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**MARVEL GOLD LIMITED**  
(formerly known as GRAPHEX MINING LIMITED)

**ACN 610 319 769**

**ENTITLEMENT OFFER PROSPECTUS**

This Prospectus is being issued for a non-renounceable Entitlement Offer to Eligible Shareholders on the basis of 1 New Share for every 1 existing Share held by Eligible Shareholders on the Record Date at an issue price of \$0.02 per Share to raise approximately \$2.3 million before costs.

In addition to the Entitlement Offer, this Prospectus has been prepared for the purpose of removing any trading restrictions on certain Shares to be issued prior to the Closing Date in accordance with section 708A(11) of the Corporations Act.

**THE ENTITLEMENT OFFER CLOSSES AT 5.00 PM (AWST) ON 12 AUGUST 2020. VALID ACCEPTANCES MUST BE RECEIVED BY THAT TIME.**

**THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT SHOULD BE READ IN ITS ENTIRETY.**

**IF YOU ARE IN DOUBT ABOUT WHAT TO DO, YOU SHOULD CONSULT YOUR PROFESSIONAL ADVISER WITHOUT DELAY.**

**AN INVESTMENT IN THE NEW SHARES OFFERED UNDER THIS PROSPECTUS ARE OF A SPECULATIVE NATURE.**

## IMPORTANT INFORMATION

### Prospectus

This Prospectus is dated 20 July 2020 and was lodged with ASIC on that date with the consent of all Directors. Neither ASIC nor ASX nor their respective officers take any responsibility for the contents of this Prospectus.

No New Shares will be issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus).

The Company will apply to ASX for quotation of the New Shares on ASX.

Applications for New Shares under the Entitlement Offer can only be submitted on an original Entitlement and Acceptance Form which accompanies this Prospectus

### Transaction specific prospectus

This Prospectus is a “transaction specific prospectus” to which the special content rules under section 713 of the Corporations Act apply. This allows the issue of a concise prospectus in relation to an offer of securities in a class which has been continuously quoted by ASX in the three months prior to the date of the prospectus. This Prospectus does not include all of the information that would be included for an initial public offering of securities.

### Notes to Applicants

The Entitlement Offer contained in this Prospectus does not take into account the investment objectives, financial position and particular needs of individual investors. Before deciding to invest in the Company, you should read and understand the entire Prospectus and, in particular, you should consider the risk factors that could affect the Company's performance.

You should carefully consider these risk factors in Section 5 in light of your personal circumstances (including financial and taxation issues) and seek advice from your professional adviser before deciding to invest.

The New Shares offered by this Prospectus should be considered speculative.

### Forward looking statements

This Prospectus contains forward-looking statements which are identified by words such as “may”, “could”, “believes”, “estimates”, “expects”, “intends” and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, at the date of this Prospectus, are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company. The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. Forward-looking statements should be read in conjunction with the risk factors set out in Section 5 of this Prospectus.

### Prospectus availability

A copy of this Prospectus is available for inspection at the registered office of the Company at Level 1, Emerald House, 1202 Hay Street, West Perth, Western Australia, during normal business hours. The Company will provide a copy of this Prospectus to any person on request. The Company will also provide copies of other documents on request (see Section 7.2).

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This Prospectus will also be made available in electronic form.

### **No representations other than this Prospectus**

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. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Entitlement Offer.

### **Offer restrictions**

This Prospectus does not constitute an offer or invitation in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus. No action has been taken to register or qualify the New Shares or the Entitlement Offer, or to otherwise permit a public offering of New Shares, in any jurisdiction outside Australia. The distribution of this Prospectus outside Australia may be restricted by law and persons who come into possession of this Prospectus outside Australia should seek advice and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

### **Electronic prospectus**

If you have received as an electronic Prospectus please ensure that you have received the entire Prospectus accompanied by the relevant Entitlement and Acceptance Form. If you have not, please phone the Company on +61 8 9200 4960 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus.

The Company reserves the right not to accept an Entitlement and Acceptance Form if it has reason to believe that when that person was given access to the electronic Entitlement and Acceptance Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement Prospectus or any of those documents were incomplete or altered.

### **Interpretation**

Definitions of certain terms used in this Prospectus are contained in Section 9. All references to currency are to Australian dollars and all references to time are to AWST unless otherwise indicated. Revenues and expenditures disclosed in this Prospectus are recognised exclusive of the amount of goods and services tax, unless otherwise disclosed.

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## CORPORATE DIRECTORY

### Directors

Stephen Dennis	Non-Executive Chairman
Andrew Pardey	Non-Executive Director
Phil Hoskins	Managing Director
Chris van Wijk	Executive Director

### Company Secretary

Stuart McKenzie

### Registered and Principal Office

Level 1, Emerald House  
1202 Hay Street  
West Perth WA 6005

Phone: +61 8 9200 4960  
Email: [info@marvelgold.com.au](mailto:info@marvelgold.com.au)  
Website: [www.marvelgold.com.au](http://www.marvelgold.com.au)

**ASX Code:** GPX, expected to change to MVL on  
or around 12 August 2020

### Share Registry\*

Computershare Investor Services Pty Limited  
Level 11, 172 St Georges Terrace  
Perth, WA 6000

### Auditor\*

PricewaterhouseCoopers  
Brookfield Place  
125 St Georges Tce  
Perth WA 6000

### Legal Adviser

King & Wood Mallesons  
Level 30, QV.1 Building  
250 St Georges Terrace  
Perth WA 6000

### Underwriters

Bridge Street Capital Partners Pty Ltd  
Level 14, 234 George Street  
Sydney NSW 2000

Capital DI Limited  
9<sup>th</sup> Floor, The Core Building  
Ebene, Cybercity  
Mauritius

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

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## INDICATIVE TIMETABLE

Event	Date
Lodgement of Prospectus with ASIC and ASX	20 July 2020
Notice sent to Ineligible Shareholders	21 July 2020
Shares quoted on an “ex” Entitlement basis	23 July 2020
Record Date	24 July 2020
Prospectus and Entitlement and Acceptance Forms despatched to Eligible Shareholders	29 July 2020
Opening Date of the Entitlement Offer	29 July 2020
Closing Date of Entitlement Offer (5.00pm AWST)	12 August 2020
If agreed by ASX, New Shares quoted on a deferred settlement basis	13 August 2020
Announcement of results of Entitlement Offer	17 August 2020
Issue of New Shares and lodgement of Appendix 2A with ASX to apply for quotation of shares issued under the Entitlement Offer	19 August 2020
Despatch of holding statements	21 August 2020

These dates are indicative only and subject to change. Subject to the Corporations Act and the Listing Rules, the Directors reserve the right to vary these dates, including the Closing Date, without prior notice.

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## 1. Chairman's letter

Dear Shareholder

On behalf of the Board of Marvel, I am pleased to invite you to participate in a fully underwritten 1 for 1 pro-rata non-renounceable Entitlement Offer of New Shares at a price of \$0.02 per New Share to raise approximately \$2.3 million (before costs). The Entitlement Offer is fully underwritten by Bridge Street Capital Partners Pty Ltd and Capital DI Limited (**Underwriters**).

As set out in our announcement of 17 June 2020, we have acquired an interest in a joint venture with Altus Strategies plc to earn-in to two Mali gold exploration projects, Tabakorole and Lakanfla (**Mali Gold Projects**).

The Mali Gold Projects are located in southern Mali, where a substantial number of major discoveries have been made and multiple large scale gold mines are currently operating. As far as gold exploration goes, the Mali Gold Projects are in a premier location and we are excited about the opportunity they present.

At Tabakorole, we have recently completed a diamond and air core drilling program and expect to commence stage 2 drilling later in the September Quarter. There is an existing mineral resource at Tabakorole and we are confident that this resource can be improved with additional ounces and a higher grade. At Lakanfla, there are strong similarities with the nearby Yatela deposit (35 km from Lakanfla), which has produced over 4.5M ounces of gold and we look forward to drilling there later this quarter.

The decision to acquire an interest in the Mali Gold Projects was driven by the decision of Castlflake not to proceed with financing for development of the Chilalo Project. We were disappointed with this outcome, however it was taken against the backdrop of economic uncertainty associated with COVID-19 and is not a negative reflection on the quality of the Chilalo Graphite Project, the Tanzanian investment climate for mining projects or the coarse flake graphite market opportunity. Most pleasingly, we have restructured the arrangements with Castlflake such that their security is confined to Chilalo Graphite Project related assets, with no legal recourse to Marvel.

Proceeds from the Entitlement Offer will be used to fund exploration at the Mali Gold Projects, to undertake a process to sell down or refinance the Chilalo Graphite Project, to assess business development opportunities in Mali and to meet general corporate costs.

Under the Entitlement Offer, Eligible Shareholders are entitled to subscribe for 1 New Share for every 1 Share held at 5.00pm (AWST) on the Record Date of 24 July 2020 (**Entitlement**). Approximately 115 million New Shares will be issued under the Entitlement Offer. New Shares will rank equally with existing Shares in all respects.

The Entitlement Offer will close at 5.00pm (AWST) on 12 August 2020 (unless extended). This Prospectus contains information about the Entitlement Offer, including:

- key dates;
- Entitlement Offer details and how to apply;
- details of the purpose and effect of the Entitlement Offer; and
- important information.

Accompanying this Prospectus is your personalised Entitlement and Acceptance Form. It details your Entitlement and is to be completed in accordance with the instructions provided on the form and the instructions in this Prospectus.

To participate, you must have completed your application by making the required payment by BPAY before 5.00pm (AWST) on 12 August 2020 or by lodging the completed payment slip from your Entitlement and Acceptance Form with the required payment, so they are received by Computershare before 5.00pm (AWST) on 12 August 2020. If you do not wish to take up your Entitlement, you do not have to take any action.

Further details of the Entitlement Offer, as well as the risks associated with further investing in the Company through the Entitlement Offer, are set out in the Prospectus which you should read carefully and in its entirety.

On behalf of the Company, I invite you to consider this investment opportunity and thank you for your continued support.

Yours sincerely



Stephen Dennis

Chairman

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## 2. Investment overview

### 2.1 Overview of the Entitlement Offer

This Section is intended to highlight key information. Eligible Shareholders should read this Prospectus in its entirety before deciding to invest in New Shares.

Question	Response	Where to find more information
<p><b>What is the Entitlement Offer?</b></p>	<p>The Entitlement Offer is the offer of 1 New Share for every 1 existing Share held by Eligible Shareholders on the Record Date at an issue price of \$0.02 per New Share.</p> <p>Completion of the Entitlement Offer will result in the issue of 115,011,555 New Shares to raise approximately \$2.3 million before costs.</p> <p>Application will be made for the New Shares to be quoted on ASX.</p>	<p>Section 3.1</p>
<p><b>What is the purpose of the Entitlement Offer and this Prospectus?</b></p>	<p>The Entitlement Offer is being made to raise funds to provide funding for the earn-in to the Mali Gold Projects and to satisfy the capital raising commitment under the Amended LNSA.</p> <p>This Prospectus will also serve the purpose of ensuring that, in accordance with section 708A(11)(b) of the Corporations Act, certain Shares that are to be issued after the date of this Prospectus and before the Closing Date are not subject to trading restrictions.</p>	<p>Section 4</p>
<p><b>Am I an Eligible Shareholder?</b></p>	<p>The Entitlement Offer is made to Eligible Shareholders only. Eligible Shareholders are those Shareholders who:</p> <ul style="list-style-type: none"> <li>• are the registered holder of Shares as at 5.00pm (AWST) on the Record Date; and</li> <li>• have a registered address in Australia, New Zealand, Mauritius, United Kingdom,</li> </ul>	<p>Definition of Eligible Shareholder and Section 3.2</p>

Question	Response	Where to find more information
	Hong Kong, Germany or Singapore.	
<b>Is there a minimum subscription amount?</b>	No. There is no minimum subscription amount under the Entitlement Offer.	Section 3.5
<b>Is the Entitlement Offer underwritten?</b>	Yes. The Entitlement Offer is fully underwritten by the Underwriters.  The underwriting is subject to the terms and conditions of the Underwriting Agreements.	Section 7.4
<b>What will be the effect of the Entitlement Offer on control of the Company?</b>	The effect of the Entitlement Offer on the control of the Company will vary with the level of Entitlements taken up by Eligible Shareholders and the number of New Shares that are taken up by the Underwriters (and sub-underwriters) in the event that Eligible Shareholders do not take up their full entitlement.	Section 4.7
<b>How do I apply for New Shares under the Entitlement Offer?</b>	Applications for New Shares can be made by Eligible Shareholders (i) completing the payment slip in the Entitlement and Acceptance Form accompanying this Prospectus and sending it to the Share Registry together with payment by cheque, money order or bank draft or (ii) by making payment through BPAY® in the amount of the Entitlement applied for.  To avoid postal delay, we recommend you make your payment by BPAY®.  You may accept all or part of your Entitlement.	Section 3.3
<b>Can I apply for additional Shares?</b>	No, there is no top-up facility available for Eligible Shareholders who wish to subscribe for additional Shares above their Entitlement.  Any Entitlement not taken up pursuant to the Entitlement Offer will form the Shortfall and will be dealt with in accordance with the terms of the Underwriting Agreements.	Section 3.7

Question	Response	Where to find more information
<p><b>Can I sell my Entitlement under the Entitlement Offer?</b></p>	<p>No. The Entitlement Offer is non-renounceable, meaning that Entitlements are not able to be traded or transferred. Any Entitlements not taken up will lapse and no value will be received for them.</p>	<p>Section 3.6</p>
<p><b>What are the key risks associated with an investment in New Shares</b></p>	<p>Potential investors should be aware that subscribing for Shares in the Company involves a number of risks. The key risk factors of which investors should be aware are in Section 5, including (but not limited to) risks in respect of:</p> <ul style="list-style-type: none"> <li>• <b>Future capital needs:</b> Further funding will be required by the Company to support its ongoing activities and operations. There can be no assurance that such funding will be available on satisfactory terms or at all.</li> <li>• <b>Sovereign risks:</b> The Company will be subject to the risks associated in operating in a foreign country. These risks include ability to obtain key approvals on a timely basis, economic, social or political instability or change, changes of law affecting foreign ownership, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection and labour relations.</li> <li>• <b>Exploration risk:</b> Mineral exploration is a high-risk undertaking. There can be no assurance that further exploration on the Company's projects will result in the discovery of an economic ore deposit.</li> <li>• <b>Development risk:</b> Future development of a mining operation is dependent on many factors and risks outside of the</li> </ul>	<p>Section 5</p>

Question	Response	Where to find more information
	<p>Company's control which may disrupt the Company's proposed operations and result in increased costs. There can be no assurance that the Company will achieve commercial viability through the development or mining of its projects.</p> <ul style="list-style-type: none"> <li>• <b>General market risks:</b> The Company is exposed to general market and economic condition risks including adverse changes in levels of economic activity, exchange rates, interest rates, commodity prices, government policies, employment rates and industrial disruption.</li> </ul>	
<p><b>How can I obtain further information?</b></p>	<p>For further information about the Entitlement Offer, please contact the Company Secretary at <a href="mailto:smckenzie@marvelgold.com.au">smckenzie@marvelgold.com.au</a>.</p>	

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## 3. Details of the Entitlement Offer

### 3.1 Details of the Entitlement Offer

The Entitlement Offer is being made as a non-renounceable offer of 1 New Share for every 1 Share held by Eligible Shareholders registered on the Record Date at an Offer Price of \$0.02 per New Share.

Completion of the Entitlement Offer will result in the issue of 115,011,555 New Shares to raise approximately \$2.3 million before costs.

The Entitlement Offer is to be fully underwritten by Bridge Street Capital Partners (to a maximum shortfall of \$1.45 million) and Capital DI (to a maximum shortfall of \$0.85 million), on the terms summarised in Section 7.4.

The Offer Price of \$0.02 per share represents a discount of approximately 49% to the share price of \$0.039 at close of trading on 23 March 2020, the last day on which Shares traded on ASX prior to the date of this Prospectus.

The purpose of the Entitlement Offer and the intended use of funds raised are set out in Section 4.

### 3.2 Eligibility to participate in the Entitlement Offer

Shareholders who are entered on the Register at 5.00pm (AWST) on the Record Date and who have a registered address in Australia, New Zealand, Mauritius, United Kingdom, Hong Kong, Germany or Singapore are eligible to participate in the Entitlement Offer.

The Entitlement Offer is not being extended to any Shareholder with a registered address outside Australia, New Zealand, Mauritius, United Kingdom, Hong Kong, Germany or Singapore. The Company has determined that extending the Entitlement Offer to Shareholders with a registered address outside those jurisdictions is not reasonable in the circumstances taking into account the small number of Shareholders resident beyond those jurisdictions and the number and value of New Shares that would have been offered to those Shareholders.

### 3.3 How to accept the Entitlement Offer

Your acceptance of the Entitlement Offer may be made in accordance with the instructions set out in this 3.3. There is no minimum subscription you are required to apply for.

Acceptance of the Entitlement Offer must not exceed your Entitlement as specified on your personalised Entitlement and Acceptance Form.

If you wish to accept your Entitlement in FULL, either:

- (i) complete the payment slip in the Entitlement and Acceptance Form, detach it and return it to the address specified in the Entitlement and Acceptance Form along with your cheque, bank draft or money order for the full amount of the Application Money, as indicated in that Entitlement and Acceptance Form. The duly completed payment slip and above mentioned payment must be received by the Company no later than **5.00pm (AWST) on 12 August 2020**; or

- (ii) make payment of the full amount of the Application Money indicated in the Entitlement and Acceptance Form through BPAY® as per the instructions for BPAY® set out in the Entitlement and Acceptance Form. The payment must be received by the Company no later than **5.00pm (AWST) on 12 August 2020**. You do not need to return the payment slip if you are paying through BPAY®.

If you only wish to accept PART of your Entitlement, either

- (i) complete the payment slip in the Entitlement and Acceptance Form, detach it and return it to the address specified in the Entitlement And Acceptance Form along with your cheque, bank draft or money order for the amount of the Application Money for that part of the Entitlement that you wish to accept. The duly completed payment slip and above mentioned payment must be received by the Company no later than **5.00pm (AWST) on 12 August 2020**;
- (ii) make payment of the amount of the Application Money for that part of the Entitlement that you wish to accept through BPAY® as per the instructions for BPAY® set out in the Entitlement and Acceptance Form. The payment must be received by the Company no later than **5.00pm (AWST) on 12 August 2020**. You do not need to return the payment slip if you are paying through BPAY®.

If you do not wish to accept any part of your Entitlement, you are not required to take any further action. That part of your Entitlement not taken up will form part of the Shortfall and will be dealt with in accordance with the Underwriting Agreements.

To avoid postal delay, we recommend you make your payment by BPAY®.

### 3.4 Payment terms

The Offer Price for New Shares, at \$0.02 per New Share, must be paid in immediately available funds. To be valid, all Applications must be received by the Share Registry no later than 5.00pm (AWST) on the Closing Date, or such later date as extended at the discretion of the Board.

#### (a) Payments by cheque, bank draft or money order

All payments made by cheque, bank draft or money order must be drawn on an Australian Bank, made payable in Australian currency to “**Marvel Gold Limited**” and crossed “**Not Negotiable**”.

For payments made by cheque, bank draft or money order, your completed payment slip, together with your cheque, bank draft or money order must be forwarded by mail to the Share Registry, using the instructions on the Entitlement and Acceptance Form.

#### (b) Payments through BPAY®

Those who elect to pay through BPAY® must follow the instructions for BPAY® set out in the Entitlement and Acceptance Form. Investors who elect to pay through BPAY® will not need to return the payment slip.

Shareholders should be aware that their own financial institution may implement earlier cut off times with regard to electronic payment and it is

the responsibility of the Shareholder to ensure that funds are submitted through BPAY® by the date and time referred to above.

If you are paying by BPAY®, please make sure to use the specific Biller Code and unique Customer Reference Number on the back of your personalised Entitlement and Acceptance Form. If you receive more than one personalised Entitlement and Acceptance Form, please only use the Customer Reference Number specific to the Entitlement on that form. Please note that a limit may apply on the dollar amount that can be transferred via BPAY. It is your responsibility to check that the amount you wish to pay via BPAY will not exceed that limit.

If you have multiple holdings, you will have multiple BPAY customer reference numbers provided on each of your personalised Entitlement and Acceptance Forms. To ensure you successfully take up your Entitlement in respect of each holding, you must use the customer reference number shown on each personalised Entitlement and Acceptance Form when paying any New Shares that you wish to apply for in respect of those holdings.

- (c) Entitlement and Acceptance Forms, or payment through BPAY®, are binding

A completed and lodged payment slip, or a payment made through BPAY®, constitutes a binding Application to subscribe for that number of New Shares specified in the payment slip or which the payment by BPAY® will pay for in full (as applicable). That Application cannot be withdrawn once lodged or paid, except to the extent permitted or required by law.

If the payment slip is not completed correctly, the Board, in its absolute discretion, can reject it or treat it as valid, either in whole or in part. The Board's decision as to whether to accept or reject an Application, either in whole or in part, or how to construe, amend or complete it, is and will remain final and binding. The payment slip does not need to be signed by or on behalf of the Eligible Shareholder to be binding.

### **3.5 Minimum subscription**

There is no minimum subscription in respect of the Entitlement Offer.

### **3.6 Non-renounceable**

The Entitlement Offer is non-renounceable. Accordingly, Eligible Shareholders may not sell or transfer all or part of their Entitlement.

### **3.7 Entitlements not taken up and Ineligible Shareholders**

If you are an Eligible Shareholder and you do not wish to take up your Entitlement, do nothing. If you do nothing, or if you are an Ineligible Shareholder, the New Shares representing your Entitlement will form part of the Shortfall.

There is no top-up facility available for Eligible Shareholders who wish to subscribe for additional Shares above their Entitlement. Any Entitlement not taken up pursuant to the Entitlement Offer will form the Shortfall and will be dealt with in accordance with the terms of the Underwriting Agreements.

Eligible Shareholders who do not take up their Entitlement in full, and Ineligible Shareholders, will not receive any amounts in respect of the Entitlements that they do

not take up and will have a diluted percentage shareholding in the Company after implementation of the Entitlement Offer.

### **3.8 Underwriting**

The Entitlement Offer is conditionally underwritten by Bridge Street Capital Partners and Capital DI. Refer to Section 7.4 for further details of the terms of the underwriting.

### **3.9 Application Monies**

All Application Monies for New Shares to be issued pursuant to the Entitlement Offer will be held in the Application Account on behalf of Applicants until the New Shares are issued or, if the New Shares are not issued, until the Application Monies are returned to Applicants. All interest (if any) earned on Application Monies (including those which do not result in the issue of New Shares) will be retained by the Company.

Any Application Monies received for more than an Applicant's Entitlement of New Shares will be refunded as soon as practicable after the Closing Date.

If the New Shares are not issued to an Applicant, a cheque will be drawn and the relevant Application Monies will be refunded as soon as practicable after the Closing Date.

### **3.10 ASX Quotation**

The Company will apply to ASX within 7 days after the date of this Prospectus for Official Quotation of the Shares offered under this Prospectus.

If approval for quotation of the Shares to be issued under the Entitlement Offer is not granted within 3 months after the date of this Prospectus, the Company will not issue any New Shares and will repay all Application Monies without interest as soon as practicable.

### **3.11 CHESS**

The Company participates in the Clearing House Electronic Subregister System (CHESS). ASX Settlement Pty Ltd (ASX Settlement), a wholly-owned subsidiary of ASX, operates CHESS in accordance with the ASX Listing Rules and the ASX Settlement Operating Rules.

ASX Settlement will send a CHESS statement to Shareholders who are broker sponsored following the completion of the Entitlement Offer. Each CHESS statement will set out the number of Shares issued to the Shareholder under this Prospectus, and provide details of the Shareholder's holder identification number and the participant identification number of the sponsor. CHESS allotment advices will be sent by the Share Registry.

The Share Registry will send a statement to Shareholders who are registered on the Issuer Sponsored sub-register following the completion of the Entitlement Offer. Each statement will contain the number of New Shares issued to the Shareholder under this Prospectus and the Shareholder's security holder reference number.

A CHESS statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their shareholding changes.



### 3.12 Closing Date

The Closing Date for the Entitlement Offer is 12 August 2020. The Company reserves the right, subject to the Corporations Act and the Listing Rules, to extend or shorten the Closing Date without prior notice. If the Closing Date is varied, subsequent dates may also be varied accordingly.

Subject to the Corporations Act and the Listing Rules, the Company intends to issue the Shares subscribed for under the Entitlement Offer on or about 19 August 2020.

Shareholder statements will be dispatched as soon as possible after the issue of the New Shares under the Entitlement Offer.

### 3.13 Overseas Shareholders

This Prospectus and an accompanying Entitlement and Acceptance Form do not, and are not intended to, constitute an offer of Shares in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. In particular, this document may not be distributed to any person and the Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

#### *New Zealand*

The New Shares are not being offered to the public within New Zealand other than existing shareholders of the Company with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the Financial Markets Conduct Act 2013 (FMC Act) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all information that a product disclosure statement under New Zealand law is required to contain.

Other than under the Entitlement Offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

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- (a) is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
  - (b) meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
  - (c) is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
  - (d) is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
  - (e) is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

### **Germany**

The information in this Prospectus has been prepared on the basis that all offers of New Shares will be made pursuant to an exemption under the Directive 2003/71/EC (**Prospectus Directive**), as amended and implemented in Member States of the European Economic Area, from the requirement to produce a prospectus for offers of securities.

An offer to the public of New Shares has not been made, and may not be made, in Germany except pursuant to one of the following exemptions under the Prospectus Directive as implemented in Germany:

- (a) to any legal entity that is authorised or regulated to operate in the financial markets or whose main business is to invest in financial instruments unless such entity has requested to be treated as a non-professional client in accordance with the EU Markets in Financial Instruments Directive (Directive 2014/65/EC, **MiFID II**) and the MiFID II Delegated Regulation (EU) 2017/565;
- (b) to any legal entity that satisfies two of the following three criteria: (i) balance sheet total of at least €20,000,000; (ii) annual net turnover of at least €40,000,000 and (iii) own funds of at least €2,000,000 (as shown on its last annual unconsolidated or consolidated financial statements) unless such entity has requested to be treated as a non-professional client in accordance with MiFID II and the MiFID II Delegated Regulation (EU) 2017/565;
- (c) to any person or entity who has requested to be treated as a professional client in accordance with MiFID II;
- (d) to any person or entity who is recognised as an eligible counterparty in accordance with Article 30 of the MiFID II unless such entity has requested to be treated as a non-professional client in accordance with the MiFID II Delegated Regulation (EU) 2017/565;
- (e) to fewer than 150 natural or legal persons (other than qualified investors within the meaning of Article 2(1)I of the Prospectus Directive) subject to obtaining the prior consent of the Company; or
- (f) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of New Shares will result in a

requirement for the publication by the Company of a prospectus pursuant to Article 3 of the Prospectus Directive.

### ***Mauritius***

In accordance with The Securities Act 2005 of Mauritius, no offer of the New Shares may be made to the public in Mauritius without the prior approval of the Mauritius Financial Services Commission. Accordingly, this offer is being made on a private placement basis only and does not constitute a public offering. As such, this Prospectus has not been approved or registered by the Mauritius Financial Services Commission and is for the exclusive use of the person to whom it is addressed. This Prospectus is confidential and should not be disclosed or distributed in any way without the express written permission of the Company.

### ***Hong Kong***

**WARNING:** The contents of this Prospectus have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the Entitlement Offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

### ***United Kingdom***

Neither the information in this Prospectus nor any other document relating to the Entitlement Offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (**FSMA**)) has been published or is intended to be published in respect of the New Shares.

This document is issued on a confidential basis to fewer than 150 persons in the United Kingdom who are existing Shareholders of the Company, and the New Shares may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (**FPO**), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together 'relevant persons'). The investment to which this document relates is available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

## *Singapore*

This Prospectus and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase of New Shares, may not be issued, circulated or distributed, nor may these securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (SFA), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are an existing holder of Shares. In the event that you are not such a Shareholder, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions and comply accordingly.

### *Notice to nominees and custodians*

Nominees and custodians may not distribute this Prospectus (including any Entitlement and Acceptance Form), and may not permit any beneficial shareholder to participate in the Entitlement Offer, in any country outside of Australia, New Zealand, Mauritius, United Kingdom, Hong Kong, Germany and Singapore except with the prior consent of the Company.

### **3.14 Risk factors**

An investment in New Shares should be regarded as speculative. In addition to the general risks applicable to all investments in securities, there are certain specific risks associated with an investment in the Company which are detailed in Section 5.

### **3.15 Taxation implications**

The Directors do not consider it appropriate to give Applicants advice regarding the taxation consequences of subscribing for New Shares under this Prospectus.

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

### **3.16 Privacy disclosure**

The Company, its officers, employees, agents, contractors and third-party service providers (including the Share Registry) (collectively **Collecting Parties**) have already collected certain personal information from Eligible Shareholders. The Entitlement and Acceptance Form accompanying a hard copy of this Prospectus requires Eligible Shareholders to provide information that may be personal information for the purpose of the Privacy Act 1988 (Cth) (**Privacy Act**) to the Collecting Parties. If an Eligible Shareholder submits an Application, the Collecting Parties may update personal

information already collected or collect additional personal information about the Applicant. The personal information collected may include (but is not limited to) the Applicant's full name, date of birth, addresses and phone numbers.

The collection and management of an Applicant's personal information are conducted in accordance with the Privacy Act, which governs the use of a person's personal information and sets out principles governing the ways in which organisations should treat personal information.

Personal information that the Collecting Parties collect from Applicants through their Entitlement and Acceptance Forms is used to evaluate Applications and in the case of successful Applications, to issue New Shares to successful Applicants and provide services and appropriate administration in relation to those Applicants' security holdings in the Company.

The Corporations Act requires that the Company include personal information about Shareholders (including name, address and details of Shares held) in its public register and disclose this personal information to ASIC. The information contained in the Company's public register must remain there even if a person ceases to be a Shareholder or an Optionholder. Information contained in the Company's registers is also used to facilitate corporate communications (including the Company's financial results, annual report and other information that the Company may wish to communicate to its Shareholders) and for the purpose of compliance with legal and regulatory requirements.

If the Collecting Parties are obliged to do so by law, an Applicant's personal information will be passed on to other parties strictly in accordance with legal requirements.

By submitting an Entitlement and Acceptance Form, each Applicant agrees that the Collecting Parties may:

- use the personal information provided by the relevant Applicant on and in connection with an Entitlement and Acceptance Form or an Application, for the purposes set out in this privacy disclosure statement that is set out in the terms and conditions of the Entitlement and Acceptance Form, and may disclose all or any of it for those purposes to the Company and its related bodies corporate, agents, contractors and third party service providers, including the Share Registry, mailing houses and professional advisers and to ASIC and other regulatory authorities; and
- disclose the relevant Applicant's personal information to recipients both in Australia and other jurisdictions for the purposes set out in this privacy disclosure statement, or as otherwise required by law.

If an Applicant does not provide the information required on the Entitlement and Acceptance Form, the Collecting Parties (as relevant) may not accept or process that Applicant's Application.

Under the Privacy Act 1988(Cth), an Applicant may request access to their personal information held on behalf of Marvel. To request access or correct your personal information, please contact the Registry on 1300 850 505 (within Australia) or +61 (0)3 9415 4000 (outside Australia). The Registry's privacy policy contains further information on how you can access or correct your personal information as well as how to complain about the handling of your personal information. You can read the Registry's privacy policy at [www.computershare.com.au](http://www.computershare.com.au).

### **3.17 Enquiries concerning Prospectus**

Enquiries should be directed to the Company Secretary at [smckenzie@marvelgold.com.au](mailto:smckenzie@marvelgold.com.au).

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## 4. Purpose and effect of the Entitlement Offer

### 4.1 Background

The Company announced on 17 June 2020 that it had entered into binding agreements pursuant to which:

- (a) its debt and security arrangements with funds managed by Castl lake L.P. (**Financier**) would be restructured (**Debt Restructuring**);
- (b) it will undertake a sell-down or refinancing process in respect of the Chilalo Graphite Project (**Chilalo Process**); and
- (c) it will acquire the right to earn-in to two gold exploration projects in Mali, known as the Lakanfla and Tabakorole projects (**Mali Gold Projects**).

#### Debt Restructuring

On 29 October 2018 the Company entered into agreements with funds managed by Castl lake L.P. (**Financier**) including:

- (d) the LNSA under which Marvel issued an interim loan note for US\$5 million (**Interim Loan Note**); and
- (e) a project financing term sheet setting out the proposed terms on which the Financier and other market participants would provide up to US\$40m in equity and up to US\$40 million from the issue by the Company of senior secured loan notes subject to the satisfaction of certain agreed conditions and entry into definitive transaction documents (**Senior Funding Package**).

On 17 June 2020, the Company announced that the Financier was not proceeding with the Senior Funding Package and that, as at that date, there was approximately US\$6.2 million (including capitalised interest and fees) outstanding under the Interim Loan Note (**LNSA Debt**).

Marvel and the Financier have agreed certain amendments to the LNSA under the Castl lake Documents that, among other things, includes a two-year extension (to October 2022) for repayment of the LNSA Debt. Additionally, the Financier's security package will be amended such that its legal recourse to Marvel will be removed and its security will be restricted to shares in Marvel's subsidiaries, Graphex Mining UK No1 Limited (**GMUKL**) and Ngwena Tanzania Limited (**NTL**), through which the Chilalo Graphite Project is held, and intercompany loans owed by GMUKL and NTL to Marvel (**Intercompany Loans**). Security over Marvel's cash (other than the Intercompany Loans) and any non-Chilalo Graphite Project subsidiaries will be removed from the Financier's security package. As a result, Marvel is free to bring in other assets and raise capital as required without the existing Financier security attaching to the new assets or capital. In particular, the interests in the Mali Gold Projects that Marvel is proposing to acquire and the funding that the Company is proposing to raise under the Placement and the Entitlement Offer will not be subject to the Financier's security package.

The terms of the Amended LNSA include, among other things, a requirement that the Company complete a capital raising of at least \$1 million.

## Chilalo Process

While the Company's primary focus will be on exploration at the Mali Gold Projects, pursuant to the Amended LNSA the Company will undertake a process that is intended to lead to the repayment of the Interim Loan Note. The Chilalo Process will consider a variety of transaction forms and structures, including a refinancing for project development, offtake related financing, earn-in or joint venture arrangements and a sale (full or partial) of the Company's interest in the Chilalo Project.

## Mali Gold Projects

The Company also announced that it has entered into a transaction to acquire the right to earn-in to two gold exploration projects in Mali, known as the Lakanfla and Tabakorole projects (**Mali Gold Projects**). Further details in relation to the Mali Gold Projects are set out in the Company's ASX announcement of 17 June 2020 and in the Notice of Meeting.

### **4.2 Purpose of the Entitlement Offer**

As part of the Company's strategy to provide funding for the earn-in to the Mali Gold Projects, to satisfy the capital raising commitment under the Amended LNSA, and to generate working capital, Marvel has undertaken the Placement to raise \$2.75 million and is undertaking the Entitlement Offer to raise approximately \$2.3 million (before costs).

### **4.3 Cleansing effect of Prospectus**

At the General Meeting of the Company held on 20 July 2020, among other things the Shareholders approved:

- (a) the issue of 7,500,000 Shares to funds managed by Castlflake L.P (or its nominee);
- (b) the issue of 35,000,000 Shares to Glomin Services Ltd, a wholly owned subsidiary of Capital DI Limited (or its nominee);
- (c) the issue of 137,500,000 Shares to sophisticated and professional investors (including to certain of the Directors) under the Placement; and
- (d) the issue of 5,475,872 Shares to Phil Hoskins (and/or his nominees).

It is proposed that the above mentioned Shares will be issued by the Company after the date of this Prospectus but before the Closing Date.

Generally, section 707(3) of the Corporations Act requires that a prospectus is issued in order for a person to whom securities are issued to offer those securities for sale within 12 months of their issue without disclosure under Part 6D of the Corporations Act. However, section 708A(11)(b) of the Corporations Act provides that a sale offer does not need disclosure to investors if:

- the relevant securities are in a class of securities of the company that are already quoted on ASX;
- a prospectus is lodged with ASIC either:
  - on or after the day on which the relevant securities were issued (section 708A(11)(b)(i)); or



- before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued (section 708A(11)(b)(ii)); and
- the prospectus is for an offer of securities by the company that are in the same class of securities as the relevant securities.

Accordingly, an additional purpose of this Prospectus is to ensure that no trading restrictions will attach to Shares issued by the Company prior to the Closing Date.

#### 4.4 Use of funds

The proceeds of the Entitlement Offer and the Placement are planned to be used in accordance with the table set out below:

Proposed application of proceeds of the Placement and Entitlement Offer	\$ <sup>1</sup>	%
Exploration at the Mali Gold Projects	2,030,000	40.6
Expenditure in respect of the Chilalo Graphite Project (including activities to support the Chilalo Process <sup>2</sup> )	1,070,000	21.4
Work involved in the identification of opportunities to expand the Company's landholding in Mali	160,000	3.2
Corporate overheads and working capital	1,300,000	26
Expenses associated with the Entitlement Offer, the Placement, acquiring the Mali Gold Projects and the Debt Restructuring <sup>2</sup>	440,000	8.8
<b>Total</b>	<b>5,000,000</b>	<b>100</b>

Notes:

1. All amounts are estimates.
2. These expenses represent "once off" restructure and transaction costs and the costs of running the Chilalo Process which are not incurred in the ordinary course of business of the Company. If these costs and expenses are ignored, 62% of total expenditure is invested "in the ground".

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

#### 4.5 Pro forma balance sheet

An unaudited pro-forma consolidated balance sheet as at 31 December 2019 showing the effect of the Entitlement Offer is set out below, taking account of the Placement, the Debt Restructuring and the acquisition of the Mali Gold Projects. Other non-material matters the subject of the Notice of Meeting are not included in the pro forma statement, and nor are changes from ordinary operating activities since 31 December 2019.

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

	31/12/2019	Debt Restructuring	Mali Gold Projects acquisition	Placement (net of costs) <sup>1</sup>	Entitlement Offer (net of costs) <sup>1</sup>	Pro-forma
	\$	\$	\$	\$	\$	\$
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	872,430	(197,999)	(102,000)	2,595,684	2,083,327	5,251,442
Trade and other receivables	195,394					195,394
<b>Total current assets</b>	<b>1,067,824</b>	<b>(197,999)</b>	<b>(102,000)</b>	<b>2,595,684</b>	<b>2,083,327</b>	<b>5,446,836</b>
<b>Non-current assets</b>						
Property, plant and equipment	93,780					93,780
Exploration and evaluation asset	5,000,000		802,000			5,802,000
<b>Total non-current assets</b>	<b>5,093,780</b>	<b>-</b>	<b>802,000</b>	<b>-</b>	<b>-</b>	<b>5,895,780</b>
<b>Total assets</b>	<b>6,161,604</b>	<b>(197,999)</b>	<b>700,000</b>	<b>2,595,684</b>	<b>2,083,327</b>	<b>11,342,616</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Trade and other payables	(411,035)					(411,035)
Provisions	(274,202)					(274,202)
Loan notes	(7,977,318)	(598,299)				(8,575,617)
<b>Total non-current liabilities</b>	<b>(8,662,556)</b>	<b>(598,299)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(9,260,854)</b>
<b>Non-current liabilities</b>						
<b>Total non-current liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>(8,662,556)</b>	<b>(598,299)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(9,260,854)</b>
<b>Net assets</b>	<b>(2,500,951)</b>	<b>(796,298)</b>	<b>700,000</b>	<b>2,595,684</b>	<b>2,083,327</b>	<b>2,081,762</b>
<b>EQUITY</b>						
Share capital	(19,087,485)	(150,000)	(700,000)	(2,595,684)	(2,083,327)	(24,616,497)
Other reserves	(1,478,001)					(1,478,001)
Current year earnings	4,988,343	946,298				5,934,641
Retained earnings	18,078,094					18,078,094
<b>Total equity</b>	<b>2,500,951</b>	<b>796,298</b>	<b>(700,000)</b>	<b>(2,595,684)</b>	<b>(2,083,327)</b>	<b>(2,081,762)</b>

Notes:

1. Costs of the Placement and the Entitlement Offer have been allocated as mandated - all underwriting fees have been allocated exclusively to the Entitlement Offer and otherwise costs have been allocated in proportion to the funds raised.

Please refer to Section 7.10 for further details on the estimated expenses of the Entitlement Offer.

#### 4.6 Capital structure on completion of the Entitlement Offer

The effect of the Entitlement Offer on the capital structure of the Company is set out below.

	Shares	Unquoted Options
Current Shares on issue as at the date of this Prospectus	115,011,555	
Options on issue as at the date of this Notice		Nil
Shares approved for issue at the general meeting on 20 July 2020	182,975,872	
Shares to be issued to management in exchange for cancellation of annual leave entitlement in excess of 4 years	645,076	
Shares to be issued under the Entitlement Offer	115,011,555	
Options to be issued to Directors as approved at the general meeting on 20 July 2020		25,800,000
Options to be issued to management		6,300,000
<b>Total Shares on issue after completion of the Entitlement Offer</b>	<b>413,644,058</b>	
<b>Total Options on issue</b>		<b>32,100,000</b>

#### 4.7 Effect on control of the Company

As at the date of this Prospectus, the only Shareholder that has a relevant interest in Shares or voting power in the Company of 5% or more is Capital DI which holds 5,842,067 Shares representing 5.08% of the Company's issued Shares.

Capital DI has agreed to take up its Entitlement in full, and underwrite 33% of the Total Shortfall under the Entitlement Offer (and Bridge Street Capital Partners has agreed to underwrite 67% of the Total Shortfall). Each of Capital DI and Bridge Street Capital Partners has appointed sub-underwriters to subscribe for all of the Shortfall. None of the sub-underwriters are related parties of the Company and no sub-underwriter will acquire a relevant interest in greater than 20% of the Shares of the Company as a result of their sub-underwriting of the Entitlement Offer.

The only person that, following the Entitlement Offer, may have a relevant interest in greater than 20% of the Shares of the Company is Capital DI. Taking account of its commitment to take up its Entitlement in full, its underwriting of the Entitlement Offer and the issue of Shares to Capital DI as consideration for the acquisition of the interest in the Mali Gold Projects, the maximum relevant interest of Capital DI in Shares is 21.81%. However, this maximum shareholding will only occur if no Eligible Shareholder (other than Capital DI) takes up any Entitlement and Capital DI is itself required to subscribe for its full obligation of 33% of the Total Shortfall (which would also require that the sub-underwriters do not comply with their obligations).

In the unlikely event that Capital DI's relevant interest increases above 20%, Capital DI intends to rely on the underwriting exception under item 13 of section 611 of the Corporations Act with respect to its voting power increasing from a shareholding position below 20% to over 20%. The underwriting exception under item 13 of section 611 is only available to be relied on if the issue of securities is to a person as an underwriter and the disclosure document adequately discloses the effect that the acquisition would have on the person's voting power in the entity.

The table below sets out various scenarios and their approximate effect of the relevant interests and voting power of each Underwriter based on varying levels of participation in the Entitlement Offer.

Event	Total Shares on issue	Shares held by Capital DI	Voting power held by Capital DI	Shares held by Bridge Street Capital Partners	Voting power held by Bridge Street Capital Partners
Date of Prospectus	115,011,555	5,842,067	5.08%	Nil	Nil
Issue of Shares contemplated in the Notice of Meeting	298,632,504	48,342,067	18.14%	Nil	Nil
Completion of Entitlement Offer - fully subscribed / no shortfall	413,644,059	54,184,134	13.10%	Nil	Nil
Completion of Entitlement Offer - offer 50% subscribed / 50% shortfall <sup>1</sup>	413,644,059	72,197,100	17.45%	36,571,778	8.84%

Event	Total Shares on issue	Shares held by Capital DI	Voting power held by Capital DI	Shares held by Bridge Street Capital Partners	Voting power held by Bridge Street Capital Partners
Completion of Entitlement Offer - offer 25% subscribed / 75% shortfall <sup>1</sup>	413,644,059	81,203,582	19.63%	54,857,668	13.26%
Completion of Entitlement Offer - offer 0% subscribed / 100% shortfall <sup>1</sup>	413,644,059	90,210,065	21.81%	73,143,557	17.68%

Notes:

1: Assumes that Capital DI Limited takes up its full entitlement under the Entitlement Offer and no sub-underwriting.

#### 4.8 Dilutionary effect on Shareholders

Shareholders should note that if they do not participate in the Entitlement Offer their holdings will be diluted. Examples of how the dilution may impact Shareholders (taking into account the additional Shares proposed to be issued after the Record Date, as contemplated in Section 4.3) is set out in the table below.

Holder	Holding as at the Record Date	% at Record Date	Entitlements under the Entitlement Offer	Holding if Entitlement not taken up	% post - Entitlement Offer <sup>1</sup>
Shareholder 1	10,000,000	8.69%	10,000,000	10,000,000	2.42%
Shareholder 2	5,000,000	4.35%	5,000,000	5,000,000	1.21%
Shareholder 3	1,000,000	0.87%	1,000,000	1,000,000	0.24%
Shareholder 4	500,000	0.43%	500,000	500,000	0.12%

Notes:

1: Includes the dilutionary effect of the Share issues approved at the general meeting on 20 July 2020 and the proposed issue of Shares to management in exchange for cancellation of

annual leave entitlement (refer to Sections 4.3 and 4.6 above) as well as the issue of Shares under the Entitlement Offer.

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## 5. Risk Factors

The Shares offered under this Prospectus should be considered speculative because of the nature of the business activities of the Company. Eligible Shareholders should consider whether the New Shares offered are a suitable investment having regard to their own personal investment objectives and financial circumstances and the risk factors set out below. This list is not exhaustive and potential investors should read this Prospectus in its entirety and if in any doubt consult their professional adviser before deciding whether to participate in the Entitlement Offer.

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

### 5.1 Risks specific to the Company

#### (a) Future capital requirements

The Company has finite financial resources and currently has no cash flow from producing assets. As such, the Company will require additional financing in order to meet its minimum expenditure commitments for its tenements and to implement the Company's strategy.

The Company will require further financing in the future, in addition to amounts raised pursuant to the Placement and this Entitlement Offer. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the current market price (or the Offer Price) or may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities.

Although the Directors believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and this could have a material adverse effect on the Company's activities and could affect the Company's ability to continue as a going concern.

The Company may undertake additional offerings of Shares and of securities convertible into Shares in the future. The increase in the number of Shares issued and outstanding and the possibility of sales of such shares may have a depressive effect on the price of Shares. In addition, as a result of such additional Shares, the voting power of the Company's existing shareholders will be diluted.

#### (b) Joint Venture Parties, Agents and Contractors

The Directors are unable to predict the risk of financial failure or default by a participant in any joint venture to which the Company is or may become a party. Further, the Company is unable to predict the risk of insolvency or managerial failure by any of the contractors used by the Company in any of its activities or the insolvency or other managerial failure by any of the other service providers used by the Company for any activity. The effects of such failures may have an adverse effect on the Company's operations.

(c) **Governmental approvals**

Exploration and mining activities are dependent upon the grant of appropriate licences, concessions, leases, permits and regulatory consents, which may be withdrawn or made subject to limitations. The maintaining of tenements, obtaining renewals, or getting tenements granted often depends on the Company being successful in obtaining statutory approvals for the proposed activities and that the licences, concessions, leases, permits or regulatory consents the Company holds will be renewed as and when required. There is no assurance that such renewals will be given as a matter of course and there is no assurance that new conditions will not be imposed in connection therewith.

(d) **Tabakorole tenement**

The Tabakorole PR (PR15/758) was originally granted on 25 June 2015, validly renewed a first time from 25 June 2018 and is due for its second renewal on 25 June 2020 for a further two years. Documentation for the second renewal of the Tabakorole PR was lodged with the Nationale de la Géologie et des Mines (DNGM) on 17 February 2020 and following request by the DNGM in correspondence dated 9 June 2020, the renewal fee was paid on 9 June 2020. It is common practice in Mali for DNGM confirmation of tenement renewals to occur several months after the renewal date. In recent communication with the DNGM, the Company has obtained:

- (i) an attestation of the good standing and validity from the DNGM with respect to the Tabakorole and Lakanfla tenements;
- (ii) confirmation from the DNGM of receipt of the renewal materials submitted in February 2020 and request for payment of the renewal fee; and
- (iii) acknowledgement from the DNGM of the recent drilling program that was completed at Tabakorole.

While the Company expects that the Tabakorole PR will be renewed as a matter of course in the coming months, there is no assurance that the Tabakorole will be renewed or will be renewed within the timeframe anticipated by the Company.

(e) **Sovereign risks**

The Company will be subject to the risks associated in operating in a foreign country. These risks include ability to obtain key approvals on a timely basis, economic, social or political instability or change, changes of law affecting foreign ownership, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection and labour relations.

The Company and its advisers will undertake all reasonable due diligence in assessing and managing the risks associated with mineral exploration and production in Tanzania and Mali. However, any future material adverse changes in government policies or legislation in foreign jurisdictions in which the Company may have projects is outside the control of the Company. Such changes may affect the foreign ownership, exploration, development or activities of companies involved in mining exploration and production and in turn may affect the viability and profitability of the Company.



(f) **Environmental risk**

The Company's projects are subject to certain regulations regarding environmental matters. The governments and other authorities that administer and enforce environmental laws determine these requirements. As with all exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if mine development proceeds. The Company intends to conduct its activities in an environmentally responsible manner and in accordance with applicable laws.

The cost and complexity of complying with the applicable environmental laws and regulations may prevent the Company from being able to develop potentially economically viable mineral deposits. Further, the Company may require additional approvals from the relevant authorities before it can undertake activities that are likely to impact the environment. Failure to obtain such approvals will prevent the Company from undertaking its desired activities. The Company is unable to predict the effect of additional environmental laws and regulations, which may be adopted in the future, including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations in any area.

There can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Company to incur significant expenses and undertake significant investments in such respect which could have a material adverse effect on the Company's business, financial condition and results of operations.

(g) **Force majeure**

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

(h) **Community risks**

The Company's activities in Tanzania and at the proposed joint venture in Mali may draw the negative attention of local communities. While the Company engages with local communities and local regulatory bodies, there is a risk that the reaction of local communities may have an adverse impact on the Company's capacity to operate in Tanzania and to carry out exploration activities at the exploration licences that comprise the joint venture in Mali.

(i) **New projects and acquisitions**

The Company may make acquisitions in the future as part of future growth plans. In this regard, 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. Such acquisitions may result in use of the Company's cash resources and issuances of equity securities, which might involve a substantial dilution to Shareholders.

(j) **Climate change risk**

Climate change is a risk the Company has considered, particularly related to its operations in the exploration and mining industry. Climate change risks attributable to the Company include:

- (i) the emergence of new or expanded regulations associated with transitioning to a lower carbon economy and market changes related to climate mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts; and
- (ii) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events. All these risks associated with climate change may significantly change the industry in which the Company operates.

## 5.2 Mining Industry Risks

(a) **Exploration, development mining and processing risks**

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

The success of the Company will also depend on the Company having access to sufficient development capital to allow for progressing exploration opportunities towards mining operations, being able to maintain title to its licences and obtaining all required approvals for its activities. In the event that exploration programmes prove to be unsuccessful, this could lead to a diminution in the value of the licences, a reduction in the base reserves of the Company and possible relinquishment of the licences.

Each of the Company's licences and permits are for a specific term and carry with them annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in these tenements if licence conditions are not met or insufficient funds are available to meet expenditure commitments.

The exploration costs of the Company are based on certain assumptions with respect to 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 the cost estimates and the

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underlying assumptions will be realised in practice, which may materially affect the Company's viability.

(b) **Estimation of Mineral Resources and Ore Resources**

There is a degree of uncertainty to the estimation of Mineral Resources and Ore Reserves and corresponding grades being mined or dedicated to future production. Until Mineral Resources or Ore Reserves are actually mined and processed, the quantity of Mineral Resources and Ore Reserves must be considered as estimates only. In addition, the grade of Mineral Resources and Ore Reserves estimates may vary depending on, among other things, metal prices. Any material change in quantity and grades of Mineral Resources, Ore Reserves, or stripping ratio may affect the economic viability of the properties. In addition, there can be no assurance that metal recoveries in small-scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production.

Fluctuation in the prices of gold, base or precious metals, results of drilling, metallurgical testing and the evaluation of mine plans subsequent to the date of any estimate may require revision of such estimate. Any material reductions in estimates of Mineral Resources and / or Ore Reserves, could have a material adverse effect on the Company's financial condition.

(c) **Metallurgical Risks**

The economic viability of base metal and gold recovery depends on a number of factors such as the development of an economic process route for metal concentrates. Further, changes in mineralogy may result in inconsistent metal recovery.

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

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of product exposes the potential income of the Company to commodity prices 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 for minerals, technological advancements, forward selling activities and other macro-economic factors.

Furthermore, prices of various commodities and services may be denominated in United States dollars or other foreign currencies, 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) **Competition risk**

The industry in which the Company is involved is subject to domestic and global competition. Although the Company undertakes all reasonable due diligence in its business decisions and operations, the Company has no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.

(f) **Regulatory issues**

Mining operations are subject to extensive regulations, including environmental, health and safety and other regulations, as well as the need to manage relationships with local communities

The Company's exploration activities are subject to extensive laws and regulations, which include laws and regulations governing, among other things exploration, development, production, exports, taxes, labour standards, mining royalties, price controls, waste disposal, protection and remediation of the environment, reclamation, historic and cultural resource preservation, mine safety and occupational health, handling, storage and transportation of hazardous substances and other matters.

The costs of discovering, evaluating, planning, designing, developing, constructing, operating, closing and rehabilitating the Company's mines and other facilities in compliance with such laws and regulations are significant. It is possible that the costs and commonly experienced delays associated with the Company's ability to comply with such laws and regulations could become such that the Company may elect not to proceed with its planned activities, including exploration and development in Mali.

As part of its normal course of development activities, the Company may be required to expend significant resources, both financial and managerial, to comply with governmental and environmental regulations and permitting requirements and will continue to do so in the future. Moreover, it is possible that future regulatory developments, such as increasingly strict environmental protection laws, regulations and enforcement policies thereunder, and claims for damages to property and persons resulting from the Company's operations, could result in additional substantial costs and liabilities, restrictions on or suspension of the Company's activities and delays in the exploration of and development of its properties.

The Company is required to obtain governmental permits to develop its reserves and for expansion or advanced exploration activities at its properties. Obtaining the necessary governmental permits is a complex and time-consuming process involving numerous agencies and other interested parties. There can be no certainty that these approvals will be granted to the Company in a timely manner, or at all. The duration and success of each permitting effort are contingent upon many variables not within the Company's control. The issue of governmental approvals, licenses and permits are subject to the discretion of the applicable governments or governmental officials, and any exercise of such discretion will typically take into account other parties' interests or rights.

In the context of environmental protection permitting, including the approval of reclamation plans, the Company must comply with known standards, existing laws and regulations that may entail greater or lesser costs and delays depending on the nature of the activity to be permitted and the interpretation of the laws and regulations implemented by the permitting authority. No assurance can be given that the Company will be successful in obtaining or maintaining any or all of the various approvals, licenses and permits required to operate its businesses in full force and effect or without modification or revocation. The failure to obtain or renew certain permits, or the imposition of extensive conditions upon certain permits, could have a material adverse effect on the Company's business, operations and financial condition.

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Failure to comply with applicable environmental, health and safety laws can result in injunctions, damages, suspension or revocation of permits and imposition of penalties. There can be no assurance that the Company has been or will be at all times in complete compliance with all such laws or permits, that the Company's compliance will not be challenged or that the costs of complying, as well as the costs of the consequences of failing to comply, with current and future environmental, health and safety laws and permits will not materially or adversely affect the Company's future cash flow, results of operations and financial condition.

As a consequence of public concern about the perceived ill effects of mining and land development, particularly in less developed countries, mining companies such as the Company face increasing public scrutiny of their activities. Criticism of the Company's activities or negative publicity, whether accurate or not, could result in damage to the Company's reputation which could have a material and adverse effect on the Company's share price. The international standards on social responsibility, community relations and sustainability against which the Company benchmarks its operations are becoming increasingly stringent and extensive over time, and adherence to them is increasingly scrutinised by regulatory authorities, citizens groups and environmental groups, as well as by investors and financial institutions.

The Company's mineral exploration and planned development activities are subject to various federal, provincial and local government laws and regulations governing, among other things, acquisition of mining interests, maintenance of claims, tenure, expropriation, prospecting, development, mining, production, price controls, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, water use, land use, treatment of indigenous peoples, environmental protection and remediation, endangered and protected species, mine safety and other matters. Although the Company's exploration and planned development activities are currently believed by the Company to be carried out in accordance with all applicable laws and regulations, no assurance can be given that new laws and/or regulations will not be enacted or that existing laws and regulations will not be applied or amended in a manner that could have a material adverse effect on the business, financial condition and results of operations of the Company. By way of example only, these new laws or regulations could introduce changes to or invalidation of government mining laws and regulations, expropriation or revocation of land or property rights, changes in foreign ownership rights, changes in taxation rates or increased corruption. The Company is subject to changes to the royalty regimes in the jurisdictions in which it operates. The costs and delays associated with obtaining and complying with necessary licences and permits as well as applicable laws and regulations could stop or materially delay or restrict the Company from proceeding with the development of an exploration project. Any failure to comply with applicable laws, regulations or licensing and permitting requirements, even if inadvertent, may result in enforcement actions thereunder.

The Company's mineral exploration and planned development activities are subject to various federal, provincial and local government laws and regulations governing, among other things, acquisition of mining interests, maintenance of claims, tenure, expropriation, prospecting, development, mining, production, price controls, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, water use, land use, treatment of indigenous peoples, environmental protection and remediation,

endangered and protected species, mine safety and other matters. Although the Company's exploration and planned development activities are currently believed by the Company to be carried out in accordance with all applicable laws and regulations, no assurance can be given that new laws and/or regulations will not be enacted or that existing laws and regulations will not be applied or amended in a manner that could have a material adverse effect on the business, financial condition and results of operations of the Company. By way of example only, these new laws or regulations could introduce changes to or invalidation of government mining laws and regulations, expropriation or revocation of land or property rights, changes in foreign ownership rights, changes in taxation rates or increased corruption. The Company is subject to changes to the royalty regimes in the jurisdictions in which it operates. The costs and delays associated with obtaining and complying with necessary licences and permits as well as applicable laws and regulations could stop or materially delay or restrict the Company from proceeding with the development of an exploration project. Any failure to comply with applicable laws, regulations or licensing and permitting requirements, even if inadvertent, may result in enforcement actions thereunder.

(g) **Hazards and Risks**

The Company is subject to hazards and risks associated with exploration and development activities and available insurance may be insufficient to cover these risks.

The activities of the Company are subject to the hazards and risks normally incidental to exploration and development, any of which could result in damage to life or property, environmental damage and possible legal liability for such damage. The activities of the Company may be subject to prolonged disruptions due to weather conditions, depending on the location of operations in which the Company has interests. Hazards and risks, such as unusual or unexpected formations, faults and other geologic structures, rock bursts, pressures, cave-ins, flooding, pit wall failures, ground and slope failures and inventory theft, could have an adverse impact on the Company's operations. Severe weather conditions, including those resulting from global climate change, may adversely impact the Company's operations. As a result, production may fall below historic or estimated levels and the Company may incur significant costs or experience significant delays that could have a materially adverse effect on the Company's financial performance, liquidity and results of operations.

Further, delays due to equipment malfunction or inadequacy may adversely affect the Company's results of operations. It is impossible to ensure that the current or proposed exploration programs on properties in which the Company has an interest will result in profitable commercial mining operations.

(h) **Infrastructure**

Mining, processing, development, and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants which materially affect capital and operating costs. Lack or inadequacy of such infrastructure, unusual or infrequent weather phenomena, sabotage, terrorism, government, or other

interference in the maintenance or provision of such infrastructure could materially adversely affect the Company's operations, financial condition and results of operations.

(i) **Anti-corruption laws**

The Company and certain of its subsidiaries conduct business in countries where there is government corruption. The Company is committed to doing business in accordance with all applicable laws and its codes of conduct. Nevertheless, there is a risk that the Company, its subsidiaries or affiliated entities or their respective officers, directors, employees or agents may act in violation of applicable codes and laws, which may include the Criminal Code Act 1995 (Cth), Canadian Corruption of Foreign Public Officials Act of 1998, the UK Bribery Act 2010, the U.S. Foreign Corrupt Practices Act (1977) and the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. Any such violations could result in substantial civil and criminal penalties and might materially adversely affect the Company's business and results of operations or financial condition.

### 5.3 **General risks**

(a) **Market conditions**

The market price of the Company's Shares 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.

Further, share market conditions may affect the value of the Company's Shares regardless of the Company's operating performance. Share market conditions are affected by many factors, including without limitation: general economic outlook; interest rates and inflation rates; currency fluctuations; changes in investor sentiment; the demand for, and supply of, capital; international political developments and terrorism or other hostilities.

Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(b) **Government and legal risk**

Changes in government, monetary policies, taxation and other laws can have a significant impact on the Company's assets, operations and ultimately the financial performance of the Company and its Shares. Such changes are likely to be beyond the control of the Company and may affect industry profitability as well as the Company's capacity to explore and mine.

The Company is not aware of any reviews or changes that would affect its current or proposed permits. However, changes in political and community attitudes on matters such as taxation, competition policy and environmental issues may bring about reviews and possibly changes in government policies. There is a risk that such changes may affect the Company's exploration and/or development plans or its rights and obligations in respect of its permits. Any such government action may also require increased capital or operating expenditures and could prevent or delay certain operations by the Company.

(c) **Litigation risks**

The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.

(d) **Insurance risks**

The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances, the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. Insurance against all risks associated with mining exploration and production is not always available and where available the costs can be prohibitive.

(e) **Taxation**

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring New Shares from a taxation point of view and generally. To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability and responsibility with respect to the taxation consequences of applying for New Shares under this Prospectus.

(f) **COVID-19 pandemic and possible future similar outbreaks**

Different regions in the world have from time to time experienced outbreaks of various viruses. At the date of this Prospectus, a global pandemic of the infectious disease COVID-19, caused by the coronavirus, is taking place. As the virus and diseases it causes are relatively new, effective cure and vaccines are yet to be developed. While COVID-19 is still spreading and the final implications of the pandemic are difficult to estimate at this stage, it is clear that it will affect the lives of a large portion of the global population and cause significant effects. At this time, the pandemic has caused state of emergencies being declared in various countries, travel restrictions being imposed, quarantines been established and various institutions and companies being closed.

The ongoing COVID-19 pandemic and any possible future outbreaks of viruses may have a significant adverse effect on the Company. Firstly, a spread of such diseases amongst the employees and consultants of the Company, as well as any quarantines affecting the employees and consultants of the Company or the Company's facilities, may reduce the possibility of the Company's personnel to carry out their work and thereby affect operations. Secondly, the current pandemic and any possible future outbreaks of viruses may have an adverse effect on the Company's suppliers and/or transportation companies, making it difficult or impossible for the Group to carry out its operations.



Further to the above, the Company may be adversely affected by the wider macroeconomic effect of the ongoing COVID-19 pandemic and any possible future outbreaks. While the final effects of the COVID-19 pandemic are at this stage difficult to assess, it is possible that it will have substantial negative effect on the economies of Tanzania, Mali and Australia. These affects may also take place in the case of any possible future outbreaks. In the case of an economic downturn, the price of the Company's Shares and the possibility of the Company to procure financing may be adversely affected. Any of the factors above could have an adverse effect on the Company's financial position and thereby affect its ability to continue operations.

#### **5.4 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 Shares offered under this Prospectus. Therefore, the New Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those New Shares. Eligible Shareholders should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for New Shares pursuant to this Prospectus.

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## 6. Rights and liabilities attaching to New Shares

The following is a summary of the more material rights and liabilities attaching to the New Shares offered 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 in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

### 6.1 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.

### 6.2 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:

- (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 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).

### 6.3 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 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.

#### **6.4 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 or she 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.

#### **6.5 Shareholder liability**

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

#### **6.6 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 or the Listing Rules.

#### **6.7 Future increase in capital**

The issue of any new Shares is under the control of the Board of the Company as appointed from time to time. Subject to restrictions on the issue or grant of Shares contained in the 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 and other securities as they shall, in their absolute discretion, determine.

#### **6.8 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) 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.

#### **6.9 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 votes validly cast for Shares 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.

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## 7. Additional information

### 7.1 Litigation

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

### 7.2 Section 713 of the Corporations Act

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, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonably person would expect to have a material effect on the price or the value of the Company’s securities.

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

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

Having taken such precautions and having made such enquires 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 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

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

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

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
  - (i) the annual financial report most recently lodged by the Company with ASIC;

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

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

The Company lodged its latest financial report with ASX on 26 September 2019 (relating to the financial year ended on 30 June 2019). Since then and until the date of lodgement of this Prospectus with ASIC, a list of documents filed with ASX by or concerning the Company is set out in the table below:

Date lodged	Subject of Announcement
20/07/2020	Results of meeting
16/07/2020	Gold exploration update
14/07/2020	Investor Webinar
02/07/2020	Corporate presentation
22/06/2020	Details of investor webinar
18/06/2020	Notice of general meeting and proxy form
17/06/2020	Final director's interest notice
17/06/2020	Initial director's interest notice
17/06/2020	Initial director's interest notice
17/06/2020	Proposed issue of securities - GPX
17/06/2020	Financing update and asset acquisition
12/06/2020	Request for extension of voluntary suspension
03/06/2020	Request for extension of voluntary suspension
20/05/2020	Request for extension of voluntary suspension
13/05/2020	Request for extension of voluntary suspension
06/05/2020	Request for extension of voluntary suspension
30/04/2020	March quarterly activities report and Appendix 5B
29/04/2020	Request for extension of voluntary suspension
22/04/2020	Request for extension of voluntary suspension

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Date lodged	Subject of Announcement
15/04/2020	Request for extension of voluntary suspension
08/04/2020	Request for extension of voluntary suspension
01/04/2020	Request for extension of voluntary suspension
25/03/2020	Suspension from official quotation
24/03/2020	Withdrawal of share purchase plan
23/03/2020	Trading halt
20/03/2020	Appendix 2A
13/03/2020	Half year accounts
13/03/2020	Cleansing notice
13/03/2020	Appendix 2A
11/03/2020	Dispatch of share purchase plan booklet
11/03/2020	Cleansing notice
06/03/2020	Additional share placement
06/03/2020	Proposed issue of securities - GPX
06/03/2020	Proposed issue of securities - GPX
06/03/2020	Placement and SPP to raise up to \$1.05 million
04/03/2020	Trading halt
25/02/2020	Financing update
21/02/2020	Schroder Equities Conference Presentation
31/01/2020	December quarterly activities report and appendix %B
29/01/2020	Corporate presentation on definitive feasibility study
29/01/2020	DFS confirms Chilalo as high margin graphite project
03/12/2019	Definitive feasibility study update
18/11/2019	Change of director's interest notice
18/11/2019	Appendix 3B
14/11/2019	Results of meeting
07/11/2019	Road upgrades to support development of Chilalo
30/10/2019	Enhanced markets first strategy to bolster DFS
21/10/2019	September quarterly activities report and appendix 5B

Date lodged	Subject of Announcement
14/10/2019	Notice of annual general meeting and proxy form
26/09/2019	Appendix 4G and Corporate Governance Statement
26/09/2019	Annual Report to shareholders

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

### 7.3 Market price of Shares

The Company has suspended trading in its Shares on ASX since 23 March 2020. The last market sale price of Shares on ASX at the close of trading on 23 March 2020 was \$0.039 per Share.

### 7.4 Underwriting Agreements

The Company has entered into an agreement with Bridge Street Capital Partners dated 13 June 2020 (**BSC Underwriting Agreement**). Under the BSC Underwriting Agreement, Bridge Street Capital Partners has agreed to underwrite 66.41% of the Total Shortfall under the Entitlement Offer, unless Capital DI fails to give the Company an Application in respect of its full Entitlement under the Entitlement Offer, being a subscription for 5,842,067 Shares for \$116,841.34, by the Closing Date, in which case Bridge Street Capital Partners has agreed to underwrite 63% of the Total Shortfall.

By an agreement between Capital DI and the Company dated 16 June 2020 (**CDI Underwriting Agreement**), Capital DI has agreed to underwrite 33.59% of the Total Shortfall under the Entitlement Offer, except in the event that Capital DI fails to give the Company an Application in respect of its full Entitlement under the Entitlement Offer, being a subscription for 5,842,067 Shares for \$116,841.34, by the Closing Date, in which case Capital DI's allocation of the Total Shortfall will be 37%.

Under the CDI Underwriting Agreement, Capital DI is not entitled to an underwriting fee. Under the BSC Underwriting Agreement, Bridge Street Capital Partners is entitled to a fee equal to 6% of \$1,450,000 as consideration for underwriting the Entitlement Offer.

The CDI Underwriting Agreement and the BSC Underwriting Agreement (together, the **Underwriting Agreements**) contain standard conditions precedent including that including implementation and completion of a due diligence process, lodgement of this Prospectus and ASIC and ASX granting the waivers and modifications necessary to enable the Entitlement Offer to proceed. In addition, the Underwriting Agreements are conditional on shareholder approval of all of the resolutions in the Notice of Meeting and on the Castlake Documents having become effective such that the Financier's security is confined to Chilalo Graphite Project related assets.

These conditions will be satisfied upon the Company issuing the Shares under the Placement, which is expected to occur on or around 29 July 2020.

The obligations of Bridge Street Capital Partners and Capital DI (together, the **Underwriters**) are subject to certain events of termination. The Underwriters may terminate its obligations under the Underwriting Agreements if:

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- (a) **(Prospectus and offer materials)** a statement in any of the offer materials or Prospectus in relation to the Company or the Entitlement Offer is not true or accurate, or is or becomes misleading or deceptive or likely to mislead or deceive, or contains any omissions, or does not comply in all material respects with the Corporations Act or the Listing Rules or any other applicable law;
  - (b) **(listing)** ASX announced that the Company will be removed from the Official List or that any Shares will be delisted;
  - (c) **(notification)** any of the following notifications are made in respect of the Entitlement Offer:
    - (i) ASIC issues an order (including an interim order) under section 739 of the Corporations Act;
    - (ii) ASIC holds a hearing under section 739(2) of the Corporations Act;
    - (iii) an application is made by ASIC for an order under Part 9.5 of the Corporations Act in relation to the Entitlement Offer or any of the offer materials, or ASIC commences any investigation or hearing under Part 3 of the ASIC Act in relation to the Entitlement Offer or offer materials;
    - (iv) any person who has previously consented to the inclusion of its name in any of the offer materials or the lodgement or issuing of the Prospectus withdraws that consent; or
    - (v) any person gives a notice under s730 of the Corporations Act in relation to any of the offer materials;
  - (d) **(regulatory action)** an order, declaration or other remedy is made by any government agency, or a government agency commences any investigation or hearing, or announces its intention to do so, in each case in connection with the Entitlement Offer or any agreement entered into in respect of the Entitlement Offer;
  - (e) **(quotation)** unconditional approval (or conditional approval, provided that the conditions would not, in the reasonable opinion of the Underwriters, have a material adverse effect on the success or settlement of the Entitlement Offer) by ASX for official quotation of the Shares is refused, or not granted, or is withdrawn;
  - (f) **(timetable)** an event specified in the timetable is delayed by more than 5 business days without the prior written consent of the Underwriters;
  - (g) **(unable to issue the Shares)** the Company is prevented from issuing the New Shares within the time required by the Listing Rules, applicable laws, a government agency or orders of a court;
  - (h) **(lodgement)** the Company fails to lodge the Prospectus on the agreed date;
  - (i) **(withdrawal)** the Company withdraws the Prospectus or the Entitlement Offer or any circumstance arises after lodgement of the Prospectus that results in the Company either repaying any money received from applicants under the Entitlement Offer or offering applicants under the Entitlement Offer an opportunity to withdraw their application for New Shares and be repaid their application monies;



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- (j) **(Supplementary offer document)** the Company issues or, in the reasonable opinion of the Underwriters, is required to issue, a supplementary offer document, in each case, to comply with section 719(1) of the Corporations Act where the disclosure contained in the Prospectus (including by omission) is materially adverse from the point of view of an investor;
  - (k) **(certificate)** the Company fails to deliver any certificate required under the Underwriting Agreements or any statement in such certificate is untrue, inaccurate, incomplete or misleading or deceptive in any material respect;
  - (l) **(insolvency)** the Company (or any of its subsidiaries) is insolvent or there is an act or omission which is likely to result in the Company becoming insolvent.
  - (m) **(ASIC Modifications and ASX Waivers)** the Company does not obtain a waivers or modifications from ASIC or ASX necessary to enable the Entitlement Offer to proceed required to complete the Entitlement Offer or the such waivers or modifications are subsequently withdrawn, revoked, qualified or amended in a materially adverse particular;
  - (n) **(market fall)** the S&P/ASX 200 Index or S&P/ASX Small Ordinaries Index has (as the case may be), at the close of business on any trading day in the period immediately prior to the settlement date, fallen by 12% or more than as at the close of business on the business day immediately before the date of the Underwriting Agreements;
  - (o) **(fall in price of gold)** the "ask" price for gold in US dollars or Australian dollars as quoted by the Perth Mint falls by 15% or more below the "ask" price for gold in US dollars or Australian dollars (as applicable);
  - (p) **(offences by directors)** other than any proceedings on foot prior to the date of the Underwriting Agreements and previously advised, any of the following occurs:
    - (i) a director of the Company is charged with an indictable offence;
    - (ii) any government agency commences any public action against a director of the Company or announces that it intends to take any such action; or
    - (iii) any director of the Company is disqualified from managing a corporation under the Corporations Act;
  - (q) **(capital structure)** except in relation any issue of Shares or other securities of the Company contemplated or referred to in the Notice of Meeting, or any issue of securities to employees or consultants, the Company alters its share capital structure or constitution without the prior written consent of the Underwriters (such consent not to be unreasonably withheld or delayed);
  - (r) **(Amended LNSA)**
    - (i) the Company or any of its subsidiaries breaches or defaults under any provision, undertaking, covenant or ratio of the Amended LNSA; or
    - (ii) an event of default, potential event of default or review event which gives a lender or financier the right to accelerate or require repayment of the debt or financing or other similar event occurs under or in respect of the Amended LNSA;

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- (s) **\*(change in law)** there is an introduction, or there is an official public announcement of a proposal to introduce, into the Parliament of Australia or any State of Australia a new law, or the Reserve Bank of Australia, or any Commonwealth or State authority, adopts or announces a proposal to adopt a new policy (other than a law or policy which has been announced prior to the date of the Underwriting Agreements);
  - (t) **\*(compliance)** any aspect of the Entitlement Offer does not comply with the Corporations Act, the Listing Rules, any other applicable laws or any regulatory approvals;
  - (u) **\*(disclosures in public information)** the public information includes:
    - (i) a statement which is or becomes misleading or deceptive or likely to mislead or deceive; or
    - (ii) any forecasts, expressions of opinion, intention or expectation which are not based on reasonable assumptions];
  - (v) **\*(disclosures)** any information supplied by or on behalf of the Company to the Underwriter is or becomes misleading or deceptive, including by way of omission;
  - (w) **\*(hostilities)** hostilities not presently existing commence (whether war has been declared or not) or a major escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more of the United States, Australia, New Zealand, the United Kingdom, Mali or any of the countries neighbouring Mali or the declaration by any of these countries of a national emergency (other than any national emergency declared in relation to the COVID-19 pandemic) or war or a major terrorist act is perpetrated anywhere in the world;
  - (x) **\*(breach)** the Company fails, in a material respect, to perform or observe any of its obligations under the Underwriting Agreements;
  - (y) **\*(misrepresentation)** a representation or warranty made or given by the Company under the Underwriting Agreements proves to be, or has been, or becomes, untrue or incorrect, in a material respect;
  - (z) **\*(market or trading disruption)** there is:
    - (i) a suspension or material limitation in trading in securities generally or any adverse change or disruption to the existing financial markets of Australia, Mali or any of the countries neighbouring Mali; or
    - (ii) a general moratorium on commercial banking activities is declared by the relevant central banking authority in Australia or Mali;
  - (aa) **(change in management)** a change in the senior management of the Company or in the board of directors of the Company is announced or occurs without the Underwriters' prior written consent (not to be unreasonably withheld)];
  - (bb) **(adverse change)** there is an adverse change, or an event occurs which is likely to give rise to an adverse impact of an amount equal to or greater than 20% of the assets, liabilities or operations of the Group when compared to what the assets, liabilities or operations of the Group would have been if not for that adverse change or event; and

- (cc) **\*(new circumstances)** in the reasonable opinion of the Underwriters, a new circumstance arises that would have been required to be disclosed in the offer materials had it arisen before the offer materials were lodged with ASX.

The termination events marked with an \* are qualified and require the Underwriters to hold the reasonable opinion that the event:

- (dd) has, or is likely to have, a material adverse effect on the success or settlement of the Entitlement Offer, the value of the Shares or the willingness of the investors to subscribe for Shares; or
- (ee) has led, or is likely to lead to:
- (i) the Underwriters to contravene the Corporations Act or any other applicable law; or
  - (ii) a liability for the Underwriters (as the case may be) under the Corporations Act or any other applicable law.

In addition, the CDI Underwriting Agreement may be terminated if the BSC Underwriting Agreement is terminated in accordance with its terms.

The respective Underwriting Agreements also contains a number of indemnities, representations and warranties from the Company to Capital DI that are considered standard for an agreement of this type.

## 7.5 Directors

The role and responsibilities of the Directors are set out in the Marvel Board Charter. The Board Charter and further information on the Directors of Marvel, including their experience, qualifications and expertise can be found on the Company's website at [www.marvelgold.com.au](http://www.marvelgold.com.au).

## 7.6 Interests of Directors

### (a) Information disclosed in this Prospectus

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

- (i) the formation or promotion of the Company;
- (ii) any property acquired or proposed to be acquired by the Company in connection with:
  - (A) its formation or promotion; or
  - (B) the Entitlement Offer, or
- (iii) the Entitlement Offer,

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

- (iv) as an inducement to become, or to qualify as, a Director; or

- (v) for services provided in connection with:
- (A) the formation or promotion of the Company; or
  - (B) the Entitlement Offer.

(b) **Security holdings**

The Directors have the following relevant interests in Shares as at the date of this Prospectus:

Director	Shares	% of total issued share capital	Entitlement
Stephen Dennis	773,779	0.67	773,779
Phil Hoskins	877,728	0.76	877,728
Andrew Pardey	-	-	-
Chris van Wijk	-	-	-

Notes

1. Holdings are given as at the date of this Prospectus and do not include Shares or Options which were approved at the Company's general meeting on 20 July. Directors who are entitled to participate in the Entitlement Offer intend to take up their Entitlement in full.

(c) **Remuneration**

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 determined by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director.

A Director may be paid fees or other amounts (i.e. 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 annual remuneration paid to both executive and non-executive Directors inclusive of superannuation for the financial year ended 30 June 2019.

Director	Salary & fees (\$)	Superannuation (\$)	Share based payments (\$)	TOTAL (\$)
Stephen Dennis	60,000	5,700	-	65,700
Phil Hoskins	290,000	20,531	68,165	378,696
Daniel Saint Don <sup>1</sup>	10,000	-	-	10,000
Grant Davey	40,000	3,800		43,800

1. Mr Saint Don was appointed on 1 April 2019.

The following table shows the annual remuneration to both executive and non-executive Directors inclusive of superannuation for the financial year ended 30 June 2020:

Director	Salary & fees (\$)	Superannuation (\$)	Share based payments (\$)	TOTAL (\$)
Stephen Dennis	60,000	5,700	-	65,700
Phil Hoskins	310,000	21,002	-	331,002
Daniel Saint Don <sup>1</sup>	38,556	-	-	38,556
Andrew Pardey <sup>2</sup>	2,167	-	-	
Chris van Wijk <sup>3</sup>	4,333	412	-	4,745
Grant Davey <sup>4</sup>	9,444	633	-	10,077

1. Mr Saint Don resigned on 17 June 2020.

2. Mr Pardey was appointed on 17 June 2020

3. Mr van Wijk was appointed on 17 June 2020

4. Mr Davey resigned on 25 September 2019

## 7.7 Related party transactions

There are no related party transactions involved in the Entitlement Offer.

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

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

## 7.8 Interests of experts and advisers

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

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

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

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

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

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

King & Wood Mallesons has acted as the solicitors to the Company in relation to the Entitlement Offer. The Company estimates it will pay King & Wood Mallesons \$50,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with ASIC, King & Wood Mallesons has been paid fees totalling approximately \$260,000 (excluding GST and disbursements) for legal services provided to the Company.

Bridge Street Capital Partners has agreed to act as Underwriter in respect of the Entitlement Offer and will receive the fees as described in Section 7.4. Bridge Street Capital Partners has been paid fees of approximately \$390,000 during the 24 months preceding lodgement of this Prospectus with ASIC.

Capital DI has agreed to act as Underwriter in respect of the Entitlement Offer but will not receive any fees for this role.

## 7.9 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Shares), the Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus, Although the Company bears

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primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this section;
- (b) the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party;
- (c) Bridge Street Capital Partners Pty Limited has given its written consent to being named as underwriter to the Entitlement Offer in this Prospectus, in the form and context in which it is named and has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC;
- (d) Capital DI Limited has given its written consent to being named as underwriter to the Entitlement Offer in this Prospectus, in the form and context in which it is named and has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC; and
- (e) King & Wood Mallesons has given its written consent to being named as the solicitors to the Company in this Prospectus and has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

#### 7.10 Expenses of Entitlement Offer

<b>Estimated expenses of the Entitlement Offer</b>	<b>\$</b>
ASIC lodgement fee	3,206
Legal and preparation expenses	140,000
General administrative expenses	30,000
<b>TOTAL</b>	<b>173,206</b>

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## 8. Directors' authorisation

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

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

This Prospectus is signed for and on behalf of the Company by:



**Stephen Dennis**  
Chairman  
20 July 2020

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## 9. Glossary of Terms

**\$ or A\$** means Australian dollars.

**Amended LNSA** means the Loan Note Subscription Agreement dated 29 October 2018 between the Company, CL V Investment Solutions LLC and others as amended by the Castlake Documents.

**Applicant** means a person who submits an Entitlement and Acceptance Form.

**Application** means a valid application for New Shares made on an Entitlement and Acceptance Form.

**Application Monies** means the amount of money in dollars and cents payable for New Shares pursuant to the Entitlement Offer.

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

**ASX** means ASX Limited (ACN 008 624 691) and where the context permits the Australian Securities Exchange operated by ASX Limited.

**ASX Settlement** means ASX Settlement Pty Limited (ACN 008 504 532).

**ASX Settlement Operating Rules** means ASX Settlement Operating Rules of ASX Settlement.

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

**Board** means the board of Directors of the Company from time to time.

**Bridge Street Capital Partners** means Bridge Street Capital Partners Pty Ltd (ACN 164 702 005).

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

**Capital DI** means Capital DI Limited (Cayman Islands company number 353846).

**Castlake Documents** means:

- (a) the First Deed of Amendment - Loan Note Subscription Agreement between the Company, CL V Investment Solutions LLC and others; and
- (b) the Subscription Deed between the Company and CL V Investment Solutions LLC,

each dated on or around 15 June 2020.

**CHESS** means the Clearing House Electronic Sub-registry System.

**Chilalo Graphite Project** means the Company's flake graphite project located in south-east Tanzania.

**Chilalo Process** has the meaning given in clause 4.1.

**Closing Date** means 5.00pm AWST on 12 August 2020 (unless extended).

**Company or Marvel** means Marvel Gold Limited (ACN 610 319 769) (formerly known as Graphex Mining Limited).

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

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

**Debt Restructuring** has the meaning given in clause 4.1.

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

**Eligible Shareholder** means a Shareholder as at the Record Date with a registered address in Australia, New Zealand, Mauritius, United Kingdom, Hong Kong, Germany or Singapore.

**Entitlement** means the number of New Shares for which an Eligible Shareholder is entitled to subscribe under the Entitlement Offer, being 1 New Share for every 1 existing Share held on the Record Date.

**Entitlement and Acceptance Form** means the Entitlement and Acceptance Form provided by the Company with a copy of this Prospectus.

**Entitlement Offer** means the non-renounceable entitlement offer the subject of this Prospectus.

**Financier** has the meaning given in Section 4.1.

**GMUKL** means the Graphex Mining UK No1 Limited, a subsidiary of the Company.

**Group** means the Company and its subsidiaries.

**Ineligible Shareholder** means a Shareholder who is not an Eligible Shareholder.

**Interim Loan Note** has the meaning given in Section 4.1.

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

**Listing Rules** means the official listing rules of ASX and any other rules of ASX which are applicable while any Shares are admitted to the Official List, each as amended or replaced from time to time, except to the extent of any express waiver by ASX.

**LNSA** means the Loan Note Subscription Agreement dated 29 October 2018 between the Company, CL V Investment Solutions LLC and others.

**LNSA Debt** has the meaning given in Section 4.1.

**Mali Gold Projects** has the meaning given in Section 4.1.

**New Shares** the new Shares offered pursuant to the Entitlement Offer made under this Prospectus.

**Notice of Meeting** means the notice of meeting for the general meeting of the Company dated 17 June 2020 and released to the ASX on 18 June 2020.

**NTL** means Ngwena Tanzania Limited, a subsidiary of the Company.

**Offer Price** means \$0.02 per New Share.

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

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

**Option** means an option to acquire a Share, subject to certain terms and conditions.

**Placement** has the meaning given in Section 4.1.

**Prospectus** means this prospectus dated 20 July 2020.

**Record Date** means 24 July 2020.

**Register** means the register of Shareholders maintained by the Share Registry.

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

**Senior Funding Package** has the meaning given in Section 4.1.

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

**Share Registry** or **Computershare** means Computershare Investor Services Pty Limited.

**Shareholder** means a holder of Shares.

**Shortfall** means those New Shares under the Entitlement Offer not applied for by Eligible Shareholders pursuant to this Prospectus by the Closing Date.

**Total Shortfall** means the number of New Shares offered under the Entitlement Offer for which valid Applications have not been received by the Closing Date.

**Underwriters** means Bridge Street Capital Partners and Capital DI.

**Underwriting Agreements** means the agreement between the Company and the Underwriters as summarised in Section 7.4.

**US\$** means the lawful currency of the United States.