

# **CERVANTES CORPORATION LIMITED**

## **ACN 097 982 235**

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### **PROSPECTUS**

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For the offer of up to 70,000,000 Shares in the capital of the Company at an issue price of \$0.01 per Share to raise up to \$700,000 (before costs), together with, subject to Shareholder approval, one (1) free attaching New Option for every two (2) Shares subscribed for and issued (**Offer**).

#### **IMPORTANT NOTICE**

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

**The Securities offered by this Prospectus should be considered as speculative.**

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## 1. CORPORATE DIRECTORY

### **Directors**

Collin Vost  
*Executive Chairman*

Justin Vost  
*Non-Executive Director*

Marcus Flis  
*Non-Executive Director*

### **Company Secretary**

Patrick O'Neill

### **Registered Office**

Shop 11, South Shore Piazza  
85 The Esplanade  
SOUTH PERTH WA 6151

Telephone: + 61 8 6436 2300  
Facsimile: +61 8 9367 2450

Email: [admin@cervantescorp.com.au](mailto:admin@cervantescorp.com.au)  
Website: [www.cervantescorp.com.au](http://www.cervantescorp.com.au)

### **Auditor**

Rothsay Auditing  
Level 1 Lincoln House  
4 Ventnor Avenue  
WEST PERTH WA 6005

### **Share Registry\***

Advanced Share Registry Limited  
110 Stirling Highway  
NEDLANDS WA 6009

Telephone: +61 8 9389 8033  
Facsimile: +61 8 9262 3723

### **Solicitors**

Steinepreis Paganin  
Level 4, The Read Buildings  
16 Milligan Street  
PERTH WA 6000

\* These entities have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus. They have been included for information purposes only.

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## **2. IMPORTANT NOTES**

This Prospectus is dated 24 October 2018 and a copy of this Prospectus was lodged with the ASIC on that date. The ASIC and ASX take no responsibility for the content of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

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

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Securities the subject of this Prospectus should be considered highly speculative.

Applications for Securities offered pursuant to this Prospectus can only be submitted on an original Application Form.

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

### **2.1 Risk factors**

Potential investors should be aware that subscribing for Securities in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 7 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Securities in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

### **2.2 Website**

A copy of this Prospectus can be downloaded from the website of the Company at [www.cervantescorp.com.au](http://www.cervantescorp.com.au). Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian resident and must only access the Prospectus from within Australia.

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

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and

any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

### **2.3 Forward-looking Statements**

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

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

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

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

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

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 5 of this Prospectus.

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**3. INDICATIVE TIMETABLE\***

Lodgement of Prospectus with the ASIC and ASX	24 October 2018
Lodgement of Appendix 3B	24 October 2018
Opening Date	24 October 2018
Closing Date*	5:00 pm (WST), 30 November 2018
Expected date of Official Quotation of the Shares*	4 December 2018
Annual General Meeting	30 November 2018
Grant of New Options under the Offer	30 November 2018

\* The Directors reserve the right to bring forward or extend the Closing Date of the Offer at any time after the Opening Date of the Offer without notice. As such, the date the Shares are expected to commence trading on ASX may vary with any change in the Closing Date of the Offer.

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## 4. DETAILS OF THE OFFER

### 4.1 Offer

By this Prospectus, the Company invites investors to apply for a total of 70,000,000 Shares in the capital of the Company at an issue price of \$0.01 per Share to raise up to \$700,000 (before costs), together with, subject to Shareholder approval, one (1) free attaching New Option for every two (2) Shares subscribed for and issued.

The Company will issue the Shares under the Offer pursuant to its placement capacity under ASX Listing Rule 7.1.

The Company will issue the New Options under the Offer, subject to Shareholder approval, which is being sought at the Annual General Meeting of the Company. In the event that Shareholder approval is not obtained, the issue of the New Options will not proceed and no New Options will be issued pursuant to the Offer.

All of the Shares offered under this Prospectus will rank equally with Shares on issue at the date of this Prospectus.

Please refer to Section 6.1 of this Prospectus for further information regarding the rights and liabilities attaching to the Shares offered pursuant to this Prospectus.

All of the New Options offered under this Prospectus will be issued on the terms and conditions set out in Section 6.2 of this Prospectus.

All Shares issued on conversion of the New Options will rank equally with the Shares on issue at the date of this Prospectus.

The purpose of the Offer and the intended use of funds raised are set out in Section 5 of this Prospectus.

### 4.2 Opening and Closing Dates of the Offer

The Opening Date of the Offer will be 24 October 2018 and the Closing Date will be 30 November 2018 at 5:00pm (WST). The Directors reserve the right to close the Offer early or extend the Closing Date (as the case may be) in their absolute discretion, should it be considered by them necessary to do so.

### 4.3 Minimum Subscription

There is no minimum subscription.

### 4.4 Application for Securities

Applications for Securities must be made by investors using the Application Form accompanying this Prospectus. By completing an Application Form, applicants will be taken to have declared that all details and statements made by them are complete and accurate and that they have personally received the Application Form together with a complete and unaltered copy of the Prospectus.

Completed Application Forms must be mailed or delivered to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by **no later than 5.00pm (WST) on the Closing Date**, which is currently scheduled to occur on 30 November 2018.

Applications under the Offer must be accompanied by payment in full at the issue price of \$0.01 per Share in Australian currency by cheque or direct debit in accordance with the instructions set out in the Application Form.

The Company reserves the right to close the Offer early.

If you require assistance in completing an Application Form, please contact the Company on +61 8 6436 2300.

#### **4.5 Payment by cheque/bank draft**

All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to "**Cervantes Corporation Limited Offer Account**" and crossed "Not Negotiable".

Your completed Application Form and cheque must reach the Company's registered office no later than 5:00pm (WST) on the Closing Date.

#### **4.6 Implications on acceptance**

Returning a completed Application Form will be taken to constitute a representation by you that:

- (a) You have received a copy of this Prospectus and the accompanying Application Form, and read them both in their entirety;
- (b) You acknowledge that once the Application Form is returned the application may not be varied or withdrawn except as required by law.

#### **4.7 Underwriting**

The Offer is not underwritten.

#### **4.8 Australian Financial Services Licensee Fees**

As contemplated by section 5.1 (Purpose of the Offer), the Company reserves the right to pay any Australian Financial Services Licence holder which facilitates a subscription under the Offer, including without limitation New York Securities Pty Ltd, a fee of 6% of any such subscription amount.

#### **4.9 Issue**

The Securities issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and the timetable set out at the commencement of this Prospectus. Holding statements for the Securities issued under the Offer will be mailed in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus.

Pending the issue of the Securities or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

The Directors will determine the recipients of the issued Securities in their sole discretion. The Board reserves the right to reject any Application or to allocate any Applicant fewer Securities than the number applied for. Where the number of Securities issued is less than the number applied for, or where no issue is made, surplus application monies will be refunded (without interest) to the Applicant as soon as practicable after the Closing Date.

If an Application Form is not completed correctly or if the accompanying payment is the wrong amount, the Company may, in its discretion, still treat the



Application Form to be valid. The Company's decision to treat an Application as valid, or how to construe, amend or complete it, will be final.

#### **4.10 ASX Listing**

The Company will apply for Official Quotation of all Shares issued under this Prospectus within 7 days after the date of this Prospectus. If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Securities and will repay all application monies for the Securities within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Securities now offered for subscription.

#### **4.11 Overseas shareholders**

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

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

Applicants resident outside of Australia are responsible for ensuring that taking up the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Application Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

#### **4.12 Clearing House Electronic Sub-Register System and Issuer Sponsorship**

The Company participates in the Clearing House Electronic Sub-register System (**CHESS**). ASX Settlement Pty Ltd, a wholly owned subsidiary of ASX, operates CHESS. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with separate statements (similar to a bank account statement) that set out the number of Securities issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Electronic sub-registers also mean ownership of Securities can be transferred without having to rely upon paper documentation. Further, monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month. Shareholders may request a holding statement at any other time, however a charge may be made for such additional statements.

#### **4.13 Enquiries**

Any questions concerning the Offer should be directed to the Company Secretary, Patrick O'Neill, on +61 8 6436 2300.

## 5. PURPOSE AND EFFECT OF THE OFFER

### 5.1 Purpose of the Offer

The primary purpose of the Offer is to raise \$700,000 (before costs) to be applied in accordance with the table set out below:

Item	Proceeds of the Offer	(\$)	%
1.	Continued exploration and drilling activities at the Company's 3 main project areas located near Meekatharra and Paynes Find	\$350,000	50.00%
2.	Ongoing assessment and evaluation of projects (new, or complementary to current portfolio)	\$100,000	14.29%
3.	Expenses of the Offer <sup>1</sup> (including fees payable to certain holders of Australian Financial Services Licences) <sup>2</sup>	\$59,000	8.43%
4.	Working capital	\$191,000	27.29%
	<b>Total</b>	<b>\$700,000</b>	<b>100%</b>

#### Notes:

1. Refer to Section 8.8 for details in respect of the estimated expenses of the Offer.
2. Refer to Section 8.4(a) for details in respect of the fees payable to certain holders of Australian Financial Services Licences.

On completion of the Offer, the Board believes the Company will have sufficient working capital to achieve these objectives.

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

In the event that less than the full amount is raised pursuant to the Offer, and after accounting for Offer expenses, funds raised will firstly be applied to continued exploration (item 1), secondly to ongoing assessment of new projects (item 2) and thirdly to working capital.

### 5.2 Effect of the Offer

The principal effect of the Offer and assuming no Options are exercised will be to:

- (a) increase the cash reserves by \$641,000 (after deducting the estimated expenses of the Offer) immediately after completion of the Offer;
- (b) increase the number of Shares on issue from 494,683,309 as at the date of this Prospectus to 564,683,309 Shares; and
- (c) subject to Shareholder approval, increase the number of Options on issue from 71,784,529 as at the date of this Prospectus to 106,784,529 following completion of the Offer.

### 5.3 Financial effect

The audited balance sheet as at 30 June 2018 and the unaudited pro-forma balance sheet as at 30 June 2018 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

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

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

	<b>AUDITED 30 June 2018</b>	<b>PROFORMA 30 June 2018</b>
<b>CURRENT ASSETS</b>		
Cash <sup>1</sup>	272,970	913,970
Other current assets	119,045	119,045
<b>TOTAL CURRENT ASSETS</b>	<b>392,015</b>	<b>1,033,015</b>
<b>NON-CURRENT ASSETS</b>		
Exploration	1,571,245	1,571,245
Other non-current assets	3,570	3,570
<b>TOTAL NON-CURRENT ASSETS</b>	<b>1,574,815</b>	<b>1,574,815</b>
<b>TOTAL ASSETS</b>	<b>1,966,830</b>	<b>2,607,830</b>
<b>CURRENT LIABILITIES</b>		
Creditors and borrowings	285,986	285,986
Other current liabilities	1,257,400	1,257,400
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,543,386</b>	<b>1,543,386</b>
<b>TOTAL LIABILITIES</b>	<b>1,543,386</b>	<b>1,543,386</b>
<b>NET ASSETS (LIABILITIES)</b>	<b>423,444</b>	<b>1,064,444</b>
<b>EQUITY</b>		
Share capital <sup>1</sup>	13,863,759	14,504,759
Retained loss	(13,440,315)	(13,440,315)
<b>TOTAL EQUITY</b>	<b>423,444</b>	<b>1,064,444</b>

**Notes:**

- The Pro-Forma balance sheet includes the following adjustments: The proceeds of this offer will increase Cash and Share capital, net of the cost of this issue.

**5.4 Effect on capital structure**

The principal effect of the Offer on the capital structure of the Company, assuming all Securities offered under the Prospectus are issued and no existing Options are exercised is set out below.

**Shares**

	<b>Number</b>
Shares on issue as at the date of this Prospectus	494,683,309
Shares issued under the Offer	70,000,000
<b>Total Shares on completion of the Offer</b>	<b>564,683,309</b>

**Options**

	<b>Number</b>
<b>Options currently on issue:</b>	
Unquoted Options exercisable at \$0.015 each on or before 30 June 2020	64,784,529
Unquoted Options exercisable at \$0.01 each on or before 31 December 2022	7,000,000
<b>New Options issued under the Offer (subject to Shareholder approval)</b>	<b>35,000,000</b>
<b>Total Options on issue after completion of the Offer</b>	<b>106,784,529</b>

**5.5 Details of substantial holders**

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

<b>Shareholder</b>	<b>Shares</b>	<b>%</b>
New York Holdings Pty Ltd (as trustee for the CV Superannuation Fund) <sup>1</sup>	54,070,000	10.93
Nuzeno Holdings Pty Ltd <sup>2</sup>	51,941,810	10.50
Azolia Pty Ltd (as trustee for the Alan Smith Superannuation Fund)	39,656,322	8.02
European Lithium Limited	32,000,000	6.47

**Notes:**

- New York Holdings Pty Ltd (as trustee for the CV Superannuation Fund) is an entity associated with a Director (Collin Vost). New York Holdings Pty Ltd (as trustee for the CV Superannuation Fund) holds 46,300,000 (9.36%) and New York Holdings Pty Ltd holds 7,770,000 Shares (1.57%).
- Nuzeno Holdings Pty Ltd holds 44,285,714 Shares (8.95%) and its associate ACXU SMSF Pty Ltd (as trustee for the Edward Xu Self Managed Superannuation Fund) holds 7,656,096 Shares (1.55%).

No Shareholder will, as a result of the Offer, increase their relevant interest in the Company to above 20%.

In the event that the Offer is fully subscribed and the above substantial holders do not subscribe for any Shares under the Offer (which is their current intention), upon completion of the Offer the relevant interest of the above substantial holders will be 9.58%, 9.20%, 7.02% and 5.67% respectively (on an undiluted basis).

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## **6. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES**

### **6.1 Shares**

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

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

#### **(a) General meetings**

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

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

#### **(b) Voting rights**

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

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for 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).

#### **(c) Dividend rights**

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

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

applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

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

(d) **Winding-up**

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

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

(e) **Shareholder liability**

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

(f) **Transfer of shares**

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

(g) **Future increase in capital**

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

(h) **Variation of rights**

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

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms



of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

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

## 6.2 New Options

(a) **Entitlement**

Each New Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each New Option will be \$0.015 (**Exercise Price**).

(c) **Expiry Date**

Each New Option will expire at 5:00 pm (WST) on 30 June 2020 (**Expiry Date**). A New Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The New Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The New Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the New Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each New Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each New Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 15 Business Days after the later of the following:

- (i) the Exercise Date; and

- (ii) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

but in any case no later than 20 Business Days after the Exercise Date, the Company will:

- (iii) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (iv) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (v) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(iv) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the New Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of a New Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the New Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the New Options without exercising the New Options.

(k) **Change in exercise price**

A New Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the New Option can be exercised.

(l) **Transferability**

The New Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

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## **7. RISK FACTORS**

### **7.1 General**

The Securities offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Securities.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

### **7.2 Company specific**

#### **(a) Potential for significant dilution**

Upon implementation of the Offer, assuming full subscription of the Offer, the number of Shares in the Company will increase from 494,683,309 currently on issue to 564,683,309. This means that each Share will represent a significantly lower proportion of the ownership of the Company.

It is not possible to predict what the value of the Company or a Share will be following the completion of the Offer being implemented and the Directors do not make any representation as to such matters.

The last trading price of Shares on ASX prior to the Prospectus being lodged of \$0.008 is not a reliable indicator as to the potential trading price of Shares after implementation of the Offer.

#### **(b) Future funding**

There is likely to be a requirement in the future for the Company to raise additional funding. The Company's ability to raise capital or other funding is not able to be forecast at this time. If the Company is unable to raise the required funds in the future it may not be able to carry out its objectives.

The Company's capital requirements depend on numerous factors, including exploration success.

Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be.

(c) **Going concern risk**

The Company's annual financial report for the year ended 30 June 2018 and the Company's interim financial report for the half year ended 31 December 2017 both include a "going concern" note. However, the Directors believe that upon the successful completion of the Offer, the Company will have sufficient funds to adequately meet the Company's short-term expenditure commitments and working capital requirements. However, it is highly likely that further funding will be required to meet the medium term working operating costs of the Company.

In the event that the Offer is not completed successfully, there is significant uncertainty as to whether the Company can continue as a going concern, which is likely to have a material adverse effect on the Company's activities and the price of its securities.

### 7.3 Industry specific – Mining Exploration

(a) **Exploration**

No assurance can be given that exploration will be successful or that a commercial mining operation will eventuate.

The ultimate success and financial viability of the Company depends on the discovery and delineation of economically recoverable ore reserves, design and construction of efficient mining and processing facilities, and competent operational and managerial performance.

There is no assurance that exploration and development of the mineral interests held by the Company (which are all at an exploration stage), or any other projects that may be acquired by the Company in the future, will result in the discovery of an economic deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be profitably exploited.

Development of a commercial mining operation is also dependent on the Company's ability to obtain necessary titles and governmental and other regulatory approvals.

(b) **Native Title and title risks**

The *Native Title Act 1993* (Cth), related State Native Title legislation and Aboriginal Land Rights and Aboriginal Heritage legislation may affect the Company's ability to gain access to prospective exploration areas or obtain production titles.

Compensatory obligations may be necessary in settling Native Title claims if lodged over any tenements acquired by the Company. The existence of outstanding registered Native Title claims means that the grant of a tenement in respect of a particular tenement application may be significantly delayed or thwarted pending resolution of future act procedures in the Native Title Act. The level of impact of these matters will depend, in part, on the location and status of the tenements acquired by the Company. At this stage it is not possible to quantify the impact (if any) which these developments may have on the operations of the Company.

(c) **Environmental risks and regulations**

The Company's projects are subject to Commonwealth and State laws and regulations regarding environmental matters and the discharge of hazardous wastes and materials. As with all mining projects, these projects would be expected to have a variety of environmental impacts should development proceed.

The Company intends to conduct its activities in an environmentally responsible manner and in accordance with applicable laws and industry standards. Areas disturbed by the Company's activities will be rehabilitated as required by the conditions attaching to any mineral tenements.

**7.4 General risks**

(a) **Economic**

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

(b) **Market conditions**

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

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

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

(c) **Taxation**

The acquisition and disposal of Securities 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 Securities from a taxation viewpoint and generally.

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

**(d) Reliance on key personnel**

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

**7.5 Investment speculative**

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

Therefore, the Securities 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 Securities.

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

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## **8. ADDITIONAL INFORMATION**

### **8.1 Litigation**

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

### **8.2 Continuous Disclosure Obligations**

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 reasonable 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 the 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 the ASIC;



- (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the 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.

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

Date	Description of Announcement
18/10/2018	Change in substantial holding
01/10/2018	ASX Appendix 4G, annexure and Corporate Governance Statement

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.

The announcements are also available through the Company's website [www.cervantescorp.com.au](http://www.cervantescorp.com.au).

### 8.3 Market price of shares

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

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

Highest	\$0.014	30 July 2018, 31 July 2018
Lowest	\$0.007	18 September 2018, 19 September 2018, 27 September 2018, 28 September 2018, 1 – 5 October 2018, 8 – 12 October 2018, 15 – 19 October 2018, 22 October 2018
Last	\$0.008	23 October 2018

### 8.4 Material contracts

The following are summaries of the significant terms of the material agreements which relate to the business of the Company.

#### **Fees payable to certain holders of Australian Financial Services Licences**

Australian Financial Services Licence holders, including without limitation New York Securities Pty Ltd, will receive fees of up to 6% of the amount raised by the Company under the Offer.

## 8.5 Directors' and proposed Directors' Interests

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

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with
  - (i) its formation or promotion or
  - (ii) the Offer; or
- (c) the Offer,

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

- (d) as an inducement to become, or to qualify him as, a Director; or
- (e) for services provided in connection with:
  - (i) the formation or promotion of the Company; or
  - (ii) the Offer.

### Security holdings

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

Director	Shares	%Interest	Options
Collin Vost	54,070,000 <sup>1</sup>	10.93%	5,000,000 <sup>2</sup>
Justin Vost	14,337,223 <sup>3</sup>	2.90%	2,000,000 <sup>4</sup>
Marcus Flis	Nil	0%	2,000,000 <sup>5</sup>

#### Notes:

1. Comprising 7,770,000 Shares held indirectly through New York Holdings Pty Ltd and 46,300,000 Shares held indirectly through New York Holdings Pty Ltd as trustee for the CV Superannuation Fund.
2. Held indirectly through New York Holdings Pty Ltd and exercisable at \$0.01 per Option on or before 31 December 2022.
3. Comprising 10,000,000 Shares held directly by Justin Vost, 4,037,223 Shares held indirectly through Avost Holdings Pty Ltd as trustee for the Bluesky Trust and 300,000 Shares held indirectly by Mr Justin A Vost & Mrs Jennifer A Vost as trustee for the Avost Superfund Fund.
4. Held indirectly through Avost Holdings Pty Ltd as trustee for the Bluesky Trust and exercisable at \$0.01 per Option on or before 31 December 2022.
5. Held indirectly through Marcus Ferdinand Flis & Susan Elizabeth Flis as trustee for the M & S Flis Superannuation Fund and exercisable at \$0.015 per Option on or before 30 June 2020.

### Remuneration of Directors

The Directors shall be paid out of the funds of the Company, by way of remuneration for their services as Directors. The total aggregate fixed sum per annum to be paid to the Directors (excluding salaries of executive Directors) from

time to time will not exceed the sum determined by the Shareholders in general meeting and the total aggregate fixed sum will be divided between the Directors as the Directors shall determine and, in default of agreement between them, then in equal shares. No non-executive Director shall be paid as part or whole of his remuneration a commission on or a percentage of profits or a commission or a percentage of operating revenue, and no executive Director shall be paid as whole or part of his remuneration a commission on or percentage of operating revenue. The remuneration of a Director shall be deemed to accrue from day to day. Remuneration may be provided in such manner that the Directors decide and if any part of the fees of any Director is to be provided other than in cash the Directors may determine the manner in which the non-cash component of the fees is to be value (subject to any necessary Shareholder approval).

The total aggregate fixed sum per annum to be paid to Directors (excluding salaries of executive Directors) in accordance with the Constitution shall initially be no more than \$250,000 and may be varied by ordinary resolution of the Shareholders in General Meeting.

The Directors shall be entitled to be paid reasonable travelling, accommodation and other expenses incurred by them respectively in or about the performance of their duties as Directors. If any of the Directors being willing are called upon to perform extra services or make any special exertions on behalf of the Company or its business, the Directors may remunerate this Director in accordance with such services or exertions, and this remuneration may be either in addition to or in substitution for his or her share in the remuneration provided for by the Constitution.

The table below shows the total annual remuneration paid to both executive and non-executive directors and proposed directors in each of the past two financial years and the proposed remuneration for the current financial year.

Director	Proposed for 30 June 2019	30 June 2018 <sup>1</sup>	30 June 2017
Collin Vost <sup>2</sup>	\$102,000	\$170,512	\$117,770
Justin Vost <sup>3</sup>	\$36,000	\$43,750	\$24,000
Marcus Flis <sup>4</sup>	\$24,000	\$16,000	N/A
Timothy Clark <sup>5</sup>	N/A	\$2,100	\$25,200

**Notes:**

1. The above table excludes: (1) the issue of securities to New York Securities Pty Ltd, Justin Vost and Collin Vost (or each of their nominees), as approved by Resolutions 6, 7 and 8 respectively of the Company's Notice of Annual General Meeting held on 29 November 2017; and (2) the issue of securities to Marcus Flis (or his nominee), as approved by Resolution 4 of the Company's Notice of General Meeting held on 4 April 2018.
2. This remuneration includes the remuneration paid to New York Securities Pty Ltd, an entity controlled by Collin Vost, in connection with serviced office and book keeping fees.
3. This remuneration includes remuneration paid in respect of secretarial, accounting and mining registry services.
4. As announced by the Company on 9 October 2017, Mr Flis was appointed as an additional Non-Executive Director on 9 October 2017. This remuneration includes consultancy fees.
5. As announced by the Company on 29 August 2017, Mr Clark was previously granted a leave of absence as a Director and as the Company Secretary. As announced by the Company on 10 November 2017, Mr Clark was granted an extension of the above leave of absence until 31 January 2018. As announced by the Company on 29 November 2017, the resolution at the Company's Notice of Annual General Meeting dated 25 October 2017 in relation to the re-election of Mr Clark as a Director of the Company was not carried, and accordingly Mr Clark ceased to be a Director on 29 November 2017.

## 8.6 Interests of Experts and Advisers

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

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

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

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

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

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

Steinepreis Paganin has acted as solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin approximately \$7,000 (excluding GST and disbursements) for these services and other services relating to the Offer generally. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$205,453 (of which \$25,542 is outstanding) (excluding GST and disbursements) for legal services provided to the Company.

## 8.7 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Securities), the Directors, the persons named in the Prospectus with their consent as Proposed 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 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; and

- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Rothsay Auditing has given its written consent to being named as the auditors to the Company in this Prospectus. Rothsay Auditing has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

## 8.8 Estimated Expenses of Offer

The total expenses of the Offer are estimated to be approximately \$59,000 (excluding GST), and are expected to be applied towards the items set out in the table below:

Expenses of the Offer	\$
ASIC lodgement fee	3,206
Fees payable to certain holders of Australian Financial Services Licences	42,000
ASX quotation fees	4,656
Legal expenses	7,000
Printing, distribution, registry and other Offer expenses	2,138
<b>Total</b>	<b>59,000</b>

## 8.9 Electronic Prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please phone the Company on +61 8 6436 2300 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at [www.cervantescorp.com.au](http://www.cervantescorp.com.au).

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

## 8.10 Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

## 8.11 Privacy Act

If you complete an application for Securities, you will be providing personal information to the Company (directly or by the Company's share registry). The

Company collects, holds and will use that information to assess your application, service your needs as a holder of equity securities in the Company, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

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

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Securities, the Company may not be able to accept or process your application.

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**9. DIRECTORS' AUTHORISATION**

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

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



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**Collin Vost**  
**Chairman**  
**Signed for and on behalf of**  
**Cervantes Corporation Limited**

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## 10. DEFINITIONS

**\$** means Australian dollars.

**Annual General Meeting** means the annual general meeting of Shareholders to be held on or about 30 November 2018 which, among other things, seeks Shareholder approval for the issue of the New Options the subject of the Offer.

**Applicant** means an investor who applies for Securities pursuant to the Offer.

**Application** means an application for Securities made on an Application Form.

**Application Form** means an application form either attached to or accompanying this Prospectus.

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

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

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

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

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

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a Business Day.

**Closing Date** means the closing date specified in Section 3 of this Prospectus (unless extended or closed earlier).

**Company** means Cervantes Corporation Limited (ACN 097 982 235).

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

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

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

**New Option** means an Option granted with the terms and conditions set out in section 6.2.

**Offer** means the offer of Securities the subject of this Prospectus.

**Official Quotation** means official quotation on ASX.

**Opening Date** means the opening date specified in Section 3 of this Prospectus.

**Option** means an option to acquire a Share.

**Prospectus** means this prospectus.

**Rothsay Auditing** means Rothsay Consulting Services Pty Ltd (ACN 008 939 446) (trading as Rothsay Auditing).

**Securities** means the Shares and New Options issued pursuant to this Prospectus.



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

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

**WST** means Western Standard Time as observed in Perth, Western Australia.



TO MEET THE REQUIREMENTS OF THE CORPORATIONS ACT, THIS FORM MUST NOT BE HANDED TO ANY PERSON UNLESS IT IS ATTACHED TO OR ACCOMPANIED BY THE PROSPECTUS DATED 24 OCTOBER 2018 AND ANY RELEVANT SUPPLEMENTARY PROSPECTUS.

## INSTRUCTIONS TO APPLICANTS

Please post or deliver the completed Application Form together with a cheque to the Company. Alternatively, if you wish to make payment by direct transfer into the Company's bank account, you may submit the Application Form by post, delivery, facsimile or email (please see below for the relevant details). If an Applicant has any questions on how to complete this Application Form, please telephone the Company on +61 8 6436 2300 or your professional adviser. The Form must be received by the Company no later than 5:00 pm (WST) on the Closing Date (or such earlier date as directed by the Company).

### A. Name of Applicant / Joint Applicants or Account Designation

Write the Applicant's FULL NAME. This must be either an individual's name or the name of a company. Please refer to the bottom of this page for the correct form of registrable title. Applications using the incorrect form of registrable title may be rejected. If JOINT APPLICANTS are applying, up to three joint Applicants may register. If applicable, please provide details of the Account Designation in brackets. Please refer to the bottom of this page for instructions on the correct form of registrable title.

### B. Address

Enter the Applicant's postal address for all correspondence. If the postal address is not within Australia, please specify Country after City/Town.

### C. Contact Details

Please provide a contact name and daytime telephone number so that the Company can contact the Applicant if there is an irregularity regarding the Application Form.

### D. TAX FILE NUMBERS

The collection of tax file number ("TFN") information is authorised and the tax laws and the Privacy Act strictly regulate its use and disclosure. Please note that it is not against the law not to provide your TFN or claim an exemption, however, if you do not provide your TFN or claim an exemption, you should be aware that tax will be taken out of any unfranked dividend distribution at the maximum tax rate.

If you are completing the application with one or more joint applicants, and you do not wish to disclose your TFN or claim an exemption, a separate form may be obtained from the Australian Taxation Office to be used by you to provide this information to the Company. Certain persons are exempt from providing a TFN. For further information, please contact your taxation adviser or any Taxation Office.

### E. CHESS HIN or existing SRN Details

The Company participates in CHESS. If the Applicant is already a participant in this system, the Applicant may complete this section with their existing CHESS HIN and the name and address as recorded in the CHESS system. If the applicant is an existing shareholder with an Issuer Sponsored account, the SRN for this existing account may be used. Otherwise leave the section blank and the Applicant will receive a new Issuer Sponsored account and statement.

### F. Payment Details

Make cheques payable to "Cervantes Corporation Limited Offer Account" in Australian currency and cross them "Not Negotiable". Cheques must be drawn on an Australian Bank. The amount of the cheque should agree with the amount shown on the Application Form.

If an Application Form is not completed correctly, or if the accompanying payment is for the wrong amount, it may still be accepted. Any decision of the Directors as to whether to accept an Application Form, and how to construe, amend or complete it, shall be final. An Application Form will not however, be treated as having offered to subscribe for more Shares and Options than is indicated by the amount of the accompanying cheque.

Alternatively, you can make your payment by direct transfer into the Company's bank account, the details of which are as follows:

Bank: National Bank of Australia  
 BSB: 086-006  
 Account Name: Cervantes Corporation Limited – Offer Account  
 Account Number: 87-236-2033

**Note:** Please use the name that your Shares will be registered in as the reference for the direct transfer.

Forward your completed application together with the application money to:

**Registered Office:**  
 Cervantes Corporation Limited  
 Shop 11, South Shore Piazza  
 85 The Esplanade, South Perth WA 6151

**Email:**  
 admin@cervantescorp.com.au  
**Facsimile:**  
 +61 8 9367 2450

## CORRECT FORMS OF REGISTRABLE TITLE

Note that ONLY legal entities are allowed to hold securities. Application Forms must be in the name(s) of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and the surname is required for each natural person. Application Forms cannot be completed by persons under 18 years of age. Examples of the correct form of registrable title are set out below.

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Individual Use given names in full, not initials	Mr John Alfred Smith	J A Smith
Company Use the company's full title, not abbreviations	ABC Pty Ltd	ABC P/L or ABC Co
Joint Holdings Use full and complete names	Mr Peter Robert Williams & Ms Louise Susan Williams	Peter Robert & Louise S Williams
Trusts Use the trustee(s) personal name(s).	Mrs Susan Jane Smith <Sue Smith Family A/C>	Sue Smith Family Trust
Deceased Estates Use the executor(s) personal name(s).	Ms Jane Mary Smith & Mr Frank William Smith <Est John Smith A/C>	Estate of late John Smith or John Smith Deceased

Minor (a person under the age of 18) Use the name of a responsible adult with an appropriate designation.	Mr John Alfred Smith <Peter Smith A/C>	Master Peter Smith
Partnerships Use the partners personal names.	Mr John Robert Smith & Mr Michael John Smith <John Smith and Son A/C>	John Smith and Son
Long Names.	Mr John William Alexander Robertson-Smith	Mr John W A Robertson-Smith
Clubs/Unincorporated Bodies/Business Names Use office bearer(s) personal name(s).	Mr Michael Peter Smith <ABC Tennis Association A/C>	ABC Tennis Association
Superannuation Funds Use the name of the trustee of the fund.	Jane Smith Pty Ltd <Super Fund A/C>	Jane Smith Pty Ltd Superannuation Fund