

**TANGA RESOURCES LTD**  
**ACN 141 940 230**

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**ENTITLEMENT ISSUE PROSPECTUS**

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For a renounceable entitlement issue of two (2) Shares for every three (3) Shares held by those Shareholders registered at the Record Date at an issue price of \$0.004 per Share to raise up to \$1,936,844 (based on the number of Shares on issue as at the date of this Prospectus) together with one (1) free attaching Option (**New Option**) for every two (2) Shares subscribed for and issued (**Offer**).

The Offer is partially underwritten by CPS Capital Group Pty Ltd (ACN 088 055 636) (AFSL 294848) (**Underwriter**). Please refer to Section 9.4 for details regarding the terms of the Underwriting Agreement.

CPS Capital Group Pty Ltd is also acting as Lead Manager to the Offer.

**IMPORTANT NOTICE**

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

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

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## 1. CORPORATE DIRECTORY

### Board and Key Management

Allen Lafferty  
*Non-Executive Chairman*

John Stockley  
*Technical Director*

John Jones  
*Non-Executive Director*

Ian Stuart  
*Non-Executive Director*

Matthew Bowles  
*Chief-Executive Officer*

### Company Secretary

Graeme Smith

### ASX Code

TRL

### Registered Office

63 Hay Street  
Subiaco WA 6008

Telephone: + 61 8 9381 5686  
Email: [info@tangaresources.com.au](mailto:info@tangaresources.com.au)  
Website: [www.tangaresources.com.au](http://www.tangaresources.com.au)

### Underwriter and Lead Manager

CPS Capital Group Pty Ltd  
Level 45, 108 St Georges Terrace  
Perth WA 6000

### Share Registry\*

Security Transfer Registrars Pty Ltd  
Suite 913, Exchange Tower  
530 Little Collins Street  
Melbourne VIC 3000

PO Box 52  
Collins Street West VIC 8007

Telephone: 1300 992 916  
Facsimile: (08) 9315 2233  
Email: [registrar@securitytransfer.com.au](mailto:registrar@securitytransfer.com.au)

### Solicitors

Steinepreis Paganin  
Lawyers and Consultants  
Level 4, The Read Buildings  
16 Milligan Street  
Perth WA 6000

### Auditor\*

Greenwich & Co  
Level 2, 35 Outram Street  
West Perth WA 6005

\*This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus.

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## 2. TIMETABLE

Lodgement of Prospectus with the ASIC	Thursday, 27 September 2018
Lodgement of Prospectus & Appendix 3B with ASX	Thursday, 27 September 2018
Notice sent to Optionholders	Thursday, 27 September 2018
Notice sent to Shareholders	Friday, 28 September 2018
Ex date	Monday, 1 October 2018
Rights start trading	Tuesday, 2 October 2018
Record Date for determining Entitlements	Wednesday, 3 October 2018
Prospectus sent out to Shareholders & Company announces this has been completed	Thursday, 4 October 2018
Rights stop trading	Thursday, 11 October 2018
Shares quoted on a deferred settlement basis	Friday, 12 October 2018
Closing Date*	Thursday, 19 October 2018
ASX notified of under subscriptions	Tuesday, 23 October 2018
Issue date/Shares entered into Shareholders' security holdings/Deferred settlement trading ends	Thursday, 25 October 2018
Quotation of Shares and New Options issued under the Offer*	Friday, 26 October 2018

\*The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. As such the date the Shares are expected to commence trading on ASX may vary.

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### 3. IMPORTANT NOTES

This Prospectus is dated 27 September 2018 and was lodged with the ASIC on that date. The ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

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

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

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

Applications for Shares offered pursuant to this Prospectus can only be submitted on an original Entitlement and Acceptance Form or Shortfall Application Form.

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

This Prospectus is also being issued to remove any secondary trading restrictions that may attach to Securities issued by the Company prior to the Closing Date, in accordance with section 708A(11) of the Corporations Act.

#### 3.1 Risk factors

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

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## **4. DETAILS OF THE OFFER**

### **4.1 The Offer**

The Offer is being made as a renounceable entitlement issue of two (2) Shares for every three (3) Shares held by Shareholders registered at the Record Date at an issue price of \$0.004 per Share together with one (1) New Option (exercisable at \$0.01 on or before the date that is two (2) years from the date of issue) for every two (2) Shares subscribed for and issued. Fractional entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus and assuming all Entitlements are accepted, a maximum of 484,210,940 Shares and 242,105,470 New Options will be issued pursuant to this Offer to raise up to \$1,936,844. No funds will be raised from the issue of the New Options.

As at the date of this Prospectus the Company has 136,562,500 Options on issue. Having regard to the last market sale price of the Company's Shares on ASX \$0.006, the Company does not expect that any Options will be exercised prior to the Record Date. Please refer to Section 5.4 for information on the exercise price and expiry date of the Options on issue.

All of the Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 6.1 for further information regarding the rights and liabilities attaching to the Shares.

All of the New Options offered under this Prospectus will be issued on the terms and conditions set out in Section 7.

The purpose of the Offer and the intended use of funds raised are set out in Section 5.1.

### **4.2 What Eligible Shareholders may do**

The number of Shares to which Eligible Shareholders are entitled is shown on the accompanying personalised Entitlement and Acceptance Form. Eligible Shareholders may:

- (a) take up all of their Entitlement (refer to Section 4.3);
- (b) take up all of their Entitlement and apply for Shares under the Shortfall Offer (Section 4.4);
- (c) sell all of their Entitlement on ASX (refer to Section 4.4);
- (d) take up a proportion of their Entitlement and sell the balance on ASX (refer to Section 4.6);
- (e) take up a proportion of their Entitlement and allow the balance to lapse (refer to Section 4.7);
- (f) sell all or a proportion of their Entitlement other than on ASX (refer to Section 4.8); or
- (g) allow all or part of their Entitlement lapse (refer to Section 4.9).

### **4.3 Taking up all of your Entitlement**

Should you wish to accept all of your Entitlement, then applications for Shares under this Prospectus must be made on the Entitlement and Acceptance Form which accompanies this Prospectus or by completing a BPAY® payment, in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form. Please read the instructions carefully.

Please complete the Entitlement and Acceptance Form by filling in the details in the spaces provided and attach a cheque for the Application Monies indicated on the Entitlement and Acceptance Form.

Completed Entitlement and Acceptance Forms must be accompanied by a cheque in Australian dollars, crossed "Not Negotiable" and made payable to the account name set out in the Entitlement and Acceptance Form and lodged and received at any time after the issue of this Prospectus and on or before the Closing Date at the Company's Share Registry (by delivery or by post) in accordance with the details set out in the Entitlement and Acceptance Form.

If you wish to pay via BPAY® you must follow the personalised instructions in your Entitlement and Acceptance Form. Make sure that you use the specific Biller Code and unique Customer Reference Number (CRN) on your personalised Entitlement and Acceptance Form. You do not need to return a completed Entitlement and Acceptance Form but are taken to have made the declarations in the Entitlement and Acceptance Form and the representations outlined below in Section 4.10. If you have more than one shareholding of Shares and consequently receive more than one Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those Shareholdings only use the CRN specific to that Shareholding as set out in the applicable Entitlement and Acceptance Form. Do not use the same CRN for more than one of your Shareholdings. This can result in your Application Monies being applied to your Entitlement in respect of only one of your Shareholdings (with the result that any application in respect of your remaining Shareholdings will not be valid).

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. It is your responsibility to ensure that funds submitted through BPAY® are received by 4:00pm (AEST) on the Closing Date.

The Company shall not be responsible for any postal or delivery delays or delay in the receipt of the BPAY® payment.

### **4.4 Taking up all of your Entitlement and applying for Shares under the Shortfall Offer**

Should you wish to accept all of your Entitlement and apply for Shares under the Shortfall Offer, then applications for Shares under this Prospectus must be made on the Entitlement and Acceptance Form which accompanies this Prospectus or by completing a BPAY® payment, in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form. Please read the instructions carefully.

### **4.5 Selling all your Entitlement on ASX**

The Entitlements under the Offer are renounceable which means that all or part of an Eligible Shareholder's rights to subscribe for Shares under the Offer may be traded on ASX. If you wish to sell all of your Entitlement on ASX, provide instructions to your stockbroker regarding the Entitlement you wish to sell on ASX. Trading of

Entitlements will commence on ASX on 24 September 2018 and will cease on 3 October 2018.

There is no guarantee that an Eligible Shareholder will be able to sell all or any part of their Entitlement on ASX or that any particular price will be paid for the Entitlements sold on ASX.

#### **4.6 Taking up a proportion of your Entitlement and selling the balance on ASX**

If you wish to take up only part of your Entitlement, complete the accompanying personalised Entitlement and Acceptance Form for the number of Shares you wish to take up and follow the steps in Section 4.3, or make a payment by BPAY in accordance with Section 4.13.

Subsequently, provide instructions to your stockbroker regarding the proportion of your Entitlement you wish to sell on ASX.

#### **4.7 Taking up a proportion of your Entitlement and allowing the balance to lapse**

If you wish to take up only part of your Entitlement and allow the balance to lapse, complete the accompanying personalised Entitlement and Acceptance Form for the number of Shares you wish to take up and follow the steps in Section 4.3. If you take no further action, the balance of your Entitlement will lapse and you will have forfeited any potential benefit to be gained from taking up or selling that part of your Entitlement.

#### **4.8 Selling all or a proportion of your Entitlement other than on ASX**

You may elect to transfer all or a proportion of your Entitlement to another person other than on ASX. If the purchaser of your Entitlement is an Ineligible Shareholder or a person that would be an Ineligible Shareholder if they were a registered holder of Shares, that purchaser will not be able to take up the Entitlement they have purchased.

If you are a shareholder on the issuer sponsored subregister and you wish to transfer all or a proportion of your Entitlement to another person other than on ASX, forward a completed standard renunciation and transfer form (obtainable from the Share Registry) and the applicable transferee's cheque for the Shares they wish to subscribe for payable to the account name set out in the Entitlement and Acceptance Form and crossed "Not Negotiable" to the Share Registry (by delivery or by post at any time after the issue of this Prospectus and on or before the Closing Date) in accordance with the details set out in the Entitlement and Acceptance Form.

If you wish to transfer all or a proportion of your Entitlement to or from another person on the CHES subregister you must engage your CHES controlling participant (usually your stockbroker). If the transferee wants to exercise some or all of the Entitlement, you should follow your stockbroker's instructions as to the most appropriate way to take up the Entitlement on their behalf. The Application Monies for Shares the transferee of the Entitlement wants to acquire must be received by Share Registry in accordance with Section 4.3.

#### **4.9 Allow all or part of your Entitlement to lapse**

Shareholders should be aware that their Entitlement may have value. Entitlement are renounceable, which enable Eligible Shareholders who do not wish to take up part or all of their Entitlement to seek to sell or trade all or some of their Entitlement on ASX.



If you do not wish to accept or trade any part of your Entitlement, you are not obliged to do anything. If you do not take up your Entitlement or dispose of your Entitlement by the Closing Date, the Offer to you will lapse.

#### **4.10 Implications of an acceptance**

Returning a completed Entitlement and Acceptance Form or paying any Application Monies by BPAY® will be taken to constitute a representation by you that:

- (a) you have received a copy of this Prospectus and the accompanying Entitlement and Acceptance Form, and read them both in their entirety;
- (b) you acknowledge that once the Entitlement and Acceptance Form is returned, or a BPAY® payment instruction is given in relation to any Application Monies, the application may not be varied or withdrawn except as required by law.

#### **4.11 Minimum subscription**

The Minimum Subscription under the Offer is the Underwritten Amount of \$500,000.

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

All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to the account name set out in the Entitlement and Acceptance Form and crossed "Not Negotiable".

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

#### **4.13 Payment by BPAY®**

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 Shares 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 4:00pm (AEST) on the Closing Date. You should be aware that your financial institution may implement either 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 Shares (only where the amount is \$1.00 or greater) will be refunded. No interest will be paid on any application monies received or refunded.

One (1) New Option with an exercise price of \$0.01 and an expiry date two (2) years from the date of issue will be issued for every two (2) Shares subscribed for and issued under the Offer.

#### 4.14 Underwriting and sub-underwriting

The Offer is partially underwritten by the Underwriter up to the Minimum Subscription of \$500,000. Refer to Section 9.4 of for details of the terms of the underwriting.

The Underwriter reserves the right to enter into sub-underwriting arrangements with third parties. None of the sub-underwriters will be related parties of the Company for the purpose of the Corporations Act or will currently hold a relevant interest in any Securities of the Company. Further, the Underwriter will ensure that no sub-underwriter will acquire a voting power in the Shares of the Company above 19.99% because of the sub-underwriting.

Under this Prospectus, the Company also invites the Underwriter to apply for 10,000,000 New Options. These New Options will be issued to CPS Capital pursuant to the terms of the Underwriting Agreement, key terms of which are set out in Section 9.4. The New Options offered to CPS Capital under this Prospectus will be issued on the terms and conditions set out in Section 7. All Shares issued on conversion of the New Options will rank equally with the Shares on issue at the date of this Prospectus.

#### 4.15 Effect on control of the Company and potential dilution to Shareholders

If all Entitlements are accepted by Shareholders to the full extent, then the Offer will not result in any change to the control of the Company. If all Entitlements under the Offer are not accepted to the full extent, then the shareholding interest of non-participating Shareholders will be diluted.

The Underwriter is not presently a shareholder of the Company, the extent to which shares are issued pursuant to the underwriting will increase the Underwriters' voting power in the Company. The Underwriter is not a related party of the Company for the purpose of the Corporations Act. The Underwriter does not currently have a relevant interest in any Shares and will only be required to underwrite 125,000,000 Shares and 125,000,000 New Options at a maximum. This equates to a maximum voting power of the Underwriter of 10.33% on an undiluted basis (and 15.6% on a fully diluted basis).

In addition, Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 40% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus). Examples of how the dilution may impact Shareholders is set out in the table below:

Holder	Holding as at Record date	% at Record Date	Entitlements under the Offer	Holdings if Offer not taken Up	% post Offer
Shareholder 1	50,000,000	6.88%	33,333,333	50,000,000	4.13%
Shareholder 2	25,000,000	3.44%	16,666,667	25,000,000	2.07%
Shareholder 3	10,000,000	1.38%	6,666,667	10,000,000	0.83%
Shareholder 4	1,000,000	0.14%	666,667	1,000,000	0.08%
Shareholder 5	100,000	0.01%	66,667	100,000	0.01%

**Notes:**

1. This is based on a share capital of 726,316,410 Shares, as at the Record Date.
2. The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted by Eligible Shareholders are placed

under the Shortfall Offer. In the event all Entitlements are not accepted and some or all of the resulting Shortfall was not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

#### **4.16 Shortfall Offer**

Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer.

The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three months following the Closing Date. The issue price for each Share to be issued under the Shortfall Offer shall be \$0.004 being the price at which Shares have been offered under the Offer.

Allocation of the Shortfall Shares will be at the discretion of the Board in conjunction with the Underwriter and will otherwise be subject to the terms of the Underwriting Agreement and sub-underwriting arrangements, as detailed in Section 9.4 below. The Shortfall Shares will be allocated among applying Eligible Shareholders in accordance with their proportionate shareholding in the Company.

Allocation of the Shortfall Securities is at the absolute discretion of the Directors, in consultation with the Underwriter. There is no guarantee that Eligible Shareholders will receive Shortfall Securities applied for under the Shortfall Offer.

The Company notes that no Shares will be issued to an applicant under this Prospectus or via the Shortfall Offer if the issue of Shares would contravene the takeover prohibition in section 606 of the Corporations Act. Similarly, no Shares will be issued via the Shortfall Offer to any related parties of the Company.

#### **4.17 ASX listing**

Application for Official Quotation of the Securities offered pursuant to this Prospectus will be made in accordance with the timetable set out at the commencement of this Prospectus. If ASX does not grant Official Quotation of the Securities offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Securities and will repay all Application Monies for the Shares within the time prescribed under the Corporations Act, without interest.

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

#### **4.18 Issue**

Securities issued pursuant to the Offer 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 Offer will be issued on a progressive basis. Where the number of Shares 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 after the closing date of the Shortfall Offer.

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

#### **4.19 Overseas shareholders**

This Offer 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 Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Shares will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

##### ***New Zealand***

The Offer is being made in New Zealand in reliance on the transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (New Zealand).

##### ***Appointment of nominee***

However, pursuant to ASX Listing Rule 7.7, the Company has appointed a nominee, CPS Capital Group Pty Ltd, to sell the Entitlements to which Ineligible Shareholders are entitled. The nominee will have the absolute and sole discretion to determine the timing and price at which the Entitlements may be sold and the manner of any such sale.

Any interest earned on the proceeds of the sale of these Entitlements will firstly be applied against expenses of such sale, including brokerage, and any balance will accrue to the relevant Ineligible Shareholders as described below.

The net proceeds of the sale of these Entitlements will then be forwarded by the Company as soon as practicable to the Ineligible Shareholders, in proportion to their share of such Entitlements (after deducting brokerage commission and other expenses). If any such net proceeds of sale are less than the reasonable costs that would be incurred by the Company for distributing those proceeds, such proceeds may be retained by the Company.

Notwithstanding that the nominee may sell Entitlements, Ineligible Shareholders may nevertheless receive no net proceeds if the costs of the sale are greater than the sale proceeds.

Neither the Company nor the nominee will be subject to any liability for failure to sell the Entitlements or to sell them at a particular price. If, in the reasonable opinion of the nominee, there is no viable market for the Entitlements of the Ineligible Shareholders, or a surplus over the expenses of the sale cannot be obtained the Entitlements that would have been offered to the Ineligible Shareholders, then those Entitlements will be allowed to lapse. The Shares not taken up will form part of the Shares to be taken up by the Underwriter pursuant to the Underwriting Agreement.

Shareholders resident in Australia or New Zealand holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up an Entitlement under the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

#### **4.20 Enquiries**

Any questions concerning the Offer should be directed to Graeme Smith, Company Secretary, on +61 8 9381 5686.

## 5. PURPOSE AND EFFECT OF THE OFFER

### 5.1 Purpose of the Offer

The purpose of the Offer is to raise up to \$1,936,844.

The funds raised from the Offer are planned to be used in accordance with the table set out below:

Item	Proceeds of the Offer	Full Subscription (\$)	%	Minimum Subscription (\$)	%
1.	Initial and follow up RC drilling (totalling approx. 4,000m) and exploration costs at Hagenhof Copper Cobalt Project in Namibia	677,778	34%	0	0
2.	Airborne geophysics at Hagenhof Copper Cobalt Project in Namibia	111,111	6%	0	0
3.	Soil sampling, mapping and site costs at Hagenhof Copper Cobalt Project and regional project generation in Namibia	110,000	6%	0	0
4.	Exploration and project management costs Joubira Zinc Project in Namibia	188,400	9%	0	0
5.	Tenement rentals, site costs, soils and mapping Hanang Gold Project in Tanzania	200,347	13%	100,000	20%
6.	Expenses of the Offer <sup>1</sup>	116,706	8%	116,706	23%
7.	Working capital	532,502	29%	283,294 <sup>2</sup>	57%
	<b>Total</b>	<b>1,936,844</b>	<b>100</b>	<b>500,000</b>	<b>100</b>

#### Notes:

1. Refer to Section 9.8 for further details relating to the estimated expenses of the Offer.
2. Working Capital will be allocated as follows:

Salary and Wages	200,000
Office and General	83,294
Total Working Capital	<u>283,294</u>

In the event the Company raises more than the Minimum Subscription, the additional funds raised will be prioritised towards regional exploration and drilling at Hagenhof.

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

## 5.2 Effect of the Offer

The principal effect of the Offer, assuming all Entitlements are accepted and no Options are exercised prior to the Record Date, will be to:

- (a) increase the cash reserves by \$1,820,144 (after deducting the estimated expenses of the Offer) immediately after completion of the Offer;
- (b) increase the number of Shares on issue from 726,316,410 as at the date of this Prospectus to 1,210,527,350 Shares; and
- (c) increase the number of Options on issue from 136,562,000 as at the date of this Prospectus to 378,667,970 Options following completion of the Offer.

## 5.3 Pro-forma balance sheet

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

The pro-forma balance sheet has been prepared assuming all Entitlements are accepted, no Options are exercised prior to the Record Date and including expenses of the Offer.

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

	UNAUDITED <sup>1</sup> 30 June 2018	PROFORMA 30 June 2018
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	731,987	2,552,131
Trade and other receivables	25,178	25,178
<b>TOTAL CURRENT ASSETS</b>	<b>757,165</b>	<b>2,577,309</b>
<b>NON-CURRENT ASSETS</b>		
Financial assets	2,250	2,250
Property, plant and equipment	84,981	84,981
Exploration and evaluation expenditure	7,290,889	7,290,889
<b>TOTAL NON-CURRENT ASSETS</b>	<b>7,378,120</b>	<b>7,378,120</b>
<b>TOTAL ASSETS</b>	<b>8,135,285</b>	<b>9,955,429</b>

	UNAUDITED <sup>1</sup> 30 June 2018	PROFORMA 30 June 2018
<b>CURRENT LIABILITIES</b>		
Trade and other payables	140,041	140,041
Short-term provisions		
<b>TOTAL CURRENT LIABILITIES</b>	<b>140,041</b>	<b>140,041</b>
<b>TOTAL LIABILITIES</b>	<b>140,041</b>	<b>140,041</b>
<b>NET ASSETS</b>	<b>7,995,244</b>	<b>9,815,388</b>
<b>EQUITY</b>		
Share capital	22,056,296	213,845,440
Reserves <sup>2</sup>		
Retained loss	(15,406,361)	(15,406,361)
<b>TOTAL EQUITY</b>	<b>7,995,244</b>	<b>9,815,388</b>

**Notes:**

1. The Company's audited financial statements for the year ended 30 June 2018 will be released to the market on or before 30 September 2018.
2. The pro-forma Reserves at 30 June 2018 includes a Black-Scholes valuation of Options to be issued to the Underwriter as detailed in Section 9.4.

#### 5.4 Effect on capital structure

The effect of the Offer on the capital structure of the Company, assuming all Entitlements are accepted and no Options are exercised prior to the Record Date, is set out below.

##### Shares

	Number
Shares currently on issue	726,316,410
Shares offered pursuant to the Offer	484,210,940
<b>Total Shares on issue after completion of the Offer<sup>1</sup></b>	<b>1,210,527,350</b>

##### Options

	Number
<b>Options currently on issue:</b>	
Unquoted exercisable at \$0.015 on or before 30 June 2019	50,062,000
Unquoted exercisable at \$0.05 on or before 30 June 2019	1,500,000
Unquoted exercisable at \$0.12 on or before 30 Sept 2019	14,500,000



Unquoted exercisable at \$0.04 on or before 7 June 2021	10,000,000
Unquoted exercisable at \$0.05 on or before 7 June 2021	10,000,000
Unquoted exercisable at \$0.0125 on or before 26 Nov 2020	50,500,000
<b>New Options to be issued pursuant to the Offer:</b>	
Quoted exercisable at \$0.01 on or before two (2) years from the date of issue	242,105,470
<b>New Options to be issued to the Underwriter pursuant to the Underwriting Agreement:<sup>1</sup></b>	
Quoted exercisable at \$0.01 on or before two (2) years from the date of issue	10,000,000
<b>Total Options on issue after completion of the Offer</b>	<b>388,667,970</b>

**Note:**

1. Refer to Section 9.4 for further details of the fees to be paid to the Underwriter.

The capital structure on a fully diluted basis as at the date of this Prospectus would be 862,878,910 Shares and on completion of the Offer (assuming all Entitlements are accepted and no Options are exercised prior to the Record Date) would be 1,599,195,320 Shares.

The Company has no Shares or Options on issue which are subject to escrow restrictions, either voluntary or ASX imposed.

## 5.5 Details of substantial holders

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

Shareholder	Shares	%
St George Custodians Pty Ltd	62,417,631	8.59%
Advino Resources Pty Ltd	39,600,000	5.45%

In the event that all Entitlements are accepted there will be no change to the substantial holders on completion of the Offer.

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

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

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

### **6.1 General meetings**

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

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

### **6.2 Voting rights**

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

- (a)** each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (b)** on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (c)** on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

### **6.3 Dividend rights**

Subject to the rights of persons (if any) entitled of shares with special rights to dividend, the Directors may declare a final dividend out of profits in accordance with the Corporations Act and may authorise the payment or crediting by the Company to the Shareholders of such a dividend.

The Directors may authorise the payment or crediting by the Company to the Shareholders of such interim dividends as appear to the Directors to be justified by the profits of the Company. Interest may not be paid by the Company in respect of any dividend, whether final or interim. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Director may in their absolute discretion establish on such terms and conditions as they think fit:

- (a) plans (to be called "dividend reinvestment plan" or an "interest reinvestment plan" as the case may be) for cash dividends paid by the Company in respect of shares issued by the Company and interest paid by the Company on unsecured notes or debenture stock issued by the Company to be reinvested by way of subscription for shares in the Company; and
- (b) a plan (to be called "dividend election plan") permitting holders of shares to the extent that his shares are fully paid up, to have the option to elect to forego his right to share in any dividends (whether interim or otherwise) payable in respect of such shares and to receive instead an issue of shares credited as fully paid up to the extent as determined by the Directors.

#### **6.4 Winding-up**

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

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

#### **6.5 Shareholder liability**

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

#### **6.6 Transfer of shares**

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

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

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

#### **6.8 Variation of rights**

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.

Any variation under this clause shall be subject to Sections 246B and 246E of the Corporations Act.

**6.9 Alteration of constitution**

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

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## 7. RIGHTS AND LIABILITIES ATTACHING TO NEW OPTIONS

Set out below is a summary of the more significant rights and liabilities of the New Options offered pursuant to this Prospectus.

The Options to be issued to the Lead Manager and Underwriter will be issued on the same terms and conditions of the New Options. Refer to Section 9.4 of this Prospectus for details as to the quantum of the fee payable to the Lead Manager, including the number of Options to be issued to the Lead Manager and Underwriter.

### 7.1 Entitlement

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

### 7.2 Exercise Price

Subject to paragraph 7.9, the amount payable upon exercise of each Option will be \$0.001 (**Exercise Price**).

### 7.3 Expiry Date

Each Option will expire at 5:00 pm (WST) on the date which is two (2) years from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

### 7.4 Exercise Period

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

### 7.5 Notice of Exercise

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

### 7.6 Exercise Date

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

### 7.7 Timing of issue of Shares on exercise

Within 15 Business Days after the Exercise Date, the Company will:

- (a) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (b) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice,

lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (c) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under 7.7(b) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

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

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

### **7.9 Reconstruction of capital**

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

### **7.10 Participation in new issues**

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

### **7.11 Change in exercise price**

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

### **7.12 Transferability**

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

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## **8. RISK FACTORS**

### **8.1 Introduction**

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

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

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

### **8.2 Company specific**

#### **(a) Sovereign Risk – Tanzania**

The Company's Hanang Gold Project is located in the United Republic of Tanzania which is considered to be a developing country and as such subject to emerging legal and political systems compared with the systems in place in Australia.

In mid-2017, the Tanzanian government announced substantive changes in its mining laws and the full impact of these laws on the Company is yet to be fully understood or clarified. While the Company is in an exploratory phase, it does not expect that the legislative changes will have a material adverse impact on the Company's operations. However, in the event the Company makes a future decision to move into development, the amendments will have an impact on operations. The Board consider the key aspects of which include the right of the Tanzanian government to have a 16% free carry in the shares of any local Tanzanian mining company and the increased royalties payable on any future production. For further information on these changes please refer to the Company's ASX release titled Tanzanian Legislative Changes.

#### **(b) Sovereign Risk – Namibia**

The Company's Joubira Zinc Project and Hagenhof Cobber-Cobalt Project are located in the Republic of Namibia which is also considered to a developing country. Due to the location of the Company's Joubira Zinc Project and Hagenhof Cobber-Cobalt Project, the Company may be exposed to the political, security and social risks associated with mining and mining related activities in Namibia.

There can be no assurance that the current systems of government in any country will remain stable and conducive to foreign investment. Any changes in government policy that may result in changes in laws affecting various factors including the ownership of explorations assets, taxation regime, environment protection, labour relations, and repatriation of income, amount of royalty and return of capital. A change in these factors may in turn affect the Company's ability to undertake

exploration and development activities in the manner currently contemplated.

(c) **Fluctuations in Metal Prices**

The price of nickel, gold and other base metals and other minerals fluctuates widely and is affected by numerous factors beyond the control of the Company such as industrial and retail supply and demand, exchange rates, inflation rates, changes in global economies, confidence in the global monetary system, forward sales of metals by producers and speculators as well as other global or regional political, social or economic events. The supply of metals consists of a combination of new mine production and existing stocks held by governments, producers, speculators and consumers.

Any production scenario for the Company's existing projects will be dependent upon the price of nickel, gold and other base metals and other minerals being adequate to make these properties economic.

Depending on the price of nickel, gold and other base metals and other minerals, the Company could be forced to discontinue any current or planned production or development and may lose its interest in, or may be forced to sell, some of its properties. There is no assurance that, even as commercial quantities of nickel gold and other base metals are produced, a profitable market will exist for them.

Declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if a project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may eventually interrupt operations until a satisfactory reassessment can be completed.

(d) **Underwriting Agreement**

The Underwriting Agreement entered into by the Company with the Underwriter is subject to certain terms and conditions (a summary of which is set out in Section 9.4). If certain conditions are not satisfied or certain events occur, the Underwriter may terminate the Underwriting Agreement.

If the Underwriting Agreement is terminated and the Offer does not proceed or does not raise the funds required for the Company to meet its stated objectives, the Company would need to find alternative financing to meet its funding requirements. There is no guarantee that alternative funding could be sourced, either at all or on satisfactory terms and conditions. Termination of the Underwriting Agreement could materially adversely affect the Company's business and financial position.

(e) **Future capital requirements**

Tanga's ongoing activities will require ongoing expenditures. There can be no guarantee that the funds raised through the Offer will be sufficient to successfully achieve all the objectives of the Company's overall business strategy. If the Company is unable to continue to use debt or equity to fund expansion after the substantial exhaustion of the net



proceeds of the Offer there can be no assurances that the Company will have sufficient capital resources for that purpose, or other purposes, or that it will be able to obtain additional fundraising on terms acceptable to the Company or at all. Any additional equity financing may be dilutive to shareholders and any debt financing if available may involve restrictive covenants, which may limit the Company's operations and business strategy.

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

(f) **Litigation risks**

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

(g) **Mineral Resource and Ore Reserve estimates**

Mineral Resource and Ore Reserve estimates are expressions of judgement based on knowledge, experience and industry practice. These estimates were appropriate when made but may change significantly when new information becomes available. Mineral Resource and Ore Reserve estimates are imprecise and depend to some extent on interpretations, which may ultimately prove to be inaccurate and require adjustment. Adjustments to Mineral Resource and Ore Reserve estimates could affect the Company's future plans and ultimately its financial performance and value.

### 8.3 Industry specific

(a) **International operations**

Any potential future operations of Tanga in overseas jurisdictions are subject to a number of risks, including:

- (i) potential difficulties in enforcing agreements and collecting receivables through foreign local systems;
- (ii) potential difficulties in protecting rights and interests in assets; and
- (iii) restrictive governmental actions, such as imposition of trade quotas, tariffs and other taxes.
- (iv) any of these factors could materially and adversely affect Tanga's business, results of operations and financial condition.

(b) **Exploration, Development, Mining and Processing Risks**

There is no assurance that copper, cobalt, gold or other precious, base or specialty metals will be discovered in the areas in which the Company has an interest. Even if further copper, cobalt, gold or other precious,

base metals or specialty metals are discovered in those areas, there is no assurance that commercial quantities of these minerals can be recovered from the Company's permits.

Mineral exploration, project development and mining by their nature contain elements of significant risk. Ultimate and continuous success of these activities is dependent on many factors such as:

- (i) the discovery and/or acquisition of economically recoverable ore resources;
- (ii) successful conclusions to bankable feasibility studies;
- (iii) access to adequate capital for project development;
- (iv) design and construction of efficient mining and processing facilities within capital expenditure budgets;
- (v) securing and maintaining title to tenements;
- (vi) obtaining consents and approvals necessary for the conduct of exploration and mining;
- (vii) access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants;
- (viii) native title risks; and
- (ix) adverse weather conditions over a prolonged period which may adversely affect exploration and mining operations and the timing of revenues.

Whether or not income will result from development of tenements depends on the successful establishment of mining operations. Factors including costs, actual mineralisation, consistency and reliability of ore grades and commodity prices affect successful project development and mining operations.

(c) **Access Risk**

The Company's access to its projects may be affected by the following:

- (i) landholder and pastoralist approvals; and
- (ii) native title rights and the terms of native title agreements.

While the Company intends to do those things necessary to minimise these risks, it cannot guarantee that the access it has to the projects in which it has an interest will remain unfettered in the future.

(d) **Operational and technical risks**

The operations of the Company may be affected by various factors, including but not limited to:

- (i) Failure to locate or identify mineral deposits;

- (ii) Failure to achieve predicted grades and tonnes in exploration and mining;
- (iii) Operational and technical difficulties encountered in mining;
- (iv) Insufficient or unreliable infrastructure, such as power, water and transport;
- (v) Difficulties in commissioning and operating plant and equipment;
- (vi) Mechanical failure or plant breakdown;
- (vii) Unanticipated metallurgical problems which may affect extraction costs;
- (viii) Adverse weather conditions;
- (ix) threats of illegal artisanal mining activities on the Company's projects;
- (x) Industrial and environmental accidents;
- (xi) Industrial disputes and labour shortages; and
- (xii) Unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

(e) **Title risk**

Interests in exploration licences are governed by the national legislation in the relevant jurisdiction. The licences which grant the title to each property are subject to compliance with certain requirements, including lodgement of reports, payment of royalties and compliance with environmental conditions and environmental legislation. Consequently, as is the case in Australia, Tanga runs the risk of incurring penalties or loss of title to or its interest in its licences if these requirements are not met.

(f) **Joint venture parties, contractors and agents**

In conducting its business, the Company relies on continuing existing strategic relationships and has been forming new relationships with other entities in the mineral exploration and mining industry, including joint venture partners, contractors and agents. There can be no assurance that existing relationships will continue to be maintained or that new ones will be successfully formed and the Company could be materially adversely affected by changes to such relationships or difficulties in forming new ones.

The Directors are unable to predict the risk of financial failure or default by a participant in any joint venture to which the Company is, or may become a party, or insolvency or other managerial failure by any of the contractors used by the Company in any of its activities, or insolvency or other managerial failure by any of the other service providers used by the Company for any activity.

(g) **Environmental risk**

The Company's operations will be subject to various regulations regarding environmental matters. Development of each of the Company's projects will be dependent on the relevant licences meeting environmental guidelines and gaining approvals by government authorities. Whilst Tanga intends to conduct its activities in an environmentally responsible manner, risks arise in relation to compliance with these regulations and approvals.

(h) **Competition risk**

The industry in which the Company will be involved is subject to domestic and global competition. While the Company will undertake reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, whose activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and businesses.

#### **8.4 Economic Risks**

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

#### **8.5 Speculative investment**

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.

Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

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 pursuant to this Prospectus.

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## **9. ADDITIONAL INFORMATION**

### **9.1 Litigation**

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

### **9.2 Continuous disclosure obligations**

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

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

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

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

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

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

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

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

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

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

Date	Description of Announcement
27/09/2018	Renounceable Entitlements Issue
15/08/2018	Tanga Acquires Copper Cobalt Project in Namibia
13/08/2018	Trading Halt
03/08/2018	Appendix 3B – Issue of Options
03/08/2018	Results of Meeting
26/07/2018	Exploration Update
3/07/2018	Multiple Targets Identified at Joubira Project Namibia
2/07/2018	Notice of General Meeting/Proxy Form
2/07/2018	Becoming a substantial holder
29/06/2018	Becoming a substantial holder – Advino Resources
27/06/2018	Initial Director's Interest Notice – I Stuart
26/06/2018	Acquisition of Joubira Zinc Project Complete
14/06/2018	App 3B, Cleansing Statement & LR 3.10.5.A Information
06/06/2018	Tanga Completes Successful Placement
06/06/2018	Reinstatement to Official Quotation
05/06/2018	Suspension from Official Quotation
01/06/2018	Trading Halt
29/05/2018	Change of Director's Interest Notice – J Stockley
24/05/2018	LR 14.7 Waiver Granted
23/05/2018	Joubira Zinc Project Namibia – Outstanding Assay Results
29/04/2018	Company Update
29/04/2018	Company Update
16/03/2018	Half Yearly Report and Accounts
14/03/2018	Semi-Massive Sulphides Intersected in First Hole at Joubira
07/03/2018	Diamond Drilling Commences Joubira Zinc Project Namibia

<b>Date</b>	<b>Description of Announcement</b>
21/02/2018	Joumbira Zinc Project Acquisition Update
30/01/2018	Quarterly Activities & Cashflow Report
29/01/2018	Results of Meeting
29/12/2017	Notice of General Meeting / Proxy Form
29/12/2017	ASX Listing Rules Waiver
11/12/2017	Ceasing to be a substantial holder from IGO
11/12/2017	Ceasing to be a substantial holder from TRL
11/12/2017	Change in Director's Interest Notice x 3
8/12/2017	LR 3.10.5.A Information
8/12/2017	Appendix 3B & Cleansing Statement
5/12/2017	Company Presentation
5/12/2017	Reinstatement to Official Quotation
5/12/2017	Tanga acquires high grade Joumbira Zinc Project, Namibia
1/12/2017	Suspension from Official Quotation
29/11/2017	Trading Halt
27/11/2017	Results of Meeting
31/10/17	Quarterly Activities and Cashflow Report
27/10/17	Notice of Annual General Meeting
20/10/17	Discussions between Barrick and the Government of Tanzania
12/10/17	Priority Drill Targets Identified at New York
03/10/17	Company Presentation
02/10/17	Appendix 4G
29/09/17	Annual Report to Shareholders

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

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

### **9.3 Market price of shares**

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

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

	Price	Date
Highest	\$0.010	17 – 20 August 2018, 6 – 16 July 2018
Lowest	\$0.006	20-21 September 2018
Last	\$0.006	26 September 2018

#### 9.4 Underwriting Agreement

By an agreement between the Underwriter and the Company (**Underwriting Agreement**), the Underwriter agreed to underwrite the Offer for 125,000,000 Shares and 125,000,000 New Options (**Underwritten Securities**).

Pursuant to the Underwriting Agreement, the Company has agreed to:

- (a) issue the Underwriter with 10,000,000 New Options;
- (b) pay a lead manager fee of \$50,000, which, on mutual agreement between the Company and the Underwriter, may be satisfied by the issue of Securities to CPS (or nominees) from the shortfall under the Offer;
- (c) pay a management fee of 1% of the total amount raised under the Offer, which, on mutual agreement between the Company and the Underwriter, may be satisfied by the issue of Securities to CPS (or nominees) from the shortfall under the Offer;
- (d) pay an underwriting fee of 5% of the Underwritten Amount; and
- (e) pay a placement fee of 5% of any shortfall securities placed beyond the Underwritten Amount.

The obligation of the Underwriter to underwrite the Offer is subject to certain events of termination. The Underwriter may terminate its obligations under the Underwriting Agreement if:

- (f) (**Indices fall**): the All Ordinaries Index as published by ASX is at any time after the date of this Agreement 7% or more below its respective level as at the close of business prior to the date of the Underwriting Agreement;
- (g) (**Commodities**): the price of COMEX gold or NYMEX WTI crude is at any time after the date of this Agreement 7% or more below its respective level as at the close of business on the Business Day prior to this Agreement;
- (h) (**Prospectus**): the Company does not lodge the Prospectus on the lodgement date or the Prospectus or the Offer is withdrawn by the Company;
- (i) (**No Listing Approval**): the Company fails to lodge an Appendix 3B in relation to the Underwritten Securities with ASX by the time required by the Listing Rules, the Corporations Act or any other regulations;
- (j) (**No Official Quotation**): ASX has advised the Company that it will not or may not grant official quotation to the Underwritten Securities or admit the Company to trading on the ASX following completion of the Offer (including issue of the Shortfall Securities) on or prior to the Shortfall Notice Deadline Date;



- (k) **(Price)**: the Price (being \$0.004) is greater than the volume weighted average market price for Shares as quoted by the ASX calculated over three trading days prior to allotment of new Shares;
- (l) **(Supplementary prospectus)**:
- (i) the Underwriter, having elected not to exercise its right to terminate its obligations under the Underwriting Agreement as a result of an occurrence as described in section (x)(iv), forms the view on reasonable grounds that a Supplementary Prospectus should be lodged with ASIC for any of the reasons referred to in section 719 of the Corporations Act and the Company fails to lodge a supplementary prospectus in such form and content and within such time as the Underwriter may reasonably require; or
  - (ii) the Company lodges a supplementary prospectus without the prior written agreement of the Underwriter;
- (m) **(Non-compliance with disclosure requirements)**: it transpires that the Prospectus does not contain all the information that investors and their professional advisers would reasonably require to make an informed assessment of:
- (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
  - (ii) the rights and liabilities attaching to the Underwritten Securities;
- (n) **(Misleading Prospectus)** it transpires that there is a statement in the Prospectus that is misleading or deceptive or likely to mislead or deceive, or that there is an omission from the Prospectus (having regard to the provisions of sections 711, 713 and 716 of the Corporations Act) or if any statement in the Prospectus becomes misleading or deceptive or likely to mislead or deceive or if the issue of the Prospectus is or becomes misleading or deceptive or likely to mislead or deceive;
- (o) **(Restriction on issue)**: the Company is prevented from issuing the Underwritten Securities within the time required by the Underwriting Agreement, the Corporations Act, the Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority;
- (p) **(Withdrawal of consent to Prospectus)**: any person (other than the Underwriter) who has previously consented to the inclusion of its, his or her name in the Prospectus or to be named in the Prospectus, withdraws that consent;
- (q) **(ASIC application)**: an application is made by ASIC for an order under Section 1324B or any other provision of the Corporations Act in relation to the Prospectus, the shortfall notice dealing date has arrived, and that application has not been dismissed or withdrawn;
- (r) **(ASIC hearing)**: ASIC gives notice of its intention to hold a hearing under section 739 of the Corporations Act in relation to the Prospectus to determine if it should make a stop order in relation to the Prospectus or

ASIC makes an interim or final stop order in relation to the Prospectus under section 739 of the Corporations Act;

- (s) **(Takeovers Panel)**: the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act, or an application for such a declaration is made to the Takeovers Panel;
- (t) **(Hostilities)**: there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of the Underwriting Agreement involving one or more of Australia, New Zealand, Indonesia, Japan, Russia, the United Kingdom, the United States of America, India, Pakistan, or the Peoples Republic of China, Israel or any member of the European Union other than hostilities involving Libya, Afghanistan, Iraq, Iran, Syria, Lebanon or Israel, or a terrorist act is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries anywhere in the world;
- (u) **(Authorisation)**: any authorisation which is material to anything referred to in the Prospectus is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to the Underwriter acting reasonably;
- (v) **(Event of Insolvency)**: an Event of Insolvency occurs in respect of a Relevant Company;
- (w) **(Indictable offence)**: a director or senior manager of a Relevant Company is charged with an indictable offence;
- (x) **(Termination Events)**: subject always to the events listed below entitling the Underwriter to exercise its termination rights under the Underwriting Agreement if in the opinion of the Underwriter, the breach or the event has or is likely to have, or could be expected to have, a Material Adverse Effect or could give rise to a liability of the Underwriter under the Corporations Act, upon the occurrence of any of the following events:
  - (i) **(Default)**: default or breach by the Company under the Underwriting Agreement of any terms, condition, covenant or undertaking;
  - (ii) **(Incorrect or untrue representation)**: any representation, warranty or undertaking given by the Company in the Underwriting Agreement is or becomes untrue or incorrect;
  - (iii) **(Contravention of constitution or Act)**: a contravention by a Relevant Company of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;
  - (iv) **(Adverse change)**: an event occurs which gives rise to a Material Adverse Effect or any adverse change or any development including a likely Material Adverse Effect after the date of the Underwriting Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of any Relevant Company including, without limitation, if any forecast in the Prospectus becomes incapable

of being met or in the Underwriter's reasonable opinion, unlikely to be met in the projected time;

- (v) **(Error in Due Diligence Results)**: it transpires that any of the Due Diligence Results or any part of the verification material was false, misleading or deceptive or that there was an omission from them;
- (vi) **(Significant change)**: a "new circumstance" as referred to in Section 719(1) of the Corporations Act arises that is materially adverse from the point of view of an investor;
- (vii) **(Public statements)**: without the prior approval of the Underwriter a public statement is made by the Company in relation to the Offer or the Prospectus other than a statement the Company is required to make in order to comply with its disclosure obligations under the Listing Rules and/or the Corporations Act;
- (viii) **(Misleading information)**: any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any aspect of the Offer or the affairs of any Relevant Company is or becomes misleading or deceptive or likely to mislead or deceive;
- (ix) **(Change in Act or policy)**: there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy that has not been publicly disclosed or proposed as at the date of the Underwriting Agreement;
- (x) **(Prescribed Occurrence)**: a Prescribed Occurrence (as that term is defined in the Underwriting Agreement) occurs, other than as disclosed in the Prospectus;
- (xi) **(Judgment against a Relevant Company)**: a judgment in an amount exceeding \$100,000.00 is obtained against a Relevant Company and is not set aside or satisfied within 7 days;
- (xii) **(Litigation)**: litigation, arbitration, administrative or industrial proceedings are after the date of the Underwriting Agreement commenced against any relevant company, other than any claims foreshadowed in the Prospectus;
- (xiii) **(Board and senior management composition)**: other than as disclosed to the Underwriter prior to the Execution Date, there is a change in the composition of the Board or a change in the senior management of the Company before the date of issue of the Underwritten Securities without the prior written consent of the Underwriter, such consent not to be unreasonably withheld;
- (xiv) **(Change in shareholdings)**: there is a material change in the major or controlling shareholdings of a Relevant Company (other than as a result of the Offer or a matter disclosed in the Prospectus) or a takeover offer or scheme of arrangement

pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to a Relevant Company;

- (xv) **(Force Majeure)**: a Force Majeure (as that term is defined in the Underwriting Agreement) affecting the Company's business or any obligation under the Agreement lasting in excess of 7 days occurs;
- (xvi) **(Certain resolutions passed)**: a relevant company passes or takes any steps to pass a resolution under Section 254N, Section 257A or section 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of the Underwriter;
- (xvii) **(Capital Structure)**: any relevant company alters its capital structure in any manner not contemplated by the Prospectus excluding the issue of any Shares upon the exercise of options issued in the Company, such options having been disclosed to the ASX as at the date of the Underwriting Agreement;
- (xviii) **(Breach of Material Contracts)**: any of the contracts is terminated or substantially modified;
- (xix) **(Investigation)**: any person is appointed under any legislation in respect of companies to investigate the affairs of a Related Company; or
- (xx) **(Market Conditions)**: a suspension or material limitation in trading generally on ASX occurs or 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 other international financial markets.

(y) The Underwriting Agreement also contains a number of indemnities, representations and warranties from the Company to the Underwriter that are considered standard for an agreement of this type.

## 9.5 Interests of Directors

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

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

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

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

### Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus, together with their respective Entitlement, is set out in the table below.

Director	Shares	Options	Voting Power (%)	Entitlement	\$
Allen Lafferty <sup>1</sup>	11,881,766	4,500,000 <sup>2</sup>	1.6%	7,921,177	31,685
John Stockley <sup>3</sup>	16,507,992	18,000,000 <sup>4</sup>	2.27%	11,005,328	44,021
John Jones <sup>5</sup>	6,609,344	8,000,000 <sup>6</sup>	0.9%	4,406,229	17,625
Ian Stuart <sup>7</sup>	40,600,000	Nil	5.59%	27,066,667	108,267

#### Notes:

1. Mr Lafferty's interest in 11,881,766 Shares and 4,500,000 is held indirectly by SLS Nominees Pty Ltd as trustee for the SL Super Fund.
2. Mr Lafferty's interest in Options comprises 4,500,000 Options exercisable at \$0.0125 on or before 26 November 2020.
3. Mr Stockley's interest in 16,507,992 Shares and 18,000,000 Options are held indirectly through Lyndhurst Enterprises Pty Ltd, an entity which Mr Stockley is a director and beneficiary.
4. Mr Stockley's interest in Options comprises:
  - (i) 3,000,000 Options exercisable at \$0.12 on or before 30 September 2019; and
  - (ii) 15,000,000 Options exercisable at \$0.0125 on or before 26 November 2020.
5. Mr Jones' interest in 6,609,344 Shares and 8,000,000 Options is held indirectly by Porter Street Investments Pty Ltd, an entity which Mr Jones is a director.
6. Mr Jones' interest in Options comprises:
  - (i) 5,000,000 Options exercisable at \$0.12 on or before 30 September 2019; and
  - (ii) 3,000,000 Options exercisable at \$0.0125 on or before 26 November 2020.
7. Mr Stuart's interest in Shares comprises:
  - (i) 39,600,000 Shares held indirectly through Advino Resources Pty Ltd, an entity which Mr Stuart is a shareholder and director; and
  - (ii) 1,000,000 Shares held indirectly through Scarfell Pty Ltd <The Stuart Super Fund A/C>.

The Board recommends that all Shareholders take up their Entitlements and advises that all Directors intend to participate to the fullest extent possible, subject to each Director's personal financial situation.

### Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The

total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$300,000 per annum.

A Director may be paid fees or other amounts (ie non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive directors.

<b>Director</b>	<b>FY2017 (Actual)</b>	<b>FY2018 (Actual)</b>	<b>FY2019<sup>2</sup> (Proposed)</b>
Allen Lafferty	\$36,696 <sup>1</sup>	\$50,400	\$36,000
John Stockley <sup>3</sup>	\$237,557	\$251,650	\$216,000
John Jones	\$77,500	\$40,740	\$36,000
Ian Stuart <sup>4</sup>	-	-	\$36,000
<b>TOTAL</b>	<b>\$351,753</b>	<b>\$342,790</b>	<b>\$324,000</b>

**Notes:**

1. Mr Lafferty was appointed as a Director on 3 February 2017.
2. The proposed annual remuneration for non-executive directors for FY2019 is subject to Shareholder approval at the Company's next annual general meeting to increase the maximum aggregate remuneration of non-executive Directors.
3. Mr Stockley is an Executive Director. His annual remuneration is therefore not counted toward the total remuneration limit approved by shareholders for non-executive directors.
4. Mr Stuart was appointed as a Director on 26 June 2018.

## **9.6 Interests of experts and advisers**

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

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

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

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

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

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

CPS Capital Group Pty Ltd will be paid the fees set out in Section 9.4 to act as Underwriter and Lead Manager to the Offer. During the 24 months preceding lodgement of this Prospectus with the ASIC, CPS Capital Group Pty Ltd has been paid fees totalling nil by the Company.

CPS Capital Group Pty Ltd has been appointed as the nominee under ASX Listing Rule 7.7. CPS Capital Group Pty Ltd will be paid for this service on standard industry terms and conditions.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$15,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$30,420 (excluding GST and disbursements) for legal services provided to the Company.

## **9.7 Consents**

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this section;
- (b) to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section.

CPS Capital Group Pty Ltd:

- (a) has given its written consent to being named as Underwriter and Lead Manager to the Offer in this Prospectus, in the form and context in which it is named; and
- (b) has given and has not withdrawn its consent to be named as the Company's nominee under ASX Listing Rule 7.7 CPS Capital Group Pty Ltd has not caused or authorised the issue of this Prospectus, and expressly disclaims and takes no responsibility for, any part of this Prospectus.

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

## 9.8 Expenses of the offer

In the event that all Entitlements are accepted, the total expenses of the Offer are estimated to be approximately \$116,700 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	3,206
ASX fees	8,500
Underwriting fees	30,000
Manager to the Offer fees	50,000
Legal fees	15,000
Printing and distribution	10,000
<b>Total</b>	<b>116,706</b>

## 9.9 Electronic prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Forms. If you have not, please phone the Company on +61 8 9381 5686 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at [www.tangaresources.com](http://www.tangaresources.com).

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

## 9.10 Financial forecasts

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

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

The Company will not be issuing option certificates. The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification



Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

## **9.12 Privacy Act**

If you complete an application for 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 holder of equity securities in the Company, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

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

You can access, correct and update the personal information that we hold about you. Please contact the Company 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) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Shares, the Company may not be able to accept or process your application.

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**10. DIRECTORS' AUTHORISATION**

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

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

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**Allen Lafferty**  
**Non-Executive Chairman**  
**For and on behalf of**  
**TANGA RESOURCES LIMITED**

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## 11. GLOSSARY

**\$** means the lawful currency of the Commonwealth of Australia.

**AEST** means Australian Eastern Standard Time.

**Applicant** means a Shareholder who applies for Shares pursuant to the Offer or a Shareholder or other party who applies for Shortfall Shares pursuant to the Shortfall Offer.

**Application** means an application to subscribe for Shares under this Prospectus.

**Application Form** means an Entitlement and Acceptance Form or Shortfall Application Form as the context requires.

**Application Monies** means money submitted by Applicants in respect of Applications.

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

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

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

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

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

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

**Closing Date** means the date specified in the timetable set out at the commencement of this Prospectus (unless extended).

**Company or Tanga** means Tanga Resources Ltd (ACN 141 940 230).

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

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

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

**Eligible Shareholder** means a Shareholder of the Company as at the Record Date other than an Ineligible Shareholder.

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

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

**Ineligible Shareholder** means a Shareholder as at the Record Date whose registered address is not situated in Australia or New Zealand.

**Lead Manager** means CPS Capital Group Pty Ltd (ACN 088 055 636) (AFSL 294 848).

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

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

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

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

**Material Adverse Effect** means:

- (a) a material adverse effect on the outcome of the Offer or on the subsequent market for the Underwritten Securities (including, without limitation, matters likely to have a material adverse effect on a decision of an investor to invest in Underwritten Securities); or
- (b) a material adverse effect on the assets, condition, trading or financial position and performance, profits and losses, results, prospects, business or operations of the Company and its subsidiaries either individually or taken as a whole.

**Minimum Subscription** means the Underwritten Amount of \$500,000.

**New Option** means an Option issued on the terms set out in Section 6.2.

**Prospectus** means this prospectus.

**Record Date** means the date specified in the timetable set out at the commencement of this Prospectus.

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

**Securities** means Shares and/or New Options offered pursuant to the Entitlement.

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

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

**Shortfall** means the Shares not applied for under the Offer (if any).

**Shortfall Application Form** means the shortfall application form either attached to or accompanying this Prospectus.

**Shortfall Offer** means the offer of the Shortfall on the terms and conditions set out in Section 4.16.

**Shortfall Securities** means those Securities issued pursuant to the Shortfall.

**Underwriter** or **CPS** means CPS Capital Group Pty Ltd (ACN 088 055 636) (AFSL 294 848).

**Underwriting Agreement** has the meaning given in Section 9.4.

**Underwritten Amount** means \$500,000.

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