

# **YELLOW ROCK RESOURCES LTD**

## **ACN: 116 221 740**

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## **NON-RENOUNCEABLE RIGHTS ISSUE PROSPECTUS**

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### **Prospectus**

For a pro rata non-renounceable Rights Issue of up to 349,026,205 New Shares on the basis of one (1) New Share for every one (1) Existing Share held at an issue price of \$0.01 per New Share, and 349,026,205 New Options on the basis of one (1) free attaching New Option for every one (1) New Share subscribed for and issued, to raise up to \$3,490,262 (**Rights Issue**).

### **Important Information**

This Prospectus is a transaction specific prospectus issues in accordance with Section 713 of the Corporations Act. This Prospectus contains important information about the Rights Issue and should be read in its entirety including the Entitlement and Acceptance Form. If you do not understand it or have any questions regarding it, you should consult your professional advisors.

### **THE NEW SHARES AND NEW OPTIONS OFFERED BY THIS PROSPECTUS ARE OF A SPECULATIVE NATURE.**

This document is not for publication or distribution, directly or indirectly, in or into the United States of America (including its territories and possessions, any state of the US and the District of Columbia). This document is not an offer of securities for sale into the United States or to, or for the account or benefit of, US Persons. The securities referred to herein have not been and will not be registered under the US Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons. No public offering of securities is being made in the United States.

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## **Corporate Directory**

### **Board of Directors**

Sydney Chesson    Non-Executive Chairman  
Leslie Ingraham    Executive Director  
Brenton Lewis    Non-Executive Director

### **Company Secretary**

Simon Chesson

### **Registered Office**

420 Newcastle Street  
West Perth WA 6005  
Telephone: (08) 9227 6300  
Facsimile: (08) 9227 6400

### **ASX Codes**

Fully paid ordinary shares                      YRR

### **Solicitors**

AustAsia Legal Pty Ltd  
412 Newcastle Street  
WEST PERTH WA 6005

### **Share Registry\***

Computershare Investor Services Limited  
Level 2, 45 St George's Terrace  
PERTH WA 6000

### **Website**

[www.yellowrock.com.au](http://www.yellowrock.com.au)

\* The name of the Share Registry is included for information purposes only. It has not been involved in the preparation of any part of this Prospectus and has not consented to being named in the Prospectus.

# 1. IMPORTANT INFORMATION

The Prospectus is dated 19 March 2014 and was lodged with the Australian Securities and Investment Commission (**ASIC**) on that date. Neither ASIC nor the Australian Securities Exchange (**ASX**) takes any responsibility for the contents of this Prospectus. No Securities will be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus. Applicants for Securities offered pursuant to this Prospectus can only be submitted on an original Entitlement and Acceptance Form which accompanies this Prospectus.

## 1.1. Important Dates

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Lodgement of Prospectus with ASIC	19 March 2014
Notice Sent to Shareholders	21 March 2014
Ex Date	24 March 2014
Record Date for determining Entitlements	28 March 2014
Prospectus dispatched to Shareholders	3 April 2014
Closing Date	17 April 2014
Securities quoted on a deferred settlement basis	22 April 2014
Notify ASX of under-subscriptions	24 April 2014
Dispatch date/Shares entered into Shareholders' security holdings	30 April 2014

## 1.2. Application for Quotation

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Application will be made within 7 days after the date of this Prospectus for the New Shares offered by this Prospectus to be listed for quotation on the ASX.

Application for quotation will not be made for the New Options offered by this Prospectus.

## 1.3. Foreign Jurisdictions

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

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 and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Applicants who are resident in countries other than Australia and New Zealand 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.

## 1.4. Notes to Applicants

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The information in this Prospectus is not financial product advice and does not take into account your investment objectives, financial situation or particular needs.

It is important that you read this Prospectus carefully and in its entirety before deciding whether to invest in the Company. In particular, you should consider the risk factors that could affect the performance of the Company. You should carefully

consider these risks in light of your personal circumstances and seek professional guidance from your professional advisers before deciding whether to invest in the Securities.

Some of the key risk factors that should be considered by prospective investors are set out in Section 6. There may be risk factors in addition to these that should be considered in light of your personal circumstances.

No person named in this Prospectus, nor any other person, guarantees the performance of the Company or the repayment of capital or any return on investment made pursuant to this Prospectus.

### **1.5. Disclosing Entity**

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In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

### **1.6. No Authority**

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No person is authorised to give any information or to make any representation regarding the Rights Issue. Any information or representation in relation to the Rights Issue which is not contained in this Prospectus may not be relied upon as having been authorized by the Company or its Directors.

### **1.7. Electronic Prospectus**

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The Rights Issue pursuant to an Electronic Prospectus is available to Australian residents receiving an electronic version of this Prospectus within Australia. This Prospectus may be accessed on the internet at [www.yellowrock.com.au](http://www.yellowrock.com.au)

The Corporations Act prohibits any person passing onto another person the Entitlement and Acceptance Form unless it is attached to, or accompanied by, the complete and unaltered version of this Prospectus. Persons who have received this Prospectus as an Electronic Prospectus should ensure they have received the entire Prospectus accompanied by the Application Form. If they have not, they should contact the Company by e-mail at [yrinfo@yellowrock.com.au](mailto:yrinfo@yellowrock.com.au) and the Company will send for free, either a hard copy or a further electronic copy of the Prospectus or both.

The Company reserves the right not to accept an Entitlement and Acceptance Form from a person if it has reason to believe that the person completing the electronic Entitlement and Acceptance Form was not provided the Electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered. In this case, any application monies received will be dealt with in accordance with section 724 of the Corporations Act.

During the offer period, any person may obtain a hard copy of the Prospectus by contacting the Company by e-mail at [yrinfo@yellowrock.com.au](mailto:yrinfo@yellowrock.com.au) . The Company will provide a hard copy of the Prospectus for free.

### **1.8. Definitions**

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Certain abbreviations and other defined terms are used throughout this Prospectus and are generally identifiable by the use of upper case first letter. Details of the definitions and abbreviations are set out in Section 9 of this Prospectus.

## 2. CHAIRMAN'S LETTER

Dear Fellow Shareholders,

On behalf of the Directors I am pleased to invite you to take up your entitlement to new ordinary fully paid shares (New Shares) and free attaching options (New Options) in Yellow Rock Resources Limited (the Rights Issue).

The Company is making a non-renounceable rights issue of one (1) Yellow Rock Resources Limited New Share at \$0.01 per share for every one (1) Share held at the Record Date, and one (1) free attaching New Option exercisable at \$0.015 each on or before 31 December 2017 for every one (1) New Share subscribed for and issued, to raise up to approximately \$3,490,262. Eligible Shareholders may also apply for additional New Shares in excess of their Entitlement (Additional Shares) at the same price in the event that there is a shortfall of acceptances of New Shares.

It is proposed that the funds raised from the Offer will be applied to develop and improve the Company's exploration interests, develop the Company's projects, to fund general working capital requirements (including facilitating any future opportunities that may be identified by the Directors and the Vanitec meeting) and to pay for the costs of the Rights Issue.

Please read this Prospectus carefully before deciding whether or not to invest. If there is any matter on which you require further information, you should consult your stockbroker, accountant or other professional advisor.

A personalised Entitlement and Acceptance Form is also enclosed with this Prospectus. If you are eligible and you wish to accept your Entitlement pursuant to the Rights Issue, you will need to complete the Entitlement and Acceptance Form and return it together with the appropriate Application Money to the Company's share registry before 5.00pm (WST) on the closing date of 17 April 2014.

The Directors will determine the allocation of Additional Shares and Shortfall Shares. The Independent Directors will first seek to place the Shortfall with Shareholders who have at the time of their initial application, applied for Additional Shares. The Independent Directors will place the Additional Shares to applicants in a manner which is in the view of the Independent Directors in the best interests of the Company moving forward. This may include an allocation on a pro-rata basis if, there is greater demand than available Additional Shares.

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

Yours faithfully,



Sydney Chesson  
Chairman

## 3. DETAILS OF THE RIGHTS ISSUE

### 3.1. Offer

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By this Prospectus, the Company offers for subscription up to 349,026,205 New Shares pursuant to a pro-rata non-renounceable Rights Issue to Shareholders of one (1) new Share for every one (1) Share held on the Record Date at an issue price of \$0.01 per New Share, and 349,026,205 New Options on the basis of one (1) free attaching New Option for every one (1) New Share subscribed for and issued to raise up to \$3,490,262 (**Rights Issue Offer**). Fractional entitlements will be rounded down to the nearest whole number.

### 3.2. Closing Date

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The Closing Date for receipt of applications for Shares pursuant to this Prospectus will be 5:00pm WST on 17 April 2014, however, the Directors reserve the right to extend the Closing Date.

Entitlement and Acceptance Forms should be submitted as soon as possible, however, they must be received by the Closing Date. The Company reserves the right to vary the Closing Date without prior notice. The Company also reserves the right not to proceed with the Rights Issue at any time prior to issuing the Shares.

### 3.3. How to Accept the Rights Issue

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Your acceptance of the Rights Issue must be made on the Entitlement and Acceptance Form accompanying this Prospectus. Your acceptance must not exceed your Entitlement as shown on that form. If it does, your acceptance will be deemed to be for the maximum Entitlement.

You may participate in the Rights Issue as follows:

- (a) if you wish to accept your Entitlement in full:
  - (i) complete the Entitlement and Acceptance Form, filling in the details in the spaces provided; and
  - (ii) attach your cheque for the amount indicated on that relevant Entitlement and Acceptance Form or pay via BPAY® by following the instructions set out on the Entitlement and Acceptance Form (Applicants should ensure they include their reference number if paying by BPAY®); or
- (b) if you only wish to accept part of your Entitlement:
  - (i) fill in the number of Securities you wish to accept in the space provided on the Entitlement and Acceptance Form; and
  - (ii) attach your cheque for the appropriate application monies (at \$0.01 per New Share) or pay via BPAY® by following the instructions set out on the Entitlement and Acceptance Form (Applicants should ensure they include their reference number if paying by BPAY®); or
- (c) if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

### 3.4. Payment by Cheque/Bank Draft

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All cheques must be drawn on an Australian bank or bank draft made payable in

Australian currency to "Yellow Rock Resources Ltd" and crossed "Not Negotiable".

Your completed Entitlement and Acceptance Form and cheque must reach the Company's share registry no later than 5:00pm WST on the Closing Date.

### **3.5. Payment by BPAY®**

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For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (a) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form; and
- (b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Securities which is covered in full by your application monies.

**It is your responsibility to ensure that your BPAY® payment is received by the share registry by no later than 2.00pm(WST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment.** Any application monies received for more than your final allocation of Securities (only where the amount is greater than \$1.00) will be refunded. No interest will be paid on any application monies received or refunded.

The Rights Issue is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

### **3.6. Rights and Liabilities Attaching to New Shares**

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The New Shares offered under this Prospectus will rank pari passu with the Existing Shares on issue. The New Shares to be issued will be credited as fully paid. The Company does not currently have a dividend policy, and any future dividends will be determined based on profitability and the future cash requirements of the Company. A summary of the rights and liabilities attaching to New Shares is outlined in Section 5 of this Prospectus.

### **3.7. Rights and Liabilities Attaching to New Options**

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The New Options offered under this Prospectus will be exercisable at \$0.015 each and will expire on 31 December 2017. The Company will not apply for quotation of the New Options. A summary of the rights and liabilities attaching to New Options is outlined in Section 5 of this Prospectus.

### **3.8. No Underwriting**

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The issue is not underwritten.

### **3.9. Details of Substantial Holders**

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Based on publicly available information as at 19 March 2014, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Kimbriki Nominees Pty Ltd	5.73%
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### **3.10. Effect of the Rights Issue on Control of the Company**

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The potential effects that the issue of the New Shares under the Rights Issue will have on the control of the Company, and the consequences of those effects, will depend on a number of factors, including the number of Shareholders who take up their entitlements under the Rights Issue.

However, given the structure of the Rights Issue as a non-renounceable pro-rata issue and the current level of holdings of substantial shareholders (based on substantial shareholder notices that have been given to the Company on or before the date of this Prospectus), the Offer is not expected to have any material consequences on the control of the Company. If all Shareholders take up their entitlements under the Rights Issue, the Rights Issue itself will not have a material effect on the control of the Company.

### **3.11. Minimum Subscription**

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There is no minimum subscription for this Rights Issue.

### **3.12. Additional Shares**

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If you decide not to accept all or part of your Entitlement pursuant to the Prospectus, you are not required to take any action under this section.

Eligible Shareholders who have subscribed for their full Entitlement may apply for Additional Shares in excess of their Entitlement as described below. Additional Shares will only be available where there is a shortfall between applications received from Eligible Shareholders and the number of New Shares proposed to be issued under the Offer. Additional Shares will be issued on the same terms and conditions of the New Shares under the Rights Issue at an issue price of \$0.01 per New Share.

The Company proposes to adopt the following allocation policy for Additional Shares:

- a) firstly, subject to availability, 200,000 Additional Shares (\$2,000) or such lower amount subscribed for; and
- b) secondly to those Eligible Shareholders who apply for Additional Shares in excess of 200,000 Additional Shares then the number applied for pro rata to their Entitlement.
- c) No person is permitted to increase its relevant interest to more than 20% of the total number of Shares on issue following the Rights Issue through an application for Additional Shares under this mechanism.
- d) If a relevant interest of 20% or more is already held by a person, then no increase is permitted.
- e) The Additional Shares will be allocated on the Issue Date.
- f) If any shortfall remains after the issue of Additional Shares has been completed (Shortfall), it will be dealt with in accordance with ASX Listing Rules as set out below.

Accordingly, Eligible Shareholders who apply for Additional Shares may be allocated a lesser number of Additional Shares than applied for (whether wholly or partially) in which case excess application money will be refunded without interest in

accordance with the Corporations Act. The Company does not guarantee that you will receive any Additional Shares.

If you wish to subscribe for Additional Shares in addition to your full Entitlement then you should nominate the maximum dollar value of New Shares you wish to subscribe for on the Entitlement and Acceptance Form and make corresponding payment for your full Entitlement plus the value of any Additional Shares subscribed for, or follow the instructions for BPAY® set out in the Entitlement and Acceptance Form.

However, the Directors and any related parties are unable to participate in Additional Shares due to restrictions under the Corporations Act and Listing Rules. Accordingly, no Additional Shares will be issued to the Directors or any related parties.

### **3.13. Shortfall**

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If you do not wish to take up any part of your Entitlement you are not required to take any action. That part of your Entitlement not taken up will form part of the Shortfall which will be placed by the Directors within 3 months of the close of the Rights Issue in accordance with ASX Listing Rules. The Shortfall is a separate offer made pursuant to this Prospectus. This issue price for shares and free attaching options will be the same as under the Rights Issue.

### **3.14. ASX Listing**

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Application for official quotation by ASX of the New Shares offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. If approval is not obtained from ASX before the expiration of 3 months after the date of issue of the Prospectus, (or such period as modified by the ASIC), the Company will not issue any Securities and will repay all application monies for the Securities within the time prescribed under the Corporations Act, without interest.

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

Application for quotation of New Options offered pursuant to this Prospectus will not be sought.

### **3.15. Issue of Securities**

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Securities issued pursuant to the Rights Issue (including the Additional Shares) will be issued in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus.

Securities issued pursuant to the Shortfall will be issued on a progressive basis. Where the number of Securities issued is less than the number applied for, or where no issue is made surplus application monies will be refunded without any interest to the Applicant as soon as practicable.

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

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

### **3.16. Overseas Shareholders**

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

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

### **3.17. Taxation Implications**

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The Directors do not consider that it is appropriate to give Applicants advice regarding the taxation consequences of applying for Securities under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation consequences. The Company, its advisers and officers, do not accept any responsibility or liability for any taxation consequences to Applicants. Potential Applicants should, therefore, consult their own professional tax adviser in connection with the taxation implications of the Securities offered pursuant to this Prospectus.

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

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

Under CHES, applicants will not receive a certificate but will receive a statement of their holding of New Securities.

If you are broker sponsored, ASX Settlement will send you a CHES statement. The CHES statement will set out the number of New Securities issued under this Prospectus, provide details of your holder identification number and give the participation identification number of the sponsor.

If you are registered on the issuer sponsored sub register, your statement will be dispatched by the Company's share registrar and will contain the number of New Securities issued to you under this Prospectus and your security holder reference number.

A CHES statement or issuer sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their shareholding changes. Shareholders may request a statement at any other time, however, a charge may be made for additional statements.

### **3.19. Privacy**

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If you complete an application for New Shares, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application,

service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

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

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

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988 (Cth)*, 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 New Shares, the Company may not be able to accept or process your Application.

## 4. PURPOSE AND EFFECT OF THE RIGHTS ISSUE

### 4.1. Purpose of the Rights Issue

The purpose of the Rights Issue is to raise approximately \$3,490,262 (before expenses). The proceeds of the Rights Issue are planned to be used in accordance with the table set out below.

The below table is a statement of our proposed application of the funds raised as at the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect our decisions and we reserve the right to vary the way the funds are applied.

<b>Application of Proceeds of the Rights Issue</b>	<b>\$</b>	<b>%</b>
Gabarintha regional exploration and development	1,500,000	42.97
Nowthanna regional exploration and development	500,000	14.3
Exploration of other projects of the Company	500,000	14.3
Working Capital	890,262	25.50
Expenses of the Rights Issue	100,000	2.86
<b>Total</b>	<b>3,490,262</b>	<b>100</b>

If less than \$3,490,262 is raised, the Company intends to apply to the amount raised first to any additional costs of the Rights Issue and second to those activities which would be most beneficial for the progression of those projects. Those activities are, in order of priority, Gabarintha regional exploration and development, Nowthanna regional exploration and development and an exploration of other projects of the Company.

### 4.2. Effect of the Rights Issue and Pro-forma Consolidated Balance Sheet

The principal effect of the Rights Issue will be to:

- (a) increase the cash reserves by approximately \$3,390,262 immediately after completion of the Rights Issue after deducting the estimated expenses of the Rights Issue; and
- (b) increase the number of Shares on issue from 349,026,205 Shares, to approximately 698,052,410 Shares following completion of the Rights Issue. Increase the number of unlisted options on issue by 349,026,205 following completion of the Rights Issue.

### 4.3. Consolidated Balance Sheet

The audit reviewed consolidated Balance Sheet as at 31 December 2013 and the unaudited consolidated Pro Forma Balance Sheet as at 31 December 2013 shown on the following pages have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position. They have been prepared on the assumption that all Securities pursuant to the Rights Issue in this Prospectus are issued, less the costs of the Rights Issue.

The unaudited consolidated Balance Sheet have been prepared to provide Shareholders with information on the assets and liabilities of the Company and pro-

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

It has been prepared on the basis that there has been no material movement in the assets and liabilities of the Company between 31 December 2013 and the close of the Rights Issue, other than those stated above.

**Yellow Rock Resources Ltd**  
**Pro-forma Statement of Financial Position**

Notes	Audit review 31 December 2013 \$	Pro-forma Adjustments	Maximum Subscription Proforma 31 December 2013 \$
<b>Assets</b>			
<b>Current assets</b>			
	190,013	3,390,262	3,580,275
	2,334,335	-	2,334,335
<b>Total current assets</b>	<b>2,524,348</b>	<b>3,390,262</b>	<b>5,914,610</b>
<b>Non-current assets</b>			
	19,210	-	19,210
	13,637,405	-	13,637,405
<b>Total non-current assets</b>	<b>13,656,614</b>	<b>-</b>	<b>13,656,614</b>
<b>Total assets</b>	<b>16,180,963</b>	<b>3,390,262</b>	<b>19,571,225</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
	156,337	-	156,337
<b>Total current liabilities</b>	<b>156,337</b>	<b>-</b>	<b>156,337</b>
<b>Total liabilities</b>	<b>156,337</b>	<b>-</b>	<b>156,337</b>
<b>Net assets</b>	<b>16,024,625</b>	<b>3,390,262</b>	<b>19,414,887</b>
<b>Equity</b>			
	59,499,090	3,390,262	62,889,352
	22,544,306	-	22,544,306
	(66,018,771)	-	(66,018,771)
<b>Total equity</b>	<b>16,024,625</b>	<b>3,390,262</b>	<b>19,414,887</b>

#### 4.4. Effect on Capital Structure

A comparative table of changes in the capital structure of the Company as a consequence of the Rights Issue is set out below, assuming that the Rights Issue is fully subscribed.

<b>Shares</b>	<b>Number</b>
Shares on issue at date of Prospectus	349,026,205
Shares offered under the Rights Issue	349,026,205
<b>Total Shares on issue after completion of the Rights Issue</b>	<b>698,052,410</b>

<b>Partly Paid Shares</b>	<b>Number</b>
Partly Paid Shares on issue at date of Prospectus	80,000,000
Partly Paid Shares offered under the Rights Issue	NIL
<b>Total Partly Paid Shares on issue after completion of the Rights Issue</b>	<b>80,000,000</b>

<b>Unlisted Options</b>	<b>Number</b>
Options on issue at date of Prospectus (Unquoted exercisable at \$0.025 each on or before 31 December 2014)	230,000,000
Options offered under the Rights Issue (Unquoted exercisable at \$0.015 each on or before 31 December 2017)	349,026,205
<b>Total Options on issue after completion of the Rights Issue</b>	<b>570,026,209</b>



## **5. RIGHTS AND LIABILITIES ATTACHING TO THE SECURITIES**

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

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The New Shares issued pursuant to this Prospectus will rank pari passu with all other Shares presently on issue. The Shares when issued will be credited as fully paid. The following is a broad summary (though not necessarily an exhaustive or definitive statement) of the rights and liabilities attaching to all New Shares.

### **5.2. Voting**

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At a general meeting, every member present in person or by proxy, attorney or representative has one vote on a show of hands and on a poll, one vote for each Share held. On a poll, partly paid shares confer a fraction of a vote pro-rata to the amount paid on the share.

### **5.3. General Meetings**

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Each member is entitled to receive notice of and, except in certain circumstances, to attend and vote at general meetings of the Company and receive all financial statements, notices and other documents required to be sent to members under the Constitution, the Listing Rules or the Corporations Act.

### **5.4. Dividends**

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Subject to any special terms and conditions of issue, the profits of the Company which the Directors from time to time determine to distribute by way of dividend are divisible amongst the members in proportion to the amounts paid up on the Shares held by them.

### **5.5. Transfer of Shares**

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Holders of Shares may transfer them by a proper transfer affected in accordance with the business rules of the Security Clearing House and the ASX and as otherwise permitted by the Corporations Act. The Directors may decline to register a transfer of Shares where the transfer is not in registrable form or where the refusal to register the transfer is permitted under the Listing Rules. If the Directors decline to register a transfer the Company must give the party lodging the transfer written notice of the refusal and the reason for refusal.

### **5.6. Winding Up**

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Subject to any special or preferential rights attaching to any class or classes of shares, members will be entitled in a winding up to share in any surplus assets of the Company in proportion to the shares held by them irrespective of the amount paid up or credited as paid up, less any amounts which remain unpaid on these shares at the time of distribution.

### **5.7. Shareholder Liability**

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

### **5.8. Alteration of Constitution**

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The Constitution can only be amended by a special resolution passed by at least three quarters of members present and voting at a general meeting of the Company. The Company must give at least 28 days written notice of its intention to propose a resolution as a special resolution.

## **5.9. Future Increase in Capital**

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

## **5.10. Variation of Rights**

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Pursuant to Section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of shareholders vary or abrogate the rights attaching to shares. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

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

## **5.11. Terms and Conditions of New Options**

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The New Options offered pursuant to this Prospectus will be issued on the following terms and conditions:

- (a) The Optionholder is entitled on payment of \$0.015 (Exercise Price) to be allotted one Share for each Option exercised (subject to possible adjustments referred to below).
- (b) The Options held by the Optionholder are exercisable in whole or in part at any time before 31 December 2017 (Exercise Period). Options not exercised before the expiry of the Exercise Period will lapse.
- (c) Options are exercisable by notice in writing to the YRR Board delivered to the registered office of YRR and payment of the Exercise Price in cleared funds. Some or all of the Options may be exercised at any one time or times prior to the expiry of the Exercise Period provided that no less than 1,000 Options are exercised at any one time (provided that an Optionholder holding less than 1,000 Options may exercise all but not part of those Options).
- (d) Options are transferable subject to the Corporations Act and ASX Listing Rules.
- (e) An Optionholder may only participate in new issues of securities to holders of YRR Shares if the Option has been exercised and Shares allotted in respect of the Option before the record date for determining entitlements to the issue. YRR must give prior notice to the Optionholder of any new issue before the record date for determining entitlements to the issue in accordance with the ASX Listing Rules.
- (f) If there is a bonus issue to the holders of YRR Shares, the number of YRR Shares over which the Option is exercisable will be increased by the number of YRR

Shares which the Optionholder would have received if the Option had been exercised before the record date for the bonus issue.

(g) If YRR makes a rights issue (other than a bonus issue), the Exercise Price of Options on issue will be reduced according to the Listing Rules.

(h) If, during the currency of the Options the issued capital of YRR is reorganised, those Options will be reorganised to the extent necessary to comply with Listing Rules.

## **6. RISKS**

### **6.1. Introduction**

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This Section identifies the areas the Directors regard as the major risks associated with participation in the Rights Issue.

Investors should be aware that an investment in the Company involves many risks, which may be higher than the risks associated with an investment in other companies.

Intending investors should read the whole of this Prospectus in order to fully appreciate such matters and the manner in which the Company intends to operate before any decision is made to apply for Shares.

There are numerous widespread risks associated with investing in any form of business and with investing in the share market generally. There is also a range of specific risks associated with the Company's business and its involvement in the mining industry. These risk factors are largely beyond the control of the Company and its Directors because of the nature of the proposed business of the Company.

The following summary, which is not exhaustive, represents some of the major risk factors which potential investors need to be aware of.

### **6.2. Risk Factors**

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#### **6.2.1. Economic Risks**

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

#### **6.2.2. Market Conditions**

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

#### **6.2.3. Exploration and Mining Risks**

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The business of mineral exploration and mining involves risks and hazards. For example, in an exploration context no assurance can be given that ore bodies will be detected with preferred or desirable tonnages or grades. High risk and substantial expense can be incurred without the requisite or expected degree of reward.

Even if commercial quantities of ore are discovered unforeseen risks can arise in the development and production phase including: mining or processing issues, environmental hazards, industrial accidents, labour forced disruption, the unavailability of materials and equipment, unusual or unexpected geological formation, pit failures, changes in the regulatory environment and weather conditions. Such occurrences could result in damage to, or destruction of, mineral properties or production facilities, personal injury or death, environmental damage, delays in mining, monetary losses and possible legal liability.

#### **6.2.4. Uncertainty of Exploration and Development Programs**

Exploration for minerals is highly speculative in nature, involves many risks and is frequently unsuccessful. Among the many uncertainties inherent in any exploration and development program are the location of ore bodies, the development of appropriate metallurgical processes, the receipt of necessary governmental permits, access to permits and the construction of mining and processing facilities. Assuming the discovery of an economic deposit, several years may lapse from the initial phases of drilling until commercial operations commence and, during such time, the economic feasibility of production may change. Accordingly, the Company's exploration and development program may not result in any new economically viable mining operations.

#### **6.2.5. Resource Estimates**

Resource estimates are expressions of judgment based on knowledge, experience and resource modelling. As such, resource estimates are inherently imprecise and rely to some extent on interpretations made. Despite employing qualified professionals to prepare resource estimates, such estimates may nevertheless prove to be inaccurate. Furthermore, resource estimates may change over time as new information becomes available. Should the Company encounter mineralisation or geological formations different from those predicted by past drilling, sampling and interpretations, resource estimates may need to be altered in a way that could adversely affect the Company's operations.

#### **6.2.6. Tenement Title Risk**

Interests in exploration and mining tenements in Australia are governed by State and Territory legislation, which covers the granting of leases and licences. Each lease or licence is for a specific term and carries with it annual expenditure, reporting, compliance or compulsory reduction conditions.

Consequently, the Company could lose title to or its interest in tenements if licence conditions are not met or if insufficient funds are available to meet expenditure requirements. If a tenement is not renewed for any reason, the Company may suffer significant damage through loss of opportunity to discover and develop any material resources on that tenement.

All of the tenements in which the Company has an interest will be subject to application for renewal from time to time and the renewal term is subject to applicable legislation. However, the Directors are not aware of any reason why renewal of the term of any tenement should not be granted.

#### **6.2.7. Volatility of Demand and Prices**

There is no assurance that the discovery of significant mineral ore bodies will be accompanied by (or at least by the time of production) the existence of a profitable market for sales. For a variety of reasons, prices may experience strong falls or volatility in prices now or during future exploration or production.

#### **6.2.8. Environmental Risks**

The Company's projects are subject to relevant environmental legislation and will themselves have varying levels and types of potential impact on the natural environment.

The Company intends to conduct its activities in an environmentally responsible manner and in accordance with applicable laws and industry standards. Areas

disturbed by the Company's activities will be rehabilitated as required by the conditions attaching to the tenements.

#### **6.2.9. Insurance Risk**

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Insurance against all risks associated with mineral exploration is not always available or affordable. The Company intends to maintain insurance where it is considered appropriate for its needs; however, it will not be insured against all risks either because appropriate cover is not available or because the Directors consider the required premiums to be excessive having regard to the benefits that would accrue.

#### **6.2.10. Commodity Price Volatility and Exchange Rate Risk**

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If the Company achieves success leading to mineral production, the revenue it will derive through the sale exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors.

Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

#### **6.2.11. Reliance on Key Management**

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

#### **6.2.12. Additional Requirements for Capital**

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The Company's capital requirements depend on numerous factors.

Depending on the Company's ability to generate income from its operations, it is likely that the Company will require further financing in addition to amounts raised under this Prospectus. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be.

#### **6.2.13. Potential Acquisitions**

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As part of its business strategy, the Company may make acquisitions of or significant investments in companies, products, technologies or resource projects. Any such future transactions would be accompanied by the risks commonly encountered in making acquisitions of companies, products, technologies or resource projects.

#### **6.2.14. Legislative Changes, Government Policy and Approvals**

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Changes in government regulations and policies may adversely affect the financial performance of the Company. For example, any increased rentals under the Mining Act may impact on the Company's financial performance. The Company's capacity to explore and mine, in particular the Company's ability to explore and mine any reserves, may be affected by changes in government policy, which are beyond the

control of the Company. These changes may also have an impact on the economic viability of the Company's resources.

#### **6.2.15. Native Title**

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The Company's activities in Australia are subject to the Native Title Act and associated legislation and law relating to native title and Aboriginal land. Uncertainty associated with native title and Aboriginal land issues may impact on the Company's future plans.

The ability of the Company to gain access to its tenements for the purposes of exploration remains subject to native title rights and the terms of registered native title agreements.

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

#### **6.3. Speculative Nature of Investment**

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

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Shares in the Company.

## 7. ADDITIONAL INFORMATION

### 7.1. Legal Framework of this Prospectus

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The Company is a “disclosing entity” (as defined in Section 111AC of the Corporations Act) for the purposes of Section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations.

Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

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

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

Having taken such precautions and having made such enquiries as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 12 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

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

### 7.2. Information Available to Shareholders

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

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in Section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
  - (i) the financial statements of the Company for the financial year ended 30 June 2013 being the last financial statements for a financial year, of the Company lodged with the ASIC before the issue of this Prospectus;



- (ii) the half year financial statements of the Company lodged with ASIC for the half year ended 31 December 2013 lodged with ASIC before the issue of this Prospectus; and
- (iii) any documents used to notify ASX of information relating to the Company in the period from lodgment of the financial statements referred to in paragraph (i) above until the issue of the Prospectus in accordance with the Listing Rules as referred to in Section 674(1) of the Corporations Act.

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

The Company has lodged the following announcements with ASX since the lodgment of the 2013 audited financial statements:

<b>Date</b>	<b>Description of Announcement</b>
20/09/13	YRR to attend Vanitec Meeting in Beijing
24/09/13	Presentation
08/10/13	Notice of Annual General Meeting and Proxy Form
09/10/13	Yellow Rock Resources to Host 86 <sup>th</sup> Vanitec Meeting
24/10/13	Bulk Sample for China
28/10/13	Quarterly Cashflow Report
28/10/13	Quarterly Activities Report
08/11/13	Results of Annual General Meeting
18/11/13	Ore Sample Dispatched to China
27/11/13	Copper Gold Drill Results Gabanintha
03/12/13	Change of Director's Interest Notice
04/12/13	Change of Director's Interest Notice
28/01/14	Quarterly Activities Report
28/01/14	Quarterly Cashflow Report
07/02/14	Change of Director's Interest Notice
10/02/14	New Drill Program to Build on Copper & Gold at Gabanintha
03/03/14	Approval for Drilling Program to Build on Copper & Gold
06/03/14	Change in Substantial Holding
14/03/14	Half Year Financial Accounts

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

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

### **7.3. Directors Remuneration**

The aggregate remuneration for non-executive Directors has been set at an amount not to exceed \$500,000 per annum.

Remuneration of Directors may be paid by way of fixed salary or consultancy fee.

The annual remuneration (inclusive of superannuation and exclusive of GST) payable to each of the Directors as at the date of this Prospectus is as follows:

<b>Director</b>	<b>Annual Remuneration (\$)</b>
Syd Chesson	180,000
Brenton Lewis	47,706
Leslie Ingraham	270,000

Directors are also entitled to be paid reasonable travelling, accommodation and other expenses incurred in consequence of their attendance at Board meetings and otherwise in the execution of their duties as Directors.

#### **7.4. Directors Interests**

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within 2 years before the lodgment of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Rights Issue pursuant to this Prospectus; or
- (c) the Rights Issue pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner, either to induce him to become, or to qualify him as, a Director or otherwise for services rendered by him or by the firm in connection with the formation or promotion of the Company or Rights Issue pursuant to this Prospectus.

Directors' interests in securities of the Company at the date of this Prospectus are:

<b>Director</b>	<b>Shares</b>	<b>Options</b>	<b>Entitlement</b>
Syd Chesson	9,969,650	nil	9,969,650
Les Ingram	10,478,774	nil	10,478,224
Brenton Lewis	3,083,950	nil	3,083,950

#### **7.5. Interests and Consents of Named Parties**

Other than as set out below or elsewhere in this Prospectus, no expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner, nor any company with which any of those persons is or was associated, has or had within 2 years before the lodgment of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Rights Issue of securities pursuant to this Prospectus; or
- (c) the Rights Issue of securities pursuant to this Prospectus.

Other than as disclosed in this Prospectus, no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any expert, promoter or any other 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, or to any firm in which any of those persons is or was a partner, or to any company with

which any of those persons is or was associated, for services rendered by that person, or by the firm or the company, in connection with the formation or promotion of the Company or the Rights Issue pursuant to this Prospectus.

AustAsia Legal Pty Ltd, an entity associated with Mr Sydney Chesson, has acted as lawyers to the Company in relation to the Rights Issue. We estimate that we will pay approximately \$25,000 (excluding GST) for these services. In the past two years, AustAsia Legal Pty Ltd has been paid fees (excluding GST) of approximately \$22,671 by the Company.

Pursuant to Section 716 of the Corporations Act, AustAsia Legal Pty Ltd has given, and has not withdrawn its consent to being named as Solicitors to the Company in the Corporate Directory of this Prospectus in the form and context in which it is named. AustAsia Legal Pty Ltd has not caused or authorised the issue of this Prospectus, does not make or purport to make any statement in this Prospectus and takes no responsibility for any part of this Prospectus.

#### **7.6. Legal Proceedings**

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The Company is currently involved in litigation in recovering monies from defaulting holders of partly paid shares. The litigation is not expected to have a material impact on the operations of the Company or the financial position or performance of the Company. The Directors are not aware of any other legal proceedings pending or threatened against the Company.

#### **7.7. Estimated Expenses of the Rights Issue**

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The expenses connected to the Rights Issue payable by the Company are estimated at approximately \$100,000 at Full Subscription. These estimated expenses include, legal fees, ASX and ASIC fees, registry costs, printing and distribution costs and other miscellaneous expenses.

#### **7.8. Market Price of Shares**

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

The highest and lowest market sale prices of the Company's Shares on ASX during the three months immediately preceding the date of lodgment of this Prospectus with the ASIC and the respective dates of those sales were:

- Highest: \$0.021 on 14/03/2013
- Lowest: \$0.006 on 24/05/2013

The latest available closing sale price of the Company's Shares on ASX prior to the lodgment of this Prospectus with the ASIC was \$0.012 on 19/03/2014.

#### **7.9. Electronic Prospectus**

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Pursuant to Class Order 00/044, 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.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Entitlement and Acceptance Form. If you have not, please phone the Company and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both.

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

## **8. DIRECTORS CONSENT**

This prospectus is authorized by the Company and lodged with the ASIC pursuant to Section 718 of the Corporations Act.

Each of the Directors of Yellow Rock Resources Ltd has consented to the lodgment of this Prospectus with the ASIC in accordance with Section 720 of the Corporations Act.

Dated the 19 day of March 2014

A handwritten signature in black ink, appearing to be 'S. Chesson', written in a cursive style.

Signed for and on behalf of Yellow Rock Resources Ltd  
By Mr Sydney Chesson  
Chairman

## 9. DEFINITIONS

**Additional Shares** means New Shares issued pursuant to this Prospectus in excess of a Shareholder's entitlement.

**Applicant** means a Shareholder or other party who applies for Securities pursuant to the Rights Issue.

**Application** means a valid application to subscribe for shares pursuant to this Rights Issue.

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

**ASX** means the ASX Limited (ACN 008 624 691).

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

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

**Business Day** means a day on which trading takes place on the stock market of ASX.

**Closing Date** means the closing date of the Rights Issue, being 5:00pm (WST) on 4 April 2014 (unless extended).

**Company** means Yellow Rock Resources Ltd (ACN 116 221 740).

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

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

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

**Dollar** or "\$" means Australian dollars.

**Entitlement** means the entitlement of a Shareholder who is eligible to participate in the Rights Issue.

**Entitlement and Acceptance Form** means the entitlement and acceptance form either attached to or accompanying this Prospectus.

**Existing Shares** means fully paid ordinary shares in the Company on issue prior to this Prospectus.

**Issue** means the issue of Shares offered by this Prospectus.

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

**New Options** means options issued pursuant to this Prospectus.

**New Shares** means fully paid ordinary shares issued pursuant to this Prospectus.

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

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

**Prospectus** means this prospectus dated 19 March 2014.

**Quotation** means official quotation on ASX.

**Record Date** means 5:00pm (WST) on 28 March 2014.

**Related Corporation** has the meaning given to that term in the Corporations Act.

**Rights Issue** means the offer pursuant to this Prospectus of one (1) new Share for each one (1) Share held by a Shareholder on the Record Date to raise approximately \$3,490,262.

**Securities** means New Shares and New Options.

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

**Shareholder** means a shareholder of the Company.

**Shortfall** means those New Shares under the Rights Issue not applied for by Shareholders under their Entitlement or as Additional Shares.

**WST** means Western Standard Time.

**YRR** means Yellow Rock Resources Ltd (ACN 116 221 740)