REPLACEMENT PROSPECTUS
ENTITLEMENT ISSUE OF OPTIONS

MRG Metals Limited
ACN 148 938 532

For a non-renounceable entitlement issue of 2 Options (exercisable at $0.15 expiring 31 August 2020) for every 3 Shares held by those Eligible Shareholders registered at the Record Date at an issue price of $0.01 per Option to raise up to approximately $904,081.

IMPORTANT INFORMATION

This is a Replacement Prospectus dated 20 August 2015 which replaces in its entirety the prospectus dated 17 August 2015 in relation to the entitlement issue for Options. This Replacement Prospectus is a transaction-specific prospectus issued in accordance with section 713 of the *Corporations Act 2001* (Cth).

The Replacement Prospectus should be read in its entirety. If after reading this Replacement Prospectus, you have any questions about the Offer or this Replacement Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Options offered by this Replacement Prospectus should be considered as speculative.

Legal advisers

gadens

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This is a Replacement Prospectus dated 20 August 2015 which replaces in its entirety the prospectus dated 17 August 2015 in relation to the entitlement issue for Options.

1. Corporate directory

Directors

Andrew Van Der Zwan
Chairman & Non-Executive Director

Keith Stuart Weston
Managing Director & Chief Executive Officer

Christopher Jordan Gregory
Non-Executive Director

Shane Gordon Turner
Non-Executive Director

Registered Office

C/- RSM
12 Anderson Street West
BALLARAT VIC 3350

Telephone: +61 3 5330 5800
Facsimile: +61 3 5333 1667
Website: www.mrgmetals.com.au

Company Secretary

Shane Gordon Turner

Underwriter

Tempo Capital Pty Ltd
Suite 2, Level 1
230 Balaclava Road
CAULFIELD NORTH VIC 3161

Share Registry

Link Market Services Limited
1A Homebush Bay Drive
RHODES NSW 2138

Telephone: 1300 554 474

Legal adviser

Gadens
Level 25, Bourke Place
600 Bourke Street
MELBOURNE VIC 3000

2. Indicative Key Dates

ACTION	Date
Lodgement of Original Prospectus with ASIC	17 August 2015
Lodgement of Prospectus and Appendix 3B with ASX	17 August 2015
Lodgement of Replacement prospectus with ASIC	20 August 2015
Notice sent to Shareholders	20 August 2015
Ex Date	21 August 2015
Record Date for determining Entitlements	25 August 2015
Prospectus despatched to Eligible Shareholders and Company announces despatch has been completed	28 August 2015
Closing Date*	10 September 2015
Securities quoted on a deferred settlement basis	11 September 2015
ASX notified of under subscriptions	15 September 2015
Issue date	17 September 2015

*The above timetable is indicative only and subject to change. Subject to the ASX Listing Rules, the Directors reserve the right to vary these dates, including the Closing Date, without prior notice. The Directors may extend the period of the Offer or bring forward the Closing Date at their discretion. Any change to the Closing Date will have a consequential effect on other dates.

3. Chairman's Letter

Dear Shareholders,

On behalf of the Board, I am pleased to invite you to participate in this non-renounceable entitlement issue of two Options for every three Shares held in the Company. Your Entitlement will provide you with the opportunity to increase your exposure to the upside of the Company moving forward.

The Company has a sophisticated technology-driven exploration strategy. The Company's objective is to maximise Shareholder returns through a calculated and quantitative approach to exploration. While the small resources market continues to be difficult, we are confident that this approach to exploration positions the Company well throughout the commodity and macroeconomic cycle.

Central to this approach is the Company's strategic relationship with Sasak Minerals Pty Ltd (**Sasak**), which provides the Company with access to Sasak's technology. The Company believes that Sasak's technology creates a game-changing method for area and target generation, comprising a comprehensive database of over 10TB of geochemical, geological, metallogenic and geophysical data. Predictive modelling is then applied to this data using statistical techniques based on significant exploration experience to identify unexplored anomalies. The Company considers that this approach increases exploration success while minimising costs.

Our exploration portfolio has been optimised using Sasak-powered exploration targets. Our current priority targets include the recently acquired Queensland IOCG tenements, and the Xanadu and Loongana targets located in Western Australia. Initial drilling has been completed in recent months at priority targets at Xanadu and Loongana.

Drilling at Xanadu, where a series of shallow, high grade gold drill targets next door to Northern Star's 1Moz Mt Olympus mine have been identified, has confirmed the prospectivity of the Cleopatra and Pertinax targets. In particular, the first holes at Pertinax indicate the presence of significant mineralisation.

The Company's IOCG ground holding is in the Mt Isa province and comprises 3 granted licenses and 4 tenement applications. They cover high potential targets on open ground, within the prospective Mt Isa Block and lie under shallow cover, close to favourable structural positions near existing mines. MRG was recently awarded $75,000 for deep drilling on the Davenport Downs licence, as part of the Queensland Government's Collaborative Drilling Initiative Scheme.

The Loongana prospect has one of the strongest gravity residuals in Australia and is surrounded by Fortescue Metals tenements. A deep 'proof of concept' hole was completed at Loongana seeking a platinum-group-elements reef style target. Costs up to $108,000 – 50% of the drilling cost – will be covered by the West Australia Government's Exploration Incentive Scheme. Further work is expected to be carried out at Loongana in due course.

MRG undertakes rigorous prioritisation within its portfolio in deciding where to invest exploration funding. Based on current exploration results, the funds raised from the Offer will be applied to further drilling at Xanadu and Mt Isa geophysics with IOCG drilling.

The Offer gives Eligible Shareholders the opportunity to invest in Options in MRG Metals. The Offer is a non-renounceable entitlement issue of 2 Options for every 3 Shares held at the Record Date at an issue price of $0.01 per New Option to raise up to approximately $904,081. The options are exercisable at $0.15 and expire on 31 August 2020.

Options offer significant value to investors, particularly in smaller resource companies where exploration success leads to high price volatility. Using a standard Black Scholes valuation method, the Options are conservatively assessed as having a theoretical value well in excess of the offer price of $0.01, noting that, the value achieved for the Options will ultimately depend on future Share price performance.

The Company will apply to the ASX for the Official Quotation of the Options, allowing them to be traded during their term.

All Directors of the Company who own Shares have indicated that they will be taking up their full Entitlement. The Company has also received indications from key Shareholder, Ottawa Resources Pty Ltd, that it intends to take up its full Entitlement.

Entitlements to Options can be accepted in full or in part by completing and returning the Entitlement and Acceptance Form which accompanies this Prospectus together with your cheque or bank draft for the total amount payable or by making payment of Acceptance Monies by BPAY in accordance with the instructions set out in the Offer documents and on the Entitlement and Acceptance Form.

Eligible Shareholders who accepted their Entitlement in full can also apply for Additional Options in excess of their Entitlement, subject to the discretion of the Board with regards to the scale back and allocation of any Additional Options applied for in excess of Entitlements. Long term holders of Shares and options issued prior to the Prospectus may be given some preference in the allocation of Additional Options.

Application Monies for the Options (and any Additional Options) must be received by the Company at its Share Registry by the Closing Date. Please refer to the timetable in this Prospectus for the important dates of the Offer.

The Offer is partially underwritten by Tempo Capital Pty Ltd for up to $704,080.77 less the value of the Options subscribed for under the Offer by the Key Shareholders. The Company will work to place any Shortfall that remains after completion of the underwriting. The Offer is non-renounceable and therefore your Entitlement is not tradable on the ASX or otherwise transferable.

Tempo Capital Pty Ltd is a specialised private investment fund which focuses primarily on investing in the small and mid cap companies on the ASX. The Board is delighted with the strong support for the Company and its future operations that this underwriting represents.

Potential investors should be aware that subscribing for Options involves a number of risks. The key risk factors of which investors should be aware are set out in section 8 of this Prospectus. Investors should carefully consider the risk factors that affect the Company specifically and the resources, mining and exploration industry in which it operates. Investors should note that mineral exploration is a high risk endeavour.

On behalf of the Board, I would like to thank you for your continued support and invite you to seriously consider this compelling investment opportunity.

Yours Sincerely,



Andrew Van Der Zwan
Non-Executive Chairman
MRG Metals Limited

4. Important Information

This Replacement Prospectus replaces a prospectus dated and lodged with ASIC on 17 August 2015 (**Original Prospectus**). For the purposes of this document, this Replacement Prospectus will be referred to as either this **Replacement Prospectus** or this **Prospectus**. This Replacement Prospectus has been issued to, amongst other matters:

(a) update section 5.4 and include a new section 9.1 of the Prospectus to set out the details of the Underwriting Agreement between the Underwriter and the Company, under which the Underwriter has agreed to partially underwrite the Offer;

(b) update the indicative Timetable; and

(c) update the expenses of the Offer.

This Prospectus is dated 20 August 2015 and was lodged with ASIC on that date. Neither ASIC nor ASX, nor any of their respective officers, take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No applications for Options will be accepted nor will any Options be issued on the basis of this Prospectus later than 13 months after the date of the Original 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 contained in this Prospectus may not be relied on as having been authorised by the Company in connection with this Prospectus. Neither the Company nor any other person warrants the future performance of the Company or any return on any investment made under this Prospectus except as required by law and then only to the extent required by law.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Options should be considered highly speculative and Investors should refer to the risk factors affecting the Company set out in sections 4.2 and 8 of this Prospectus.

Applications for Options offered under this Prospectus can only be submitted on an original Entitlement and Acceptance Form or Shortfall Application Form.

This Prospectus is a transaction-specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as a prospectus that is required to satisfy the general disclosure test under section 710 of the Corporations Act. In making representations in this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers with whom potential investors may consult.

The Company will apply to the ASX for quotation of the Options offered under this Prospectus. If quotation is granted, the Options offered under this Prospectus will be able to be traded on the ASX. If you wish to trade the Options through that market, you will have to make arrangements for a participant in that market to sell the Options on your behalf.

4.2 Risk factors

Potential investors should be aware that subscribing for Options in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in section 8 of this Prospectus. Investors should carefully consider the risk factors that affect the Company specifically and the resources, mining and exploration industry in which it operates. Investors should note that mineral exploration is a high risk endeavour.

These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Options in the future and even if the Company makes a commercial discovery, investors may lose the entire value of their investment. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Options pursuant to this Prospectus.

4.3 Suitability of investment

This Prospectus provides information to help Eligible Shareholders decide whether they wish to further invest in the Company. Before deciding to invest in the Company, potential investors should read the entire Prospectus and in particular the technical information and risk factors that could affect the future operations and activities of the Company. The Offer contained in this Prospectus does not take into account the investment objectives, financial situation and particular needs of the investor. Please read the Entitlement and Acceptance Form carefully. Professional advice should be sought before deciding to invest in any securities the subject of this Prospectus.

4.4 Offer is only made in Australia and New Zealand

This Offer 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. In particular, the Offer (and any Shortfall Offer) is only being made in Australia and New Zealand.

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. In particular, this Prospectus may not be distributed in the United States or any other country except Australia and New Zealand.

The Offer to New Zealand investors is made pursuant to the *New Zealand Securities Act (Overseas Companies) Exemption Notice 2013*. Pursuant to this Act, the only members of the public to whom the Options are offered in New Zealand under the Offer are those who, at the time of the offer, are holders of Shares in the Company.

As the ASX does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the securities and trading may differ from securities markets that operate in New Zealand.

The Prospectus has been prepared to conform to the securities laws in Australia.

4.5 Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management of the Company.

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

We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in section 8 of this Prospectus.

4.6 Electronic prospectus

Pursuant to Class Order 00/44, the ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

A copy of this Prospectus can be downloaded from the Company's website at www.mrgmetals.com.au. The information of the Company's website does not form part of this Prospectus. Additional copies of the Prospectus are available at the registered office of the Company.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Entitlement and Acceptance Forms. If you have not, please phone the Company on +61 3 5330 5800 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at www.mrgmetals.com.au.

The Company reserves the right not to accept an Entitlement and Acceptance Form from a person if it has reason to believe that, when that person was given access to the electronic Entitlement and Acceptance 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.

4.7 Defined terms and abbreviations

Terms and abbreviations used in this Prospectus are defined in section 11 of this Prospectus. All financial amounts shown in this Prospectus are expressed in Australian dollars unless otherwise stated.

5. Details of the Offer

5.1 Purpose of the Offer

The purpose of this Offer is to:

(a) raise funds to carry out further drilling at Xanadu and commence geophysical testing and drilling on Queensland IOCG targets; and

(b) recognise Shareholders' ongoing support of the Company.

5.2 Entitlement and amount to be raised

The Company is making a pro-rata non-renounceable entitlement issue of 2 Options for every 3 Shares held by Eligible Shareholders registered as at the Record Date at an issue price of $0.01 per Option. Options are exercisable at $0.15 and expire on 31 August 2020.

Based on the capital structure of the Company as at the date of this Prospectus, a maximum of 90,408,077 Options will be issued pursuant to this Offer to raise up to approximately $904,081.

All Options will be issued on the terms and conditions set out in section 7.1 of this Prospectus.

All Shares issued upon the future exercise of the Options will rank equally with the Shares on issue as at the date of this Prospectus. Please refer to section 7.2 of this Prospectus for further information regarding the rights and liabilities attaching to the Shares.

The intended use of funds raised is set out in section 6.1 of this Prospectus.

5.3 Minimum subscription

There is no minimum subscription in respect of the Offer.

5.4 Underwriting

The Company has entered into an agreement with Tempo Capital Pty Ltd (**Underwriter**) under which the Underwriter has agreed to partially underwrite Options (**Underwriting Agreement**). Under the Underwriting Agreement, the Underwriter is required to underwrite Options up to the value of $704,080.77 less the value of the Options and Additional Options applied for under this Prospectus by the Key Shareholders (**Underwritten Amount**).

In accordance with the Underwriting Agreement, the Underwriter has an obligation to subscribe for, or procure the subscription for, Options by completing and lodging, or procuring other persons to complete and lodge, with the Company applications for the Options of up to the value of the Underwritten Amount. Any Options issued pursuant to the Underwriting Agreement will have the same rights as Options issued under the Offer.

The Underwriter may, after the date of this Prospectus, enter into sub-underwriter arrangements in relation to the Options with any other person.

Further information on the terms of the Underwriting Agreement are set out in section 9.1.

5.5 Issue price

The issue price is $0.01 for each Option payable in full in Australian currency on the acceptance of the Offer by cheque, bank draft or via BPAY® on the individual entitlement form.

Your completed Entitlement and Acceptance Form must reach the Share Registry and your payment must be received by the Company by no later than 5.00 pm AEST on the Closing Date.

5.6 Acceptance

Acceptance of the Offer must be made by submitting the Entitlement and Acceptance Form accompanying this Prospectus. The number of Options to which you are entitled is shown in the Entitlement and Acceptance Form which accompanies this Prospectus.

In determining Entitlements, any fractional entitlement will be rounded up to the nearest whole number.

You may participate in the Offer as follows:

(a) take up your Entitlement in full and, if you do so, you may also apply for Additional Options (refer to section 5.7 of this Prospectus);

Complete the Entitlement and Acceptance Form which accompanies this Prospectus by inserting the number of Options for which you wish to accept the Offer under this Prospectus plus the number of Additional Options (being more than your Entitlement as specified on the Entitlement and Acceptance Form).

(b) take up your Entitlement in full without applying for Additional Options;

Complete the Entitlement and Acceptance Form which accompanies this Prospectus in accordance with the instructions set out on that form.

(c) take up part, but not all of your Entitlement;

Complete the Entitlement and Acceptance Form which accompanies this Prospectus by inserting the number of Options for which you wish to accept in the Offer under this Prospectus (being less than your Entitlement as specified on the Entitlement and Acceptance Form).

To participate in the Offer, the Entitlement and Acceptance Form must be completed in accordance with the instructions on its reverse side.

If you do not wish to accept your Entitlement, you are not obligated to do anything in response to the Offer.

All Entitlement and Acceptance Forms and Application Monies must be received by the Closing Date, at the Share Registry at the following address:

Link Market Services Limited
MRG Metals Ltd C/- Link Market Services Limited, Locked Bag A14, Sydney South, NSW 1235

or delivered to:

Link Market Services Limited
MRG Metals Ltd C/- Link Market Services Limited, 1A Homebush Bay Drive, Rhodes, NSW 2138

An Eligible Shareholder may pay the Application Monies by cheque, bank draft or via BPAY®. All cheques must be in Australian currency and made payable to "MRG Metals Limited – Share Account" and crossed "Not Negotiable".

Access to a copy of the Prospectus and the Entitlement and Acceptance Form is available on the Company's website: www.mrgmetals.com.au

5.7 Additional Options

Eligible Shareholders who have subscribed for their Entitlement in full may apply for Additional Options in addition to their Entitlement. Please refer to section 5.6(a) of this Prospectus for further information as to how to apply for Additional Options above your Entitlement.

It is possible that there will be few or no Additional Options available, depending on the level of acceptance of Entitlements by Eligible Shareholders. There is therefore no guarantee that in the event that Additional Options are available for issue, they will be allocated to all or any of the Eligible Shareholders who have applied for them.

In the event all Entitlements are not taken up, the Directors reserve the right, subject to the Corporations Act and the ASX Listing Rules, to allocate any Additional Options at their absolute discretion. The Company may issue to an Applicant a lesser number of Additional Options or not proceed with the issuing of all or part of the Additional Options. If the number of Additional Options is less that the number applied for, surplus Application Monies will be refunded without interest.

5.8 Shortfall

Any Entitlement and Additional Options not taken under the Offer will form part of the Shortfall. The Shortfall Offer is a separate offer under this Prospectus and will remain open for 3 months after the Closing Date.

The Directors reserve the right, within 3 months of the Closing Date, subject to the Corporations Act and the ASX Listing Rules, to place the Shortfall at their absolute discretion. Shortfall Options issued pursuant to the Shortfall Offer will be issued at the Issue Price or higher.

A person who wishes to subscribe for Shortfall Options under the Shortfall Offer may complete the Shortfall Application Form.

5.9 Effect on control of the Company

The issue of the Options under the Offer will have no immediate effect on the control of the Company. However, Shareholders should note that if they do not participate in the Offer, and all of the Options are subsequently exercised, their holdings, upon the issue of the underlying Shares, could be diluted by approximately 40% (as compared to their holdings and using the number of Shares on issue as at the date of the Prospectus). Examples of how the dilution may impact Shareholders are set out in the table below:

Holder	Holding as at Record date	% at Record Date	Entitlements under the Offer	Holdings if Offer not taken up	% post Offer and exercise of the Options if Offer not taken up
Shareholder 1	18,500,000	13.6%	12,333,333	18,500,000	8.2%
Shareholder 2	4,000,000	2.9%	2,666,666	4,000,000	1.8%
Shareholder 3	800,000	0.6%	533,333	800,000	0.4%

Notes:

1. The table assumes that the Offer, and any Shortfall, is fully subscribed, and all issued Options are exercised.

2. The table assumes that the Company's existing 44,007,993 listed options which are exercisable at $0.25 on or before 21 September 2016 are not exercised.

3. The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted are placed under via Additional Options or through the issue of Shortfall Options. In the event all Entitlements are not accepted and some or all of the resulting Shortfall is not

subsequently placed, the dilutionary impact for each Shareholder not accepting their Entitlement would be a lesser percentage.

Even if Shareholders participate in the Offer, but Additional Options or Shortfall Options are placed with other Shareholders who take up their Entitlements in full, the proportional holdings of those other Shareholders may increase, upon the issue of the underlying Shares. These circumstances may result in the Key Shareholders increasing their shareholdings in the Company following the exercise of the Options. Examples of how the proportional holdings of Key Shareholders may increase are set out in the table below:

Holder	Holding as at Record Date	% as at Record Date	Entitlements under the Offer	Additional Options/ Shortfall Options	% post Offer and exercise of the Options
Ottawa Resources Pty Ltd	18,935,398	14.0%	12,623,599	10,664,136	18.7%
Andrew Van Der Zwan	2,375,000	1.8%	1,583,333	1,337,565	2.3%
Keith Stuart Weston	100,000	0.1%	66,667	56,319	0.1%
Christopher Jordan Gregory	12,449,000	9.2%	8,299,333	7,011,092	12.3%
Shane Gordon Turner	1,652,900	1.2%	1,101,933	930,889	1.6%

Notes:

The table makes the following assumptions:

1. All Key Shareholders take up their Entitlements in full.

2. Not all Entitlements are not taken in full and there are 20,000,000 Options remaining after the Underwriter has subscribed for, or procured subscription for, the Underwritten Amount.

3. None of the Key Shareholders subscribe for Options forming part of the Underwritten Amount.

4. Each Key Shareholder receives a placement of Additional Options and Shortfall Options in the proportion of the Shares held by that Shareholder as at the Record Date expressed as a percentage of the total number of Shares held by all Key Shareholders at that time.

If not all Shareholders take up their Entitlements and the Underwriter subscribes for Options in respect of the Underwritten Amount (rather than procuring that non-associated third parties subscribe for those Options), then the Underwriter may acquire an interest in Shares, upon the exercise of the Options. Under section 606 of the Corporations Act, the Underwriter would not be able to exercise any Options to the extent that the exercise of the Options (and consequent issue of underlying Shares) resulted in the Underwriter and its associates increasing their voting power in the Company to more than 20%, unless an exception applies. Please see section 8.4(d) of this Prospectus for more detail about the implications of Chapter 6 of the Corporations Act on the exercise of Options.

5.10 ASX listing

Application for Official Quotation of the Options offered pursuant to this Prospectus will be made in accordance with the timetable set out at the commencement of this Prospectus. If ASX does not grant Official Quotation of the Options offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus (or such period as may be varied by ASIC), the Company will not issue any Options and will repay all Application Monies (without interest) within the time prescribed under the Corporations Act.

The fact that ASX may grant Official Quotation to the Options is not to be taken in any way as an indication of the merits of the Offer or an interest in the Company.

5.11 Allotment

Options issued pursuant to the Offer will be allotted in accordance with the ASX Listing Rules and timetable set out in section 2 of this Prospectus.

Additional Options issued will be allotted on a progressive basis. Where the number of Options issues is less than the number applied for, or where no allotment is made, surplus

Application Monies will be refunded (without interest) as soon as practicable after the closing date of the Offer.

Pending the allotment and issue of the Options or payment of refunds under this Prospectus, all Application Monies will be held by the Company in trust for the Investor 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 Investor waives the right to claim interest.

Holding statements for Options issued under the Offer and the Additional Options will be mailed in accordance with the ASX Listing Rules and the timetable set out in section 2 of this Prospectus.

No Options will be allotted and issued on the basis of this Prospectus later than 13 months after the date of the Original Prospectus.

5.12 Overseas Shareholders

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Options these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Options will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

The Offer is being made in New Zealand pursuant to the *Securities Act (Overseas Companies) Exemption Notice 2013*.

Shareholders resident in Australia or New Zealand holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up an Entitlement under the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

5.13 Enquiries

Any questions concerning the Offer should be directed to Shane Turner, Non-Executive Director and Company Secretary on (03) 5330 5800.

6. Use and effect of the Offer

6.1 Use of funds raised

The Offer will raise up to approximately $904,081.

The funds raised from the Offer are planned to be used in accordance with the table set out below (assuming the Offer is fully subscribed):

Proceeds of the Offer	**$904,081**
Use of funds	
Xanadu follow-up drilling	$200,000
Queensland IOCG targets	
a) *Geophysics (detailed geophysical and/or geochemical surveying over one or more of Davenport Downs, Pulchera and Squirrel Hill)*	$150,000
b) *Drilling (initial drill testing of one or more of Davenport Downs, Pulchera and Squirrel Hill)*	$250,000
Working capital and expenses of the offer	$304,081
Total	**$904,081**

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

6.2 Effect of the Offer

The principal effect of the Offer will be to:

(a) increase the cash reserves and issued capital by up to approximately $904,081 immediately after completion of the Offer prior to deducting the estimated expenses of the Offer; and

(b) increase the total number of Options on issue from 44,007,993 to up to 134,416,070 following completion of the Offer. However, the 44,007,993 listed options currently issued by the Company have different terms to the Options, including expiry date and issue price.

Please see section 6.4 of this Prospectus for further details.

6.3 Pro-forma balance sheet

The unaudited balance sheet as at 30 June 2015 and the unaudited pro-forma balance sheet as at 30 June 2015 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming all Options offered under the Prospectus are issued.

The pro-forma balance sheet has been prepared in order to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company after completion of the Offer. The historical and pro-forma financial information is presented in an abbreviated form and does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	(Unaudited) 30 June 2015	Pro-forma (unaudited) 30 June 2015
	$	$
Current Assets		
Cash assets	410,139	1,242,891
Receivables	170,280	170,280
Total current assets	580,419	1,413,171
Net Current Assets		
Capitalised exploration costs	3,960,509	3,960,509
Other financial assets	75,000	75,000
Total non-current assets	4,035,509	4,035,509
Total assets	4,615,928	5,448,680
Current Liabilities		
Trade payables	448,084	448,084
Total current liabilities	498,084	498,084
Total liabilities	498,084	498,084
Net assets	4,117,844	4,950,596
Equity		
Issued capital	15,938,494	15,938,494
Option reserve	426,042	1,258,794
Accumulated losses	(12,246,692)	(12,246,692)
Total equity	4,117,844	4,950,596

Notes:

1. The Company has identified potential stamp duty implications associated with the acquisition of MRG Metals (Exploration) Pty Ltd (formerly Sasak Resources Pty Ltd). The Company has made a submission to the Western Australian Office of State Revenue to determine whether any stamp duty is payable on the acquisition of the tenements of MRG Metals (Exploration) Pty Ltd. The unaudited balance sheet and pro-forma balance sheet does not include that contingent liability. The Directors estimate that if the stamp duty is assessable, the Company's liability will be approximately $300,000.

6.4 Effect on capital structure

The effect of the Offer on the capital structure of the Company, assuming all Options offered under the Prospectus are issued, is set out below.

Shares	**Number**
Shares on issue as at date of Prospectus	135,612,115
Shares offered pursuant to the Offer	Nil
Total Shares on issue after completion of the Offer	**135,612,115**

Options	**Number**
Options on issue as at date of the Prospectus - $0.25 options expiring on 16 September 2016	44,007,993
Options offered pursuant to Offer - $0.15 options expiring on 31 August 2020	90,408,077
Total options on issue after completion of the Offer	**134,416,070**

6.5 Details of substantial holders

Based on publicly available information as at the close of trading on 7 August 2015, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	**Shares**	**%**
Ottawa Resources Pty Ltd	18,935,398	13.96%
Jolanza Pty Ltd	12,449,900	9.18%
El Gaia Holdings Pty Ltd	12,249,900	9.03%
Lograr Investments Pty Ltd	12,249,900	9.03%

The Offer will have no effect on the quantity of Shares held by these substantial Shareholders as only Options are being issued.

7. Rights and liabilities attaching to securities

7.1 Rights attaching to Options

The Options entitle the holder to subscribe for Shares on the following terms and conditions:

(a) Each Option gives the Optionholder the right to subscribe for one Share.

(b) Each Option is exercisable at $0.15.

(c) Each Option will expire on the Expiry Date (being 31 August 2020).

(d) Each Option may be exercised at any time before the Expiry Date by notice in writing to the Company (**Exercise Notice**) accompanied by payment of the applicable Exercise Price for each Option.

(e) Upon receipt of a valid Exercise Notice and applicable funds, the Company will issue the Shares within 10 Business Days.

(f) Subject to any escrow conditions, each Option will be freely transferable.

(g) The Company will apply for each Option to be quoted on the Official List.

(h) Any Shares issued upon the exercise of an Option will rank equally in all respects with all other Shares on issue at that time.

(i) The Company will apply for Official Quotation of all Shares issued upon the exercise of the Options within 10 Business Days after the date of allotment of those Shares.

(j) There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, if prior to the Expiry Date, the Company makes a new issue of Shares to the Shareholders the Company will send a notice to each Optionholder not less than 10 Business Days before the record date relevant to that issue. If an Optionholder exercise any Options before that record date, the Optionholder may participate in that issue.

(k) If, prior to the Expiry Date, the Company makes a bonus issue of Shares to Shareholders, then, upon the exercise of their Options, Optionholders would be entitled to have issued to them, in addition to Shares which would otherwise be issued to them upon the exercise of their Options, the Shares which would have been issued under that bonus issue (**Bonus Shares**) if, on the record date applicable to the Bonus Shares, they had been registered as the holder of the Shares to be issued to them upon exercise of the Options. Such Bonus Shares will be paid by the Company out of profits or reserves in the same manner as was applied in relation to the bonus issue and upon issue will rank equally in all respects with the Bonus Share.

(l) There is no right to vary the Issue Price, the Entitlement or Exercise Price for any Shareholder.

(m) If there is a reorganisation of the issued capital of the Company on or prior to the Expiry Date, the right of an Optionholder will be changed to the extent necessary to comply with the applicable ASX Listing Rules in force at the time of the reorganisation.

7.2 Rights Attaching to Shares

The following is a summary of the more significant rights attaching to the Shares (being the underlying securities). This summary is not exhaustive and does not constitute a definitive

statement of the rights and liabilities of Shareholders. If Investors require more detailed advice regarding the rights and liabilities of Shareholders, they 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**

Each Shareholder is entitled to receive notice of all general meetings of the Company and to receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution, the Corporations Act or the ASX Listing Rules.

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 Shares, at general meetings 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 will, in respect of each fully paid Share held by that Shareholder, or in respect of which that Shareholder is appointed a proxy, attorney or representative, have one vote for the Share, but in respect of partly paid Shares 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 Corporations Act, the Directors may from time to time declare such dividends as appear to the Directors to be justified by the profits of the Company.

Subject to the rights of persons entitled to securities with special rights as to dividends, all dividends are paid in the proportion that the amounts paid on those Shares bear to the issue price of the 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 the liquidator 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 security holders.

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) **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.

(f) **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 security holders or with the written consent of the majority of security holders in the affected class, vary or abrogate the rights attaching to the securities (including Shares).

(g) **Alteration of Constitution**

The Constitution can only be amended by a special resolution passed by at least 75% of Shareholders present (in person, by proxy, attorney or representative) and voting at the general meeting.

8. Risk factors

8.1 Introduction

The Options are considered highly speculative. An investment in the Company is not risk free.

There are specific risks which relate directly to the Company's activities. 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 Options and the underlying Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed and do not take into account the individual circumstances of Shareholders.

The Directors strongly recommend potential Investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and consult with their professional advisers before deciding whether to apply for Options under this Prospectus.

8.2 Company specific

(a) **Exploration risks**

Exploration is a process subject to a number of risks. It has an inherently high risk stage, with no guarantee of exploration success.

Success in exploration is dependent upon a number of factors including, but not limited to, prospective projects, systematic target generation and follow up, use of the latest technology, strong management and availability of exploration capital.

Exploration involves numerous specific risks:

(i) failure to delineate commercial ore reserves;

(ii) delays in the availability of drilling rigs and the delivery of equipment;

(iii) hiring rates for drill equipment;

(iv) failures or breakdown of equipment;

(v) industrial accidents;

(vi) unexpected drilling conditions;

(vii) availability of specialised personnel;

(viii) adverse weather conditions; and

(ix) permits, grants and maintenance of licences and permits.

8.3 Industry specific

(a) **Operational and technical risks**

The current and future operations of the Company, including exploration, appraisal and possible production activities, may be affected by a range of factors that are beyond the Company's control, these include:

(i) water shortages;

(ii) electrical and mechanical failures;

(iii) transportation capacity;

(iv) geological, geotechnical and seismic factors;

(v) industrial and mechanical accidents;

(vi) equipment and environmental hazards;

(vii) unscheduled shut downs or other process problems; and

(viii) adverse weather conditions.

(b) **Geological risks**

The estimation of mineral resources and ore resources is a complex process requiring input from many areas of specialisation and a high degree of interpretation of results obtained from exploration programs. Even by employing best industry practice to develop mineral resource estimate, the risks remains that when mining commences the actual geology and ore reserve estimates could vary from that which has previously been interpreted. Further, the risk exists that the actual geological conditions could adversely impact ongoing operations and, in extreme circumstances, result in the abandonment of a project, which could adversely affect the Company's operations.

(c) **Mineral resources and ore reserves are estimates only**

There is no certainty that the mineral resources, or any ore reserve, will be realised. Until a deposit is actually mined and processed, the quantity of mineral resources and ore reserves and grades must be considered estimates only. In addition, the value of mineral resources and any ore reserves will depend upon, among other things, commodity prices and currency exchange rates. Any material change in the quantity of mineral resources, or any ore reserves, or grade, may affect the economic viability of any future mines. Any material reductions in the estimates or mineral resources or ore reserves, or our ability to extract any ore, could have a material adverse effect on the Company's operational results and financial condition.

Mineral resource estimates are expressions of judgments based knowledge, experience and industry practice. Often estimates are appropriate when made, but may change significantly when the new information becomes available. There are risks associates with such estimates. Mineral resource estimates are necessarily imprecise and depend to some extent upon interpretations, which may prove to be inaccurate and require adjustment. Adjustments to the Company's mineral resources could affect the Company's development, mining plans and financial position.

(d) **Commodity price volatility and foreign exchange risk**

In the event that the Company achieves exploration success leading to production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price risks.

Commodity prices fluctuate and are affected by numerous factors beyond the control of the Company. These factors include world demand for minerals, forward selling by producers, and production cost levels in major metal-producing regions.

Moreover, commodity prices are also affected by macroeconomic factors such as expectations regarding inflation, interest rates and global and regional demand for, and supply of, the commodity as well as general global economic conditions. These factors may have an adverse effect on the Company's exploration,

development and production activities, as well as on its ability to fund those activities.

Furthermore, international prices of various commodities are denominated in United States Dollars whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States Dollar and the Australian Dollar as determined in international markets.

(e) **Tenement title**

Although the Company will endeavour to maintain solid tenement management, the conditions attaching to tenement licences may change, or the Company may not be able to comply with some or all of the conditions associated with Tenement licences. There is a material risk that the Company may not be able to acquire, or may lose title to Tenements.

(f) **Native title**

The Native Title Act recognises and protects the rights and interests in Australia of Aboriginal and Torres Strait Islander people in land and waters, according to their traditional laws and customs.

If native title rights exist over the land the subject of the Tenements, the ability of the Company to gain access to the Tenements (through obtaining consent of any relevant native title holder) or to progress from the exploration phase to the development and mining phases of operations, may be adversely affected.

Further, it is possible that an Indigenous Land Use Agreement (**ILUA**) may be registered against one or more of the Tenements in which the Company has an interest. The terms and conditions of any such ILUA may be unfavourable for, or restrictive against, the Company.

The Company must also comply with Aboriginal heritage legislation requirements which require heritage survey work to be undertaken ahead of the commencement of mining operations.

(g) **Environmental risks**

The Company's operations are subject to environmental regulation in all of the jurisdictions in which it operates. Such legislation covers a wide array of matters, including waste disposal, protection of the environment, work safety, mine development, land and water use and the protection of endangered and protected species among others. Existing and possible future environmental legislation, regulations and actions could cause the Company to incur additional expenses, restrictions and delays in our activities, the extent of which cannot be predicted.

Although the Company undertakes precautions to minimise environmental risks, the Company's operations are subject to hazards which may result in environmental pollution and consequent liability which could have a material adverse impact on the Company's business, operations and financial performance. Damages occurring as a result of such risks may give rise to claims against the Company which may not be covered, in whole or part, by any insurances taken out. In addition, the occurrence of any of these incidents could result in our current or future operational target dates being delayed or interrupted and result in increased capital expenditure.

The costs and complexity of complying with environmental laws and regulations may have a material adverse impact of the operations and financial performance of the Company.

8.4 General risks

(a) Economic risks and market conditions

Factors, such as, but not limited to, world economic conditions, political instability, stock market trends, interest rates, exchange rates, inflation levels, commodity prices, industrial disruption, environmental impacts, international competition, taxation changes and legislative or regulatory changes may all have an adverse impact on our revenues, operating costs, profit margins and Share price. These factors are beyond the control of the Company and the Company cannot predict how they will impact its business.

(b) Additional requirements for capital

Further funds will be required for the Company to complete is current programs and achieve its current objectives. Until the Company develops or acquires an income producing asset, it will be dependent on its cash resources, any funds derived from the exercise of the Options, and the ability of the Company to obtain future equity or debt funding to support exploration.

The Company's ability to raise further equity or debt funding, or to divest part of its interest in a project, and the terms of such transaction will vary and be influenced by a number of factors, including the terms relating to the acquisition of a cash producing asset, securing the requisite permits, the results of mining studies, success of further exploration activities, stock market conditions and prices.

If it is established that a mining production operation is technically, environmentally and economically viable, we may require substantial additional financing to permit and establish mining operations and production facilities. No assurances can be given that the Company will be able to raise the additional financing required for such activities.

Any additional equity financing may be dilutive to Shareholdings and debt financing, if available, may involve restrictions on financing and operating activities. There are no assurances that additional financing will be available on terms acceptable to us, or at all.

If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programs.

(c) Reliance on key personnel

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. The loss of service of these persons may have a material, adverse, effect on the Company's business and prospects. There are no assurances that the Company will be able to retain the services of these persons.

(d) Implications of Chapter 6 of the Corporations Act

The holder of an Option may be prevented from exercising the Option in circumstances where to do so would contravene the takeovers prohibition in section 606 of the Corporations Act. Section 606 prohibits a person from acquiring a "relevant interest" (as defined in the Corporations Act) in issued voting shares in a listed company if, because of the transaction, that person's or someone else's voting power in the listed company increases from 20% or below to more than 20% or from a starting point that is above 20% and below 90%, unless an exception applies. There are various exceptions to the general prohibition. However, there is no guarantee that an exception would be available in the relevant circumstances and, even if an exception was potentially available, there is a risk that the exception could not be relied upon without significant cost or delay.

8.5 Speculative investment

The above list of risk factors are 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 Options offered under this Prospectus or the underlying Shares.

Therefore, the underlying Shares that may be issued as a result of the issue of the Options offered under 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 speculative and should consult their professional advisers before deciding whether to apply for Options pursuant to this Prospectus.

9. Additional information

9.1 Underwriting Agreement

Under the Underwriting Agreement, the Company must pay the Underwriter a fee of 5% of the Underwritten Amount. The fee may be paid by the Company to the Underwriter in cash or by the issue of Options, at the Company's election.

The obligations of the Underwriter under the Underwriting Agreement are conditional on each of the following occurring:

(a) the Underwriter approving, in its absolute discretion, the form of this Prospectus;

(b) lodgement of this Prospectus occurring on 20 August 2015; and

(c) the ASX granting permission for the quotation of the Options on the Official List on or before the Closing Date,

(collectively the **Conditions**).

If any of the Conditions are not satisfied, the Underwriter will have no obligation to subscribe for, or procure any other person to subscribe for Options.

The Underwriter may terminate the Underwriting Agreement, prior to Company providing notice to the Underwriter of the number of Shortfall Options after the Closing Date, if:

(a) the S&P/ASX Index as published by the ASX falls 10% or more below its level as at close of Business on the date of the Underwriting Agreement;

(b) the Company does not lodge the Prospectus on or prior to 20 August 2015 or the Company withdraws the Prospectus or the Offer;

(c) hostilities, political or civil unrest not presently existing commence (whether war has been declared or not) or a major escalation in existing hostilities, political or civil unrest occurs (whether war has been declared or not) involving any one or more of Australia, New Zealand, the United States of America, the United Kingdom, any member state of the European Union , Japan, Indonesia, North Korea or the Peoples Republic of China, or a terrorist act is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries anywhere in the world;

(d) there is:

(i) introduced into the Parliament of the Commonwealth of Australia or an Australian State or Territory a law intended to come into effect within 12 months; or

(ii) any official announcement on behalf of the Government of the Commonwealth of Australia or of the Government of an Australian State or Territory that a law will be introduced or policy adopted (as the case may be) with effect from the date of the announcement or within 3 months afterwards,

which has altered adversely or could reasonably be expected to alter adversely:

(iii) any condition or circumstances relating to the issue of the Options or the Prospectus existing at the time of execution of the Underwriting Agreement; or

(iv) the income tax position of the Company;

(e) the Company chooses to or comes under an obligation, (including in accordance with the Corporations Act), to issue a supplementary or replacement prospectus or to repay any moneys received by the Company from any applicant, and fails to do so;

(f) ASIC gives notice of intention to hold a hearing in relation to the Prospectus under section 739(2) of the Corporations Act or makes an order under sections 739(1), 739(3) or 739(4) of the Corporations Act;

(g) ASIC gives notice of intention to hold a hearing examination, inspection, investigation, or it requires information to be disclosed, in connection with the Company, the Prospectus or the issue of the Options;

(h) an order is made in connection with the Prospectus or the issue of the Options, including under sections 1324 and 1325 of the Corporations Act;

(i) any director or general manager of the Company is prosecuted for a criminal offence;

(j) there is an omission from, or a statement which is, or has become, false or misleading in the Prospectus and such omission or statement is or is likely to be materially adverse from the point of view of an investor;

(k) any person, other than the Underwriter, who has previously consented to being named in the Prospectus, withdraws that consent whether publicly or not;

(l) the Prospectus is withdrawn by the Company at any time prior to all the Options having been allotted;

(m) ASIC gives notice of an intention to prosecute the Company, any Director or employee of the Company (or any Related Party of the Company), unless it withdraws that intention in writing on or before the Closing Date; and

(n) ASX does not or indicates to the Company or the Underwriter that it will not permit official quotation of the Options.

The Underwriting Agreement also contains a number of indemnities, representations and warranties from the Company to the Underwriter that are considered common for an underwriting agreement of this type.

In addition to the termination rights of the Underwriter set out above, the Underwriter may terminate the Underwriting Agreement, if any of the following events occur and the event has a material adverse effect on the outcome of the Offer or could give rise to a liability of the Underwriter under the Corporations Act:

(a) the Company or any of its Related Parties fail to comply with:

  (i) a clause of the Constitution;

  (ii) a statute; or

  (iii) any policy or guidance of ASIC or any other requirement, order or request made by or on behalf of ASIC or any government agency;

(b) the Company or any of its Related Parties charges or agrees to charge the whole or a substantial part of its business or property to a third party;

(c) there is a delay in the date specified in the timetable set out in section 2 of more than 5 Business Days;

(d) the Company or any of its Related Parties:

(i) disposes or agree to dispose of the whole or a substantial part of their business or property;

(ii) ceases or threatens to cease carry on business,

in either case, without the prior written consent of the Underwriter; or

(e) if a new circumstance has arisen since the Prospectus was lodged and would have been required under Chapter 6D of the Corporations Act to be included in the Prospectus if it had arisen before the Prospectus was lodged and is, or is likely to be, materially adverse from the point of view of an investor.

9.2 Litigation

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

9.3 Continuous disclosure obligations

The Company is listed on the ASX and its Shares are quoted on the ASX under the code: MRQ.

The Company is a 'disclosing entity' (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act, which require it to disclose to ASX any information of which it is or becomes aware concerning the Company and which a reasonable person would expect to have a material effect on the price or value of the Company's securities.

This Prospectus is a transaction-specific prospectus. In general terms, a transaction-specific prospectus is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus that is required to satisfy the general disclosure test under section 710 of the Corporations Act. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

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

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

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

(a) it is subject to regular reporting and disclosure obligations;

(b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and

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

(i) the 2014 annual financial report most recently lodged by the Company with the ASIC on 30 September 2014;

(ii) the half-year financial report lodged by the Company with ASIC after the lodgement of the 2014 annual financial report on 16 March 2015; and

(iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the 2014 annual financial and before the lodgement of this Prospectus with the ASIC.

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

Details of documents lodged by the Company with ASX since the date of lodgement of the 2014 annual report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	**Description of Announcement/Document**
28/10/2014	Notice of Annual General Meeting
28/10/2014	Proxy Form
31/10/2014	Quarterly Activities and Cashflow Report
05/11/2014	Change of Registered Office Address
28/11/2014	AGM Presentation
28/11/2014	AGM Results
01/12/2014	Approval received for Research & Development Claim
04/12/2014	Escrow Release
30/01/2015	Quarterly Activities & Cashflow Report
16/03/2015	Half Yearly Report and Accounts
25/03/2015	Exploration Update – Loongana Drilling
01/04/2015	MRG extends relationship with Sasak Technology
07/04/2015	Change of Director's Interest Notice
08/04/2015	Change of Director's Interest Notice
09/04/2015	Acquisition of new IOCG Projects
14/04/2015	MRG Receives Research & Development Refund $613,373
23/04/2015	Research Article
30/04/2015	Quarterly Activities & Cashflow Report
05/05/2015	MRG extends relationship with Sasak Technology
08/05/2015	Company Update

Date	Description of Announcement/Document
12/06/2015	Release of Securities from Voluntary Escrow
09/07/2015	Exploration Update
31/07/2015	Quarterly Activities & Cashflow Report
06/08/2015	Xanadu Drilling Update
17/08/2015	Non-Renounceable Entitlement Issue of Options
17/08/2015	Appendix 3B
17/08/2015	Options Prospectus
19/08/2015	Entitlement Issue of Options Update
19/08/2015	Entitlement Issue of Options Timetable Update
20/08/2015	Underwriter Appointed for Entitlement Issue of Options
20/08/2015	Amendment to Appendix 3B

The announcements are also available on the ASX website.

9.4 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

Highest	$0.125	20/05/2015
Lowest	$0.080	18/06/2015
Last	$0.098	19/08/2015

9.5 Interests of Directors

The interests of the Directors hold either directly or through their controlled entities in the securities of the Company as at the date of this Prospectus are as follows:

Director	Shares	Options	Entitlement (Options)
Andrew Van Der Zwan	2,375,000	1,080,000	1,583,333
Keith Stuart Weston	100,000	Nil	66,667
Christopher Jordan Gregory	12,449,900	Nil	8,299,933
Shane Gordon Turner	1,652,900	735,000	1,101,933

The Board recommends all Eligible Shareholders take up their Entitlements and advises that all Directors intend to take up their respective Entitlements in full.

Remuneration of the Directors

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

The total maximum remuneration of non-executive Directors is determined 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 $350,000 per annum.

The annual remuneration (exclusive of superannuation) payable to each of the Directors in the post financial year and proposed annual remuneration for the current financial year is as follows:

Director	2014 Financial Year	2015 Year
Andrew Van Der Zwan	$57,250	$60,000
Keith Stuart Weston	$112,500	$102,243
Christopher Jordan Gregory	$107,478	$112,000
Shane Gordon Turner	$101,156	$100,000

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

9.6 Interests of experts and advisers

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

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

(b) promoter of the Company; or

(c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

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

(d) the formation or promotion of the Company;

(e) any property acquired or proposed to be acquired by the Company in connection with:

(i) its formation or promotion; or

(ii) the Offer; or

(f) 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:

(g) the formation or promotion of the Company; or

(h) the Offer.

Gadens has acted as the legal advisers to the Company in relation to the Offer and is entitled to be paid approximately $40,000 (exclusive of GST) in respect of these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Gadens has received fees from the Company for legal services charged at standard hourly rates.

Please see section 5.4 for details of the partial underwriting of the Offer.

9.7 Consents

The party 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 disclaims and takes 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.

Gadens has given its written consent to being named as the legal advisers to the Company in this Prospectus. Gadens has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

The Share Registry is included in this Prospectus for information purposes only. It has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus.

The Underwriter has given its written consent to being named as Underwriter to the Offer. The Underwriter has not withdrawn its consent prior to the lodgement of this Prospectus.

9.8 Expenses of the offer

In the event that all Entitlements are accepted, the total expenses of the Offer are estimated to be approximately $71,329 (excluding GST) and are expected to be applied towards the items set out in the table below:

	$
ASIC fees	2,320
ASX fees	4,643
Legal fees	40,000
Printing and distribution	1,000
Underwriter fee	23,366
Total	**71,329**

Notes:

1. The estimate of the Underwriter's fee assumes that the Key Shareholders subscribed for their Entitlements in full (but do not subscribed for any Additional Options) and that the Underwriter's fee is paid in cash.

9.9 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.

9.10 Clearing House Electronic Sub-Register System (CHESS) and Issuer Sponsorship

The Company currently operates an electronic issuer-sponsored register and an electronic CHESS sub-register. The two sub-registers together will comprise the Company's register of Options.

The Company will not issue option certificates. Investors who are allotted Options under this Prospectus will be provided with a transaction confirmation statement which sets out the number of Options allotted to the Investor. Investors who elect to hold Options on the issuer-sponsored sub-register will be provided with a holding statement (similar to a bank account statement) which sets out the number of Options allotted to the Shareholder under this Prospectus. For Investors who elect to hold their Options on the CHESS sub-register, the Company will issue an advice that sets out the number of the Options allotted to the Investor under this Prospectus. At the end of the month of allotment, CHESS, acting on behalf of the Company, will provide Optionholders with a holding statement that confirms the number of Options held and any transactions during that month.

A holding statement (whether issued by CHESS or the Company) will also provide details of the applicable Holder Identification Number in case of a holding on the CHESS sub-register or Reference Number in case of a holding on the issuer-sponsored sub-register. Following distribution of these initial holding statements, a holding statement will also be provided to each Optionholder at the end of any subsequent month during which the balance of that Optionholder's holding of Option changes.

An Optionholder may request a holding statement at any other time. However, a charge may be imposed by the Share Registry for additional statements.

9.11 Privacy Act

If you complete an application for Options, you will be providing personal information to the Company (directly or by the Share Registry). The Company collects, holds and will use that information to assess your application, service your needs as a holder of equity securities in the Company, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your 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. Please contact the Company or the Share Registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth), 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 Options, the Company may not be able to accept or process your application.

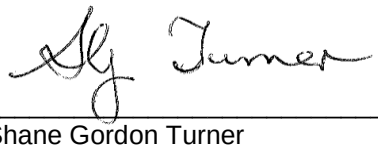
If you do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process the application.

10. Directors' authorisation

The Directors have made all reasonable enquiries and on that basis have reasonable grounds to believe that any statements made by the Directors in the Prospectus are not misleading or deceptive. In respect of any other statements made in this Prospectus by person other than the Directors, the Directors have made reasonable enquiries and on that basis have reasonable grounds to believe that the persons making statements were competent to make such statements. Those persons have given their consent to the statements being included in this Prospectus in the form and context in which they are included and have not withdrawn that consent before lodgement of this Prospectus with ASIC, or to the Directors' knowledge, before any issue of Options pursuant to this Prospectus.

This Prospectus is prepared on the basis that certain matters may reasonably be expected to be known to Investors or their professional advisors.

Each of the Directors of the Company has consented to the lodgement of this Prospectus in accordance with section 720 of the Corporations Act, and has not withdrawn that consent.



Shane Gordon Turner
Director & Company Secretary
For and on behalf of MRG Metals Ltd

11. Definitions

AEST means Australian Eastern Standard Time.

Additional Options means Options in addition to an Eligible Shareholder's Entitlement for which an Applicant applies for pursuant to an Entitlement and Acceptance form.

Applicant means an Eligible Shareholder who applies for Options pursuant to the Offer or who applies for Additional Options.

Application Monies means monies received by the Company from Applicants with respect to the Entitlement and Acceptance Form.

ASIC means the Australian Securities and Investments Commission.

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

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

Board means the board of Directors unless the context indicates otherwise.

Business Day means a day that is not a Saturday, Sunday or a public holiday in Melbourne, Victoria.

Closing Date means the date specified in the timetable set out at the commencement of this Prospectus (unless extended).

Company means MRG Metals Limited ACN 148 938 532.

Constitution means the constitution of the Company as at the date of this Prospectus.

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

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

Eligible Shareholder means a Shareholder who has a registered address in Australia or New Zealand.

Entitlement means the entitlement of an Eligible Shareholder who is eligible to participate in the Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form either attached to or accompanying this Prospectus.

Exercise Price means $0.15.

Expiry Date means 31 August 2020.

Issue Price means $0.01 per Option.

Investor means an investor participating in the Offer.

Key Shareholders means the following persons:

(a) Andrew Van Der Zwan;

(b) Chris Gregory;

(c) Shane Tuner;

(d) Keith Weston; and

(e) Bruce McFarlane (associated with Ottawa Resources Pty Ltd), and

includes any Related Party of a person listed above.

Native Title Act means the *Native Title Act 1993* (Cth).

Offer means the non-renounceable entitlement issue of 2 Options for every 3 Shares held by those Eligible Shareholders registered at the Record Date at the Issue Price.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share on the terms and conditions set out in section 7.1 of this Prospectus.

Optionholder means a holder of an Option.

Original Prospectus means the prospectus dated and lodged with ASIC on 17 August 2015 in relation to the entitlement issue for Options.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out at the commencement of this Prospectus.

Related Body Corporate has the meaning given to that term in the Corporations Act.

Related Entity has the meaning given to that term in the Corporations Act.

Related Party means

(a) in relation to any entity incorporated in or outside Australia:

  (i) any Related Body Corporate;

  (ii) any officer of the Company or any Related Body Corporate; and

  (iii) spouses, defacto spouses, parents and children of the persons referred to in paragraph (ii); and

(b) in relation to any person living inside or outside Australia, a related party as that term is understood in the ASX Listing Rules.

Replacement Prospectus means this Prospectus.

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

Share Registry means Link Market Services Limited.

Shareholder means a holder of a Share.

Shortfall means the Options for which valid Entitlement and Acceptance Forms have not been received by the Closing Date.

Shortfall Application Form means the shortfall application form either attached to or accompanying this Prospectus.

Shortfall Offer means the offer of Shortfall Options on the terms set out in section 5.8 of this Prospectus.

Shortfall Options means those Options issued pursuant to the Shortfall.

Tenements means each of the following tenements:

Tenement	Project
E28/2338	YARDILLA-TASEX
E28/2368	YARDILLA
E63/1626	YARDILLA-TASEX
E69/3104	LOONGANA 1
E69/3288	LOONGANA 2
EPM19306	DAVENPORT DOWNS
EPM19470	SQUIRREL HILL
EPM19471	PULCHERA
P25/1984	BALAGUNDI
P25/1985	BALAGUNDI
P26/3596	KALGOORLIE EAST
P26/3597	KALGOORLIE EAST
P26/3598	KALGOORLIE EAST
P26/3599	KALGOORLIE EAST
P26/3600	KALGOORLIE EAST
P26/3601	KALGOORLIE EAST
P26/3602	KALGOORLIE EAST
P26/3603	KALGOORLIE EAST
P26/3604	KALGOORLIE EAST
P26/3605	KALGOORLIE EAST
P26/3606	KALGOORLIE EAST
P26/3693	KALGOORLIE EAST
P26/3694	KALGOORLIE EAST
P26/4015	KALGOORLIE EAST
P26/4016	KALGOORLIE EAST
P52/1366	XANADU
P52/1367	XANADU
P52/1368	XANADU
P52/1369	XANADU
P52/1372	XANADU
P52/1373	XANADU
P52/1374	XANADU
P52/1375	XANADU
P52/1376	XANADU
P52/1377	XANADU
P52/1378	XANADU
P52/1379	XANADU
P52/1380	XANADU
P52/1381	XANADU

Underwriter means Tempo Capital Pty Ltd ACN 142 225 483;

Underwriting Agreement means the underwriting agreement between the Company and the Underwriter dated 19 August 2015, details of which are set out in section 9.1.

Underwritten Amount means $704,080.77 less the value of the Options and Additional Options applied for under this Prospectus by the Key Shareholders.