



# Zeta Resources Limited

ARBN 162 902 481

## SHORT FORM PROSPECTUS

For the offer of up to 25,000,000 Shares, to be issued at an issue price of A\$1.00 per Share to raise up to A\$25,000,000, together with up to 5,000,000 free attaching Options on the basis of one (1) free attaching Option for every five (5) Shares issued (**Offer**).

**There is no minimum subscription under the Offer.**

### **IMPORTANT INFORMATION**

This is an important document that should be read in its entirety. If you do not understand it you should consult your professional advisers without delay. The Shares offered by this Prospectus should be considered highly speculative.

This Prospectus is a short form prospectus prepared in accordance with section 712 of the Corporations Act. This Prospectus does not of itself contain all the information that is generally required to be set out in a document of this type, but refers to parts of documents lodged with ASIC, the contents of which are therefore taken to be included in this Prospectus.

## Table of Contents

Section	Page No
<b>Corporate Directory .....</b>	<b>1</b>
<b>1. Important Notice.....</b>	<b>2</b>
1.1 Risk factors .....	2
1.2 Effect of registration outside Australia.....	3
1.3 Short form prospectus.....	3
1.4 Exposure Period .....	4
1.5 Web Site – Electronic Prospectus .....	4
1.6 Forward-looking statements .....	4
1.7 Financial information .....	5
1.8 Photographs and diagrams.....	5
<b>Proposed Chairman's Letter .....</b>	<b>6</b>
<b>2. Investment Overview.....</b>	<b>8</b>
2.1 Important notice .....	8
2.2 Purpose of the Offer .....	8
2.3 The Offer .....	8
2.4 Conditions to the Offer .....	8
2.5 Business of the Company .....	9
2.6 Indicative timetable* .....	9
2.7 Key information .....	10
2.8 Use of funds.....	11
2.9 Effect on capital structure .....	12
2.10 Financial information .....	13
2.11 Substantial Shareholders .....	13
2.12 Key Risks .....	14
2.13 Taxation .....	15
2.14 Dividend Policy .....	16
<b>3. Details of the Offer .....</b>	<b>17</b>
3.1 The Offer .....	17
3.2 Minimum subscription .....	17
3.3 Oversubscriptions .....	17
3.4 Applications.....	17
3.5 Listing.....	17
3.6 Allotment and issue.....	18
3.7 Applicants outside Australia .....	18
3.8 Not underwritten.....	19
3.9 Fee payable to Lead Manager .....	19
<b>4. Information about the Company .....</b>	<b>20</b>
4.1 Overview .....	20
4.2 Asset Sale Agreement .....	20
4.3 Strategy.....	22
4.4 Business operations.....	22
4.5 Current Directors.....	24
4.6 Proposed Directors, officers and senior management.....	25
4.7 Expertise of Directors and ICM .....	27
4.8 Corporate Governance.....	27
4.9 Pro-forma historical financial information .....	28
4.10 Investment Management Agreement.....	30

## Table of Contents

Section	Page No
4.11	Principal rights and liabilities attaching to Shares ..... 35
4.12	Terms and conditions of Options ..... 37
4.13	Terms and conditions of Consideration Options ..... 38
4.14	Investment entity ..... 39
4.15	Dividend policy ..... 40
4.16	Employee incentive plans ..... 40
<b>5.</b>	<b>Incorporation by reference of documents lodged with ASIC ..... 41</b>
5.1	Short Form Prospectus ..... 41
5.2	Summary of Information Deemed to be Incorporated ..... 41
<b>6.</b>	<b>Risks ..... 47</b>
6.1	Introduction ..... 47
6.2	Risks arising from the Company's jurisdiction of incorporation and registration ..... 47
6.3	Risks relating to the Utilico Minority Interests and future operation of the Company ..... 47
6.4	Risks relating to the Company's operations (including those to be acquired from Kumarina) and industry ..... 49
6.5	Litigation, regulatory and general risks ..... 55
<b>7.</b>	<b>Additional Information ..... 57</b>
7.1	Litigation ..... 57
7.2	Rights attaching to the Shares ..... 57
7.3	Terms and conditions of Options and Consideration Options ..... 57
7.4	Lead Manager appointment ..... 57
7.5	Custodian Agreement ..... 57
7.6	Disclosure of interests and remuneration ..... 58
7.7	Agreements with Directors or Related Parties ..... 60
7.8	Interests of Directors ..... 60
7.9	Interests of Experts and Advisers ..... 60
7.10	Consents ..... 61
7.11	Expenses of the Offer ..... 63
7.12	Continuous disclosure obligations ..... 63
7.13	Electronic Prospectus ..... 63
7.14	Financial Forecasts ..... 64
7.15	Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship ..... 64
7.16	Privacy statement ..... 64
<b>8.</b>	<b>Director's Authorisation ..... 66</b>
<b>9.</b>	<b>Glossary ..... 67</b>
	<b>Application Form ..... 71</b>

---

## Corporate Directory

### Current Directors and officers

Mr Charles Jillings  
Director

Mr Alasdair Younie  
Director

Ms Kim Armstrong  
Secretary

BCB Charter Corporate Services Limited  
Assistant Secretary

### Proposed Directors and officers

Mr Peter Sullivan  
Chairman and Non-Executive Director

Mr Marthinus (Martin) Botha  
Non-Executive Director

Ms Xi Xi  
Non-Executive Director

BCB Charter Corporate Services Limited  
Secretary – Bermuda

Mr Mark Pitts  
Assistant Secretary - Australia

### Registered Office

19 Par-la-Ville Road  
Hamilton HM 11  
Bermuda

Telephone: +1 441 295 5678

Facsimile: +1 441 295 6699

Email: [karmstrong@bcb.bm](mailto:karmstrong@bcb.bm)

### Australian Registered Office

Suite 8  
7 The Esplanade  
Mt Pleasant WA 6153  
Australia

Telephone: +61 8 9316 9100

Facsimile: +61 8 9315 5475

### Website

[www.zetaresources.co](http://www.zetaresources.co)

### Share Registry

Security Transfer Registrars Pty Ltd  
770 Canning Highway  
Applecross WA 6153  
Australia

Phone: +61 8 9315 2333

Facsimile: +61 8 9315 2233

### Legal Advisers

#### Australia

Hardy Bowen Lawyers  
Level 1  
28 Ord Street  
West Perth WA 6005  
Australia

#### Bermuda

Conyers Dill & Pearman Limited  
Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

### Lead Manager to the Offer

Azure Capital Limited  
Level 34 Exchange Plaza  
2 The Esplanade  
Perth WA 6000

### Proposed Auditor

HLB Mann Judd  
Level 4  
130 Stirling Street  
Perth WA 6000

### Custodian

Bermuda Commercial Bank Limited  
19 Par-la-Ville Road  
Hamilton HM 11  
Bermuda

---

## **1. Important Notice**

This Prospectus is dated 17 April 2013 and was lodged with ASIC on that date. ASIC and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Shares or Options may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus. Application will be made to ASX within seven (7) days after the date of this Prospectus for Official Quotation of the Shares and Options the subject 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 you read this Prospectus in its entirety and seek professional advice where necessary. The Shares the subject of this Prospectus should be considered highly speculative.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

Consent under the Exchange Control Act 1972 (and its related regulations) has been obtained from the Bermuda Monetary Authority for the issue and transfer of the Shares to and between non-residents of Bermuda for exchange control purposes, provided the Shares remain listed on an appointed stock exchange, which includes ASX. This Prospectus will be filed with the Registrar of Companies in Bermuda in accordance with Bermuda law. In granting such consent and in accepting this Prospectus for filing, neither the Bermuda Monetary Authority nor the Registrar of Companies in Bermuda accepts any responsibility for the financial soundness or the correctness of any of the statements made or opinions expressed in this Prospectus.

Details of the definitions and abbreviations used in this Prospectus are set out in Section 9.

### **1.1 Risk factors**

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 set out in Section 6. These risks, together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares and the Options in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors

should consider consulting their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

## 1.2 Effect of registration outside Australia

As the Company is not established in Australia, its general corporate activities (apart from any offering of securities in Australia) are not regulated by the Corporations Act or by ASIC but instead are regulated by the Bermuda Companies Act and its registration is administered by the Registrar of Companies in Bermuda.

## 1.3 Short form prospectus

This Prospectus is a short form prospectus issued in accordance with section 712 of the Corporations Act. This means this Prospectus alone does not contain all the information that is generally required to satisfy the disclosure requirements of the Corporations Act. Rather, it incorporates all other necessary information by reference to information contained in documents which have been lodged with ASIC.

This Prospectus incorporates the scheme booklet dated 8 April 2013, being the disclosure document lodged by Kumarina with ASIC for the purpose of the Scheme, pursuant to which the Company will acquire all the issued shares of Kumarina (**Scheme Booklet**).

In referring to the Scheme Booklet, the Company:

- (a) identifies the Scheme Booklet as being relevant to the Offer of Shares and Options under this Prospectus and containing information that will assist investors and their professional advisers in making an informed assessment of:
  - (i) the rights and liabilities attaching to the Shares and Options;  
and
  - (ii) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company;
- (b) refers investors and their professional advisers to Section 5, which summarises the information in the Scheme Booklet taken to be included in this Prospectus;
- (c) advises that Section 5 contains sufficient information about the contents of the Scheme Booklet to allow a person to whom the Offer is made to decide whether to obtain a copy of the Scheme Booklet;
- (d) advises that the information in the Scheme Booklet will be primarily of interest to investors and their professional advisers; and
- (e) notes that any person is able to obtain, free of charge, a copy of the Scheme Booklet by contacting the Company at its office in Australia during normal business hours during the Offer Period or by downloading it from the Company's website [www.zetaresources.co](http://www.zetaresources.co).

## **1.4 Exposure Period**

This Prospectus will be circulated during the Exposure Period. The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants, prior to the raising of funds. You should be aware that this examination may result in the identification of deficiencies in this Prospectus. In such circumstances, any application that has been received may need to be dealt with in accordance with section 724 of the Corporations Act. Applications for Shares under this Prospectus will not be processed by the Company until after the expiry of the Exposure Period. No preference will be conferred upon applications lodged prior to the expiry of the Exposure Period.

## **1.5 Web Site – Electronic Prospectus**

A copy of this Prospectus can be downloaded from the website of the Company at [www.zetaresources.co](http://www.zetaresources.co). If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian resident and must only access this 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. You 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.

## **1.6 Forward-looking statements**

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

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

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

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.

The Company has 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 the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 6.

## **1.7 Financial information**

Other than certain preliminary steps taken in relation to the Scheme, and the entry into the Asset Sale Agreement and the Investment Management Agreement, the Company has not transacted any business since its incorporation in August 2012. As at the date of this Prospectus, the Company does not have any assets or liabilities. Section 4.9 sets out a summary pro-forma historical statement of financial position as at 31 December 2012 for the Company, as if the Scheme had been implemented, and the Offer had been completed. For further information on the Asset Sale Agreement, refer to Section 4.2. For further information on the Investment Management Agreement, refer to Section 4.10.

## **1.8 Photographs and diagrams**

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses the Prospectus or its contents, or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale.



---

## Proposed Chairman's Letter

Dear Investor,

On behalf of the Directors and Proposed Directors of Zeta Resources Limited (Company), I am pleased to present this Prospectus and invite you to become a Shareholder in the Company.

By this Prospectus, the Company offers for subscription up to 25,000,000 Shares each at an issue price of A\$1.00, together with up to 5,000,000 free attaching Options on the basis of one (1) Option for every five (5) Shares issued, to raise up to A\$25,000,000. The Offer has no minimum subscription. The purpose of the Offer is to provide the Company with funds to execute its investment strategy.

On 30 January 2013, it was announced that the Company had entered into an Implementation Agreement with Kumarina Resources Limited (Kumarina) under which it was proposed that the Company would acquire all of the issued shares in Kumarina by way of a scheme of arrangement (Scheme). The Offer is conditional upon:

- (a) Kumarina shareholders approving the Scheme;
- (b) the Court approving the Scheme; and
- (c) ASX granting Official Quotation of the Shares and Options, subject only to the Scheme taking effect and such other conditions as are acceptable to the Company and Kumarina.

A meeting of Kumarina shareholders to consider approving the Scheme is due to take place on 16 May 2013.

The Company was incorporated in Bermuda and has been registered as a foreign company in Australia under the Corporations Act. Upon implementation of the Scheme and listing on ASX, the Company's main assets will include Kumarina's existing cash, Kumarina's Ilgarari and Murrin Murrin Projects, cash raised pursuant to the Offer, and the Utilico Minority Interests. The Utilico Minority Interests comprise shareholdings in a group of, predominantly, listed mining and resource companies and, as at 3 April 2013, the Utilico Minority Interests had a market value of approximately A\$38.28 million. The combination of the Utilico Minority Interests with Kumarina's Ilgarari and Murrin Murrin Projects will position the Company as an active resource holding and development group.

Upon listing on ASX, the Board of the Company will include Directors experienced in the resources and resource financing industries. The Company has agreed to appoint ICM as its investment manager, pursuant to the Investment Management Agreement. ICM is a Bermuda based fund manager and corporate adviser, which specialises in managing investments in the resources industry, among others. In addition, the Company has access to technical consultants with significant exploration experience for gold and base metals.

This Prospectus includes details of the Company, its strategy and business operations, together with a statement of the risks associated with investing in the Company. This Prospectus also incorporates, by reference, information contained in the Scheme Booklet. A copy of the Scheme Booklet can be obtained free of charge by contacting the proposed Assistant Secretary in Australia, Mark Pitts on +61 8 9316 9100 or on the Company's website ([www.zetaresources.co](http://www.zetaresources.co)). We recommend that you study this Prospectus and, where appropriate, the Scheme Booklet carefully and, if you are interested in investing

in Zeta, seek independent professional advice.

Once again, on behalf of the Directors and Proposed Directors, I invite you to subscribe for Shares in the Company and join us in what we consider to be an exciting time for Zeta and its future Shareholders.

Yours sincerely

A handwritten signature in black ink, appearing to read 'P. Sullivan', with a stylized flourish at the end.

Peter Sullivan  
Proposed Chairman

17 April 2013

---

## **2. Investment Overview**

### **2.1 Important notice**

This Section is a summary only and is not intended to provide full information for investors intending to apply for Shares offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety.

### **2.2 Purpose of the Offer**

On 30 January 2013, the Company and Kumarina announced that they had entered into the Implementation Agreement, pursuant to which it was proposed that the Company would acquire all of the issued Kumarina Shares in exchange for the issue of:

- (a) one (1) Share for every four (4) Kumarina Shares acquired; and
- (b) one (1) Option for every five (5) Shares so issued,

under the Scheme.

It was also announced that, following implementation of the Scheme, the Company would be listed on ASX and that, prior to the Company's listing on ASX, it would conduct the Offer.

The purpose of the Offer is to facilitate an application by the Company for admission to the Official List of ASX and position the Company to seek to implement its investment strategy, as set out in Section 4.3.

### **2.3 The Offer**

The Company invites applications for up to 25,000,000 Shares at an issue price of A\$1.00 per Share to raise up to A\$25,000,000, together with up to 5,000,000 free attaching Options on the basis of one (1) free attaching Option for every five (5) Shares issued. There is no minimum subscription in relation to the Offer and the Offer is not underwritten.

Upon the Company's admission to the Official List, the Shares will trade under the code "ZER" and the Options will trade under the code "ZERO".

The Shares offered under this Prospectus will rank equally with the existing Shares on issue.

The key information relating to the Offer and the reference guide as to the location of further information in this Prospectus are set out in Section 2.7.

### **2.4 Conditions to the Offer**

The Offer is conditional upon the following events:

- (a) Kumarina Shareholders approving the Scheme at the Scheme Meeting;

- (b) the Court approving the Scheme, in accordance with section 411(4)(b) of the Corporations Act; and
- (c) ASX granting Official Quotation of the Shares and Options, subject only to the Scheme taking effect and such other conditions as are acceptable to the Company and Kumarina,

(collectively, the **Conditions**).

## 2.5 Business of the Company

The Company's only current activities are certain preliminary steps in relation to implementation of the Scheme. Following implementation of the Scheme, the Company will be an active, resources focused holding and development company. The Company's strategy will be focussed on making both direct investments in resources projects and indirect investments in resources projects, through investing in entities which hold them.

The Company intends to have a mid to long term investment horizon and does not expect to be trading its positions on a frequent basis. The Company may acquire majority or minority positions in its target investments. Although the Company's initial portfolio will consist of minority positions, the Company will also consider opportunities which will maximise its ability to contribute as a proactive investor, with a view to actively extracting value for both its own investors and investors in the underlying investee companies. This proactive approach may include taking significant or full ownership positions in companies, bringing about management change and encouraging strategies to maximise shareholder value and return.

Under the Company's ownership, Kumarina will continue to develop its business and projects in accordance with its stated objectives. The Company will consider making additional investments in Kumarina to support these objectives, if required. As a wholly owned subsidiary of the Company, Kumarina's direction and management will be entirely dictated by the Company.

## 2.6 Indicative timetable\*

<b>EVENT</b>	<b>DATE</b>
Prospectus lodged with the ASIC	17 April 2013
Opening Date	26 April 2013
Closing Date	21 May 2013
Shares commence trading on ASX	12 June 2013

\* These dates are indicative only and may be varied by the Company without notice. As such, the date the Shares are expected to commence trading on ASX may vary.

## 2.7 Key information

KEY INFORMATION	FURTHER DETAILS
<p><b>Type of securities being offered and rights and liabilities attaching to such securities</b> Fully paid ordinary shares in the capital of the Company ranking equally with the existing Shares on issue.</p> <p>Options (free attaching) having an exercise price of A\$1.00 each and exercisable on or before the date which is 3 years after the date of issue.</p>	Sections 3.1, 4.11 and 4.12
<p><b>Minimum subscription of the Offer</b> No minimum subscription.</p>	Section 3.2
<p><b>Oversubscriptions</b> No oversubscriptions.</p>	Section 3.3
<p><b>How to apply for Shares</b> Complete and return the Application Form, together with payment in full for the quantity of Shares being applied for.</p> <p>Applications must be for a minimum of 2,000 Shares and, thereafter in multiples of 200 Shares (A\$200).</p>	Section 3.4
<p><b>Will the securities be listed?</b> Application for Official Quotation by ASX of the Shares and the Options offered pursuant to this Prospectus will be made within seven (7) days after the date of this Prospectus.</p>	Section 3.5
<p><b>How will Shares be allocated?</b> The Directors will determine the allottees in their sole discretion.</p>	Section 3.6
<p><b>Where will the Offer be made?</b> No action has been taken to register or qualify the Shares or Options, or otherwise permit a public offering of the Shares or Options the subject of this Prospectus in any jurisdiction outside Australia. Applicants who are residents in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.</p>	Section 3.7
<p><b>CHES &amp; Issuer Sponsorship</b> The Company will apply to participate in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company.</p>	Section 7.15

## KEY INFORMATION

## FURTHER DETAILS

### Who should I contact with queries?

Any questions concerning the Offer should be directed to the proposed Assistant Secretary in Australia, Mark Pitts, on +61 9316 9100.

## 2.8 Use of funds

The Company intends to apply the funds raised from the Offer, together with cash it will obtain as a result of acquiring Kumarina, pursuant to the Scheme, as follows:

	\$0 Subscription \$	\$12.5 Million Subscription \$	\$25 Million Subscription \$
Kumarina funds on hand at 31 December 2012	6,821,000	6,821,000	6,821,000
Funds from the Offer	-	12,500,000	25,000,000
<b>Total funds available</b>	<b>6,821,000</b>	<b>19,321,000</b>	<b>31,821,000</b>
Exploration and development expenditure for Ilgarari Project and Murrin Murrin Project	1,500,000	2,000,000	2,500,000
Evaluation of new projects	500,000	1,000,000	1,500,000
New investments <sup>1</sup>	1,668,500	12,600,000	23,268,000
Net administration expenses <sup>2</sup>	592,500	530,000	730,000
Scheme expenses (including ASX listing fees)	560,000	566,000	573,000
Expenses of the Offer	-	625,000	1,250,000
Working capital <sup>3</sup>	2,000,000	2,000,000	2,000,000
<b>Total funds allocated</b>	<b>6,821,000</b>	<b>19,321,000</b>	<b>31,821,000</b>

### Notes

- ASX has provided in principle advice that it will classify the Company as an "investment entity", for the purposes of the ASX Listing Rules. To the extent that the Company has cash which is surplus to its operating requirements, the Company intends to use such surplus cash executing its investment strategy.
- |                                         |           |           |           |
|-----------------------------------------|-----------|-----------|-----------|
| Administration expenses <sup>2(a)</sup> | 750,000   | 950,000   | 1,150,000 |
| Less interest received                  | (157,500) | (420,000) | (420,000) |
| Net administration expenses             | 592,500   | 530,000   | 730,000   |
- |                                        |         |         |           |
|----------------------------------------|---------|---------|-----------|
| 2(a). Administration expenses:         |         |         |           |
| Directors fees, salary and consultants | 490,000 | 640,000 | 790,000   |
| Compliance (audit, listing fees, etc)  | 80,000  | 80,000  | 90,000    |
| Other                                  | 180,000 | 230,000 | 270,000   |
| Total administration expenses          | 750,000 | 950,000 | 1,150,000 |
- Unallocated working capital will be utilised by the Company in furtherance of its investment strategy and to consider other opportunities within the mineral resources sector, to pay for unbudgeted or additional exploration expenditure and in the administration of the Company.

If the subscriptions received under the Offer are greater than A\$12,500,000 but less than A\$25,000,000, the Company will reduce exploration and development expenditure on Ilgarari and Murrin Murrin by A\$500,000 and also reduce expenditure on the evaluation of new projects by A\$500,000.

If the subscriptions received under the Offer are greater than A\$0 but less than A\$12,500,000, the Company will reduce exploration and development expenditure on Ilgarari and Murrin Murrin by a further A\$500,000 and also reduce expenditure on the evaluation of new projects by a further \$500,000.

Actual expenditure may differ significantly from the above estimates due to a number of factors including market conditions, the development of new opportunities, the results obtained from exploration and other factors (including the risk factors outlined in Section 6). The consideration of new opportunities may result in the Company expending funds on due diligence or other acquisition costs which may not be recouped through the ultimate acquisition and/or development of the project under consideration.

The Company proposes to actively pursue further acquisitions and investments which complement the Ilgarari Project, Murrin Murrin Project and the Utilico Minority Interests. There may be a need to redirect funds for this purpose or to raise additional capital.

The Directors believe that the Company will have sufficient working capital to meet its business obligations, as set out in the above table, upon implementation of the Scheme and the completion of the Offer.

To capitalise on future opportunities, and depending on the success of its activities, the Company may require debt or further equity fundraisings.

## 2.9 Effect on capital structure

The capital structure of the Company following completion of the Offer is summarised below.

<b>Shares</b>	<b>Number</b>
Shares currently on issue <sup>1</sup>	10,000,000
Shares to be issued pursuant to the Scheme	17,775,525
Estimated number of Shares to be issued pursuant to the Asset Sale Agreement <sup>2</sup>	38,283,128
Shares capable of issue under the Offer (up to)	25,000,000
Total Shares on issue at completion of the Offer and the Scheme <sup>3</sup>	81,058,653
<b>Options</b>	<b>Number</b>
Options currently issued and outstanding	-
Options to be issued pursuant to the Scheme	3,555,105
Estimated number of Options to be issued pursuant to the Asset Sale Agreement <sup>2</sup>	7,656,625
Options capable of being issued under the Offer (up to)	5,000,000
Total Options on issue at the Completion of the Offer and the Scheme <sup>3</sup>	16,211,730

<b>Consideration Options</b>	<b>Number</b>
Number of Consideration Options to be issued for the cancellation of Kumarina Options <sup>4</sup>	250,000
Total Consideration Options on issue at the Completion of the Offer and the Scheme	250,000

Notes:

1. Shares currently held by Utilico and to be deducted from the number of Shares to be issued to Utilico under the Asset Sale Agreement.
2. Assumes the market value of the Utilico Minority Interests, based on the 30 day VWAPs of each company which forms part of the Utilico Minority Interests as at 3 April 2013 and the agreed value of the Seacrest Subscription Rights as between Utilico and the Company, being US\$700,000. This number of Shares will be reduced by 10,000,000, being the number of Shares already held by Utilico.
3. Assumes the Offer is fully subscribed.
4. Assumes that the holder of the Kumarina Options will enter into an agreement with the Company pursuant to which it agrees to the cancellation of its Kumarina Options in exchange for the grant of Consideration Options.

## **2.10 Financial information**

Other than certain preliminary steps taken in relation to the Scheme, and the entry into the Asset Sale Agreement and the Investment Management Agreement, the Company has not transacted any business since its incorporation in August 2012. As at the date of this Prospectus, the Company does not have any assets or liabilities. Section 4.9 sets out a summary pro-forma historical statement of financial position as at 31 December 2012 for the Company, as if the Scheme had been implemented, and the Offer had been completed. For further information in relation to the Asset Sale Agreement, refer to Section 4.2. For further information on the Investment Management Agreement, refer to Section 4.10.

## **2.11 Substantial Shareholders**

Based on information available to the Company as at the date of this Prospectus, those persons who (together with their associates) will hold a relevant interest in 5% or more of the Shares on issue, following the completion of the Offer and the Scheme are set out below:

### **Nil funds raised pursuant to the Offer**

<b>Shareholder Name</b>	<b>Number of Shares</b>	<b>Percentage shareholding</b>
Utilico Investments Limited	40,082,969	71.50%



## **\$12.5 million raised pursuant to the Offer**

<b>Shareholder Name</b>	<b>Number of Shares</b>	<b>Percentage shareholding</b>
Utilico Investments Limited	40,082,969	58.47%

## **\$25 million raised pursuant to the Offer**

<b>Shareholder Name</b>	<b>Number of Shares</b>	<b>Percentage shareholding</b>
Utilico Investments Limited	40,082,969	49.45%

Note: The figures in the tables assume that Utilico will not participate in the Offer. If Utilico does participate in the Offer, which it currently does not intend to, its percentage ownership will increase.

## **2.12 Key Risks**

The business, assets and operations of the Company are subject to certain risk factors that have the potential to influence the operating and financial performance of the Company in the future. These risks can impact on the value of an investment in the securities of the Company.

The following are some of the key investment risks that the Company will be exposed to if the Offer is completed:

(a) Risks relating to the Company's jurisdiction of incorporation

As a company incorporated in Bermuda, the Company is not subject to many provisions of the Corporations Act to which Kumarina is currently subject. It does, however, remain subject to some provisions of the Corporations Act as a result of its registration as a foreign company in Australia and will be subject to the ASX Listing Rules, upon listing on ASX. This will result in reduced investor and shareholder protections as compared to an Australian incorporated company. For example, Shareholders will not be afforded the takeover protection provisions contained in Chapter 6 of the Corporations Act.

(b) Risks relating to the Utilico Minority Interests

Upon implementation of the Scheme, the Company will own the Utilico Minority Interests. As a result, the Company will become subject to the risks which affect each of those companies which, together, form the Utilico Minority Interests. Given that the companies, which form the Utilico Minority Interests, are involved in the mining and resources industry, many of those risks will include those discussed below.

In addition, the Company will become subject to the country risk of each of the countries in which the companies which form the Utilico Minority Interests, operate. These countries include Australia, East Timor, Egypt, Mali, New Zealand, Tanzania and Vietnam. Political changes, conflict and changes in government policies may impact the profitability and

viability of the operations of the companies which form the Utilico Minority Interests. Any such impact may have a knock on effect in relation to the Company.

(c) Nature of mineral exploration and mining

Mineral exploration and development is a speculative business, characterised by a number of significant uncertainties. For example, unprofitable efforts may result not only from the failure to discover mineral deposits but also from finding mineral deposits that are insufficient in quantity and/or quality to return a profit from production. Even deposits that could be sufficient to provide a profit from production are not guaranteed to do so because management of the mining operation may fail to perform adequately.

While the discovery of a mineral structure may result in substantial rewards, few properties that are explored are ultimately developed into economically viable operating mines. The marketability of any minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the Company's control and which cannot be accurately predicted.

(d) Investment in publicly quoted securities

The Company's investment in the listed companies, which form the Utilico Minority Interests, may be difficult to realise. The value of the Company's investments in the listed companies, which form the Utilico Minority Interests, may go down as well as up and the market price of the Company's investments in the companies, which form the Utilico Minority Interests, may not reflect the underlying value of those investments. The Company may therefore realise less than, or lose all of, its investment in the listed companies which form the Utilico Minority Interests.

The Board aims to manage these risks by carefully planning its activities and implementing risk control measures. However, some of the risks are highly unpredictable and the extent to which the Board can effectively manage them is limited.

Section 6 describes certain risk factors that may affect the Company's operations and prospects and your investment in the Company. This list of risk factors ought not to be taken as exhaustive of the risks faced by the Company.

## **2.13 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 Shares and Options, pursuant to the Offer, 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 or responsibility with respect to the taxation consequences of subscribing for Shares and, consequently Options, under this Prospectus.

## **2.14 Dividend Policy**

It is anticipated that significant expenditure will be incurred in the evaluation and development of the Company's projects. These activities, together with investments in other companies and the possible acquisition of interests in other projects, are expected to dominate the two year period following the date of this Prospectus. Accordingly, the Company does not expect to declare any dividends during that period. Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of distributable earnings and the operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

---

### **3. Details of the Offer**

#### **3.1 The Offer**

Pursuant to this Prospectus, the Company invites applications for up to 25,000,000 Shares at an issue price of A\$1.00 per Share to raise up to A\$25,000,000, together with up to 5,000,000 free attaching Options on the basis of one (1) free attaching Option for every five (5) Shares issued.

#### **3.2 Minimum subscription**

There is no minimum subscription for the Offer.

#### **3.3 Oversubscriptions**

The Company will not be accepting oversubscriptions.

#### **3.4 Applications**

Applications for Shares must be made using the Application Form.

Applications must be for a minimum of 2,000 Shares and, thereafter, in multiples of 200 Shares (A\$200) and payment must be made in full at the issue price of A\$1.00 per Share.

Completed Application Forms and accompanying cheques must be mailed or delivered to the Company as follows:

Zeta Resources Limited  
c/- Security Transfer Registrars Pty Ltd  
770 Canning Highway  
Applecross WA 6153  
Australia

Cheques should be made payable to "**Zeta Resources Limited - Share Offer Account**" and crossed "**Not Negotiable**". Completed Application Forms and cheques must reach the address set out above by no later than the Closing Date.

The Company reserves the right to close the Offer early.

#### **3.5 Listing**

Application for Official Quotation by ASX of the Shares and Options to be issued, pursuant to the Offer, will be made within seven (7) days after the date of this Prospectus.

If the Shares and Options are not admitted to Official Quotation by ASX before the expiration of three (3) months after the date of issue of this Prospectus, or such period as varied by ASIC, the Company will not issue any Shares or Options and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

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

### **3.6 Allotment and issue**

Subject to the satisfaction of the Conditions, the issue of Shares and Options offered by this Prospectus will take place as soon as practicable after the Closing Date.

Pending the allotment and issue of the Shares and Options, 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. However, the Company will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

The Directors, in their sole discretion, will determine the allottees of all of the Shares. The Directors reserve the right to reject any application or to allocate any Applicant fewer Shares than the number applied for. Where the number of Shares issued is less than the number applied for, or where no allotment is made, surplus application monies will be refunded without any interest to the Applicant as soon as practicable after the Closing Date.

Holding statements for Shares and Options issued to the issuer sponsored subregister, and confirmation of issue for the Clearing House Electronic Subregister System (**CHES**) holders, will be mailed to Applicants being issued Shares and Options, pursuant to the Offer, as soon as practicable after their issue.

### **3.7 Applicants outside Australia**

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. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on, and observe, any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

No action has been taken to register or qualify the Shares or Options or otherwise permit a public offering of the Shares or Options the subject of this Prospectus in any jurisdiction outside Australia. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

If you are outside Australia, it is your responsibility to obtain all necessary approvals for the allotment and issue of the Shares and Options pursuant to this Prospectus. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by you that all relevant approvals have been obtained.

### **3.8 Not underwritten**

The Offer is not underwritten.

### **3.9 Fee payable to Lead Manager**

The Company is required to pay a fee of five per cent (5%) of monies raised pursuant to the Offer to the Lead Manager, Azure Capital Limited. Other licensed financial advisers that participate in the Offer, and stockbrokers that are introduced by the Company, will be entitled to receive part of the fee payable to the Lead Manager in respect of applications bearing their stamp. For further information, refer to Section 7.4.

---

## 4. Information about the Company

### 4.1 Overview

The Company was incorporated under the Bermuda Companies Act on 13 August 2012 with registration number 46795. On 2 April 2013, the Company was registered as a foreign company under the Corporations Act.

Other than certain preliminary steps taken in relation to the Scheme, and entry into the Asset Sale Agreement and the Investment Management Agreement, the Company has not transacted any business since its incorporation. For further information on the Asset Sale Agreement, refer to Section 4.2. For further information on the Investment Management Agreement, refer to Section 4.10. As at the date of this Prospectus, the Company does not have any assets or liabilities.

The Company's only current activities are certain steps in relation to the implementation of the Scheme. If the Scheme comes into effect, the Company will become an active, resources-focussed holding and development company.

Immediately after implementation of the Scheme and the completion of the Offer, the only assets that the Company will hold will be the Utilico Minority Interests, all of the Kumarina Shares, Kumarina's existing assets (including Kumarina's cash) and the cash raised by the Company pursuant to the Offer. However, the Company will look to expand its assets through implementation of its strategy, as described in Section 4.3 below.

The Company has received in principle advice from ASX that the Company will be classified as an "investment entity" for the purposes of the ASX Listing Rules. For further information on the significance of the Company's classification as an investment entity, refer to Section 4.13.

For further information on the business and activities of the Company, if the Scheme is implemented, see Section 4.4.

### 4.2 Asset Sale Agreement

On 29 January 2013, the Company entered into the Asset Sale Agreement with Utilico, pursuant to which the Company will acquire the Utilico Minority Interests, which comprise:

- (a) 7,000,000 Resolute Shares;
- (b) 27,038,122 NZO Shares;
- (c) 4,813,977 PPP Shares;
- (d) 2,500,000 Seacrest Subscription Rights; and
- (e) 10,000,000 Centamin Shares,

(together, the **Utilico Minority Interests**).

The key terms of the Asset Sale Agreement are as follows:

## **Consideration**

In consideration for the transfer of the Utilico Minority Interests, the Company is required to issue to Utilico such number of Shares as is determined by the following formula:

$$CS = TV / \$1.00$$

Where:

**CS** is the number of Shares to be issued to Utilico; and

**TV** is the total value of the Utilico Minority Interests, based on the 30-day VWAP of the Resolute Shares, NZO Shares, PPP Shares and Centamin Shares immediately prior to the Asset Sale Completion Date and the value of US\$700,000 ascribed to the Seacrest Subscription Rights by the Company and Utilico.

In addition, for every five Shares Utilico receives, Utilico will also be issued one Option. Fractional entitlements to Shares and Options will be disregarded.

The number of Shares to be issued to Utilico will be set off against the 10,000,000 Shares already held by Utilico.

## **Warranties and representations**

The Asset Sale Agreement contains representations and warranties which are customary for such an agreement, including:

- (a) that Utilico is the legal owner of the Utilico Minority Interests and that the Utilico Minority Interests are free from encumbrance; and
- (b) that Utilico and the Company have both been duly incorporated and have full power and authority to perform their respective obligations under the Asset Sale Agreement.

## **Completion**

Completion of the Asset Sale Agreement will occur on the Asset Sale Completion Date.

As at the date of this Prospectus, other than:

- (c) the Asset Sale Agreement (a summary of which is set out in this Section 4.2);
- (d) the Implementation Agreement (a summary of which is incorporated in this Prospectus by reference, refer to Section 5.2);
- (e) the Investment Management Agreement (a summary of which is set out in Section 4.10); and
- (f) the Company's appointment of Azure Capital Limited as Lead Manager to the Offer (a summary of which is set out in Section 7.4),



the Company is not a party to any material agreements.

### **4.3 Strategy**

Following implementation of the Scheme, the Company will be an active, resources focussed holding and development company. The Company's strategy will be focussed on making both direct investments in resources projects and indirect investments in resources projects, through investing in entities which hold them.

Sector-wise, the Company will invest in a wide range of resources projects and companies, including but not limited to, those focussed on oil and gas, gold and base metals exploration and production. The Company may invest in resources companies and projects based in any jurisdiction.

The Company intends to have a mid to long term investment horizon and does not expect to be trading its positions on a frequent basis. The Company will also work with its investee companies to seek to maximise their value and may make follow-on investments into these companies or increase investment through market purchases as appropriate.

The Company may acquire majority or minority positions in its target investments. Although the Company's initial portfolio will consist of minority positions, the Company will also consider opportunities which will maximise its ability to contribute as a proactive investor, with a view to actively extracting value for both its own investors and investors in the underlying investee companies. This proactive approach may include taking significant or full ownership positions in companies, bringing about management change and encouraging strategies to maximise shareholder value and return.

Under the Company's ownership, Kumarina will continue to develop its business and projects in accordance with its stated objectives. The Company will consider making additional investments in Kumarina to support these objectives, if required. As a wholly owned subsidiary of the Company, Kumarina's direction and management will be entirely dictated by the Company.

The Company will continue to review direct investment opportunities in the same geographical area as Kumarina which may have synergies with Kumarina's operations.

The Company will be advised by its investment manager, ICM, pursuant to the terms of the Investment Management Agreement. See Section 4.10 for further details.

### **4.4 Business operations**

#### **General**

As stated above, immediately after implementation of the Scheme and completion of the Offer, the Company's only assets will be the Kumarina Shares, the Utilico Minority Interests, Kumarina's existing assets (including Kumarina's cash) and any cash raised pursuant to the Offer.

## Kumarina's Australian operations

Following implementation of the Scheme, the Company will (through its ownership of Kumarina) own and operate Kumarina's Ilgarari Project and Murrin Murrin Project. Information on these projects is contained in section 3.3 of the Scheme Booklet, which is incorporated by reference into this Prospectus.

In relation to Kumarina's projects, the Company has allocated A\$1,500,000 for exploration and development of the Ilgarari Project and the Murrin Murrin Project, following implementation of the Scheme and assuming that no funds are raised under the Offer. If A\$12,500,000 is raised pursuant to the Offer, the Company will allocate A\$2,000,000 for exploration and development of the Ilgarari Project and the Murrin Murrin Project. If A\$25,000,000 is raised pursuant to the Offer, the Company will allocate A\$2,500,000 for exploration and development of the Ilgarari Project and the Murrin Murrin Project. For further details, refer to Section 2.8.

In addition, Kumarina will maintain an office, at its existing address, going forward. Following implementation of the Scheme and completion of the Offer, anyone wishing to make enquiries regarding Kumarina's operations, can contact James Sullivan on +61 8 9364 7577 or by email at [jsullivan@kumarina.com](mailto:jsullivan@kumarina.com).

## Utilico Minority Interests

At the time of implementation of the Scheme, the Company will hold the Utilico Minority Interests. The Utilico Minority Interests comprise the following investments in a variety of mining and resources companies:

Company	Resource	No. Shares	Current Price <sup>1</sup>	Total Current Value	Total Current Value (\$AUD)
Resolute Mining Limited (ASX: RSG)	Gold	7,000,000 ordinary shares	AUD1.326	AUD9.28m	9.28m
New Zealand Oil & Gas Limited (ASX: NZO)	Oil & Gas	27,038,122 ordinary shares	NZD0.92	NZD24.88m	20.00m
Pan Pacific Petroleum NL (ASX: PPP)	Oil & Gas	4,813,977 ordinary shares	AUD0.108	AUD0.52m	0.52m
Seacrest LP Subscription Rights <sup>2</sup>	Oil & Gas	2,500,000 nil paid US\$1.00 subscription rights	N/A	USD0.70m <sup>3</sup>	0.67m
Centamin Plc (LSE: CEY)	Gold	10,000,000 ordinary shares	GBP0.538	GBP5.38m	7.81m
<b>Total</b>					<b>38.28m</b>

## Notes

- 1 As at 3 April 2013.
- 2 These are subscription rights, which oblige the Company to provide US\$2.5 million in funding to Seacrest. Upon providing such funding, the Company will become a limited partner in Seacrest with an interest of approximately 3.1%.
- 3 Agreed value as between the Company and Utilico.
- 4 The following exchange rates were used NZD:AUD 0.804; USD:AUD 0.957; and GBP:AUD 1.452.

## Resolute Mining Limited

Resolute is one of the largest gold producers listed on the ASX (ASX:RSG), with three operating gold mines in Africa and Australia: the Syama mine in Mali; Ravenswood in Queensland; and Golden Pride in Tanzania. For further information, see [www.resolute-ltd.com.au](http://www.resolute-ltd.com.au). Mr Peter Sullivan, who is a director of Kumarina and who, if the Scheme is implemented, will become a director of the Company, is Managing Director of Resolute.

## New Zealand Oil & Gas Limited

NZO is an independent exploration and production company, listed on both the ASX and NZX. NZO has two key production assets, Tui and Kupe oil fields, both in New Zealand. NZO is pursuing growth in Indonesia and Tunisia. For further information, see [www.nzog.com](http://www.nzog.com).

## Pan Pacific Petrol NL

PPP is an ASX and NZX listed oil and gas exploration and production company, participating in non-operated oil fields in New Zealand, Vietnam and East Timor. PPP's main asset is a 10% interest in the Tui Area oil project. For further information, see [www.panpactroleum.com.au](http://www.panpactroleum.com.au).

## Seacrest LP

Seacrest LP is a limited partnership, created in 2011, to invest in an oil and gas joint venture called "Azimuth Limited". The joint venture is between Seacrest and Petroleum Geo-Services (**PGS**), a Norwegian company listed on the Oslo Stock Exchange. PGS and Seacrest have agreed to develop and monetize PGS's seismic data library, which is the largest of its kind in the world.

## Centamin Plc

Centamin Plc is an Arabian-Nubian Shield focused mineral exploration, development and mining company dual listed on the LSE (LSE: CEY) and the TSX (TSX: CEE). Centamin's principal asset, the Sukari Gold Mine, began production in 2009 and is the first large scale modern gold mine in Egypt. For further information, see [www.centamin.com](http://www.centamin.com).

## 4.5 Current Directors

### Current Directors

The current Directors of the Company are Alasdair Younie and Charles Jillings. If the Scheme is implemented, it is envisaged that Mr Peter Sullivan, Mr Martin Botha and Ms Xi Xi will be appointed as directors of the Company and that

Alasdair Younie and Charles Jillings will resign as directors of the Company. It is proposed that Mr Peter Sullivan will be Non-Executive Chairman.

Details regarding the current Directors are set out below:

#### **Alasdair Younie (aged 37) – Director**

Alasdair Younie is a director of ICM, the proposed investment manager of the Company. Based in Bermuda, he is a qualified chartered accountant with experience in corporate finance and corporate investment. Alasdair qualified as a chartered accountant with PricewaterhouseCoopers and subsequently worked for six years within the corporate finance department of Arbutnot Securities Limited in London. Alasdair is a director of Bermuda National Limited, Bermuda First Investment Company Limited and West Hamilton Holdings Limited and is a member of the Institute of Chartered Accountants in England and Wales.

#### **Charles Jillings (aged 57) – Director**

Charles Jillings is an employee of Utilico Investments Limited and Utilico Emerging Markets Limited. He is responsible for assisting in the running of the two companies and the investment portfolios in conjunction with ICM. Mr Jillings qualified as a chartered accountant and previously worked in corporate finance at Hill Samuel for 10 years. He has been a director of a number of listed companies and he is a director of East Balkan Properties plc and Global Equity Risk Protection Limited.

### **4.6 Proposed Directors, officers and senior management**

#### **Proposed Directors**

Details regarding the Proposed Directors, who will take up office upon implementation of the Scheme, are set out below:

#### **P R Sullivan (aged 56) – Non-Executive Director and Proposed Chairman**

Peter Sullivan is an engineer and has been involved in the development of resource companies and projects for more than 20 years. His work experience includes periods in project engineering, corporate finance, investment banking, corporate and operational management and public company directorships. Mr Sullivan has considerable experience in the management and strategic development of resource companies. He is currently Managing Director of Resolute Mining Limited (ASX: RSG) and a director of GME Resources Limited (ASX: GME).

#### **Marthinus (Martin) Botha (aged 54) – Non-Executive Director**

Martin Botha is an Engineering Surveyor by training who has almost 30 years' experience in banking, with the last 24 years spent in leadership roles building Standard Bank plc's (part of The Standard Bank of South Africa Limited group of companies) international operations. Mr Botha's specific primary responsibilities have included establishing and leading the development of the core global natural resources trading and financing franchises, as well as various geographic strategies, including those in the Russian Commonwealth of Independent States, Turkey and Middle East. Mr Botha is currently Non-Executive Chairman of Sberbank CIB (UK) Ltd, a securities broker regulated by UK Financial Services

Authority. Mr Botha graduated with first class honours from the University of Cape Town. Mr Botha is based in London.

**Ms Xi Xi (aged 37) – Non-Executive Director**

Xi Xi is a financial analyst with more than 10 years' experience in the mining, energy and natural resource industry. Her experience ranges from managing companies focused on international exploration and development of mining projects to restructuring and overseeing a portfolio of private and public companies. Ms Xi is currently a non-executive director of Noble Minerals Resources (ASX: NMG). Ms Xi holds dual Bachelor of Science degrees in Chemical Engineering and Economics from the Colorado School of Mines and a Master of Arts in International Relations and China Studies from Johns Hopkins School of Advanced International Studies. Ms Xi is based in New York and Shanghai.

**Proposed Officers**

Upon implementation of the Scheme, it is proposed that the Company will appoint a Chairman, a new Secretary of the Company in Bermuda and an Assistant Secretary in Australia. Details of the proposed appointments are as follows:

**PR Sullivan – Chairman**

As noted above, upon implementation of the Scheme, it is proposed that Mr Peter Sullivan will be appointed as the Chairman of the Company.

**BCB Charter Corporate Services Limited – Secretary – Bermuda**

It is proposed that BCB Charter Corporate Services Limited will be appointed Secretary of the Company. BCB Charter Corporate Services Limited delivers comprehensive corporate administration services for funds, partnerships, unit trusts, exempted and local companies, pension schemes, and other business structures. BCB Charter Corporate Services Limited's clients operate in a wide range of sectors, including insurance and reinsurance, insurance management, aircraft holding and leasing, mutual funds, ship owning and chartering, land holding and investment holding.

**Mark Pitts (aged 51) – Assistant Secretary – Australia**

It is proposed that Mark Pitts will be appointed Assistant Secretary of the Company in Australia. Mr Pitts is a Chartered Accountant with more than 25 years' experience in statutory reporting and business administration. Mr Pitts has been directly involved with, and consulted to, a number of public companies holding senior financial management positions. Mark is a partner in the corporate advisory firm Endeavour Corporate providing company secretarial support, corporate and compliance advice to a number of ASX listed companies.

**Senior management**

Following implementation of the Scheme, the Company will not appoint any senior management. It is proposed that the Company will utilise the services of its Directors and an investment manager, ICM. For further details regarding ICM, please refer to Sections 4.7 and 4.10. It is also the Company's intention that Jamie Sullivan will continue as Managing Director of Kumarina. Peter Hutchinson

has indicated that he intends to resign as a director of Kumarina, if the Scheme is implemented.

### **Employees**

Following implementation of the Scheme, the Company does not propose to appoint any new employees. However, Jamie Sullivan will continue as Managing Director of Kumarina.

## **4.7 Expertise of Directors and ICM**

The Proposed Directors are currently involved in the natural resources sector or have a background in the sector. Mr Sullivan is currently Managing Director of Resolute Mining Limited and has been involved in the development of mining projects for over 20 years. Ms Xi has more than 10 years' experience in the mining, energy and natural resource industry as a financial analyst. Mr Botha is an engineering surveyor by training who now works in the financial services industry. Further details of the qualifications and experience of each of the Proposed Directors is set out in Section 4.6.

ICM, together with its predecessor companies, has been a fund manager and corporate finance advisor for over 20 years. ICM specialises in a number of sectors, one of which being natural resources. ICM advises two London listed investment companies with, in aggregate, approximately A\$1.3 billion of assets. A significant proportion of these assets are investments in the natural resources sector. ICM's investment team have strong knowledge of the natural resources sector globally, covering both emerging and developed markets.

ICM will be responsible for managing the Company's assets on a day to day basis. In addition, ICM will be responsible for researching, analysing and making investments on behalf of the Company within the guidelines set out in the Investment Management Agreement. ICM will report to the Board as frequently as the Board requires, but on a quarterly basis at a minimum. The Board will be responsible for reviewing the Company's investments and will ensure that investments decisions are in line with the Company's investment objectives.

## **4.8 Corporate Governance**

The Board is responsible for the overall corporate governance of the Company and is committed to the principles underpinning best practice in corporate governance, applied in a manner that meets ASX standards and best addresses the Directors' accountability to Shareholders.

The following policies and procedures have been adopted, conditional upon implementation of the Scheme, and are available for viewing on the Company's website ([www.zetaresources.co](http://www.zetaresources.co)):

- (a) Corporate Governance Statement; and
- (b) Share Trading Policy.

## 4.9 Pro-forma historical financial information

### Introduction

This Section 4.9 sets out a summary pro-forma historical statement of financial position as at 31 December 2012 for the Company, as if the Scheme had been implemented and the Offer completed.

### Basis of preparation

The pro-forma consolidated statement of financial position for the Company included in this Section has been prepared in accordance with the Australian accounting standards adopted by the Australian Accounting Standards Board (**AASB**). The pro-forma statement of financial position complies with International Financial Reporting Standards (**IFRS**) and interpretations adopted by the International Accounting Standards Board (**IASB**). The pro-forma statement of financial position is presented in an abbreviated form and consequently does not comply with all the presentation and disclosure requirements of AASB and IFRS. Any adjustments that have been made are shown as consolidation adjustments.

HLB Mann Judd has reported on the Pro Forma Financial Information, in an Investigating Accountant's Report which has been included as Annexure 5 of the Scheme Booklet, which is incorporated by reference into this Prospectus.

### Acquisition accounting

The acquisition proposed within the Scheme Booklet does not meet the definition of a business combination under AASB3 Business Combinations (IFRS 3 Business Combinations). As a result, the acquirer (the Company) shall account for the transaction as an asset acquisition. The cost to the Company's group shall be allocated to the individual identifiable assets, liabilities and contingent liabilities, including intangible assets assumed on the basis of their relative fair values at the date of purchase.

### Unaudited pro-forma statement of financial position

The pro-forma balance sheet is presented on the basis of the completion of the Offer and on the assumption that the following transactions occurred as at 31 December 2012:

- (a) the issue by the Company pursuant to the Scheme of 17,775,525 Shares and 3,555,105 Options, as consideration for the acquisition of all of the issued capital of Kumarina;
- (b) the issue by the Company of 34,104,255 Shares and 6,820,851 Options, pursuant to the Asset Sale Agreement for the acquisition the Utilico Minority Interests;
- (c) the issue buy the Company, pursuant to the Offer, of up to 25,000,000 Shares at an issue price of \$1.00, together with up to 5,000,000 free attaching Options, to raise up to \$25,000,000 before costs;
- (d) the issue of 250,000 Consideration Options, as consideration for the cancellation of the existing Kumarina Options.

- (e) the write off to the issued capital account of the estimated costs of the Scheme Booklet being an estimated \$560,000; and
- (f) the write off to the issued capital account of the estimated costs of the Offer being an estimated \$1,250,000.

This information is presented on the basis of the following scenarios:

- (a) subscriptions received under the Offer total \$25,000,000;
- (b) subscriptions received under the Offer total \$12,500,000 (on this basis, the estimated costs of the Offer are \$625,000); and
- (c) no subscriptions are received under the Offer.

No other transactions subsequent to 31 December 2012 have been reflected in the pro forma Statement of Financial Position.

As at 3 April 2013, the market value of the Utilico Minority Interests has increased by A\$4,178,873 to A\$38,283,128. On this basis, an additional 4,178,873 Shares and 835,774 Options will be issued.

The impact on the pro forma Statement of Financial Position will be to increase total assets by A\$4,178,873 with a corresponding increase in issued capital.

Note that the following exchange rates have been assumed:

- (a) AUD:USD = 1.0384; and
- (b) AUD: GBP = 0.6428.

### Pro forma Statement of Financial Position

	Reviewed as at 31 Dec 12 (\$000)	Nil Pro-Forma as at 31 Dec 12 (\$000)	\$12,500,000 Pro-Forma as at 31 Dec 12 (\$000)	\$25,000,000 Pro-forma as at 31 Dec 12 (\$000)
<b>Current Assets</b>				
Cash and cash equivalents	-	6,262	18,137	30,012
Trade and other receivables	-	31	31	31
<b>Total Current Assets</b>	<b>-</b>	<b>6,293</b>	<b>18,168</b>	<b>30,043</b>



	Reviewed as at 31 Dec 12 (\$000)	Nil Pro-Forma as at 31 Dec 12 (\$000)	\$12,500,000 Pro-Forma as at 31 Dec 12 (\$000)	\$25,000,000 Pro-forma as at 31 Dec 12 (\$000)
<b>Non-Current Assets</b>				
Investments	-	34,104	34,104	34,104
Plant and equipment	-	80	80	80
Mineral assets	-	4,100	4,100	4,100
Other	-	2	2	2
<b>Total Non-Current Assets</b>	-	<b>38,286</b>	<b>38,286</b>	<b>38,286</b>
<b>Total Assets</b>	-	<b>44,579</b>	<b>56,454</b>	<b>68,329</b>
<b>Current Liabilities</b>				
Trade and other payables	-	79	79	79
Interest bearing loans and borrowings	-	-	-	-
<b>Total Current Liabilities</b>	-	<b>79</b>	<b>79</b>	<b>79</b>
<b>Total Liabilities</b>	-	<b>79</b>	<b>79</b>	<b>79</b>
<b>Net Assets</b>	-	<b>44,500</b>	<b>56,375</b>	<b>68,250</b>
<b>Equity</b>				
Issued capital	-	44,500	56,375	68,250
Reserves	-	-	-	-
Accumulated losses	-	-	-	-
<b>Total Equity</b>	-	<b>44,500</b>	<b>56,375</b>	<b>68,250</b>

#### 4.10 Investment Management Agreement

On 10 April 2013, the Company and ICM entered into the Investment Management Agreement, pursuant to which ICM will be appointed as the Company's investment manager from the Implementation Date.

ICM is a Bermuda based fund manager and corporate adviser. It is licensed to carry on business as an exempted company pursuant to section 129A of the Bermuda Companies Act. ICM specialises in managing and advising on investments in relation to mining and resources, utilities and infrastructure, financial services, fixed interest products and agriculture. ICM is currently investment manager for Utilico and Utilico Emerging Markets Limited, which are both listed funds. ICM is also investment adviser to Bermuda Commercial Bank Limited, one of Bermuda's four licenced banks.

ICM's appointment under the Investment Management Agreement is for a period of 5 years. On this basis, it is envisaged that ICM will be actively involved in the management of the Company for at least 5 years, following implementation of the Scheme. Further information regarding ICM can be found on ICM's website ([www.icm.bm](http://www.icm.bm)).

The key terms of the Investment Management Agreement are as follows:

### **Investment mandate**

ICM shall be entitled to invest in the following classes of assets, on the Company's behalf:

- (a) securities (being shares options or warrants) in listed and unlisted mining and resource companies;
- (b) units in listed and unlisted mining and resource funds;
- (c) bonds and convertible notes in listed or unlisted mining and resource companies;
- (d) direct investment in mining and resource projects; and
- (e) such other assets or investments, as may be approved in writing by the Directors from time to time,

(each a **Permitted Asset Class**).

### **Services**

ICM shall provide such investment management and advisory services to the Company, as the Directors require from time to time, in connection with the management and investment of the Company's assets and shall manage the investment, disposal and re-investment of the Company's assets in accordance with the Company's investment strategy and with a view to achieving the Company's investment objectives.

### **Term**

The Investment Management Agreement has a term of 5 years from the Implementation Date, unless terminated earlier by the Company or ICM.

### **Extension or renewal**

The Investment Management Agreement does not contain any provisions relating to the renewal or extension of the agreement at the end of its term.

### **Termination**

The Investment Management Agreement may be terminated in the following circumstances:

- (a) by the Company giving 6 months' notice in writing to ICM (or such lesser period as the Company and ICM agree in writing);

- (b) by ICM giving 6 months' notice in writing to the Company (or such lesser period as the Company and ICM agree in writing);
- (c) ICM's appointment may be terminated forthwith on notice from the Company, if:
  - (i) ICM commits a material breach of the Investment Management Agreement and fails to rectify such breach within 30 days of being requested to do so;
  - (ii) ICM enters into liquidation, whether voluntarily or compulsorily, or enters into any composition or compromise with its creditors, or suffers any similar action relating to a default in its obligations in respect of indebtedness;
  - (iii) ICM has a receiver or administrator appointed in respect of any of its assets or undertaking; or
  - (iv) ICM fails to obtain, or ceases to hold or comply with, any licence, permission, authorisation or consent required under any applicable law to permit it to carry out its obligations under the Investment Management Agreement;
- (d) ICM may terminate its own appointment forthwith by giving notice to the Company, if the Company:
  - (i) commits a material breach of the Investment Management Agreement and fails to rectify such breach within 30 days of being requested to do so;
  - (ii) enters into liquidation, whether voluntarily or compulsorily, or enters into any composition or compromise with its creditors, or suffers any similar action relating to a default in its obligations in respect of indebtedness; or
  - (iii) has a receiver or administrator appointed in respect of any of its assets or undertaking; or
- (e) forthwith by the Company, if the Company goes into voluntary liquidation pursuant to its Bye-laws.

Termination of the Investment Management Agreement is without prejudice to any claim by the Company or ICM against the other for any breach of the Investment Management Agreement, prior to such termination, or any other rights which have accrued up to that point.

## **Fees**

ICM is entitled to a management fee and a performance fee as follows:

- (a) Management Fee

On 31 March, 30 June, 30 September and 31 December each year during the term of the Investment Management Agreement (each a **Calculation Date**), the gross assets of the Company, less all current

liabilities and all holdings in funds or companies of which ICM or one of its subsidiaries is manager and/or adviser, shall be calculated, with the amount resulting being the Funds Managed. Within 10 Business Days after each Calculation Date, the Company shall pay to ICM an amount equal to 0.125% of the Funds Managed on that Calculation Date (**Management Fee**). If any such period is less than three months, the Management Fee shall be reduced on a pro rated time basis.

(b) Performance Fee

On each Calculation Date, the Company shall pay ICM a fee (**Performance Fee**) determined as at each Calculation Date as follows:

$$PF = (A-B) \times 15\%$$

Where:

PF is the Performance Fee (excluding VAT), if any, payable to ICM;

A is Adjusted Equity Funds as at that Calculation Date;

B is the Base Equity Funds, being the higher of:

(i) the Equity Funds of the Company on the Implementation Date;

(ii) the Equity Funds on the last day of the Calculation Period in respect of which a Performance Fee was last paid under the Investment Management Agreement; and

(iii) the Equity Funds on the last day of the previous Calculation Period, increased by the Real Percentage Yield of the Reference Index during that Calculation Period,

for the purpose of the above calculation:

**Adjusted Equity Funds** means Equity Funds adjusted by adding back any dividends paid or accrued relating to that Calculation Period, plus any accrual for unpaid performance fees arising for that Calculation Period;

**Calculation Date** means the last day of each Calculation Period;

**Calculation Period** means each successive period starting on the first day of an accounting reference period of the Company and ending on the earlier of (i) the last day of that accounting reference period (ii) the termination of ICM's appointment for any reason and (iii) the commencement of the winding up of the Company, provided that in respect of the first Calculation Period under the Investment Management Agreement, such period shall be deemed to have commenced on the Implementation Date;

**Equity Funds** means the net asset value (including revenue items) attributable to the Shares;

**Inflation** means the rate of Australian inflation in annual percentage terms calculated by reference to the year on year change in the Consumer Price Index excluding mortgage interest payments as issued by the Australian Bureau of Statistics, calculated as monthly average;

**Real Percentage Yield** means the average percentage income yield on the Reference Index for the relevant Calculation Period, calculated on a monthly basis, reduced by the percentage rate of UK corporation tax, plus Inflation; and

**Reference Index** means the S&P/ASX 300 Metals and Mining Index.

### **Exclusivity**

Under the Investment Management Agreement, the Company is precluded from appointing another entity as a manager or as an adviser to act jointly with ICM, or otherwise, during the term of the Investment Management Agreement.

The Investment Management Agreement does not preclude ICM from providing investment management services to other entities and ICM does, currently, provide investment management services to other entities.

### **Discretions**

The Investment Management Agreement vests the following power and discretions in ICM:

- (a) subject to ICM's duties, all rights and powers of whatsoever nature as shall be necessary for ICM properly and efficiently to perform its services under the Investment Management Agreement; and
- (b) subject to the requirement to obtain the prior written approval of the Directors for transactions or investments which have a value in excess of the higher of US\$5 million or 10% of the Company's net tangible assets, discretion, on the Company's behalf, to manage, buy, sell, retain, convert, exchange or otherwise deal in the Company's assets, which are in a Permitted Asset Class, as and when ICM thinks fit.

### **Related party protocols**

Subject to the requirement to obtain the prior written approval of the Directors, the Investment Management Agreement does not contain any protocols relating to transactions with related parties of ICM. The Investment Management Agreement provides that ICM may effect or advise on transactions which may involve a potential conflict of interest with its duty to the Company, subject to the requirements to obtain the prior written approval of the Directors, act in the best interests of the Company and without prejudice to its obligation to comply with the objectives, policies and restrictions of the Company.

### **Change of control provisions**

The Investment Management Agreement does not provide ICM or the Company with any right to terminate the Investment Management Agreement if there is a change in control of the other. Further, the Investment Management Agreement

does not provide either party with any pre-emptive rights over the Company's portfolio or over ICM, upon a change of control of the other.

Based on market practice for investment management agreements, the Directors consider the terms and fees payable under the Investment Management Agreement to be arm's length and market practice. In addition, the Independent Expert has stated, in the Independent Expert's Report that it considers the Investment Management Agreement to be at arm's length.

#### **4.11 Principal rights and liabilities attaching to Shares**

The rights and liabilities attaching to Shares are set out in the Bye-laws and are affected by the Bermuda Companies Act and the common law of Bermuda. If the Scheme is implemented, the rights and liabilities attaching to Shares will also be affected by the ASX Listing Rules.

The Bye-laws are available on the Company's website, [www.zetaresources.co](http://www.zetaresources.co).

A summary of the principal rights and liabilities attaching to Shares is set out below.

##### **Profits and dividends**

The Directors may in their sole discretion (subject to any preferred dividend rights attached to any class of shares and to the Bermuda Companies Act) declare and pay a dividend or make a distribution out of contributed surplus to the shareholders of the Company according to their rights and interests, including interim dividends, which may be declared and paid in proportion to the amount paid up on each share. Payment or satisfaction of any dividend or distribution out of contributed surplus may be made in cash or by the issue of fully paid Shares or by the distribution of specific assets.

Contributed surplus is a North American concept recognised under the generally accepted accounting principles of the Canadian Institute of Chartered Accountants, which are applied in Bermuda. Contributed surplus includes proceeds from donated shares, credits resulting from the redemption or conversion of shares at less than the amount of the nominal capital or par value, the excess value of shares acquired over the nominal value of those shares issued in a share exchange (should the board of directors of the Company elect to treat it as such) and donations of cash or other assets to the company.

The Company does not have any current intention to declare and pay a dividend or make a distribution out of contributed surplus.

##### **Voting rights**

Subject to any rights or restrictions attaching to any class of shares in the Company, at any general meeting of the Company, each Shareholder entitled to vote may vote in person or by proxy, or, if it is a company, by representative each of whom shall be entitled to speak and to one vote on a show of hands and each Shareholder present in person or by proxy, or, if it is a company, by representative shall be entitled on a poll to one vote for each Share held.

No Shareholder shall be entitled to vote at any general meeting, unless all calls presently payable by him in respect of Shares have been paid. On a poll a

Shareholder or proxy or representative, if entitled to more than one vote, need not use all his votes or cast all the votes he uses in the same way.

### **Appointment and removal of directors**

Shareholders in general meeting may by ordinary resolution appoint any person as a new Director, or as a director to fill up all or any vacated offices resulting from one or more directors retiring at, or ceasing to hold office at the conclusion of, that meeting.

The Board or Shareholders in general meeting shall have the power to appoint any person as a Director to fill a vacancy on the board of directors occurring as a result of the death, disability, disqualification or resignation of any Director or as a result of an increase in the size of the Board.

Directors who are subject to retirement by rotation shall retire from office at annual general meetings of Shareholders no later than the longer of:

- (a) the third annual general meeting; or
- (b) 3 years,

after that Director's last election or appointment and shall be eligible for re-election thereafter.

### **Rights to convene general meetings**

The President or Chairman (if any), or any two Directors, or any Director and the company secretary, or the Board, may convene a special general meeting whenever in their judgment such a meeting is necessary.

The Board shall, on the requisition of Shareholders holding at the date of the deposit of the requisition no less than one-tenth of such of the paid up share capital of the Company carrying the right to vote, proceed to convene a special general meeting and the provisions of the Bermuda Companies Act shall apply.

### **Rights on a winding up**

Subject to the terms of issue of Shares, if the Company shall be wound up, the liquidator may, with the sanction of a resolution of Shareholders and any other sanction required by the Bermuda Companies Act, divide amongst the shareholders of the Company in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may for such purposes set such values as the liquidator deems fair upon any property to be so divided and may determine how such division shall be carried out as between the Shareholders or different classes of shareholders. The liquidator may, with such a sanction, vest the whole or any part of such assets in trustees upon such trust for the benefit of the shareholders of the Company as the liquidator shall think fit, but so that no shareholder of the Company shall be compelled to accept any shares or other assets upon which there is any liability.

## **Variation of rights**

If, at any time, the share capital of the Company is divided into different classes of shares, the rights attached to any class may, unless otherwise provided by the terms of issue of the shares of that class, be varied with the consent in writing of the holders of not less than 75% of the issued shares of that class or with the sanction of a resolution passed by a majority of the votes cast at a separate general meeting of the holders of such shares at which the quorum is at least two persons holding or representing by proxy, one-third of the issued shares of that class.

### **4.12 Terms and conditions of Options**

The following terms and conditions apply to each Option:

#### **Entitlement**

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

#### **Exercise Price and Expiry Date**

The Options have an exercise price of A\$1.00 (**Exercise Price**) and an expiry date of the third anniversary from the date of issue (**Expiry Date**).

#### **Exercise period**

The Options are exercisable at any time on or prior to the Expiry Date.

#### **Notice of exercise**

The Options may be exercised by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised. Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.

#### **Shares issued on exercise**

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

#### **Quotation of Shares on exercise**

Application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

#### **Timing of issue of Shares**

Within 10 Business Days after the receipt of a Notice of Exercise given in accordance with these terms and conditions, and payment of the Exercise Price for each Option being exercised, the Company will allot and issue the Shares pursuant to the exercise of the Options.



### **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 10 Business Days after the issue is announced. This will give the holders of Options the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

### **Adjustment for bonus issues of Shares**

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (a) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the holder of Options would have received if the holder of Options had exercised the Option before the record date for the bonus issue; and
- (b) no change will be made to the Exercise Price.

### **Adjustment for rights issue**

If the Company makes an issue of Shares pro rata to existing Shareholders, there will be no adjustment of the Exercise Price of an Option.

### **Adjustments for reconstruction**

If there is any reconstruction of the issued share capital of the Company, the rights of the holders of Options may be varied to comply with the ASX Listing Rules which apply to the reconstruction at the time of the reconstruction.

### **Quotation of the Options**

The Company will apply for quotation of the Options on ASX.

### **Options transferable**

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

### **Lodgement instructions**

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the Options with the appropriate remittance should be lodged at the Company's Share Registry.

## **4.13 Terms and conditions of Consideration Options**

It is proposed that 250,000 Consideration Options will be issued to the holder of 1,000,000 Kumarina Options in consideration for the cancellation of those Kumarina Options. The terms and conditions of the Consideration Options are,

with the following exceptions, the same as the terms and conditions of the Options.

### **Not quoted**

The Consideration Options are not quoted and the Company will not make application to have the Consideration Options quoted on ASX.

### **Expiry date**

The Consideration Options expire on 8 December 2014.

## **4.14 Investment entity**

As stated in Section 4.1, the Company has received in principle advice from ASX that it will be classified as an "investment entity" for the purposes of the ASX Listing Rules.

The classification of the Company as an "investment entity" under the ASX Listing Rules is of significance in relation to the following:

(a) Admission to ASX – "assets test"

Pursuant to ASX Listing Rule 1.3.1A, on admission, an investment entity must have net tangible assets of least A\$15 million. In addition, and pursuant to ASX Listing Rule 1.3.5, on admission, an investment entity must provide its accounts and any audit report or review for the last 3 full financial years (or a shorter period if ASX agrees). An investment entity must also provide a reviewed pro forma statement of financial position (unless ASX agrees the pro forma statement of financial position is not needed).

(b) Additional information required in the annual report

An investment entity must provide each of the following in its annual report:

- (i) a list of all investments held by it or its child entities at the balance date;
- (ii) the total number of transactions in securities during the reporting period, together with the total brokerage paid or accrued during that period; and
- (iii) the total management fees paid or accrued during the reporting period, together with a summary of any management agreement.

(c) Monthly net tangible assets

Pursuant to ASX Listing Rule 4.12, an investment entity must, within 14 days after the end of each month, provide ASX with the net tangible asset backing of its quoted securities as at the end of that month.

(d) Management agreement

Pursuant to ASX Listing Rule 15.16, a management agreement for an investment entity must provide for each of the following:

- (i) the manager may only end the management agreement if it has given at least 3 months' notice;
- (ii) if the term of the agreement is fixed, it must not be for more than 5 years; and
- (iii) if the agreement is extended past 5 years, it will be ended on 3 months' notice after an ordinary resolution is passed to end it.

**4.15 Dividend policy**

The Company does not have any current intention to declare or pay a dividend on Shares. At present, the Company does not have a dividend policy.

**4.16 Employee incentive plans**

The Company does not currently have any employee incentive plans. After implementation of the Scheme, the Company will consider adopting an appropriate incentive plan. Any such plan will only be implemented if it is approved by Shareholders.

---

## **5. Incorporation by reference of documents lodged with ASIC**

### **5.1 Short Form Prospectus**

This Prospectus is a short form prospectus issued in accordance with section 712 of the Corporations Act. This means that this Prospectus does not of itself contain all the information that is generally required to be set out in a document of this type. However, it incorporates by reference information contained in documents previously lodged with ASIC.

The information to be incorporated by reference into this Prospectus is summarised below in Section 5.2 and will, primarily, be of interest to investors and their professional advisers or analysts. The Company informs investors and their professional advisers that they are able to obtain, free of charge, a copy of the Scheme Booklet and the Corporate Governance Statement by contacting Mark Pitts, proposed Assistant Secretary in Australia on +61 8 9316 9100 during normal business hours during the Offer Period. The Scheme Booklet and the Corporate Governance Statement are also available on the Company's website at [www.zetaresources.co](http://www.zetaresources.co).

### **5.2 Summary of Information Deemed to be Incorporated**

#### **Scheme Booklet**

This Prospectus incorporates parts of the Scheme Booklet, being the disclosure document lodged by Kumarina with ASIC for the purpose of the Scheme, pursuant to which the Company will acquire all the of the issued Kumarina Shares.

Set out below are the parts from the Scheme Booklet which are incorporated by reference in this Prospectus.

#### ***Section 1.7 and Annexure 1 – Implementation Agreement***

Section 1.7 of the Scheme Booklet provides a summary of the material terms of the Implementation Agreement which includes a number of conditions precedent which must be satisfied before the Scheme comes into effect as well as the termination rights of each party to the agreement.

Further details can be found in Annexure 1 of the Scheme Booklet which contains a copy of the Implementation Agreement.

#### ***Section 3.3 – Business operations***

Section 3.3 of the Scheme Booklet provides the material summary of Kumarina's main assets, being the Ilgarari Project and the Murrin Murrin Project. Following implementation of the Scheme, the Company will indirectly own these projects.

This section of the Scheme Booklet contains information as to the location, ownership and geology of the Ilgarari Project and Murrin Murrin Project, exploration undertaken by Kumarina, or where appropriate, other explorers; and contains (where relevant) JORC compliant resource statements.

#### ***Section 4.7 – Certain material differences in rights attaching to Kumarina Shares and rights attaching to Zeta Shares***

Section 4.7 of the Scheme Booklet summarises certain differences in the rights attaching to Shares and the rights attaching to Kumarina Shares. One aspect of this that may be of significance to potential investors and Shareholders is the fact that none of the Bye-laws, the Bermuda Companies Act or the common law of Bermuda contain an equivalent to the "two strikes" rule relating to remuneration reports in Part 2G.2 Division 9 of the Corporations Act, which enables shareholders of a company to put to the vote a "spill resolution".

#### ***Section 5.5 – Capital structure and listings***

Section 5.5 of the Scheme Booklet provides a summary of the capital structure of the Company, following implementation of the Scheme and the completion of the Offer. Section 5.5 of the Scheme Booklet also contains a breakdown of the number of Shares and Options to be issued pursuant to the Scheme, the Asset Sale Agreement and the Offer. This section also sets out the level of Utilico's shareholding in the Company, depending on the level of subscriptions received under the Offer.

It is also noted that the implementation of the Scheme is conditional upon ASX granting Official Quotation of the Shares and Options to be issued pursuant to the Scheme, subject only to the Scheme taking effect.

#### ***Section 7.2 – Summary of certain provisions of Bermuda law***

Section 7.2 of the Scheme Booklet sets out a summary of certain provisions of Bermuda company law, which may be relevant to Shareholders. The summary covers, among other things: directors' duties, shareholders' suits, indemnification of directors, inspection of corporate records, voting rights and quorum requirements, variation of rights attaching to shares, transfers of shares, calling of shareholder meetings, dividends, takeovers and amalgamations, mergers and business combinations.

#### ***Section 7.3 – Comparison of key differences between the Corporations Act and the Bermuda Companies Act***

Section 7.3 of the Scheme Booklet sets out a general description of some of the principal differences between the Corporations Act and the Bermuda Companies Act. The Company was incorporated in Bermuda, and is regulated by Bermuda law. Accordingly, the rights and liabilities attaching to Shares are governed principally by the Bye-laws and applicable Bermuda laws. However, following admission of the Shares and Options to Official Quotation on ASX, the Company will also be subject to the ASX Listing Rules.

The attention of investors is specifically drawn to the fact that the Bermuda Companies Act does not contain a general prohibition on acquisitions of interests in Bermuda companies beyond a certain threshold in the same way as the Corporations Act.

#### ***Section 10.1 – Investment entity***

Section 10.1 of the Scheme Booklet summarises the significance of ASX's in principle advice that it will classify the Company as an "investment entity", for the

purposes of the ASX Listing Rules. The consequences of such a classification relate to:

- (a) admission to ASX and ASX's application of the "assets test";
- (b) additional information required in the Company's annual report;
- (c) monthly reporting of net tangible asset backing; and
- (d) restrictions on certain terms of any investment management agreement.

#### ***Section 10.14 – Regulatory matters***

Section 10.14 of the Scheme Booklet sets out the details of certain waivers from the ASX Listing Rules which ASX has confirmed that, upon receipt of an application from the Company for the admission of the Shares and Options to the official list of ASX, it is likely to agree to.

The waivers concern the following matters:

- (a) the ability of the Company to issue a short form prospectus in connection with its ASX listing application;
- (b) certain conditions in ASX Listing Rule 1.1 to the effect that the Prospectus is not required to contain all of the information specified in Appendix 1A to the ASX Listing Rules;
- (c) ASX Listing Rule 6.23.2 and the ability of Kumarina to cancel for consideration the Kumarina Options without the need for shareholder approval; and
- (d) ASX Listing Rule 9.17 and the ability of certain Kumarina Shares and Kumarina Options, which are subject to escrow imposed by ASX, to be proposed as part of the Scheme.

#### ***Annexure 4 – Independent Expert's Report***

Annexure 4 to the Scheme Booklet is the Independent Expert's Report, which has been prepared by BDO Corporate Finance (WA) Pty Ltd (the Independent Expert), in connection with the Scheme and the Implementation Agreement and pursuant to which the Independent Expert opines that the Scheme is fair and reasonable and in the best interests of Kumarina Shareholders.

The Independent Expert's Report includes the Independent Expert's valuation of the Company, following implementation of the Scheme and the completion of the Offer.

#### ***Annexure 5 – Investigating Accountant's Report***

Annexure 5 to the Scheme Booklet is the Investigating Accountant's Report, which has been prepared by HLB Mann Judd (the Investigating Accountant). The Investigating Accountant's Report has been prepared in relation to the historical and pro-forma financial information relating to the Company contained in section 5.6 of the Scheme Booklet.

The Investigating Accountant's Report concludes that, based on the Investigating Accountant's review, which was not an audit, nothing has come to the Investigating Accountant's attention that causes the Investigating Account to believe and the Investigating Accountant does not believe that:

- (a) the pro-forma financial information does not present fairly the consolidated financial position of the Company as at 31 December 2012 in accordance with the measurement and recognition requirements (but not all of the disclosure requirements) of applicable Accounting Standards and other mandatory reporting requirements in Australia as if the pro forma transactions and adjustments referred to in section 5.6 of the Scheme Booklet had occurred during the period;
- (b) the pro-forma transactions do not provide a reasonable basis for the pro forma financial information; and
- (c) the pro-forma financial information has not been prepared on the basis of the transactions set out in section 5.6 of the Scheme Booklet.

### ***Annexure 6 – Solicitor's Report on Tenements***

Annexure 6 to the Scheme Booklet is the Solicitor's Report on Tenements, prepared by Hardy Bowen Lawyers. The Solicitor's Report on Tenements provides a summary of material contracts relating to, and the details of searches carried out in relation to, the mining tenements which comprise the Ilgarari Project and the Murrin Murrin Project.

Among other things, the Solicitor's Report on Tenements opines that:

- (a) all applicable rents due under the Mining Act 1978 (WA) (Mining Act), in respect of the tenements which comprise the Ilgarari Project and the Murrin Murrin Projects, have been paid; and
- (b) all expenditure requirements, in respect of the Ilgarari Project and the Murrin Murrin Project, under the Mining Act have been complied with.

### **Corporate Governance Statement**

This Prospectus incorporates the Company's Corporate Government Statement, which will become effective upon implementation of the Scheme. The Corporate Governance Statement outlines the Board's responsibility for the overall corporate governance and reporting obligations of the Company, and the Board's commitment to applying its principles in a manner that satisfies ASX standards.

Subject to the exceptions detailed below the Company seeks to follow the best practice recommendations for listed companies as outlined in ASX Corporate Governance Council's Principles of Good Corporate Governance and Best Practice Recommendations (**Recommendations**) where appropriate for its size and the complexity of its operations.

As the Company's activities increase in size, scope and/or nature, the Company's corporate governance will be reviewed by the Board and amended as appropriate.

Copies of the Company's Corporate Government Statement and the Company's Share Trading Policy, both of which become effective upon implementation of the Scheme, are available for viewing on the Company's website [www.zetaresources.co](http://www.zetaresources.co).

The Company will provide an explanation of any departures from the Recommendations in its future annual reports. The below table provides a summary of the Recommendations which the Company departs from together with an explanation which can be found in sections of Company's Corporate Government Statement.

<b>Principles and Recommendations</b>	<b>Explanation for Departure</b>
<b>Recommendation 2.4</b>	Due to the small size of the Company and the number of board members, the Board does not have a formal nomination committee structure.  See sections 7(a) and (b) of the Corporate Government Statement for further details.
<b>Recommendation 3.2</b>	Due to the scope and size of the Company's operations, the Board does not have a formal diversity policy in line with the Recommendations.  The Company believes that the promotion of diversity on its Board and within the organisation generally is good practice.  See section 8 of the Corporate Government Statement for further details.
<b>Recommendation 3.3</b>	
<b>Recommendation 4.1</b>	The Company does not have a formal audit committee as, in the opinion of the Directors, the scope and size of the Company's operation does not warrant it.  See section 11 of the Corporate Government Statement for further details.
<b>Recommendation 4.2</b>	
<b>Recommendation 4.3</b>	
<b>Recommendation 4.4</b>	
<b>Recommendation 7.1</b>	Due to the size of operation and size of the Board, there is no formal Board committee to identify, assess and monitor and manage risk.  See section 14 of the Corporate Government Statement for further details.
<b>Recommendation 7.2</b>	
<b>Recommendation 7.3</b>	
<b>Recommendation 7.4</b>	



<b>Principles and Recommendations</b>	<b>Explanation for Departure</b>
<b>Recommendation 8.1</b>	<p>The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the formation of a remuneration committee.</p> <p>See section 16.3 of the Corporate Government Statement for further details.</p>
<b>Recommendation 8.2</b>	

---

## **6. Risks**

### **6.1 Introduction**

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

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

### **6.2 Risks arising from the Company's jurisdiction of incorporation and registration**

#### **(a) Corporate law environment**

As a company incorporated in Bermuda, the Company is not subject to many provisions of the Corporations Act. It does, however, remain subject to some provisions of the Corporations Act as a result of its registration as a foreign company in Australia and will be subject to the ASX Listing Rules, upon listing on ASX. The Bermuda Companies Act does not provide the same level of shareholder protections as the Corporations Act. For example, Shareholders will not be afforded the takeover protection provisions contained in Chapter 6 of the Corporations Act. As set out in further detail in section 7 of the Scheme Booklet, no takeover protection is provided by the Bermuda Companies Act.

#### **(b) Tax environment**

Should there be any changes in Bermudian tax law, in particular, if Bermuda imposes a dividend withholding tax regime, this could have an adverse cash impact on Shareholders.

### **6.3 Risks relating to the Utilico Minority Interests and future operation of the Company**

#### **(a) Risks related to the Utilico Minority Interests**

Upon completion of the Offer, the Company will own the Utilico Minority Interests. As a result, the Company will become exposed to the risks which affect each of those companies which form the Utilico Minority Interests. Given that the companies which form the Utilico Minority Interests, are involved in the mining and resources industry, many of those risks will include those discussed in Section 6.4.

In addition, the Company will become subject to the country risk of each of the countries in which the companies, which form the Utilico Minority Interests, operate. These countries include Australia, East Timor, Egypt, Mali, New Zealand, Tanzania and Vietnam. Political changes, conflict and changes in government policies may impact the profitability and viability of the operations of the companies, which form the Utilico Minority Interests. Any such impact may have a knock on effect in relation to the Company.

(b) Ability to raise additional capital

The extent to which the Company will require additional capital (debt or equity) will depend upon, among other things, the degree to which it generates positive cash flows from its operations. There is a risk that any positive cash flows generated will not be sufficient to implement medium to long-term strategic objectives of the Company, in which case the Company may need to consider raising additional capital.

Such capital, if it is available, could be raised by way of the issue of additional equity or debt or other appropriate means determined by the Company. However, the Company's ability to raise capital (whether equity or debt) within an acceptable time, of a sufficient amount and on terms acceptable to the Company will vary according to a number of factors, including the Company's prior performance, success of exploration and development programs, any feasibility studies, capital market and industry conditions and the price of relevant commodities and exchange rates.

There is no assurance that the Company will be successful in obtaining required financing as and when needed. Volatile markets for gold, copper and other minerals may make it difficult or impossible for the Company to obtain equity or debt financing on favourable terms or at all. Failure to obtain additional financing on a timely basis may cause the Company to postpone any development plans, forfeit rights in some or all of its properties or reduce or terminate some or all of its operations, and impact on its ability to implement its planned strategy.

(c) Investment in publicly quoted securities

The Company's investment in the listed companies which form the Utilico Minority Interests may be difficult to realise. The value of the Company's investments in the listed companies which form the Utilico Minority Interests may go down as well as up and the market price of the Company's investments in the companies which form the Utilico Minority Interests may not reflect the underlying value of those investments. The Company may therefore realise less than, or lose all of, its investment in the listed companies which form the Utilico Minority Interests.

(d) Volatility

The share price of emerging companies quoted on stock exchanges can be highly volatile and shareholdings illiquid. The price at which the securities of the companies which form the Utilico Minority Interests are quoted and the price at which the Company may realise its investments in the companies which form the Utilico Minority Interests may be influenced by a significant number of factors, some specific to the companies which form the Utilico Minority Interests and their operations and some which affect quoted companies generally. These factors could include the performance of those companies, large purchases or sales of

the securities of those companies, legislative changes and general, economic, political or regulatory conditions.

#### **6.4 Risks relating to the Company's operations (including those to be acquired from Kumarina) and industry**

##### **(a) General economic conditions**

The financial markets globally have experienced significant volatility and market participants have faced significant liquidity constraints since the onset of the global financial crisis, which began to unfold in the autumn of 2007 and worsened after August 2008. While Australia's economy has not been affected to the same extent as most other countries, the global financial turmoil has still affected Australia's economy, causing declines in debt and equity prices. A side effect of these events was an increased concern about the stability of the financial markets generally and the strength of counterparties, and many lenders and institutional investors reduced funding to borrowers, which significantly reduced the liquidity in the global financial system.

In response to the crisis, the governments of many countries, including Australia, took unprecedented actions to restore investor confidence, provide liquidity and support medium-term growth. While many countries, including Australia, have reported improvement of the situation in the financial markets, a further economic downturn could still occur, and additional state support measures might be required. Adverse changes arising from systemic risks in global financial systems could slow or disrupt the economies of many countries, thereby adversely affecting the Company's access to capital and the cost of capital and, more generally, its business, prospects, financial condition, cash flows and results of operations.

##### **(b) Nature of mineral exploration and mining**

Mineral exploration and development is a speculative business, characterised by a number of significant uncertainties. For example, unprofitable efforts may result not only from the failure to discover mineral deposits but also from finding mineral deposits that are insufficient in quantity and/or quality to return a profit from production. Even deposits that could be sufficient to provide a profit from production are not guaranteed to do so because management of the mining operation may fail to perform adequately. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the Company's control and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of mining facilities, mineral markets and processing equipment, and other factors such as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and metals, and environmental protection, a combination of which may result in the Company not receiving an adequate return on invested capital.

While the discovery of a mineral structure may result in substantial rewards, few properties that are explored are ultimately developed into economically viable operating mines. Major expenditures may be required to establish reserves by drilling, constructing, mining and processing facilities at a site, and it is possible that even preliminary due diligence will show adverse results, leading to the abandonment of projects. It is impossible to ensure that preliminary feasibility

studies or full feasibility studies on the Company's projects or the current or proposed exploration programmes on any of the properties in respect of which the Company has, or will have, exploration rights will result in a profitable commercial mining operation.

The Company's operations will be subject to all of the hazards and risks normally incidental to the exploration, development and production of precious metals and base metals, any of which activities could result in damage to life or property, environmental damage and possible legal liability for any or all such damage caused. The Company's activities may be subject to prolonged disruptions due to adverse weather conditions. Hazards, such as unusual or unexpected formations, rock bursts, pressures, cave-ins, flooding or other conditions may be encountered in the drilling and removal of material.

Development and operation of mines and production and processing facilities may also be affected by mechanical difficulties, operational errors, labour disputes, damage to or shortage of equipment, earthquakes, fires or other natural disasters, civil unrest, leaks or pollution. These events are largely beyond the control of the Company.

Whether a precious metal or a base metal deposit will be commercially viable depends on a number of factors, some of which are particular attributes of the deposit (such as its size and grade), proximity to infrastructure, financing costs and governmental regulations (including regulations relating to prices, taxes, royalties, infrastructure, land use, importing and exporting of precious metals or base metals and environmental protection). The effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital.

(c) Actual reserves and resources may be lower than current estimates

Declared mineral resources are best estimates that may change as new information becomes available. Consequently, the Company's mineral resources (and when appropriate, ore reserves) may be revised up or down. Actual mineral resources may not conform to geological, metallurgical or other expectations and the volume and grade of ore recovered may be below the estimated levels. Mineral resource data is not indicative of the future results of operations. If the Company's actual mineral resources are less than current estimates, the Company's business, results or operations and financial condition may be materially and adversely affected.

(d) Geology and reserves

To assess, commission and maintain precious and base metal production in the future, the Company will be required to delineate reserves. Any precious and base metal exploration programme entails risks relating to the location of economic ore bodies, the development of appropriate metallurgical processes, the receipt of necessary governmental permits and the construction of mining and processing facilities at any site chosen for mining. No assurance can be given that any exploration programme will result in any commercial mining operation or in the discovery of new resources or the upgrading of existing resources, and any new resources, to reserves.

A decline in the market price of precious and base metals may render the Company's existing resources or any new resources, which are subsequently discovered, uneconomic.

(e) Exploitation risks

There can be no assurance that any resources recovered can be brought into profitable production. Market price fluctuations, increased production costs or reduced recovery rates, or other factors may render the present estimated or inferred resources of Kumarina (which will be owned by the Company, following implementation of the Scheme), uneconomical or unprofitable to develop at a particular site or sites.

Further the Company may not be able to exploit commercially viable discoveries which it owns or in which it acquires an interest. Exploitation may require external approvals or consents from relevant authorities and the granting of these approvals and consents is beyond the Company's control. The granting of such approvals and consents may be withheld for lengthy periods, not given at all, or granted subject to the satisfaction of certain conditions which the Company may not be able to meet. As a result of such delays, the Company may incur additional costs, losses or lose revenue or part or all of its equity in a licence. If at any stage the Company is precluded from pursuing its exploration programme or the exploration programme is not continued, the Company's business, results of operations, financial condition and/or growth prospects may be materially and adversely affected. Additionally, should the regulatory regime in an applicable jurisdiction in which the Company operates, or wishes to exploit mining rights, be modified in a manner which adversely affects natural resources facilities or projects, including taxes and permit fees, the returns to the Company may be adversely affected.

(f) Commercial risks of mineral exploitation and extraction

Even if the Company recovers quantities of minerals, there is a risk the Company will not achieve a commercial return. The Company may not be able to sell the minerals to customers at a price and quantity which would cover its operating and other costs.

(g) Metal price risk

The market price of metals is volatile and beyond the Company's control and may adversely affect the feasibility or future profitability of potential projects. The level of interest rates, the rate of inflation, world supply of precious and base metals and stability of exchange rates can all cause significant fluctuations in precious and base metal prices. Such external economic factors are in turn influenced by changes in international investment patterns and monetary systems and political developments.

The decision to put a mine into production, and the commitment of the funds necessary for that purpose, must be made long before the first revenues from production will be received. Metal price fluctuations as well as forecast production costs between the time that such a decision is made and the commencement of production can completely change the economics of any mine. Although it is possible to protect against metal price fluctuations by hedging in certain circumstances, the volatility of metal prices represents a substantial risk in

the mining industry generally, which no amount of planning or technical expertise can eliminate.

It is not possible to accurately predict future movements in metal prices or supply and demand dynamics for the minerals in which the Company operates or may, in the future, operate particularly in the current uncertain economic environment.

(h) Insurance

While the Company may obtain insurance against certain risks in such amounts as it considers adequate, the nature of these risks are such that liabilities could exceed policy limits or that certain risks could be excluded from coverage. There are also risks against which the Company cannot insure or against which it may elect not to insure. The potential costs that could be associated with any liabilities not covered by insurance or in excess of insurance coverage may cause substantial delays and require significant capital outlays, adversely affecting the Company's earnings and competitive position in the future and, potentially, its financial position. In addition, the potential costs that could be associated with compliance with applicable laws and regulations may also cause substantial delays and require significant capital outlays, adversely affecting the Company's earnings and competitive position in the future and, potentially, its financial position.

(i) Operational targets and delays

The Company's operational targets will be subject to the completion of planned operational goals on time and according to budget, and are dependent on the effective support of the Company's personnel, systems, procedures and controls. Any failure of these may result in delays in the achievement of operational targets with a consequent material adverse impact on the business, operations and financial performance of the Company.

(j) Native title

The Native Title Act recognises and protects the rights and interests in Australia of Aboriginal and Torres Strait Islander people in land and waters, according to their traditional laws and customs. There is significant uncertainty associated with native title in Australia and this may impact on the Company's operations and future plans.

Native title can be extinguished by valid grants of land (such as freehold title) or waters to people other than the native title holders or by valid use of land or waters. It can also be extinguished if the indigenous group has lost its connection with the relevant land or waters. Native title is not necessarily extinguished by the grant of mining leases, although a valid mining lease prevails over native title to the extent of any inconsistency for the duration of the title.

Tenements granted before 1 January 1994 are valid or validated by the Native Title Act. For tenements to be validly granted (or renewed) after 1 January 1994, the future act regime established by the Native Title Act must be complied with.

Tenements which comprise the Ilgarari Project and the Murrin Murrin Project are currently subject to one native title determination and certain native title claims (for further information, see the Solicitor's Report on Tenements). However, the existence of a native title claim is not an indication that native title in fact exists on

the land covered by the claim, as this is a matter ultimately determined by the Federal Court.

The Company must also comply with Aboriginal heritage legislation requirements for its Australian projects. This requires heritage survey work to be undertaken ahead of the commencement of mining operations.

(k) Exploitation, exploration and mining licences

The Company's future 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. There is no guarantee that, upon completion of any exploration, a mining licence will be granted with respect to exploration territory. There can also be no assurance that any exploration licence will be renewed or if so, on what terms. These licences place a range of past, current and future obligations on the Company. In some cases there could be adverse consequences for breach of these obligations, ranging from penalties to, in extreme cases, suspension or termination of the relevant licence or related contract.

(l) Competition

The mining industry is intensely competitive in all of its phases and the Company competes with many companies possessing greater financial and technical resources than the Company. Competition in the minerals and mining industry is primarily for mineral rich properties that can be developed and produced economically; the technical expertise to find, develop, and operate such properties; the labour to operate the properties; and the capital for the purpose of funding such properties. Many competitors not only explore for minerals, but conduct refining and marketing operations on a global basis. Such competition may result in the Company being unable to acquire desired properties, to recruit or retain qualified employees or to acquire the capital necessary to fund its operations and develop its properties. Existing or future competition in the mining industry could materially and adversely affect the Company's prospects for mineral exploration and success in the future.

(m) Risks of future potential acquisitions

In the future, as part of its growth strategy, the Company may acquire other companies or businesses, including mineral interests. Acquisitions by the Company may require the use of significant amounts of cash, dilutive issues of equity securities and the incurrence of debt, each of which could have a material adverse affect on the Company's business, results of operations, financial condition or the market price of Shares and Options.

Acquisitions involve numerous risks, including difficulties with the assimilation of the operations of any acquired business or group and the diversion of management's attention from other business concerns. If such acquisitions do occur, there can be no assurance that the Company's business, results of operations or financial condition would not be materially and adversely affected thereby. The implementation of future acquisitions which the Company may wish to make could be affected by regulatory and other restraints and factors.



(n) Dependence on key personnel

In common with other services and businesses in this industry sector, the Company's business is dependent on retaining the services of a small number of key personnel of the appropriate calibre as the business develops. The success of the Company is, and will continue to be to a significant extent, dependent on the expertise and experience of the key personnel and the loss of one or more of such key personnel could have a material adverse effect on the Company. The Company will compete with numerous other mineral companies (many of which have greater resources) and individuals for the recruitment and retention of qualified employees and contractors.

(o) Dilution of Shareholders' interests

The Company is likely to need to raise additional funds in the future to finance its investments and acquisitions. If additional funds are raised through the issuance of new equity or equity-linked securities of the Company, other than on a pro rata basis to existing Shareholders, the percentage ownership of the Shareholders may be reduced, Shareholders may experience subsequent dilution and/or such securities may have preferred rights, options and pre-emption rights senior to the Shares.

(p) Exchange rate risk

The Company will report its financial results and maintain its accounts in US dollars. Following implementation of the Scheme, the Company will have interests in companies which are quoted on stock exchanges in Australia, Canada, New Zealand and the United Kingdom and will, therefore, be exposed to fluctuations in the value of the currencies in which those stocks are traded. There can be no assurance that the Company will not be materially and adversely affected by such fluctuations.

(q) Environmental risk

The exploration for minerals, development of mines and production of metals can be hazardous to the environment and environmental damage may occur that is costly to remedy. If the Company or any of its subsidiaries is responsible for any environmental damage, the Company may incur substantial remediation costs or liabilities to third parties.

The Company may be involved in operations that may be subject to environmental and safety regulation (including regular environmental impact assessments and permitting). This may include a wide variety of matters, such as prevention of waste, pollution and protection of the environment, labour regulations and worker safety. The regulations may change in a manner that may require stricter or additional standards than those currently in effect, a heightened degree of responsibility for companies and their directors and employees and more stringent enforcement of existing laws and regulations. There may also be unforeseen environmental liabilities resulting from exploration and development activities, which may be costly to remedy. In particular, the acceptable level of pollution and the potential clean up costs and obligations and liability for toxic or hazardous substances for which the Company may become liable, as a result of its activities, may be impossible to assess against the current legal framework and current enforcement practices. There is no assurance that future changes in environmental regulation will not adversely affect the activities of the Company.

(r) Counterparty risk

There is a risk, which is higher in the current uncertain economic environment, that contracts and other arrangements to which the Company is a party and obtains a benefit (such as service and supply agreements) will not be performed by the relevant counterparties, including if those counterparties become insolvent or are otherwise unable to perform their obligations.

## 6.5 Litigation, regulatory and general risks

(a) Litigation risks

Legal proceedings may arise from time to time in the course of the Company's activities. The Proposed Directors cannot preclude that such litigation may be brought against the Company or any of its subsidiaries in the future from time to time.

(b) Regulatory approvals

The Directors believe that the Company holds or will obtain all necessary approvals, licences and permits under applicable laws and regulations in respect of its projects and believes it is presently complying in all material respects with the terms of such approvals, licences and permits. However, such approvals, licences and permits are subject to change in various circumstances and further project specific governmental decrees and/or legislative enactments may be required. There can be no guarantee that the Company will be able to obtain or maintain all necessary approvals, licences and permits that may be required.

(c) Economic, political, judicial, administrative, taxation or other regulatory factors

The Company may be adversely affected by changes in economic, political, judicial, administrative, taxation or other regulatory factors, in the countries in which it operates or has investments, and other countries where it may operate in the future or in which companies, the Company invests in in the future, may operate. These risks and uncertainties include, but are not limited to: hyperinflation; labour unrest; risk of war or civil unrest; expropriation and nationalisation; renegotiations or nullification of existing concessions, licences, permits and contracts; illegal mining; changes in taxation policies; restrictions on foreign exchange and repatriation; terrorist activities; extreme fluctuations in currency exchange rates; and changing political conditions, currency controls and governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction.

There is no assurance that the Company will be successful in obtaining required financing as and when needed. Volatile markets for gold, copper and other minerals may make it difficult or impossible for the Company to obtain equity or debt financing on favourable terms or at all. Failure to obtain additional financing on a timely basis may cause the Company to postpone any development plans, forfeit rights in some or all of its properties or reduce or terminate some or all of its operations, and impact on its ability to implement its planned strategy.

(d) Market perception

The market price of the Shares and the Options could be subject to significant fluctuations, due to a change in sentiment in the market following the Offer.

Any such fluctuations could result from national and global economic and financial conditions, the market's response to the Offer, changes in metal prices, market perceptions of the Company and the companies which form the Utilico Minority Interests, regulatory changes affecting the Company's operations, variations in the Company's operating results, business developments of the Company or its competitors and liquidity of financial markets.

The operating results and prospects of the Company from time to time may be below the expectations of market analysts and investors. Any of these events could result in a decline in the market price of the Shares and the Options.

---

## 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 and Proposed Directors are not aware of any legal proceedings pending or threatened against the Company.

### 7.2 Rights attaching to the Shares

The rights, privileges and restrictions attaching to the Company's Shares are set out in Section 4.11.

### 7.3 Terms and conditions of Options and Consideration Options

The terms and conditions of the Options and Consideration Options are set out in Sections 4.12 and 4.13, respectively.

### 7.4 Lead Manager appointment

The Company has appointed Azure Capital Limited to act as Lead Manager to the Offer on a best endeavours basis. The Company will pay a fee of five per cent (5%) of amounts raised pursuant to the Offer to the Lead Manager (**Lead Manager Fee**). The Lead Manager Fee comprises a 1.25% management fee and a 3.75% placement fee. In addition, the Lead Manager will be reimbursed for all agreed out-of-pocket expenses incurred in connection with the Offer.

Other licensed financial advisers that participate in the Offer, and stockbrokers that are introduced by the Company, will be entitled to receive part of the fee payable to the Lead Manager in respect of applications bearing their stamp.

### 7.5 Custodian Agreement

Pursuant to an agreement dated 5 April 2013 between the Company and Bermuda Commercial Bank Limited (**Custodian Agreement**), the Company appointed Bermuda Commercial Bank Limited as custodian (**Custodian**) in respect of such of the Company's cash and investments as is deposited with, or vested in, the Custodian from time to time (**Investments**).

The main duties and obligations of the Custodian under the Custodian Agreement are to:

- (a) hold, for the account of the Company, all Investments and documents of title in respect of the Investments;
- (b) collect and receive all principal, income and other payments of, or with respect to, the Investments on behalf of, and for the account of, the Company;
- (c) open and maintain in its own name on behalf of, and for the account of the Company, deposits and other bank accounts in such currencies and with such banks as the Company or Investment Manager may require;

- (d) on receipt from the Company of instructions, transfer and/or make delivery of Investments which have been sold;
- (e) on receipt from the Company of instructions, make any payment required, provided that the Custodian is holding sufficient uninvested monies; and
- (f) keep or cause to be kept at its premises such books, records, documents of title and statements as may be necessary to give a complete record of all Investments and transactions carried out by it under the Custodian Agreement or otherwise on behalf of the Company and permit the Company to inspect such books, records, documents of title and statements at all reasonable times and on reasonable notice.

The Custodian shall be entitled to the following fees based on the monthly average market value (or book value if a market value is not available) of securities held by the Custodian on behalf of the Company:

- (a) 0.10% per annum on the first US\$10,000,000;
- (b) 0.05% per annum on the next US\$80,000,000; and
- (c) 0.03% per annum on the balance, thereafter,

subject to a minimum fee of US\$5,000 per annum.

In addition, the Custodian shall be entitled to be paid or reimbursed for all out of pocket expenses such as telephone, fax and courier expenses. The Company shall be liable for any stamp and other duties, taxes, governmental charges, commissions, brokerages, transfer fees and the like in respect of the acquisition, holding or realisation of any Investment.

The Custodian's liability under the Custodian Agreement is limited to losses which result from the gross negligence, wilful default or fraud of the Custodian.

Unless otherwise terminated in accordance with the terms of the Custodian Agreement, the Custodian's appointment shall continue indefinitely. Either the Company or the Custodian may terminate the Custodian Agreement by giving the other at least three months' written notice. Either the Company or the Custodian may terminate the Custodian Agreement at any time if the other:

- (a) goes into liquidation or experiences a similar insolvency-type event; or
- (b) commits a material breach of its obligations under the Custodian Agreement and fails to remedy such breach within 30 days of receipt of a notice from the other party requiring it to remedy such breach.

## **7.6 Disclosure of interests and remuneration**

Directors are not required under the Bye-laws to hold any Shares.

### ***Security holdings***

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

<b>Name</b>	<b>Shares</b>	<b>Options</b>
Charles Jillings (Director)	-	-
Alasdair Younie (Director)	-	-
Peter Sullivan (Proposed Director)	-	-
Martin Botha (Proposed Director)	-	-
Xi Xi (Proposed Director)	-	-

The relevant interest of each of the Proposed Directors in the securities of the Company, following completion of the Offer and implementation of the Scheme is set out in the table below.

<b>Name</b>	<b>Shares</b>	<b>Options</b>
Peter Sullivan <sup>1</sup> (Proposed Director)	1,042,500	208,500
Martin Botha (Proposed Director)	-	-
Xi Xi (Proposed Director)	-	-

**Notes:**

1. 17,500 Shares and 3,500 Options will be held by Mr Sullivan directly, 500,000 Shares and 100,000 Options will be held by Hardrock Capital Pty Ltd, an entity associated with Mr Sullivan, and a further 525,000 Shares and 105,000 Options will be held by Hardrock Capital Pty Ltd ATF CGLW Superannuation Fund. The above Shares and Options represent consideration due to each of these entities, under the Scheme, as holders of Kumarina Shares. This also assumes that neither Mr Sullivan nor any entity associated with him subscribes for Shares under the Offer.

**Remuneration**

The Directors' remuneration information for the current financial year, since the Company's incorporation on 13 August 2012, as at the date of this Prospectus, is set out in the table below:

<b>Name</b>	<b>Remuneration since the date of incorporation</b>	<b>Annual remuneration</b>
Charles Jillings	-	-
Alasdair Younie	-	-

The Proposed Directors' remuneration, from the date of implementation of the Scheme, will be as follows:

<b>Name</b>	<b>Annual salary / consultancy fees</b>	<b>Directors fees per annum</b>
Peter Sullivan	-	US\$50,000
Martin Botha	-	US\$50,000
Xi Xi	-	US\$50,000

## **7.7 Agreements with Directors or Related Parties**

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, in accordance with the Bermuda Companies Act, before such a matter is considered by the Board; and
- (b) once the Director, who has a material personal interest, has disclosed that interest to the Board, the Director may be present while that matter is being considered at the meeting and may vote on the matter.

## **7.8 Interests of Directors**

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

- (a) the formation or promotion of the Company;
- (b) any 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 paid 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 as, a Director; or
- (e) for services provided in connection with:
  - (i) the formation or promotion of the Company; or
  - (ii) the Offer.

## **7.9 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 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,

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:

- (a) the formation or promotion of the Company; or
- (b) the Offer.

Hardy Bowen has acted as the Australian solicitors to the Company in relation to the Offer. The Company estimates it will pay Hardy Bowen A\$50,000 (excluding GST) for these services. Subsequently, fees will be charged in accordance with normal charge out rates.

## **7.10 Consents**

Other than as set out below, each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus, nor is any statement in this Prospectus based on any statement by any of those parties;
- (b) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of the party; and
- (c) did not authorise or cause the issue of all or any part of this Prospectus.

Hardy Bowen has given and has not before the date of this Prospectus withdrawn its written consent to be named as legal adviser to the Company as to matters of Australian law and to the incorporation by reference in this Prospectus of its Solicitor's Report of Tenements set out in Annexure 6 of the Scheme Booklet, in the form and context in which the report is included.

ICM has given and has not before the date of this Prospectus withdrawn its written consent to be named as investment manager to the Company in the form and context in which it is named.

Conyers Dill & Pearman Limited has given and has not before the date of this Prospectus withdrawn its written consent to be named in this Prospectus as special Bermuda legal advisors to the Company as to matters of the laws of Bermuda and to the incorporation by reference in this Prospectus of the summary of certain matters under Bermuda law set out in sections 7.2, 7.3 and 7.4 of the Scheme Booklet and the references to the contents or conclusions of that summary elsewhere in this Prospectus to the extent they constitute statements of Bermuda law, in each case in the form and context in which they are included.



Azure Capital Limited has given and has not before the date of this Prospectus withdrawn its written consent to be named as Lead Manager to the Offer in the form and context in which it is named.

Security Transfer Registrars Pty Ltd has given and has not before the date of this Prospectus withdrawn its written consent to be named as share registry to the Company in the form and context in which it is named.

HLB Mann Judd Chartered Accountants has given and has not before the date of this Prospectus withdrawn its written consent to be named as Proposed Auditor to the Company and to the incorporation by reference in this Prospectus of extracts from and references to the pro forma financial statements set out in section 5.6 of the Scheme Booklet, and the Investigating Accountant's Report set out in Annexure 5 of the Scheme Booklet in the form and context in which they are included.

BDO Corporate Finance (WA) Pty Ltd has given and has not before the date of this Prospectus withdrawn its written consent to be named as the Independent Expert in this Prospectus and to the incorporation by reference in this Prospectus to the Independent Expert's Report set out in Annexure 4 of the Scheme Booklet and the references to the Independent Expert's Report elsewhere in this Prospectus, in each case in the form and context in which they are included.

CSA Global has given and has not before the date of this Prospectus withdrawn its written consent to be named in this Prospectus and to the incorporation by reference in this Prospectus of its Independent Technical Assessment and Valuation of the Ilgarari Project and the Murrin Murrin Project, which forms Appendix 4 to the Independent Expert's Report, and to references to its Independent Technical Assessment and Valuation of the Ilgarari Project and the Murrin Murrin Project elsewhere in this Prospectus, in each case in the form and context in which they are included.

Bryan Smith has given and has not before the date of this Prospectus withdrawn his written consent to be named as a Competent Person in this Prospectus in relation to the information contained in section 3.3 of the Scheme Booklet and to the incorporation by reference in this Prospectus of the information contained in section 3.3 of the Scheme Booklet in the form and context in which it is included.

Mark Hill has given and has not before the date of this Prospectus withdrawn his written consent to be named as a Competent Person in this Prospectus in relation to the information contained in section 3.3 of the Scheme Booklet and to the incorporation by reference in this Prospectus of the information contained in section 3.3 of the Scheme Booklet in the form and context in which it is included.

Simon Coxhell has given and has not before the date of this Scheme Booklet withdrawn his written consent to be named as a Competent Person in this Prospectus in relation to the information contained in section 3.3 of the Scheme Booklet and to the incorporation by reference in this Prospectus of the information contained in section 3.3 of the Scheme Booklet in the form and context in which it is included.

## 7.11 Expenses of the Offer

The total cash expenses of the Offer (excluding GST) are estimated to be approximately A\$780,800 and are expected to be applied towards the items set out in the table below:

<b>Item of Expenditure</b>	<b>(A\$)</b>
ASIC fees	2,200
Legal Fees	50,000
Lead Manager Fee <sup>1</sup>	625,000
ASX listing fees <sup>2</sup>	103,600
Total	780,800

### **Notes:**

1. This assumes that A\$12,500,000 is raised pursuant to the Offer. The Lead Manager Fee is charged at the rate of 5% of the amount raised pursuant to the Offer. Consequently, if no subscriptions are received, no Lead Manager Fee will be payable. If A\$25,000,000 is raised pursuant to the Offer, a Lead Manager Fee of A\$1,250,000 will be payable.
2. This assumes that A\$12,500,000 is raised pursuant to the Offer. If no Shares or Options are issued pursuant to the Offer (and therefore no funds are raised), it is estimated that ASX listing fees will be approximately A\$97,100. If \$25,000,000 is raised pursuant to the Offer, it is estimated that ASX listing fees will be approximately A\$110,000. The ASX listing fees are included in the "Scheme expenses" line in the use of funds table in Section 2.8.

## 7.12 Continuous disclosure obligations

Following admission of the Company to the Official List, the Company will be a "disclosing entity" (as defined in Section 111AC of the Corporations Act) and, as such, will be subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company will be 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.

Price sensitive information will be publicly released through ASX before it is disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants will also be managed through disclosure to the ASX. In addition, the Company will post this information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

## 7.13 Electronic Prospectus

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

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.

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 contact the Company and the Company will send you, for free, either a hard copy or a further electronic copy of this Prospectus or both. Alternatively, you may obtain a copy of this Prospectus from the website of the Company at [www.zetaresources.co](http://www.zetaresources.co).

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.

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.

#### **7.14 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.

#### **7.15 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship**

The Company will apply to participate in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with statements (similar to a bank account statement) that set out the number of Shares and Options allotted 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 CHES 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.

#### **7.16 Privacy statement**

If you complete an Application Form, you will be providing personal information to the Company. 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 and to facilitate distribution payments and corporate communications to you as a holder of equity securities in the Company and carry out administration.

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

You can access, correct and update the personal information that the Company holds about you. If you wish to do so, please contact the share registry 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 (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 Shares, the Company may not be able to accept or process your application.

---

## 8. Director's Authorisation

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

In accordance with section 720 of the Corporations Act, each Director and Proposed Director has consented to the lodgement of this Prospectus with the ASIC.



Mr Alasdair Younie  
Director  
For and on behalf of Zeta Resources Limited

Date: 17 April 2013

---

## 9. Glossary

Where the following terms are used in this Prospectus they have the following meanings:

**A\$** means Australian dollars, being the lawful currency of Australia.

**Applicant** means an applicant for Shares under this Prospectus.

**Application Form** means the application form attached to or accompanying this Prospectus relating to the Offer.

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

**Asset Sale Agreement** means the Asset Sale Agreement between the Company and Utilico, dated 29 January 2013.

**Asset Sale Completion Date** means the date which is two Business Days before the Second Court Date.

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

**ASX Listing Rules** means the official listing rules of ASX.

**Aumex** means Aumex Mining Pty Ltd (ACN 118 268 205).

**Bermuda Companies Act** means the Companies Act 1981 of Bermuda, as may be amended or replaced from time to time.

**Board** means the board of Directors as constituted from time to time.

**Bye-laws** means the Bye-laws of the Company.

**Centamin Shares** means fully paid ordinary shares in the capital of Centamin plc, a company incorporated in England and Wales with Company Number 7673091, and listed on LSE and TSX.

**CHES** means Clearing House Electronic Subregister System operated by ASX Settlement Pty Ltd (ACN 008 504 532).

**Closing Date** means the closing date of the Offer as set out in the indicative timetable in the Investment Overview in Section 2 (subject to the Company reserving the right to extend the Closing Date or close the Offer early).

**Company** or **Zeta** means Zeta Resources Limited (ARBN 162 902 481), a company incorporated under the laws of Bermuda.

**Conditions** has the meaning given in Section 2.4.

**Consideration Option** means an option to subscribe for one (1) Share at an exercise price of A\$1.00 on or before 8 March 2014, to be offered to Aumex in consideration for the cancellation of the Kumarina Options held by Aumex.

**Corporate Governance Statement** means the Company's Corporate Governance Statement.

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

**Court** means the Federal Court of Australia.

**Custodian** means Bermuda Commercial Bank Limited.

**Custodian Agreement** means the Custodian Agreement between the Company and the Custodian, dated 5 April 2013.

**Directors** means Charles Jillings and Alasdair Younie and, following the implementation of the Scheme, the directors of the Company from time to time.

**Effective** means, when used in relation to the Scheme, the coming into effect pursuant to section 411(10) of the Corporations Act of the order of the Court made under section 411(4)(b) in relation to the Scheme.

**Effective Date** means the date the Scheme becomes Effective.

**Exposure Period** means the period of seven (7) days after the date of lodgement of this Prospectus, which may be extended by ASIC by not more than seven (7) days pursuant to section 727(3) of the Corporations Act.

**ICM** means ICM Limited, a company registered in Bermuda with Company Number 44350.

**Ilgarari Project** means Kumarina's Ilgarari Project.

**Implementation Agreement** means the Scheme Implementation Agreement between the Company and Kumarina, dated 29 January 2013.

**Implementation Date** means the date which is the next Business Day after the Scheme Record Date, or such other date as the Company and Kumarina agree in writing.

**Independent Expert** means BDO Corporate Finance (WA) Pty Ltd (ACN 124 031 045).

**Independent Expert's Report** means the Independent Expert's Report which forms Annexure 4 to the Scheme Booklet.

**Investigating Accountant** means HLB Mann Judd.

**Investigating Accountant's Report** means the Investigating Accountant's Report which forms Annexure 5 to the Scheme Booklet.

**Investment Management Agreement** means the Investment Management Agreement between the Company and ICM dated 10 April 2013, a summary of which is set out in Section 4.10.

**Investments** has the meaning given in Section 7.5.

**Kumarina** means Kumarina Resources Limited (ACN 142 774 150).

**Kumarina Option** means an option to subscribe for a Kumarina Share at an exercise price of A\$0.25 on or before 8 December 2014.

**Kumarina Shareholder** means a registered holder of Kumarina Shares.

**Kumarina Shares** means fully paid ordinary shares in the capital of Kumarina.

**Lead Manager** means Azure Capital Limited, ACN 107 416 106.

**Lead Manager Fee** has the meaning given in Section 7.4.

**LSE** means the London Stock Exchange plc.

**Murrin Murrin Project** means Kumarina's Murrin Murrin Project.

**NZO Shares** means fully paid ordinary shares in the capital of New Zealand Oil & Gas Limited (ARBN 003 064 962).

**NZX** means the New Zealand Stock Exchange.

**Offer** means the offer of Shares and Options, pursuant to this Prospectus as set out in Section 3.

**Offer Period** means the period commencing on the date of this Prospectus and ending on the Closing Date.

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

**Official Quotation** means official quotation by ASX in accordance with the ASX Listing Rules.

**Option** means an option to acquire a Share at an exercise price of A\$1.00 on or before the third anniversary of the date of issue.

**Optionholder** means a registered holder of an Option.

**PPP Shares** means fully paid ordinary shares in the capital of Pan Pacific Petroleum NL (ACN 000 749 799).

**Proposed Directors** means Mr Marthinus (Martin) Botha, Mr Peter Sullivan and Ms Xi Xi.

**Prospectus** means this prospectus. A reference to this Prospectus includes a reference to the Scheme Booklet unless the context otherwise requires.

**Resolute Shares** means fully paid ordinary shares in the capital of Resolute Mining Limited (ACN 097 088 689), a company listed on ASX.

**Scheme** means a scheme of arrangement under Part 5.1 of the Corporations Act between the Company and Kumarina.

**Scheme Booklet** has the meaning given to that term in Section 1.3.

**Scheme Meeting** means the meeting of Kumarina Shareholders ordered by the Court to be convened pursuant to section 411(1) of the Corporations Act in respect of the Scheme.



**Scheme Record Date** means the date which is five (5) Business Days after the Effective Date.

**Seacrest Subscription Rights** means 2,500,000 nil paid US\$1.00 subscription rights, which carry the obligation to make a payment of US\$1.00 per subscription right (US\$2.5 million in aggregate) to Seacrest LP on receipt of a drawdown notice from Seacrest LP, following which the Company will become a limited partner of Seacrest LP.

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

**Share Trading Policy** means the Company's Share Trading Policy.

**Shareholder** means a holder of one or more Shares.

**Shares** means fully paid ordinary shares in the capital of the Company.

**Solicitor's Report on Tenements** means the Solicitor's Report on Tenements, prepared by Hardy Bowen.

**TSX** means Toronto Stock Exchange.

**Utilico** means Utilico Investments Limited, a company incorporated in Bermuda with registration number 39479 and listed on LSE.

**Utilico Minority Interests** has the meaning given to that term in Section 4.2.

**US\$** means United States dollars, being the lawful currency of the United States of America.

**VWAP** means volume weighted average price.

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

## Application Form

# ZETA RESOURCES LIMITED

## APPLICATION FORM

Please read all instructions on reverse of this form

**A** Number of Shares applied for      **B** Total amount payable  
 Cheque(s) to equal this amount

	at A\$1.00 each =	A\$
--	-------------------	-----

you may be allocated all of the Shares above or a lesser number

**C** Full name details title, given name(s) (no initials) and surname or company name

Name of applicant 1

Name of joint applicant 2 or <account name>

Name of joint applicant 3 or <account name>

**E** Full postal address

Number/Street



Suburb/town

**G** CHESS HIN (if applicable)

**H** Cheque payment details

Please fill out your cheque details and make your cheque payable to "Zeta Resources Limited – Share Offer Account"

Drawer	Cheque number	BSB number	Account number	Total amount of cheque

**I** Return of the Application Form with your cheque for the Application monies will constitute your offer to subscribe for Shares in the Company. I/We declare that:

- (a) this Application is completed according to the declaration/appropriate statements on the reverse of this form and agree to be bound by the Bye-laws of the Company; and
- (b) I/we have received personally a copy of the Prospectus accompanying the Application Form, before applying for Shares.

**No signature is required.**

**The Prospectus contains information about investing in the Shares of the Company and it is advisable to read this document before applying for Shares**

You should read the Prospectus dated 17 April 2013 carefully before completing this Application Form. The *Corporations Act 2001* (Cth) prohibits any person from passing on this Application Form (whether in paper or electronic form) unless it is attached to or accompanies a complete and unaltered copy of the Prospectus and any relevant supplementary prospectus (whether in paper or electronic form).

Share Registrars use only	
<b>Broker reference – stamp only</b>	
Broker Code	Adviser Code

**D** Tax file number(s)

Or exemption category

Applicant 1/company

Joint applicant 2/trust

Joint applicant 3/exemption

**F** Contact details

Contact name

Contact daytime telephone number

Contact email address

### Guide to Zeta Resources Limited Application Form

This Application Form relates to the Offer of up to 25,000,000 Shares in Zeta Resources Limited at A\$1.00 per Shares, together with up to 5,000,000 free attaching Options on the basis of one (1) Option for every five (5) Shares issued, pursuant to the Prospectus dated 17 April 2013. The expiry date of the Prospectus is the date which is 13 months after the date of the Prospectus. The Prospectus contains information about investing in the Shares and Options of the Company and it is advisable to read this document before applying for Shares. A person who gives another person access to this Application Form must at the same time and by the same means give the other person access to the Prospectus, and any supplementary prospectus (if applicable). While the Prospectus is current, the Company will send paper copies of the Prospectus, and any supplementary prospectus (if applicable), and an Application Form, on request and without charge. Please complete all relevant sections of the Application Form using BLOCK LETTERS. These instructions are cross referenced to each section of the Application Form. Further particulars and the correct forms of registrable titles to use on the Application Form are contained below.

- A** Insert the number of Shares you wish to apply for.
- B** Insert the relevant amount of Application monies. To calculate your Application monies, multiply the number of Shares applied for by the sum of A\$1.00.
- C** Write the full name you wish to appear on the statement of holdings. This must be either your own name or the name of the company. Up to three joint Applicants may register. You should refer to the table below for the correct forms of registrable title. Applicants using the wrong form of title may be rejected. Clearing House Electronic Sub-Register System (CHES) participants should complete their name and address in the same format as that are presently registered in the CHES system.
- D** Enter your Tax File Number (TFN) or exemption category. Where applicable, please enter the TFN for each joint Applicant. Collection of TFN(s) is authorised by taxation laws. Official Quotation of your TFN is not compulsory and will not affect your Application.
- E** Please enter your postal address for all correspondence. All communications to you from the share registry will be mailed to the person(s) and address as shown. For Joint Applicants, only one address can be entered.
- F** Please enter your telephone number(s), area code, email address and contact name in case we need to contact you in relation to your Application.
- G** The Company will apply to ASX to participate in CHES, operated by ASX Settlement and Transfer Corporation Pty Ltd, a wholly owned subsidiary of Australian Stock Exchange Limited.  
If you are a CHES participant (or are sponsored by a CHES participant) and you wish to hold securities allotted to you under this Application in uncertificated form on the CHES subregister, complete Section G or forward your Application Form to your sponsoring participant for completion of this section prior to lodgement. Otherwise, leave Section G blank and on allotment, you will be sponsored by the Company and an SRN will be allocated to you. For further information refer to section 7.13 of the Prospectus.
- H** Please complete cheque details as requested:  
Make your cheque payable to "**Zeta Resources Limited – Share Offer Account**" in Australian currency and cross it "Not Negotiable". Your cheque must be drawn on an Australian Bank. The amount should agree with the amount shown in Section B. Sufficient cleared funds should be held in your account, as cheques returned unpaid are likely to result in your Application being rejected.
- I** Before completing the Application Form the Applicant(s) should read the Prospectus to which the Application relates. By lodging the Application Form, the Applicant(s) agrees that this Application is for Shares in the Company upon and subject to the terms of this Prospectus, agrees to take any number of Shares equal to or less than the number of Shares indicated in Section A that may be allotted to the Applicant(s) pursuant to the Prospectus and declares that all details and statements made are complete and accurate. It is not necessary to sign the Application Form.  
**Privacy** – Please refer to Section 7.16 of the Prospectus for details about the collection, holding and use of your personal information. If you do not provide the information required on this Application Form, the Company may not be able to accept or process your Application.

#### Correct form of Registrable Title

Note that only legal entities are allowed to hold Shares. Applications 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. The name of the beneficiary or any other non-registrable title may be included by way of an account designation if completed exactly as described in the example of correct forms of registrable title below:

Type of investor	Correct form of Registrable Title	Incorrect form of Registrable Title
<b>Individual</b> Use names in full, no initials	Mr John Alfred Smith	JA Smith
<b>Minor (a person under the age of 18)</b> Use the name of a responsible adult; do not use the name of a minor	John Alfred Smith <Peter Smith>	Peter Smith
<b>Company</b> Use company title, not abbreviations	ABC Pty Ltd	ABC P/L ABC Co
<b>Trusts</b> Use trustee(s) personal name(s), do not use the name of the trust	Mrs Sue Smith <Sue Smith Family A/C>	Sue Smith Family Trust
<b>Deceased Estates</b> Use executor(s) personal name(s), do not use the name of the deceased	Ms Jane Smith <Est John Smith A/C>	Estate of late John Smith
<b>Partnerships</b> Use partners personal names, do not use the name of the partnership	Mr John Smith and Mr Michael Smith <John Smith and Son A/C>	John Smith and Son

Return your completed Application Form to:

**By Post to:**

Zeta Resources Limited  
c/- Security Transfer Registrars Pty Ltd  
PO Box 535  
Applecross WA 6953

**Or Delivered to:**

Zeta Resources Limited  
c/- Security Transfer Registrars Pty Ltd  
770 Canning Highway  
Applecross WA 6153

**Application Forms must be received no later than 5.00 pm WST time on the Closing Date.**