</td>
<td>25.7%8</td>
</tr>
<tr>
<td>Offer under this Prospectus fully subscribed, all Options are exercised</td>
<td>8,576,190</td>
<td>8,288,095</td>
<td>59,745,235</td>
<td>28.2%9</td>
</tr>
</tbody>
</table>

Notes:

1. As at the date of this Prospectus, the Company has 42,880,950 Shares on issue.
2. Assuming that the Offer is fully subscribed and no existing Options are exercised prior to the Record Date. The existing Options are unlikely to be exercised prior to the Record Date, as the exercise prices are significantly higher than the issue price of the New Shares under the Offer.
3. Assuming that the Offer is fully subscribed and all the New Options are exercised.
4. Assuming that the Offer is fully subscribed and all the New Options and Veritas Options are exercised.
5. Assuming that the Offer is fully subscribed and all the New Options, Veritas Options and existing Options are exercised.
6. The percentage is based on a total sum of 51,457,140 Shares of the Company, which has been calculated as follows: 42,880,950 (current and projected share capital as at Record Date) + 8,576,190 (New Shares).
7. The percentage is based on a total sum of 55,745,235 Shares of the Company, which has been calculated as follows: 42,880,950 (current and projected share capital as at Record Date) + 8,576,190 (New Shares) + 4,288,095 (exercise of New Options).
8. The percentage is based on a total sum of 57,745,235 Shares of the Company, which has been calculated as follows: 42,880,950 (current and projected share capital as at Record Date) + 8,576,190 (New Shares) + 4,288,095 (exercise of New Options) + 2,000,000 (exercise of Veritas Options).
9. The percentage is based on a total sum of 59,745,235 Shares of the Company, which has been calculated as follows: 42,880,950 (current and projected share capital as at Record Date) +
8,576,190 (New Shares) + 4,288,095 (exercise of New Options) + 2,000,000 (exercise of Veritas Options) + 2,000,000 (exercise of existing Options).

2.11 Shortfall Offer

Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer. The Offer is fully underwritten by Veritas Securities. If there is a Shortfall, the Company will place to the nominees of the Underwriter, at its discretion, that number of New Shares and New Options.

The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for a period of up to 3 months following the Closing Date. The issue price for each New Share to be issued under the Shortfall Offer shall be $0.06, being the price at which New Shares have been offered under the Offer. For every two (2) New Shares issued, there will be one (1) attaching New Option exercisable at $0.10 per New Option on or before 31 July 2019.

The Board reserves the right to allocate New Shares and New Options under the Shortfall Offer to the Underwriter (or its nominees) in its absolute discretion.

The Shortfall Offer is not open to Overseas Applicants.

2.12 Fees and commissions

Under the Offer and the Shortfall Offer, the Company will pay a commission of 6% to the Underwriter, Veritas Securities Limited.

2.13 Overseas Applicants

This Prospectus does not constitute an offer or invitation:
(a) in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus; or
(b) to any person to whom it would not be lawful to make such an offer or invitation.

No action has been taken to register or qualify the Securities under the Offer, or the Prospectus itself, or otherwise to permit the public offering of the Securities under the Offer, in any jurisdiction outside Australia or New Zealand.

The distribution of this Prospectus within jurisdictions outside Australia or New Zealand may be restricted by law and persons into whose possession this Prospectus comes into and those persons should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws. It is the responsibility of any Eligible Applicant to ensure compliance with all laws of any country relevant to their application and to obtain all necessary approvals so that they may legally subscribe for (and be issued) Securities pursuant to the Offer.

The return of a duly completed Application Form under this Prospectus will be taken by the Company to constitute a representation and warranty that there has been no breach of any law, that all necessary approvals and consents have been obtained and that the Company may legally issue Securities to the respective Eligible Applicants pursuant to this Prospectus.

2.14 Taxation

The Company does not propose to give any taxation advice and neither the Company, its Directors nor its officers accept any responsibility or liability for any taxation consequence to Eligible Applicants. Eligible Applicants should consult their own professional tax advisers in regard to taxation implications of the Offer.

2.15 Privacy Act

If you complete an Application Form for New Shares and New Options, you will be
providing personal information to the Company (directly or indirectly through the Company’s Share Registry). The Company collects, holds and will use that information to assess your application, service your needs as a Securityholder, facilitate distribution payments and corporate communications to you as a Securityholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your Securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company’s Share Registry.

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

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

2.16 **Enquiries**

Any questions concerning the Offer or the Shortfall Offer should be directed to Mr Andrew Whitten (Company Secretary) on +61 2 8072 1400.
3. PURPOSE AND EFFECT OF THE OFFER

3.1 Purpose of the Offer

The purpose of the Offer (and if required, the Shortfall Offer) is to raise up to approximately $515,000 (before costs, and as iterated previously, based on the total number of Shares on issue as at the date of this Prospectus). The proceeds of the Offer are planned to be used in accordance with the table set out below:

<table>
<thead>
<tr>
<th>Proposed use of funds</th>
<th>Estimated amount ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working capital</td>
<td>$444,111</td>
</tr>
<tr>
<td>Estimated expenses of the Offer (and if required, the Shortfall Offer)</td>
<td>$70,889</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$515,000</strong></td>
</tr>
</tbody>
</table>

**Notes:**

1. The Board reserves the right to alter this budget as a result of a change in circumstances or intervening events. This budget is a statement of present intention.

2. Refer to Section 9.8 for details of the estimated expenses of the Offer.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

3.2 Effect of the Offer and pro-forma consolidated statement of financial position

The potential effect of the Offer on the future of the Company will be to:

(a) increase the Company’s cash reserves by up to approximately $515,000 (before estimated expenses, and as iterated previously, based on the total number of Shares on issue as at the date of this Prospectus) immediately after completion of the Offer;

(b) assuming that the Entitlement is fully subscribed, increase the number of ordinary Shares on issue from 42,880,950 Shares to 51,457,140 Shares following completion of the Offer (assuming that no existing Options are exercised prior to the Record Date); and

(c) assuming that the Entitlement is fully subscribed, increase the number of unlisted Options on issue from 2,000,000 to 6,288,095 unlisted Options following completion of the Offer (or 8,288,095 unlisted Options following the issue of the Veritas Options).

Set out below in Section 4 is:

(i) a reviewed statement of financial position of the Company as at 31 December 2014;

(ii) a reviewed statement of financial position of the Company as at 31 December 2015; and

(iii) an unaudited pro-forma statement of financial position of the Company as at 31 May 2016 incorporating the effect of the issue of New Shares and New Options.
4. STATEMENT OF FINANCIAL POSITION AND PRO-FORMA CAPITAL STRUCTURE

4.1 Statement of financial position

The reviewed balance sheet as at 31 December 2014 and 31 December 2015 and the unaudited pro-forma balance sheet as at 31 May 2016 included on the next page have been prepared on the basis of accounting policies normally adopted by the Company.

The pro-forma balance sheet incorporates the effect of the Offer. The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma balance sheet is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.
<table>
<thead>
<tr>
<th></th>
<th>31 December 2014 reviewed</th>
<th>31 December 2015 reviewed</th>
<th>31 May 2016 pro-forma unaudited fully subscribed</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>$4,238,910</td>
<td>$1,853,736</td>
<td>$2,486,765</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>$135,718</td>
<td>$63,878</td>
<td>$21,002</td>
</tr>
<tr>
<td>Inventory</td>
<td>-</td>
<td>$36,937</td>
<td>$37,216</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>$4,374,628</td>
<td>$1,954,551</td>
<td>$2,544,983</td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>$375,068</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>$10,127</td>
<td>$22,422</td>
<td>$21,177</td>
</tr>
<tr>
<td>Deferred exploration and evaluation expenditure</td>
<td>$3,347,211</td>
<td>$4,151,692</td>
<td>$3,727,814</td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td>$3,732,406</td>
<td>$4,174,114</td>
<td>$3,748,911</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$8,107,034</td>
<td>$6,128,665</td>
<td>$6,293,974</td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>$65,953</td>
<td>$410,682</td>
<td>$60,824</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td>$65,953</td>
<td>$410,682</td>
<td>$60,824</td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td>-</td>
<td>$101,161</td>
<td>-</td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>-</td>
<td>$101,161</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total non-current liabilities</strong></td>
<td>-</td>
<td>$101,161</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>$65,953</td>
<td>$511,843</td>
<td>$60,824</td>
</tr>
<tr>
<td><strong>Net assets / (liabilities)</strong></td>
<td>$8,041,081</td>
<td>$5,616,822</td>
<td>$6,233,150</td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Issued capital</td>
<td>$9,234,039</td>
<td>$9,144,710</td>
<td>$9,783,919</td>
</tr>
<tr>
<td>Reserves</td>
<td>$323,038</td>
<td>$181,765</td>
<td>$303,671</td>
</tr>
<tr>
<td>Accumulated losses</td>
<td>($1,496,439)</td>
<td>($3,667,571)</td>
<td>($3,806,521)</td>
</tr>
<tr>
<td><strong>Parent entity interest</strong></td>
<td>$8,060,638</td>
<td>$5,658,904</td>
<td>$6,281,069</td>
</tr>
<tr>
<td><strong>Non-controlling interests</strong></td>
<td>($19,557)</td>
<td>($42,082)</td>
<td>($47,919)</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td>$8,041,081</td>
<td>$5,616,822</td>
<td>$6,233,150</td>
</tr>
</tbody>
</table>
4.2 **Cash assets**

The movement in the cash assets is reconciled as follows:

<table>
<thead>
<tr>
<th>Cash assets</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance</td>
<td>1,772,654</td>
</tr>
<tr>
<td>Placement</td>
<td>270,000</td>
</tr>
<tr>
<td>New Shares</td>
<td>515,000</td>
</tr>
<tr>
<td>Expenses of the Offer</td>
<td>(70,889)</td>
</tr>
<tr>
<td><strong>Closing balance</strong></td>
<td>2,486,765</td>
</tr>
</tbody>
</table>

4.3 **Pro-forma capital structure**

The proposed capital structure of the Company as a consequence of the Offer is set out below:

<table>
<thead>
<tr>
<th>Capital Structure</th>
<th>Shares (undiluted)</th>
<th>Unlisted Options</th>
<th>Shares (fully diluted)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Existing Securities</td>
<td>42,880,950</td>
<td>2,000,000(^2)</td>
<td>44,880,950</td>
</tr>
<tr>
<td>New Shares</td>
<td>8,576,190</td>
<td>N/A</td>
<td>8,576,190</td>
</tr>
<tr>
<td>New Options</td>
<td>N/A</td>
<td>4,288,095</td>
<td>4,288,095</td>
</tr>
<tr>
<td>Veritas Options</td>
<td>N/A</td>
<td>2,000,000(^3)</td>
<td>2,000,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>51,457,140</td>
<td>8,288,095</td>
<td>59,745,235</td>
</tr>
</tbody>
</table>

**Notes:**

1. Assumes the Offer is fully subscribed.
2. As at the date of this Prospectus, the Company has 2,000,000 unlisted Options on issue. Given the exercise prices of these Options, these existing Options are unlikely to be exercised prior to the Record Date.
3. Pursuant to the terms of the Corporate Advisory Mandate, the Company will issue 2,000,000 unlisted Options to Veritas Securities (*Veritas Options*) under this Prospectus. Each Veritas Option will be exercisable at $0.10 per Veritas Option on or before 31 July 2019. Further details of the Corporate Advisory Mandate and Veritas Options are set out in Section 9.5 of this Prospectus.

4.4 **Option terms**

Existing unlisted Options on issue, have the following terms:

<table>
<thead>
<tr>
<th>Number of options</th>
<th>Exercise price</th>
<th>Expiry date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,000,000</td>
<td>$0.60</td>
<td>30 September 2016</td>
</tr>
<tr>
<td>1,000,000</td>
<td>$0.40</td>
<td>31 March 2017</td>
</tr>
<tr>
<td><strong>2,000,000</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The above table does not include the following Options:

- the Veritas Options, where each Veritas Option will be exercisable at $0.10 per Veritas Option on or before 31 July 2019 (refer to Section 7.3); and
- the New Options, where each New Option will be exercisable at $0.10 per Veritas Option on or before 31 July 2019 (refer to Section 7.2).
5. SUMMARY OF CURRENT AND PROPOSED ACTIVITIES

5.1 Background

The Company was incorporated on 31 March 2011 and commenced trading on ASX on 11 May 2012 under ASX ticker code “BBR”.

BBR is currently focused on the Matale/Kurunegala Graphite Project in Sri Lanka and the St Arnaud Gold Project in Victoria, Australia.

5.2 Summary of the Company’s current activities

The Company’s activities have focused on the Kingfisher Graphite Prospect in Sri Lanka where nearly 5,000 metres of diamond drilling was completed in December half 2015. The drilling at Kingfisher has defined several graphite intersections of note. Interpretation of drill results to date sees a model of 2 veins that strike in a NE direction and dip moderately to the northwest. This interpretation reflects the geophysical model developed by Fathom Australia and also correlates to what is seen in core from drill holes. The current geological model potentially sees 2 veins that may merge at some point to the west.

The southernmost graphite mineralisation which is interpreted to correspond to the southern Fathom plate model has a significantly different geophysical response compared to that of the northernmost mineralisation. This is either a function of the conductivity of the material or its thickness. It is believed that the southernmost graphite vein has been identified over a strike length of around 100 metres by current drilling to a depth of around 75 metres and up to about 30 centimetres wide.

Results from Stage 1 of the Kingfisher drill programme include:

- PLB011: 0.40m @ 98.6% TGC from 62.8 metres
- PLB004: 0.40m @ 96.0% TGC from 90.3 metres
- PLB030: 0.12m @ 83.4% TGC from 77.9 metres
- PLB028: 0.13m @ 68.0% TGC from 68.7 metres

It is important to recognise that the proposed use of funds is subject to change in line with emerging results, circumstances and opportunities, and may be changed by the Board at its discretion at any time.

5.3 Potential acquisitions

The Board continues to be committed to evaluating and assessing various investment opportunities both within and outside of the mineral explorations and resources sector.

5.4 Recent capital raising

On 15 June 2016, the Company requested and was granted a trading halt of its Securities pending an announcement regarding a proposed capital raising. On 17 June 2016, the Company announced that it had raised $270,000 pursuant to the Placement.

On 27 June 2016, the Company completed the Placement and issued 4,500,000 Shares at the Issue Price to professional and sophisticated investors introduced to the Company by Veritas Securities.
6. INVESTMENT RISKS

6.1 Speculative investment

The New Shares and New Options offered under this Prospectus should be considered to be speculative because of the inherent risks associated with mining operations, mineral exploration and appraisal and the current status of the Company’s exploration projects. The future profitability of the Company will be dependent upon the successful commercial exploitation of its business and operations. In addition, there are risks inherent in investing in the share market in general.

Whilst the Directors recommend the Offer (and if required, the Shortfall Offer), there are numerous risk factors involved. The following is a summary of some of the material matters to be considered. However, this summary is not exhaustive and potential investors should examine the contents of this Prospectus in its entirety and consult their professional advisers before deciding whether to apply for the New Shares and New Options under this Prospectus.

Factors which may affect the Company’s financial position, prospects and the price of its listed Securities include, but are not limited to, the specific risk factors and the general risk factors set out below.

6.2 Specific risks

(a) Operating risks

The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits; failure to achieve predicted grades in exploration and mining; operational and technical difficulties encountered in exploration and mining; difficulties in commissioning and operating plant and equipment; mechanical failure or plant breakdown; unanticipated metallurgical problems which may affect extraction costs; adverse weather conditions; industrial and environmental accidents; industrial disputes; unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment; and unusual or unexpected geological or mining conditions. Such risks could result in damage to applicable mines, personal injury, environmental damage, delays in mining or metal production, monetary losses and possible legal liability.

The Company also has (or will have) exposure to movements in the prices charged by external suppliers, including those who supply inputs to production, such as electricity, other energy providers and sea freight and transport service providers which are critical to its business, and movements in wages, royalties, taxes and other government charges relating to its mining operations. A significant increase in one or more of these cost items for a sustained period could have an adverse effect on financial performance.

(b) Exploration success

The gold and graphite tenements are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that exploration of the tenements; or any other tenement in which the Company may acquire an interest in the future, will result in the discovery of an economic mineral deposit. Even if any apparent viable mineral deposit is identified, there is no guarantee that it can be profitably exploited.

Exploration may be hampered by mining, heritage and environmental legislation, industrial disputes, cost overruns, land claims and compensation and other unforeseen contingencies.

The mineral tenements of the Company are at various stages of application and grant. There can be no assurance that the tenement applications that are currently in the pending status will be granted. In addition, there can be no assurance that when a
tenement is granted, that it will be granted in its entirety as some of the tenement area applied for may be excluded.

Where the tenements cover freehold land, the Company will be required to negotiate with landholders in order to gain access. There exists a number of conditions whereby freehold landowners are entitled to withhold permission to access their land for the purpose of exploration. While the Company will endeavour to secure access to these areas, there can be no guarantee that these endeavours will be successful. There is no guarantee that these negotiations or negotiations with the government of Sri Lanka, with respect to foreign ownership restrictions pertaining to freehold purchase of land or a long term lease will be successful.

The success of the Company depends on the delineation of economically mineable reserves, access to required development capital, securing and maintaining title to its exploration and mining tenements and obtaining all consents and approvals necessary for the conduct of its exploration activities.

The exploration industry involves significant risks which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Exploration for, and development of resources is speculative and involves a significant degree of risk.

(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 uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company’s viability. In addition, there is no assurance that future exploration expenditure will result in discoveries or upgrade existing mineralisation to the stage where such can be successfully commercially exploited.

(d) Resource estimates

Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans which may, in turn, adversely affect the Company’s operations.

(e) Commodity price volatility

Commodity prices are influenced by the physical and investment demand for those commodities and various other factors such as weather conditions, the price and availability of alternative commodities, actions taken by governments and international cartels, and global and economic and political developments. Commodity prices have fluctuated widely in recent years and may continue to fluctuate significantly in the future. Fluctuations in commodity prices and, in particular, a material decline in the price of commodities may have a materially adverse effect on the Company’s business, financial condition and results of operations.

(f) Environmental and title risks

The operations and proposed activities of the Company are subject to State and Federal laws and regulation concerning the environment as well as the laws of Sri Lanka. 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 highest standard of environmental obligation, including compliance with all environmental laws.

Each permit or licence under which exploration and production activities can be undertaken is issued for a specific term and carries with it work commitments and reporting obligations, as well as other conditions requiring compliance. Consequently, the Company could lose title to, or its interest in, one or more of its tenements if conditions are not met or if sufficient funds are not available to meet work commitments. Any failure to comply with work commitments or other conditions on which a permit or tenements it has exposes the permit or tenement to forfeiture or may result in it not being renewed as and when renewal is sought. Where tenements are cancelled, forfeited or refused renewal, no compensation will generally be payable to the holder.

Various tenements in which the Company has an interest in are subject to native title rights of indigenous Australians. The ability of the Company to gain access to its 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 by these native title rights.

(g) **Tenure and access**

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

Tenements are subject to the applicable mining acts and regulations in Australia and Sri Lanka. The renewal of the term of a granted tenement is also subject to the discretion of the relevant government 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.

(h) **Occupational health and safety**

The Company is committed to providing a healthy and safe environment for its personnel, contractors and visitors. Mining operations and mineral exploration activities have inherent risks and hazards. In the event that an incident occurs that infringes the applicable occupational health and safety legislation, there is a risk that the Company’s operations could be suspended for a period of time. The Company will aim to provide appropriate instructions, equipment, preventative measures, first aid information and training to all stakeholders through its occupational, health and safety management systems to minimise this risk.

(i) **Contractors and service providers**

The Directors are unable to predict the risk of financial failure, default, insolvency or other managerial failure by any of the contractors used by the Company in any of its activities; or insolvency or other managerial failure by any of the other service providers used by the Company for any activity. Such events could adversely impact on the Company’s operations.

The Company operates through a series of contractual relationships with operators, technical experts, project managers, suppliers, customers and contractors generally. All contracts carry risks associated with the performance by the parties of their obligations under such documents, it may be necessary for the Company to take legal action which may be costly and no guarantee can be given by the Company that a legal remedy will ultimately be granted on appropriate terms.
(j) **Sovereign risk in Sri Lanka**

As the Company operates in Sri Lanka, the Company is subject to those risks associated with operating in a foreign jurisdiction. Such risks can include, economic, social or political instability or change, hyperinflation, currency non convertibility or instability and changes of law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, mine safety, labour relations as well as government control over mineral properties or government regulations that require the employment of local residents or contractors or require other benefits to be provided to local residents.

Sri Lanka was involved in a civil war until on or around late 2009. While Sri Lanka is currently relatively stable, there is no certainty that the political and economic conditions will remain stable. Any deterioration in political or economic conditions, including renewed hostilities or terrorist activity, may adversely affect the Company’s operations.

There is a risk that the government of Sri Lanka may change its policies regarding foreign investment and the ownership of mineral resources, which may have an adverse impact on the Company’s profitability.

### 6.3 General risks

(a) **Economic risks**

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

(b) **Share market conditions**

The price of the Company’s Securities will be influenced by international and domestic factors which may cause the market price of the Securities to fall and may be subject to varied and unpredictable influences on the market for equities. Eligible Applicants should be aware that there are risks associated with any Securities investment. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

Share market conditions are affected by many factors such as: general economic outlook; interest rates and inflation rates; currency fluctuations; changes in investor sentiment toward particular market sectors; the demand for, and supply of, capital; and terrorism or other hostilities.

(c) **Reliance on key management**

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. The future success of the Company also depends upon its continuing ability to attract and retain qualified personnel. The ability to attract and retain the necessary personal could have a material effect upon the Company’s business, results of operations and financial condition.

(d) **Future capital requirements**

The Company’s ongoing activities will require substantial expenditure. There can be no guarantee that the funds raised through the Offer will be sufficient to successfully achieve all objectives of the Company’s overall business strategy. If the Company is unable to continue to use debt or equity to fund expansion after the substantial exhaustion of the net proceeds of the Offer, there can be no assurances that the Company will have sufficient capital resources for that purpose or other purposes, or
that it will be able to obtain additional fundraising on terms acceptable to the Company or at all. Any additional equity financing may be dilutive to Securityholders and any debt financing if available may involve restrictive covenants, which may limit the Company’s operations and business strategy.

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

(e) **Other acquisitions and investments**

The Company may look to acquire other investments and assets in the future, details of which are not known as at the date of this Prospectus. Those acquisitions and investments will generally carry their own set of unique risks.

(f) **Legislative changes, government policy and approvals**

Changes in government regulations and policies may adversely affect the financial performance of the Company. The Company's capacity to carry out its operations may be affected by changes in government policy, which are beyond the Company's control.

(g) **Liquidity and realisation risks**

There can be no guarantee that an active market in the Shares will develop or that the price of the Shares will develop or that the price of the Shares will increase. Moreover, there may be relatively few buyers or a relatively high number of sellers of the Company's Shares on the ASX at any given time, which may increase not only the volatility of the market price of the Shares but also the prevailing market price at which Shareholders can sell their Shares. This may result in Shareholders receiving a market price for their Shares that is less than the price paid for their Shares.

(h) **Insurance risk**

The Company intends to adequately 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 business operations is not always available and where available the costs can be prohibitive.

(i) **Litigation**

As with any company, the Company is (or will be) exposed to risks of litigation which may have a material adverse effect. The Company could become exposed to litigation from employees, regulators or third parties. To the extent that such risks are not covered by insurance, an adverse outcome in litigation or the cost of responding to potential or actual litigation may have a material adverse impact on financial performance.

(j) **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 New Shares and New Options offered under this Prospectus.

Therefore, the Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities.
Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.
7. RIGHTS ATTACHING TO SECURITIES

The following is a summary of the more significant rights attaching to the New Shares and terms of the New Options and the terms of the Veritas Options. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Securityholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights attaching to New Shares are set out in the Company’s Constitution, a copy of which is available for inspection at the Company’s registered office during normal business hours.

7.1 Terms of New Shares

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 of the Company.

Voting rights
Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

(a) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;

(b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and

(c) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each Share held by them, or in respect of which they are appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid Shares shall have a fraction of a vote equivalent to the proportion which the amount paid up bears to the total issue price for the Share.

Dividend rights
The Board may from time to time declare and pay or credit a dividend in accordance with the Corporations Act. Subject to any special right as to dividends attaching to a Share, all dividends will be declared and paid according to the proportion which the amount paid on the Share is to the total amount payable in respect of the Shares (but any amount paid during the period in respect of which a dividend is declared only entitles the Shareholder to an apportioned amount of that dividend as from the date of payment). The Directors may from time to time pay or credit to Shareholders such interim dividends as they may determine. No dividend shall carry interest as against the Company.

The Board may from time to time grant to Shareholders or any class of Shareholders the right to elect to reinvest cash dividends paid by the Company by subscribing for shares in the Company on such terms and conditions as the Directors think fit. The Directors may, at their discretion, resolve in respect of any dividend which it is proposed to pay or to declare on any Shares of the Company, that holders of such Shares may elect to forgo their right to the whole or part of the proposed dividend and to receive instead an issue of Shares credited as fully paid to the extent and on the terms and conditions of the Constitution. The Directors may set aside out of the profits of the Company such amounts as they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Winding-up
If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the
Company, and may for that purpose set such value as he or she considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other Securities in respect of which there is any liability.

**Transfer of Shares**

Generally, Shares in the Company 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 and the Listing Rules.

**Future increase in capital**

The allotment and issue of any new Shares is under the control of the Board. Subject to restrictions on the issue or grant of securities contained in the Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing Share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

**Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders, vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of at least 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.

### 7.2 Terms of New Options

The New Options entitle the Optionholder to subscribe for underlying Shares on the following terms and conditions:

(a) Each New Option gives the holder of the New Option (Optionholder) the right to subscribe for 1 Share for every New Option. To obtain the right given by each New Option, the Optionholder must exercise the New Options in accordance with these terms and conditions.

(b) The New Options will automatically vest.

(c) The New Options will expire at 5:00pm (AEST) on 31 July 2019 (Expiry Date).

(d) Any New Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(e) The amount payable upon the exercise of each New Option will be $0.10 (Exercise Price).

(f) An Optionholder may exercise their New Options by lodging with the Company, before the Expiry Date:

   (i) a written notice of exercise of New Options specifying the number of Options being exercised; and

   (ii) a cheque or electronic funds transfer for the Exercise Price for the number of New Options being exercised.
An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.

Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of New Options specified in the Exercise Notice.

The New Options are freely transferable.

All Shares allotted upon the exercise of New Options will upon allotment rank pari passu in all respects with other Shares.

The Company will not apply for quotation of the New Options on ASX. However, the Company will apply for quotation of all Shares allotted pursuant to the exercise of the New Options on ASX immediately after the allotment of those Shares.

If at any time the issued capital of the Company is reconstructed, all rights of the Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

There are no participating rights or entitlements inherent in the New Options and the Optionholder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the New Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 6 Business Days after the issue is announced. This will give the Optionholder the opportunity to exercise the New Options prior to the date for determining entitlements to participate in any such issue.

In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to Shareholders after the date of issue of the Options, the exercise price of the New Options may be reduced in accordance with the formula set out in ASX Listing Rule 6.22.2.

In the event the Company proceeds with a bonus issue of securities to Shareholders after the date of issue of the New Options, the number of securities over which a New Option is exercisable may be increased by the number of securities which the Optionholder would have received if the New Option had been exercised before the record date for the bonus issue.

7.3 Terms of Veritas Options

The Veritas Options entitle the Optionholder to subscribe for underlying Shares on the following terms and conditions:

Each Veritas Option gives the holder of the Veritas Option (Optionholder) the right to subscribe for 1 Share for every Veritas Option. To obtain the right given by each Veritas Option, the Optionholder must exercise the Veritas Options in accordance with these terms and conditions.

The Veritas Options will automatically vest.

The Veritas Options will expire at 5:00pm (AEST) on 31 July 2019 (Expiry Date).

Any Veritas Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
(e) The amount payable upon the exercise of each Veritas Option will be $0.10 (Exercise Price).

(f) An Optionholder may exercise their Veritas Options by lodging with the Company, before the Expiry Date:

(i) a written notice of exercise of Veritas Options specifying the number of Options being exercised; and

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

(Exercise Notice).

(g) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.

(h) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Veritas Options specified in the Exercise Notice.

(i) The Veritas Options are freely transferable.

(j) All Shares allotted upon the exercise of Veritas Options will upon allotment rank pari passu in all respects with other Shares.

(k) The Company will not apply for quotation of the Veritas Options on ASX. However, the Company will apply for quotation of all Shares allotted pursuant to the exercise of the Veritas Options on ASX immediately after the allotment of those Shares.

(l) If at any time the issued capital of the Company is reconstructed, all rights of the Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(m) There are no participating rights or entitlements inherent in the Veritas Options and the Optionholder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Veritas Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 6 Business Days after the issue is announced. This will give the Optionholder the opportunity to exercise the Veritas Options prior to the date for determining entitlements to participate in any such issue.

(n) In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to Shareholders after the date of issue of the Options, the exercise price of the Veritas Options may be reduced in accordance with the formula set out in ASX Listing Rule 6.22.2.

(o) In the event the Company proceeds with a bonus issue of securities to Shareholders after the date of issue of the Veritas Options, the number of securities over which a Veritas Option is exercisable may be increased by the number of securities which the Optionholder would have received if the Veritas Option had been exercised before the record date for the bonus issue.
8. CORPORATE GOVERNANCE

8.1 The Board of Directors

The Company’s Board of Directors 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 Board discussions on a fully-informed basis.

8.2 Composition of the Board

Election of Directors to the Board is substantially the province of Shareholders in a general meeting. However, subject thereto, the Company is committed to the following principles:

(a) the Board is to comprise Directors with a blend of skills, experience and attributes appropriate for the Company and its business; and
(b) the principal criterion for the appointment of new Directors is their ability to add value to the Company and its business.

The Board has adopted a Nomination Committee Charter. However, given the size of the Company, no formal nomination committee or procedures have been adopted for the identification, appointment and review of the Board membership, but an informal assessment process, facilitated by the Chairman in consultation with the Company’s professional advisers (if required), has been committed to by the Board.

8.3 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.

8.4 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 currently set at $250,000. Any increases will be the subject of Shareholder approval in accordance with clause 6.3(a) of the Company’s Constitution, the Corporations Act and the Listing Rules, as applicable. The determination of non-executive Directors’ remuneration within that maximum amount 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 Board may award additional remuneration to Directors called upon to perform extra services or make special exertions on behalf of the Company.
8.5 **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.

8.6 **Audit committee**

The Board has adopted an Audit and Risk Committee Charter. Pursuant to the Audit and Risk Committee Charter, the Board has established an Audit and Risk Committee which consists of five members (three non-executive independent Directors and two representatives of the Auditor) and is chaired by Mr Patrick Ford, non-executive independent Chairman and Director of the Company.

8.7 **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.

8.8 **Ethical standards**

The Board is committed to the establishment and maintenance of appropriate ethical standards.
9. ADDITIONAL INFORMATION RELEVANT TO THE OFFER

9.1 Continuous disclosure obligations

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

In general terms “transaction specific prospectuses” are only required to contain information in relation to the effect of the issue of Securities in the Company and the rights attaching to the Securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

Other than as set out below, and 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 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 ASIC; and

(c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:

(i) the annual financial report most recently lodged by the Company with ASIC;

(ii) any half year financial report lodged with ASIC by the Company after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with ASIC; and

(iii) any continuous disclosure announcement given to ASX by the Company since lodgement of the most recent annual financial report but prior to the lodgement of this Prospectus.

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

For details of documents lodged with ASX since the date of lodgement of the Company’s latest annual financial report refer to the table set out below.

<table>
<thead>
<tr>
<th>Date</th>
<th>Description of announcement</th>
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<tbody>
<tr>
<td>28/09/2015</td>
<td>Corporate Governance Statement</td>
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<td>28/09/2015</td>
<td>Appendix 4G</td>
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<td>23/10/2015</td>
<td>Notice of Annual General Meeting/Proxy Form</td>
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<td>30/10/2015</td>
<td>Quarterly Activities Report</td>
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<td>30/10/2015</td>
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<td>25/11/2015</td>
<td>Results of Meeting</td>
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<tr>
<td>Date</td>
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<td>-----------------------------------------------------------</td>
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<tr>
<td>11/12/2015</td>
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<td>28/01/2016</td>
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<td>28/01/2016</td>
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<td>14/03/2016</td>
<td>Half Yearly Report and Accounts</td>
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<td>Change of Director’s Interest Notice</td>
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<td>Ceasing to be a substantial holder</td>
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<td>Placement and fully underwritten rights issue</td>
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<td>27/06/2016</td>
<td>Appendix 3B</td>
</tr>
<tr>
<td>27/06/2016</td>
<td>Cleansing Notice</td>
</tr>
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ASX maintains files containing publicly available information for all listed companies. The Company’s file is available for inspection at its registered office during normal business hours.

9.2 Consents

The following consents have been given in accordance with the Corporations Act and have not been withdrawn as at the date of lodgement of this Prospectus with ASIC:

(a) each Director of the Company and the Company Secretary and they have not withdrawn their consent prior to lodgement of this Prospectus with ASIC;

(b) Whittens & McKeough has given its written consent to being named as solicitors to the Company and has not withdrawn its consent prior to lodgement of this Prospectus with ASIC;

(c) Veritas Securities has given its written consent to being named as Underwriter and corporate adviser and has not withdrawn its consent prior to lodgement of this Prospectus with ASIC;

(d) A D Danieli Audit Pty Ltd has given its written consent to being named as auditor to the Company and has not withdrawn its consent prior to lodgement of this Prospectus with ASIC; and

(e) Securities Transfers Registrars has given its written consent to being named as share registry to the Company and has not withdrawn its consent prior to lodgement of this Prospectus with ASIC.
None of the persons or entities referred to in this Section 9.2 has authorised or caused the issue of this Prospectus and none of the entities accepts any liability to any persons in respect of any false or misleading statement in, or omission from, any part of this Prospectus.

9.3 **Directors’ interests**

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

(a) the promotion or formation of the Company;

(b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the offer of New Shares and New Options pursuant to this Prospectus; or

(c) the offer of New Shares, New Options and Veritas Options 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 organisation in which any such Director is a partner or director, 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 promotion or formation of the Company.

Please note Mr Ford is an employee and shareholder of Veritas Securities and Mr Reynolds is a director and shareholder of Veritas Securities. Therefore, Mr Ford and Mr Reynolds have an indirect interest in the fees payable to Veritas Securities and the Veritas Options in accordance with the Underwriting Agreement and the Corporate Adviser Mandate.

The Directors’ interests at the date of this Prospectus are as set out below:

<table>
<thead>
<tr>
<th>Director</th>
<th>Shares</th>
<th>Options</th>
<th>Remuneration ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr Patrick Ford¹</td>
<td>515,000</td>
<td>Nil</td>
<td>$40,000</td>
</tr>
<tr>
<td>Mr Christopher Cowan²</td>
<td>7,210,950</td>
<td>Nil</td>
<td>$40,000</td>
</tr>
<tr>
<td>Mr Piers Reynolds³</td>
<td>510,000</td>
<td>Nil</td>
<td>$40,000</td>
</tr>
<tr>
<td>Mr Nathan Young⁴</td>
<td>350,000</td>
<td>Nil</td>
<td>$40,000</td>
</tr>
</tbody>
</table>

**Notes:**

¹ Shares held by Mr Ford directly, and by P Ford Superannuation Pty Ltd <Patrick Ford Super Fund A/C>, an entity related to Mr Ford.

² Mr Cowan’s base annual salary is set at $40,000 (including superannuation and all other entitlements).

³ Shares held indirectly by Mr Reynolds by Mad Fish Management Pty Ltd <Mad Fish Super Fund A/C>, being an entity related to Mr Reynolds.

⁴ Mr Young’s base annual salary is set at $40,000 (including superannuation and all other entitlements).
The Directors intend to participate in the Offer as follows:

<table>
<thead>
<tr>
<th>BBR Director</th>
<th>Current Shares</th>
<th>Share and Option subscription under the Offer</th>
<th>% take up of Offer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr Patrick Ford</td>
<td>515,000</td>
<td>103,000 New Shares and 51,500 New Options</td>
<td>100%</td>
</tr>
<tr>
<td>Mr Christopher Cowan</td>
<td>7,210,950</td>
<td>360,548 New Shares and 180,274 New Options</td>
<td>25%</td>
</tr>
<tr>
<td>Mr Nathan Young</td>
<td>350,000</td>
<td>70,000 New Shares and 35,000 New Options</td>
<td>100%</td>
</tr>
<tr>
<td>Mr Piers Reynolds</td>
<td>510,000</td>
<td>102,000 New Shares and 51,000 New Options</td>
<td>100%</td>
</tr>
</tbody>
</table>

Other than as set out below or elsewhere in this Prospectus, no expert nor any organisation in which such expert has an interest, has or had within 2 years before the lodgement of this Prospectus with ASIC, any interest in:

(a) the promotion or formation of the Company;
(b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the offer of New Shares and New Options pursuant to this Prospectus; or
(c) the Offer pursuant to this Prospectus,

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

9.4 Underwriting agreement

On 17 June 2016, the Company entered into an underwriting agreement with the Underwriter, Veritas Securities, pursuant to which the Underwriter (and also corporate adviser of the Company) has agreed to underwrite and manage the Offer made pursuant to this Prospectus (Underwriting Agreement). The Underwriting Agreement contains the following key terms:

(a) Subject to this Prospectus being mailed to Eligible Applicants on 30 June 2016, if there is a Shortfall, the Company will place to nominees of the Underwriter, at its discretion, that number of New Shares and New Options of the Shortfall in accordance with the Shortfall allocation process described in Section 2.11 of this Prospectus.

(b) The conditions precedent being satisfied, including that the Company has complied with the obligations and conditions under the Underwriting Agreement.

(c) The Underwriter is entitled to an underwriting fee equal to 6% of the funds raised by the Company under the Offer, excluding funds raised by the
Company as a result of the Directors of the Company taking up their Entitlement (Underwriting Fee).

(d) Reasonable costs and expenses incurred by the Underwriter (up to a maximum of $2,000) in relation to the Offer are payable by the Underwriter, provided that the Company pays the Underwriting Fee set out above.

(e) The Underwriter may terminate the Underwriting Agreement in certain circumstances, including default by the Company, change of relevant laws, a material adverse change in financial markets and other circumstances usual in agreements of this nature.

(f) Representations and warranties are given by the Company and the Underwriter which are considered usual for the agreements of this nature, including that the Offer complies with the requirements of the Corporations Act, this Prospectus contains all material information required under the Corporations Act and does not contain any misleading or deceptive information, and that the Company has indemnified the Underwriters against losses arising if these representations and warranties are incorrect.

(g) A moratorium which includes the following two items:

(i) a general moratorium on commercial banking activities in Australia, New Zealand, Sri Lanka, the United States of America or the United Kingdom is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries; and

(ii) trading in all securities quoted or listed on ASX, New Zealand Stock Exchange, the London Stock Exchange or the New York Stock Exchange is suspended or limited in a material respect for one day on which that exchange is open for trading (trading day) or substantially all of one trading day.

(h) Other terms and conditions which are usual for underwriting agreements of this nature.

9.5 Corporate adviser mandate

The Company entered into an exclusive agreement with Veritas Securities on 10 June 2016, where Veritas Securities has agreed to provide corporate, stockbroking and market advice to the Company on general and specific issues with respect to progressing the Company's projects, introducing institutional shareholders to the Company, and advising on capital raising initiatives (Corporate Adviser Mandate).

For the purposes of this Prospectus, Veritas Securities is the corporate adviser to the Company. The persons principally involved on behalf of Veritas Securities will initially be Mr Bryce Reynolds, however this may vary and other specialist person(s) may be seconded and utilised as required from time to time having regard to the needs of a particular task under the appointment.

The Corporate Adviser Mandate commenced on 10 June 2016 and will continue until 31 July 2017.

The fees to be charged by Veritas Securities are as follows:

(a) the grant of 2,000,000 unlisted options (Veritas Options), each exercisable at $0.10 per Veritas Option on or before 31 July 2019. The Veritas Options have the same terms as the New Options, set out in Section 7.3 of this Prospectus; and
(b) a success fee is payable on any material transaction arising out of the Corporate Adviser Mandate, that is completed during the term of the engagement.

The Company may terminate the Corporate Adviser Mandate immediately on giving written notice if one of the following occurs:

(a) Veritas Securities agrees to accept an appointment from any third party during the continuance of the Corporate Adviser Mandate or uses any information confidential to the Company which will place Veritas in a position of conflict in relation to the appointment and the interests of the Company without the prior consent of the Company (such consent not to be unreasonably withheld);

(b) Veritas Securities does not take reasonable and appropriate steps which is directed to ensuring that any inside, or price-sensitive information obtained is not communicated to any person within Veritas Securities who might be in a position to make a decision to enter into an agreement or transaction on the basis of that information;

(c) Veritas Securities is otherwise in breach or default of its obligations under the Corporate Adviser Mandate or otherwise in relation to the appointment, and, if such breach or default is remediable, Veritas Securities has not remedied the breach or default within 10 Business Days on BBR giving notice of the breach or default; and

(d) Veritas Securities goes into liquidation, becomes insolvent, ceases to carry on its business or ceases to be able to carry out its functions.

Veritas Securities may terminate the Corporate Adviser Mandate immediately on giving written notice if one of the following occurs:

(a) the Company enters into an arrangement with another corporate adviser to advise it in relation to any transaction or matter which is within the scope of the appointment under the Corporate Adviser Mandate, unless the appointment has been validly terminated;

(b) if during the appointment, the Company decides to postpone or defer the Offer, and it subsequently proceeds with an alternative mandate with a third party without having negotiated it in good faith with Veritas Securities, then Veritas Securities is entitled to liquidated damages for loss of its bargain in an amount equal to the amount it would have earned if the Offer had proceeded and was successful;

(c) the Company does not fulfil its obligation to inform Veritas Securities if it becomes aware of any material adverse change to the financial position or prospects of BBR, and/or the Company does not provide all reasonable assistance to Veritas Securities in connection with its appointment under the Corporate Adviser Mandate;

(d) the Company is otherwise in breach or default of its obligations under the Corporate Adviser Mandate or otherwise in relation to the appointment, and, if such breach or default is remediable, the Company has not remedied the breach or default within 10 Business Days on Veritas Securities giving notice of the breach or default; and

(e) the Company undergoes a change of control, goes into liquidation, becomes insolvent or ceases to carry on its business.

Veritas Securities will not be liable for the services provided pursuant to the Corporate Adviser Mandate, except to the extent of any loss that directly results from the fraud, recklessness, wilful conduct or gross negligence of Veritas Securities, or the breach of a provision of the Corporate Adviser Mandate by Veritas Securities.
9.6 **Legal costs**

The Company has a costs agreement in place with Whittens & McKeough to prepare this Prospectus and advise generally on the Offer, with particular focus on compliance with regulatory guidelines and Listing Rules. The fee for the preparation of this Prospectus is approximately $30,000 (plus GST and disbursements).

Excluding the fee above, during the 12 months preceding the lodgement of this Prospectus, Whittens & McKeough has charged or have been paid the sum of approximately $37,774.39 (plus GST and disbursements) for company secretarial (see below) and legal services.

9.7 **Company secretarial and legal retainer**

In addition to the agreement above in Section 9.6, a separate retainer is in place between Whittens & McKeough and the Company for Mr Andrew Whitten to provide company secretarial services on a fee of $2,100 per month plus GST, for company secretarial and legal services.

9.8 **Estimated expenses of the Offer (and if required, the Shortfall Offer)**

The estimated expenses of the Offer (and if required, the Shortfall Offer) are as follows:

<table>
<thead>
<tr>
<th>Expenses*</th>
<th>$**</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASIC fees</td>
<td>$2,320</td>
</tr>
<tr>
<td>ASX fees (assuming Offer fully subscribed)</td>
<td>$3,569</td>
</tr>
<tr>
<td>Legal, audit and accounting expenses</td>
<td>$30,000</td>
</tr>
<tr>
<td>Printing and postage (estimate)</td>
<td>$5,000</td>
</tr>
<tr>
<td>Broker fees (estimate)</td>
<td>$30,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$70,889*</td>
</tr>
</tbody>
</table>

* The breakdown of the intended use of funds by the Board as at the date of this Prospectus is set out in the table above. As with any budget information, intervening events and new circumstances have the potential to affect the manner in which funds are ultimately used by the Company. As such, the Board reserves the right to alter the way funds are applied on this basis.

** All of the above fees do not include GST, if payable.

9.9 **Market price of Shares**

The last closing price of Shares on ASX was $0.068 on 29 June 2016.
10. IMPORTANT NOTES

This Prospectus is dated 30 June 2016. This Prospectus was lodged with ASIC on 30 June 2016. For the purposes of this document, this Prospectus will be referred to as “this Prospectus”.

Neither ASIC, ASX nor any of their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

The expiry date of this Prospectus is 13 months after the date it was lodged with ASIC (Expiry Date). No Securities will be allotted or issued on the basis of this Prospectus after the Expiry Date.

Applications for New Shares and New Options offered pursuant to this Prospectus can only be submitted on an original Application Form which accompanies this Prospectus. Under the Offer, Application Forms will be accepted from Eligible Applicants. Application Forms will not be accepted from Overseas Applicants under this Prospectus.

Any Entitlement not taken up pursuant to the Offer and the Entitlements that would have otherwise been offered to Shareholders who are not eligible to participate in the Offer will form the Shortfall Offer. The Offer is fully underwritten by Veritas Securities. If there is a Shortfall, the Company will place to the nominees of the Underwriter, at its discretion, that number of New Shares and New Options.

No person is authorised to give information, or to make any representation in connection with this Prospectus, that 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 that certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

Jurisdiction

This Prospectus does not constitute an offer, whether in electronic or paper form, in any place which, or to any person to whom it would not be lawful to make such an offer. This Prospectus only constitutes an offer in Australia or New Zealand. Where this Prospectus has been dispatched to, or accessed electronically outside Australia or New Zealand by an Overseas Applicant, this Prospectus is provided for information purposes only.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions constitutes a violation of those laws. This Prospectus does not constitute an offer of New Shares and New Options in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

It is the responsibility of all Overseas Applicants to ensure compliance with the laws of any country relevant to their application for New Shares and New Options under this Prospectus. Overseas Applicants are referred to Section 2.13 of this Prospectus.

Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at http://boraboraresources.com/home/.

Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian or New Zealand resident and must only access this Prospectus from within Australia or New Zealand.
Entitlement and Acceptance Forms

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, either a hard copy or a further electronic copy of the Prospectus, or both.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

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

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with sections 351 and 720 of the Corporations Act, each Director has consented in writing to the lodgement of this Prospectus with ASIC.

_____________________________
MR CHRISTOPHER COWAN
NON-EXECUTIVE DIRECTOR
BORA BORA RESOURCES LTD
12. DEFINITIONS

**ABN** means Australian Business Number.

**ACN** means Australian Company Number.

**AEST** means Australian Eastern Standard Time.

**Application Form** means the Entitlement and Acceptance Form (or vice versa), the application form attached to or accompanying this Prospectus that allows Eligible Applicants to apply for New Shares and New Options under this Prospectus in accordance with their Entitlement.

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

**ASX** means ASX Limited ACN 008 624 691 or the financial market operated by it, as the context requires, of 20 Bridge Street, Sydney, NSW 2000.

**ASX Listing Rules** means the official listing rules of the ASX and any other rules of the ASX which are applicable while the Company is admitted to the official list of the ASX, as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.

**ASX Settlement Operating Rules** means the operating rules of the ASX Settlement Facility as amended or replaced from time to time.

**Auditor** means A D Danieli Audit Pty Ltd of Level 1, 261 George Street Sydney NSW 2000.

**Board** or **Board of Directors** means the board of Directors of the Company as at the date of this Prospectus.

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

**Chairman** means the Chairman of the Board of Directors.

**CHESS** means the Clearing House Electronic Sub-register System.

**Closing Date** means the closing date for the Offer which is expected to be the date specified in the indicative timetable in this Prospectus, or such other date determined by the Board.

**Company** or **BBR** means Bora Bora Resources Ltd ACN 150 173 032 of Suite 1002, Level 10, 131 Macquarie Street, Sydney NSW 2000.

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

**Corporations Act** means the *Corporations Act 2001* (Cth) as amended or replaced from time to time.

**Corporate Adviser Mandate** means the agreement entered into by the Company and Veritas Securities on 10 June 2016, where Veritas Securities has agreed to provide corporate, stockbroking and market advice to the Company on general and specific issues with respect to progressing the Company’s projects, introducing institutional shareholders to the Company, and advising on capital raising initiatives.

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

**Dollar** or **“$”** means Australian dollars.
**Eligible Applicant** means a Shareholder of the Company who is registered at the Record Date and who is not an Overseas Applicant, that applies for Securities offered under this Prospectus using an Entitlement and Acceptance Form attached to this Prospectus.

**Entitlement(s)** means each Eligible Applicant’s entitlement to subscribe for one New Share for every five Shares held on the Record Date and one New Option for every two New Share subscribed for.

**Expiry Date** means the date on which the Offer (and if required, the Shortfall Offer) expires, being 13 months after the date on which the Prospectus was lodged with ASIC, as set out in the “IMPORTANT NOTES” Section of this Prospectus.

**HIN** or **Holder Identification Number** means the number issued to identify a holder’s registration on the CHESS Subregister.

**Issue Price** means $0.06 per New Share.

**New Options** means up to approximately 4,288,095 unlisted Options exercisable at $0.10 per New Option on or before 31 July 2019, to be issued to Eligible Applicants as part of the Offer or the Shortfall Offer.

**New Shares** means up to approximately 8,576,190 Shares to be issued to Eligible Applicants as part of the Offer or the Shortfall Offer.

**Offer** means the non-renounceable entitlement issue of 1 New Share for every 5 Shares held by eligible Shareholders registered at the Record Date at an issue price of $0.06 per New Share to raise up to approximately $515,000 (before costs) (based on the total number of Shares on issue as at the date of this Prospectus) together with the offer of one (1) attaching New Option exercisable at $0.10 per New Option on or before 31 July 2019, for every two (2) New Shares issued.

**Opening Date** means the opening date for the Offer which is expected to be the date specified in the indicative timetable in this Prospectus, or such other date determined by the Board.

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

**Optionholder** means a person holding an Option.

**Overseas Applicant** means a Shareholder of the Company who is registered at the Record Date and who is not a resident of Australia or New Zealand. Overseas Applicants are not eligible to apply for New Shares and New Options under the Offer or the Shortfall Offer.

**Placement** means the issue of 4,500,000 Shares at the Issue Price to sophisticated and professional investors completed on 27 June 2016.

**Prospectus** means this prospectus dated 30 June 2016.

**Record Date** means the date specified in the indicative timetable in this Prospectus.

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

**Securities** mean Shares, Options and/or Veritas Options (as the context requires).

**Securityholder** means a person holding a Share and/or Option.

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

**Share Registry** means Security Transfer Registrars Pty Limited of 770 Canning Highway Applecross Perth WA 6153.
Shareholder means a person holding a Share.

Shortfall Offer or Shortfall means the New Shares and New Options which are: (a) not taken up by Shareholders; and (b) the Entitlements that would have otherwise been offered to ineligible Shareholders, will be offered to the Underwriter (or its nominees), who are invited by the Company to apply for the remaining New Shares and New Options under this Prospectus.

Underwriting Agreement means the underwriting agreement entered into by the Company and the Underwriter, Veritas Securities, pursuant to which the Underwriter (and also corporate adviser of the Company) has agreed to underwrite and manage the Offer made pursuant to this Prospectus.

Veritas Options means 2,000,000 unlisted Options that will be issued to Veritas Securities under this Prospectus, each exercisable at $0.10 per Veritas Option on or before 31 July 2019 pursuant to the Corporate Adviser Mandate.


Whittens & McKeough or Whittens Lawyers means Whittens & McKeough Pty Limited ACN 147 418 942 of Level 5, 137-139 Bathurst Street, Sydney in the State of New South Wales.
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BORA BORA RESOURCES LTD
ACN: 150 173 032

NON-RENOUCEABLE ENTITLEMENT OFFER CLOSING AT 5.00PM AEST ON 22 JULY 2016
ISSUE PRICE OF $0.06 PER NEW SHARE WITH ONE (1) FREE ATTACHING NEW OPTION
(EXPIRING 31 JULY 2019 @ $0.10) FOR EVERY TWO (2) NEW SHARES ISSUED.

(1) I/We the above named being registered at 7.00pm AEST on the 6 July 2016 as holder(s) of Shares in the Company hereby accept as follows:

NUMBER OF NEW SHARES
ACCEPTED/APPLIED FOR

Entitlement or Part Thereof

AMOUNT ENCLOSED
@ $0.06 PER NEW SHARE

$ 

(2) I/We have enclosed/made payment for amount shown above (following the payment instructions as detailed overleaf).

(3) I/We understand that if any information on this form is not completed correctly, or if the accompanying payment is for the wrong amount, it may still be accepted.

(4) I/We authorise the Company to send me/us a substituted form if this form ceases to be current.

(5) I/We declare that I/we have received a full and unaltered version of the Prospectus either in an electronic or paper format.

NAME

EMAIL ADDRESS

TELEPHONE NUMBER

PAYMENT INFORMATION - Please also refer to payment instructions overleaf.

EFT reference number is unique to this offer and is not to be used for any other offer.

REGISTRY DATE STAMP

E & O.E.
LODGEMENT INSTRUCTIONS

PAYMENT INFORMATION

Biller code: 159483

BPAY® this payment via internet or phone banking. Your reference number is quoted on the front of this form.

Multiple acceptances must be paid separately.

Applicants should be aware of their financial institution’s cut-off time (the time payment must be made to be processed overnight) and ensure payment is processed by their financial institution on or before the day prior to the closing date of the offer. BPAY applications will only be regarded as accepted if payment is received by the registry from your financial institution on or prior to the closing date. It is the Applicant’s responsibility to ensure funds are submitted correctly by the closing date and time.

Your BPAY reference number will process your payment to your entitlement electronically and you will be deemed to have applied for such Securities for which you have paid.

EXPLANATION OF ENTITLEMENT

1. The front of this form sets out the number of New Shares and the price payable on acceptance of each New Share.

2. Your entitlement of New Options will be calculated based on the number of New Shares subscribed for.

3. Your entitlement may be accepted either in full or in part. There is no minimum acceptance.

ENQUIRIES

All enquiries should be directed to the Company’s share registry:

Security Transfer Registrars Pty Ltd
PO Box 52, Collins Street West VICTORIA 8007

Exchange Tower, Level 9, Suite 913,
530 Little Collins Street, Melbourne VIC 3000 AUSTRALIA

Telephone +61 8 9315 2333
Facsimile +61 8 9315 2233
Email: registrar@securitytransfer.com.au

PRIVACY STATEMENT

Personal information is collected on this form by Security Transfer Registrars Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Registrars Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.