

# **Ausminerals Limited**

ACN 099 336 866

## **Information Memorandum**

1. Directors and Officers
2. Company and Projects
3. Corporate Governance
4. Risk Factors
5. Additional Information

# **1. DIRECTORS AND OFFICERS**

## **1.1 Board of Directors**

### **Mr Chris Valttila**

#### **LLB**

##### *Non Executive Chairman*

Mr Valttila is a Director and owner of Baltic Pacific Pty Ltd, which trades in industrial minerals and develops industrial mineral projects mainly in the Asia Pacific and Europe regions. He is currently involved in industrial minerals projects in China and Europe.

In 2001 Mr Valttila was appointed as a Non Executive Director with Minerals Corporation Limited, a public Australian minerals company which at that time had interests in kaolin, feldspar, garnet and toll processing of various minerals. He resigned from the company in 2002.

Mr Valttila has over 20 years of experience in the exploration and mining industries. He is a past Chairman of Cellier Oy Finland, part of the French Cellier SA engineering group specializing in technology for minerals processing, and has over 30 years experience in industrial minerals and the pulp and paper industry in Asia Pacific and Northern Europe. He was part of senior management focusing on financing and development for industrial projects with Ekono Oy, a large diversified engineering group in Finland that is now part of Jaako Poyry. Mr Valttila was formerly a Director owner of a joint venture company with Nokia Oy, Finland which established and operated a mineral processing plant in the region.

Mr Valttila holds a degree in Law from the University of NSW. He has post graduate qualifications in International Law from the University of Helsinki, Finland.

Mr Valttila is fluent in English, German, Finnish and Swedish.

### **Mr Erwin Bouverie**

#### *Managing Director*

Mr Bouverie has 26 years' experience in developing projects from the grass roots stage through exploration, feasibility studies, metallurgical assessment, plant design and construction, production and marketing, including hands-on experience in minerals exploration, mining and production.

More recently in the last 10 years he has been involved in gold and base metals exploration and processing in the Leonora/Laverton region of Western Australia.

Mr Bouverie has NSX listed public company experience as an executive director and held senior marketing and operational management positions with Minerals Corporation Limited, an NSX listed public company, from its establishment in 1982 until his resignation at the end of 2001.

In 2002, Mr Bouverie acquired the Kurdeez lime operations. At that time the operations were making a substantial loss. Since Mr Bouverie's operational involvement and management those operations are now cash flow positive.

Mr Bouverie has acquired and managed the Ausminerals Group's projects over the past 5 years, focusing on an operational strategy of bringing projects into early production.

### **Mr Wayne Wilson**

#### *Non-Executive Director*

Mr Wilson has been involved in the Mining Industry for more than 40 years, commencing in 1964 as a cadet mine manager. Positions held during this period include Mine Superintendent at Rhonda Collieries Pty Ltd from 1982 to 1985, and Mine Manager, Deputy General Manager and General Manager at Oakleigh Coal Mines in the 1990s.

Mr Wilson is a director of Burnett Coal Pty Limited which holds 49% of the Monto Coal Project in partnership with Macarthur Coal Pty Limited. He is also Managing Director of Ausfel Pty Limited, which recently owned exploration licenses for gold and uranium in South Australia. Those licences have been acquired by the Ausminerals Group and are described elsewhere in this Information Memorandum.

### **Mr Guy Kempny**

#### *Alternate Director for Mr E Bouverie)*

TBA

## **1.2 Company Secretary**

### **Mr Trevor Stone**

#### **FCPA**

##### *Company Secretary*

Trevor has a broad range of experience at a senior level accumulated over the past 25 years, including as Finance Manager, Director, Company Secretary and Public Officer in large organisations.

In 1984, Mr Stone was appointed as CFO of Australian Aerospace Ltd (formerly Eurocopter International Pacific Limited). He was responsible for the establishment of all financial systems, integration of logistics and product support activities, and satisfying full financial reporting requirements to all shareholders. Mr Stone also played a major role in the company's commercial development, overseeing the expansion of operations to Melbourne, Brisbane and Auckland.

Mr Stone has acted as Ausminerals Limited's Group Accountant and Company Secretary since August 2006. During that time he has worked closely with the Directors and Auditors preparing the company's accounts, and on other related matters.

## **2 COMPANY AND PROJECTS**

### **2.1 Background**

Ausminerals was incorporated in February 2002 as a proprietary company limited by shares. On 21 September 2007, the Company changed its type to become a public company limited by shares.

Ausminerals holds, directly or through subsidiaries, the core assets of the Ausminerals Group.

### **2.2 Objectives**

The main purpose of the NSX application is to assist in the finance of exploration for:

- gold and nickel tenements in Leonora, Western Australia; and
- uranium and base metal tenements in South Australia.

The major commodity focus of the Ausminerals Group is gold, nickel, uranium, feldspar and limestone. Its limestone operation is an existing and operating business of the Ausminerals Group.

The Ausminerals Group has interests in the tenements detailed throughout this Information Memorandum.

### **2.3 Project Summary**

The type of interest the Ausminerals Group has in the various tenements referred to in this Information Memorandum can be grouped as follows:

- tenements where the title is registered to the Ausminerals Group;
- tenements where the Ausminerals Group has a 51% interest through a joint venture;
- tenements where the Ausminerals Group has an option to acquire the interest from the registered holders, subject to certain conditions precedent being met.

The tables below show the type of interest the Ausminerals Group has for each individual tenement. Further details of the type of licence, registration status and expiry dates are set out in Attachment 6 by the Independent Reports on the Mining Tenements. Details of the geology are set out in Attachment of the Consulting Geologist's Report.

**(a) Tenement titles registered to Ausminerals Group:**

<b>Randwick, Gold and Nickel Projects, Western Australia</b>	<b>Uranium and Base Metals Projects, South Australia</b>	<b>Timboon Limestone and Feldspar, Victoria</b>
P37/7526 (pending approval) P37/7527 (pending approval) P37/7528 (pending approval)	ML5994 - FELDSPAR ML5995 - FELDSPAR EL3294 – URANIUM/FELDSPAR EL3556 – URANIUM/BASE METALS	WA467 – LIMESTONE

**(b) Tenements over which Ausminerals has a 51 per cent interest as part of the Randwick Joint Venture (refer Section 5 of this IM regarding the joint venture agreement):**

Gold and Nickel Projects, Western Australia

Randwick

P37/6384	P37/6385	P37/6386	P37/6387	P37/6388	M37/1218
P37/6121	P37/6122	P37/6123	P37/6124	P37/6125	P37/6126
P37/6127	P37/6128	P37/5732	M37/1280	M37/1281	P37/7186
P37/7187	P37/7188	P37/7189	P37/7190	P37/7191	P37/7192

**(c) Tenements over which Ausminerals holds the Gold Hill Option (refer Section 5 of this IM regarding the joint venture agreement):**

Gold and Nickel Projects, Western Australia

Randwick

M37/0220

**(d) Tenements over which Ausminerals holds the Wilson/Crew Option (refer Section 5 of this IM regarding the joint venture agreement):**

Mt Malcom

M37/1197

14 Mile Well

M39/977    P39/4335    P39/4336    P39/4337    P39/4338    P39/4339

P39/4472    P39/4473    P39/4474    P39/4475    P39/4476    P39/4477

P39/4478

**(e) Tenements over which Ausminerals holds the Cool Sand Option (refer Section 5 of this IM regarding the joint venture agreement):**

Gold and Nickel Projects, Western Australia

Randwick

P37/5702    P37/5709    P37/6425    P37/6596    P37/6663    P37/6715    P37/6721

P37/5704    P37/5710    P37/6874    P37/6597    P37/6678    P37/6716    P37/6722

P37/5705    P37/6822    P37/6821    P37/6598    P37/6679    P37/6717    P37/6723

P37/5706    P37/6423    P37/6460    P37/6620    P37/6681    P37/6718    P37/6725

P37/5707    P37/6424    P37/6465    P37/6621    P37/6681    P37/6719    P37/6726

P37/5708    P37/6425    P37/6594    P37/6623    P37/6714    P37/6720    P37/6727

P37/6748    P37/6749    P37/6750    P37/6751    P37/6752    P37/6753    P37/6754

P37/6806    P37/6807    P37/6808    P37/6814    P37/6815    P37/6816    P37/6817

P37/6818    P37/6819    P37/6820

## 2.3 Gold and Nickel Projects, Western Australia

### (a) Randwick

The Randwick district of Leonora/Laverton, Western Australia is a district with potential for further economic discoveries. Ausminerals has:

- a 51% interest in 24 tenements covering over 1800 hectares, with the ability to increase its interest to 70% through exploration expenditure.
- options to purchase a further 59 tenements from Cool Sand Supplies Pty Limited in the same area.
- options to purchase, subject to the condition precedent being satisfied, a further 1 tenement from the Gold Hill Joint Venture partners in the same area.
- an agreement to provide management services by Australasian Gold Pty Limited in the tenements subject to the Gold Hill Joint Venture.
- Six tenements subject to options to purchase from Cool Sand Supplies Pty Ltd expire on 23 October 2007. It is Ausminerals' intention to lodge an application for the renewal of those tenements by 19 October 2007.

The tenements described above are located in close proximity to the Navigator Resources Limited ("*Navigator*") GME Resources Limited ("*GME*") and Minara Resources Limited ("*Minara*") operations. Navigator have recently announced their gold exploration results. GME are exploring for nickel. Minara Resources Limited have been mining nickel and cobalt in the Leonora/Laverton area for a number of years.

The Ausminerals Group's Randwick tenements are located approximately 47 kilometres north east of the town of Leonora and cover an area of over 10,000 hectares. The area includes the Gold Hill deposit.

Previous exploration in this area by the Ausminerals Group has outlined distinct ore bodies with reported gold grades from previous drilling of different ore bodies, at 13 meters at 10.3 grams per ton; 5 meters at 2.85 grams per ton; 2 meters at 10.82 grams per ton, 2 meters at 12.1 grams per ton; and 10 meters at 3.24 grams per ton. Ausminerals considers that these promising results indicate the potential for an economically viable mine, particularly considering that economic productions of other mines have grades of approximately 1.7 grams per ton.

Drilling conducted in August 2006 resulted in further encouraging results of 4 meters at 35 grams per ton. Drill cuttings from this significant result have been further investigated by metallurgical test work to determine the suitability for gold extraction by heap-leach methods, resulting in recoveries of up to 95% as determined by bottle-roll tests. Further test work is currently being undertaken to establish the best method of extraction. Additional drilling will be carried out to determine the extent of the resource at this particular site.



The Ausminerals Group has an agreement for the use of the gold processing plant at Gold Hill to process ore should it decide to use a heap-leach method of extraction. The plant requires some refurbishment for it to be operational.

Ausminerals will use the capital raised by the NSX application to expand its current exploration programme in the Leonora/Laverton area. Exploration methods will include gravity and magnetic surveys, chip sampling, drilling, sample analysis and metallurgical studies.

#### **(b) Mt Malcolm and 14 Mile Well**

In April 2007, Ausminerals entered into an option agreement with Scott Walter Dixon and Ross Frederick Crew to acquire tenements located approximately 50 kilometers east of Leonora, known as the Malcolm King and 14 Mile Well projects. The option has not yet been exercised. Details of the option agreement are set out in Attachment 6 “Tenement Report”.

##### **(i) Mt Malcom**

The Malcolm King Project in the Mt Malcolm area holds potential for discovery of economic gold and base-metal mineralisation. It is a geologically interesting prospect that covers the old Malcolm King gold mine and the Midas gold mines, which produced approximately 3045 ounces of gold from 3050 tons of ore. The prospect located in this area has a known gold mineralisation over a distance of approximately 2 kms. The area requires further evaluation.

Ausminerals intends to spend capital raised to explore this project area using methods which will include gravity and magnetic surveys, chip sampling, drilling, sample analysis and metallurgical studies.

##### **(ii) 14 Mile Well**

The 14 Mile Well area is considered to have an excellent potential for the discovery of an economical ore body. The area is covered by 12 prospecting licence applications held by the Ausminerals Group. Minimal exploration work has been carried out in this area.

The Ausminerals Group intends to explore the 14 Mile Well project area using methods including gravity and magnetic surveys, chip sampling, drilling, sample analysis and metallurgical studies.

##### **(iii) Options**

In deciding whether to exercise its options, Ausminerals will consider exploration

results received from recent field work on the properties under option and results obtained from future exploration activities undertaken during the option period.

## **2.4 Uranium and Base Metals Projects, South Australia**

The Ausminerals Group's uranium and base metals projects are comprised of an Exploration Licence (EL3556) covering the paleo-channel in the Lake Frome area, near to the Curnamona Energy Limited uranium project. The Honeymoon Uranium project, which is owned by Uranium One of Canada, lies along the same paleovalley system as the eastern units of the exploration licence. EL 3556 is now held in trust for Ausminerals Limited by Mr Stanly Wollen. A renewal application has been made EL 3294 on December 14 2007

Ausminerals believes that this is a project with a potentially exciting future for the company based on exploration results in the surrounding areas. Further details are included at item (D) of the Consulting Geologist's Report. ( see attachment 4 "Consulting Geologists Report")

The Ausminerals Group intends to commence exploration in the Lake Frome area after listing is achieved. Methods to be utilized will include gravity surveys, drilling, geophysical down-hole logging and chemical analysis.

Unlike other State governments, in South Australia a mining lease or retention lease may be granted by the government for mining operations (other than exploratory operations) for the recovery of radioactive minerals including uranium. Currently there are three uranium mining leases that have been issued by the South Australian State government. One of the key conditions for the granting of those leases is the environmental criteria. No assurances can be given that the Ausminerals Group will be granted a uranium mining licence.

## **2.5 Timboon Limestone and Feldspar, Victoria**

Ausminerals Group owns processing facilities at Timboon in Victoria which incorporate earthmoving, crushing and screening, gas fired drying, bagging and bulk storage facilities. The limestone quarry is located on this 260 acre freehold property in prime dairy country approximately 3 km from Timboon. The property and processing facilities have recently been independently valued by Andrew Nock Pty Limited at \$5.9 million.

The operation currently supplies the agricultural and stock feed manufacturing industries. New products are being developed for marketing into higher value niche markets, some of which are expected to be ready for sale by the end of 2007.

Limestone is used in a variety of industries including for animal feed, glass and fibreglass, adhesives, plastics and rubber compounding, industrial fillers, chemical processing, water treatment, and for the treatment of acid soils which is a continuing

problem affecting Australia. Feldspar is widely used in applications such as for glass manufacturing, fibreglass, fillers and extenders in applications such as paints, plastics and powder coatings, and in sanitary ware and tableware.

The Ausminerals Group intends to utilise the processing facilities for the processing of feldspar for ceramic applications in the Melbourne area. The Ausminerals Group intends to source the feldspar from its South Australian mining leases ML5994 and ML5995.

### **3. CORPORATE GOVERNANCE**

The Board of Directors is responsible for the overall corporate governance of the Company, and it recognises the need for the highest standards of ethical behaviour and accountability. The Board is committed to administering its Corporate Governance structures to promote integrity and responsible decision-making. To the extent that they are relevant to the organisation, the Company has adopted or intends to adopt the Ten Essential Corporate Governance Principles and Best Practice Recommendations.

The Board has appointed an Audit and Risk Management Committee whose functions are to support and advise the Board in fulfilling its responsibilities to shareholders, employees and other stakeholders of the Company by:

- assisting the Board in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control relating to all matters affecting the Company's financial performance, the audit process, and the Company's process for monitoring compliance with laws and regulations and the code of conduct; and
- implementing and supervising the Company's risk management framework.

The Board will consider on an ongoing basis its Corporate Governance procedures and whether they are sufficient given the Company's nature of operations and size.

## **4 RISK FACTORS**

### **4.1 Exploration Success**

The resource tenements of the Ausminerals Group as described in this Information Memorandum are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that exploration of the project areas described in this Information Memorandum, or any other tenements that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

## **4.2 Title to Tenements**

A majority of the Ausminerals Group's Gold and Nickel projects in the Leonora/Laverton region of Western Australia are the subject of various option agreements. Further, the Ausminerals Group's rights to the Gold Hill projects are subject to the condition precedent in the relevant agreements being satisfied. No assurances can be given that Ausminerals will exercise the options. Further, no assurances can be given that the condition precedent to the Gold Hill projects agreement will be satisfied or waived by the vendors.

The consideration payable under the Cool Sand Option and the Gold Hill Option includes issuance of shares in Ausminerals. If Ausminerals does exercise its call option to acquire the tenements that are subject of such options, the total share capital of the Company will increase leading to a lesser percentage of the Company being held by investors under this Information Memorandum.

There are tenements where applications to licences and leases are pending. No assurance can be given that all or any of the applications will be granted.

## **4.3 Operating Risk**

The operations of the Ausminerals Group may be affected by various factors, including:

- operational and technical difficulties encountered in mining;
- failure to locate or identify mineral deposits;
- failure to achieve predicted commercial grades in exploration and mining;
- competition for exploration rigs & equipment;
- difficulties in commissioning and operating plant and equipment;
- mechanical failure or plant breakdown;
- unanticipated metallurgical problems which may affect extraction costs;
- adverse weather conditions;
- industrial and environmental accidents;
- industrial disputes;
- and unexpected shortages or increases in the costs of consumables, labour, spare parts, plant and equipment.

No assurances can be given that Ausminerals Group will achieve commercial viability through the successful exploration and/or mining of its tenement interests.

## **4.4 Resource Estimates**

Resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter

significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans which may, in turn, adversely affect Ausminerals Group's operations.

#### **4.5 Commodity Price Volatility and Exchange Rate Risk**

If Ausminerals Group achieves success leading to mineral production, the revenue it will derive through the sale of commodities exposes the potential income of Ausminerals Group to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of Ausminerals Group. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors. Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of Ausminerals Group are and will be taken into account in Australian currency, exposing Ausminerals Group to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

#### **4.6 Environmental Risk**

The operations and proposed activities of Ausminerals Group are subject to State and Federal laws and regulation concerning the environment. As with most exploration projects and mining operations, Ausminerals Group's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to ensure that the Ausminerals Group's activities are conducted to the highest standard of environmental obligation, including compliance with all environmental laws. Nevertheless, there are certain risks inherent in Ausminerals Group's activities which could lead to extensive liability of Ausminerals Group, such as accidental spills, leakages or other unforeseen circumstances.

#### **4.7 Title Risks and Native Title**

Interests in tenements in Australia are governed by the respective State legislation and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, Ausminerals Group could lose title to or its interest in tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments. Further, Ausminerals Group may inadvertently fail to renew its interest in a licence or lease before the expiration of the term in which case there is a risk that someone else may lodge an application for the

licence or lease.

It is also possible that, in relation to tenements which Ausminerals Group 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 Ausminerals Group 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. The Directors will closely monitor the potential effect of native title claims involving tenements in which Ausminerals Group has or may have an interest. Reference should be made to the relevant section of the Tenement Reports set out in Section 5 of this Information Memorandum for information on the issue of title and a description of the native title regime in Western Australia.

## **4.8 Share Market Conditions**

The price of the Shares when quoted on NSX will be influenced by international and domestic factors affecting conditions in equity, financial and commodity markets. These factors may affect the general level of prices for listed securities of mining and exploration companies quoted on NSX.

## **4.9 General Investment Conditions**

There is a risk that the price of Shares and returns to Shareholders may be affected by changes in:

- local and world economic conditions;
- interest rates;
- levels of tax, taxation law and accounting practice;
- government legislation or intervention;
- inflation or inflationary expectations; and
- natural disasters, social upheaval or war in Australia or overseas, as well as other factors beyond the control of Ausminerals Group.

## **4.10 Specific Mining Risk**

There are also a number of specific risks associated with Ausminerals Group which may adversely affect the Company's financial position, prospects and price of its listed securities. In particular, Ausminerals Group is subject to risks relating to the exploration and development of mineral properties which are not generally associated with other businesses.

Set out below are specific risks that may adversely affect Ausminerals Group:

1. the Company cannot guarantee that those tenements that are applications for tenements will ultimately be granted in whole or in part pursuant to the Mining Act;
2. the Departments responsible for regulating mining tenure in each Australian State (“Department”) from time to time review the environmental bonds that are placed on tenements. The Directors are not in a position to state whether a review is imminent or whether the outcome of such a review would be detrimental to the funding needs of Ausminerals Group; and
3. this Information Memorandum is based on certain assumptions with respect to the method and timing of exploration. By their nature, any estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect Ausminerals Group's viability.
4. the future capital requirements of Ausminerals Group will depend on many factors including its business activities. The Company believes that it will be able to attract the necessary investment and or additional funding sufficient to fund business development, exploration and other Company objectives in the short term as stated in the Information Memorandum. Any inability to obtain additional funding, if required, would have a material adverse effect on Ausminerals Group's business.

#### **4.11 Uranium and Political Risk**

The Australian Federal Government has specifically reserved its powers over uranium mining in Australia by means of the Atomic Energy Act 1953. In effect, the Australian Government Minister has the ability to veto any planned action by the State Minister with which he/she disagrees. The Federal Government has announced a preparedness to discuss the export of uranium to China and India and the establishment of a committee of enquiry into the establishment of a nuclear power industry in Australia, but there is no guarantee of a change of policy.

## **5 ADDITIONAL INFORMATION**

### **5.1 Rights Attaching to Shares**

Full details of the rights attaching to Shares are set out in the Company's Constitution, a copy of which can be inspected, free of charge, at the Company's registered office during normal business hours.

The following is a broad summary of the rights, privileges and restrictions attaching to all Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. All Shares issued pursuant to this Information Memorandum will, from the time they are issued, rank *pari passu* with all the Company's existing Shares.

#### **Voting Rights**

Subject to any rights or restrictions attached to any class or classes of Shares (at present there are none), at meetings of Shareholders of the Company:

- a) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- c) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each 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 which the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited).

#### **Rights on Winding Up**

Subject to the Corporations Act 2001, Listing Rules and the rights of holders of shares with special rights in a winding up (at present there are none), on a winding up of the Company all assets that may be legally distributed among members will be distributed in proportion to the number of fully paid Shares held by them (and a partly paid share is counted as a fraction of a fully paid share equal to the amount paid on it, divided by the total issue price of the share).

#### **Transfer of Shares**

Subject to the Constitution of the Company, the Corporations Act 2001, any other applicable laws, the ASTC Settlement Rules and the Listing Rules, Shares are freely transferable.

#### **Future Increases in Capital**

The allotment and issue of any Shares is under the control of the Directors. Subject to



restrictions on the allotment of Shares to Directors or their associates, the Listing Rules, the Constitution of the Company and the Corporations Act 2001, the Directors may allot or otherwise dispose of Shares on such terms and conditions as they see fit.

### **Variation of Rights**

Under the Corporations Act 2001, 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 the 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.

### **Dividend Rights**

Subject to the rights of holders of shares issued with special, preferential or qualified rights (at present there are none), the profits of the Company which the Directors determine to distribute by way of dividend are divisible among the holders of ordinary Shares in proportion to the number of Shares held by them.

## **5.2 Material Contracts**

### **(a) Agreement between Company and Trindal Pty Ltd**

On 24 September 2007, the Company entered into an agreement with Trindal Pty Ltd (*Trindal*). In consideration for \$1.00, the Company or its nominee is granted a call option under the agreement to purchase Trindal's rights, title and interest in the Gold Hill Joint Venture (*GHJV*) and its assets.

The assets include the GHJV's beneficial interest in mining lease M37/220 near Leonora, Western Australia (subject to the right of Eagle Mining Pty Ltd to receive a royalty, as outlined below). Wanbanna Pty Ltd is the registered owner of mining lease M37/220 and holds the lease on trust for the GHJV and all GHJV Participants (being Trindal Pty Ltd, Central Gold Pty Ltd, Lucas Gold Pty Ltd and Robert Gabb).

The call option will become exercisable by the Company upon satisfaction of the following conditions precedent: the execution of a Heads of Agreement by each of the GHJV Participants under which they agree to grant the Company or its nominee an option to acquire the GHJV Participant's interest in the GHJV and the GHJV's assets on terms and conditions acceptable to the Company. The option period is 3 months from the date on which the conditions precedent are satisfied. The condition precedent has not been satisfied as Wanbanna Pty Ltd, a GHJV Participant, has not executed the agreement.

As consideration for the purchase of the GHJV Participants' collective interests in the GHJV, the Company will (subject to the Listing Rules and NSX approval) issue to the GHJV Participants shares in the Company. The GHJV Participants will collectively receive the equivalent of 8.75% of each class of issued shares and options on a fully diluted basis in the Company as at the day immediately following the dispatch date as

defined in the Company's Information Memorandum.

The allocation of shares will be proportionate to each GHJV Participant's expenditure in connection with the GHJV and the mining lease as follows:

<b>GHJV Participant</b>	<b>Expenditure</b>	<b>Percentage Interest</b>
Trindal Pty Ltd	\$350,000	13.47%
Lucas Gold Pty Ltd	\$946,704	36.42%
Central Gold Pty Ltd	\$677,656	26.07%
Robert Gabb	\$100,000	3.85%
Erwin Bouverie	\$524,707	20.19%
<b>TOTAL</b>	<b>\$2,599,067</b>	<b>100%</b>

The Company has entered into an identical agreement with each other GHJV Participant other than Wanbanna Pty Ltd.

**(b) Agreement between Erwin Bouverie, Central Gold Pty Ltd, Lucas Gold Pty Ltd, Trindal Pty Ltd and Robert Gabb**

This agreement dated 15 September 2007 deals with the engagement of Erwin Bouverie by Central Gold Pty Ltd, Lucas Gold Pty Ltd, Trindal Pty Ltd and Robert Gabb (***GHJV Participants***) to provide management services with respect to mining lease M37/220. In a letter dated 9 October 2007, Mr Bouverie nominated Aus Gold to be his nominee under the agreement.

Mr Bouverie's (or his nominee's) obligations are as follows:

- (a) to provide such management services as he considers necessary in order to achieve the objectives of the GHJV Agreement, namely to develop and manage a viable gold mining operation on mining lease M37/220;
- (b) to do all things as reasonably necessary in order to keep mining lease M37/220 in good standing, including meeting all statutory reporting requirements, complying with accepted environmental management standards and paying all required fees and charges in relation to the mining lease; and
- (c) in respect of all agreed plant and equipment owned by the GHJV:
  - (i) maintain the equipment in its original condition as at the date of the agreement;
  - (ii) take out insurance to fully cover the replacement value of the equipment;

- (iii) in the event that any of the equipment is stolen or damaged, pay to the GHJV Participants the replacement value within 60 days; and
- (iv) compile a list of all items of equipment not required by him and forward such list to the GHJV Participants by 30 September 2007.

The GHVJ Participants' obligations are as follows:

- (a) to grant Mr Bouverie or his nominee uninhibited access to the mining lease for the purposes of the agreement; and
- (b) to make available for use by Mr Bouverie or his nominee all agreed plant and equipment until 31 December 2008.

The agreement will be terminated in the following circumstances:

- (a) By 30 days' written notice by the GHJV Participants if:
  - (i) Mr Bouverie or his nominee fails by 31 December 2008 to achieve a rate of gold production of 1000 ounces/quarter;
  - (ii) Mr Bouverie or his nominee fails to maintain an average rate of production of at least 1000 ounces/quarter from 31 December onwards;
  - (iii) there is an exercise of an option over the mining lease by the Company; or
  - (iv) the date is 31 December 2010 onwards.
- (b) Immediately if:
  - (i) a resolution is passed for Mr Bouverie or his nominee to be wound up;
  - (ii) a resolution is passed for Mr Bouverie or his nominee to be placed under official management;
  - (iii) Mr Bouverie or his nominee admits an inability to pay his debts when they fall due; or
  - (iv) a receiver is appointed for any property of Mr Bouverie or his nominee.
- (c) By 30 days' written notice from Mr Bouverie or his nominee.

Mr Bouverie or his nominee will not bear any liability to the GHJV if he fails to achieve the required rate of gold production.

In consideration for the provision of management services, Mr Bouverie or his nominee is entitled to 95% of each of the GHJV Participant's net entitlement under the Gold Hill Joint Venture Agreement.

Mr Bouverie will be responsible for the following payments:

- (a) all government royalties in respect of the mining lease; and
- (b) all royalties due to Eagle Mining Pty Ltd pursuant to the Randwick Termination Agreement and Royalty Deed dated October 2003, being a quarterly payment of:
  - (i) 1% of the gross proceeds from the sale of gold (once 20,000 ounces of gold has been produced from the mining lease) if the average spot price for gold is less than \$600; or
  - (ii) 1.5% of the gross proceeds from the sale of gold (once 20,000 ounces of gold has been produced from the mining lease) if the average spot price for gold is more than \$600.

**(c) Option Agreement between Cool Sands Supplies Pty Ltd and others and the Company**

On 15 January 2007, the Company entered into a deed with Russell Paul Day, Clifford Robert O'Connor, Trevor John Chaplin and Budhi Santoso (***Seller***). Under the deed, the Seller agrees to sell, and the Company agrees to secure, an option to buy the following tenements in Western Australia:

- P37/6663
- P37/6726
- P37/6727
- P37/6596
- P37/6598
- P37/6620
- P37/6621
- P37/6623
- P37/6678
- P37/6681
- P37/6714
- P37/6715
- P37/6716
- P37/6717
- P37/6718
- P37/6719
- P37/6720
- P37/6721
- P37/6722
- P37/6594
- P37/6597
- P37/6679
- P37/6748
- P37/6749
- P37/6750
- P37/6751
- P37/6752
- P37/6753
- P37/6754
- P37/6725
- P37/6423
- P37/6424
- P37/6425
- P37/6465
- P37/6460
- P37/6822
- P37/6723
- P37/57107
- P37/6819
- P37/6817
- P37/6818
- P37/6821
- P37/6820
- P37/6806
- P37/6807
- P37/6808
- P37/6816
- P37/6814
- P37/6815
- P37/6874
- P37/5702
- P37/5704
- P37/5705
- P37/5706
- P37/5707
- P37/5708
- P37/5709
- P37/7526 (pending approval)
- P37/7527 (pending approval)
- P37/7528 (pending approval)

Purchase consideration from the Company to the Seller consists of:

- (a) 6 million fully paid ordinary shares in the Company (payable on the option exercise date);
- (b) \$340,000 (payable on the option exercise date); and
- (c) an ongoing 2% royalty on all gold, metals and minerals produced from the tenements.

The Company must also:

- (a) pay to Seller's nominee \$5000 upon execution of the deed;
- (b) contribute up to \$20,000 towards the prospecting licence and mining lease rentals; and
- (c) fund exploration of not less than \$150,000 and up to \$350,000 during the term of the option.

The option is stated to expire on 30 September 2007 and may only be exercised if the Company is listed on the NSX by 30 June 2007. However, a signed letter dated 3 August 2007 extends the option to 3 September 2008, provided that the Company has also listed on the NSX by 30 September 2008.

**(d) Agreement between Aus Gold, Wilson and Crew**

This signed agreement dated 28 April 2007 between Aus Gold, Scott Walter Wilson and Ross Frederick Crew (**Vendors**) provides the basis for the sale of the following tenements in Western Australia (which are held by the Vendors) to Aus Gold:

- |  |            |
|--|------------|
| • P37/5836 (pending approval of MLA 37/1197) | • P39/4339 |
| • P39/4017(pending approval of M39/977)      | • P39/4472 |
| • P39/4335                                   | • P39/4473 |
| • P39/4336                                   | • P39/4474 |
| • P39/4337                                   | • P39/4475 |
| • P39/4338                                   | • P39/4476 |
|  | • P39/4477 |
|  | • P39/4478 |

Under the agreement, Aus Gold assumes responsibility for keeping the tenements in good standing. Aus Gold will pay to the Vendors:

- (a) \$10,000 upon execution of the agreement;
- (b) \$75,000 (plus GST) upon the listing of Aus Gold on the NSX;

- (c) fully paid Vendors shares in the listed vehicle to the value of \$200,000 (plus GST); and
- (d) a 1% gross production royalty on any minerals produced and sold from the tenements.

Aus Gold will also fund additional exploration costs to assess the viability of long-term mining and processing and, if this is viable, it will arrange funding to bring the tenements into significant gold production.

Under the agreement, Australasian Gold must use its best endeavours to list on the NSX within 4 months, failing which the agreement will expire and all rights to the mining leases will revert to the Vendors. Accordingly, the agreement's expiry date is 28 August 2007. However, a signed letter from the Vendors dated 28 December 2007 extends the terms of the agreement to 31 March 2008 (in exchange for the payment by Aus Gold of \$10,000).

**(e) Randwick Joint Venture Agreements**

The Company entered into three separate joint venture agreements in March 2007. The agreements establish joint ventures between the Company and the following parties (**Partners**), to whom the Company must allot the following shares within 7 days of the commencement date (being the date of execution):

Joint Venture	Partner	Shares in the Company to be allotted to Partner	Tenements owned by Partner
1	Trevor John Dixon and Phillip John Coulson	250,000 fully paid ordinary shares (125,000 shares each)	P37/6384 P37/6385 P37/6386 P37/6387 P37/6388
2	Trevor John Dixon	312,500 fully paid ordinary shares	M37/1218 P37/6121 P37/6122 P37/6123 P37/6124 P37/6125 P37/6126 P37/6127 P37/6128 M37/1280 (pending approval) M37/7186 (pending approval) M37/7187 (pending approval) M37/7188 (pending approval) M37/7189 (pending approval) M37/7190 (pending approval) M37/7191 (pending approval)

			M37/7192 (pending approval)
3	Trevor John Dixon and Jeremy David Snaith	62,500 fully paid ordinary shares (31,250 each)	P37/5732

The Company has a 51% interest and each Partner has a 49% interest in its respective joint venture. Each joint venture is established to:

- (a) carry out prospecting and mining on the tenements in Western Australia owned by that Partner; and
- (b) exploit minerals of the tenements by conducting mining operations.

The key terms of the agreements are as follows:

- (a) All decisions of the joint venture will be by majority vote and each party will have one vote for every 1% interest held. At all times, the Company must hold a majority interest.
- (b) If the Company completes the feasibility study of the proposed mining operations, the Partners must transfer to the Company a further 19% participating interest, giving the Company a 70% interest.
- (c) From the commencement date of the agreement until the parties make a decision to mine or until the Company withdraws from the joint venture (whichever occurs first), the Company must pay for all expenditure in relation to the joint venture and tenements.
- (d) From the date of a decision to mine, the parties must contribute to joint venture expenditure in proportion to their interests.

Each joint venture will continue until the earlier of:

- (a) the date mutually agreed by the parties; or
- (b) the date on which one party acquires all the participating interests in the joint venture and tenements.

**(f) Pivot Share Sale Agreement**

The Company entered an agreement for the sale of the following shares held by Pivot Ltd (*Pivot*):

- (a) 87,240 ordinary shares in Victorian Agricultural Lime Ltd (this constitutes all of the shares in the company); and
- (b) 19,700 ordinary shares in Curdies River Lime Company Pty Ltd (this constitutes all of the shares in the company).

The consideration provided by the Company \$400,000 (excluding GST).

Pursuant to this agreement, the Company effectively acquired its rights to freehold property to continue mining activities under WA467 as issued by the Victorian Department of Primary Industries. It also acquired other fixed assets of Plant and Equipment.

**(g) NAB Financing**

A letter dated 30 May 2007 from National Australia Bank (**NAB**) to Kurdeez advises about the approval of a NAB Business Options Interest Only Loan – Interest In Arrears (**Facility**).

The main terms and conditions of the Facility are:

- (a) Facility limit: \$300,000.
- (b) The facility limit must be borrowed in full in one drawing unless NAB agrees otherwise.
- (c) Last date for initial drawdown: 30 August 2007.
- (d) Facility term: 5 years.
- (e) Initial fixed rate period: 2 years.
- (f) Interest rates:
  - (i) indicative fixed interest rate: 8.5000% per annum;
  - (ii) variable interest rate: currently 8.3000% per annum;
  - (iii) default interest rate: 15.1000% per annum.
- (g) Commitment fee: 1.8000% per annum.
- (h) Securities:
  - (i) fixed and floating charge over the whole of the assets of Kurdeez;  
and
  - (ii) guarantee and indemnity for \$580,000 given by Erwin Bouverie supported by a registered mortgage over property at 25 Elanora Rd, Kiama, NSW (Folio 266/30126).

A signed letter from NAB states that the Facility limit of \$300,000 was borrowed on 13 June 2007.

Kurdeez has an overdraft facility with NAB of \$480,000 which is also the subject of the fixed and floating charge over the whole of the assets of Kurdeez. The amount drawn



from the facility fluctuates on a day to day basis but is generally between \$350,000 and \$450,000 at any given time.

**(h) Equipment Leases**

Kurdeez entered into an Equipment Loan and Goods Mortgages with NAB on 8 November 2006 for equipment loan finance of \$165,000 for the hiring of an Hyundai Excavator. The following is a summary of the terms and conditions:

- (a) Term of loan: 59 months.
- (b) Total amount payable by Kurdeez under the mortgage: \$199,745.40.
- (c) Final repayment date: 9 October 2011.
- (d) Kurdeez is solely responsible for the equipment and must maintain insurance.

Kurdeez entered into an Equipment Loan and Goods Mortgages with NAB on 8 December 2006 for equipment loan finance of \$100,000 for the hiring of a Mercedes Benz Cab Chassis. The following is a summary of the terms and conditions:

- (a) Term of loan: 59 months.
- (b) Total amount payable by Kurdeez under the mortgage: \$120,952.20.
- (c) Final repayment date: 8 November 2011.
- (d) Kurdeez is solely responsible for the equipment and must maintain insurance.

Kurdeez will be in default of either Mortgage and NAB can require the payment of the loan balance (and exercise any rights and remedies available at law or under a loan document) at any time if:

- (a) Kurdeez does not pay any of the amounts payable under the Mortgage on time;
- (b) Kurdeez does something it has agreed not to do, or fails to do something it has agreed to do under a loan document;
- (c) Kurdeez repudiates or is in default under any other agreement between NAB and Kurdeez;
- (d) Kurdeez gives NAB incorrect or misleading information in connection with a loan document;
- (e) NAB believes on reasonable grounds that Kurdeez or another person has acted fraudulently in connection with a loan document;
- (f) Kurdeez becomes insolvent;

- (g) NAB believes on reasonable grounds that Kurdeez has or intends to remove or dispose of the equipment without NAB's consent; or
- (h) NAB believes on reasonable grounds that urgent action is needed to protect the equipment.

**(i) Consulting Agreement with Geologist**

The Ausminerals Group has entered into a consulting agreement with Stanley Wollen to provide geology services. The term of the agreement is renewable annually.

Mr Wollen has over 35 years experience in mineral exploration management, project generation and resource evaluation predominantly within Australia. For over 10 years he managed the search for and evaluation of many mineral sands projects including the world class Murray Basin heavy minerals deposits for RZM Pty Limited. Mr Wollen succeeded in leading the team that located the first minerals sands mine in the Murray Basin at Wemen.

Mr Wollen has had a broad range of experience in managing, budgeting and controlling mineral resource projects encompassing uranium, gold, nickel, feldspar, limestone and many other mineral type projects. He has acted in a project management role overseeing professional, technical, semi-skilled and support personnel.

Mr Wollen's experience has extended to the hydro-geological, geotechnical engineering, environmental aspects of the various projects he has been involved in which include all aspects of gold and nickel exploration for Australasian Gold Pty Limited from 2003 to the present, industrial minerals exploration for Minerals Corporation Limited from 1996 to 1998, contract geology for GHD Wright in 1996, as Chief Geologist exploring for nepheline syenite, rutile, zircon, ilmenite, silica sand and gold for Denison Resources Pty Limited from 1985 to 1988 (now Wellington Resources Pty Limited) and Project Geologist for JOC Mineral Resources Australia Pty Ltd exploring for uranium in 1971 and 1972.

In 1983 Mr Wollen was appointed as secretary/treasurer and in 1985 as vice-president of the Petroleum Exploration Society, Queensland and also served on the Queensland Mining Council in 1995.

### **5.3 Material Contracts**

Except as disclosed in this Information Memorandum, no director holds, or during the last two years has held, any interest in:

- a) the formation or promotion of the Company;
  - b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the NSX application; or
  - c) the NSX application,
- and no amounts of any kind (whether in cash, Shares or otherwise) have been paid or

agreed to be paid to any Director to induce him to become or to qualify as a Director or otherwise for services rendered by him in connection with the promotion of the Company or the NSX application.

### **Directors' Shareholdings**

The Directors are not required to hold any Shares in the Company under the Constitution of the Company.

At the date of this Information Memorandum the relevant interests of each of the Directors in the Shares of the Company are as follows:

<u>Director</u>	<u>No. of Shares</u>
Erwin Bouverie	25,387,200
Wayne Wilson	5,000,000
Chris Valttila	62,500
Guy Kempny	1,019,375
Total	<u>31,469,075</u>

These shares are held through entities controlled by the Directors. Nothing in this Information Memorandum will be taken to preclude Directors, officers or employees of the Company from applying for Shares under this Information Memorandum. The Shares will be classified as restricted securities under the Listing Rules and will be subject to an escrow period of 24 months from the date of quotation of the Shares on the NSX.

### **Directors' Remuneration**

Pursuant to an employment agreement, the Directors have arranged for Mr. Bouverie to provide his services as Managing Director of the Company. The Company will pay at a rate calculated on the basis of \$180,000 per annum plus statutory superannuation and a fully maintained company vehicle.

Under the Constitution of the Company, the Directors (other than Executive Directors) as a whole have an aggregate maximum remuneration of \$500,000 unless otherwise determined in a general meeting (by a majority vote). The notice calling a general meeting at which it is proposed that members approve an increase of the aggregate maximum sum must state the amount of the increase, the aggregate maximum sum and any other matters required by the Listing Rules.

Mr. Bouverie will receive director's fees of \$20,000 per annum.

Mr. Valttila will receive director's fees of \$25,000 per annum.

Mr. Wilson will receive director's fees of \$20,000 per annum.

## **5.4 Interest of Persons Named**

Other than as set out below or elsewhere in this Information Memorandum, no person named in this Information Memorandum as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this

Information Memorandum has, or has had within the two years before lodgment of this Information Memorandum with the NSX, any interest in:

- a) the formation or promotion of Ausminerals;
- b) any property acquired or proposed to be acquired by Ausminerals in connection with its formation or promotion or in connection with the NSX application; or
- c) the NSX application, 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 those persons for services rendered by them in connection with the formation or promotion of the Company or the NSX application.

PKF Corporate Advisory Services (NSW) Pty Ltd have received professional fees of approximately \$ 126,000 for investigating accounting services in connection with this Information Memorandum including the provision of the Investigating Accountant's Report.

PKF will act as auditors of the Company. The Company will pay for auditing or related services in the normal course of business.

Cameron Stockbrokers Limited will receive fees and commission of up to \$5,000 for acting as Financial Adviser and Sponsoring Broker.

Stanley Wollen has received professional fees of approximately \$ 5,000 for the provision of the Independent Geologist's Report.

Baker & McKenzie have received professional fees of approximately \$ 132,000 for the work related to the preparation and lodgment of this Information Memorandum and general advice.

The companies share register is held at the registered office however prior to listing and independent register will be appointed in accord with the NSX rules and will be paid for these services on normal commercial terms.

## 5.5 Consents

The following persons have each consented to being named in the Information Memorandum and to the inclusion of the following reports and statements identified in this Information Memorandum as being based on statements made by those persons, in the form and context in which they are included, and have not withdrawn that consent before lodgment of this Information Memorandum:

<b>Person</b>	<b>Report</b>
Stanley Wollen	Consulting Geologist's Report
PKF Corporate Advisory Services (NSW) Pty Ltd	Investigating Accountant's Report
Emerald Tenement Services	Independent Report on WA Tenements
Olliver Geological Services Pty Ltd	Independent Report on SA Tenements

To the maximum extent permitted by law, each of the persons referred to above expressly disclaims and takes no responsibility for any part of this Information Memorandum other than the statements referred to above and the statements identified in this Information Memorandum as being based on statements made by those persons.

The following persons have consented to being named in this Information Memorandum but have not made any statements that are included in this Information Memorandum or statements identified in this Information Memorandum as being based on any statements made by those persons, and have not withdrawn their consent before lodgment of this Information Memorandum :

Baker & McKenzie	Solicitors to the Company
Cameron Stockbrokers Limited	Financial Adviser and Sponsoring Broker
PKF Chartered Accountants	Auditors of the Company
Registries Limited	Share Registrar

To the maximum extent permitted by law, each of the persons referred to above expressly disclaims and takes no responsibility for any part of this Information Memorandum other than the references to their name.

## **5.6 Deeds of Indemnity, Access and Insurance**

The Company has entered into a Deed of Indemnity, Access and Insurance with each of its Directors. Under the Deeds of Indemnity, Access and Insurance, the Company will 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.

## **5.7 Taxation**

The acquisition and disposal of Shares in the Company will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in Ausminerals Group 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 subsidiaries, their officers and each of their respective advisors accept no liability or responsibility with respect to the taxation consequences of investors subscribing for Shares in the company.

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## **5.8 Litigation**

Ausminerals Group is not involved in any material litigation or arbitration proceedings, nor, so far as the Directors are aware, are any such proceedings pending or threatened against any of the entities in the Ausminerals Group.

## 6. GLOSSARY

Annual Report	Means an annual report prepared in accordance with the requirements of the Corporations Act.
ASX	Means the Australian Stock Exchange Limited ( ACN 008 624 691)
ASIC	means Australian Securities and Investments Commission.
NSX	means NSX Limited ACN 008 624 691.
Auditors	means PKF, Chartered Accountants.
Ausminerals	means Ausminerals Limited ACN 099 336 866.
Ausminerals Group	means Ausminerals and its subsidiaries.
Australian Accounting Standards	means the mandatory accounting standards published by the Australian Accounting Standards Board from time to time.
Australian Financial Services License	means an Australian Financial Services License pursuant to the Financial Services Reform Act 2001.
Board	means the board of Directors unless the context indicates otherwise.
Business Day	means a day other than a Saturday or Sunday on which banks are open for business in Sydney, New South Wales.
CHESS	means Clearing House Electronic Sub registry System.
Company	means Ausminerals Limited (ACN 099366886).
Constitution	means the constitution of Ausminerals Limited, unless the context indicates otherwise.
Consultant Geologist	means Stanley Wollen.
Consultant Geologist's Report	means the report contained in Section 5 of this Information Memorandum.
Cool Sand Option	means the option described in section 5.2(c).
Corporations Act 2001	means the Corporations Act 2001 of Australia.
Directors	means the directors of the Company from time to time.
Dollars or \$	means Australian dollars unless other wise stated.

EST	means Eastern Standard Time, Sydney, New South Wales.
FICS	means Financial Industry Complaints Service
Glossary	means this glossary.
Gold Hill Option	means the option described in section 5.2(a).
Investigating Accountant	means PKF Corporate Advisory Services (NSW) Pty Ltd
Investigating Accountant's Report	means the report contained in Attachment 7 of the application letter to the NSX
Listing Rules	means Listing Rules of the NSX.
Management	means the persons responsible for the management of Ausminerals Limited.
Officers	means the officers of Ausminerals Limited, unless the context requires otherwise.
Personal Information	means information or an opinion, whether true or not, and whether recorded in a material form or not, about an individual whose identity is apparent, or can reasonably be ascertained from the information or opinion.
PIRSA	means Department of Primary Industries and Resources South Australia
PKFCA	means PKF Corporate Advisory Services (NSW) Pty Ltd
Quotation	means quotation of the Shares on the NSX.
RFI	means Request For Information
Share	means 1 fully paid ordinary share in Ausminerals Limited.
Shareholder	means a holder of Shares.
Share Registrar	means Registries Ltd ( or other nominated organisation)
Staff	means employees of Ausminerals Limited, unless the context requires otherwise.
Wilson / Crew Option	means the option described in section 5.2(d).