

# **GOLDPHYRE RESOURCES LIMITED**

ABN 58 149 390 394

## **PROSPECTUS**

For a non-renounceable pro rata Entitlement Offer to Eligible Shareholders of 16,910,670 New Options on the basis of 1 New Option for every 3 Existing Shares held at 5.00pm (WST) on the record date of 22 November 2013, at an issue price of \$0.001 per New Option to raise approximately \$16,910 before issue costs.

### **Important Notice**

This is an important document and should be read in its entirety (including the Risk Factors in section 3 of the Prospectus). This Prospectus is a transaction-specific prospectus issued in accordance with Section 713 of the Corporations Act 2001. If you have any queries about any part of the Prospectus, please contact your professional adviser without delay.

An investment in the securities offered by this Prospectus should be considered speculative.

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## CORPORATE DIRECTORY

### Directors

Ron Punch (Executive Chairman)  
Brenton Siggs (Non-Executive Director)  
Christopher Clegg (Non-Executive Director)

### Company Secretary

John Ribbons

### Registered Office

Ground Floor, 20 Kings Park Road  
West Perth WA 6005  
Telephone: + 61 8 9212 0605  
Facsimile: +61 8 9389 2199  
Email: [info@goldphyre.com.au](mailto:info@goldphyre.com.au)  
Website: [www.goldphyre.com.au](http://www.goldphyre.com.au)

### Corporate Co-ordinator

DWCorporate Pty Ltd  
Ground Floor, 20 Kings Park Road  
WEST PERTH WA 6005

### \*Share Registry

Security Transfer Registrars Pty Ltd  
770 Canning Highway  
APPLECROSS  
Western Australia 6153  
Telephone: +61 8 9315 2333  
Facsimile: +61 8 9315 2233

### \*Auditors

Bentleys Audit & Corporate (WA) Pty Ltd  
Level 1, 12 Kings Park Road  
WEST PERTH WA 6005

### ASX Code

GPH

\*These parties are included for information purposes only. They have not been involved in the preparation of this Prospectus.

## IMPORTANT NOTICES

This Prospectus is dated 14 November and copy of this Prospectus was lodged with ASIC on that date. Neither ASIC nor the ASX take any responsibility for the contents of this Prospectus, or the merits of the investment to which this Prospectus relates.

No New Options will be allotted or issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus. The Company will apply to the ASX within 7 days of the date of this Prospect for quotation of the New Options offered by this Prospectus.

A copy of this Prospectus can be downloaded from the Company's website at [www.goldphyre.com.au](http://www.goldphyre.com.au) or the ASX website and Eligible Shareholders will be mailed a hard copy of this Prospectus along with a personalised Entitlement and Acceptance Form. Applicants for New Options offered pursuant to this Prospectus may only be submitted on an original Entitlement and Acceptance Form which accompanies this Prospectus. The Entitlement and Acceptance Form sets out an Eligible Shareholder's Entitlement to participate in the Entitlement Offer. Eligible Shareholders who do not take up their Entitlement will have their existing interest in the Company diluted. Please refer to Section 2 for details of how to accept the Entitlement Offer.

The Corporations Act prohibits any person passing onto another person the Entitlement and Acceptance Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company.

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

In preparing this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult. This Prospectus is issued pursuant to Section 713 of the Corporations Act. Section 713 allows the issue of a more concise prospectus in relation to an offer of continuously quoted securities. 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 information that would be included in a prospectus for an initial public offering.

This Prospectus should be read in its entirety prior to making an investment decision. If you do not fully understand this Prospectus or are in doubt as to how to deal with it, you should consult your professional adviser. The New Options offered by this Prospectus should be considered speculative. Please refer to Section 3 for details relating to investment risks.

Some words and expressions used in this Prospectus have defined meanings which are explained in section 7 of this Prospectus. Unless otherwise indicated, all references to currency are to Australian dollars and all references to time (such as "WST") are to Perth, Western Australian time.

### Forward Looking Statements

Some of the statements in this Prospectus may be in the nature of forward looking statements, including statements of current intention, statements of opinion and predictions as to possible future events. You should be aware that such statements are not statements of fact and there can be no certainty of outcome in relation to the matters to which the statements relate.

Forward looking statements are subject to many inherent risks and uncertainties before actual outcomes are achieved. Those risks and uncertainties include factors and risks specific to the industry in which the Company operates as well as general economic conditions, interest rates, exchange rates and conditions in the financial markets. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement and any variation may be materially positive or negative. The forward looking statements in this Prospectus reflect views held only as at the date of this Prospectus.

**Overseas Shareholders**

This Prospectus does not constitute an offer or invitation in any jurisdiction where, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to permit the offer of New Options under this Prospectus in any jurisdiction other than Australia or New Zealand. The distribution of this Prospectus in jurisdictions outside Australia or New Zealand may be restricted by law and persons who come into possession of this document should seek advice on, and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Neither this document nor the New Options the subject of the Entitlement Offer have been, nor will be, registered under the US Securities Act 1933 and may only be offered, sold or resold in, or to persons in, the United States in accordance with an available exemption from registration.

It is the responsibility of any Applicant to ensure compliance with any laws of a country relevant to their application. The return of a duly completed Entitlement and Acceptance Form will be taken by the Company as a representation that there has been no breach of such laws and that the Applicant is an Eligible Shareholder.

**PROPOSED TIMETABLE**

<b>Prospectus lodged with ASIC and ASX</b>	14 November 2013
<b>Notice sent to Shareholders containing Appendix 3B details and indicative timetable</b>	14 November 2013
<b>“Ex” Date</b>	18 November 2013
<b>Record Date for determining Entitlement</b>	22 November 2013
<b>Prospectus and Entitlement and Acceptance Form sent to Eligible Shareholders</b>	23 November 2013
<b>Opening Date of Entitlement Offer</b>	25 November 2013
<b>Closing Date for acceptances and receipt of application under the Entitlement Offer at 5.00pm (WST)</b>	10 December 2013
<b>Notify ASX of Shortfall</b>	12 December 2013
<b>Allotment and issue of New Options and despatch of holding statements for New Options</b>	16 December 2013
<b>Date of quotation of New Options and trading of New Options is expected to commence</b>	17 December 2013

This timetable is indicative only and subject to change. The Company reserves the right, subject to the Corporations Act and the Listing Rules, to vary the above dates without prior notice including extending the Closing Date, or to delay or withdraw the Entitlement Offer at any time. If withdrawn, all Application Monies for New Options which have not been issued will be refunded (without interest) as soon as practicable.

**Risk Factors**

Potential investors should be aware that subscribing for New Options in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in section 3 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the New Options in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for New Options pursuant to this Prospectus.

## **1. Details of the Entitlement Offer**

### **1.1. The Entitlement Offer**

On 18 September 2013, the Company announced its intention to raise funds at 2.5 cents per share. The placement included one (1) free attaching option exercisable at \$0.08 with an expiry date of 30 September 2016 for every two (2) shares (**Placement**), subject to any shareholder approval requirements. \$600,000 (before costs) was raised from the Placement which was completed on 11 November 2013.

The funds raised from the Placement will be primarily used to target the gold and base metal potential of the Company's 100% owned Lake Wells Project, Laverton Downs Project, Mailman Hill and Gambier Lass Projects in Western Australia.

Following completion of the Placement and as a part of the overall capital raising strategy the Company resolved to provide shareholders the opportunity to participate in the Entitlement Offer. As a result of the successful completion of the Placement, the Company now provides this Prospectus to all shareholders.

The Company is making a non-renounceable pro rata offer of New Options to Eligible Shareholders of 16,910,670 New Options (assuming no existing Options are exercised between the lodgement date of this Prospectus and the Record Date) on the basis of 1 New Option for every 3 Existing Shares held at 5:00 pm (WST) on the Record Date at an issue price of \$0.001 each to raise \$16,910 before issue costs (**Entitlement Offer**).

For information on how to deal with your entitlement, please refer to Section 2.

### **1.2. Minimum Subscription**

There is no minimum subscription for the Entitlement Offer and there is no provision for oversubscriptions.

### **1.3. Underwriting and sub-underwriting**

The Entitlement Offer is not underwritten.

### **1.4. Fractional Entitlement**

A fractional Entitlement of the Entitlement Offer will be rounded up to the nearest whole number of New Options. For this purpose, holdings in the same name are aggregated for the calculation of Entitlement.

### **1.5. Financial Effect**

Following completion of the Entitlement Offer, \$16,910 will be raised. The expenses of the Offer of approximately \$15,000 will be met from the Company's existing cash reserves. As such, the Offer will have a minimal effect on the Company's financial position. Please refer to section 5.19 of this Prospectus for details relating to the estimated expenses of the Entitlement Offer.

### **1.6. Your entitlement and acceptance**

Eligible Shareholders who are on the Company's share register at 5.00pm (WST) on the Record Date, being 22 November 2013 are eligible to participate in the Entitlement Offer. The number of New Options to which you are entitled is shown in the accompanying Entitlement and Acceptance Form.

This Entitlement Offer may be accepted in whole or in part prior to the Closing Date subject to the rights of the Company to extend the Entitlement Offer period or close the Entitlement Offer early. Instructions for accepting your Entitlement are set out in section 2 and on the Entitlement and Acceptance Form which accompanies this Prospectus.

### **1.7. Rights trading**

An Entitlement to New Options offered pursuant to the Entitlement Offer is non-renounceable and therefore Shareholders will not be able to trade their respective rights under this Entitlement Offer.

**1.8. Opening and Closing Dates**

The Entitlement Offer will open for receipt of acceptances on 25 November 2013 and will close at 5.00 pm WST (2.00pm (WST) for BPAY®) on the Closing Date, 10 December 2013 or such other date as the Directors in their absolute discretion shall determine, subject to the requirements of the Listing Rules.

**1.9. Shortfall Offer**

New Options not taken up by Eligible Shareholders will form the Shortfall Offer. The issue price of any New Options offered pursuant to the Shortfall Offer will be not less than \$0.001 each, being the price of the New Options offered to Eligible Shareholders pursuant to the Entitlement Offer. Accordingly, New Options comprising the Shortfall Offer will only be issued if the Entitlement Offer is undersubscribed and in such circumstances the Directors reserve the right to place the Shortfall at their discretion within 3 months after the close of the Entitlement Offer, subject to the Listing Rules and any other applicable legislation.

**1.10. Effect of the Entitlement Offer on the Control of the Company**

The Company is of the view that the Entitlement Offer will not affect the control of the Company. Holders of the New Options will be required to exercise the New Options to obtain Shares in the Company to increase their voting power in the Company.

In the event that Shareholders do not take up some or all of their Entitlement under the Entitlement Offer, then a Shortfall will result and the Directors will place the Shortfall at their discretion.

**1.11. Entitlement and Acceptance Form**

Acceptance of a completed Entitlement and Acceptance Form by the Company creates a legally binding contract between the Applicant and the Company for accepted Entitlement. The Entitlement and Acceptance Form does not need to be signed to be a binding acceptance of your Entitlement.

If the Entitlement and Acceptance Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the acceptance of an Entitlement and Acceptance Form as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

**1.12. Allotment and Application Money**

New Options will be issued only after all Application Money has been received and ASX has granted permission for the New Options to be quoted. It is expected that New Options will be issued on 16 December 2013 and trading of the New Options on ASX is expected to commence on 17 December 2013.

Shares issued pursuant to the Shortfall Offer will be allotted on a progressive basis. Where the number of Shares issued is less than the number applied for, or where no allotment is made surplus Application Money will be refunded without any interest to the Applicant as soon as practicable after the closing date of the Shortfall Offer.

Pending the allotment and issue of the New Options, all Application Money received will be held in a special purpose account for the purpose of depositing Application Money. After any Application Money is refunded (if required) and New Options are issued to Applicants, the balance of funds in the account plus accrued interest will be received by the Company.

Holding statements for Shares issued under the Entitlement Offer will be mailed in accordance with the Listing Rules and timetable set out at the commencement of this Prospectus and for Shortfall Options issued under the Shortfall Offer as soon as practicable after their issue.

**1.13. ASX quotation**

The Company will apply to the ASX within 7 days after the date of this Prospectus for the New Options to be granted Official Quotation. If permission is not granted by ASX for the official quotation of the New Options offered by this Prospectus within 3 months after the date of this Prospectus (or such period as ASX allows), the Company will repay, as soon as practicable, all Application Monies received pursuant to this Prospectus in full (without interest).

The fact that ASX may agree to grant Official Quotation of the New Options is not to be taken in any way as an indication of the merits of the Company or the New Options. ASX takes no responsibility for the contents of this Prospectus.

#### 1.14. Issue Outside Australia and New Zealand

The Prospectus does not constitute an offer of Shares in any jurisdiction where, or to any person to whom, it would not be lawful to issue this Prospectus or make such an offer. No action has been taken to register or qualify the New Options or the Entitlement Offer or otherwise to permit an offering of the New Options in any jurisdiction outside of Australia and New Zealand.

The Entitlement Offer is not being extended to any Shareholder, as at the Record Date, whose registered address is not situated in Australia or New Zealand, because of the small number of such Shareholders, and the cost of complying with applicable regulations in jurisdictions outside Australia and New Zealand. Where the Prospectus has been dispatched to Shareholders domiciled outside Australia or New Zealand and where that country's securities code or legislation prohibits or restricts in any way the making of the Entitlement Offer contemplated by this Prospectus, then the Prospectus and accompanying Entitlement and Acceptance Form are provided for information purposes only.

The Entitlement Offer contained in this Prospectus to Eligible Shareholders with registered addresses in New Zealand is made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand). If you are an Eligible Shareholder and have a registered address in New Zealand but are no longer a Shareholder on the Opening Date, you will have no Entitlement and may not accept the Entitlement Offer being made under this Prospectus. Members of the public in New Zealand who are not existing Shareholders on the Record Date are not entitled to apply for any New Options .

It is the responsibility of any Applicant to ensure compliance with any laws of a country relevant to their application. The return of a duly completed Entitlement and Acceptance Form will be taken by the Company as a representation that there has been no breach of such laws and that the Applicant is an Eligible Shareholder.

#### 1.15. Notice to nominees and custodians

Nominees and custodians that hold Existing Shares should note that the Entitlement Offer is available only to Eligible Shareholders. The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of securities. If any nominee or custodian is acting on behalf of a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Entitlement Offer is compatible with applicable foreign laws.

#### 1.16. Market price of Shares

The highest and lowest market sale price of the Company's Existing Shares, which are on the same terms and conditions as the New Options being offered under this Prospectus, during three months immediately preceding the lodgement of this Prospectus with ASIC, and the last market sale price on the date before the date of lodgement of this Prospectus, are set out below:

	3 months high	3 month low	Last market sale price
Existing Shares	\$0.031 on 25 September 2013	\$0.022 on 27 August 2013	\$0.025 on 4 November 2013

#### 1.17. CHES

The Company participates in the Clearing House Electronic Subregister System, known as CHES operated by ASX Settlement Pty Ltd (a wholly owned subsidiary of ASX), in accordance with the Listing Rules and ASX Settlement Operating Rules.

Under CHES, Applicants will not receive a certificate but will receive a statement of their holding of New Options.

If you are broker sponsored, ASX Settlement will send you a CHES statement. The CHES statement will set out the number of Options issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the Options.

If you are registered on the Issuer Sponsored subregister, your statement will be dispatched by 16 December 2013 and will contain the number of New Options issued to you under this Prospectus and your security holder reference number.

A CHESS statement or Issuer Sponsored statement will routinely be sent to holders at the end of any calendar month during which the balance of their holding changes. Shareholders may request a statement at any other time, however, a charge may be made for additional statements.

It is the responsibility of Applicants to determine their allocation before trading in the New Options. Applicants who sell New Options before they receive their statement do so at their own risk.

**1.18. Rights and Liabilities attaching to the New Options**

Each New Option entitles the holder to subscribe for one Share upon exercise of the New Option. A summary of the rights and liabilities attaching to the New Options is set out in Section 5.1.

**1.19. Risk factors**

An investment in the Company carries certain risks that may impact on the future profitability of the Company and the value of the Company's securities. The New Options should be regarded as speculative. The Directors recommend that potential investors carefully consider this Prospectus and consult their professional advisors before deciding whether to apply for New Options under this Prospectus. The risk factors affecting an investment in the Company are set in Section 3.

**1.20. Taxation implications**

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of subscribing for New Options under this Prospectus as it is not possible to provide a comprehensive summary of the possible taxation positions of Shareholders.

The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders. As a result, Shareholders should consult their professional tax adviser in connection with subscribing for Shares under this Prospectus.

**1.21. Major activities and financial information**

A summary of the major activities and financial information relating to the Company for the financial year ended 30 June 2013 is in the Annual Financial Report which was lodged with ASX on 9 September 2013.

The Company's continuous disclosure notices (i.e. ASX announcements) since 9 September 2013 are listed in Section 5.13.

Copies of these documents are available free of charge from the Company. The Directors strongly recommend that Shareholders review these and all other announcements prior to deciding whether or not to participate in the Entitlement Offer.

**1.22. Enquiries concerning Prospectus**

Enquiries concerning the Entitlement and Acceptance Form can be obtained by contacting the Company's Share Registry by telephone on +61 8 9315 2333.

Any questions concerning the Offer should be directed to John Ribbons, Company Secretary, on 9389 2111.

You can also contact your stockbroker or professional adviser with any queries in relation to the Entitlement Offer.

## 2. Action required by Eligible Shareholders

### 2.1. What Eligible Shareholders may do:

The number of New Options to which Eligible Shareholders are entitled (your Entitlement) is shown on the Entitlement and Acceptance Form accompanying this Prospectus. If you do not take up your Entitlement, then your percentage holding in the Company will be diluted.

As an Eligible Shareholder, you may:

- take up some or all of your Entitlement (refer to section 2.2); or
- allow all or part of your Entitlement to lapse (refer to section 2.3).

### 2.2. If you wish to take up some or all of your Entitlement

If you wish to take up some or all of your Entitlement, complete the accompanying Entitlement and Acceptance Form to apply for the number of New Options you wish to take up in accordance with the instructions set out in that form and arrange for payment of the Application Money in accordance with section 2.4. If you elect to pay by BPay®, you do not need to return the Entitlement and Acceptance Form but you will be deemed to have accepted your Entitlement upon receipt of the BPay® payment.

### 2.3. Allow all or part of you Entitlement to lapse

If you wish to allow all or part of your Entitlement to lapse, you are not obliged to do anything. The number of Existing Shares you hold as at the Record Date and the rights attached to those Shares will not be affected should you choose not to accept any of your Entitlement.

If you allow your Entitlement to lapse, you will receive no benefit or New Options and your Entitlement will become available under the Shortfall Offer. It is therefore important that, if you wish to receive a benefit, you must take action to accept your Entitlement in accordance with the instructions above and on the back of the accompanying Entitlement and Acceptance Form.

The Directors, at their discretion and subject to the ASX Listing Rules and the Corporations Act, will deal with any New Options not accepted.

### 2.4. Payment

The issue price for New Options is payable in full on application by a payment of \$0.001 per New Option. You may pay the Application Money by BPay® or cheque.

Completed Entitlement and Acceptance Forms must be accompanied by a bank draft or cheque in Australian dollars, crossed "**Not Negotiable**" and made payable to "**Goldphyre Resources Limited**" and lodged and received at the Company's share registry (by delivery or by post) no later than **5.00pm (WST) on the Closing Date**:

By delivery                      Security Transfer Registrars Pty Ltd  
770 Canning Highway  
APPLECROSS WA 6153

By Post                              Security Transfer Registrars Pty Ltd  
PO Box 535  
APPLECROSS WA 6953

The Company will present the cheque or bank draft on or around the day of receipt of the Entitlement and Acceptance Form. If a cheque is not honoured upon its first presentation, the Directors reserve the right to reject the relevant Entitlement and Acceptance Form.

If the amount of your cheque(s) or bank draft(s) for Application Monies (or the amount for which those cheque(s) or bank draft(s) clear in time for allocation) is insufficient to pay for the number of New Options you have applied for in your Entitlement and Acceptance Form, you may be taken to have applied for such lower number of New

Options as your cleared Application Monies will pay for (and to have specified that number of New Options in your Entitlement and Acceptance Form) or your Application may be rejected.

**Alternatively, if you elect to pay via BPAY®**, then you must follow the instructions for BPAY® on the Entitlement and Acceptance Form and you will not need to return the Entitlement and Acceptance Form.

**It is your responsibility to ensure that funds submitted through BPAY® are received by 2.00 pm (WST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment.**

The Company shall not be responsible for any postal or delivery delays or delay in the receipt of the BPAY® payment.

Any Application Money received for more than your Entitlement shall be refunded. No interest will be paid on any Application Money received or refunded.

## 2.5. Entitlement and Acceptance Form is binding

A completed and lodged Entitlement and Acceptance Form constitutes a binding offer to acquire New Options on the terms and conditions set out in this Prospectus and, once lodged, cannot be withdrawn. If the Entitlement and Acceptance Form is not completed correctly, it may still be treated as a valid application for New Options. The Directors' decision whether to treat an acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

By completing and returning your Entitlement and Acceptance Form with the requisite Application Monies, you will be deemed to have represented that you are an Eligible Shareholder. In addition, you will also be deemed to have represented and warranted on behalf of yourself or each person on whose account you are acting that the law in your place of residence and/or where you have been given the Prospectus, does not prohibit you from being given the Prospectus and that you:

- agree to be bound by the terms of the Entitlement Offer;
- declare that all details and statements in the Entitlement and Acceptance Form are complete and accurate;
- declare that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Entitlement and Acceptance Form;
- authorise the Company and its respective officers or agents, to do anything on your behalf necessary for the New Options to be issued to you, including to act on instructions of the Company's share registry upon using the contact details set out in the Entitlement and Acceptance Form;
- declare that you are the current registered holder of Shares and are an Australian or New Zealand resident, and you are not in the United States or a US Person, or acting for the account or benefit of a US Person;
- acknowledge that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that New Options are suitable for you given your investment objectives, financial situation or particular needs; and
- acknowledge that the New Options have not, and will not be, registered under the securities laws in any other jurisdictions outside Australia and New Zealand and accordingly, the New Options may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of applicable securities laws in particular the US Securities Act.

## 2.6. Privacy

If you complete an application for New Options, you will be providing personal information to the Company. The Company will collect, hold and use the information provided by Applicants to process applications and to administer investments in the Company.

If the information requested in the Entitlement and Acceptance Form is not provided, the Company and the

Company's share registry may not be able to process the relevant application.

The Company may disclose personal information for purposes related to Shareholders' investments to the Company's agents and service providers. The types of agents and service providers that may be provided with personal information and the circumstances in which personal information may be shared are:

- the Company's share registry for ongoing administration of the shareholder register;
- printers and other companies for the purpose of preparation and distribution of statements and for handling mail; and
- legal and accounting firms, auditors, contractors, consultants and other advisers for the purpose of administering and advising on the New Options and for associated actions.

The Company complies with its legal obligations under the *Privacy Act 1988 (Cth)*.

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

### **3. Risk Factors**

The New Listed Options offered under this Prospectus are considered speculative. Activities in the Company, as in any business, are subject to risks, which may impact on the Company's future performance. The Company has implemented appropriate strategies, actions, systems and safeguards for known risks, however, some are outside its control.

The Directors consider that the following summary, which is not exhaustive, represents some of the major risk factors which Shareholders need to be aware of in evaluating the Company's business and risks of increasing your investment in the Company. Shareholders should carefully consider the following factors in addition to the other information presented in this Prospectus.

The principal risks include, but are not limited to, the following:

#### **3.1 Specific Risks associated with the Company**

(a) Title

The Company's Tenements only permit the Company to undertake exploration on the Tenements. In the event that the Company successfully delineates an economic resource on any of the Tenements, it will need to apply for a mining lease to undertake development and mining on the Tenement. There is no guarantee that the Company will be granted a mining lease if one is applied for.

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

(b) Reliance on Key Management Personnel

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its key personnel. There can be no assurance that there will be no detrimental impact on the Company if one or more of these key personnel cease their involvement with the Company.

(c) Resource Estimates

In the event that the Company successfully delineates a JORC compliant resource on any of the Tenements in which it has an interest, that resource estimate will be an expression of judgement based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans which may, in turn, adversely affect the Company's operations.

(d) Commodity Price Volatility and Exchange Rate Risks

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for commodities, 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 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) Acquisition Risk

The Company's objectives include the pursuit of new projects in the resources sector, both in Australia and overseas, by way of acquisition or investment. The Directors of the Company will use their expertise and experience in the resources sector to assess the value of potential projects that have characteristics that are likely to provide returns to Shareholders. There can be no guarantee that any new project acquisition or investment will eventuate from these pursuits, or that any acquisitions will result in a return for Shareholders.

(f) Operating Risks

The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, and plant and equipment.

No assurances can be given that the Company will achieve commercial viability through the successful exploration of its mineral interests. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

(g) Tenure and Access

Exploration tenements are subject to periodic renewal. There is no guarantee that renewal of current or future Tenements or future applications for production Tenements will be approved.

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

(h) Licences, permits and approvals

Interests held by the Company are subject to the need for ongoing or new government approvals, licences and permits. These requirements, including work permits and environmental approvals, will change as the Company's operations develop. Delays in obtaining, or the inability to obtain, required authorisations may significantly impact on the Company's operations.

(i) Title Risks and Native Title

The Company cannot give any assurance that title to Tenements held by the Company will not be challenged or impugned. The Tenements may be subject to prior unregistered agreements or transfers, or title may be affected by undetected defects or native title claims.

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

The Directors will closely monitor the potential effect of native title claims involving Tenements in which the Company has or may have an interest.

In the event that the Company successfully delineates an economic resource on any of the Tenements, it will need to apply for a mining lease to undertake development and mining on the Tenement. There is no guarantee that the Company will be granted a mining lease if one is applied for.

(j) **Failure to Satisfy Expenditure Commitments**

Each licence or lease carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in the Tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments.

(k) **Environmental Risks**

The Company's exploration programs will, in general, be subject to approval by governmental authorities. Development of any of the Company's properties will be dependent on the project meeting environmental guidelines and, where required, being approved by governmental authorities. As with most mineral exploration and development projects, the Company's activities are expected to have an impact on the surrounding environment, particularly if advanced exploration or mine development proceeds.

It is the Company's intention to conduct its activities to the highest standard of environmental obligations required, including compliance with the relevant environmental laws.

(l) **Additional Requirements for Capital**

The Company may seek to raise further funds through equity or debt financing, joint ventures, production sharing arrangements or other means. Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of exploration, development or production on the Company's properties or even loss of a property interest. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

(m) **Conflicts of Interest**

The Company's Directors are also directors and officers of other companies engaged in mineral exploration and development and mineral property acquisitions. Accordingly, mineral exploration opportunities or prospects of which such persons become aware will not necessarily be made available to the Company. The Directors intend, however, to allocate these to such companies on the basis of prudent business and judgement and the relative financial abilities and needs of the companies to participate. Although such persons have been advised of their fiduciary duties to the Company, there exist actual and potential conflicts of interest among these persons and situations could arise in which their obligations to, or interests in, other companies could detract from their efforts on behalf of the Company.

### **3.2 Mineral Industry Risks**

(a) **Exploration**

The mineral tenements of the Company 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 these tenements, 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.

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that these cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

(b) Operating

The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

No assurances can be given that the Company will achieve commercial viability through the successful exploration or mining of its tenement interests. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

(c) Resource estimates

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

(d) Commodity price volatility and exchange rates

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. 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 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) Environment

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

(f) Litigation

All industries, including the mining industry, are subject to legal claims in the ordinary course of their corporate and operational activities, with and without merit. Defence and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation and dispute resolution process, there can be no assurance that the resolution of any particular legal proceeding or dispute will not have an adverse effect on the Company's future cash flow, results of operations or financial condition.

### **3.4 General Risks**

(a) Economic

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

(b) Market conditions

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

- general economic outlook;
- introduction of tax reform or other new legislation;
- interest rates and inflation rates;
- changes in investor sentiment toward particular market sectors;
- the demand for, and supply of, capital; and
- terrorism or other hostilities.

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

(c) Additional requirements for capital

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. 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 programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

(d) Dividends

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

(e) Taxation

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

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

(f) 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. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

### **3.5 Investment Speculative**

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

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

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

## 4. Effect of the Entitlement Offer

### 4.1 Principal effect of the Entitlement Offer

The principal effects of the Entitlement Offer, assuming all New Options offered under the Prospectus are issued, will be to:

- (a) list a new class of tradable Options; and
- (b) increase the total number of Options on issue from 33,389,800 as at the date of this Prospectus to 50,300,470 Options.

The pro-forma Statement of Financial Position summarising the effects of the Entitlement Offer is set out in Section 4.3.

### 4.2 Effect of the Entitlement Offer on the Capital Structure

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

#### Shares

	Number
Shares currently on issue	50,732,010
Shares offered pursuant to the Offer	Nil
<b>Total Shares on issue after completion of the Offer</b>	<b>50,732,010</b>

#### Options

	Number
Options currently on issue:	
(Unquoted exercisable at 20 cents on or before 30 June 2015)	20,389,800
(Unquoted exercisable at 19.5 cents on or before 25 May 2016)	1,000,000
(Unquoted exercisable at 8 cents on or before 30 September 2016)*	12,000,000
<b>Subtotal</b>	<b>33,389,800</b>
<b>New Listed Options offered pursuant to the Offer</b> (Quoted exercisable at 8 cents on or before 30 September 2016)	<b>16,910,670</b>
<b>Total Options on issue after completion of the Offer</b>	<b>50,300,470</b>

\*The Company will seek quotation of 12,000,000 options after the completion of the Offer under this Prospectus.

The capital structure on a fully diluted basis as at the date of this Prospectus would be 84,121,810 Shares and on completion of the Offer would be 101,032,480 Shares.

### 4.3 Statement of Financial Position

The audited balance sheet as at 30 June 2013 and the unaudited pro-forma balance sheet as at 30 September 2013 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.

GOLDPHYRE RESOURCES LIMITED  
EFFECT OF THE OFFER

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

	AUDITED	UNAUDITED	UNAUDITED PROFORMA
	30-Jun-13	30-Sep-13	30-Sep-13
	\$	\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	767,202	630,371	632,281
Trade and other receivables	4,043	16,399	16,399
<b>TOTAL CURRENT ASSETS</b>	<b>771,245</b>	<b>646,770</b>	<b>648,680</b>
<b>NON-CURRENT ASSETS</b>			
Plant and equipment	2,151	1,748	1,748
<b>TOTAL NON-CURRENT ASSETS</b>	<b>2,151</b>	<b>1,748</b>	<b>1,748</b>
<b>TOTAL ASSETS</b>	<b>773,396</b>	<b>648,518</b>	<b>650,428</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	17,248	16,067	16,067
<b>TOTAL CURRENT LIABILITIES</b>	<b>17,248</b>	<b>16,067</b>	<b>16,067</b>
<b>TOTAL LIABILITIES</b>	<b>17,248</b>	<b>16,067</b>	<b>16,067</b>
<b>NET ASSETS</b>	<b>756,148</b>	<b>632,451</b>	<b>634,361</b>
<b>EQUITY</b>			
Issued capital	2,176,364	2,237,534	2,239,444
Reserves	883,405	883,405	883,405
Accumulated losses	-2,303,621	-2,488,488	-2,488,488
<b>TOTAL EQUITY</b>	<b>756,148</b>	<b>632,451</b>	<b>634,361</b>

The Pro-Forma Statement of Financial Position assumes the following:

- (a) the issue of 16,910,670 New Options offered pursuant to this Prospectus at \$0.001 each on the basis of 1 New Option for every 3 Existing Shares held to raise approximately \$16,910 has been completed; and
- (b) the estimated costs of the Entitlement Offer are approximately \$15,000.

#### 4.4 Dividend policy

The Directors are not able to say when and if dividends will be paid in the future, as the payment of any dividends will depend on the future profitability, financial position and cash requirements of the Company.

## 5. Additional information

### 5.1 Rights attaching to New Options

The Company is incorporated in Australia and is subject to the Corporations Act. As a company listed on ASX, the Company is also regulated by the Listing Rules.

- (a) The exercise price of each New Option will be 8 cents ("**Exercise Price**").
- (b) Each New Option entitles the holder to subscribe for one Share in Goldphyre Resources Limited ABN 58 149 390 394 ("**Company**") upon the payment of the Exercise Price per Share subscribed for.
- (c) The New Options will lapse at 5:00 pm, Western Standard Time on 30 September 2016 ("**Expiry Date**").
- (d) The New Options may be transferred at any time in accordance with the Corporations Law, the SCH Business Rules and/or the Listing Rules.
- (e) There are no participating rights or entitlements inherent in these New Options and holders of the New Options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the New Option.
- (f) New Option holders have the right to exercise their New Options prior to the date of determining entitlements to any capital issues to the then existing shareholders of the Company made during the currency of the New Options, and will be granted a period of at least 10 business days before closing date to exercise the New Options.
- (g) In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to the holders of Shares after the date of issue of the New Options, the exercise price of the New Options will be adjusted in accordance with the formula set out in ASX Listing Rule 6.22.2.
- (h) In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the New Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.
- (i) The New Options shall be exercisable at any time until the Expiry Date ("**Exercise Period**") by the delivery to the registered office of the Company of a notice in writing ("**Notice**") stating the intention of the New Option holder to exercise all or a specified number of New Options held by them accompanied by an New Option certificate and a cheque made payable to the Company for the subscription monies for the Shares. The Notice and cheque must be received by the Company during the Exercise Period. An exercise of only some New Options shall not affect the rights of the New Option holder to the balance of the New Options held by it.
- (j) The Company shall allot the resultant Shares and deliver a statement of shareholdings with a holders' identification number within 5 business days of exercise of the New Options.
- (k) The Shares allotted shall rank, from the date of allotment, equally with the existing ordinary shares of the Company in all respects.
- (l) The Company will apply for quotation of the New Options on ASX.

## 5.2 Shares

The following is a summary of the more significant rights and liabilities attaching to Shares being the underlying securities of the New Options to be issued pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

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

### (a) General meetings

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

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

## 5.3 Voting rights

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

- each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- 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
- 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 each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

## 5.4 Dividend rights

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

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

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

## 5.5 Winding-up

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

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

## **5.6 Shareholder liability**

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

## **5.7 Transfer of shares**

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

## **5.8 Future increase in capital**

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

## **5.9 Variation of rights**

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

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

## **5.10 Alteration of constitution**

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

## **5.11 Nature of this Prospectus**

This Prospectus is a “transaction specific prospectus” issued under the special content rules for continuously quoted securities in Section 713 of the Corporations Act. This enables listed disclosing entities, such as the Company to issue a prospectus for continuously quoted securities over continuously quoted securities to acquire continuously quoted securities with modified disclosure requirements if they satisfy certain requirements. The underlying securities of the New Options (ie. Shares) are in the same class of Shares that have been quoted on the Official List of ASX during the 12 months prior to the issue of this Prospectus.

The information in this Prospectus principally concerns the terms and conditions of the Entitlement Offer and the information reasonably necessary to make an informed assessment of:

- (a) the effect of the Entitlement Offer on the Company; and
- (b) the rights and liabilities attaching to the New Options offered pursuant to this Prospectus.

This Prospectus is intended to be read in conjunction with publicly available information in relation to the Company which has been notified to ASX and does not include all of the information included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Shareholders should therefore also have regard to the other publicly available information in relation to the Company before making a decision on whether or not to invest in the Company.

**5.12 Company is a disclosing entity**

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and is subject to regular reporting and disclosure obligations under both the Corporations Act and the Listing Rules. The Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

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 12 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

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

Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, the registered office of the Company during normal office hours (see Section 5.13 below).

**5.13 Copies of documents**

Copies of documents lodged with ASIC in connection with the Company’s reporting and disclosure obligations may be obtained from, or inspected at, an office of ASIC. The Company will provide free of charge to any person who requests it, a copy of:

- (a) the financial statements of the Company for the financial year ended 30 June 2013, being the last financial statements for a financial year of the Company lodged with ASIC before the issue of this Prospectus; and
- (b) the following continuous disclosure notices given by the Company to notify ASX of information relating to the Company during the period from the date of lodgement of the financial statements referred to in paragraph (a) above until the issue of this Prospectus are as follows:

Date	Description of the Announcement
14/11/2013	Appendix 3B
14/11/2013	Prospectus
14/11/2013	Letter to shareholder
14/11/2013	Letter to option holder
13/11/2013	Non-Renounceable Entitlement Issue
11/11/2013	Appendix 3B and Section 708 Notice
6/11/2013	Annual General Meeting Venue
5/11/2013	Change of Principal Place of Business
31/10/2013	Annual Report to shareholders
31/10/2013	Results of Meeting
29/10/2013	Quarterly Cashflow Report
29/10/2013	Quarterly Activities Report
24/10/2013	Notice of Annual General Meeting/Proxy Form
2/10/2013	Notice of General Meeting
26/09/2013	Appendix 3B and Section 708 Notice
18/09/2013	Goldphyre to Raise \$550,000
16/09/2013	Trading Halt

The following documents are available for inspection throughout the application period of this Prospectus during normal business hours at the principal office of the Company (details are provided in the Corporate Directory):

- (i) this Prospectus;
- (ii) Constitution; and
- (iii) the consents referred to in Section 5.18 and the consents provided by the Directors to the issue of this Prospectus.

**5.14 Information excluded from continuous disclosure notices**

There is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules, and which is required to be set out in this Prospectus.

**5.15 Determination by ASIC**

ASIC has not made a determination which would prevent the Company from relying on section 713 of the Corporations Act in issuing the Shares under this Prospectus.

**5.16 Directors' interests**

Other than as set out below or elsewhere in this Prospectus, no Director has or had within two years before the lodgement of this Prospectus with ASIC, 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 or the issue of New Options pursuant to this Prospectus; or
- (c) the issue of New Options pursuant to this Prospectus,  
and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director;
- (d) to induce him or her to become, or to qualify him, as a Director; or
- (e) for services rendered by him or her in connection with the promotion or formation of the Company or the offer of New Options pursuant to this Prospectus.

**Directors' Holdings**

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus is set out in the table below.

Director	Shares	Options
Ron Punch	Nil	1,000,000 (exercise price 20 cents and expiring 30 June 2015) 1,000,000 (exercise price 19.5 cents and expiring 29 May 2016)
Brenton Siggs <sup>(i)</sup>	7,250,000	3,625,000 (exercise price 20 cents and expiring 30 June 2015)
Christopher Clegg <sup>(ii)</sup>	175,000	2,000,000 (exercise price 20 cents and expiring 30 June 2015)

(i) Held by Goldphyre (WA) Pty Ltd, a company of which Mr Siggs is a director.

(ii) 25,000 of these shares are held by Statewide Tenement & Advisory Services Pty Ltd, a company of which Mr Clegg is a director.

150,000 ordinary shares are jointly held by Christopher and Tamara Clegg <Sandalwood Super Fund A/C>.

**Remuneration of Directors**

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$300,000 per annum.

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.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive directors.

Director	2013	2012
Ronald Punch	\$50,000	\$30,000
Brenton Siggs	\$294,436	\$127,292
Christopher Clegg	\$33,333	\$20,000
Russell Lynton-Brown (resigned 21 January 2013)	\$20,000	\$20,000

**Other interests**

The Company has entered into Deeds of Indemnity, Access and Insurance on standard terms with each of its current Directors. Those deeds indemnify these Directors in respect of certain liabilities and legal expenses incurred by them whilst acting as Directors and insure them against certain risks they are exposed to as Directors. The Company has paid insurance premiums to insure each of the Directors against liabilities for costs and expenses incurred by them in defending any legal proceedings while acting in the capacity of a Director.

**5.17 Interests of Named Parties**

Other than as set out below or elsewhere in this Prospectus, all persons 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, do not have, and have not had in the two years before the date of this Prospectus any interests 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 offer of New Options under this Prospectus; or
- (c) the offer of New Options pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in Shares or otherwise) and no other benefit has been given or agreed to be given to any of those persons in connection with the formation or promotion of the Company or the offer of New Options under this Prospectus.

DWCorporate Pty Ltd is entitled to be paid approximately \$8,500 (plus GST) for advice and assistance in relation to the due diligence and other services related to the Prospectus. In the two years prior to the date of this Prospectus, DWCorporate Pty Ltd has provided company secretarial, accounting and IPO co-ordination services to the Company to a total value of approximately \$187,735.

Security Transfer Registrars Pty Ltd has been appointed to conduct the Company's share registry functions and to provide administrative services in respect to the processing of Applications received pursuant to this Prospectus, and will be paid for these services on standard industry terms and conditions.

**5.18 Consents**

The following parties has given their written consent to be named in this Prospectus and for the inclusion of statements made by that party (as described below in the form and content in which they are included), and has not withdrawn such consent before lodgement of this Prospectus with ASIC.

DWCorporate Pty Ltd has consented to being named as corporate advisor to the Company and the inclusion in the Prospectus of all statements referring to it.

The parties referred to above in this section:

- do not make, or purport to make any statement in this Prospectus, or on which a statement made in this Prospectus is based other than as specified in this section;
- makes no express or implied representation or warranty in relation to the Company, this Prospectus or the Entitlement Offer;

- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any material in, or omission from, this Prospectus other than a reference to its name and a statement included in the Prospectus with the consent of that party as specified in this section; and
- has not caused or authorised the issue of this Prospectus.

References to Security Transfer Registrars Pty Ltd appear for information purposes only. Security Transfer Registrars Pty Ltd has not been involved in, authorised or caused the issue of this Prospectus.

References to Bentleys Audit & Corporate (WA) Pty Ltd appear for information purposes only. Bentleys Audit & Corporate (WA) Pty Ltd has not been involved in, authorised or caused the issue of this Prospectus.

#### **5.19 Expenses of issue**

The estimated expenses of the Entitlement Offer (exclusive of GST) are estimated to be approximately \$15,000 made up as follows:

	<b>\$</b>
ASIC fees	2,171
ASX fees	2,000
Corporate co-ordination	8,500
Printing and distribution	2,329
<b>Total</b>	<b>15,000</b>

**6. Authorisation**

Each of the Directors of the Company has consented to the lodgement of this Prospectus in accordance with Section 720 of the Corporations Act. This Prospectus is signed for and on behalf of Company by:



Mr Ron Punch

Chairman

For and on behalf of

Goldphyre Resources Limited

## 7. Glossary of Terms

These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

**Acceptance** means a valid application for New Options made pursuant to this Prospectus on an Entitlement and Acceptance Form.

**Annual Financial Report** means the financial report lodged by the Company with ASIC in respect to the year ended 30 June 2013 and includes the corporate directory, Shareholder information, Directors' declaration, financial statements and the notes thereto, of the Company and its controlled entities for the year ended 30 June 2013, together with a Directors' report in relation to that financial year and the auditor's report for the year to 30 June 2013.

**Applicant** means a Shareholder who applies for New Options pursuant to the Entitlement Offer.

**Application Money** means application money for Shares received by the Company.

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

**ASX Settlement** means ASX Settlement Pty Ltd ACN 008 504 532.

**ASX** means ASX Limited ACN 008 624 691.

**Board** means the Directors meeting as a board.

**Business Day** means Monday to Friday inclusive, other than a day that ASX declares is not a business day.

**CHESS** means ASX Clearing House Electronic Subregister System.

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

**Company** means Goldphyre Resources Limited ACN 149 390 394.

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

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

**Directors** mean the directors of the Company as at the date of this Prospectus.

**Eligible Shareholder** means a Shareholder as at the Record Date other than a Non-qualifying Foreign Shareholder.

**Entitlement or Right** means an Eligible Shareholder's entitlement to New Options under the Entitlement Offer.

**Entitlement and Acceptance Form** means the entitlement and acceptance form either attached to or accompanying this Prospectus that sets out the Entitlement of Shareholders to subscribe for New Options pursuant to the Entitlement Offer.

**Entitlement Offer** means as defined in Section 1.1.

**Existing Share** means a fully paid ordinary share in the capital of the Company on issue as at the Record Date.

**Issuer Sponsored** means securities issued by an issuer that are held in uncertificated form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHESS.

**JORC Code** means the 2004 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves', which comprises Appendix 5A of the Listing Rules.

**Listing Rules** means the Listing Rules of ASX.

**Mineral Resource** has the meaning given to that term in the JORC Code.

**Non-qualifying Foreign Shareholder** means a Shareholder whose registered address is not situated in Australia or New Zealand.

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

**Official Quotation** means quotation of Shares on the Official List.

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

**Option** means the right to acquire one Share in the capital of the Company.

**Ore Reserve** has the meaning given to that term in the JORC Code.

**Prospectus** means this prospectus dated 14 November 2013.

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

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

**Shareholder** means the holder of a Share.

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

**Shortfall** will occur if the Company does not hold valid Applications for all the New Options offered under this Prospectus by the Closing Date.

**Shortfall Offer** means the offer of the Shortfall Shares on the terms and conditions set out in section 1.9 of this Prospectus.

**Shortfall Options** means that number of New Options for which a valid Entitlement and Acceptance Form has not been received by 5.00pm (WST) on the Closing Date.

**\$** means Australian dollars.

**WST** means Western Standard Time, being the time in Perth, Western Australia.