



A.C.N. 119 057 457

A non-renounceable pro-rata rights issue of one (1) new Share for every three (3) Shares held by Qualifying Shareholders as at 5.00pm WST on 7 September 2020 at an issue price of \$0.014 per Share to raise approximately \$2,062,937 (before expenses of the Issue).

The Issue is fully underwritten by RM Corporate Finance Pty Ltd.

OFFER DOCUMENT

THE SECURITIES OFFERED BY THIS OFFER DOCUMENT ARE OF A SPECULATIVE NATURE.

IMPORTANT NOTICE

This Offer is being made without disclosure to investors under Part 6D.2 of the Corporations Act. This Offer is being made in accordance with section 708AA of the Corporations Act and does not require disclosure under a disclosure document.

The purpose of this Offer Document is to summarise the details of the Offer. This Offer Document is not a disclosure document for the purposes of the Corporations Act.

This Offer Document should be read carefully. If you are in any doubt as to the contents of this Offer Document you should consult your stockbroker or other professional adviser without delay.

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DISCLAIMER

No person is authorised to give any information or make any representation in connection with the Offer that is not contained in this Offer Document. Any information or representation not contained in this Offer Document may not be relied upon as having been authorised by the Company in connection with the Offer. Neither the Company nor any other person warrants the future performance of the Company or any return on any investment made under this Offer Document except as required by law, and then only to the extent so required.

Any forecast or any forward-looking statement contained in this Offer Document may involve significant elements of subjective judgement and assumption as to future events which may or may not be correct, and there are usually differences between forecasts and actual results because events and actual circumstances frequently do not occur as forecast and these differences may be material. Nothing contained in this Offer Document is, or may be relied on as, a promise or representation as to the future.

The information contained in this Offer Document does not purport to constitute all the information that you may require to enable you to evaluate effectively and completely whether to take up additional Shares under the Offer. In preparing this Offer Document, the Company has not taken into account the investment objectives, financial situation or particular needs of any particular person. Accordingly, before acting on this Offer Document, you should assess whether a further investment in the Company would be appropriate in light of your own financial circumstances.

Except to the extent prohibited by law, the Company, its officers, employees and advisers disclaim all liability that may otherwise arise due to any of the information in this Offer Document being inaccurate or incomplete.

IMPORTANT NOTICE

This Offer Document is dated 1 September 2020.

The ASIC and ASX take no responsibility for the contents of this Offer Document.

This Offer Document contains an offer to Shareholders of the Company as at 5.00pm WST on the Record Date whose registered addresses are in Australia and New Zealand (**Qualifying Shareholders**). Distribution of this Offer Document in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Offer Document should seek advice and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. This Offer Document does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make the Offer. No action has been taken to register this Offer Document or the Shares or to otherwise permit an offering of the Shares in any jurisdiction outside of Australia or New Zealand.

A copy of this Offer Document will be posted to all Qualifying Shareholders. An electronic version of this Offer Document will also be emailed to Qualifying Shareholders who have provided Advance Share Registry Services with their email address and may also be viewed by Qualifying Shareholders by accessing their secure electronic account with Advance Share Registry Services. Qualifying Shareholders who access the electronic version of this Offer Document should ensure that they download and read the entire document. A personalised Entitlement & Acceptance

Form will accompany the paper copy of this Offer document which is mailed to all Qualifying Shareholders and the electronic copy of the Offer Document which is sent to Qualifying Shareholders by email or accessed by Qualifying Shareholders from their secure electronic account with Advance Share Registry Services.

Qualifying Shareholders should read this Offer Document in its entirety and, if in any doubt, consult with their professional advisers before deciding whether to apply for Shares. There are risks associated with an investment in the Company and the Shares offered under this Offer Document must be regarded as a speculative investment. It is important that Qualifying Shareholders consider the risk factors set out in section 2.23 of this Offer Document, as well as any other risks which could adversely affect the financial performance of the Company or the value of an investment in Shares of the Company. The Shares offered under this Offer Document carry no guarantee with respect to return on capital investment or the future value of the Shares.

DISCLOSURE

This Offer Document is not a disclosure document for the purposes of the Corporations Act. The Offer contained in this Offer Document is being made without disclosure to investors under Part 6D.2 of the Corporations Act. The Offer is being made in accordance with section 708AA of the Corporations Act, which exempts the need for disclosure under a disclosure document.

As at the date of this Offer Document, the Company has complied with the provisions of Chapter 2M of the Corporations Act as they apply to the Company, and section 674 of the Corporations Act.

As at the date of this Offer Document, there is no excluded information as described in section 708AA(8) and (9) of the Corporations Act.

DEFINITIONS AND ABBREVIATIONS

Certain abbreviations and other defined terms are used throughout this Offer Document. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations used are set out in section 4 of this Offer Document.

1. CHAIRMAN'S LETTER



1 September 2020

Dear Shareholders

NON-RENOUNCEABLE RIGHTS ISSUE

The purpose of this fully underwritten Rights Issue is to fund the following:

1. Reconnaissance exploration and geophysical surveys at Longland Resources Ltd's ("Longland") Ryberg (Ni-Cu-Co-PGE-Au) and Mestersvig (Pb-Zn) projects in East Greenland;
2. The Mt Thirsty Cobalt-Nickel-Manganese Oxide Project;
3. The repayment of the amount (of approximately \$400,000) lent by Barra Resources Ltd to the Company;
4. Ongoing working capital to cover operating expenses for approximately 12 months; and
5. The costs of this Offer.

Conico Ltd ("Conico") announced (see announcement (ASX: CNJ) 29 July 2020) a binding Term Sheet (conditional) to acquire 100% of England registered Longland in consideration for 120 million Conico Shares. Highlights of Longland's exploration portfolio are set out in that announcement.

For these reasons, the Directors have decided to proceed with this Rights Issue.

Tasman Resources Ltd, the Company's largest Shareholder, as well as the directors of Conico (and their associated companies or trusts), have indicated that they each intend to support this Rights Issue and to take up some, if not all, of their respective Entitlements.

I urge Shareholders to read this Offer Document carefully, and I commend this Rights Issue to you.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Gregory H. Solomon', is written over a light yellow rectangular background.

Gregory H. Solomon
Chairman

2. DETAILS OF THE OFFER

2.1. KEY POINTS

A non-renounceable pro-rata rights issue of one (1) new Share for every three (3) Shares held by Qualifying Shareholders as at 5.00pm WST on 7 September 2020 at an issue price of \$0.014 per Share, to raise approximately \$2,062,937 (before expenses of the Offer).

Share Issue Price	\$0.014 per new Share
Qualifying Shareholder Entitlement	One (1) new Share for every three (3) Shares held as at 5.00 pm WST on the Record Date*
Number of Shares to be issued pursuant to this Issue*	Approximately 147,352,652
Approximate amount to be raised pursuant to this Issue* (before expenses of the Offer and assuming the Offer is fully subscribed)	\$2,062,937

*In calculating Entitlements under the Offer, fractions will be rounded up to the nearest whole number.

These figures assume that none of the existing Options on issue in the Company are converted to Shares prior to the Record Date. If this occurs, the number of Shares, and the amount raised under the Issue, may increase.

2.2. TIMETABLE

Offer announcement and lodgement of Appendix 3B at ASX	18 August 2020
Lodgement of Offer Document and cleansing notice with ASX	1 September 2020
Ex Date	4 September 2020
Record Date for determining Entitlements to participate in Offer (at 5.00 pm WST)	7 September 2020
Despatch of Offer Document to Qualifying Shareholders	10 September 2020
Closing Date for acceptance of Offer and payment in full (at 5.00pm WST)	25 September 2020
If agreed by ASX, Shares quoted on a deferred settlement basis	28 September 2020
Announcement of results of Rights Issue	30 September 2020
Issue Date and Appendix 2A lodged with ASX (end of any deferred settlement trading) and dispatch of holding statements	2 October 2020

These dates are subject to change and are indicative only. The Company reserves the right to amend this indicative timetable. In particular, the Company reserves the right, subject to the Corporations Act and the Listing Rules, to extend the Closing Date, to accept late Entitlement and Acceptance Forms either generally or in particular cases, or to withdraw or reduce the size of the Offer without prior notice. Any extension of the Closing Date will have a consequential effect on the date for the issue of new Shares.

2.3. PURPOSE OF THE ISSUE

The funds raised under this Issue are to augment the existing funds held by the Company (including those raised under the August 2020 Placement) to enable the Company:

- assuming the acquisition by the Company of Longland Resources is completed, to fund reconnaissance, exploration and geophysical surveys of the two exploration licences, MEL 2017/06 and MEL 2019/38, held by Longland Resources in Greenland;

- (b) to fund the Mt Thirsty Cobalt-Nickel-Manganese Oxide Project;
- (c) to repay the amount (of approximately \$400,000) lent by Barra Resources Ltd to the Company;
- (d) to provide ongoing working capital; and
- (e) to pay the costs of this Offer.

The Company entered into the Term Sheet on 29 July 2020 to acquire all of the ordinary fully paid shares in Longland Resources. The Term Sheet is subject to and conditional upon ASX confirming that the acquisition of Longland Resources will not trigger Chapter 11.1 of the Listing Rules (this condition has been satisfied), the execution of a formal share sale agreement not inconsistent with the material terms of the Term Sheet by the Company and all of the shareholders of Longland Resources (“Share Sale Agreement”), satisfactory due diligence by the Company of Longland Resources, satisfactory due diligence by Longland Resources of the Company, the Company’s shareholders approving the acquisition by the Company of all of the issued share capital of Longland Resources and any UK, Greenlandic or Australian regulatory approvals that may be required, including all necessary ASX and ASIC approval.

The Company has reached in-principle agreement on the terms and conditions of the Share Sale Agreement, which (as at the date of this Offer Document) was in the process of being executed by all of the shareholders of Longland Resources and the Company. The Share Sale Agreement, once executed, will be conditional upon the following conditions all being satisfied on or before 26 October 2020: the Company being satisfied with its due diligence investigations of Longland Resources and its tenements, the Company’s Shareholders authorising the issue to all of the shareholders of Longland Resources of, in the aggregate, 120,000,000 Shares (as the consideration which is payable for their shares in Longland Resources), Longland Resources having obtained all necessary consents and approvals under or in connection with its tenements as a consequence of the sale of all of the shares in Longland Resources, the Greenland Government, Mineral Licence and Safety Authority granting its approval to the change in control of Longland Resources which will occur as a result of the transactions contemplated by the Share Sale Agreement and the Company entering into agreements with Thomas Abraham-James and Guy Touzeau Le Page (a current director of the Company) pursuant to which they are engaged to act as joint chief executive officers of the Company and Longland Resources respectively on terms and conditions which are acceptable to all parties. If, for any reason, the Share Sale Agreement is not executed or it is executed but subsequently terminated, whether due to non-satisfaction of any of the above conditions or due to default, the Company will not acquire all of the shares in Longland Resources.

This Issue is fully underwritten. If for any reason the Underwriting Agreement is terminated (see section 2.22 for details of the circumstances where this may occur), the Company’s expenditure on the above matters will necessarily be more limited.

2.4. EFFECT ON CAPITAL STRUCTURE

The capital structure of the Company on completion of the Offer will be as follows*:

Shares	
Shares currently on issue	442,057,954
Shares offered under the Offer (est)	147,352,652
Total Shares on issue on completion of the Offer (est)(on the assumption that the Offer is fully subscribed) ^{(1), (2), (3)}	589,410,606
Options⁽⁴⁾	
Listed Options (CNJO) currently on issue (exercisable at \$0.048 on or before 30 June 2021)	28,264,866
Unlisted Options currently on issue (exercisable at \$0.0488 on or before 20 November 2020)	8,000,000
Total Options on issue on completion of the Offer (est.) ^{(5), (6)}	36,264,866

- (1) Assuming the Offer is fully subscribed and none of the Options currently on issue by the Company are exercised before the Record Date. If this occurs, the number of Shares may increase and the number of Options may decrease.
- (2) After completion of the Offer, and subject to Shareholder approval being obtained and satisfaction of all of the other conditions in the Share Sale Agreement, at completion of the Share Sale Agreement, the Company will issue an additional 120,000,000 Shares, in the aggregate, to the shareholders of Longland Resources.
- (3) After completion of the Offer, and subject to Shareholder approval being obtained, the Company will issue an additional 15,003,281 Shares, in the aggregate, to its directors and RM Corporate Finance Pty Ltd (“RMCF”) to convert \$210,046 owing by the Company to its directors (on account of unpaid director fees and superannuation to 31 July 2020) and to RMCF (on account of unpaid corporate advisory fees to 31 July 2020), into Shares, at a conversion price of \$0.014, being the price at which Shares will be issued under this Offer.
- (4) No Options will be issued pursuant this Offer.
- (5) This figure assumes none of the Options currently on issue in the Company are exercised before completion of the Offer.
- (6) After completion of the Offer and subject to Shareholder approval being obtained, the Company has agreed to issue to the Underwriter 20,000,000 new Options (as part of the consideration which is payable to the Underwriter for fully underwriting this Offer (see section 2.22 for further details)) and to Oracle Capital Group Pty Ltd 6,000,000 new Options (as the consideration for certain corporate advisory services to be provided to the Company), each to acquire one Share at an exercise price of \$0.04 exercisable at any time within three years after their date of issue.

2.5. ENTITLEMENT TO PARTICIPATE IN OFFER

Only Qualifying Shareholders are eligible to participate in the Offer.

The number of Shares to which each Qualifying Shareholder is entitled is shown on the personalised Entitlement and Acceptance Form which accompanies this Offer Document.

In the calculation of Entitlements, fractions will be rounded up to the nearest whole number. If the Company considers that holdings have been split to take advantage of rounding, the Company reserves the right to aggregate holdings held by associated Shareholders for the purpose of calculating Entitlements.

In relation to Foreign Shareholders, please refer to section 2.17 of this Offer Document.

2.6. NON - RENOUNCEABLE - NO RIGHTS TRADING

This Offer is made on a non-renounceable basis such that Qualifying Shareholders may not sell or transfer all or any part of their Entitlement. If Qualifying Shareholders do not take up their Entitlement by the Closing Date, their Entitlement to new Shares under this Offer will lapse.

2.7. UNDERWRITTEN

The Offer is fully underwritten. The Underwriter has agreed to underwrite 100% of the Shortfall (if any) remaining after completion of the QS Shortfall Offer (“Underwritten Securities”). The Underwriter will be required to subscribe for all of the Underwritten Securities at an issue price of \$0.014 per Share, being the same price at which the Shares are being offered under this Offer.

The Underwriter has entered into sub-underwriting agreements to sub-underwrite all of the Underwritten Securities.

A summary of the material terms of the Underwriting Agreement (including details of the fee which is payable by the Company to the Underwriter) is set out in section 2.22 of this Offer Document.

This Offer is not conditional upon it being underwritten. If for any reason the Underwriting Agreement is terminated (see section 2.22 of this Offer Document which summarises the events which will entitle the Underwriter to terminate the Underwriting Agreement), unless the Directors otherwise determine, this Offer will proceed.

2.8. APPLICATIONS

This Offer may be accepted by Qualifying Shareholders in whole or in part prior to the Closing Date, subject to the right of the Company to extend the Offer Period or close the Offer early.

Instructions for accepting an Entitlement are set out in section 3 of this Offer Document and on the Entitlement and Acceptance Form that accompanies this Offer Document.

2.9. APPLICATION MONEY

All Applicants who exercise their Rights in full will receive their Entitlement in full.

New Shares will be issued to Applicants only after all of their Application Money has been received and ASX has granted permission for the new Shares to be quoted.

Application Moneys received by the Company from Applicants for new Shares will be held in trust in a separate account by the Company until those Shares are issued. Any interest earned on Application Moneys will be applied against the costs of the Issue, with any balance being retained by the Company.

If the Offer does not proceed (for whatever reason), the Application Moneys will be returned without interest.

2.10. CLOSING DATE

The Closing Date for the Issue is 5.00 pm WST on 25 September 2020. Subject to the Corporations Act and Listing Rules, the Directors may extend the Closing Date at any time prior to the Closing Date. The date the Shares are expected to commence trading on ASX may vary with any change to the Closing Date.

2.11. ISSUE OF NEW SHARES

The new Shares will be issued to Applicants, and holding statements for the new Shares will be dispatched to Applicants, as soon as practicable after the Closing Date.

2.12. RANKING OF NEW SHARES

On issue, the new Shares will rank equally with all other Shares then on issue.

2.13. SHORTFALL

If not all Qualifying Shareholders take up their Entitlements under this Offer in full, the portion not taken up will form part of the Shortfall.

Qualifying Shareholders may, in addition to their Entitlement, apply for additional new Shares forming part of the Shortfall, regardless of the size of their present holding.

The offer of the Shortfall is a separate offer pursuant to this Offer Document ("QS Shortfall Offer"). The issue price of any new Shares comprising part of the Shortfall shall be \$0.014, being the same price at which the Shares are being offered to Qualifying Shareholders pursuant to this Offer Document.

Qualifying Shareholders who wish to participate in the offer of the Shortfall by applying for new Shares above their Entitlement, should insert the number of additional new Shares they wish to apply for in that section of the table in the Entitlement and Acceptance Form headed "Number of Shortfall Shares (if any) applied for in excess of the Entitlement shown above". Any additional new Shares applied for must be paid in the same manner as the Entitlement Shares are paid for. A single payment should be made for the Application Moneys for any new Shares a Qualifying Shareholder has applied for as part of its Entitlement and any additional new Shares applied for as part of the Shortfall. It is an express term of the offer of the Shortfall that applicants for new Shares comprised in the Shortfall will be bound to accept a lesser number of additional new Shares than the number applied for.

The Shortfall will be placed at the discretion of the Company, and the Company reserves the right to not allot any of the Shortfall or to allot to a Qualifying Shareholder a lesser number of the new Shares comprising the Shortfall than the number for which the Qualifying Shareholder applies or to reject an application. In assessing any application by a Qualifying Shareholder to take up a portion of the Shortfall, the Company will take into account the number of Shares held by that Qualifying Shareholder as at the Record Date and the Company does not intend that a Qualifying Shareholder with a small shareholding in the Company will be issued a large portion of the Shortfall (if any).

Qualifying Shareholders who apply for additional new Shares in excess of their Entitlement receive no guarantee that they shall receive all or any of those additional new Shares for which they apply. If a Qualifying Shareholder does not receive all or any of the additional new Shares they apply for, any excess Application Moneys will be returned to them (without interest).

The Directors (whether personally or through their associated companies or trusts) will not apply for any additional new Shares forming part of the Shortfall.

If the Underwriting Agreement is terminated for any reason, the Directors also reserve the right to place the balance of the Shortfall not subscribed for by Qualifying Shareholders under the QS Shortfall Offer within 3 months of the Closing Date, at an issue price of not less than the issue price under this Offer, being \$0.014 per Share.

2.14. ASX QUOTATION

The Company will apply to ASX to have the Shares to be issued under this Offer granted official quotation.

2.15. MINIMUM SUBSCRIPTION

There is no minimum subscription.

2.16. OVERSUBSCRIPTIONS

Oversubscriptions will not be accepted.

2.17. FOREIGN SHAREHOLDERS

The Company is of the view that it is unreasonable to extend this Offer to Foreign Shareholders having regard to the number of Foreign Shareholders in each jurisdiction outside Australia and New Zealand, the number and value of Shares that would be offered to them and the costs of complying with the laws, and any requirements of regulatory authorities, of the applicable jurisdictions outside of Australia and New Zealand.

Recipients (including Custodians) may not send or otherwise distribute this Offer Document or the Accompanying Entitlement and Acceptance Form to any person outside Australia or New Zealand.

Accordingly this Offer is not extended to, and no Shares will be issued to, Foreign Shareholders, and no Entitlement and Acceptance Form will be sent to Foreign Shareholders. However, in compliance with Listing Rule 7.7.1, the Company will send each Foreign Shareholder details of this Offer and advise them that the Company will not offer Shares to them.

2.18. DIRECTOR SHAREHOLDING

As at the date of this Offer Document, all of the Directors (either personally, or through associated companies or trusts) hold Shares in the Company. The Directors are all Qualifying Shareholders and will therefore receive Rights to subscribe for new Shares pursuant to this Offer.

The relevant interest of each of the Directors in the Shares and Options of the Company as at the date of this Offer Document, and assuming they take up their Rights in full by applying for all of the new Shares to which they are entitled under this Offer (but do not take up any of the Shortfall), is as follows:

	Gregory Solomon and Arkenstone Pty Ltd (and associated companies and trusts)	Douglas Solomon and March Bells Pty Ltd (and associated companies and trusts)	Guy Le Page, Guy t Le Page & Associates Pty Ltd (and associated companies and trusts)	James Richardson and Tadea Pty Ltd (and associated companies and trusts)
Shares currently held	27,193,654	25,200,860	17,185,867	29,377,083
New Shares offered under this Offer (estimated)	9,064,553	8,400,288	5,728,623	9,792,362
Maximum Shares held on completion of this Offer (estimated)	36,258,207	33,601,148	22,914,490	39,169,445
Options currently held	4,888,185	4,688,985	3,333,357	2,877,083

Nothing in this Offer Document will be taken to preclude any of the Directors, officers or employees of the Company or any of their subsidiary companies from applying for new Shares under this Offer.

Each of the Directors of the Company, and the companies and trusts which are associated with them, have indicated to the Company that they intend to support the Offer and to take up some, if not all, of their respective Entitlements.

2.19. EFFECT ON EXISTING SHAREHOLDERS AND OPTIONHOLDERS

Qualifying Shareholders who take up their Rights in full will not have their proportionate interest in the Company diluted by this Offer. The proportionate interest of a Qualifying Shareholder who takes up their Entitlement in full and applies for (and is issued) additional new Shares forming part of the Shortfall will increase.

Qualifying Shareholders who do not exercise their Rights in full will have their interest in the Company diluted.

Foreign Shareholders will have their interest in the Company diluted.

Existing Optionholders who do not exercise all or any of their Options before the Record Date will not be entitled to participate in this Issue with respect to those Options (and, if the Options are subsequently exercised, the interest which the Shares issued consequent upon the exercise of the Options will confer in the Company will have been diluted by this Issue).

2.20. IMPACT ON CONTROL

The new Shares issued under this Offer will represent up to 25% of the expanded issued Share capital upon completion of the Offer (depending on the level of take up of the Rights).

The Company's largest Shareholder, Tasman, has indicated to the Company that it intends to support this Offer and to take up some of its Entitlements. Tasman does not intend to apply for any of the Shortfall. The following table summaries the potential increase in Tasman's shareholding in the Company at the completion of the Offer, depending on the level of take up of the Rights.

	Tasman	% of total
Existing Shares held	50,660,821	11.460%
Maximum Shares held on completion of this Rights Issue (estimated)*	67,547,762	11.460%**
Existing Options held	5,184,536	18.34%

*On the assumption that Tasman takes up all of its Rights and does not exercise any of its existing Options prior to the Record Date.

** On the assumption that this Issue is fully subscribed, noting that it is fully underwritten and that none of the existing Options are exercised prior to the Record Date.

In any event, Tasman has indicated to the Company that it does not have any present intention to try to change the Company's main activities, business or direction.

The Underwriter is not presently a shareholder of the Company. The Underwriter has entered into sub-underwriting agreements to sub-underwrite all of the Underwritten Securities. Accordingly, the underwriting by the Underwriter will not have any impact on the control of the Company.

2.21. MARKET PRICES OF EXISTING SHARES ON ASX

The highest and lowest market sale price of the existing Shares during the 3 months immediately preceding the lodgement of this Offer Document with ASX, and the last market sale price on the Business Day immediately preceding the lodgement date of this Offer Document, are set out below.

	3-Month High (on 19 August 2020)	3-Month Low (on 21 July 2020)	Last Market Price (on 31 August 2020)
Existing Shares	\$0.02	\$0.007	\$0.016

2.22. UNDERWRITING AGREEMENT

The Company entered into an underwriting agreement with RM Corporate Finance Pty Ltd on 14 August 2020 ("the Underwriting Agreement"). Pursuant to the Underwriting Agreement, RM Corporate Finance Pty Ltd (the "Underwriter") will underwrite 100% of the Shortfall (if any) remaining after completion of the QS Shortfall Offer, giving a maximum underwritten amount of \$2,062,937 (if there were no Applications under the Offer). The Underwriter will be required to subscribe for the Underwritten Securities at an issue price of \$0.014 per Share.

In consideration of its obligations under the Underwriting Agreement, the Underwriter will be paid an aggregate fee which is equal to a management fee of 1% of the maximum underwritten amount and a lodgement fee of 5% of the maximum underwritten amount (being, in the aggregate, a fee of \$123,776.22 exclusive of GST).

In addition, the Company has agreed to issue 20,000,000 new Options to the Underwriter (subject to approval of the Company's Shareholders being obtained at the Company's next annual general meeting, which will be held after the Closing Date). If Shareholder approval is obtained, the Company will issue the new Options to the Underwriter within 3 Business Days of the date of that Shareholder approval. If Shareholder approval is not obtained, the Company shall not be required to issue the new Options to the Underwriter. The Underwriter shall not be entitled to be paid the underwriting fee or be issued with the new Options if the Underwriter terminates the Underwriting Agreement.

The Underwriter has entered into sub-underwriting agreements to sub-underwrite all of the Underwritten Securities. The Underwriter will pay any commissions it has agreed to pay to its sub-underwriters out of the fees payable to it under the Underwriting Agreement.

If the Company has complied with its obligations under the Underwriting Agreement and has not breached any of the representations, warranties and undertakings made by it therein and the Underwriting Agreement has not been terminated, the Underwriter must lodge or cause to be lodged with the Company applications for all of Underwritten Securities.

The Underwriter may terminate its obligations under the Underwriting Agreement if (in the reasonable opinion of the Underwriter reached in good faith), any of the following events ("Events of Termination") has or is likely to have, or together have, or could reasonably be expected to have, a material adverse effect on the Offer, the subsequent market for the new Shares or on the condition, trading or financial position and performance, profits and losses, results, prospects, business or operations of the Company taken as a whole or could give rise to a liability of the Underwriter under the Corporations Act:

- (1) **Offer Document:** any of the following occurs in relation to this Offer Document:
 - (a) the Underwriter reasonably forms the view that there is a material omission, it contains a material statement which is misleading or deceptive, or a material statement has become misleading or deceptive;
 - (b) the Underwriter reasonably forms the view that any projection or forecast in this Offer Document becomes, to a material extent, incapable of being met or unlikely to be met in the projected time;
 - (c) ASIC gives notice of intention to hold a hearing under section 739(2) of the Corporations Act or makes an interim order under section 739(3) of the Corporations Act; or
 - (d) any person other than the Underwriter who consented to being named in this Offer Document withdraws that consent;
- (2) **ASX listing:** ASX does not give approval for the new Shares the subject of the Offer to be listed for official quotation, or if approval is granted, the approval is subsequently withdrawn, qualified or withheld;
- (3) **Index change:** the ASX All Ordinaries Index or the Dow Jones Industrial Average Index as determined at close of trading falls at least 10% below their respective levels at the close of trading on the date of the Underwriting Agreement for a total of three consecutive trading days during the underwriting period;
- (4) **indictable offence:** a director of the Company or any related corporation is charged with an indictable offence;
- (5) **return of capital or financial assistance:** the Company or a related corporation takes any steps to undertake a proposal contemplated under section 257A or passes or takes any steps to pass a resolution under section 260B of the Corporations Act, without the prior written consent of the Underwriter;
- (6) **banking facilities:** the Company's bankers terminate or issue any demand or penalty notice or amend the terms of any existing facility or claim repayment or accelerated repayment of any facility or require additional security for any existing facility;
- (7) **change in laws:** any of the following changes of law occurs:
 - (a) the introduction of legislation into the Parliament of the Commonwealth of Australia or of any State or Territory of Australia; or
 - (b) the public announcement of prospective legislation or policy by the Federal Government, or the Government of any State or Territory; or
 - (c) the adoption by the ASIC, its delegates, ASX, the Reserve Bank of Australia or any other regulatory authority of any regulations or policy, which does or is likely to prohibit, restrict or regulate the principal business of the Company, the Offer or the operation of stock markets generally;
- (8) **failure to comply:** the Company or any related corporation fails to comply with any of the following:
 - (a) a provision of its constitution;
 - (b) any statute;
 - (c) a requirement, order or request, made by or on behalf of the ASIC or any governmental agency; or
 - (d) any material agreement entered into by it,which is likely to prohibit or materially restrict the business of the Company or the Offer;
- (9) **alteration of capital structure or constitution:** the Company alters its capital structure or its constitution without the prior written consent of the Underwriter;
- (10) **extended force majeure:** a force majeure, which prevents or delays an obligation under the Underwriting Agreement, lasting in excess of 2 weeks occurs;

- (11) **default:** the Company is in default of any of the terms and conditions of the Underwriting Agreement or breaches any warranty or covenant given or made by it under the Underwriting Agreement;
- (12) **adverse change:** any adverse change occurs which materially impacts or is likely to materially impact the assets, operational or financial position of the Company or a related corporation (including but not limited to an administrator, receiver, receiver and manager, trustee or similar official being appointed over any of the assets or undertaking of the Company or a related corporation);
- (13) **investigation:** any person is appointed under any legislation in respect of companies to investigate the affairs of the Company or a related corporation;
- (14) **prescribed occurrence:** a prescribed occurrence occurs;
- (15) **suspension of debt payments:** the Company suspends payment of its debts generally;
- (16) **event of insolvency:** an event of insolvency occurs in respect of the Company or a related corporation;
- (17) **judgment against a related corporation:** a judgment in an amount exceeding \$100,000 is obtained against the Company or a related corporation and is not set aside or satisfied within 7 days;
- (18) **market conditions:** any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or the international financial markets or any material adverse change occurs in national or international political, financial, economic conditions, in each case the effect of which is that, in the reasonable opinion of the Underwriter, reached in good faith, it is impracticable to market the Offer or to enforce contracts to issue and allot or sub-underwrite the Shares pursuant to this Offer Document or that the success of the Offer is likely to be adversely affected.

The Underwriting Agreement contains all representations, warranties, undertakings and indemnities on the part of the Company as are usually contained in agreements of this type.

2.23. RISKS

Investing in new Shares in the Company involves some risk. There are a number of factors, both specific to the Company and of a general nature, which may affect the future operating and financial performance of the Company and the value of an investment with the Company.

2.23.1. Acquisition of Longland Resources

As noted in section 2.3, the acquisition by the Company of Longland Resources is subject to and conditional upon the Share Sale Agreement being entered into (in satisfaction of one of the conditions subsequent to the Term Sheet) and, once that has occurred, all of the conditions in the Share Sale Agreement, as specified in that section 2.3, being satisfied on or before 26 October 2020. One of these conditions is that the Company's Shareholders approve the issue to all of the shareholders of Longland Resources of, in the aggregate, 120,000,000 Shares (as the consideration which is payable to them for their shares in Longland Resources). It is anticipated that the meeting at which this Shareholder approval will be sought will be held in mid-October 2020. If the Share Sale Agreement is not entered into or any of the conditions precedent in the Share Sale Agreement are not satisfied or the Share Sale Agreement is terminated for any other reason, the Company will not acquire all of the shares in Longland Resources, and Longland Resources will not become a wholly owned subsidiary of the Company. Due to the weather conditions in Greenland, the Company (with the authorisation of the shareholders of Longland Resources) intends to undertake certain exploration activities on the exploration licences owned by Longland Resources prior to the settlement of the Share Sale Agreement. If the Share Sale Agreement is terminated by the Company consequent upon an event of default by the shareholders of Longland Resources (or any of them), then the shareholders of Longland Resources have agreed to procure that Longland Resources reimburse the Company for all costs and expenses which the Company incurs in undertaking that exploration. If the Share Sale Agreement is terminated for any other reason (including non-satisfaction of the conditions precedent), the Company will not be entitled to be reimbursed its costs of this expenditure. Also, even if

the Company is entitled to be reimbursed its costs of this expenditure by Longland Resources, there is no guarantee that Longland Resources will have sufficient funds required to meet this obligation.

2.23.2. Exploration Risk

Mineral exploration and mining are speculative operations that may be hampered by circumstances beyond the control of the Company. Exploration activity may be impacted or delayed due to inclement weather (particularly noting that the tenements of Longland Resources are located in Greenland) and delays in obtaining required regulatory approvals. The profitability of the Company depends on successful exploration and/or acquisition of reserves. Exploration is a speculative endeavour and the Company may not be successful in locating or identifying any commercial mineral deposits.

2.23.3. Title Risks

Interests in exploration and mining tenements are governed by the legislation in force at the place where they are located, and are evidenced by the granting of leases or licences. Each lease or licence is for a specific term and carries with it annual expenditure and reporting conditions as well as other conditions requiring compliance. These conditions may include the requirement, particularly for exploration licences, for compulsory reduction in the area held under licence from time to time. Consequently the Company (or its wholly owned subsidiary, Longland Resources) could lose title to or its interest in its exploration licences if licence conditions are not met or if insufficient funds are available to meet minimum annual expenditure commitments.

2.23.4. Mineral Resource Risk

Resources estimates are expressions of judgement 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 any past drilling, sampling and interpretations, resource estimates may need to be altered in a way that could adversely affect the Company's operations.

2.23.5. Project Financing

Even assuming a successful exploration outcome on any of its projects, the Company may not be able to raise the required funds to progress any of its projects to a mining operation.

2.23.6. Working Capital

Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses. The Company is only raising sufficient funds pursuant to this Issue to cover approximately 12 months (assuming this Issue is fully subscribed) of working capital requirements and, subject only to the terms of any joint venture or other commercial arrangement which may be entered into, the Company is likely to have to raise further capital or borrow funds at the expiration of that period. There is no guarantee that such additional funds will be available to the Company. Further, any additional equity financing which is available may be dilutive to Shareholders.

The Company's failure to raise capital if and when needed could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities.

2.23.7. Other Specific Risks

Other risks specific to the Company include the success of its exploration and development of the tenements of the Company, its title to, and conditions imposed on the grant of, the tenements, commodity price volatility and exchange rate fluctuations, native title rights of Aboriginal Australians, environmental protection and contamination, the success of any joint venture arrangements to which the Company is or may become a party and the insolvency or any other managerial failure of any contractors or service providers used by the Company.

2.23.8. Share Market Conditions

The price of the new Shares when quoted on ASX will be influenced by international and domestic factors affecting market conditions in equity, financial and commodity markets. These factors may affect the share price for all listed companies, and the price of the Company's Shares may fall or rise, and the price of the new Shares may trade below or above the issue price of the new Shares under this Offer Document. The price of the Company's Shares may be subject to varied and unpredictable influences on the market for equities and in particular, resources stocks. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

2.23.9. General Risks

Risks of a general nature include the domestic and international factors affecting market conditions in equity, financial and commodity markets, economic conditions, interest rates, levels of tax, taxation law and accounting practice, governmental legislation or intervention, inflation, natural disasters or war. Some of these factors can be mitigated by appropriate commercial action. However, many are outside the control of the Company, are dependent on the policies adopted and approaches taken by regulatory authorities, or cannot otherwise be mitigated. If you are unsure about subscribing for new Shares in the Company, you should first seek advice from your stockbroker, accountant, financial or other professional adviser.

The new Shares offered under this Offer Document carry no guarantee in respect of profitability, dividends, return of capital or the price at which they may trade on ASX. The past performance of the Company should not necessarily be considered a guide to the future performance of the Company.

As with any equity investment, substantial fluctuations in the value of your investment may occur. This Offer Document does not set out all the risks you may face in applying for, and holding, additional Shares in the Company.

2.24. EXPENSES OF THE ISSUE

The total expenses of the Offer are estimated to be \$160,000 (exclusive of any GST) comprising legal fees, fees payable to the Underwriter, printing, postage and share registry costs and ASX quotation fees. In addition, the Company has agreed to issue, as part of the consideration payable under the Underwriting Agreement, 20,000,000 new Options to the Underwriter (subject to approval of the Company's Shareholders being obtained at the Company's next annual general meeting, which will be held after the Closing Date).

2.25. TAXATION

It is the responsibility of all Qualifying Shareholders to satisfy themselves of the particular taxation treatment that applies to them by consulting their own professional tax advisers before investing in new Shares. Taxation consequences will depend on particular circumstances. Neither the Company nor any of its officers accept any liability or responsibility in respect of any taxation consequences connected with an investment in the Shares of the Company.

2.26. CONTINUOUS DISCLOSURE OBLIGATIONS

The Company is a "disclosing entity" (as defined in s.111AC of the Corporations Act) for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX and, as such, the Company is subject to regular reporting and disclosure obligations under the Corporations Act and the Listing Rules.

Specifically, the Company is required to notify ASX of information about specific events and matters as they arise for the purposes of ASX making that information available to the securities markets conducted by ASX. In particular, the Company has an obligation under the Listing Rules (subject to certain exceptions) to notify ASX immediately of any information of which it is or becomes aware which a reasonable period would expect to have a material effect on the price or value of its securities.

This Offer Document is intended to be read in conjunction with the publically available information in relation to the Company which has been notified to ASX and does not include information that would be included in a disclosure document or which investors ought to have regard to in deciding whether to subscribe for new Shares under the

Offer. Qualifying Shareholders should therefore have regard to the other publically available information in relation to the Company before making a decision whether or not to invest.

All announcements made by the Company are available from its website www.conico.com.au or on ASX's website www.asx.com.au. Additionally, the Company is also required to prepare and lodge with ASX yearly and half-yearly financial statements accompanied by a directors' statement and report, and an audit report or audit review. Copies of documents lodged with ASX in relation to the Company may be obtained from the ASX website.

2.27. PRIVACY STATEMENT

By accepting their Entitlements (either in whole or in part), each Qualifying Shareholder acknowledges that they have received and read this Offer Document.

As Qualifying Shareholders are already Shareholders of the Company, the Company and its share registry (Advanced Share Registry) have already collected certain personal information from Qualifying Shareholders. However, if Qualifying Shareholders apply for Shares pursuant to this Offer Document, they will be supplying new, additional or updated personal information (by its inclusion on the Entitlement and Acceptance Form) to Advanced Share Registry.

The provided information is used for the purposes of processing the Applications and to administer the Applicant's holdings of Shares. By submitting an Application, each Applicant agrees that the Company may use the information provided by the Applicant on the Application for the purposes set out in this privacy statement and may disclose it for those purposes to the Company's share registry and to the Company's related bodies corporate, agents and contractors and third party service providers, including mailing houses, professional advisers (e.g. auditors, lawyers and accountants), intellectual technology support providers and to other regulatory authorities.

The Corporations Act requires the Company to include information about each Shareholder (including name, address and details of the Shares held) in its public register. The information contained in the Company's public register must remain there even if that person ceases to be a Shareholder. Information contained in the Company's register is also used to facilitate payments and corporate communications (including the Company's financial results, annual reports and other information that the Company wishes to communicate to its Shareholders) and compliance by the Company with legal and regulatory requirements.

Under the *Privacy Act 1988 (Cth)*, Shareholders have a right to gain access to personal information that the Company holds about that person, subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

If Qualifying Shareholders do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process their Entitlement and Acceptance Form.

2.28. GOVERNING LAW

This Offer Document (including the Entitlement and Acceptance Form) and the contracts that arise from acceptance of the Applications are governed by the laws applicable to Western Australia and each Applicant submits to the non-exclusive jurisdiction of the courts of Western Australia.

2.29. ENQUIRIES

If you have any questions concerning your Entitlement, please contact the Company (attention Aaron Gates) by telephone on (+618) 9282 5889, or your professional adviser.

3. ACTION REQUIRED BY QUALIFYING SHAREHOLDERS

3.1. WHAT YOU MAY DO – CHOICES AVAILABLE

If you are a Qualifying Shareholder, you may take any of the following actions:

- take up all or part of your Rights (refer to section 3.2);
- take up part of your Rights and allow the balance to lapse (refer to section 3.2);
- do nothing (refer to section 3.3).

3.2. TAKING UP ALL OR PART OF YOUR RIGHTS

If you are a Qualifying Shareholder and you wish to take up all or part of your Rights, you should:

- read this Offer Document in full and decide whether to participate;
- consider the risks associated with this Offer, as summarised in section 2.23, in light of your personal circumstances; and
- either:
 - (1) pay the Application Moneys for the Rights you are taking up by BPay® by no later than 5.00 pm WST on 25 September 2020. Qualifying Shareholders who pay electronically (by BPay®), do not need to return the Entitlement and Acceptance Form, and they will be taken to have accepted the Offer upon making payment by BPay®. This acceptance cannot be withdrawn. Instructions on how to make a payment by B-Pay® are set out on the Entitlement and Acceptance Form. Qualifying Shareholders should be aware that their own financial institution may implement earlier cut-off times with regard to electronic payment, and they should therefore take this into consideration when making payment. It is the responsibility of Qualifying Shareholders to ensure that funds submitted through B-Pay® are received by 5:00pm WST on the Closing Date.

OR

- (2) complete the enclosed Entitlement and Acceptance Form in accordance with the instructions set out on the back of the form and deliver it, together with your cheque or money order for the Application Money for the Rights you are taking up, by no later than 5.00 pm WST on the Closing Date, to:

Conico Ltd.
c/- Advanced Share Registry Services
PO Box 1156, Nedlands WA 6909

OR

Conico Ltd.
c/- Advanced Share Registry Services
110 Stirling Highway
Nedlands WA 6009

Cheques (drawn on and payable at any Australian bank) should be made payable to “Conico Limited – Rights Issue” and crossed “Not Negotiable”.

If you are paying by cheque or money order, Shares will only be issued on receipt of an Entitlement and Acceptance Form which was issued together with this Offer Document. A completed and lodged Entitlement and Acceptance Form, together with payment for the number of Shares applied for, cannot be withdrawn and constitutes a binding application for the number of Shares specified in the

Entitlement and Acceptance Form on the terms set out in this Offer Document. The Entitlement and Acceptance Form does not need to be signed to be binding.

An Entitlement and Acceptance Form which does not specify an Australian or New Zealand address for service (or which is accompanied by payment drawn on a foreign bank account) may be rejected and returned unless Shareholders provide evidence which satisfies the Company that the issue of the Shares will not contravene the laws of any other jurisdiction.

If an Entitlement and Acceptance Form is not completed correctly the Company can reject it or treat it as valid. The Company's decision as to whether to reject the Entitlement and Acceptance Form or treat it as valid and how to construe, amend or complete it is final.

If Qualifying Shareholders apply for more Shares than their Entitlement, they will be deemed to have applied for their full Entitlement and for additional new Shares under the QS Shortfall Offer in section 2.13 to the extent of the excess. If the amount a Qualifying Shareholders pays is insufficient to pay for their full Entitlement, they will be taken to have applied for such lower number of Shares as that amount will pay for.

No brokerage or duty is payable by Qualifying Shareholders on the issue of Shares.

If you are a Qualifying Shareholder and you take up part of your Rights only, the balance of your Rights will lapse.

3.3. CONSEQUENCES OF DOING NOTHING – RIGHTS NOT TAKEN UP

Qualifying Shareholders who do not wish to take up any of their Entitlement do not need to take any action. Any Rights not taken up by Qualifying Shareholders will lapse at the expiration of the Offer Period.

3.4. FOREIGN SHAREHOLDERS

Shareholders with registered addresses outside Australia and New Zealand should refer to section 2.17 of this Offer Document.

3.5. EFFECT ON EXISTING SHAREHOLDERS AND OPTIONHOLDERS

For the effect this Offer will have on Shareholders' existing interests, please see sections 2.18, 2.19 and 2.20 of this Offer Document.

4. DEFINITIONS

Applicant means a Qualifying Shareholder who takes up all or part of their Entitlement.

Application means a valid application made by an Applicant to subscribe for new Shares pursuant to this Offer.

Application Moneys means the sum of \$0.014 per Share payable by an Applicant on submission of an Application.

ASIC means Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange, as required by the context.

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

August 2020 Placement means the issue of 57,659,733 Shares to a number of institutional and sophisticated and/or professional investors on 21 August 2020, raising \$807,236 (before the expenses of the placement).

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

Business Day has the meaning given to that term in the ASX Listing Rules.

Closing Date means 5.00 pm WST on 25 September 2020.

Company or Conico means Conico Limited (ACN 119 057 457).

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the directors of the Company.

Dollars or **\$** means Australian dollars unless otherwise stated.

Entitlement means the maximum number of Shares a Qualifying Shareholder is entitled to apply for under the Offer as noted on the Entitlement and Acceptance Form.

Entitlement and Acceptance Form means the entitlement and acceptance form enclosed with this Offer Document.

Foreign Shareholder means a person registered as a Shareholder as at the Record Date whose registered address is outside Australia or New Zealand.

Issue means the issue of Shares pursuant to this Offer Document.

Listing Rules means the ASX Listing Rules.

Longland Resources means Longland Resources Ltd (Company No: 1040001), a company incorporated in the United Kingdom and Wales.

Offer means the offer of Shares pursuant to this Offer Document.

Offer Document means this document for the issue of approximately 147,352,652 Shares.

Offer Period means the period commencing on the Opening Date 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 Listing Rules.

Opening Date means 10 September 2019.

Option means a right to acquire a Share in the Company.

Optionholder means a holder of Options.

QS Shortfall Offer has the meaning given to that term in section 2.13.

Qualifying Shareholders means all Shareholders as at 5.00pm WST on the Record Date and whose registered addresses are in Australia or New Zealand.

Record Date means the record date for determining entitlements to Shares offered under this Offer Document, which is 5.00 pm WST on 7 September 2020.

Rights means the right to subscribe for the Shares under this Offer Document.

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

Shareholder means a holder of a Share.

Share Sale Agreement has the meaning given to it in section 2.3 and being the share sale agreement which is required to be entered into between the Company and all of the shareholders of Longland Resources in satisfaction of one of the conditions subsequent to the Term Sheet .

Shortfall means, if all Qualifying Shareholders do not accept their Entitlement in full, those Shares under the Offer not accepted by Qualifying Shareholders as part of their Entitlement by the Closing Date.

Tasman means Tasman Resources Limited A.C.N. 009 253 187.

Term Sheet means the binding conditional term sheet entered into on 29 July 2020 between the Company and all of the shareholders of Longland Resources pursuant to which all of the shareholders of Longland Resources agreed to sell all of their shares in Longland Resources to the Company for a consideration of, in the aggregate, \$1,800,000, to be satisfied by the issue in the aggregate to all of the shareholders of Longland Resources of 120,000,000 Shares at a deemed issue price of \$0.015 per Share.

Underwriting Agreement means the agreement between the Company and the Underwriter dated 1 September 2020, the material terms and conditions of which are summarised in section 2.22.

Underwritten Securities has the meaning given to that term in section 2.22.

Underwriter means RM Corporate Finance Pty Ltd A.C.N. 108 084 386.

WST means Western Standard Time, Perth, Western Australia.