



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						
A. Company								
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 km² (<b>Tenements</b>):</p> <table><tr><th>Project Area</th><th>Licence no</th></tr><tr><td>Aberfoyle</td><td>EL27/2004</td></tr><tr><td>Great Pyramid</td><td>RL2/2009</td></tr></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. Business Model								
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> <p>(a) systematically explore and evaluate the Company’s Projects.</p> <p>(b) repay all Accumulated Fees and Loans pursuant to the terms of the Niuminco Management Agreement;</p> <p>(c) repay external creditors;</p> <p>(d) implement a growth strategy to seek out</p>	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>	
What are the key dependencies of the Company's business model?	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.	Sections 3.2 and 5
<b>C. Key Advantages and Key Risks</b>		
What are the key advantages of an investment in the Company?	<p>The Directors are of the view that an investment in the Company provides the following non-exclusive list of advantages:</p> <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>	Section 3
What are the key risks of an investment in the Company?	<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>	Section 4

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																
What are the Director's interests in the Company?	<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><tr><th>Director</th><th>Remuneration<sup>1</sup></th><th>Shares</th><th>Options</th></tr><tr><td>Mr Brett Mitchell</td><td>\$20,000</td><td>312,500<sup>2</sup></td><td>Nil.</td></tr><tr><td>Mr Michael Jardine</td><td>\$20,000</td><td>Nil.</td><td>Nil.</td></tr><tr><td>Mr Nick Castleden</td><td>\$20,000</td><td>Nil.</td><td>Nil.</td></tr></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.	Section 9.2 and 12.4
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.															
What is the Company's policy regarding related party arrangements	<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>	Section 9.3																
E. Financial Information																		
How has the Company performed over the past 12 months?	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.	Section 7																
What is the financial outlook for the Company?	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.	Section 6																

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
	<p>(d) costs of the IPO;</p> <p>(e) implementation of a growth strategy to seek out further exploration, acquisition and joint venture opportunities both in Australia and overseas;</p> <p>(f) administration and corporate costs; and</p> <p>(g) general working capital. Further details of which are set out in Section 2.6.</p>	
<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?	<p>Shares may be subject to Australian tax on dividends and possibly capital gains tax on a future disposal of Shares issued under this Prospectus.</p> <p>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.</p>	Section 2.7
What are the corporate governance principles and policies of the Company?	<p>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>).</p> <p>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.</p> <p>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>).</p> <p>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.</p>	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:

Funds available	Minimum Subscription (\$) (\$5,500,000)	Percentage of Funds (%)
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.

---

## **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



**ATTACHMENT 1**

# **INDEPENDENT GEOLOGICAL REPORT**

## **FOR**

### **TNT MINES LTD**

Job No. 2324\_G  
Doc No. 170427  
Date: 26 June 2017  
Prepared by: M. Conan-Davies

Mining One Pty Ltd  
Level 9, 50 Market Street  
Melbourne VIC 3000  
Ph: 03 9600 3588  
Fax: 03 9600 3944

## INDEPENDENT GEOLOGICAL REPORT

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Prepared by Mining One Pty Ltd on behalf of  
TNT Mines Ltd

Author:	Michael Conan-Davies BSc(hons), MSc
Date:	26 June 2017
Distribution List	TNT Mines Ltd Mining One
File Name	2324_G_TNT_IGR_1724

This Independent Geological Report has been prepared by Mining One Consultants for the exclusive use of TNT Mines Ltd.

Each statement or opinion in this report is provided in response to a specific request by TNT Mines Ltd to provide a statement or opinion. Each statement or opinion is made by Mining One Consultants in good faith and in the belief that it is neither false nor misleading.

Each statement or opinion contained within this report is based on information and data supplied by TNT Mines to Mining One Consultants, or otherwise from public searches conducted by Mining One Consultants for the purposes of this report.

### Competent Persons Statement

The information contained in this Independent Geologists Report is based on information compiled by Mr Michael Conan-Davies, who is Member of the Australasian Institute of Mining & Metallurgy ("AusIMM") and independent consultant to Mining One Consultants. Mr Conan-Davies has over 25 years of exploration and mining industry experience in a variety of mineral deposit styles. Mr Conan-Davies has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves" ("JORC Code").

Mr Conan-Davies consents to inclusion in the report of the matters based on this information in the form and context in which it appears.

26 June 2017

The Directors

TNT Mines Limited

Suite 50,14 Narabang Way

Belrose NSW 2085

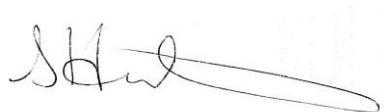
Please find enclosed a copy of the report commissioned in relation to TNT Mines' Tasmanian based mineral asset portfolio. The key objectives of this report are to:

- Provide an overview with respect to the regional and local geology across TNT Mines' Tasmanian based mineral asset portfolio.
- Provide a summary of the current and previous exploration activities undertaken across the mineral asset portfolio.
- Provide an opinion with respect to the exploration potential of the mineral asset portfolio.
- Define an exploration strategy and work program, whilst being cognisant of the current company and tenement status.

Mining One understands that this report will form part of a prospectus for an Initial Public Offering (IPO) to be lodged with the Australian Securities and Investment Commission (ASIC) and the Australian Securities Exchange (ASX). The use of this Independent Geologist Report's report, or any part thereof, for any other purpose can only be done with the express written consent of Mining One Consultants.

This report was written by Mr Michael Conan-Davies for an on behalf of Mining One Consultants. Mr Conan-Davies is a current member of the Australasian Institute of Mining & Metallurgy. (Membership # 106953).

Sincerely,

A handwritten signature in black ink, appearing to read "Stuart Hutchin", with a long horizontal flourish extending to the right.

Stuart Hutchin

Mining One Consultants

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## EXECUTIVE SUMMARY

Mining One Consultants Pty Ltd (**Mining One**) were engaged by TNT Mines Limited (**TNT Mines**) to provide an Independent Geological Report (**IGR**) for TNT Mines' Tasmanian based mineral assets. TNT Mines have two tenement holdings that cover a total area of 101 Km<sup>2</sup> in Tasmania:

- EL27/2004 and
- RL2/2009.

Key minerals prospects contained within these tenements include and are classified according to the VALMIN Code (2015) as follows:

- |                              |                                       |
|------------------------------|---------------------------------------|
| 1) The Aberfoyle Project     | Advanced Exploration Areas EL 27/2004 |
| 2) The Great Pyramid Project | Advanced Exploration Area RL2/2009    |



**M. Conan-Davies**  
Consultant  
**Mining One Pty Ltd**

# 1 INTRODUCTION

---

## 1.1 Terms of Reference

Mining One Pty Ltd (**Mining One**) was engaged by TNT Mines Ltd (**TNT Mines**) to provide an Independent Geologists Report (**IGR**) on the Tasmanian mineral assets of TNT Mines.

Mining One understands that this IGR will form part of a prospectus for an Initial Public Offering (**IPO**) to be lodged with the Australian Securities and Investment Commission (**ASIC**) and the Australian Securities Exchange (**ASX**) (**Prospectus**). The funds raised under the Prospectus will be utilised, amongst other things to undertake exploration activities and to provide funding for working capital requirements.

The IGR has been prepared in accordance with the Code for the Technical Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Expert Reports - the (**VALMIN Code (2015)**) and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (**JORC Code (2012)**). The IGR has also been prepared in accordance with the requirements of the ASIC Regulatory Guides 111 (Content and Expert Reports) and 112 (Independence of Experts).

The effective date of this report is deemed to be the 26<sup>th</sup> June 2017. The IGR has been compiled based on information available up to including the date of this report.

Exploration results referred to in this report are, unless specifically noted to the contrary, were prepared under previous versions of the JORC Code (2012). Historical exploration results were reported in accordance with the standards of the mining industry at their original time of reporting. The historical information available has been incorporated and compiled into JORC Table 1 format and as such that historical exploration results referred to in this IGR are in accordance with JORC Code (2012) guidelines.

Under the definition provided by the VALMIN Code (2015), the mineral projects are classified as "Advanced Exploration Areas" whereby considerable exploration has been undertaken and specific targets identified that warrant further detailed evaluation and Mineral Resource estimates have been made.

This IGR is not a "Valuation Report" as defined in the VALMIN Code (2015) and does not express an opinion with respect to the value of the mineral assets or make any comment on the fairness or reasonableness of any transactions contemplated. Aspects reviewed in this IGR may include price, socio-political issues and environmental considerations, however, the author does not express an opinion regarding the specific values of the assets involved.

In compiling this report, the author has relied on past site visits undertaken by Mining One personnel to the project areas and adjacent areas, availability of extensive databases and technical reports on the projects. The Author considers that sufficient current material is available to allow an informed appraisal without the need to re-visit the project areas.

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



## 1.2 Tenement Status & Compliance

Mining One has verified the status of the tenements that are referred to in this IGR to the extent that it has accessed the Mineral Resources Tasmania Tenement Search database and confirmed the identity, beneficial owner and status of tenure.

A list of the mineral assets that are the subject of this IGR is tabled below

Tenement	Type	Status	Grant	Expiry	Area	Project
EL27/2004	Exploration Licence	Granted	27/11/04	26/11/17	97	Aberfoyle, Storey's Creek, Royal George
RL2/2009	Retention Licence	Granted	03/08/06	01/08/17	4	Great Pyramid

**Table 1: Tenement Schedule**

## 1.3 Indemnities

As recommended by VALMIN Code (2015), TNT Mines has agreed to provide Mining One with an indemnity (engagement letter dated 26 April 2017) under which Mining One is to be compensated for any liability and or any additional work or expenditure resulting from any additional work required in respect to reliance on information provided by TNT Mines, information neglected to be given by TNT Mines or any additional work required to be undertaken through queries or public hearings arising from this IGR.

## 1.4 Reliance, Verification & Validation

Mining One believes that its opinions must be considered in the context of the whole IGR and that evaluation of individual sections of the report or the statements included in individual portions of the IGR, without the benefit of considering the whole body of information presented may position the reader to generate a misrepresentative view of the opinions and information presented in this IGR.

TNT Mines has confirmed to Mining One in writing that all available information relating to the mineral assets has been provided to the best of TNT Mines knowledge and understanding. Furthermore, that the information provided by TNT Mines is complete, accurate and a true and correct reflection of the information available relating to the mineral assets of TNT Mines in all material respects.

Mining One has conducted reasonable open file research and enquiries with respect to the information available relating to TNT Mines' mineral assets and has no reason to believe that any material information has been withheld.

## 1.5 Independence, Qualifications and Experience

Mining One Pty Ltd is an independent private consulting company which has been providing consulting services to the international and local mining industry since 2005. Neither Mining One, nor the author of this IGR have any material present or contingent interest in the outcome of this

IGR, nor do they have any pecuniary or other interest that could be reasonably regarded as being capable of affecting their independence or that of Mining One.

In September 2013, Mining One provided an independent valuation of the mineral assets that are the subject of this report to support the merger between Niuminco Group Limited (**Niuminco**) and TNT where Mining One were engaged by DMR Corporate as the Independent Expert. Mining One fees for completing this IGR are based on commercial consulting rates. The payment of fees is not contingent upon the outcome of the IGR or the outcome of the IPO.

This IGR has been prepared by Mr M. Conan-Davies. Mr Conan-Davies is a geologist BSc (hons), with over 28 years of experience in the mining industry both within Australia and abroad across a multitude of commodities, and is a member of the Australasian Institute of Mining and Metallurgy. Mr Conan-Davies specialises in project evaluation, due diligence and asset acquisition/ disposal. Mr. Conan-Davies is appropriately qualified and experience to act as a Competent Person as defined in the JORC Code (2012) and a Practitioner as defined in the VALMIN Code (2015) & ASIC Regulatory Guide 111.

## **1.6 Disclaimer**

Mining One and the author of this IGR are independent of TNT Mines, its directors, senior management and advisers and have no economic or beneficial interest (either present or contingent) in any of the mineral assets described in this IGR. Mining One is remunerated for this IGR by way of professional fees in accordance with a standard schedule of commercial rates, calculated based on fees for time and in not any way contingent on the outcome of this report

This report was prepared using data and information which were available to the author at the time of writing. It is based on data provided which is understood to be suitably representative of the various mineral properties and projects held by TNT Mines and in compliance with the requirements of VALMIN Code (2015) Section 12.5.

This report is provided for the use of TNT Mines, and should only be reproduced, pending relevant consent by Mining One Pty Ltd, in whole and not in part.

## **1.7 Principal Sources of Information**

The principal sources of information used to compile this IGR include technical reports and data compiled by TNT Mines, and publicly available information such as ASX announcements and government reports. A listing of the principal sources of information is included in the References section.

Mining One has endeavoured, by making reasonable enquires, to confirm the authenticity, accuracy and completeness of the technical data it has relied upon. A final draft of this report was also provided to TNT Mines, prior to finalisation by Mining One, requesting that TNT Mines identify any material errors or omissions prior to its final submission.

## **1.8 Consent**

Mining One consents to this IGR being included, in full, in the form and context in which the IGR is provided, and not for any other purpose. Mining One provides this consent on the basis that the technical assessments expressed in the Summary and in the individual sections of this IGR are considered with, and not independently of, the information set out in the entire report.

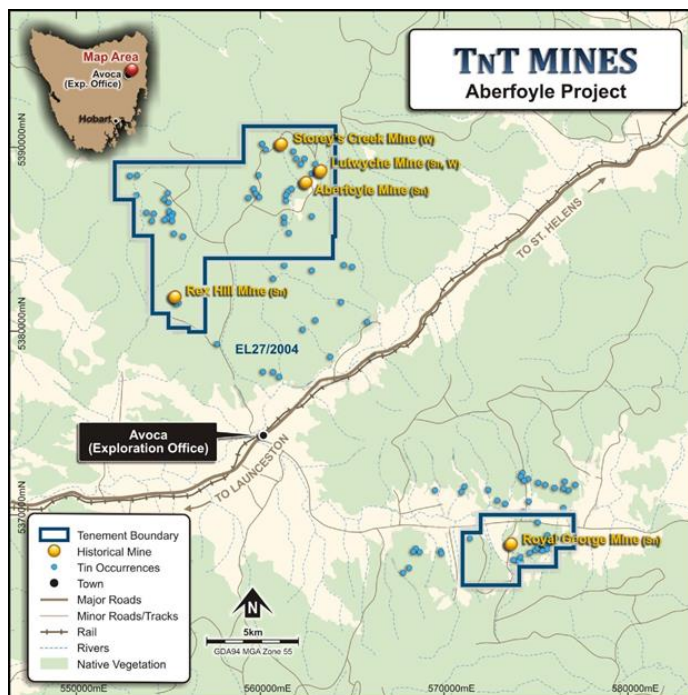
## 2 ABERFOYLE PROJECT

The Aberfoyle Project located on EL27/2004 consists of 3 main prospects: 1) Aberfoyle-Lutwyche-Kookaburra; 2) Storey's Creek, and 3) Royal George.

### 2.1 Location, Access & Infrastructure

Exploration Licence 27/2004 (Aberfoyle Project) is located in northeast Tasmania (Figure 2Figure 1), 57 km southeast of Launceston. Access to the northern portion of the tenement is via the sealed Storey's Creek Road (B42) from Avoca, approximately 50 km southwest of St Marys. Access to the southern portion of the tenement is via the sealed Royal George Road also from Avoca. The area has a long history of mining and is well serviced by water and power and road infrastructure.

The Aberfoyle Project contains a number of abandoned historic mines including the Storey's Creek, Lutwyche, Rex Hill, Royal George and Aberfoyle mines.



**Figure 1 Location of EL 27/2004**

### 2.2 Tenure

The Aberfoyle, Storey's Creek and Royal George prospects are all located on EL27/2004, details of which are summarised in Table 2 below. The tenement is not contiguous and consists of two parts; a north-west portion containing the Aberfoyle, Lutwyche, Roy Hill and Storeys' Creek prospects and; the south west portion containing the Royal George prospect.

<b>Tenement</b>	<b>Holder</b>	<b>Project</b>	<b>Size</b>	<b>Expiry Date</b>	<b>Status</b>
EL27/2004	TNT Mines Ltd	Aberfoyle	96 Km <sup>2</sup>	26/11/2017	Granted

**Table 2: Aberfoyle Project – Tenement Details**

## **2.3 Regional Geological Setting**

### **2.3.1 Proterozoic**

The oldest rocks within the Western Tasmanian Terrane (WTT) are low amphibolite grade metasediments and minor higher grade amphibolites of Mesoproterozoic age garnet bearing schists, quartzites, and mafic meta-igneous rocks.

A large portion of northwest Tasmania is typified by a thick, polydeformed Lower Neoproterozoic turbiditic succession known as the Oonah Formation. The upper part of this succession hosts a number of Devonian fissure/fault vein and skarn tin deposits including the Devonian aged Mt Bischoff and Oonah deposits. Unconformably overlying this sequence are the carbonates, mafic volcanics and siliciclastics of the Togari Group which host the Renison Bell tin deposit and the King Island scheelite skarn deposits.

### **2.3.2 Palaeozoic**

The Palaeozoic Tyennan Orogeny in Tasmania is a complex event and can be divided into two broad stages, Early Cambrian ophiolite emplacement and Middle Cambrian post collisional volcanism. During ophiolite emplacement mafic and ultramafic complexes were obducted across much of Tasmania following a collision with an oceanic arc.

Post-collisional volcanism, controlled by an influx of mantle material into a delaminating lithosphere during the Middle Cambrian led to the deposition of the Mt Read Volcanics, an economically significant sequence which hosts large polymetallic base metal deposits including Rosebery, Hellyer and Mt Lyell.

By the Late Cambrian, volcanism had declined and the final shortening phase of the Tyennan Orogeny reactivated earlier extensional faults and inverted Proterozoic basins creating a source for the conglomerates and sandstones of the Wurawina Supergroup. These sediments are overlain by a succession of Ordovician limestones (host for the Moina skarn deposit) and Silurian–Devonian shelf sandstone and mudstone.

In contrast, the Eastern Tasmanian Terrane (ETT) is characterised by a pre-Carboniferous geology dominated by the Mathinna Supergroup, a thick turbiditic package of Cambrian to Devonian sandstones and shales.

Multi-phase deformation affected most of Tasmania in the Middle Devonian. A prolonged period of granitic intrusion commenced in eastern Tasmania prior to the Devonian deformation and continued until after the culmination of events in western Tasmania. A diverse range of significant mineral deposits of tin and tungsten are associated with this intrusive phase.

Large scale erosion followed the cessation of Devonian deformation. Sedimentation recommenced in both the ETT and WTT during the Late Carboniferous with the deposition of the Permian–Triassic Parmeener Supergroup. This extensive sub horizontal succession of rock consists of glacial, glacio-marine, fluvial and lacustrine sediments deposited into a newly formed continental margin sag basin. The unit is intruded by large volumes of Jurassic dolerite.

Uplift and faulting associated with Tertiary volcanism was followed by minor sedimentation in the Pleistocene to Recent.

## **2.4 Local Geological Setting**

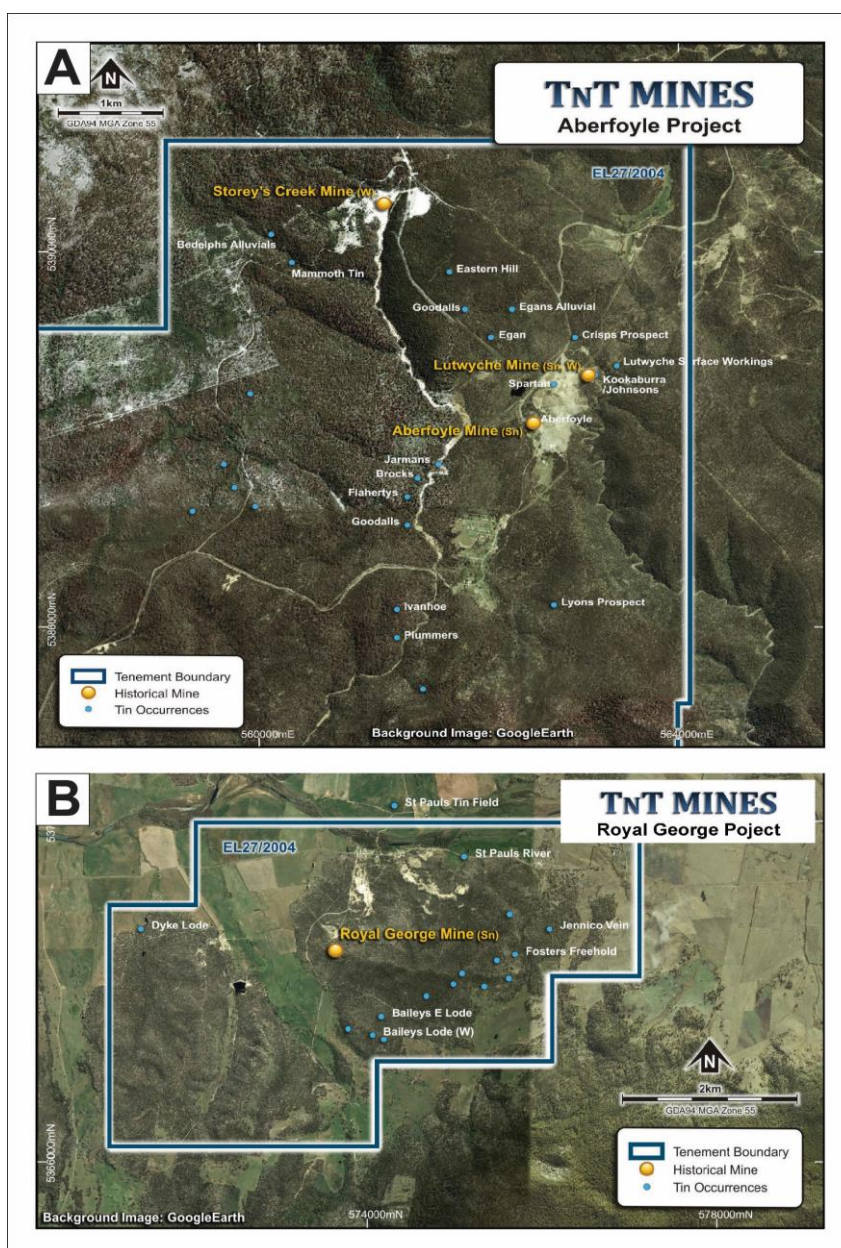
The local geology of EL27/2004 consists of rhythmic alternating beds of Silurian sandstone, siltstone and shale which typify the Mathinna Supergroup. Sandstone beds are fine to medium



grained, massive, occasionally feldspathic, locally metamorphosed to quartzite and the dominant lithology of the unit. Mudstone and siltstone beds are thin, featureless and often highly sheared.

The Mathinna Supergroup was deformed and metamorphosed to low grades during the Tabberabberan Orogeny. Bedding has been folded into tight recumbent folds that are overprinted with a disjunctive cleavage formed during the development of upright chevron folds. Both recumbent and chevron folds are deformed by southwest verging open folds and associated northwest striking crenulation cleavage. Regional faulting also strikes northwest and often hosts mineralisation in zones of high shearing.

The succession is intruded by the Devonian Ben Lomond Granite, which is widely accepted as the source of regions the mineralisation and younger dolerite dykes of Jurassic age.



**Figure 2: Prospects within Exploration Licence 27/2004**

### **2.4.1 Aberfoyle-Lutwyche**

The Aberfoyle and Lutwyche prospects are located in the northern component of EL27/2004 approximately 20 km north of the township of Avoca.

#### **2.4.1.1 Mineralisation**

Mineralisation at Aberfoyle occurs mainly as Cassiterite and Wolframite within a swarm of steeply dipping quartz veins which strike to the north. Host rocks to the mineralisation are mudstones, siltstones and sandstones of the Mathinna beds. Historic records and recent drilling indicate the mineralised vein system is up to 60 m wide, 800 m in length and extends approximately 400 m in the down dip direction.

The Lutwyche prospect is comprised of two sets of mineralised veins which can be traced along strike for approximately 750 m before being obscured by Permian sediments.

Other significant zones of mineralisation in the immediate area include the Gipps Creek, Kookaburra, Brocks Show, and Rex Hill prospects. At Rex Hill mineralisation strongly zoned, becoming Sn richer with depth and is associated with both quartz veining and greisenised granite.

#### **2.4.1.2 Exploration & Mining History**

The exploration and mining history of Aberfoyle and Lutwyche summary below has been referenced from 2012 SRK Independent Technical Report.

Mineralisation was discovered at Aberfoyle in 1916, with the deposit seeing sporadic exploration and small-scale mining activities until its closure in 1982. A summary of exploration work is outlined below:

- 1926; Aberfoyle Tin NL sank two shafts down to 18 m.
- 1928–1934; a 320 m long adit exposed a group of veins between 274 and 318 m. The mine commenced production in 1931 and expanded to No. 2 Level at 70m RL in 1934.
- 1967–1968; four diamond holes were drilled by Aberfoyle at the Gipps Creek Prospect, with “low-grade” mineralisation being reported.
- 1981; Aberfoyle and Storey’s Creek Mines were sold to Rossarden Mines Ltd and a total of 14 levels were developed to a depth of 420m. Production cumulated to 2.1Mt @ 0.19% Sn and 0.28% WO<sub>3</sub>. The mine was closed in 1982.
- 1989; Juka Mine Management assessed the amounts of remaining mineralisation to various depths using historic records.
- 2007–2009; TNT completed a RC drilling programme that included 21 holes for 2,466 m.
- 2010; GroundProbe Geophysics Pty Ltd are contracted to process and model the available gravity data. Five anomalies are identified and two later drilled for a total of 635m. Except for a section of strongly greisenised aplite dyke in one of the holes, no mineralisation was intercepted.
- 2012; TNT Mines Limited completed soil sampling programmes to test tungsten prospectively in the Gipps Creek and Stories Creek–Rossarden areas of the tenement.

Subsequent to the work summarized in the 2012 SRK Independent Technical Report the following work has been completed:

- 2014; TNT Mines commissioned Mr Vincent Algar (Independent Consultant) to provide a review of the exploration potential, 3-D Modelling and Database for all of TNT Mines projects.
- 2014; TNT Mines commissioned GR Engineering to undertake a review of previous metallurgy, process design, together with capital and operating cost estimates in order to design at concept level of detail a process plant constructed in stages to process the identified mineral resources, exploration targets and tailings at a centralised plant located at the Aberfoyle site.
- 2016/2017; TNT mines is completing a seven hole diamond drilling program aimed at testing the relatively near surface potential of the Lutwyche, Kookaburra and associated vein systems in the north-eastern part of the Aberfoyle mineralised system.

#### 2.4.1.3 Exploration Targets

In 2014 Niuminco and TNT Mines commissioned Mr Vincent Algar (Independent Consultant) to compile and review the historical reports at Aberfoyle and Lutwyche. Based on the geological framework and a relational database of drilling data, a 3-D resource model was developed and the following JORC Code (2012) Exploration Targets were identified. In addition, potential sources of additional process feed were identified in re-processing of tailings.

The Exploration Targets tabled below are a statement or estimate of the exploration potential of a mineral deposit in a defined geological setting where the statement or estimate, quoted as a range of tonnes and a range of grade (or quality), relates to mineralisation for which there has been insufficient exploration to estimate a Mineral Resource.

<b>Project Area</b>	<b>Exploration Target Ranges</b>	
	<b>Tonnes</b>	<b>Metal Grade</b> <small>*CM= (Sn+WO<sub>3</sub>)</small>
<i>Aberfoyle Open Cut</i>	<b>5.50Mt – 7.50Mt</b>	<b>0.2% CM* - 0.25% CM*</b>
<i>Lutwyche UG below 6 level</i>	<b>1.08Mt – 1.47Mt</b>	<b>0.7% CM – 1.2% CM</b>
<i>Lutwyche Surface to 6 level</i>	<b>0.50Mt – 1.10Mt</b>	<b>0.7% CM – 1.2% CM</b>
<i>Kookaburra Veins</i>	<b>0.60Mt – 1.50Mt</b>	<b>0.7% CM – 1.2% CM</b>
<i>Royal George</i>	<b>0.60Mt -1.20Mt</b>	<b>0.34% Sn – 0.41% Sn</b>

**Table 3: EL27/2004 - JORC Code (2012) Exploration Targets**

#### 2.4.1.4 Exploration Potential, Program & Budget

Historical exploration to date has identified sufficient near surface and underground tin mineralisation to warrant further investigation. It is proposed that infill drilling is conducted across the mineralised trend. The drilling aims to provide the geological confidence to upgrade the Exploration Targets tabled above to Mineral Resources of Inferred category or better. If warranted by positive drilling results, it is proposed to conduct additional drilling and sampling to provide the necessary metallurgical samples for completion of a pre-feasibility study. Additional exploration is also proposed at Aberfoyle to better define the remnant mineralised “vein swarm”.

Additional vein systems are referred to but all have limited work conducted on them. In particular;

- The Lutwyche South East vein system. Located SE of main Lutwyche system and extending for 500m. Identified by strong soil chemistry and electrical geophysics, which will require drilling.
- The 40m wide Kookaburra vein system located 200m SW of main Lutwyche vein system. The vein is related to an Aberfoyle vein known as Johnson's Vein and they could be the same vein. This would connect the Lutwyche and Aberfoyle systems together, adding great confidence to the potential of the unmined and underexplored vein systems at Kookaburra and Lutwyche.

TNT Mines have set aside \$650,000 for a 2 year exploration program for the Aberfoyle, Lutwyche, and Kookaburra prospects which will include: core logging, geochemical and geophysical survey, drilling, field costs, tenement administration and general geological analysis and reporting.

GR Engineering have identified the need to undertake a detailed review of the historical reports to summarise the findings in terms of potential recovery and treatment flow sheet required for each Exploration Target tabled above in order to provide a basis for selecting the sequence of exploitation of the Exploration Targets based on a staged flow sheet development.

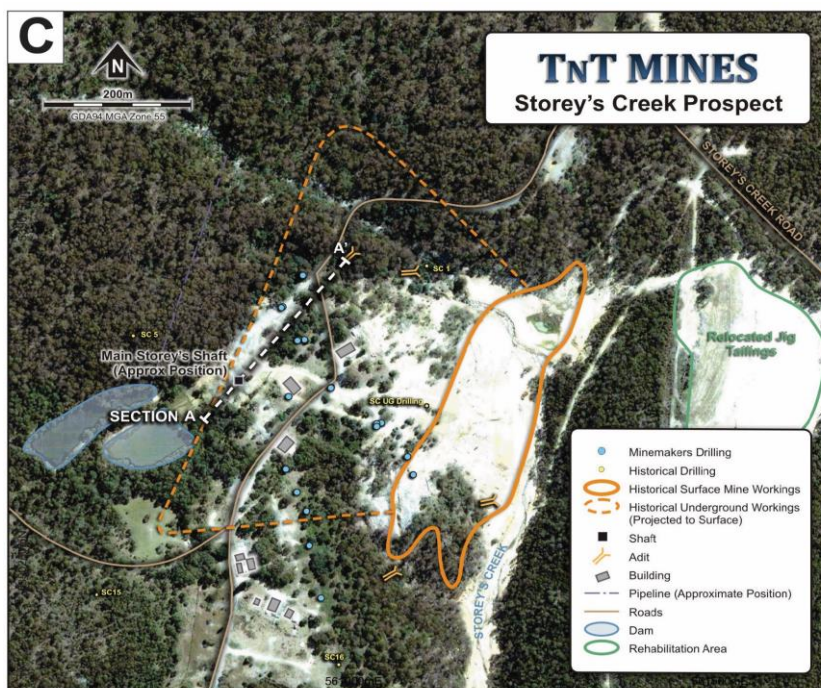
Prospect	Yr 1	Yr 2	Total
Aberfoyle	\$300,000	\$300,000	\$600,000
Lutwyche	\$250,000	\$250,000	\$500,000
Kookaburra	\$130,000	\$130,000	\$260,000
TOTAL	\$680,000	\$680,000	\$1,360,000

**Table 4: Exploration Budget - Aberfoyle Project**

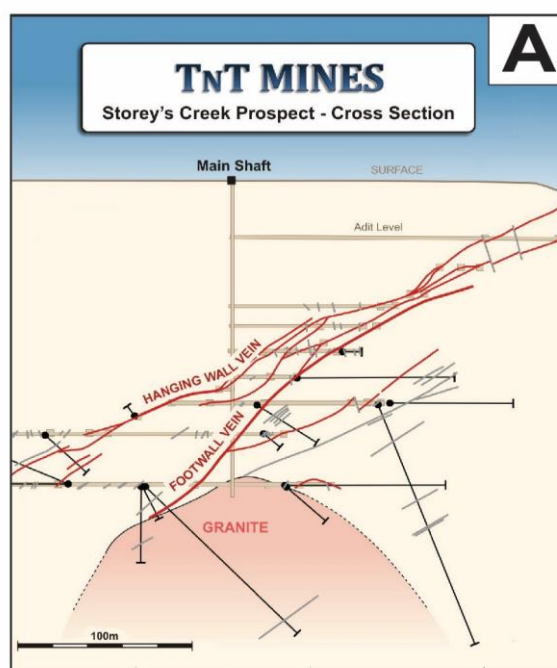
#### **2.4.2 Storey's Creek**

The Storey's Creek Prospect is located 3 km north of the Aberfoyle Mine as shown in Figure 3 below. The deposit has been subject to historical mining and small remnant tailings are defined, however there are currently no JORC Code (2012) Exploration Targets reported for Storey's Creek.





**Figure 3: Storey's Creek Project Area.**



**Figure 4: Storey's Creek Mineralisation Interpretation.**

#### 2.4.2.1 Mineralisation

Mineralisation at Storey's Creek is hosted within a 30–50m wide, north-northeast striking sheeted vein array which dips to the southwest. The system can be traced along strike for 300m and extends 400m in the down dip direction.

The Devonian Ben Lomond Granite crops out approximately 1km west of the mine and has been identified at depth as a 'granite Cupola' 180m below the surface.

The principal ore minerals are cassiterite and wolframite, the grade of which varies with the distance from the cupola.

#### 2.4.2.2 Exploration and Mining History

The exploration summary below has been referenced from 2012 SRK Independent Technical Report.

Tin mineralisation was discovered at Storey's Creek in 1872 and sporadic mining activities have been undertaken since that time.

- 1891–1913; mining of tin and tungsten by small scale mining parties.
- 1913–1928; the Storey's Creek Tin Mining Syndicate mined up to 12,000 t/y ore, grading between 0.75 – 1.75 % Sn and 0.75% - 2.0% WO<sub>3</sub>
- 1937–1962; The Storey's Creek Tin Mining Company produced a total of 1.1 Mt @ 1.09% WO<sub>3</sub> and 0.18% Sn ores.
- 1970; Mining activities ceased in and the mine was closed in 1982.
- 2007; TNT Mines Limited complete a 17-hole RC drilling programme for a total of 2,027 m.
- 2009; TNT Mines Limited complete a twin diamond drillhole programme. Featherstone (2011) described the results as comparable.

#### 2.4.2.3 Exploration Potential, Program & Budget

Historical exploration to date has identified sufficient near surface and underground tin mineralisation to warrant further investigation. Infill drilling will be required to provide the geological confidence to upgrade areas of known mineralisation to Exploration Targets and Exploration Targets to Mineral Resources of Inferred or better category. If warranted by positive drilling results, it is proposed to conduct additional drilling and sampling to provide the necessary metallurgical samples for completion of a pre-feasibility study.

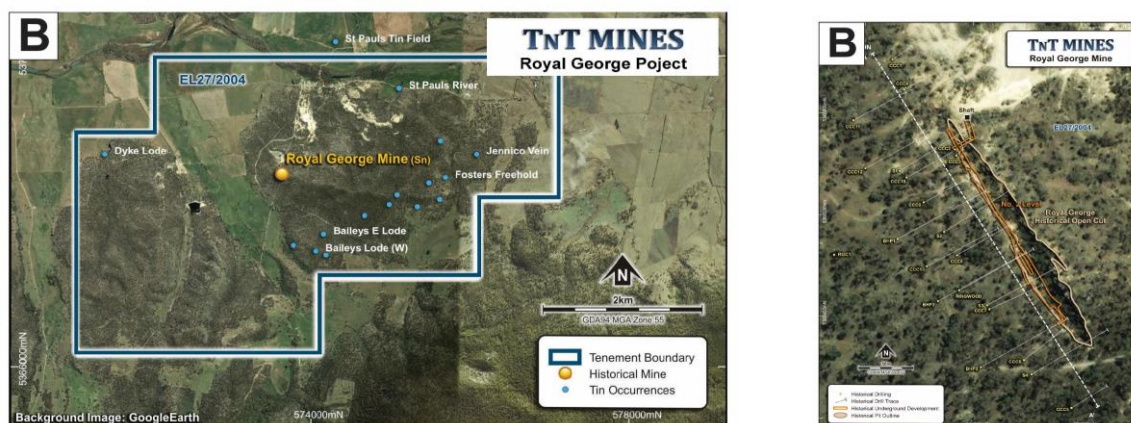
TNT Mines have set aside \$180,000 over a 2 year exploration program for Storey's Creek which will include: core logging, geochemical and geophysical survey, drilling, field costs, tenement administration and general geological analysis and reporting.

Prospect	Yr 1	Yr 2	Total
Storey's Creek	\$90,000	\$90,000	\$180,000

**Table 5: Exploration Budget. Storey's Creek Project**

#### 2.4.3 **Royal George**

The Royal George prospect is located in the southern portion of EL27/2004 approximately 17km east of the township of Avoca.



**Figure 5: Royal George Project Area**

#### 2.4.3.1 Mineralisation

Mineralisation at the Royal George prospect is hosted within a series of steeply dipping, northwest striking greisens. Individual greisens are typically 1.5m wide and contain disseminated cassiterite. Groups of greisens have been recorded up to 20m wide in places.

#### 2.4.3.2 Mineral Resources

An updated Inferred Mineral Resource was released by Mr Vincent Algar (Independent Consultant) in March 2014 that was compiled to the JORC Code (2012) standard. The results of this Inferred Mineral Resource for various tin cut-off grades are summarised in Table 6 below. The supporting JORC Code (2012) "Table 1" is attached provided in Appendix 2.

<b>Category</b>	<b>Tonnes</b>	<b>Sn Grade</b>	<b>Sn Cut-Off</b>
<i>Inferred</i>	<i>474,227</i>	<i>0.25%</i>	<i>0%</i>
<i>Inferred</i>	<i>281,485</i>	<i>0.33%</i>	<i>0.20%</i>
<i>Inferred</i>	<i>210,795</i>	<i>0.36%</i>	<i>0.25%</i>

**Table 6: Royal George Deposit – JORC Code (2012) Inferred Mineral Resources**

#### 2.4.3.3 Exploration & Mining History

The exploration summary below has been referenced from the 2012 SRK Independent Technical Report.

Mineralisation was discovered in the Royal George prospect in the 1880's and since that time the region has seen various exploration and mining campaigns.

- 1911–1922; small-scale mining activities produced 170,000t @ 0.65% Sn from surface workings and two underground levels.

- 1965–1971; Cornwall Coal Company with assistance from the Tasmanian Mines Department conducted underground mapping and drilling. Two inclined shafts were deepened and two deeper levels (No. 3 and 4) levels were later developed.
- 1979; CRAE entered a joint venture with Cornwall Coal Company. CRAE reviewed historic records, re-assayed historic core and develop a three dimensional model.
- 1988; Spectrum Resources Australia Pty Ltd drilled four diamond holes to confirm the presence of the remaining mineralisation beyond the stoped out areas.

#### 2.4.3.4 Exploration Potential, Program & Budget

Historical exploration to date has identified sufficient near surface and underground tin mineralisation to define the Inferred Resources detailed above. Further drilling with modern lab and quality control is required to advance the status of the Inferred Resource. Sulphides are also present at Royal George and require further work to delineate their occurrence and impact.

Limited auger drilling by Cornwall Coal of the old mine tailings at Royal George recorded tin grades of 0.25% which requires follow-up drilling may constitute an additional drilling target, however there are currently no JORC Code (2012) Exploration Targets reported for the old mine tailings at Royal George.

TNT Mines have set aside \$250,000 for a 2 year exploration program for Royal George which will include: core logging, geochemical and geophysical survey, drilling, field costs, tenement administration and general geological analysis and reporting.

Prospect	Yr 1	Yr 2	Total
Royal George	\$200,000	\$200,000	\$400,000

**Table 7: Exploration Budget. Royal George Project**

## 2.5 Aberfoyle Project Exploration Program & Budget

Historical exploration and data compilation to date has identified sufficient near surface and underground tin mineralisation to warrant further investigation.

It is proposed that infill drilling is conducted across the TNT Mines tenement package. The drilling aims to provide the geological confidence to upgrade the Exploration Targets described in this report to Mineral Resources of Inferred or better category.

In the case of the Aberfoyle prospect, additional drilling and sampling for metallurgical testing will be required.

Project	Yr 1	Yr 2	Budget Total
Aberfoyle Prospect	\$300,000	\$300,000	\$600,000
Lutwyche	\$250,000	\$250,000	\$500,000

Kookaburra	\$130,000	\$130,000	\$260,000
Storey's Creek	\$90,000	\$90,000	\$180,000
Royal George	\$200,000	\$200,000	\$400,000
<b>TOTAL</b>	<b>\$970,000</b>	<b>\$970,000</b>	<b>\$1,940,000</b>

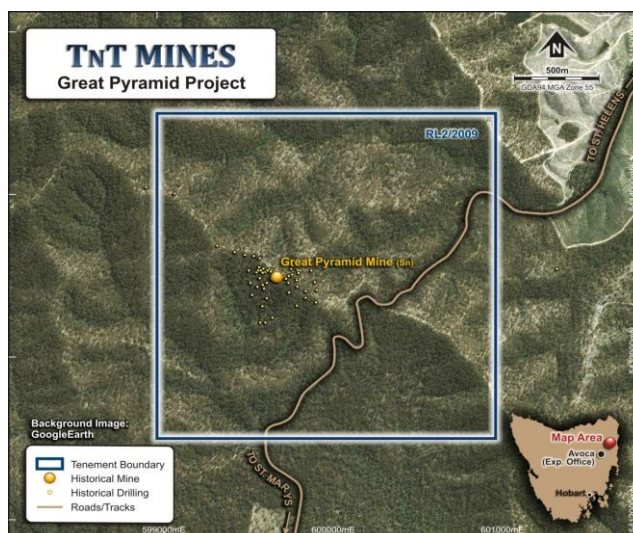
**Table 8: Exploration Budget. Aberfoyle Project**



### 3 GREAT PYRAMID PROJECT

#### 3.1 Location, Access & Infrastructure

Retention Licence 2/2009 (Great Pyramid) is located 12 km southwest of St Helens on the northeast coast of Tasmania. Access to the tenement is via an unsealed track off the Eastern Creek Road, approximately 10 km west of Beaumaris.



#### 3.2 Tenure

Figure 6: Location of Tenement RL 2/2009.

The Great Pyramid prospect is located within Retention Lease RL2/2009 covering a total of 4km<sup>2</sup>. The tenement is in good standing.

<i>Tenement</i>	<i>Holder</i>	<i>Project</i>	<i>Size</i>	<i>Expiry Date</i>	<i>Status</i>
RL2/2009	TNT Mines Ltd	Great Pyramid	4 Km <sup>2</sup>	01/08/2017	Granted

Table 9: Great Pyramid – Tenement Details

#### 3.3 Regional Geological Setting

The geology of the region consists of rhythmic alternating turbiditic beds of Silurian sandstone, siltstone and shale, which typify the Mathinna Supergroup. Sandstone beds are fine to medium grained, massive, occasionally feldspathic, locally metamorphosed to quartzite and the dominant lithology of the unit. Mudstone and siltstone beds are thin, featureless and often highly sheared.

The Mathinna Supergroup was deformed and metamorphosed to low grades during the Tabberabberan Orogeny. Bedding has been folded into tight recumbent folds that are overprinted with a disjunctive cleavage formed during the development of upright chevron folds. Both recumbent and chevron folds are deformed by southwest verging open folds and associated northwest striking crenulation cleavage. Regional faulting also strikes northwest and often hosts mineralisation in zones of high shearing.

No granitic rock crop out on the tenement, although directly northwest Devonian granites believed to be the source of much of the regions mineralisation are exposed.

### 3.4 Local Geology & Mineralisation

The Great Pyramid deposits consists of closely spaced NE trending, Cassiterite bearing open fractures hosted by intensely silicified deep water turbidite sediments of the Mathinna Beds (Silurian/Devonian in age). The WNW oriented mineralisation is strongly associated with intense fracturing, with the main ore block areas having greater than 95 mineralised fractures/metre (Algar,2012).

### 3.5 Exploration & Mining History

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

The exploration summary below has been referenced from 2012 SRK Independent Technical Report.

The Project area has seen exploration for Sn-Ag-(Cu)-(Pb)-(Zn)-(W) mineralisation since 1908. The key exploration and production activities since this time are summarised below:

- 1909–1910; Great Pyramid Tin Mines conducted the first systematic exploration, including surface channel sampling, pitting and trenching. Five shafts were sunk with grades varying between 0.14% and 6.37% Sn.
- 1925–1936; minor mining activities in the high grade zones of Great Pyramid deposit. Records indicate 336t @ 0.88% Sn ore was mined with approximately 3t of contained metal recovered.
- 1965–1983; four different companies and government department (BHP, Aberfoyle Management Pty Ltd, Tasmania Mines Department, and Shell Co. Australia Ltd) had undertaken drilling activities in the area, totalling 8,898 m. The drilling included 158 RAB holes for 5,538m and 26 diamond core holes for 3,359m.
- 1995; Merrywood Coal Company Pty Ltd completed a re-assessment of the deposit.

Year	Explorer	Number of Holes			Drill Meters		
		RAB	DDH	Total	RAB	DDH	Total
1965	BHP	23	1	24	843	243	1,086
1970	Aberfoyle	135	6	141	4,695	671	5,367
1976–1978	Tasmania Mines Department	–	4	13	–	710	710
1980–1981	BHP	–	13	4	–	1,229	1,229
1983	Shell	–	2	2	–	506	506

**Table 10: Historic Drilling Completed at Great Pyramid (2012 SRK Independent Technical Report)**

### 3.6 Mineral Resources

In 2014 TNT announced an JORC Code (2012) compliant Inferred Mineral Resource estimate at Great Pyramid based on; the 2011 Mineral Resource, the technical review and inclusion of completed "Table 1" information as required by the revised code.

Great Pyramid			
Sn %Cut off	Tonnes (Mt)	Grade (Sn%)	Contained Tin (Kt)
0.1	5.2	0.2	10.4
0.2	1.3	0.3	3.9

**Table 11: Great Pyramid - JORC Code (2012) Inferred Mineral Resources.**

### 3.7 Exploration Potential, Program & Budget

With 75% of the drilling to date less than 45m deep and often ending in mineralisation, resource estimates are all within 45m of the surface. Deeper drilling indicates grades below the current extent of the resources. A doubling of the drilled resource depth could potentially lead to a doubling of resource below Pyramid Hill. Drilling indicates the deposits nature and extent are not constrained laterally or vertically with some indications that grade increases with depth. The potential size of the deposit could be significant.

Significant exploration upside exists with targeted drilling below the average depth of the current holes. Diamond drilling identified, but did not properly assess intersections well below the level of the current resource. The potential for additional tonnages and increasing grade with depth should be investigated.

Project	Yr 1	Yr 2	Budget Total
Great Pyramid	\$300,000	\$300,000	\$600,000

**Table 12: Exploration Budget - Great Pyramid Project**



## 4 EXPLORATION PROGRAM AND DEVELOPMENT PLAN

Historical exploration to date has defined near surface targets at TNT Mines' prospects warranting further exploration. In addition, a review and reprocessing of the geophysical surveys undertaken is required to determine the extent and geometry of target mineralisation.

It is currently proposed that the initial exploration program proposed by TNT Mines for the tenement package reviewed will include a total of approximately \$2,500,000 budgeted for the first two financial years based on \$5,500,000 being raised under the Prospectus, as set out in Table 13 below. These budgets include exploration expenditure, tenement rents and rates, office and administration costs and salaries as shown in Table 14 below.

Project Area	Year 1	Year 2	TOTAL
Aberfoyle	\$300,000	\$300,000	<b>\$600,000</b>
Storeys Creek	\$90,000	\$90,000	<b>\$180,000</b>
Royal George	\$200,000	\$200,000	<b>\$400,000</b>
Lutwyche	\$250,000	\$250,000	<b>\$500,000</b>
Kookaburra	\$130,000	\$130,000	<b>\$260,000</b>
Great Pyramid	\$300,000	\$300,000	<b>\$600,000</b>
<b>TOTAL</b>	<b>\$1,270,000</b>	<b>\$1,270,000</b>	<b>\$2,540,000</b>

**Table 13: Expenditure Breakdown by Project Area**

Expenditure Activity	Year 1	Year 2	TOTAL
Geological Field Activities – mapping, core logging	\$150,000	\$150,000	<b>\$300,000</b>
Geochemical and metallurgical Activities – surveys and analysis,	\$80,000	\$80,000	<b>\$160,000</b>
Geophysics – surveys, processing & interpretation	\$50,000	\$50,000	<b>\$100,000</b>
Drilling	\$750,000	\$750,000	<b>\$1,500,000</b>
Rehabilitation	-	-	-
Prefeasibility – including metallurgical and environmental	\$20,000	\$50,000	<b>\$70,000</b>
Geological Studies, research, analysis, exploration planning and reporting	\$150,000	\$120,000	<b>\$270,000</b>
Field costs and tenement administration	\$70,000	\$70,000	<b>\$140,000</b>
<b>TOTAL</b>	<b>\$1,270,000</b>	<b>\$1,270,000</b>	<b>\$2,540,000</b>

**Table 14: Expenditure Breakdown by Activity**

## 5 GLOSSARY

Amphibolite	One of the major metamorphic rock types.
Anomaly	Value higher or lower than the expected or norm.
Base metal	Generally a metal inferior in value to the precious metals, eg. Copper, lead, zinc, nickel.
Cassiterite	mineral consisting of tin dioxide. It is the main ore of tin.
Complex	An assemblage of rocks or minerals intricately mixed or folded together.
Diamond drill	Rotary drilling using diamond impregnated bits, to produce a solid continuous core sample of rock.
Dip	The angle at which a rock layer, fault or any other planar structure is inclined from the horizontal.
Dyke	A tabular intrusive body of igneous rock that cuts across bedding at a high angle.
Exploration Target	A statement of the exploration potential of a mineral deposit for which there has been insufficient exploration to estimate a Mineral Resource
Fault	A fracture in rocks on which there has been movement on one of the sides relative to the other, parallel to the fracture
Geochemistry	The systematic study of the variation of chemical elements in rocks.
Granite	A coarse grained igneous rock consisting essentially of quartz and more feldspar and mica.
Greisen	A granite which has been altered by hot fluids originating from magmas
Intersection	The length of rock or mineralisation traversed by a drillhole.
Metasediments	Sedimentary rocks which have undergone geological transformation under high temperature and pressure conditions
Mineralisation	In economic geology, the introduction of valuable elements into a rock body.
Ore	A mixture of minerals, host and waste material which is expected to be mineable at a profit.
Palaeozoic	A time period in earth history from approximately 590 to 225 million years ago.
Primary Mineralisation	unweathered minerals, not affected by near surface conditions.
Proterozoic	The geological age after Archaean, approximately 570 to 2,400 million years ago.
RAB	Rotary Air Blast - A drilling technique in which the sample fragments are returned to the surface using compressed air.
RC	Reverse Circulation - a drilling technique in which the cuttings are recovered through the drill rods thus minimising sample losses and contamination.
Scheelite	Mineral which is an important commercial source of tungsten
Skarn	A zone of limestone bearing sedimentary rocks developed in the contact area around igneous rock intrusions.
Strike	The direction or bearing of the outcrop of an inclined bed or structure on a level surface
Vein	A narrow intrusive mineral body.
Wolframite	Mineral which is an important commercial source of tungsten.

## 6 REFERENCES

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The authors of these reports have not consented to their statements use in this IGR, and these statements are included in accordance with ASIC Corporations (Consent and Statements) Instrument 2016/72.

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# 1 APPENDIX 1: JORC CODE (2012) – TABLE 1: GREAT PYRAMID

## Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> </ul>	<ul style="list-style-type: none"> <li>Great Pyramid drilling includes open hole percussion (RAB) and diamond drilling by BHP, Aberfoyle and Shell and the Tasmanian</li> <li>Mines Department between the mid 1960's and early 1980's. Available drilling totals 158 RAB holes and 26 diamond holes for 8,898 m.</li> <li>Vertical RAB drilling completed by Aberfoyle during the 1960's provides the majority of the resource dataset. These holes sample most of the resource on an approximately 15 by 30 m pattern to an average depth of around 35 m.</li> <li>Additional sampling includes costean, adit and bulk sampling</li> </ul>
	<ul style="list-style-type: none"> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> </ul>	<ul style="list-style-type: none"> <li>Little information is available to directly indicate the reliability of the drill data. The resulting uncertainty in resource estimates is reflected by classifying the estimates as Inferred.</li> </ul>
	<ul style="list-style-type: none"> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> </ul>	<ul style="list-style-type: none"> <li>Sample lengths for RAB drilling range from 0.3 to 3.1 m and average approximately 1.54 m. Diamond core samples range from 0.3 to 6.1m in length and average 1.94 m in length.</li> <li>The drilling data is dominated by 1.52 m (5 foot) samples from Aberfoyle's RAB drilling.</li> </ul>
	<ul style="list-style-type: none"> <li>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information</li> </ul>	<ul style="list-style-type: none"> <li>Details of analytical methods for drill samples are not currently available. Later phases of adit and bulk sampling were analysed by XRF and AAS.</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<ul style="list-style-type: none"> <li>The resource dataset is dominated by RAB drilling (83%), with diamond drilling contributing 17% of resource composites.</li> <li>Diamond drilling included NQ and HQ diameters, with some intervals orientated by conventional spear methods.</li> </ul>
Drill sample recovery	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	<ul style="list-style-type: none"> <li>Little information is available to directly indicate reliability of the drill data. It is unclear whether there is a relationship between sample recovery and grade.</li> <li>Sludge samples from diamond drilling have notably higher average tin grades than associated core samples suggesting preferential loss of fine cassiterite may give core assays that are biased low.</li> <li>Nearest neighbour comparisons of tin grades from RAB and diamond core show approximately 10 to 15% lower average grades for core samples. This trend is consistent with the selective core loss suggested by sludge samples.</li> </ul>
Logging	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>Drill hole logs are available for around 79% of drilling including all of Aberfoyle's RAB holes, and Shell's diamond drilling.</li> <li>A 1970 Report for Aberfoyle Mine Management contains copies of original percussion drill sample records. These contain sample numbers and drill logging information.</li> <li>The logging is qualitative in nature, and of sufficient detail to support the current Inferred resource estimates.</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> <li><i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li><i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li><i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li><i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li><i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i></li> <li><i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<ul style="list-style-type: none"> <li>Details of sub-sampling and analytical methods used for the drilling are not currently available</li> </ul>
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> <li><i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li><i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i></li> <li><i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i></li> </ul>	<ul style="list-style-type: none"> <li>Details of the quality control methods used for sampling and assaying of the historic drilling are not currently available.</li> <li>No geophysical methods or hand-held XRF units have been used for determination of tin grades.</li> </ul>
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> <li><i>The verification of significant intersections by either independent or alternative company personnel.</i></li> </ul>	<ul style="list-style-type: none"> <li>No drill hole results are reported in this announcement.</li> </ul>
	<ul style="list-style-type: none"> <li><i>The use of twinned holes.</i></li> </ul>	<ul style="list-style-type: none"> <li>No specific twin holes have been drilled. Nearest neighbor comparisons of tin grades from RAB and diamond drilling show approximately 10 to 15% lower average grades for core samples. Sludge sample results suggest diamond core samples may be biased low, and the magnitude of the bias, in any in RAB sampling is unclear.</li> </ul>
	<ul style="list-style-type: none"> <li><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> </ul>	<ul style="list-style-type: none"> <li>Drill hole data were sourced from original hard-copy sampling and assay records, and imported into a central electronic database.</li> </ul>
	<ul style="list-style-type: none"> <li><i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>Assay values were not adjusted for resource estimation.</li> </ul>
<i>Location of data points</i>	<ul style="list-style-type: none"> <li><i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></li> </ul>	<ul style="list-style-type: none"> <li>Surface topography is derived from aerial photogrammetry.</li> <li>Details of collar survey methods for the drilling are uncertain. Collar elevations are consistent with the surface topography.</li> <li>Diamond holes were down-hole surveyed by a variety of methods including acid etching. The RAB holes were not down-hole surveyed.</li> <li>90% of resource estimates are from depths of less than 40 m and the lack of comprehensive down-hole surveying does not affect confidence in the estimates.</li> </ul>
	<ul style="list-style-type: none"> <li><i>Specification of the grid system used.</i></li> </ul>	<ul style="list-style-type: none"> <li>Original surveying was undertaken in local grids, and converted to Grid of Australia 1994 (MGA94) Zone 55 coordinates.</li> </ul>
	<ul style="list-style-type: none"> <li><i>Quality and adequacy of topographic control.</i></li> </ul>	<ul style="list-style-type: none"> <li>Topographic control is adequate for the current estimates.</li> </ul>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li><i>Data spacing for reporting of Exploration Results.</i></li> </ul>	<ul style="list-style-type: none"> <li>The majority of the resource area has been sampled by generally 15 by 30 m, and locally closer spaced drilling.</li> </ul>



Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> </ul>	<ul style="list-style-type: none"> <li>The data spacing has established geological and grade continuity sufficiently for the current Mineral Resource Estimates.</li> </ul>
	<ul style="list-style-type: none"> <li>Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>Drill hole samples were composited to 1.5 m down-hole intervals for resource modelling</li> </ul>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>	<ul style="list-style-type: none"> <li>Evaluation of the deposit is at a relatively early stage, and mineralisation controls are not yet fully understood.</li> <li>The available information suggests that the drilling orientations provide un-biased representation of average tin grades.</li> </ul>
Sample security	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>Details of sample security measures adopted for the drilling are unclear. The general consistency of results from different sampling phases and methods provides some confidence in the general reliability of the data. Historical reports and original log files indicate at least a reasonable process of logging, recording, sample storage and dispatch to labs was followed at the time of drilling.</li> </ul>
Audits or reviews	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>Sample data reviews have included comparisons between various sampling phases and methods. Although these reviews are not definitive, they provide some confidence in the general reliability of the data.</li> </ul>

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>	<ul style="list-style-type: none"> <li>Great Pyramid lies within RL2/2009 which is held by TNT mines limited. The licence has been renewed until 1 August 2015. The licence covers an area of 4 square kilometres. There are no known impediments to obtaining a licence to operate in the area.</li> <li>There is an agreement between TNT Mines and the original vendors of the tenement, Paul Winston Askins and Golden Archer Resources, which requires payment to the latter two parties by TNT of a net smelter royalty of 2.25% and \$1,000,000 on commencement of mining.</li> </ul>
Exploration done by other parties	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>All significant exploration has been undertaken by previous tenement holders, including RAB and diamond drilling by BHP, Aberfoyle and Shell between the mid 1960's and early 1980's, and shaft and adit development since the early 1900s.</li> <li>Additional exploration undertaken by previous explorers includes geological mapping, and costean and adit sampling.</li> </ul>
Geology	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>Great Pyramid is housed within Silurian sandstones, siltstones and shales which have undergone low-grade metamorphism and several phases of folding, and north-west trending faulting.</li> <li>Tin dominantly occurs as cassiterite associated with sheeted and fissure veins in brittle quartzite units.</li> <li>Mineralised units are cross cut by a steeply northwest dipping barren dolerite dyke which averages around 6.5 m wide, and locally overlain by shallow barren soils.</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> <li>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>No drill hole results are reported in this announcement.</li> </ul>
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <li>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> </ul>	<ul style="list-style-type: none"> <li>No drill hole results are reported in this announcement.</li> </ul>
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</li> </ul>	<ul style="list-style-type: none"> <li>Estimated resources include only tin grades, and no metal equivalent values are reported.</li> <li>No drill hole results are reported in this announcement.</li> <li>Evaluation of the deposit is at a relatively early stage, and mineralisation controls, including their relationship with drilling orientation are not yet comprehensively understood.</li> </ul>
<i>Diagrams</i>	<ul style="list-style-type: none"> <li>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>	<ul style="list-style-type: none"> <li>Appropriate Maps and tables are included in the Report</li> </ul>
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>No drill hole results are reported in this announcement</li> </ul>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul>	<ul style="list-style-type: none"> <li>Mineral Resources were estimated from drill hole assay data, with geological mapping and logging used to aid interpretation of dyke and soil units.</li> </ul>
<i>Further work</i>	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>The current drilling and resource model are limited to a depth below collar of on average 40m. A number of deeper holes (diamond drilling) penetrated below that depth and encountered mineralization.</li> <li>The NW-SE orientation of the mineralised structures continue and mineralization is not closed off in either strike or dip.</li> <li>Future work will target the possible deeper extensions of the higher grade areas as well as expanding the mineralization at depth.</li> </ul>



Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>Step out drilling along strike where possible will follow the primary mineralised structures to the NW and SE inside the licence boundary</li> </ul>

## Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Database integrity</i>	<ul style="list-style-type: none"> <li>Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.</li> <li>Data validation procedures used.</li> </ul>	<ul style="list-style-type: none"> <li>The drill hole database was sourced from original hard-copy sampling and assay records.</li> <li>Validation measures included spot checking between database and hard copy drill logs and sections and plans in historic reports.</li> <li>The database is currently compiled into an Industry Standard SQL Server database using a normalized data model produced by Datashed Software.</li> </ul>
<i>Site visits</i>	<ul style="list-style-type: none"> <li>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</li> <li>If no site visits have been undertaken indicate why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>Mr. Fulton has visited Great Pyramid several times between 2007 and 2013 and is taking responsibility for the sampling data and geological aspects of the estimates. Mr. Fulton confirms that the majority of access tracks, drill sites and adits, as shown in historical plans, still exist. Some drill collars can still be found. Core from 23 diamond drill holes is located at Mineral Resources Tasmania core storage facility at Mornington, and is available for inspection.</li> <li>Mr. Abbott has not visited the project as Mr. Fulton is taking responsibility for the geological and data aspects of the current estimates.</li> </ul>
<i>Geological interpretation</i>	<ul style="list-style-type: none"> <li>Confidence in (or conversely, the uncertainty of ) the geological interpretation of the mineral deposit.</li> <li>Nature of the data used and of any assumptions made.</li> <li>The effect, if any, of alternative interpretations on Mineral Resource estimation.</li> <li>The use of geology in guiding and controlling Mineral Resource estimation.</li> <li>The factors affecting continuity both of grade and geology.</li> </ul>	<ul style="list-style-type: none"> <li>Evaluation of the deposit is at a relatively early stage, and detailed accuracy of the geological interpretation is unclear. This uncertainty is reflected by classification of the estimates as Inferred.</li> <li>The mineralised domain wireframe used to constrain the estimates was primarily interpreted on the basis of tin assay grades and restricts estimates to the volume tested by reasonably close spaced drilling. The wireframe was trimmed by the cross cutting dyke and soil units interpreted from drill hole logging and geological mapping.</li> <li>Investigation of alternative interpretations included resource estimation with assumed dominant mineralisation controls varying from flat lying to steeply west dipping. These models did not give significantly different total estimates.</li> </ul>
<i>Dimensions</i>	<ul style="list-style-type: none"> <li>The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</li> </ul>	<ul style="list-style-type: none"> <li>The Mineral Resources extend over a strike length of approximately 520 m by an average width of around 150 m. The estimates extend to around 90 m depth with around 90% of estimates from depths of less than 40 m.</li> </ul>
<i>Estimation and modelling techniques</i>	<ul style="list-style-type: none"> <li>The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.</li> </ul>	<ul style="list-style-type: none"> <li>Resources were estimated by Multiple Indicator Kriging (MIK) of 1.5m down-hole composited tin assay grades from RAB and diamond holes within a mineralised domain wireframe.</li> <li>Continuity of tin grades was characterised by indicator variograms at 14 indicator thresholds.</li> <li>The estimates are extrapolated a maximum of approximately 30 m from drilling.</li> <li>Gemcom software was used for data compilation, domain wireframing, and coding of composite values, and GS3M was used for resource estimation.</li> </ul>
	<ul style="list-style-type: none"> <li>The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</li> </ul>	<ul style="list-style-type: none"> <li>Check models by Ordinary Kriging, and MIK with block support adjustment gave comparable estimates.</li> <li>The current estimates are consistent with combined estimates from a polygonal model produced by Shell in 1984.</li> </ul>

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>Reported production from the property totals only 300 tonnes from the 1920's and 1930's. Meaningful comparison of resource estimates and production is impossible.</li> </ul>
	<ul style="list-style-type: none"> <li>The assumptions made regarding recovery of by-products</li> <li>Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).</li> </ul>	<ul style="list-style-type: none"> <li>Estimated resources include only tin grades, with no assumptions about recovery of by-products or estimation of elements or other non-grade variables.</li> </ul>
	<ul style="list-style-type: none"> <li>In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed</li> </ul>	<ul style="list-style-type: none"> <li>Resources were estimated into 15 by 30 by 3 m blocks (across strike, strike, vertical) aligned with the 0670 trending drilling grid.</li> <li>Planview dimensions of the blocks approximate average drill hole spacing.</li> <li>For precise volume representation, resource estimates include the proportion of block volumes within the mineralised domain below surface</li> <li>The modelling included a three pass octant based search strategy. Search ellipsoid radii (across strike, along strike, vertical) and minimum data requirements for these searches are: Search 1: 20 by 20 by 4 m (16 data), Search 2: 30 by 30 by 6 m (16 data), Search 3: 30 by 30 by 6 (8 data).</li> </ul>
	<ul style="list-style-type: none"> <li>Any assumptions behind modelling of selective mining units.</li> </ul>	<ul style="list-style-type: none"> <li>The estimates are intended to reflect medium scale open pit mining.</li> <li>Details of potential mining parameters are unclear reflecting the early stage of project evaluations.</li> </ul>
	<ul style="list-style-type: none"> <li>Any assumptions about correlation between variables.</li> </ul>	<ul style="list-style-type: none"> <li>Estimated resources include only tin grades, with no assumptions about correlation between variables.</li> </ul>
	<ul style="list-style-type: none"> <li>Description of how the geological interpretation was used to control the resource estimates.</li> </ul>	<ul style="list-style-type: none"> <li>The wireframe interpreted on the basis of tin assay grades and restricts estimates to the volume of tested by reasonably close spaced drilling, and is trimmed by the cross cutting dyke and soil units.</li> </ul>
	<ul style="list-style-type: none"> <li>Discussion of basis for using or not using grade cutting or capping.</li> </ul>	<ul style="list-style-type: none"> <li>All bin grades adopted for the MIK modelling were derived from bin mean grades. Variability in grade continuity with tin grade is reflected by the indicator variogram models</li> </ul>
	<ul style="list-style-type: none"> <li>The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.</li> </ul>	<ul style="list-style-type: none"> <li>Model validation included visual comparison of model estimates and composite grades, and trend (swath) plots, along with comparison with estimates from alternative estimation methodologies and previous model estimates.</li> <li>There has been too little production for valid comparison of model estimates with production.</li> </ul>
Moisture	<ul style="list-style-type: none"> <li>Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</li> </ul>	<ul style="list-style-type: none"> <li>Tonnages are estimated on a dry tonnage basis</li> </ul>
Cut-off parameters	<ul style="list-style-type: none"> <li>The basis of the adopted cut-off grade(s) or quality parameters applied.</li> </ul>	<ul style="list-style-type: none"> <li>The cut off grades reflect TNT's perception of the potential range of operating costs and tin prices for potential mining.</li> </ul>
Mining factors or assumptions	<ul style="list-style-type: none"> <li>Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.</li> </ul>	<ul style="list-style-type: none"> <li>Precise details of potential mining methods, operating costs and recoveries are unclear reflecting the early stage of project evaluations.</li> <li>With around 90% of resources from depths of less than 40m, the resources appear amenable to open pit mining.</li> </ul>
Metallurgical factors or assumptions	<ul style="list-style-type: none"> <li>The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment</li> </ul>	<ul style="list-style-type: none"> <li>Limited metallurgical testwork undertaken by previous workers during the 1980's suggests that the mineralisation is amenable to gravity concentrate with indicative tin recoveries of around 80 to 85%.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<i>processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</i>	
<i>Environmental factors or assumptions</i>	<ul style="list-style-type: none"> <li>Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.</li> </ul>	<ul style="list-style-type: none"> <li>Precise details of potential waste and process residue disposal options are unclear reflecting the early stage of project evaluation.</li> </ul>
<i>Bulk density</i>	<ul style="list-style-type: none"> <li>Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.</li> <li>The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.</li> <li>Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</li> </ul>	<ul style="list-style-type: none"> <li>The estimates include a bulk density of 2.75 t/bcm derived from regional measurements of host rock units by the Tasmanian</li> <li>Department of Mines.</li> <li>Uncertainty in the accuracy of this density estimate is reflected by classification of the estimates as Inferred.</li> </ul>
<i>Classification</i>	<ul style="list-style-type: none"> <li>The basis for the classification of the Mineral Resources into varying confidence categories.</li> </ul>	<ul style="list-style-type: none"> <li>The entire estimates are classified as Inferred</li> </ul>
	<ul style="list-style-type: none"> <li>Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).</li> </ul>	<ul style="list-style-type: none"> <li>The resource classification accounts for all relevant factors</li> </ul>
	<ul style="list-style-type: none"> <li>Whether the result appropriately reflects the Competent Person's view of the deposit.</li> </ul>	<ul style="list-style-type: none"> <li>Classification of the estimates as Inferred reflects the competent person's views of the deposit.</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li>The results of any audits or reviews of Mineral Resource estimates.</li> </ul>	<ul style="list-style-type: none"> <li>An October 2012 Technical Assessment of the project by SRK Consulting (Australasia) Pty Ltd included assignment of risk factors to aspects of the resource estimates. All aspects were classified as low risk, with the exception of aspects relating to data reliability, geological understanding and bulk densities which were classified as moderate or rarely high risk. Uncertainty over these aspects is reflected by classification of the estimates as Inferred.</li> </ul>
<i>Discussion of relative accuracy/ confidence</i>	<ul style="list-style-type: none"> <li>Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.</li> <li>The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</li> <li>These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</li> </ul>	<ul style="list-style-type: none"> <li>Confidence in the relative accuracy of the estimates is reflected by the classification of all resources as Inferred.</li> </ul>

## 2 APPENDIX 2: JORC CODE (2012) – TABLE 1: ROYAL GEORGE

### Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> </ul>	<ul style="list-style-type: none"> <li>Royal George drilling includes 22 diamond drill holes by BHP, Cornwall Coal Company, CRA Exploration and Spectrum Resources from the mid 1950's through to 1989.</li> <li>Available drilling totals 22 diamond holes for 2,631 m.</li> <li>These holes sample most of the resource on an approximately 30 by 50 m pattern depths of between 26 and 266 m, with an average of 119m.</li> <li>Additional sampling includes channel sampling.</li> </ul>
	<ul style="list-style-type: none"> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> </ul>	<ul style="list-style-type: none"> <li>Little information is available to directly indicate the reliability of the drill data. The resulting uncertainty in resource estimates is reflected by classifying the estimates as Inferred.</li> </ul>
	<ul style="list-style-type: none"> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> </ul>	<ul style="list-style-type: none"> <li>Sample lengths for RAB drilling range from 0.3 to 3.1 m and average approximately 1.54 m. Diamond core samples range from 0.3 to 6.1 m in length and average 1.94 m in length.</li> <li>The sampling and measurement of grade appear to have been approached consistently in the available logs and reports, but there is an absence of detail of methodologies and practices.</li> </ul>
	<ul style="list-style-type: none"> <li>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information</li> </ul>	<ul style="list-style-type: none"> <li>Details of analytical methods for drill samples are not currently available. It is known that Spectrum used half core samples and assayed by XRF.</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<ul style="list-style-type: none"> <li>The resource dataset is comprised solely of diamond drilling samples.</li> <li>Diamond drilling included AX, EX, NQ and HQ diameters</li> </ul>
Drill sample recovery	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	<ul style="list-style-type: none"> <li>Core loss and poor recoveries of the relatively shallow BHP and CCC holes was due to the deep weathering in the steep structures along the prominent ridge of the main greisen zone. The small hole diameter of the core (EX 21.5mm) was also thought to account for poor recoveries and hence underestimation of the tin grades.</li> <li>Spectrum drilled four holes using HQ diameter core with HQ triple tube through the main mineralised zone. Core recoveries resulting from this technique were excellent.</li> <li>Comparison of original assays from Mines Department and subsequent re-assays by ALS-Amdel indicate a 25% improvement in grades. Whilst cassiterite is relatively coarse in the granite greisen, there is believed to be finer grained cassiterite and tin associated with sulphides</li> </ul>
Logging	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>Detailed drill hole logs are available for all drilling.</li> <li>Samples are noted on the logs, but no sample numbers are available for historical mines department assays.</li> <li>The logging is qualitative in nature, and of sufficient detail to support the current Inferred resource estimates.</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> <li><i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li><i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li><i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li><i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li><i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i></li> <li><i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<ul style="list-style-type: none"> <li>Details of sub-sampling and analytical methods used for the bulk of drilling are not currently available.</li> <li>Spectrum holes, S to S4 were drilled using NQ triple tubing, sawn in half, and half core submitted to analyses.</li> <li>No information exists as to any QC samples to test representivity.</li> <li>An element of bias is believed to exist in the sampling of due to the potential loss of tin grade to fines. This is likely due to the presence of fine cassiterite and tin associated with sulphides. Details of sub-sampling and analytical methods used for the drilling are not currently available</li> </ul>
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> <li><i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li><i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i></li> <li><i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i></li> </ul>	<ul style="list-style-type: none"> <li>Details of the quality control methods used for sampling and assaying of the historic drilling are not currently available.</li> <li>No geophysical methods or hand-held XRF units have been used for determination of tin grades.</li> </ul>
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> <li><i>The verification of significant intersections by either independent or alternative company personnel.</i></li> </ul>	<ul style="list-style-type: none"> <li>Intersections reported have been checked back to original logs and assay data.</li> </ul>
	<ul style="list-style-type: none"> <li><i>The use of twinned holes.</i></li> </ul>	<ul style="list-style-type: none"> <li>No specific twin holes have been drilled.</li> </ul>
	<ul style="list-style-type: none"> <li><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> </ul>	<ul style="list-style-type: none"> <li>Drill hole data were sourced from digital sources and original hard-copy sampling and assay records, and imported into a central electronic database..</li> </ul>
	<ul style="list-style-type: none"> <li><i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>Assay values were not adjusted for resource estimation.</li> </ul>
<i>Location of data points</i>	<ul style="list-style-type: none"> <li><i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></li> </ul>	<ul style="list-style-type: none"> <li>Surface topography is derived from digitising of surface contours from historical plans, as well as some spot heights.</li> <li>Details of collar survey methods for the drilling are uncertain. Collar elevations are consistent with the surface topography.</li> <li>S prefix diamond holes were down-hole surveyed by a Eastman camera.</li> </ul>
	<ul style="list-style-type: none"> <li><i>Specification of the grid system used.</i></li> </ul>	<ul style="list-style-type: none"> <li>Original surveying was undertaken in local grids, and converted to Grid of Australia 1994 (MGA94) Zone 55 coordinates.</li> </ul>
	<ul style="list-style-type: none"> <li><i>Quality and adequacy of topographic control.</i></li> </ul>	<ul style="list-style-type: none"> <li>Topographic control is adequate for the current estimates.</li> </ul>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li><i>Data spacing for reporting of Exploration Results.</i></li> </ul>	<ul style="list-style-type: none"> <li>The majority of the resource area has been sampled by generally 30 by 50 m, and locally closer spaced drilling..</li> </ul>
	<ul style="list-style-type: none"> <li><i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>The data spacing has established geological and grade continuity sufficiently for the current Mineral Resource Estimates.</li> </ul>
	<ul style="list-style-type: none"> <li><i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>Drill hole samples were composited to 1.0 m down-hole intervals for resource modelling.</li> </ul>



Criteria	JORC Code explanation	Commentary
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>	<ul style="list-style-type: none"> <li>Given the relatively limited drilling data, evaluation of the deposit is at a relatively early stage, and mineralisation controls are not yet fully understood.</li> <li>The available information suggests that the drilling orientations provide un-biased representation of average tin grades.</li> </ul>
<i>Sample security</i>	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>Details of sample security measures adopted for the drilling are unclear. The general consistency of results from different sampling phases and methods provides some confidence in the general reliability of the data. Historical reports and original log files indicate at least a reasonable process of logging, recording, sample storage and dispatch to labs was followed at the time of drilling.</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>Sample data reviews have included comparisons between various sampling phases and methods. Although these reviews are not definitive, they provide some confidence in the general reliability of the data.</li> </ul>

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>	<ul style="list-style-type: none"> <li>TNT Mines hold the rights to EL27/2004. The licence is split into two parts due to a drop off in 2013. The licence is valid until 26/11/2014. The total licence area is 97sq km. There are no known impediments to obtaining a licence to operate in the area.</li> <li>There is an agreement between TNT Mines and the original vendors of the tenement, Paul Winston Askins and Golden Archer Resources, which requires payment to the latter two parties by TNT of a net smelter royalty of 2.25% for production from the tenement. In addition, \$1,000,000 on commencement of mining at certain designated locations within the tenement is payable. The area around and including the old Royal George open cut is a designated area under the agreement.</li> </ul>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>All significant exploration has been undertaken by previous tenement holders, including diamond drilling by BHP, CCC, CRAE and Spectrum between the mid 1950's and 1989.</li> <li>Additional exploration undertaken by previous explorers includes channel and auger sampling.</li> </ul>
<i>Geology</i>	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>The country rock in the area of the Royal George Mine consists of granitic rocks which intrude Silurian to Devonian sandstones and siltstones of the Mathinna Beds. Tin dominantly occurs as cassiterite associated with sheeted and fissure veins in brittle quartzite units.</li> <li>□ The deposit is formed by a steeply dipping zone of lodes striking at NW trending ,310° to 320° and dipping 75° to 82° to the SW. The mineralisation is hosted in sub vertical greisenised granite lodes and fractured sedimentary rocks associated with the roof portions of the Ben Lomond Granite.</li> </ul>
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>No drill hole results are reported in this announcement.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>of the drill hole collar</li> <li>o dip and azimuth of the hole</li> <li>o down hole length and interception depth</li> <li>o hole length.</li> <li>• If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <li>• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>• Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> </ul>	<ul style="list-style-type: none"> <li>• No drill hole results are reported in this announcement.</li> </ul>
	<ul style="list-style-type: none"> <li>• The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>• Estimated resources include only tin grades, and no metal equivalent values are reported..</li> </ul>
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <li>• These relationships are particularly important in the reporting of Exploration Results.</li> <li>• If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>• If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</li> </ul>	<ul style="list-style-type: none"> <li>• Evaluation of the deposit is at a relatively early stage, and mineralisation controls, including their relationship with drilling orientation are not yet comprehensively understood.</li> <li>• The deposit is formed by a steeply dipping zone of lodes striking at NW trending ,310° to 320° and dipping 75° to 82° to the SW. The drilling to date has consistently tested this orientation with, intersection the mineralisation at a low angle .</li> </ul>
<i>Diagrams</i>	<ul style="list-style-type: none"> <li>• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>	<ul style="list-style-type: none"> <li>• Appropriate Maps and tables are included in the Report</li> </ul>
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li>• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li>• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul>	<ul style="list-style-type: none"> <li>• Mineral Resources were estimated from drill hole assay data, with geological logging used to aid interpretation of mineralised contact positions.</li> </ul>
<i>Further work</i>	<ul style="list-style-type: none"> <li>• The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>• Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>• The current drilling requires verification with modern drilling with respect to representivity and distribution of grade of oxide and sulphide tin within the ore zone. Additional drilling will be conducted for this purpose and metallurgical test work.</li> <li>• Exploration to the SE and NW of the main lode is required to locate parallel repetitions.</li> <li>• The lodes extend beyond the historical pit to the NE and SW, evidence suggests a weakening of the mineralisation, but details of plunge and offset are not known. Future exploration will seek to identify these extensions</li> <li>• A final review of the drill logs will be conducted and all additional data added to the Corporate database.</li> <li>• A review of the relationship of the sulphides to the cassiterite be made for processing and future exploration purposes</li> <li>• A drilling plan be constructed to allow for suitable QAQC</li> </ul>

Criteria	JORC Code explanation	Commentary
		information, metallurgical samples as well as to provide infill drilling in areas of poor coverage in the model.

## Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
<b>Database integrity</b>	<ul style="list-style-type: none"> <li>Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.</li> <li>Data validation procedures used.</li> </ul>	<ul style="list-style-type: none"> <li>The drill hole database was sourced from original hard-copy sampling and assay records.</li> <li>Validation measures included spot checking between database and hard copy drill logs and sections and plans in historic reports.</li> <li>The database is currently compiled into an Industry Standard SQL Server database using a normalised assay data model produced by</li> </ul>
<b>Site visits</b>	<ul style="list-style-type: none"> <li>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</li> <li>If no site visits have been undertaken indicate why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>Mr. Fulton has visited Royal George several times between 2007 and 2013 and is taking responsibility for the sampling data and geological aspects of the estimates. Mr. Fulton confirms that the open pit and some associated workings, as shown in historical plans, still exists. Some drill collars can still be found. Core from nine of diamond drill holes is located at Mineral Resources Tasmania core storage facility at Mornington, and is available for inspection.</li> <li>Mr. Algar has not visited the Royal George project, as Mr. Fulton is taking responsibility for the geological and data aspects of the current estimates.</li> </ul>
<b>Geological interpretation</b>	<ul style="list-style-type: none"> <li>Confidence in (or conversely, the uncertainty of ) the geological interpretation of the mineral deposit.</li> <li>Nature of the data used and of any assumptions made.</li> <li>The effect, if any, of alternative interpretations on Mineral Resource estimation.</li> <li>The use of geology in guiding and controlling Mineral Resource estimation.</li> <li>The factors affecting continuity both of grade and geology.</li> </ul>	<ul style="list-style-type: none"> <li>Evaluation of the deposit is at a relatively early stage, and detailed accuracy of the geological interpretation is unclear. This uncertainty is reflected by classification of the estimates as Inferred.</li> <li>The mineralised domain wireframe used to constrain the estimates was primarily interpreted on the basis of tin assay grades and restricts estimates to the volume tested by reasonably close spaced drilling. The wireframe was trimmed by the surface topography and a stope from 1 level to 2 level estimated from plans and sections.</li> <li>Geological logs were consulted to confirm the start and end positions of mineralised and altered core when considering the interpretation of the mineralised wireframe.</li> <li>Limited alternative interpretations are possible given the consistent intersections and location of the open cut and Level 2 stope outline. Resource estimation with assumed dominant mineralisation controls are restricted to this orientation. Historical estimates refer to a shallow northerly plunge but this is not confirmed in the current estimate.</li> <li>The boundaries broader mineralised zone is consistent , but within this zone, higher grades zones of lower consistency occur. It is expected these higher grade zone will form discontinuous lenses within the overall mineralised zone. The block model has attempted to allow for this interpretation of the drill data.</li> </ul>
<b>Dimensions</b>	<ul style="list-style-type: none"> <li>The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</li> </ul>	<ul style="list-style-type: none"> <li>The Mineral Resources extend over a strike length of approximately 430 m. The estimates extend to around 160 m depth from surface.</li> <li>The bulk of the resource remains unmined from 30m below the pit floor. The Mineral Resources extend over a strike length of approximately 520 m by an average width of around 150 m. The estimates extend to around 90 m depth with around 90% of estimates from depths of less than 40 m.</li> </ul>



Criteria	JORC Code explanation	Commentary
<i>Estimation and modelling techniques</i>	<ul style="list-style-type: none"> <li>The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.</li> </ul>	<ul style="list-style-type: none"> <li>Resources were estimated by Ordinary Kriging of 1.0 m down-hole composited tin assay grades from diamond holes within a mineralised domain wireframe.</li> <li>Continuity of tin grades was characterised by downhole and directional variograms.</li> <li>The estimates are extrapolated a maximum of approximately 100 m from drilling.</li> <li>Gemcom Surpac software was used for data compilation, domain wire-framing, and coding of composite values , statistics, geostatistics and resource estimation</li> </ul>
	<ul style="list-style-type: none"> <li>The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</li> </ul>	<ul style="list-style-type: none"> <li>Check models by Inverse Distance squared gave comparable estimates.</li> <li>The current estimates are consistent with combined estimates from a polygonal model reported by G.Purvis in 1979 and 1980.</li> <li>Production results (1911-1922) from underground (selective) mining yielded 170,000t at an ore grade of 0.65%. This resulted in over 900t of tin concentrate assaying 65%Sn-70%Sn, indicating a tin recovery of 52-57%.</li> <li>Underground channel sampling by CRAE and Spectrum yielded similar grades to those mined in production. These samples are like to have selective to higher grade zones, but provide supporting information for the tenor of the zones as contemplated.</li> <li>Meaningful comparison of resource estimates and production is impossible.</li> </ul>
	<ul style="list-style-type: none"> <li>The assumptions made regarding recovery of by-products</li> <li>Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).</li> </ul>	<ul style="list-style-type: none"> <li>Estimated resources include only tin grades, with no assumptions about recovery of by-products or estimation of elements or other non-grade variables.</li> </ul>
	<ul style="list-style-type: none"> <li>In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed</li> </ul>	<ul style="list-style-type: none"> <li>Resources were estimated into 10 by 5 by 1 m blocks (strike, vertical, cross strike) aligned with the 150m trending drilling grid.</li> <li>Plan view dimensions of the blocks approximate average one third of the drill hole spacing.</li> <li>For precise volume representation, sub-blocking was allowed . Estimation was into parent blocks only. A 2.1% variation between the wireframe volume and block model was established.</li> <li>The modelling included used a search ellipsoid with minimum data requirements of 3 data points and maximum of 15 informing points.</li> </ul>
	<ul style="list-style-type: none"> <li>Any assumptions behind modelling of selective mining units.</li> </ul>	<ul style="list-style-type: none"> <li>The estimates are not intended to reflect a fixed mining method but will be suitable in size for an open cut or underground method.</li> <li>Details of potential mining parameters are unclear reflecting the early stage of project evaluations.</li> </ul>
	<ul style="list-style-type: none"> <li>Any assumptions about correlation between variables.</li> </ul>	<ul style="list-style-type: none"> <li>Estimated resources include only tin grades, with no assumptions about correlation between variables.</li> <li>A very low correlation exists with zinc, but this cannot be confirmed. More data is required. Estimated resources include only tin grades, with no assumptions about correlation between variables.</li> </ul>
	<ul style="list-style-type: none"> <li>Description of how the geological interpretation was used to control the resource estimates.</li> </ul>	<ul style="list-style-type: none"> <li>The wireframe interpreted on the basis of tin assay grades and restricts estimates to the volume of tested by reasonably close spaced drilling, and is trimmed by the topography and the 2 level stope interpretation.</li> </ul>
	<ul style="list-style-type: none"> <li>Discussion of basis for using or not using grade cutting or capping.</li> </ul>	<ul style="list-style-type: none"> <li>No grade cutting or capping has been implemented</li> </ul>
	<ul style="list-style-type: none"> <li>The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.</li> </ul>	<ul style="list-style-type: none"> <li>Model validation included visual comparison of model estimates and composite grades using section analysis with the raw drilling data and the composite data.</li> <li>There is too little production information for valid</li> </ul>

Criteria	JORC Code explanation	Commentary
		comparison of model estimates with production
Moisture	<ul style="list-style-type: none"> <li>Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</li> </ul>	<ul style="list-style-type: none"> <li>Tonnages are estimated on a dry tonnage basis</li> </ul>
Cut-off parameters	<ul style="list-style-type: none"> <li>The basis of the adopted cut-off grade(s) or quality parameters applied.</li> </ul>	<ul style="list-style-type: none"> <li>The cut off grades reflect TNT's perception of the potential range of operating costs and tin prices for potential mining.</li> </ul>
Mining factors or assumptions	<ul style="list-style-type: none"> <li>Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.</li> </ul>	<ul style="list-style-type: none"> <li>Precise details of potential mining methods, operating costs and recoveries are unclear reflecting the early stage of project evaluations.</li> <li>The resource is reported within the modelled wireframe model for completeness. This wireframe will contain mining dilution with the inclusion of lower grade material. If underground mining is attempted, selective mining of the higher grade zones is likely and is supported by the interpretation and modelling. If Open Cut mining is employed, less selectivity will be possible and consequently higher dilution of the higher grade zones will occur.</li> <li>Dependant on the cost parameters used, the deposit may be amenable to a low grade open cut near surface and a higher grade underground mine extending from the base of any pit.</li> </ul>
Metallurgical factors or assumptions	<ul style="list-style-type: none"> <li>The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</li> </ul>	<ul style="list-style-type: none"> <li>The limited reporting of test work, principally the production results (1911-1922) from underground (selective) mining yielded 170,000t at an ore grade of 0.65%. This resulted in over 900t of tin concentrate assaying 65%Sn-70%Sn, indicating a tin recovery of 52-57%. Consultants to NIU have considered the mineralogy of Royal George and compared it to the more extensive data available at Aberfoyle and the Great Pyramid deposit (also low grade, low tungsten, containing sulphides) and conclude a recovery of 60% using modern methods is possible.</li> </ul>
Environmental factors or assumptions	<ul style="list-style-type: none"> <li>Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.</li> </ul>	<ul style="list-style-type: none"> <li>Precise details of potential waste and process residue disposal options are unclear reflecting the early stage of project evaluation.</li> </ul>
Bulk density	<ul style="list-style-type: none"> <li>Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.</li> <li>The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.</li> <li>Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</li> </ul>	<ul style="list-style-type: none"> <li>Previous estimates refer to a bulk density of 2.85 t/m3.</li> <li>Uncertainty in the accuracy of this density estimate is reflected by classification of the estimates as Inferred.</li> </ul>
Classification	<ul style="list-style-type: none"> <li>The basis for the classification of the Mineral Resources into varying confidence categories.</li> </ul>	<ul style="list-style-type: none"> <li>The entire estimates are classified as Inferred</li> </ul>
	<ul style="list-style-type: none"> <li>Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).</li> </ul>	<ul style="list-style-type: none"> <li>The resource classification accounts for all relevant factors</li> </ul>
	<ul style="list-style-type: none"> <li>Whether the result appropriately reflects the Competent Person's view of the deposit.</li> </ul>	<ul style="list-style-type: none"> <li>Classification of the estimates as Inferred reflects the</li> </ul>

Criteria	JORC Code explanation	Commentary
		competent person's views of the deposit.
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li><i>The results of any audits or reviews of Mineral Resource estimates.</i></li> </ul>	<ul style="list-style-type: none"> <li>No recent reviews of the Mineral Resource estimates have been conducted..</li> <li>Uncertainty over aspects of the data is reflected by classification of the estimates as Inferred.</li> </ul>
<i>Discussion of relative accuracy/ confidence</i>	<ul style="list-style-type: none"> <li><i>Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.</i></li> <li><i>The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</i></li> <li><i>These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</i></li> </ul>	<ul style="list-style-type: none"> <li>Confidence in the relative accuracy of the estimates is reflected by the classification of all resources as Inferred.</li> </ul>

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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>	37,669	29,984	28,487	28,849
<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>	1,709,530	1,640,246	1,933,160	3,442,509
<b>TOTAL ASSETS</b>	1,747,199	1,670,230	1,961,647	3,471,358
<b>Current liabilities</b>				
Trade & other payables	162,191	144,869	146,150	130,620
<b>Total current liabilities</b>	162,191	144,869	146,150	130,620
<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>	850,289	708,405	476,740	477,230
<b>TOTAL LIABILITIES</b>	1,012,480	853,274	622,890	607,850
<b>NET ASSETS</b>	734,719	816,956	1,338,757	2,863,508
<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>	734,719	816,956	1,338,757	2,863,508

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>	<b>Number of shares (Minimum)</b>	<b>\$</b>
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	-
Pro-forma adjustments:	
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.



26 June 2017

The Directors  
TNT Mines Limited  
Suite 50, 14 Narabang Way  
Belrose NSW 2085

Dear Directors

### **Investigating Accountant's Report**

#### **Independent Limited Assurance Report on TNT Mines Limited Historical and Pro forma Financial Information**

We have been engaged by TNT Mines Limited ("TNT Mines" or "the Company") to prepare this Independent Limited Assurance Report ("Report") in relation to certain financial information of TNT Mines for inclusion in the Prospectus. The Prospectus is a fresh Initial Public Offering ("IPO") prospectus for the purposes of satisfying Chapters 1 and 2 of the ASX Listing Rules.

Broadly, the Prospectus (or "the document") will raise a minimum of \$5,500,000 through the issue of 27,500,000 shares at an issue price of \$0.20 per share. The Company may also accept oversubscriptions which will be used for additional working capital purposes.

Expressions and terms defined in the document have the same meaning in this Report. This Report has been prepared for inclusion in the Prospectus. We disclaim any assumption of responsibility for any reliance on this Report or on the Financial Information to which it relates for any purpose other than that for which it was prepared.

### **Scope**

You have requested Bentleys to perform a limited assurance engagement in relation to the historical and pro forma historical financial information described below and disclosed in the Prospectus.

The historical and pro forma historical financial information is presented in the Prospectus in an abbreviated form insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act 2001.



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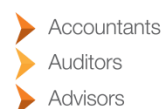
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You have requested Bentleys to review the following historical financial information (together the "Historical Financial Information") of TNT Mines included in the Prospectus:

- The historical Statements of Profit or Loss and Other Comprehensive Income for the periods ended 30 June 2014, 30 June 2015, 30 June 2016 and 31 December 2016 for TNT Mines Limited;
- The historical Statements of Cashflow for the periods ended 30 June 2014, 30 June 2015, 30 June 2016 and 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 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.

#### **Pro Forma Historical Financial Information**

You have requested Bentleys to review the pro forma historical Statement of Financial Position as at 31 December 2016 referred to as "the pro forma historical financial information."

The pro forma historical financial information has been derived from the historical financial information of TNT Mines, after adjusting for the effects of the subsequent events and pro forma adjustments described in Section 6 of this Report. The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the historical financial information and the events or transactions to which the pro forma adjustments relate, as described in Section 6 of this Report, as if those events or transactions had occurred as at the date of the historical financial information. Due to its nature, the pro forma historical financial information does not represent the company's actual or prospective financial position.

The pro-forma historical financial information as described in Section 6 of this Report has been prepared by adjusting the reviewed statement of financial position of TNT Mines as at 31 December 2016 to reflect the financial effects of the following subsequent events which have occurred in the period 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; and
- (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 of the Company 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.

### **Directors' Responsibility**

The directors of TNT Mines are responsible for the preparation of the historical financial information and pro forma historical financial information, including the selection and determination of pro forma adjustments made to the historical financial information and included in the pro forma historical financial information. This includes responsibility for such internal controls as the directors determine are necessary to enable the preparation of historical financial information and pro forma historical financial information that are free from material misstatement, whether due to fraud or error.

### **Our Responsibility**

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

A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or review report on any financial information used as a source of the financial information.

## **Historical Financial Information**

### **TNT Mines Historical Financial Information**

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the historical financial information, as described in Section 6 of this Report, and comprising:

- 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.

are not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 6 of this Report.

## **Pro Forma Historical Financial Information**

### **Conclusion – Pro Forma Historical Financial Information**

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the pro forma historical financial information comprising the Statement of Financial Position as at 31 December 2016 is not presented fairly in all material respects, in accordance with the stated basis of preparation as described in Section 6 of this Report.

## **Restriction on Use**

Without further modifying our conclusions, we draw attention to Section 6 of this Report, which describes the purpose of the financial information, being for inclusion in the document. As a result, the financial information may not be suitable for use for another purpose.

## **Consent**

Bentleys has consented to the inclusion of this Independent Limited Assurance Report in this disclosure document in the form and context in which it is so included (and at the date hereof, this consent has not been withdrawn), but has not authorised the issue of the disclosure document. Accordingly, Bentleys makes no representation or warranties as to the completeness and accuracy of any information contained in this disclosure document, and takes no responsibility for, any other documents or material or statements in, or omissions from, this disclosure document.

## **Liability**

The Liability of Bentleys Audit & Corporate (WA) Pty Ltd is limited to the inclusion of this report in the document. Bentleys Audit & Corporate (WA) Pty Ltd makes no representation regarding, and takes no responsibility for any other statements, or material in, or omissions from the document.

**Declaration of Interest**

Bentleys Audit & Corporate (WA) Pty Ltd does not have any interest in the outcome of this transaction or any other interest that could reasonably be regarded as being capable of affecting its ability to give an unbiased conclusion in this matter. Bentleys Audit & Corporate (WA) Pty Ltd will receive normal professional fees for the preparation of the report.

Yours faithfully



**MARK DELAURENTIS CA**  
**Director**

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8. TENEMENT TITLE REPORT



26 June 2017

The Directors

TNT Mines Limited

Suite 50,14 Narabang Way

Belrose NSW 2085

Dear Sirs,

## **TNT Mines Limited - TENEMENT REPORT**

This report (Report) has been prepared for inclusion in a prospectus to be issued by TNT Mines Limited (TNT Mines).

### **1.1 Scope**

We have been requested to report on the tenure status of TNT Mines mineral exploration tenements located in Tasmania, Australia.

Details of the tenements are set out in Schedule 1 of this report and must be read in conjunction with this Report.

### **1.2 Opinion**

As a result of:

- a) our review of material provided by TNT Mines, and
- b) our searches and enquiries

And subject to the assumptions, qualifications and exceptions set out in this Report we are of the opinion that:

- a) the information included in this Report is an accurate statement as to the status of the Tenements and the details of the registered holders as at 26 June 2017;
- b) the tenements are in good standing and all applicable rents due under the *Mineral Resources Development Act 1995 (Tas)* (**Mining Act**) in respect of the tenements have been paid, and
- c) The tenement type is appropriate for the activities and commodities contemplated in the Prospectus.

### **1.3 Limitations**

The Opinion set out in Section 1.2 is limited by the following:

- a) This is not legal advice. Mining One is not licenced to provide legal advice.
- b) The Report is not comprehensive and only covers matters of good tenure covered by the Mining Act.

- c) Native Title, Aboriginal Heritage, private agreements, caveats, liens and other limitations to tenure are not covered by this Report.

#### **1.4 Conclusion**

Mining One has prepared this Report for the purposes of the Prospectus only, and for the benefit of the Company and directors in connection with the Prospectus.

We consider that the information contained within this Report provides an accurate statement as to the level of enquiry undertaken by Mining One and the status of the Tenements under the Mining Act as at 26 June, 2017

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Michael', with a stylized flourish below it.

Michael Conan-Davies

**Mining One Consultants**

## SCHEDULE 1

### TNT Mines Limited Tenement Schedule 2017

*Updated – 26 June 2017*

Tenement	Project	Registered Holder	Lodged	Grant	Expiry	Area (km <sup>2</sup> )	Annual commitment \$	Rent Paid	Annual Rent \$
<b>EL27/2004</b>	<b>Aberfoyle Storeys Ck and Royal George</b>	<i>TNT Mines Limited</i>		27/11/04	26/11/17	97	200,000	24/11/16	6,177.27
<b>RL2/2009</b>	<b>Great Pyramid</b>	<i>TNT Mines Limited</i>	28/01/09	03/08/06	01/08/17	4	175,000	08/08/16	11,849.36
					<b>Total</b>	<b>103</b>	<b>\$375,000</b>		<b>18,026.63</b>

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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.

---

## 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 (**Nuiminco**) 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 Avenira 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 (CHESS) and Issuer Sponsorship**

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

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 CHESS 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.