

# TNT MINES LIMITED

ACN 107 244 039

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## PROSPECTUS

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For an offer of 27,500,000 Shares at an issue price of \$0.20 per Share to raise \$5,500,000.

Patersons Securities Limited (AFSL 239 052) has been appointed as Lead Manager to the Offer.

### IMPORTANT INFORMATION

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

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## CORPORATE DIRECTORY

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### Directors

Mr Brett Mitchell  
*(Non-Executive Director)*

Mr Michael Jardine  
*(Non-Executive Director)*

Mr Nick Castleden  
*(Non-Executive Director)*

### Registered Office

Suite 50, 14 Narabang Way  
Belrose NSW 2085

Telephone: + 61 2 9450 0828  
Facsimile: +61 2 9450 0877  
Email: [frontdesk@tntmines.com.au](mailto:frontdesk@tntmines.com.au)  
Website: [www.tntmines.com.au](http://www.tntmines.com.au)

### Company Secretary

Mr Mark Ohlsson

### Proposed ASX Code

TIN

### Share Registry

Computershare Investor Services Pty Ltd  
GPO Box 2975  
Melbourne VIC 3001

### Lead Manager

Patersons Securities Limited  
(AFSL 239 052)  
Level 23, Exchange Tower  
2 The Esplanade  
Perth WA 6000

### Solicitors

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

### Investigating Accountant and Auditor

Bentleys Audit & Corporate (WA) Pty Ltd  
Level 3, 216 St Georges Terrace  
Perth WA 6000

### Independent Geologist

Mining One Pty Ltd  
Level 9, 50 Market Street  
Melbourne VIC 3000

### Corporate Advisor\*

Chieftain Securities Pty Ltd  
Level 7  
1008 Hay Street  
Perth WA 6000

\* Named for information purposes only

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## **IMPORTANT NOTICE**

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This Prospectus is dated 29 June 2017 and was lodged with the ASIC on that date. The ASIC and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

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

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

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

### **Exposure Period**

This Prospectus will be circulated during the Exposure Period. The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of funds. You should be aware that this examination may result in the identification of deficiencies in this Prospectus and, in those circumstances, any application that has been received may need to be dealt with in accordance with Section 724 of the Corporations Act. Applications for Shares under this Prospectus will not be processed by the Company until after the expiry of the Exposure Period. No preference will be conferred on applications lodged prior to the expiry of the Exposure Period.

### **No offering where offering would be illegal**

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. It is important that investors read this Prospectus in its entirety and seek professional advice where necessary.

No action has been taken to register or qualify the Shares or the Offer, or to otherwise permit a public offering of the Shares in any jurisdiction outside Australia. This Prospectus has been prepared for publication in Australia and may not be released or distributed in the United States of America.

### **Web Site – Electronic Prospectus**

A copy of this Prospectus can be downloaded from the website of the Company at [www.tntmines.com.au](http://www.tntmines.com.au). If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian resident and must only access this Prospectus from within Australia.

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

Prospectus free of charge by contacting the Company by phone on + 61 2 9450 0828 during office hours or by emailing the Company at [frontdesk@tntmines.com.au](mailto:frontdesk@tntmines.com.au).

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.

### **Website**

No document or information included on our website is incorporated by reference into this Prospectus.

### **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 4 of this Prospectus.

### **Photographs and Diagrams**

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses the Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this prospectus are illustrative only and may not be drawn to scale.

### **Definitions**

Terms used in this Prospectus are defined in the Glossary in section 14.

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## CHAIRMAN'S LETTER

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Dear Shareholder/Investor,

On behalf of the Board of Directors, I am pleased to present to you an offer to increase your shareholding in TNT Mines Limited ("TNT" or "the Company") or to become a new shareholder in the Company.

TNT was originally incorporated as Allstrong Investments Pty Ltd and subsequently its shares were distributed to the Minemakers Limited shareholders pro-rata.

TNT was set up to explore for tin and tungsten in Tasmania, and in excess of \$1.7m has been spent on its tenements to date.

In 2013, TNT was partially taken over by Niuminco Group Limited ("NIU") which acquired 72.10% of its shares. TNT has continued to explore in Tasmania, obtaining JORC Inferred Mineral Resources on both its Great Pyramid and Aberfoyle tenements (details of which are contained in the Independent Geologist's Report set out in section 5 of the Prospectus) and recently conducting a drilling program at Aberfoyle which was suspended at the end of February 2017.

The Offer made by this Prospectus is to raise \$5,500,000 by the issue of 27,500,000 shares at 20 cents per share ("Offer"). The Offer includes a pro rata priority offer to eligible shareholders of NIU and a priority offer to eligible shareholders of TNT (details of which are set out in section 2 of the Prospectus).

The proceeds of the Offer will provide funds to repay debt, maintain and conduct further exploration and evaluation of the Company's two existing tenements at Aberfoyle EL27/2004 and Great Pyramid RL2/2009, to pay the Company's ongoing costs and enable it to consider and evaluate other exploration or mining projects in both Australia and overseas.

This Prospectus contains information about the Offer and the geological and title information about the Company's holdings in Tasmania. The Prospectus also outlines the risk factors that the Board considers are relevant to making an investment in the Company. I encourage you to read the Prospectus carefully before making an investment decision.

The Board of the Company joins me in extending this Offer to you and we look forward to welcoming you as a shareholder of TNT Mines Limited.

Yours sincerely

**Brett Mitchell**  
**Chairman**  
**TNT Mines Limited**

29 June 2017

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## KEY OFFER INFORMATION

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### KEY DATES - Indicative timetable\*

Lodgement of Prospectus with the ASIC	29 June 2017
Priority Offers Record Date	23 June 2017
Opening Date	7 July 2017
Priority Offers Closing Date	28 July 2017
General Offer Closing Date	18 August 2017
Despatch of holding statements	25 August 2017
Expected date for quotation on ASX	1 September 2017

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

### KEY OFFER DETAILS

Offer Price per Share	\$0.20
Shares to be issued under Offer	27,500,000
Total number of Shares on issue following completion of the Offer	30,238,584
Gross Proceeds of the Offer	\$5,500,000

1. INVESTMENT OVERVIEW

Item	Summary	Further information						
<b>A. Company</b>								
Who is the issuer of this Prospectus?	TNT Mines Limited (ACN 107 244 039) ( <b>Company</b> or <b>TNT</b> ).	Section 3.1						
Who is the Company?	<p>The Company is focused on the exploration and evaluation of its tin and tungsten projects located in Tasmania. The Company holds projects in Northern Tasmania (consisting of the Aberfoyle Project and the Great Pyramid Project) (together the <b>Projects</b>).</p> <p>The Company is currently 72.10% owned by Niuminco Group Limited (ASX Code: NIU) (<b>Niuminco</b>).</p>	Section 3.1						
What is the Company's project interest?	<p>The Company has the following two tin and tungsten exploration tenements in Northern Tasmania, Australia that cover a total area of 101 km<sup>2</sup> (<b>Tenements</b>):</p> <table border="1" data-bbox="564 1055 1126 1256"> <thead> <tr> <th data-bbox="564 1055 847 1122">Project Area</th> <th data-bbox="847 1055 1126 1122">Licence no</th> </tr> </thead> <tbody> <tr> <td data-bbox="564 1122 847 1189">Aberfoyle</td> <td data-bbox="847 1122 1126 1189">EL27/2004</td> </tr> <tr> <td data-bbox="564 1189 847 1256">Great Pyramid</td> <td data-bbox="847 1189 1126 1256">RL2/2009</td> </tr> </tbody> </table> <p>Further details of the Tenements are set out in sections 3.2 and the Independent Geologists Report set out in section 5</p>	Project Area	Licence no	Aberfoyle	EL27/2004	Great Pyramid	RL2/2009	Sections 3.2 and 5
Project Area	Licence no							
Aberfoyle	EL27/2004							
Great Pyramid	RL2/2009							
What is the Company's business model?	A detailed explanation of the Company's business model is provided at Section 3.4	Section 3.4						
<b>B. Business Model</b>								
What are the key business objectives of the Company?	<p>The Company's management strategy and purpose of this Offer is to provide the Company with funding to:</p> <ul style="list-style-type: none"> <li>(a) systematically explore and evaluate the Company's Projects.</li> <li>(b) repay all Accumulated Fees and Loans pursuant to the terms of the Niuminco Management Agreement;</li> <li>(c) repay external creditors;</li> <li>(d) implement a growth strategy to seek out</li> </ul>	Section 3.4						

Item	Summary	Further information
	<p>further exploration, acquisition and joint venture opportunities both in Australia and overseas; and</p> <p>(e) provide working capital for the Company.</p>	
<p>What are the key dependencies of the Company's business model?</p>	<p>It is the Company's intention to apply for further extensions of the terms of both EL27/2004 and RL2/2009. If a Tenement is not renewed for any reason, the Company may suffer significant damage through the loss of the opportunity to develop and discover any resource on that Tenement. However, the Directors are not aware of any reason why the renewal of any Tenement will not be given.</p>	<p>Sections 3.2 and 5</p>
<p><b>C. Key Advantages and Key Risks</b></p>		
<p>What are the key advantages of an investment in the Company?</p>	<p>The Directors are of the view that an investment in the Company provides the following non-exclusive list of advantages:</p> <p>(a) the Projects represent an attractive and immediate opportunity for the Company to continue its activities as a tin and tungsten exploration and evaluation company;</p> <p>(b) the Directors propose to undertake exploration across the Projects with the intention of demonstrating the economic potential of any potential deposits (including the existing JORC Inferred Mineral Resources at the Aberfoyle Project and the Great Pyramid Project) and defining additional JORC compliant Mineral Resources across the Projects;</p> <p>(c) the Company has a highly credible and experienced team to progress exploration and evaluation of the Projects.</p>	<p>Section 3</p>
<p>What are the key risks of an investment in the Company?</p>	<p>The business, assets and operations of the Company, including following admission to the official list of the ASX, have the potential to influence the operating and financial performance of the Company in the future. These risks can impact on the value of an investment in the Shares of the Company.</p> <p>The Board aims to manage these risks by carefully planning its activities and implementing risk control measures. Some of the risks are, however, highly unpredictable and the extent to which the Board can effectively manage them is limited.</p>	<p>Section 4</p>

Item	Summary	Further information
	<p>Based on the information available, a non-exhaustive list of the key risk factors affecting the Company are as follows:</p> <p>(a) <b>(Exploration and development)</b>: Mineral exploration and development is a speculative and high-risk undertaking that may be impeded by circumstances and factors beyond the control of the Company. As the Company is an early stage exploration company, there can be no assurance that exploration on the Projects, or any other exploration properties that may be acquired in the future, will result in the discovery of an economic mineral resource. Even if an apparently viable mineral resource is identified, there is no guarantee that it can be economically exploited.</p> <p>(b) <b>(Tenement applications and license renewal)</b></p> <p>Mining and exploration tenements are subject to periodic renewal. There is no guarantee that current or future tenements or future applications for production tenements will be approved. The renewal of the term of a granted tenement is also subject to the discretion of the relevant Minister. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising the Company's projects. It is the Company's intention to apply for further extensions of the terms of both EL27/2004 and RL2/2009. If a Tenement is not renewed for any reason, the Company may suffer significant damage through the loss of the opportunity to develop and discover any resource on that Tenement. However, the Directors are not aware of any reason why the renewal of any Tenement will not be given.</p> <p>(c) <b>(Future funding)</b>: Further funding may be required by the Company in the event costs exceed estimates or revenues do not meet estimates, to support its ongoing operations and implement its strategies. For example, funding may be needed to undertake further exploration activities, or acquire complementary assets.</p> <p>(d) <b>(No profit to date)</b>: Since the Company</p>	

Item	Summary	Further information
	<p>intends to invest in the exploration and development of the Projects, the Directors anticipate that the Company will make losses in the foreseeable future.</p> <p>(e) <b>(Lack of Executive Management)</b>: The Company's management currently consists of three Non-Executive Directors. As the Projects require an increased level of involvement the Board will appoint additional management and/or consultants when and where appropriate to ensure proper management of the Projects. There is a risk that the Company may not be able to secure personnel with the relevant experience at the appropriate time which may impact on the Company's ability to complete the proposed exploration program in line with the scheduled timetable. The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on the Board. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these Directors resign.</p> <p>Additional key risks are disclosed at Section 4 of this Prospectus.</p>	
<b>D. Directors and Key Management Personnel</b>		
Directors	<p>The Board is comprised of:</p> <p>(a) Mr Brett Mitchell (<i>Non-Executive Director</i>);</p> <p>(b) Mr Michael Jardine (<i>Non-Executive Director</i>); and</p> <p>(c) Mr Nick Castleden (<i>Non-Executive Director</i>)</p>	Section 9.1
Other Key Management Personnel	<p>Other senior management includes Mr Mark Ohlsson as the Company Secretary.</p> <p>Other than the Directors and Company Secretary listed above, the Company does not have any other Key Management Personnel.</p> <p>The Company has engaged with and has access to competent and experienced technical personnel on a contract basis to manage the exploration activities of the Company during its early stages of exploration.</p>	Section 9.1

Item	Summary	Further information																
<p>What are the Director's interests in the Company?</p>	<p>For each of the Directors, the proposed annual remuneration for the financial year following the Company being admitted to the Official List together with the relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus is set out in the table below.</p> <table border="1" data-bbox="564 526 1217 763"> <thead> <tr> <th data-bbox="564 526 796 584">Director</th> <th data-bbox="796 526 986 584">Remuneration<sup>1</sup></th> <th data-bbox="986 526 1099 584">Shares</th> <th data-bbox="1099 526 1217 584">Options</th> </tr> </thead> <tbody> <tr> <td data-bbox="564 584 796 642">Mr Brett Mitchell</td> <td data-bbox="796 584 986 642">\$20,000</td> <td data-bbox="986 584 1099 642">312,500<sup>2</sup></td> <td data-bbox="1099 584 1217 642">Nil.</td> </tr> <tr> <td data-bbox="564 642 796 701">Mr Michael Jardine</td> <td data-bbox="796 642 986 701">\$20,000</td> <td data-bbox="986 642 1099 701">Nil.</td> <td data-bbox="1099 642 1217 701">Nil.</td> </tr> <tr> <td data-bbox="564 701 796 763">Mr Nick Castleden</td> <td data-bbox="796 701 986 763">\$20,000</td> <td data-bbox="986 701 1099 763">Nil.</td> <td data-bbox="1099 701 1217 763">Nil.</td> </tr> </tbody> </table> <p><b>NOTES:</b></p> <p>1. Excluding superannuation</p> <p>2. Chieftain Securities Pty Ltd (ACN 608 580 285), an entity associated with Mr Mitchell holds 312,500 Class A Convertible Notes which upon conversion will result in the issue of 312,500 Shares.</p>	Director	Remuneration <sup>1</sup>	Shares	Options	Mr Brett Mitchell	\$20,000	312,500 <sup>2</sup>	Nil.	Mr Michael Jardine	\$20,000	Nil.	Nil.	Mr Nick Castleden	\$20,000	Nil.	Nil.	<p>Section 9.2 and 12.4</p>
Director	Remuneration <sup>1</sup>	Shares	Options															
Mr Brett Mitchell	\$20,000	312,500 <sup>2</sup>	Nil.															
Mr Michael Jardine	\$20,000	Nil.	Nil.															
Mr Nick Castleden	\$20,000	Nil.	Nil.															
<p>What is the Company's policy regarding related party arrangements</p>	<p>The Company's policy in respect of related party arrangements is:</p> <p>(a) A Director with a material personal interest in a matter is required to give notice to the other Directors before such a matter is considered by the Board; and</p> <p>(b) for the Board to consider such a matter, the Director who has a material personal interest is not present while the matter is being considered at the meeting and does not vote on the matter.</p> <p>Details regarding arrangements with related parties are set out in Section 9.3 of this Prospectus.</p>	<p>Section 9.3</p>																
<p><b>E. Financial Information</b></p>																		
<p>How has the Company performed over the past 12 months?</p>	<p>Please refer to the Investigating Accountant's Report set out in Section 7 of this Prospectus for details of the Company's historical financial information for the financial years ended 30 June 2015, 30 June 2016 and for the half year ended 31 December 2016.</p>	<p>Section 7</p>																
<p>What is the financial outlook for the Company?</p>	<p>Given the current status of the Company's Projects and the speculative nature of mineral exploration, the Directors do not consider it appropriate to forecast future earnings.</p>	<p>Section 6</p>																

Item	Summary	Further information
	Any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection on a reasonable basis.	
<b>F. Offer</b>		
What is the Offer?	<p>The Offer is an offer of 27,500,000 Shares at an issue price of \$0.20 per Share to raise \$5,500,000 (before costs).</p> <p>The Offer is comprised of the Priority Offers and the General Offer.</p> <p>The Offer is not underwritten.</p> <p>The purpose of the Offer is to facilitate an application by the Company for admission of the Company to the official list of the ASX and to position the Company to seek to achieve the objectives stated at Section B above.</p> <p>The Board believes that on completion of the Offer, the Company will have sufficient working capital to achieve its objectives.</p>	Section 2
What are the Priority Offers?	<p>The Priority Offers are portions of the Offer that have been reserved for eligible shareholders of Niuminco Group Limited and TNT Mines Limited as at the Priority Offers Record Date.</p> <p>Any Shares not subscribed for under the Priority Offers will be dealt with in the General Offer.</p>	Section 2.2
What is the Minimum Subscription amount under the Offer?	<p>The Minimum Subscription under the Offer is the full subscription of 27,500,000 Shares to raise \$5,500,000 (before associated costs).</p> <p>If the Company fails to raise the Minimum Subscription within four months after the date of this Prospectus, the Company will either repay the application monies without interest, or issue a supplementary prospectus or replacement prospectus and allow applicants one month to withdraw their applications and have their application monies refunded to them, without interest.</p>	Section 2.5
How do I participate in the Priority Offer?	Eligible shareholders of Niuminco Group Limited and TNT Mines Limited may participate in their respective Priority Offers by returning the applicable Priority Offer Application Form in accordance with the instructions set out in Section 2.8.	Section 2.8

Item	Summary	Further information
What will the Company's capital structure look like after completion of the Offer?	The Company's capital structure on a post-Offer basis is set out in Section 3.10.	Section 3.10
What are the terms of the Shares offered under the Offer?	A summary of the material rights and liabilities attaching to the Shares offered under the Offer is set out in Section 12.2.	Section 12.2
Will any of the Shares issued under the Offer be subject to escrow?	No, none of the Shares issued under the Offer will be subject to escrow.	Section 2.9
Will the Shares issued under the Offer be quoted?	The Company will make an application to ASX for quotation of all Shares to be issued under the Offer.	Section 2.9
What are the key dates of the Offer?	The key dates of the Offer are set out in the indicative timetable in the Key Offer Information Section.	Key Offer Information Section
What is the minimum investment size under the Offer?	There is no minimum investment size under the NIU Priority Offer.  Applications under the TNT Priority Offer and the General Offer must be for a minimum of \$2,000 worth of Shares (10,000 Shares) and thereafter, in multiples of \$500 worth of Shares (2,500 Shares).	Section 2.8
What are the conditions to the Offer?	None, other than the Minimum Subscription, the offer is unconditional.	Section 2.5
<b>G. Use of proceeds</b>		
How will the proceeds of the Offer be used?	The Offer proceeds and the Company's existing cash reserves will be used for:  (a) systematic exploration and evaluation of the Projects;  (b) repayment of all Accumulated Fees and Loans pursuant to the terms of the Niuminco Management Agreement;  (c) repayment of external creditors;	Section 2.6

Item	Summary	Further information
	(d) costs of the IPO; (e) implementation of a growth strategy to seek out further exploration, acquisition and joint venture opportunities both in Australia and overseas; (f) administration and corporate costs; and (g) general working capital. Further details of which are set out in Section 2.6.	
<b>H. Additional information</b>		
Is there any brokerage, commission or stamp duty payable by applicants?	No brokerage, commission or duty is payable by Applicants on the acquisition of Shares under the Offer.	Section 2.7
What are the tax implications of investing in Shares?	Shares may be subject to Australian tax on dividends and possibly capital gains tax on a future disposal of Shares issued under this Prospectus.  The tax consequences of any investment in Shares will depend upon an investor's particular circumstances. Applicants should obtain their own tax advice prior to deciding whether to subscribe for Shares offered under this Prospectus.	Section 2.7
What are the corporate governance principles and policies of the Company?	To the extent applicable, in light of the Company's size and nature, the Company has adopted <i>The Corporate Governance Principles and Recommendations (3rd Edition)</i> as published by ASX Corporate Governance Council ( <b>Recommendations</b> ).  The Company's main corporate governance policies and practices as at the date of this Prospectus are outlined in Section 10 of this Prospectus and the Company's compliance and departures from the Recommendations are set out in Section 10.11 of this Prospectus.  In addition, the Company's full Corporate Governance Plan is available from the Company's website ( <a href="http://www.tntmines.com.au">www.tntmines.com.au</a> ).  Prior to listing on the ASX, the Company will announce its main corporate governance policies and practices and the Company's compliance and departures from the Recommendations.	Section 10.1

Item	Summary	Further information
Where can I find more information?	(a) By speaking to your sharebroker, solicitor, accountant or other independent professional adviser. (b) By contacting the Company Secretary on + 61 2 9450 0828. (c) By contacting the Share Registry on + 61 3 9415 5000.	

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

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## 2. DETAILS OF THE OFFER

### 2.1 The Offer

Pursuant to this Prospectus, the Company invites applications for 27,500,000 Shares at an issue price of \$0.20 per Share to raise \$5,500,000 (**Offer**).

The Offer consists of the two Priority Offers and the General Offer.

The Shares offered under the Offer will rank equally with the existing Shares on issue. Please refer to Section 12.2 of this Prospectus for further information regarding the rights and liabilities attaching to the Shares.

### 2.2 Priority Offers

#### (a) NIU Priority Offer

Of the Shares being offered under this Prospectus, 19,828,220 Shares (being 72.10% of the total Shares to be issued under the Offer) will be offered pro-rata in priority to NIU Shareholders registered at the Priority Offers Record Date (**Eligible NIU Shareholders**).

To the extent that aggregate subscriptions from the Eligible NIU Shareholders exceed 19,828,220 Shares, the excess applications will be considered as applications under the General Offer

#### (b) TNT Priority Offer

Of the Shares being offered under this Prospectus, 7,671,780 Shares (being 27.90% of the total Shares to be issued under the Offer) will be offered in priority to TNT Shareholders registered at the Priority Offers Record Date (**Eligible TNT Shareholders**). Applications under the TNT Priority Offer must be for a minimum of \$2,000 worth of Shares (10,000 Shares) and thereafter, in multiples of \$500 worth of Shares (2,500 Shares).

To the extent that aggregate subscriptions from the Eligible TNT Shareholders exceed 7,671,780 Shares, the excess applications will be considered as applications under the General Offer.

Eligible NIU Shareholders and Eligible TNT Shareholders will be provided with personalised Application Forms. Eligible NIU Shareholders and Eligible TNT Shareholders are encouraged to submit their Application Forms as soon as possible after the Opening Date. The Priority Offers are anticipated to close 20 business days before the General Offer closes. This allows the Company to accept applications under the General Offer for Shares not applied for (or for applications not accepted by the Company) under the Priority Offers.

### 2.3 General Offer

The General Offer will be for any Shares offered pursuant to the Priority Offers that are not subscribed for by Eligible NIU Shareholders and Eligible TNT Shareholders by the Priority Offers Closing Date.

Therefore, if the Priority Offers are fully subscribed, no Shares will be offered pursuant to the General Offer. However, if no Shares are subscribed for under the Priority Offers at the Priority Offers Closing Date, then 27,500,000 Shares will be available for subscription pursuant to the General Offer.

## 2.4 Allocation Policy

As noted above:

- (a) 19,828,220 Shares will be offered pro-rata in priority to Eligible NIU Shareholders under the NIU Priority Offer; and
- (b) 7,671,780 Shares will be offered pro-rata in priority to Eligible TNT Shareholders under the TNT Priority Offer.

Subscriptions from Eligible NIU Shareholders and Eligible TNT Shareholders which exceed their respective pro-rata entitlements will form part of the General Offer.

The Company retains an absolute discretion to allocate Shares under the General Offer and reserves the right, in its absolute discretion, to allot to an Applicant a lesser number of Shares than the number for which the Applicant applies or to reject an Application Form. If the number of Shares allotted is fewer than the number applied for, surplus application money will be refunded without interest as soon as practicable.

No Applicant under the General Offer has any assurance of being allocated all or any Shares applied for. The allocation of Securities by Directors will be influenced by the following factors:

- (a) the number of Shares applied for;
- (b) the overall level of demand for the Offer;
- (c) the desire for spread of investors, including institutional investors; and
- (d) the desire for an informed and active market for trading Shares following completion of the Offer.

The Company will not be liable to any person not allocated Shares or not allocated the full amount applied for.

## 2.5 Minimum Subscription

The minimum total subscription under the Offer is the full subscription of 27,500,000 Shares to raise A\$5,500,000 (before associated costs) (**Minimum Subscription**).

If the Minimum Subscription has not been raised within 4 months after the date of this Prospectus, the Company will either not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest, or issue a supplementary or replacement prospectus and allow Applicants one month to withdraw their Applications and have their application monies refunded to them without interest.

## 2.6 Use of Funds

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

<b>Funds available</b>	<b>Minimum Subscription (\$ (\$5,500,000))</b>	<b>Percentage of Funds (%)</b>
Existing cash reserves <sup>1</sup>	150,012	2.66
Funds raised from the Offer	5,500,000	97.34
<b>Total</b>	<b>5,650,012</b>	<b>100</b>
<b>Allocation of funds</b>		
Exploration and evaluation of the Projects <sup>2</sup>	2,540,000	44.96
Repay all Accumulated Fees and Loans pursuant to the terms of the Niuminco Management Agreement <sup>3</sup>	1,000,000	17.70
Repay external creditors	130,000	2.30
Expenses of the Offer <sup>4</sup>	525,048	9.29
Implementation of growth strategy	400,000	7.08
Administration and corporate costs	400,000	7.08
Working capital	654,964	11.59
<b>Total</b>	<b>5,650,012</b>	<b>100</b>

### Notes:

1. Refer to the Investigating Accountant's Report set out in Section 7 of this Prospectus for further details.
2. Refer to the Independent Geologist's Report in Section 5 of this Prospectus for further information on the planned exploration activities and expenditure budget for the Projects.
3. Refer to Section 11.2 of this Prospectus for further details of the Niuminco Management Agreement.
4. Refer to Section 12.7 of this Prospectus for further details.

Further details of the Company's proposed exploration program and budgets are outlined in section 3.5 .

It should be noted that the Company's budgets will be subject to modification on an ongoing basis depending on the results obtained from exploration and evaluation work carried out. This will involve an ongoing assessment of the Company's mineral interests. The results obtained from exploration and evaluation programs may lead to increased or decreased levels of expenditure on certain projects reflecting a change in emphasis.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events (including exploration success or failure) 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.

The Directors consider that following completion of the Offer, the Company will have sufficient working capital to carry out its stated objectives for the two years following admission to the official list of ASX. Further information regarding the Company's planned activities is set out in the Independent Geologist's Report in Section 5.

It should however be noted that an investment in the Company is speculative and investors are encouraged to read the risk factors outlined in Section 4.

## 2.7 Taxation

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor.

It is not possible to provide a comprehensive summary of the possible taxation positions of all potential applicants. As such, all potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

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

No brokerage, commission or duty is payable by Applicants on the acquisition of Shares under the Offer.

## 2.8 Applications

Applications for Shares under the General Offer and Priority Offers must be made using the relevant Application Form which is attached to and forms part of this Prospectus.

By completing an Application Form, each Applicant under the Offer will be taken to have declared that all details and statements made by the Applicant are complete and accurate and that the Applicant personally received the Application Form together with a complete and unaltered copy of the Prospectus.

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

Completed Application Forms and accompanying cheques, made payable to "**TNT Mines Limited IPO Account**" and crossed "**Not Negotiable**", must be mailed or delivered to the address set out on the Application Form by no later than 5:00pm (WST) on the Priority Offers Closing Date in the case of the Priority Offers and by no later than 5.00pm (WST) on the Closing Date in the case of the General Offer.

The Company reserves the right to close the Offer early.

If you require assistance in completing an Application Form, please contact the Share Registry on +61 3 9415 5000.

## 2.9 ASX listing

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

If the Shares are not admitted to Official Quotation by ASX before the expiration of 3 months after the date of issue of this Prospectus, or such period as varied by the ASIC, the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest or the Company will issue a supplementary prospectus or replacement prospectus and allow applicants one month to withdraw their applications and have their application monies refunded to them (without interest).

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

The Board does not expect that any Shares issued under the Offer will be subject to escrow under the ASX Listing Rules. The Company will announce to the ASX full details (quantity and duration) of Shares and Options required to be held in escrow prior to the Shares commencing trading on ASX.

## **2.10 Issue**

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

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

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

## **2.11 Applicants outside Australia**

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

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

If you are outside Australia it is your responsibility to obtain all necessary approvals for the issue of the Shares pursuant to this Prospectus. The return of a

completed Application Form will be taken by the Company to constitute a representation and warranty by you that all relevant approvals have been obtained.

#### **2.12 Underwriter**

The Offer is not underwritten.

#### **2.13 Lead Manager**

Patersons Securities Limited (AFSL 239 052) has been appointed as Lead Manager to the Offer. The terms of the Lead Manager's Mandate are summarised in Section 11.1.

#### **2.14 Commissions payable**

The Company reserves the right to pay a commission of 6% (exclusive of goods and services tax) of amounts subscribed through any licensed securities dealers or Australian financial services licensee in respect of any valid applications lodged and accepted by the Company and bearing the stamp of the licensed securities dealer or Australian financial services licensee. Payments will be subject to the receipt of a proper tax invoice from the licensed securities dealer or Australian financial services licensee.

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### 3. COMPANY AND PROJECTS OVERVIEW

#### 3.1 Background

The Company was incorporated on 2 December 2003. Since its incorporation, the Company has evolved from a private company originally named Allstrong Investments Pty Ltd for the purpose of acquiring, exploring and developing mineral interests in Australia. On 18 May 2007, the Company changed its name to Minemakers TTT Pty Ltd and later, on 15 April 2011, changed its name to TNT Mines Limited to reflect the Company's focus on tin and tungsten projects in Tasmania.

The Company is focused on the exploration and evaluation of its tin and tungsten projects located in Tasmania. The Company holds projects in Northern Tasmania (consisting of the Aberfoyle Project and the Great Pyramid Project) (together the **Projects**).

The Company has one (1) wholly owned subsidiary TNT Mines (Moina) Pty Ltd.

#### 3.2 Project Overview

The Company has two tenement holdings in Northern Tasmania, being EL27/2004 and RL2/2009 that cover a total area of 101 km<sup>2</sup> (**Tenements**). The current projects within the Tenements include the Aberfoyle Project located within EL27/2004 and the Great Pyramid project located within RL2/2009.

##### 3.2.1 The Aberfoyle Project

The Aberfoyle Project consists of 3 main prospects:

- (a) Aberfoyle-Lutwyche-Kookaburra;
- (b) Storey's Creek; and
- (c) Royal George.

The focus of the Company will be centred on the key Aberfoyle-Lutwyche-Kookaburra prospects which are discussed in detail in the Independent Geologist's Report in Section 5.

##### 3.2.2 Great Pyramid Project

###### Overview

The Great Pyramid Project deposit was discovered in 1909 and although the tenement has been explored relatively extensively in the past only minor production has taken place.

The Company believes that Great Pyramid Project has significant exploration upside with targeted drilling below the average depth of the current holes. The Great Pyramid Project is discussed in detail in the Independent Geologist's Report in Section 5.

### 3.3 Legal Overview of the Tenements

#### 3.3.1 Searches

The Company has conducted searches and made the following enquiries in respect of the Tenement as follows:

- (a) searches of the Tenement from the registers maintained by Mineral Resources Tasmania of the Tasmanian Department of State Growth (**MRT**). These searches were conducted on 9 May 2017;
- (b) searches of the National Native Title Tribunal (**NNTT**) databases in respect of any registered native title claims and native title determinations that apply to the Tenement. These searches were conducted on 9 May 2017;
- (c) searches of Aboriginal heritage sites recorded within the Tenements conducted on 17 May 2017. The searches were conducted through the register maintained by Aboriginal Heritage Tasmania (**AHT**) which is part of the Natural and Cultural Heritage Division within the Department of Primary Industries, Parks, Water and Environment; and
- (d) reviewed all material agreements relating to the Tenements or registered as dealings against the Tenements as at the date of the MRT searches.

#### 3.3.2 Tenement Details

##### Exploration Licence - EL27/2004

The holder of an exploration licence in Tasmania has the exclusive right to apply for a mining lease over land within the area of the licence for the minerals specified in the licence.

A security deposit must be lodged before a licence can be granted. The quantum of the deposit is determined by the size of the area and the program to be carried out. The security deposit may be used to remedy damage to private property or to the environment caused by exploration activities if this is not made good by the explorer

Licence holders must obtain written approval from MRT prior to undertaking any on-ground exploration. Work consistent with mineral exploration includes:

- (a) conducting geological, geophysical, geobotanical and geochemical surveys;
- (b) drilling;
- (c) taking samples for the purpose of chemical or other analysis;
- (d) using appropriate instruments, equipment and techniques;
- (e) extracting and removing from the land material, mineral or other substances for testing.

Exploration licences in Tasmania may be granted for one or more of the following mineral categories:

- (a) Category 1: metallic minerals and atomic substances;
- (b) Category 2: coal, peat, lignite, oil shale and coal seam gas;
- (c) Category 3: rock, stone, gravel, sand and clay used in construction, bricks and ceramics;
- (d) Category 4: petroleum products except oil shale;
- (e) Category 5: industrial minerals, precious stones, semi-precious stones;
- (f) Category 6: any geothermal substance.

EL27/2004 has been granted in respect to Categories 1, 3 and 5.

#### **Retention Licence - RL2/2009**

A retention licence in Tasmania allows the holder of an exploration licence to preserve their exclusive rights over potential mining sites while further studies are conducted to assess the commercial viability of extraction or production.

The Minister may only grant an application for a retention licence if satisfied that:

- (a) the land comprised in the licence is likely to be able to be effectively and efficiently mined for the minerals, or the category of minerals, to which the licence is to relate; and
- (b) there is a sufficient quantity of minerals to justify mining; and
- (c) the applicant is justified for economic or other reasons not to proceed to mine; and
- (d) the applicant has provided a security deposit.

RL2/2009 has been granted to the Company in respect to Categories 1 and 5.

#### **3.3.3 Tenure and access**

The Tenements are located over the land tenure categorised as:

- (a) EL27/2004:
  - (i) Crown Land;
  - (i) Informal Reserve;
  - (ii) Private Parcel;
  - (iii) Regional Reserve;
  - (iv) State Forest; and
  - (v) Vegetation by Prescription; private land.

- (b) RL2/2009
  - (i) Informal Reserve;
  - (ii) National Estate;
  - (vi) Private Parcel; and
  - (vii) State Forest.

### **Crown Land**

The holder of an exploration licence in Tasmania is permitted to enter onto and pass over all Crown land for the purpose of exploration and conduct all exploration activities permitted by the licence.

On Crown land, work programs are approved in consultation with the relevant land management agency and/or other stakeholders.

Compensation is payable to the State Government for damage to any improvement on Crown land.

### **Private Land**

Private land is available for exploration in Tasmania, provided certain protocols are followed.

Landowners may object to the grant of an exploration licence over their land. The Director of Mines will attempt to resolve the objection, but if this is unsuccessful, the objection will be heard by the Mining Tribunal. Having ownership of the land does not, in itself, constitute a reason for the exploration licence to be disallowed.

A security deposit is held by the MRT to ensure landowners are compensated for any damage not made good by the explorer. Private land security deposits in the amount of \$10,500 and \$5,000 have been lodged in respect of the EL27/2004 and RL2/2009 respectively.

Explorers must give landowners notice, in writing, fourteen days prior to entry on to private property. Licensees are not permitted to explore within 100 metres of the surface of any natural lake, dam, reservoir, water producing well or artificial pond, or any substantial dwelling or building on private land without the consent of the owner or occupier of the land.

#### **3.3.4 Term and renewal of Tenement**

Tenements in Tasmania are applied for and granted subject to the terms of the *Mineral Resources Development Act 1995 (Tas)* (**MRDA**).

Exploration licences in Tasmania are initially granted for a period of five years. The term of an exploration licence may be extended at the discretion of the Minister if the holder is able to show grounds for extension.

The term of the exploration licence must be renewed on application by the licensee if the Minister is satisfied that:

- (a) the exploration to be carried out during the term of the licence has been completed;

- (b) the licensee has submitted any report or return as required;
- (c) the licensee has submitted a suitable work program for the period of extension; and
- (d) further detailed exploration is justified because substantiated results indicate the probability of a discovery leading to profitable mining operations.

The Minister, by notice in writing, must notify the applicant of:

- (a) the grant of the application; or
- (b) the refusal to grant the application and the reasons for the refusal.

A licensee may appeal to the Mining Tribunal against the Minister's refusal to grant the application within 28 days after receipt of the notice of refusal.

EL27/2004 was originally applied for and granted to the Company on 21 December 2004. The Company most recently applied for and was granted an extension of the term on 22 December 2016 which expires on 26 November 2017.

RL2/2009 was originally applied for and granted to the Company on 3 August 2009. The Company most recently applied for and was granted an extension of the term on 2 September 2015 which expires on 1 August 2017.

It is the Company's intention to apply for further extensions of the terms of both EL27/2004 and RL2/2009. There can be no guarantee that such applications, will be granted. If a Tenement is not renewed for any reason, the Company may suffer significant damage through the loss of the opportunity to develop and discover any resource on that Tenement. However, the Directors are not aware of any reason why the renewal of any Tenement will not be given.

### **3.3.5 Exclusions**

The following areas of land are excluded from the Tenements:

- (a) any land owned or leased by the Commonwealth of Australia;
- (b) mining leases which were applied for or in force prior to the date of application for this licence;
- (c) Crown reservations amounting to 70 hectares (0.7 km<sup>2</sup>) or other land set apart or dedicated for any public purposes such as public reserves, municipal reserves or roadways unless such areas have been brought under the provisions of the MRDA; and
- (d) areas of private land which either have been, or are in the process of being, purchased by the Crown under the Regional Forest Agreement – Private Forests Reserves Program and/or private land over which the landowners have agreed, or are in the process of agreeing, to place a covenant or management agreement for conservation purposes under the Regional Forest Agreement – Private Forests Reserves Program or the Protected Areas on Private Land Program.

### 3.3.6 Expenditure and rent

The holder must comply with the minimum expenditure requirement for each year of the Tenements as determined by the Minister. Rent is payable in respect of the Tenements at a rate per square kilometre.

The minimum expenditures in respect of the Tenements and annual rents are set out in the table below:

Tenement	Expiry	Minimum Expenditure (\$)	Annual Rent (\$)
EL27/2004	26/11/17	200,000	6,177.27
RL2/2009	01/08/17	175,000	11,849.36

### 3.3.7 Licence conditions

Both exploration licences and retention licences are granted subject to various conditions and obligations prescribed under the MRDA, including protection of the environment, protection of Aboriginal artefacts, drilling requirements, reporting requirements, expenditure commitments, maintenance of public liability insurance and lodgement of security deposits (**Tenement Conditions**).

The Tenement Conditions provide for a prescribed exploration program which is submitted by the Company and approved by the Director of Mines. Licensees must adhere to the provisions set out in the *Mineral Exploration Code of Practice* and any site-specific conditions imposed on individual exploration programs.

Details of the exploration programs for both EL27/2004 and RL2/2009 are set out in the Independent Geologist's Report contained in section 5. Details of the current minimum expenditure and rent requirements under both EL27/2004 are set out in section 3.3.6 above.

### 3.3.8 Aboriginal Heritage

#### General

The Company has conducted searches of the Tasmanian Aboriginal Site Index maintained by the Aboriginal Heritage Office, which has revealed no Aboriginal heritage sites are recorded within the parameters of RL2/2009.

There are however a number of Aboriginal heritage sites recorded within the parameters of EL27/2004, including artefact scatters, occupied rock shelters and isolated artefacts. Due to the presence of these sites, the Aboriginal Heritage Office believes the area is considered to be highly significant and conducive to additional as yet unrecorded Aboriginal heritage.

The Aboriginal Heritage Office has noted that as details of any proposed ground works are finalised and prior to the beginning of any works in the area, the Company should contact AHT for further advice.

The Company must ensure that it does not breach the Commonwealth and Tasmanian legislation relating to Aboriginal heritage as set out below. To ensure that it does not contravene such legislation, it would be prudent for the Company to conduct independent heritage surveys to determine if any additional Aboriginal sites or objects exist within the area of the Tenement. Any

interference with these sites or objects must be in strict conformity with the provisions of the relevant legislation.

### **Commonwealth Legislation**

The *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (Cth) (**Commonwealth Heritage Act**) is aimed at the preservation and protection of any Aboriginal areas and objects that may be located on the Tenements.

Under the Commonwealth Heritage Act, the Environment Minister may make interim or permanent declarations of preservation in relation to significant Aboriginal areas or objects, which have the potential to halt exploration activities. Compensation is payable by the Minister to a person who is, or is likely to be, affected by a permanent declaration of preservation.

It is an offence to contravene a declaration made under the Commonwealth Heritage Act.

### **Tasmanian Legislation**

Aboriginal Heritage Tasmania (**AHT**) is part of the Natural and Cultural Heritage Division within the Department of Primary Industries, Parks, Water and Environment. AHT aims to protect, conserve and promote Tasmania's unique Aboriginal heritage, while adopting a partnership approach with Aboriginal community organisations.

Tenements are granted subject to a condition requiring observance of the *Aboriginal Relics Act 1975* (TAS) (**Aboriginal Relics Act**).

Where any Aboriginal artefacts or objects of historic interest are discovered, operations shall be conducted so as not to damage or interfere with such site or object, and the licensee shall otherwise observe the provisions of the Aboriginal Relics Act.

Section 7 of the Aboriginal Relics Act provides for the declaration of protected sites by the Minister on the recommendation of the Director of National Parks and Wildlife.

Section 14 of the Aboriginal Relics Act provides specific protection for Aboriginal relics by establishing offences of harm. For activities that will impact on Aboriginal cultural heritage, the Aboriginal Relics Act has an Aboriginal heritage permit process. A person must apply to the Minister for a permit if they are proposing to:

- (a) destroy, damage, deface, conceal or interfere with a relic
- (b) make a copy or replica of a carving or engraving that is a relic
- (c) remove a relic from where it is found
- (d) sell or offer for sale a relic
- (e) remove a relic from Tasmania
- (f) excavate on Crown land in search of a relic

The Director of National Parks and Wildlife, Department of Primary Industries, Parks, Water and Environment considers every permit application made on the prescribed form and makes a recommendation to the Minister.

The Aboriginal Heritage Council also considers every permit application and makes a recommendation to the Minister.

### **3.3.9 Native Title**

Native title is the recognition in Australian law, under the *Native Title Act 1993* (Cth) (**NTA**), that Aboriginal and Torres Strait Islander peoples had a system of law and ownership of their lands before European settlement. The NTA provides the legal principles for the recognition of native title, the processes involved in having native title recognised and the role and responsibilities of the different bodies involved in this process.

The Tasmanian Government introduced the *Native Title (Tasmania) Act 1994* (Tas) (**NTTA**) to validate past acts and to preserve certain rights.

The Tasmanian Government has not enacted any legislation to validate intermediate period acts; confirm the extinguishment of native title by particular types of tenure; or an alternative 'right to negotiate' regime.

The Office of Aboriginal Affairs (OAA) within the Department of Premier and Cabinet has responsibility for policy issues affecting Aboriginal and Torres Strait Islander people in Tasmania. The Department also has responsibility for native title issues, although as at the date of this Prospectus there are no active native title claimant applications or claimant determinations in Tasmania.

The land subject to the Tenement may in the future be subject to native title claims and it would be necessary to comply with the processes in the *Native Title Act 1993* (Cth) (**NTA**) prior to the grant of any tenement situated on native title land within the perimeter of the Tenement.

## **3.4 Business Model**

The Company will primarily focus on further exploration and evaluation of the Projects, using the cumulative results of previous exploration work undertaken which have provided a platform on which the Company can progress further exploration thereby adding value for Shareholders.

The Company's business will be created, initially, via the consolidation of the Projects and later through the pursuit of other opportunities in the resources sector. The Board's strategy is to advance the exploration and evaluation of deposits located within the Projects (where possible) in proximity to established mining operations and infrastructure which demonstrate the ability to be developed into early production opportunities.

The Board proposes to undertake exploration across the Projects with the intention of demonstrating the economic potential of any potential deposits (including the existing JORC Inferred Mineral Resource at the Aberfoyle Project and JORC Inferred Mineral Resource at the Great Pyramid Project details of which are contained in the Independent Geologist's Report set out in section 5) and defining additional JORC compliant Mineral Resources across the Projects. The Company also intends to evaluate and pursue other prospective opportunities in the resources sector in line with its strategy to develop high quality assets. Details of the development plan for each project are set out below.

Funds raised from the Offer will ensure the Company is financed to continue (or commence) exploration activities on the Projects aimed at the discovery of additional JORC Resources, in some cases based on evaluation of targets previously defined by the Company during previous exploration undertaken.

### 3.5 Proposed Exploration Program and Expenditure

It is currently proposed that the initial exploration program proposed by the Company for the Projects will include a total of approximately \$2,540,000 budgeted for the first two financial years (as set out in the table below). This budget includes exploration expenditure, tenement rents and rates, office and administration costs and salaries.

Project	Minimum Subscription	
	Year 1	Year 2
<b>Aberfoyle Project</b>	970,000	970,000
<b>Great Pyramid Project</b>	300,000	300,000
<b>Total Exploration Expenditure</b>	<b>1,270,000</b>	<b>1,270,000</b>

Further details of the Company's intended exploration program please refer to the Independent Geologist's Report in Section 5.

The exploration programs and budgeted expenditure outlined above is subject to modification on an ongoing basis and is contingent on circumstances, results and other opportunities. Expenditure may be reallocated as a consequence of such changes or new opportunities arising and will always be prioritised in accordance with due regard to geological merit and other business decisions related to the Company's activities. Ongoing assessment of the Company's projects may lead to increased or decreased levels of expenditure reflecting a change of emphasis. A detailed use of funds table is set out in section 2.6.

### 3.6 Competent Person's Statement

The information in this Prospectus that relates to Exploration Results and Mineral Resources of the Company has been reviewed by Michael Conan-Davies. Michael Conan-Davies has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity to which he is undertaking to qualify as an expert and competent person as defined in the VALMIN Code and in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Michael Conan-Davies consents to the inclusion in this Prospectus of the matters based on his information in the form and context in which it appears.

### 3.7 Directors and key personnel

#### Mr Brett Mitchell

Mr Mitchell is a corporate finance executive with over 25 years of experience primarily in the finance, capital markets and resources industries. He has been involved in the founding, financing and management of early stage resources and technology companies.

Mr Mitchell holds a Bachelor of Economics from the University of Western Australia and is also a member of the Australian Institute of Company Directors (AICD).

Mr Mitchell is currently an executive director of Sky and Space Global Ltd (ASX:SAS) and MGC Pharmaceuticals Ltd (ASX:MXC).

Mr Mitchell does not expect that his other directorships will impact his ability to act as a Director of the Company.

#### **Mr Michael Jardine**

Mr Jardine has extensive finance and investment experience across a number of sectors, in both Australia and the UK. Having acted in both Executive and Board roles for a number of ASX listed resource companies, Mr Jardine has particular expertise in business development, strategic planning and capital management.

Mr Jardine is currently a non-executive director of Atrium Coal Limited (ASX:ATU).

Mr Jardine does not expect that his other directorship will impact his ability to act as a Director of the Company.

#### **Mr Nick Castleden**

Mr Castleden is a geologist with over 20 years of experience in the mineral exploration and development industry. Mr Castleden has worked with Australian mining companies including Mt Isa Mines, Perilya Mines, MPI Mines, LionOre and Breakaway Resources in various exploration, geological and management capacities and has had operational experience in Africa, North and South America and across Australia.

Mr Castleden has specific experience in the gold, nickel and base metal exploration business and has participated in the discovery and delineation of new gold and nickel sulphide systems that have progressed through feasibility studies to successful mining.

Mr Castleden is currently managing director of Apollo Consolidated Limited (ASX: AOP) and is a non-executive director of Latitude Consolidated Limited (ASX: LCD).

Mr Castleden does not expect that his other directorships will impact his ability to act as a Director of the Company.

#### **Other Management**

##### **Mark Ohlsson FCPA – Company Secretary**

Mr Ohlsson has been involved in business management and the venture capital industry for more than 35 years. His particular expertise is in assessing venture capital and business proposals, all aspects of contractual negotiations together with finance and management reporting requirements. His experience spans a wide range of industries and activities which includes a number of appointments as Company Secretary of ASX listed companies.

Mr Ohlsson is a director and company secretary of Niuminco Group limited (ASX: NIU), and company secretary of Bigtincan Holdings Limited (ASX:BTH).

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

### 3.8 Additional Information

Prospective investors are referred to and encouraged to read in its entirety both the:

- (a) the Independent Geologist's Report in Section 5 for further details about the geology, location and mineral potential of the Company's exploration projects; and
- (b) the Tenement Report in Section 8 for further details in respect to the Company's interests in the Tenements.

### 3.9 Dividend Policy

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

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of distributable earnings and operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

### 3.10 Capital Structure

The capital structure of the Company following completion of the Offer is summarised below<sup>1</sup>:

#### Shares<sup>2</sup>

	Minimum Subscription
Shares currently on issue <sup>3</sup>	551,084
Shares to be issued pursuant to the Offer	27,500,000
Conversion of Class A Convertible Notes <sup>4</sup>	937,500
Conversion of Class B Convertible Notes <sup>5</sup>	1,250,000
<b>Total Shares on completion of the Offer</b>	<b>30,238,584</b>

## Options

	Minimum Subscription
Options currently on issue	Nil
Options to be issued under the Lead Manager's Mandate <sup>6</sup>	12,000,000
<b>Total Options on completion of the Offer</b>	<b>12,000,000</b>

### Notes:

1. Refer to the Investigating Accountant's Report set out in Section 7 of this Prospectus for further details.
2. The rights attaching to the Shares are summarised in Section 12.2 of this Prospectus.
3. The Shares currently on issue comprise 397,347 Shares held by Niuminco (as a result of its takeover bid in November 2013), and 153,737 Shares held by Shareholders who did not take-up the Niuminco takeover offer.
4. 625,500 Shares will be issued to unrelated parties of the Company and 312,500 Shares will be issued to Chieftain Securities Pty Ltd (ACN 608 580 285), an entity associated with Director, Mr Brett Mitchell on conversion of the Class A Convertible Notes. Conversion occurs upon issue of Shares pursuant to the Offer.
5. 1,250,000 Shares will be issued to unrelated parties of the Company on conversion of the Class B Convertible Notes. Conversion occurs upon issue of Shares pursuant to the Offer.
6. Pursuant to the terms of the Lead Manager's Mandate, the Company has agreed to issue 12,000,000 Options exercisable at \$0.25 on or before 48 months from their date of issue to the Lead Manager (or its nominees). Further details are set out in Section 11.1. Terms and conditions of the Lead Manager Options are outlined in section 12.3

### 3.11 Substantial Shareholders

#### *As at the date of the Prospectus*

Niuminco Group Limited is the only Shareholder currently holding 5% or more of the Shares on issue as at the date of this Prospectus. Niuminco currently holds 397,347 Shares with voting power of 72.10%.

Niuminco has informed the Company that it does not intend to subscribe for additional Shares pursuant to the Offer. Upon completion of the Offer Niuminco's voting power will be reduced to 1.31% on a fully diluted basis.

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

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## 4. RISK FACTORS

### 4.1 Introduction

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

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

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

### 4.2 Company specific

#### (a) Exploration and development

Mineral exploration and development is a speculative and high-risk undertaking that may be impeded by circumstances and factors beyond the control of the Company. Success in this process involves, among other things:

- (i) discovery and proving-up, or acquiring, an economically recoverable resource or reserve;
- (ii) access to adequate capital throughout the exploration, discovery and project development phases;
- (iii) securing and maintaining title to mineral exploration projects;
- (iv) obtaining required development consents and approvals necessary for the acquisition, mineral exploration, development and production phases; and
- (v) accessing the necessary experienced operational staff, the applicable financial management and recruiting skilled contractors, consultants and employees.

As the Company is an early stage exploration company, there can be no assurance that exploration on the Projects, or any other exploration properties that may be acquired in the future, will result in the discovery of an economic mineral resource. Even if an apparently viable mineral resource is identified, there is no guarantee that it can be economically exploited.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, changing government regulations and many other factors beyond the control of the Company.

(b) **Tenement applications and license renewal**

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

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

It is the Company's intention to apply for further extensions of the terms of both EL27/2004 and RL2/2009. If a Tenement is not renewed for any reason, the Company may suffer significant damage through the loss of the opportunity to develop and discover any resource on that Tenement. However, the Directors are not aware of any reason why the renewal of any Tenement will not be given.

(c) **Future Funding**

The funds raised under the Offer are considered sufficient to meet the immediate objectives of the Company. Further funding may be required by the Company in the event costs exceed estimates or revenues do not meet estimates, to support its ongoing operations and implement its strategies. For example, funding may be needed undertake further exploration activities, or acquire complementary assets.

Accordingly, the Company may need to engage in equity or debt financings to secure additional funds. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the Offer price or may involve restrictive covenants that limit the Company's operations be business strategy.

There can be no assurance that such funding will be available on satisfactory terms or at all at the relevant time. Any inability to obtain sufficient financing for the Company's activities and future projects may result in the delay or cancellation of certain activities or projects, which would likely adversely affect the potential growth of the Company.

(d) **No Profit to Date**

Since the Company intends to invest in the exploration development of the Projects, the Directors anticipate that the Company will make losses in the foreseeable future.

Although the Directors have between them significant operational experience, the Company's ability to meet its objectives will be largely reliant upon the Company's ability to implement its current operational plans and take appropriate action to amend those plans in respect of any unforeseen circumstances that may arise. Investors should consider the Company's prospects in light of its limited financial history.

(e) **Lack of Executive Management**

The Company's management currently consists of three Non-Executive Directors. The Board is aware of the need to have sufficient management to properly supervise the exploration and (if successful) the development of the Projects, or projects the Company may have in the future, the Board will continually monitor the management roles in the Company.

As the Projects require an increased level of involvement the Board will appoint additional management and/or consultants when and where appropriate to ensure proper management of the Projects.

There is a risk that the Company may not be able to secure personnel with the relevant experience at the appropriate time which may impact on the Company's ability to complete the proposed exploration program in line with the scheduled timetable. The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on the Board. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these Directors resign.

**4.3 Industry specific**

(a) **Metallurgy Risk**

When compared with many industrial and commercial operations, mining exploration projects are high risk. Each ore body is unique and the nature of the mineralisation, the occurrence and grade of the ore, as well as its behaviour during mining can never be wholly predicted. Estimations of a mineral deposit are not precise calculations, but are based on interpretation and on samples from drilling which represent a very small sample of the entire ore body. Reconciliation of past production and reserves, where available, can confirm the reasonableness of past estimates, but cannot categorically confirm accuracy of future projections.

The applications of metallurgical test work results and conclusions to the process design, recoveries and throughput depend on the accuracy of the test work and assumption that the sample tests are representative of the ore body as a whole. There is a risk associated with the scale-up of laboratory and pilot plant results to a commercial scale and with the subsequent design and construction of any plant.

(b) **Resource and Reserve Estimates**

Whilst the Company intends to undertake exploration activities with the aim of defining a resource, no assurances can be given that the exploration will result in the determination of a resource. Even if a resource is identified, no assurance can be provided that this can be economically extracted.

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

(c) **Land Access**

There is a substantial level of regulation and restriction on the ability of exploration and mining companies to have access to land in Australia. Negotiations with both Native Title and land owners/occupiers are generally required before the Company can access land for exploration or mining activities. Inability to access, or delays experienced in accessing, the land may impact on the Company's activities.

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

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

Please refer to Section 3.3 of this Prospectus for further details.

(e) **Environmental Risks**

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

(f) **Regulatory Risks**

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

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

## 4.4 General risks

### (a) Economic

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

### (b) Market conditions

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

- (i) General economic outlook.
- (ii) Introduction of tax reform or other new legislation.
- (iii) Interest rates and inflation rates.
- (iv) Changes in investor sentiment toward particular market sectors.
- (v) The demand for, and supply of, capital.
- (vi) Terrorism or other hostilities.

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

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

### (c) Taxation

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

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

(d) **Force Majeure**

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

**4.5 Investment speculative**

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

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

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

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5. INDEPENDENT GEOLOGIST'S REPORT

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## **6. FINANCIAL INFORMATION**

### **6.1 Introduction**

This section sets out the Historical Financial Information of TNT Mines Limited ('TNT Mines' or the 'Company') and the Pro Forma Historical Financial Information (collectively the Financial Information). The Directors are responsible for the inclusion of all Financial Information in the Prospectus. The purpose of the Financial Information is to illustrate the effects of the Pro forma transactions outlined in Note 2 below.

Bentleys Audit & Corporate (WA) Pty Ltd ("Bentleys") has prepared an Investigating Accountant's Report in respect to the Historical Financial Information and the Pro Forma Historical Financial Information. A copy of this report, within which an explanation of the scope and limitation of Bentleys' work is set out in Section 7.

All information present in this Section should be read in conjunction with the balance of this Prospectus, including the Investigating Accountant's Report in Section 7.

### **6.2 Basis and method of preparation**

The historical financial information has been prepared in accordance with the recognition and measurement requirements of Australian Accounting Standards and the accounting policies adopted by TNT Mines as detailed in Note 6.7. The pro forma financial information has been derived from the historical financial information and assumes the completion of the pro forma adjustments as set out in Note 2 as if those adjustments had occurred as at 31 December 2016.

The financial information contained in this section of the Prospectus is presented in an abbreviated form and does not contain all the disclosures that are provided in a financial report prepared in accordance with the Corporations Act and Australian Accounting Standards and Interpretations.

The historical financial information comprises the following (collectively referred to as the Historical Financial Information):

- The historical Statements of Profit or Loss and Other Comprehensive Income for the years ended 30 June 2014, 30 June 2015, 30 June 2016, and the period ended 31 December 2016 for TNT Mines;
- The historical Statements of Cashflow for the years ended 30 June 2014, 30 June 2015, 30 June 2016 and six months 31 December 2016 for TNT Mines Limited; and
- The historical Statements of Financial Position as at 30 June 2014, 30 June 2015, 30 June 2016 and 31 December 2016 of TNT Mines.

The pro forma financial information comprises (collectively referred to as the Pro Forma Financial Information):

- The pro forma statement of financial position as at 31 December 2016, prepared on the basis that the pro forma adjustments detailed in Note 2 had occurred as at 31 December 2016; and
- the notes to the pro forma financial information,

(collectively referred to as the Historical Financial Information).

The Historical Financial Information of TNT Mines has been extracted from the financial reports for the periods ended 30 June 2014, 30 June 2015, 30 June 2016 and 31 December 2016. The financial report for the years ended 30 June 14, 30 June 2015, and 30 June 2016 were audited by Bentleys in accordance with Australian Auditing Standards. The financial report for the period ended 31 December 2016 was reviewed by Bentleys. For each period, Bentleys have issued unqualified audit opinions or review conclusions, with emphasis of matters for a material uncertainty surrounding the ability of the entity to continue as a going concern.

### 6.3 Historical Statements of Profit or Loss and Other Comprehensive Income

TNT Mines Limited	Reviewed 6 months 31 December 2016	Audited 12 months 30 June 2016	Audited 12 months 30 June 2015	Audited 12 months 30 June 2014
	\$	\$	\$	\$
<b>Income</b>				
Other income	240	724	533	9,018
Grant Income	-	-	-	43,389
<b>Expenditure</b>				
Depreciation Expense	-	-	-	(1,420)
Corporate expenses	(19,356)	(29,904)	(26,487)	(114,503)
Administration expenses	(63,121)	(183,237)	(184,534)	(132,260)
Interest expense	-	(498)	(755)	
Consulting fees	-	-	(36,000)	(180,116)
Exploration costs written off	-	(308,886)	(1,627,307)	-
Impairment of fixed assets	-	-	-	(6,717)
Impairment of available-for-sale financial assets	-	-	-	(21,908)
Travel and accommodation expenses	-	-	-	(4,413)
Loss from ordinary activities before income tax expense	(82,237)	(521,801)	(1,874,550)	(408,930)
Income tax benefit relating to ordinary activities	-	-	349,799	35,765
Loss from ordinary activities after income tax expense	(82,237)	(521,801)	(1,524,751)	(373,165)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the year attributable to members of the company	(82,237)	(521,801)	(1,524,751)	(373,165)

Please refer to Section 6.2 with respect to the audit opinions and review conclusions issued by Bentleys Audit & Corporate (WA) Pty Ltd on the historical financial information. The financial information should be read in conjunction with the accounting policies in Section 6.7 and the Investigating Accountant's Report in Section 7.

## 6.4 Historical Statement of Cashflows

TNT Mines Limited	Reviewed 6 months 31 December 2016	Audited 12 months 30 June 2016	Audited 12 months 30 June 2015	Audited 12 months 30 June 2014
	\$	\$	\$	\$
<b>Cash flows from operating activities</b>				
Payments to suppliers and employees	(13,303)	(30,839)	(27,982)	(226,244)
Interest paid	-	(498)	-	-
Interest received	240	724	533	424
Research and Development tax receipt	-	-	-	43,389
<b>Net cash used in operating activities</b>	<b>(13,063)</b>	<b>(30,613)</b>	<b>(27,449)</b>	<b>(182,431)</b>
<b>Cash flows from investing activities</b>				
Payment for exploration and evaluation expenditure	(69,284)	(15,972)	(117,958)	(167,230)
Receipts from sale of plant and equipment	-	-	-	21,799
Sale of available-for-sale financial asset	-	-	-	23,450
Movements in security deposits	-	(276)	(533)	100,000
<b>Net cash used in investing activities</b>	<b>(69,284)</b>	<b>(16,248)</b>	<b>(118,491)</b>	<b>(21,981)</b>
<b>Cash flows from financing activities</b>				
Loan from Niuminco Group Limited	81,885	46,664	145,276	115,430
<b>Net cash from financing activities</b>	<b>81,885</b>	<b>46,664</b>	<b>145,276</b>	<b>115,430</b>
<b>Net increase in cash and cash equivalents</b>	<b>(462)</b>	<b>(197)</b>	<b>(664)</b>	<b>(88,982)</b>
Cash and cash equivalents at the beginning of the financial year	(17)	180	844	89,826
<b>Cash and cash equivalents at the end of the financial period</b>	<b>(479)</b>	<b>(17)</b>	<b>180</b>	<b>844</b>

Please refer to Section 6.2 with respect to the audit opinions and review conclusions issued by Bentleys Audit & Corporate (WA) Pty Ltd on the historical financial information. The financial information should be read in conjunction with the accounting policies in Section 6.7 and the Investigating Accountant's Report in Section 7.

## 6.5 Historical Statements of Financial Position

	TNT Mines Limited			
	Reviewed 31 December 2016	Audited 30 June 2016	Audited 30 June 2015	Audited 30 June 2014
	\$	\$	\$	\$
<b>Current assets</b>				
Cash & cash equivalents	-	-	180	844
Trade and other receivables	37,669	29,984	28,307	28,005
<b>Total current assets</b>	<b>37,669</b>	<b>29,984</b>	<b>28,487</b>	<b>28,849</b>
<b>Non-current assets</b>				
Capitalised exploration and expenditure	1,709,530	1,640,246	1,933,160	3,442,509
<b>Total non-current assets</b>	<b>1,709,530</b>	<b>1,640,246</b>	<b>1,933,160</b>	<b>3,442,509</b>
<b>TOTAL ASSETS</b>	<b>1,747,199</b>	<b>1,670,230</b>	<b>1,961,647</b>	<b>3,471,358</b>
<b>Current liabilities</b>				
Trade & other payables	162,191	144,869	146,150	130,620
<b>Total current liabilities</b>	<b>162,191</b>	<b>144,869</b>	<b>146,150</b>	<b>130,620</b>
<b>Non-current liabilities</b>				
Loan from Niuminco Group Limited	850,289	708,405	476,740	127,431
Deferred tax liabilities	-	-	-	349,799
<b>Total non-current liabilities</b>	<b>850,289</b>	<b>708,405</b>	<b>476,740</b>	<b>477,230</b>
<b>TOTAL LIABILITIES</b>	<b>1,012,480</b>	<b>853,274</b>	<b>622,890</b>	<b>607,850</b>
<b>NET ASSETS</b>	<b>734,719</b>	<b>816,956</b>	<b>1,338,757</b>	<b>2,863,508</b>
<b>EQUITY</b>				
Issued capital	4,502,406	4,502,406	4,502,406	4,502,406
Accumulated losses	(3,767,687)	(3,685,450)	(3,163,649)	(1,638,898)
<b>TOTAL EQUITY</b>	<b>734,719</b>	<b>816,956</b>	<b>1,338,757</b>	<b>2,863,508</b>

Please refer to Section 6.2 with respect to the audit opinions and review conclusions issued by Bentleys Audit & Corporate (WA) Pty Ltd on the historical financial information. The financial information should be read in conjunction with the accounting policies in Section 6.7 and the Investigating Accountant's Report in Section 7.

## 6.6 Historical and Pro-forma Consolidated Statements of Financial Position

	Notes	Reviewed TNT Mines Group Ltd 31 December 2016 \$	Subsequent Events \$	Reviewed Pro-forma Adjustments (Minimum Subscription) \$	Reviewed Pro-forma post transactions (Minimum Subscription) 31 December 2016 \$
<b>Current Assets</b>					
Cash & Cash equivalents	3	-	-	4,037,687	4,037,687
Trade and other receivables		37,669	-	-	37,669
<b>Total current assets</b>		37,669	-	4,037,687	4,075,356
<b>Non-Current Assets</b>					
Capitalised exploration and evaluation expenditures	4	1,709,530	43,380	-	1,752,910
<b>Total non-current assets</b>		1,709,530	43,380	-	1,752,910
<b>TOTAL ASSETS</b>		1,747,199	43,380	4,037,687	5,828,266
<b>Current liabilities</b>					
Trade & Other Payables	5	162,191	(31,376)	(130,815)	-
<b>Total current liabilities</b>		162,191	(31,376)	(130,815)	-
<b>Non-Current liabilities</b>					
Financial Liabilities	6	850,289	106,174	(956,463)	-
<b>Total non-current liabilities</b>		850,289	106,174	(956,463)	-
<b>TOTAL LIABILITIES</b>		1,012,480	74,798	(1,087,278)	-
<b>NET ASSETS/(LIABILITIES)</b>		734,719	(31,418)	5,124,965	5,828,266
<b>EQUITY</b>					
Issued capital	7	4,502,406	-	3,538,532	8,040,938
Reserves	8	-	-	1,586,433	1,586,433
Accumulated losses	9	(3,767,687)	(31,418)	-	(3,799,105)
<b>TOTAL EQUITY</b>		734,719	(31,418)	5,124,965	5,828,266

## **6.7 Notes to and Forming Part of the Historical Financial Information**

### **Note 1: Summary of significant accounting policies**

#### **6.7.1 Basis of Accounting**

The historical financial information has been prepared in accordance with the measurement and recognition (but not the disclosure) requirements of Australian Accounting Standards, Australian Accounting Interpretations and the Corporations Act.

The financial statements have been prepared on an accruals basis, are based on historical cost and except where stated do not take into account changing money values or current valuations of selected non-current assets, financial assets and financial liabilities. Cost is based on the fair values of the consideration given in exchange for assets.

The preparation of the Statement of Financial Position requires the use of certain critical accounting estimates and assumptions. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Statement of Financial Position are disclosed where appropriate.

The pro forma Statement of Financial Position as at 31 December 2016 represents the reviewed financial position and adjusted for the transactions discussed in Note 2 to this report. The Statement of Financial Position should be read in conjunction with the notes set out in this report.

#### **6.7.2 Going Concern**

The financial information has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realization of assets and the settlement of liabilities in the normal course of business.

The entity's ability to continue as a going concern is dependent on the success of the Public Offer. The Directors believe that the entity will continue as a going concern. As a result, the financial information has been prepared on a going concern basis. However, should the Public Offer be unsuccessful, the entity may not be able to continue as a going concern. No adjustments have been made relating to the recoverability and classification of liabilities that might be necessary should the entity not continue as a going concern.

#### **6.7.3 Cash and Cash Equivalents**

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

#### **6.7.4 Income tax**

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associated entities operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

#### **6.7.5 Impairment of assets**

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

#### **6.7.6 Revenue**

Revenue is measured at the fair value of the consideration received or receivable.

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

All revenue is stated net of the amount of goods and services tax (GST).

#### **6.7.7 Exploration and evaluation expenditure**

Exploration, evaluation and development expenditure incurred is capitalised in respect of each identifiable area of interest. These costs are only carried forward where the right of tenure of the area of interest is current and they are expected to be recouped through sale or the successful development of the area or, where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an area of interest that is abandoned or the directors decide that it is not commercial are written off in full against profit in the period in which the decision is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

#### **6.7.8 Other revenue**

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

#### **6.7.9 Impairment of Assets**

At each reporting date, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Statement of Profit or Loss and Other Comprehensive Income.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

#### **6.7.10 Trade creditors**

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

### **6.7.11 Provisions**

Provisions for legal claims, service warranties and make good obligations are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

### **6.7.12 Issued Capital**

Ordinary shares are classified as equity. Costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### **6.7.13 Share based payment transactions**

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an internal valuation using a Black-Scholes option pricing model.

### **6.7.14 Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST except:

- (a) Where the GST incurred on the purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- (b) Receivables and payables in the statement of financial position are shown inclusive of GST.

### **Note 2: Actual and Proposed Transactions to Arrive at the Pro-Forma Financial Information**

The pro-forma historical financial information has been prepared by adjusting the statement of financial position of TNT Mines Limited as at 31 December 2016 to reflect the financial effects of the following subsequent events which have occurred since 31 December 2016:

- (a) Ongoing operations from 1 January 2017 to 30 April 2017 resulted in additional funding provided by Niuminco Group Limited of \$106,174

which were used to fund exploration activities of \$43,380, administrative costs of \$31,418 and payments made to existing creditors of \$31,376;

- (b) On 29 May 2017 the share capital was consolidated on a 200 to 1 basis following approval at a General Meeting on 26 May 2017 resulting in 551,084 shares on issue post consolidation,

and the following pro forma transactions which are yet to occur, but are proposed to occur in connection with settlement of the Transaction:

- (c) The issue of 27,500,000 Shares to raise up to \$5,500,000 (Minimum Subscription),
- (d) Payment of costs associated with the above offer of \$525,048 on a Minimum Subscription;
- (e) The repayment of Accumulated Fees and Loans to Niuminco Group Limited totalling \$956,463;
- (f) The repayment of existing creditors in cash totalling to \$130,815;
- (g) Class A Convertible Notes amounting to \$150,000 will be issued and then converted to 937,500 shares at \$0.16 per Share at completion of listing;
- (h) Issue of 12 million Options exercisable at 25 cents to Patersons Securities Limited (or its nominees); and
- (i) Issue of 1,250,000 Class B Convertible Notes to various parties at a Face Value of \$0.00001 totalling to \$12.50 which will be automatically converted into 1,250,000 shares at a conversion price of \$0.00001 upon the company issuing shares under the IPO capital raising. The Class B Convertible Notes have a deemed Fair Value of \$250,000.

### Note 3: Cash & Cash equivalents

	Reviewed Pro Forma (Minimum) 31 December 2016 \$
Cash and cash equivalents	4,037,687
<i>Adjustments to arise at the pro-forma balance:</i>	
Reviewed balance of TNT Mines as at 31 December 2016	-
<i>Pro-forma adjustments:</i>	
Proceeds from issue of Shares under this Prospectus	5,500,000
Proceeds from Convertible Notes	150,013
Repayment of Accumulated Fees and loan from Niuminco Group Limited	(956,463)
Capital raising costs	(525,048)
Repayment of debt owing to creditors	(130,815)
Total	4,037,687

#### Note 4: Capitalised exploration and evaluation expenditures

	Reviewed Pro Forma (Minimum) 31 December 2016 \$
Capitalised exploration and evaluation expenditures	1,752,910
<i>Adjustments to arise at the pro-forma balance:</i>	
Reviewed balance of TNT Mines as at 31 December 2016	1,709,530
<i>Subsequent Event Adjustments:</i>	
Exploration expenditure incurred	43,380
Closing Balance	1,752,910

#### Note 5: Trade & Other Payables

	Reviewed Pro Forma (Minimum) 31 December 2016 \$
Trade & Other Payables	-
<i>Adjustments to arise at the pro-forma balance:</i>	
Reviewed balance of TNT Mines as at 31 December 2016	162,191
<i>Subsequent Event Adjustments:</i>	
Extinguishment of liabilities owing to existing creditors	(31,376)
<i>Pro-forma Adjustments:</i>	
Extinguishment of liabilities owing to existing creditors	(130,815)
Closing Balance	-

## Note 6: Financial Liabilities

	Reviewed Pro Forma (Minimum) 31 December 2016 \$
Loans & Convertible Notes	-
<i>Adjustments to arise at the pro-forma balance:</i>	
Reviewed balance of TNT Mines as at 31 December 2016	850,289
<i>Subsequent Event Adjustments:</i>	
Borrowings from Niuminco Group Limited	106,174
<i>Pro-forma Adjustments:</i>	
Repayment of Accumulated Fees and Loan from Niuminco Group Limited	(956,463)
Convertible Notes issued	150,013
Conversion of Convertible Notes to equity	(150,013)
Closing Balance	-

## Note 7: Issued Capital

		Reviewed Pro Forma (Minimum) 31 December 2016 \$
Issued and fully paid shares		8,040,938
<i>Adjustments to arise at the pro-forma balance:</i>		
	Number of shares (Minimum)	\$
Reviewed balance of TNT Mines as at 31 December 2016	109,541,285	4,502,406
<i>Subsequent Event Adjustments:</i>		
Share consolidation (ratio 1:200)	(108,990,201)	-
<i>Pro-forma Adjustments:</i>		
Proceeds from issue of Shares under this Prospectus	27,500,000	5,500,000
Issue of 1,250,000 Shares to various parties on conversion of Class B Convertible Notes	1,250,000	250,000
Capital raising costs	-	(525,048)
Capital raising costs – Issue of 12 million Options to Patersons (or its nominees)	-	(1,586,433)
Capital raising costs – Issue of 1,250,000 Shares to various parties less convertible note proceeds of \$12.50 paid	-	(249,987)
Conversion of Convertible Notes to equity	937,500	150,000
Pro-forma Balance	30,238,584	8,040,938

## Note 8: Reserves

	Reviewed Pro Forma (Minimum) 31 December 2016 \$
Options reserve	1,586,433
<i>Adjustments to arise at the pro-forma balance:</i>	
Reviewed balance of TNT Mines as at 31 December 2016	-
<i>Pro-forma adjustments:</i>	
Issue of 12 million Options to Patersons (or its nominees)	1,586,433
Total	1,586,433

### *Valuation of Options*

The options were valued using the Black & Scholes option model based on the following inputs

Underlying Share price	\$0.20
Option exercise price	\$0.25
Effective Date	IPO Date
Option expiry date	4 years from IPO Date
Share price volatility	100%
Risk free interest rate	2.22%
Fair Value per option	\$0.1322

## Note 9: Accumulated Losses

	Reviewed Pro Forma (Minimum) 31 December 2016 \$
Accumulated losses	(3,799,105)
<i>Adjustments to arise at the pro-forma balance:</i>	
Reviewed balance of TNT Mines as at 31 December 2016	(3,767,687)
<i>Subsequent Event Adjustments:</i>	
Administrative costs	(31,418)
	(3,799,105)

#### **Note 10: Related Parties**

Refer to Section 9.2 of the Prospectus for the Board and Management Interests.

#### **Note 11: Commitments and Contingent Liabilities**

In relation to tenement acquisition agreements entered into by the Group, the following additional cash may be paid or shares issued dependent on future events:

(a) **Tasmanian Tin and Tungsten Agreement**

- \$1,000,000 (or \$1,100,000 of shares in the Company) upon commencement of mining operations, along with a 2.5% net smelter royalty.

(b) **Minemakers Royalty Deed**

- Upon commencement of mining 1.5% net smelter royalty capped at \$5,000,000 on any TNT Mines Ltd tenement.

#### **Note 12: Subsequent Events**

Subsequent to 31 December 2016 the following events have occurred which have been reflected in the pro-forma adjustments:

(a) Ongoing operations from 1 January 2017 to 30 April 2017 resulted in additional funding provided by Niuminco Group Limited of \$106,174 which were used to fund exploration activities of \$43,380, administrative costs of \$31,418 and payments made to existing creditors of \$31,376.

(b) On 29 May 2017 the share capital was consolidated on a 200 to 1 basis following approval at a General Meeting on 26 May 2017 resulting in 551,084 shares on issue post consolidation.

Other than disclosed above there have been no material events subsequent to balance date that we are aware of, other than those disclosed in this Prospectus.

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7. INVESTIGATING ACCOUNTANTS REPORT

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8. TENEMENT TITLE REPORT

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## 9. BOARD, MANAGEMENT AND INTERESTS

### 9.1 Directors and key personnel

The Board of the Company consists of:

- (a) Mr Brett Mitchell – Non-Executive Director – Refer to Section 3.7 of this Prospectus for biography.
- (b) *Mr Michael Jardine – Non-Executive Director – Refer to Section 3.7 of this Prospectus for biography.*
- (c) Mr Nick Castleden – Non-Executive Director – Refer to Section 3.7 of this Prospectus for biography.

Mark Ohlsson has been appointed as the Company Secretary. A Biography for Mr Ohlsson is contained in Section 3.7 of this Prospectus.

Other than the Directors and senior management listed above, the Company does not have any other Key Management Personnel.

The Company has engaged with and has access to competent and experienced technical personnel on a contract basis to manage the exploration activities of the Company during its early stages of exploration.

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

### 9.2 Disclosure of Interests

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

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

Director	Remuneration <sup>1</sup>	Shares	Options
Mr Brett Mitchell	\$20,000	312,500 <sup>2</sup>	Nil.
Mr Michael Jardine	\$20,000	Nil.	Nil.
Mr Nick Castleden	\$20,000	Nil.	Nil.

**Notes:**

1. Excluding superannuation

2. Chieftain Securities Pty Ltd (ACN 608 580 285), an entity associated with Mr Mitchell holds 312,500 Class A Convertible Notes which upon conversion will result in the issue of 312,500 Shares.

### 9.3 **Agreements with Directors and Related Parties**

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

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

The agreements between the Company and related parties are summarised below.

### 9.4 **Non-executive Directors' Letters of Appointment**

The Company has executed letters of appointment with each of the Directors as Non-Executive Directors of the Company.

The Directors' services as a Non-Executive Directors will cease when they resign, retire or are removed from office in accordance with the Company's constitution or the Corporations Act.

Each Director will be paid a fee of \$20,000 per annum plus superannuation entitlements for their role as a Non-Executive Director of the Company (**Fees**). Any Fees paid to the Directors will in any event be subject to annual review by the Board of the Company and approval by Shareholders (if required). The Company will reimburse the Directors for reasonable expenses incurred in performing their duties, including the cost of attending Board Meetings, travel and accommodation where agreed to by the Board.

### 9.5 **Deeds of indemnity, insurance and access**

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

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## 10. CORPORATE GOVERNANCE

### 10.1 ASX Corporate Governance Council Principles and Recommendations

Our Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent applicable, our Company has adopted *The Corporate Governance Principles and Recommendations (3rd Edition)* as published by ASX Corporate Governance Council (**Recommendations**).

In light of the Company's size and nature, the Board considers that the current board is a cost effective and practical method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

The Company's main corporate governance policies and practices as at the date of this Prospectus are outlined below and the Company's full Corporate Governance Plan is available in a dedicated corporate governance information section of the Company's website ([www.tntmines.com.au](http://www.tntmines.com.au)).

### 10.2 Board of directors

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

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

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

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

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

### **10.3 Composition of the Board**

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

- (a) membership of the Board of Directors will be reviewed on an on-going basis by the Chairman to determine if additional core strengths are required to be added to the Board in light of the nature of the Company's businesses and its objectives; and
- (b) the composition of the Board has been structured so as to provide the Company with an adequate mix of directors with industry knowledge, technical, commercial and financial skills together with integrity and judgment considered necessary to represent shareholders and fulfil the business objectives of the Company.

The Board currently consists of three non-executive directors and the Board considers the current balance of skills and expertise is appropriate for the Company.

The detailed skills matrix of the Board for a company of the Company's size and complexity is not considered necessary and, in addition, the Board comprises directors who each have extensive technical, financial and commercial expertise.

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

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

The Company does not have a formal induction program for Directors but will provide Directors with an information pack detailing policies, corporate governance and various other corporate requirements of being a director of an ASX Listed company (assuming admission to the Official List occurs).

### **10.4 Identification and management of risk**

The Board's collective experience will enable accurate identification of the principal risks that may affect the Company's business. Key operational risks and their management will be recurring items for deliberation at Board meetings.

### **10.5 Ethical standards**

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

### **10.6 Independent professional advice**

Subject to the Chairman's approval (not to be unreasonably withheld), the Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.

## **10.7 Remuneration arrangements**

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

The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$150,000 per annum.

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

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

The Board reviews and approves the remuneration policy to enable the Company to attract and retain executives and Directors who will create value for Shareholders having consideration to the amount considered to be commensurate for a company of its size and level of activity as well as the relevant Directors' time, commitment and responsibility. The Board is also responsible for reviewing any employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.

## **10.8 Trading policy**

The Board has adopted a policy that sets out the guidelines on the sale and purchase of securities in the Company by its key management personnel (i.e. Directors and, if applicable, any employees reporting directly to the managing director). The policy generally provides that the written acknowledgement of the Chair (or the Board in the case of the Chairman) must be obtained prior to trading.

## **10.9 External audit**

The Company in general meetings is responsible for the appointment of the external auditors of the Company, and the Board from time to time will review the scope, performance and fees of those external auditors.

## **10.10 Audit committee**

The Company will not have a separate audit committee until such time as the Board is of a sufficient size and structure, and the Company's operations are of a sufficient magnitude for a separate committee to be of benefit to the Company. In the meantime, the full Board will carry out the duties that would ordinarily be assigned to that committee under the written terms of reference for that committee, including but not limited to, monitoring and reviewing any matters of significance affecting financial reporting and compliance, the integrity of the financial reporting of the Company, the Company's internal

financial control system and risk management systems and the external audit function.

#### **10.11 Departures from Recommendations**

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

The Company's departures from the Recommendations will also be announced prior to admission to the Official List of the ASX.

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## 11. MATERIAL CONTRACTS

Set out below is a brief summary of the certain contracts to which the Company is a party and which the Directors have identified as material to the Company or are of such a nature that an investor may wish to have details of particulars of them when making an assessment of whether to apply for Shares.

To fully understand all rights and obligations of a material contract, it would be necessary to review it in full and these summaries should be read in this light.

### 11.1 Lead Manager Mandate

On 4 April 2017 and as varied on 30 May 2017, the Company and Patersons Securities Limited, a licenced securities dealer (AFSL 239 052) (**Patersons**) entered into a mandate pursuant to which Patersons agreed to act as the exclusive lead manager (**Services**) in relation to the Offer (**Lead Manager's Mandate**).

Pursuant to the terms of the Lead Managers Mandate Patersons have arranged a mandatory Convertible Note issue which raised \$150,000 for the Company to provide funding for costs associated with the Offer.

In consideration for the provision of the Services the Company has agreed to pay Patersons:

- (a) Corporate Advisory Fee - \$60,000 upon completion of the Offer;
- (b) Lead Manager Fee - 2.0% on the total amount raised under the Convertible Notes and the Offer;
- (c) Selling Fee - 4.0% on the total amount raised under the Convertible Notes and the Offer.

In addition to the above fees, Patersons will require reimbursement of all respective reasonable out-of-pocket expenses (together with any applicable GST) directly related to the Offer (whether or not the Offer proceeds).

Pursuant to the terms of the Lead Manager's Mandate, the Company has agreed to issue to Patersons (or its nominees) 12,000,000 Options exercisable at \$0.25 on or before 48 months from their date of issue.

### 11.2 Niuminco Management Agreement

On 18 June 2013, the Company and Niuminco Group Limited (**Niuminco**) entered into a management agreement pursuant to which the Company appointed Niuminco to manage the business of the Company, provided Niuminco holds not less than 51% of the Shares in the Company (**Management Agreement**).

The Management Agreement will automatically terminate upon completion of the Offer, on the basis that Niuminco will hold less than 51% of the Shares in the Company. Upon completion of the Offer, Niuminco will hold 1.31% of the Share in the Company.

Pursuant to the terms of the Management Agreement the Company must pay Niuminco a management fee of \$15,000 per month (subject to annual upwards inflation adjustments) plus GST (**Fee**). The Company must also reimburse Niuminco for all out-of-pocket expenses incurred in connection with Niuminco carrying out its duties under the Management Agreement, subject to the

provision of a receipt or invoice evidencing payment or incurring of such disbursement (**Expenses**).

All Fees and Expenses payable by the Company to Niuminco may be accumulated and are only be required to be paid to Niuminco out of available cash resources of the Company (**Accumulated Fees**).

Niuminco has also made a number of loans to TNT for working capital purposes (**Loans**).

The Accumulated Fees and Loans accrue interest from the due date until the actual date of payment at the rate percent per annum which is 2% above the Westpac Indicator Rate.

The Company currently has outstanding Accumulated Fees and Loans of an aggregate \$956,000. A proportion of funds raised under the Offer will be used to pay Niuminco for all outstanding Accumulated Fees and Loans. A detailed use of funds table is set out in section 2.6.

### 11.3 TNT Share Sale Agreement

On 1 November 2005, Minemakers Australia Pty Ltd (ACN 081 911 917) (formerly named 'Minemakers Australia NL') (**Purchaser**) a wholly owned subsidiary of Avenir Limited (ACN 116 296 541) (formerly named 'Minemakers Limited') (**Minemakers**) agreed to purchase 100% of the Company's Shares from the original shareholders of the Company (the **Vendors**) (**Share Sale Agreement**).

Pursuant to the terms of the Share Sale Agreement, upon the commencement of mining on the Tenements, the Company must pay the Vendors a 2.25% net smelter return royalty from production from the Tenements (**Vendor Royalty**). The Company's obligation to pay the Vendor Royalty is acknowledged under Note 11 (*Commitments and Contingent Liabilities*) of the notes to and forming part of the Historical Financial Information set out under section 6 of this Prospectus.

Pursuant to the terms of the Share Sale Agreement, upon the commencement of mining on the Tenements, the Purchaser must:

- (a) make a cash payment of \$1,000,000 to the Vendors; or
- (b) procure Minemakers to issue \$1,100,000 worth of fully paid ordinary shares in the capital of Minemakers to the Vendors,

(the **Mining Payment**).

The Company has indemnified the Purchaser and Minemakers from all or any cash payments or issues of shares pursuant to the Mining Payment pursuant to the terms of the Minemarkers Settlement Deed, details of which are set out in section 11.4 below. The Company's obligation to make the Mining Payment is acknowledged under Note 11 (*Commitments and Contingent Liabilities*) of the notes to and forming part of the Historical Financial Information set out under section 6 of this Prospectus.

### 11.4 Minemakers Settlement Deed

In July 2011 the demerger of the Company from Minemakers was effected by the in-specie distribution of the Company's Shares to the shareholders of Minemakers (**Demerger**). On 18 June 2012 as part of the Demerger, the Company and Minemakers, executed a settlement deed pursuant to which

Minemakers and the Company agreed to settle all claims the parties may have had against each other as at the date the deed was executed (**Minemakers Settlement Deed**).

As noted above in section 11.3, pursuant to the terms of the Minemakers Settlement Deed, the Company has indemnified the Purchaser and Minemakers from all or any cash payments or issues of shares pursuant to the Mining Payment. The Company's obligation to make the Mining Payment is acknowledged under Note 11 (*Commitments and Contingent Liabilities*) of the notes to and forming part of the Historical Financial Information set out under section 6 of this Prospectus.

#### **11.5 Minemakers Royalty Agreement**

On 18 June 2012 as part of the Demerger, the Company and Minemakers entered into a royalty agreement pursuant to which the Company has agreed to pay Minemakers a 1.5% net smelter return royalty on all mineral ore, concentrate and other products extracted from the Tenements and sold, removed or otherwise disposed of (**Minemakers Royalty**) (**Minemakers Royalty Agreement**).

The Company's obligation to pay the Minemakers Royalty pursuant to the terms of the Minemakers Royalty Agreement is acknowledged under Note 11 (*Commitments and Contingent Liabilities*) of the notes to and forming part of the Historical Financial Information set out under section 6 of this Prospectus.

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## 12. ADDITIONAL INFORMATION

### 12.1 Litigation

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

### 12.2 Rights attaching to Shares

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

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

#### (a) General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with Section 249D of the Corporations Act and the Constitution.

#### (b) Voting rights

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

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the Share, but in respect of partly paid Shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

#### (c) Dividend rights

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the

proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

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

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

(e) **Shareholder liability**

As the Shares under the Prospectus are fully paid shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of Shares**

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

(g) **Variation of rights**

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

If at any time the share capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being

wound up, may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(h) **Alteration of Constitution**

The Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

### 12.3 Rights attaching to Lead Manager Options

The terms and conditions of the Lead Manager Options are as follows:

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.25 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on the date that is 4 years from their date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

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

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

**12.4 Interests of Directors**

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
  - (i) its formation or promotion; or
  - (ii) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
  - (i) the formation or promotion of the Company; or
  - (ii) the Offer.

**12.5 Interests of Experts and Advisers**

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus; or
- (b) promoter of the Company,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (c) the formation or promotion of the Company;
- (d) any property acquired or proposed to be acquired by the Company in connection with:
  - (i) its formation or promotion; or
  - (ii) the Offer; or
- (e) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (f) the formation or promotion of the Company; or
- (g) the Offer.

Mining One Pty Ltd has acted as Independent Geologist and has prepared the Independent Geologist's Report which is included in Section 5 of this Prospectus and the Tenement Title Report which is included in Section 8 of this Prospectus. The Company estimates it will pay Mining One Pty Ltd a total of \$8,500 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Mining One Pty Ltd has received \$4,447 in fees from the Company for valuation services.

Bentleys Audit & Corporate (WA) Pty Ltd has acted as Investigating Accountant and has prepared the Investigating Accountant's Report which is included in Section 1 of this Prospectus. The Company estimates it will pay Bentleys Audit & Corporate (WA) Pty Ltd a total of \$8,500 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Bentleys Audit & Corporate (WA) Pty Ltd has received \$22,000 in fees from the Company for audit services.

Patersons Securities Limited has been appointed to act as Lead Manager to the Offer. The Company estimates it will pay Patersons Securities Limited a total of \$399,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Patersons Securities Limited has not received fees from the Company for any other services.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$40,000 (excluding GST) for these services. Subsequently, fees will be charged in accordance with normal charge out rates. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has not received fees from the Company for any other services.

## 12.6 Consents

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this section; and
- (b) to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section.

Mining One Pty Ltd has given his written consent to being named as Independent Geologist in this Prospectus, the inclusion of the Independent Geologist's Report in Section 5 and the Tenement Title Report in Section 8 of this Prospectus in the form and context in which the reports are included. Mining One Pty Ltd has not withdrawn his consent prior to lodgement of this Prospectus with the ASIC.

Bentleys Audit & Corporate (WA) Pty Ltd has given its written consent to being named as Investigating Accountant and auditor in this Prospectus and to the

inclusion of the Investigating Accountant's Report in Section 7 of this Prospectus in the form and context in which the information and report is included. Bentleys Audit & Corporate (WA) Pty Ltd has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Patersons Securities Limited has given its written consent to being named as the Lead Manager in this Prospectus. Patersons Securities Limited has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Computershare Investor Services Pty Limited has given its written consent to being named as the share registry to the Company in this Prospectus. Computershare Investor Services Pty Limited has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Computershare Investor Services Pty Limited has had no involvement in the preparation of any part of the Prospectus other than being named the share registry to the Company. Computershare Investor Services Pty Limited has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of the Prospectus.

Chieftain Securities Pty Ltd (a company associated with Mr Brett Mitchell) has given its written consent to being named as the corporate advisor to the Company in this Prospectus and has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Chieftain Securities Pty Ltd has had no involvement in the preparation of any part of the Prospectus other than being named as corporate advisor. Any fees payable by the Company will be on commercial terms to be agreed.

## 12.7 Expenses of the Offer

The total expenses of the Offer (excluding GST) are estimated to be approximately \$525,048 for the Minimum Subscription and are expected to be applied towards the items set out in the table below:

Item of Expenditure	Full Subscription (\$)
ASX quotation & ASIC lodgement fee	51,048
Lead Manager Fees	399,000
Legal Fees	40,000
Independent Geologist's Fees	8,500
Investigating Accountant's Fees	8,500
Printing and Distribution	18,000
<b>TOTAL</b>	<b>525,048</b>

## **12.8 Continuous disclosure obligations**

Following admission of the Company to the Official List, the Company will be a “disclosing entity” (as defined in Section 111AC of the Corporations Act) and, as such, will be subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company will be required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

Price sensitive information will be publicly released through ASX before it is disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants will also be managed through disclosure to the ASX. In addition, the Company will post this information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

## **12.9 Electronic Prospectus**

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please contact the Company and the Company will send you, for free, either a hard copy or a further electronic copy of this Prospectus or both. Alternatively, you may obtain a copy of this Prospectus from the website of the Company at [www.tntmines.com.au](http://www.tntmines.com.au).

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.

## **12.10 Financial Forecasts**

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

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

The Company will apply to participate in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with statements (similar to a bank account statement) that set out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

## 12.12 Privacy statement

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

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

You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the share registry at the relevant contact number set out in this Prospectus.

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

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**13. DIRECTORS' AUTHORISATION**

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

In accordance with Section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

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**Director  
For and on behalf of  
TNT Mines Limited**

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## 14. GLOSSARY

Where the following terms are used in this Prospectus they have the following meanings:

**\$** means an Australian dollar.

**Application Form** means the application form attached to or accompanying this Prospectus relating to the Offer.

**ASIC** means Australian Securities & Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

**ASX Listing Rules** means the official listing rules of ASX.

**Board** means the board of Directors as constituted from time to time.

**Closing Date** means the closing date of the Offer as set out in the indicative timetable in the Key Offer Information Section of this Prospectus (subject to the Company reserving the right to extend the Closing Date or close the Offer early).

**Company** or **TNT** means TNT Mines Limited (ACN 107 244 039).

**Constitution** means the constitution of the Company.

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

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

**Eligible NIU Shareholder** means a Niuminco Group Limited Shareholder eligible to participate in the NIU Priority Offer.

**Eligible TNT Shareholder** means a Shareholder eligible to participate in the TNT Priority Offer.

**Exposure Period** means the period of 7 days after the date of lodgement of this Prospectus, which period may be extended by the ASIC by not more than 7 days pursuant to Section 727(3) of the Corporations Act.

**General Offer** has the meaning as set out at Section 2.3.

**JORC** means the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

**Lead Manager** means Patersons Securities Limited (AFSL 239 052)

**Lead Manager Mandate** means the mandate entered into between the Company and Paterson on 4 April 2017 and amended by agreement on 30 May 2017, as summaries in section 11.1.

**Lead Manager Options** means Options with the terms and conditions as set out at Section 12.3.

**Minimum Subscription** means the minimum amount to be raised under the Offer, being \$5,500,000.

**Offer** means the offer of Shares (comprising of the Priority Offer and the General Offer) pursuant to this Prospectus as set out in Section 2.1 of this Prospectus.

**Official List** means the official list of ASX.

**Official Quotation** means official quotation by ASX in accordance with the ASX Listing Rules.

**NIU Priority Offer** has the meaning as set out at Section 2.2.

**NIU Shareholders** means a holder of a fully paid ordinary share in the capital of Niuminco Group Limited.

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

**Optionholder** means a holder of an Option.

**Patersons** means Patersons Securities Limited (AFSL 239 052).

**Priority Offers** means the NIU Priority Offer and the TNT Priority Offer.

**Priority Offers Closing Date** means 5.00pm WST on 21 July 2017.

**Priority Offers Record Date** means 5.00pm WST on 23 June 2017.

**Projects** means the exploration licence Aberfoyle EL27/2004 and the retention licence Great Pyramid RL2/2009.

**Prospectus** means this prospectus.

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

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

**Shareholder** or **TNT Shareholder** means a holder of Shares.

**Tenements** means the mining tenements in which the Company has an interest as set out at 3.2 of this Prospectus and further described in the Tenement Title Report set out in Section 6 of this Prospectus or any one of them as the context requires.

**TNT Priority Offer** has the meaning as set out at Section 2.2.

**WST** means Western Standard Time as observed in Perth, Western Australia.