

NICKELORE LIMITED
ACN 086 972 429

ENTITLEMENT ISSUE PROSPECTUS

For a non-renounceable entitlement issue of two (2) Shares for every five (5) Shares held by those Shareholders registered at the Record Date at an issue price of \$0.006 per Share to raise up to \$527,540 (based on the number of Shares on issue as at the date of this Prospectus) (**Offer**).

The Offer is fully underwritten by Pendragon Capital Limited (**Underwriter**). Refer to section 8 of this Prospectus for details regarding the terms of the Underwriting Agreement.

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 Shares offered by this Prospectus should be considered as speculative.

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1. CORPORATE DIRECTORY

Directors

Robert Gardner (Executive Chairman)
Paul Piercy(Non-Executive Director)
Jay Stephenson(Non-Executive Director)

Company Secretary

Jay Stephenson

Share Registry*

Computershare Investor Services Pty
Limited
Level 11, 172 St Georges Terrace
PERTH WA 6000

Telephone: +61 3 9415 4000
Facsimile: +61 3 9473 2500

Auditor*

Stantons International
Level 2, 1 Walker Avenue
WEST PERTH WA 6005

Registered Office

182 Claisebrook Road
PERTH WA 6000

Telephone: + 61 8 9215 6300
Facsimile: +61 8 9481 6799

Email: info@nickelore.com.au
Website: www.nickelore.com.au

Solicitors

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

Underwriter

Pendragon Capital Limited
283 Rokeby Road
SUBIACO WA 6008
AFSL: 237 549

*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.

2. TIMETABLE

Lodgement of Prospectus with the ASIC	23 February 2016
Lodgement of Prospectus & Appendix 3B with ASX	23 February 2016
Notice sent to Shareholders	25 February 2016
Ex date	26 February 2016
Record Date for determining Entitlements	1 March 2016
Prospectus and personalised Entitlement and Acceptance Forms sent out to Eligible Shareholders & Company announces this has been completed	4 March 2016
Last day to notify ASX of an extension to the Closing Date	11 March 2016
Closing Date*	16 March 2016
Shares quoted on a deferred settlement basis	17 March 2016
ASX (and Underwriter) notified of under subscriptions	21 March 2016
Issue Date/Shares entered into Shareholders' security holdings	23 March 2016
Quotation of Shares issued under the Offer*	24 March 2016

*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.

3. IMPORTANT NOTES

This Prospectus is dated 23 February 2016 and was lodged with the ASIC on that date. The ASIC and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Shares 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.

3.1 Consolidation

As announced on 10 February 2016, subject to Shareholder approval, the Company proposes to undertake a consolidation of the Company's capital structure at a conversion ratio of five (5) existing Shares to one (1) consolidated Share which will take effect after the issue of Shares under the Offer.

3.2 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 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the 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.

3.3 Forward-looking statements

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

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

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

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

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

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in section 7 of this Prospectus.

4. DETAILS OF THE OFFER

4.1 The Offer

The Offer is being made as a non-renounceable entitlement issue of two (2) Shares for every five (5) Shares held by Shareholders registered at the Record Date at an issue price of \$0.006 per Share. Fractional entitlements will be rounded up to the nearest whole number.

Only Shareholders with a registered address at the Record Date in Australia, New Zealand, or Hong Kong are eligible to accept their Entitlements (**Eligible Shareholders**).

Based on the capital structure of the Company as at the date of this Prospectus, a maximum of 87,923,354 Shares will be issued pursuant to this Offer to raise up to \$527,540.

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 of this Prospectus for further information regarding the rights and liabilities attaching to the Shares.

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

4.2 Minimum subscription

There is no minimum subscription.

4.3 Acceptance

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

You may participate in the Offer as follows:

- (a) if you wish to accept your **full** Entitlement:
 - (i) complete the Entitlement and Acceptance Form and attach your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the amount indicated on the Entitlement and Acceptance Form; or
 - (ii) make your payment by BPAY® and follow the instructions in section 4.5 of this Prospectus;
- (b) if you wish to accept your full entitlement and apply for Shares under the Shortfall Offer (refer to section 4.10 of this Prospectus for further details):
 - (i) complete the Entitlement and Acceptance Form, including the number of Shortfall Shares you wish to apply for and attach your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the amount indicated on the Entitlement and Acceptance Form; or

- (ii) make your payment by BPAY® and follow the instructions in section 4.5 of this Prospectus.
- (c) if you only wish to accept **part** of your Entitlement:
 - (i) fill in the number of Shares you wish to accept in the space provided on the Entitlement and Acceptance Form and attach your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the appropriate application monies (at \$0.006 per Share); or
 - (ii) make your payment by BPAY® and follow the instructions in section 4.5 of this Prospectus;
- (d) if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

4.4 Payment by cheque/bank draft

All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to "Nickelore Limited – Entitlement Issue Account" and crossed "Not Negotiable".

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

4.5 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.

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 unique customer reference number (**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).

It is your responsibility to ensure that your BPAY® payment is received by the share registry by no later than 3:00pm (WST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. The Company shall not be responsible for any delays in the receipt of the BPAY® 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.

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

4.6 Implications of an acceptance

Returning a completed Entitlement and Acceptance Form with a cheque 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 your 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.

4.7 Underwriting and Sub-Underwriting

The Offer is fully underwritten by Pendragon Capital Limited (the **Underwriter**). Refer to section 8 of this Prospectus for a summary of the terms of the underwriting.

The Underwriter has entered into sub-underwriting agreements for 100% of the Underwritten Amount with various parties including:

- (a) Dromana Holdings Pty Ltd (ACN 008 944 821) (**Dromana**) for Dromana to sub underwrite up to 78,030,733 Shares (equating to an amount of up to \$468,184); and
- (b) Paul Piercy, a director of the Company, and Pauline Barbara Piercy as trustees of the P & PB Piercy Superannuation Fund for Mr Piercy and Mrs Piercy to sub-underwrite up to 5,975,000 Shares (equating to an amount of up to \$35,850).

The Company will pay to the Underwriter an underwriting fee equal to 5% of the amount underwritten (being \$26,377) and a management fee equal to 1% of the amount (being \$5,275). Dromana will be paid by the Underwriter a fee of 2.5% of the sub underwritten amount (being \$11,705) in consideration for sub-underwriting 78,030,733 Shares. Mr Piercy will be paid by the Underwriter a fee of 2.5% of the sub-underwritten amount (being \$897) in consideration for sub-underwriting 5,975,000 Shares.

The Company considered alternative options for raising capital and resolved that the Offer on the terms detailed in this Prospectus was the most favourable option to the Company and its Shareholders given the Company's strategic objectives and having regard to the circumstances existing at the date of the Prospectus.

4.8 Effect on control of the Company

(a) Sub-underwriting by Dromana

As set out in section 4.7, the Underwriter has agreed to fully underwrite the Offer and has entered into a sub-underwriting arrangement with

Dromana. Dromana is not a related party of the Company for the purpose of the Corporations Act and, as at the date of this Prospectus, Dromana does not have a relevant interest in any Shares.

The Company has been advised by the Underwriter that the intention of the Underwriter is to allocate the Shortfall pro-rata amongst the sub-underwriters after all acceptances of Entitlements and applications by Shareholders for Shortfall Shares have been filled.

On that basis, the table below sets out Dromana's present voting power in the Company and the potential increase to its voting power under several scenarios relating to the percentage acceptance of Entitlements under the Offer. The table assumes no applications for Shortfall Shares by Eligible Shareholders.

The Company has been advised that it is Dromana's intention to place any Shortfall Shares it receives between a minimum of eight parties, therefore it is unlikely that Dromana's voting power in the Company will increase above 20%.

Event	Number of Shares held by Dromana	Voting power of Dromana
As at the Record Date	0	0%
No take up, other than by Dromana	78,030,733	25.36%
25% take up from other Eligible Shareholders	58,523,050	19.02%
50% take up from other Eligible Shareholders	39,015,367	12.68%
75% take up from other Eligible Shareholders	19,507,683	6.34%

The number of Shares held by Dromana and its voting power in the table above show the potential maximum effect of the sub-underwriting of the Offer. The sub-underwriting obligation and therefore voting power of Dromana will reduce for the amount of Entitlements under the Offer, Shortfall Shares taken up by other Shareholders and if Paul Piercy's entity takes up its sub-underwritten amount.

No issue will be made under the Shortfall Offer to any other sub-underwriters if this would result in a person acquiring a relevant interest in more than 20% of the voting Shares immediately following that issue.

Future Intentions of Dromana

Dromana may by sub-underwriting the Offer increase its voting power in the Company up to a maximum of 25.36% (based on the assumptions set out above). Dromana has informed the Company that, based on the facts and circumstances presently known to them, it does not currently intend to make any major changes to the direction or objectives of the Company, and that Dromana:

- (i) does not currently intend to make any significant changes to the existing business of the Company;

- (ii) does not currently intend to inject further capital into the Company other than as a sub-underwriter to the Offer;
- (iii) intends to support the Company's decisions regarding the future employment of its present employees;
- (iv) does not currently intend to transfer any property between the Company and Dromana and any of its associates;
- (v) does not currently intend to redeploy fixed assets of the Company; and
- (vi) does not currently intend to change the Company's existing financial or dividend policies.

The intentions of Dromana are based on information concerning the Company, its business and the business environment which is known to Dromana at the date of this Prospectus. These present intentions may change as new information becomes available, as circumstances change or in the light of all material information, facts and circumstances necessary to assess the operational, commercial, taxation and financial implications of those decisions at the relevant time.

(b) Sub-underwriting by Paul Piercy

The Underwriter has also entered into a sub-underwriting arrangement with Paul Piercy, a director of the Company. As at the date of this Prospectus, Mr Piercy has a relevant interest in 14,937,500 Shares, representing 6.8% of the Shares currently on issue.

If all Shares are issued pursuant to the Offer, no Shortfall Shares are applied for by Eligible Shareholders, Mr Piercy has taken up his Entitlement and Mr Piercy is obliged to subscribe for all of his respective sub-underwritten Shares pursuant to his sub-underwriting agreement, Mr Piercy will have a relevant interest in 20,912,500 Shares, representing 6.8% of the Shares on issue post-completion of the Offer.

However, the obligation to subscribe for sub-underwritten Shares will reduce to the extent that Shareholders take up their Entitlements under the Offer and Shortfall Shares subscribed for by other Shareholders.

(c) Underwriting by Pendragon Capital Limited

The Underwriter presently has no Shares in the Company. The Underwriter is not a related party of the Company for the purpose of the Corporations Act. The Underwriter's present relevant interest and changes under several scenarios are set out in the table below.

The Underwriter has entered into sub-underwriting agreements for the entire amount of the Offer therefore it is expected that the Underwriter's voting power will be zero post-completion of the Offer.

Event	Shares held by Underwriter	Voting power of Underwriter
Date of Prospectus	0	0%
Completion of Entitlement Issue		
Fully subscribed	0	0%
75% subscribed	21,980,839	7.14%
50% subscribed	43,961,677	14.29%
25% subscribed	65,942,516	21.43%
0% subscribed	87,923,354	28.57%

The number of Shares held by the Underwriter and its voting power in the table above show the potential effect of the underwriting of the Offer. However, it is unlikely that no Shareholders will take up Entitlements under the Offer. The underwriting obligation and therefore voting power of the Underwriter will reduce by a corresponding amount for the amount of Entitlements under the Offer taken up by the Shareholders, Shortfall Shares subscribed for by Shareholders and for every sub-underwriter who meets their sub-underwriting commitments.

4.9 Potential Dilution

In addition, Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 28.57% (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	10,000,000	4.5%	4,000,000	10,000,000	3.25%
Shareholder 2	5,000,000	2.28%	2,000,000	5,000,000	1.62%
Shareholder 3	1,500,000	0.68%	600,000	1,500,000	0.49%
Shareholder 4	400,000	0.18%	160,000	400,000	0.13%
Shareholder 5	50,000	0.022%	20,000	50,000	0.016%

Note:

1. 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.

4.10 Shortfall Offer

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

The Company will allow Eligible Shareholders to apply for new Shares in the Shortfall Offer in priority to the satisfaction of obligations of the Underwriter

subject to such applications being received by the Closing Date. In the event of oversubscription from these applications they will be scaled back on a pro-rata basis. In the event of under subscription from these applications the Underwriter is obligated to subscribe for, or procure subscriptions for, the remaining Shortfall Shares by the issue date of Shares under the Offer. The issue price for each Share to be issued under the Shortfall Offer shall be \$0.006 being the price at which Shares have been offered under the Offer.

No issue will be made under the Shortfall Offer if this would result in a person acquiring a relevant interest in more than 20% of the voting Shares immediately following that issue.

4.11 ASX listing

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

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

4.12 Issue of Shares

Shares 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.

Shares issued to Eligible Shareholders pursuant to the Shortfall Offer will be issued at the same time as Shares issued under the Offer and the remaining Shortfall Shares will be issued to the Underwriter (or its nominees) in accordance with the terms of the Underwriting Agreement. 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.

Pending the issue of the Shares 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 Shares 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 Shares issued under the Shortfall Offer as soon as practicable after their issue.

4.13 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 at the Record Date which is outside Australia, New Zealand or Hong Kong.

New Zealand

The Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand).

This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under that ordinance). No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Nominees and custodians

Nominees and custodians may not submit an Entitlement and Acceptance Form on behalf of any person resident outside Australia without the prior consent of the Company, taking into account relevant securities law restrictions. 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.

4.14 Enquiries

Any questions concerning the Offer should be directed to Jay Stephenson, Company Secretary, on +61 8 9215 6300.

5. PURPOSE AND EFFECT OF THE OFFER

5.1 Purpose of the Offer

The purpose of the Offer is to raise up to \$527,540.

As announced on 10 February 2016, the Company has entered into a non-binding term sheet (**Term Sheet**) to acquire 100% of the issued capital of with Helio Energia Holdings S.A. on certain terms and conditions (**Proposed Helio Acquisition**).

The purpose of the Offer is to raise up to \$527,540, some of which is intended to be allocated towards costs associated with the Proposed Helio Acquisition.

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 (\$)	%
1.	Due diligence and acquisition costs in relation to the Proposed Helio Acquisition ¹	300,000	56.8
2.	Expenses of the Offer ²	54,120	10.3
3.	Expenditure commitments on current projects	75,000	14.2
4.	Working capital	98,420	18.7
	Total	527,540	100

Notes:

1. The Company announced details of the Proposed Helio Acquisition to ASX on 10 February 2016. If the Proposed Helio Acquisition does not proceed, the Company intends to apply these funds towards its current projects, working capital and the review of alternative investment and divestment opportunities.
2. Refer to section 9.8 of this Prospectus for further details relating to the estimated expenses of the Offer.

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, will be to:

- (a) increase the cash reserves by \$473,420 (after deducting the estimated expenses of the Offer) immediately after completion of the Offer; and
- (b) increase the number of Shares on issue from 219,808,386 as at the date of this Prospectus to 307,731,740 Shares.

5.3 Pro-forma balance sheet

The unaudited balance sheet as at 30 November 2015 and the unaudited pro-forma balance sheet as at 30 November 2015 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 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.

	Notes	30 November 2015 (Unaudited) \$	Pro-forma 30 November 2015 (Unaudited) \$
Current assets			
Cash and cash equivalents	(2)	216,314	689,734
Trade and other receivables		11,805	11,805
Financial assets		17,037	17,037
Other current assets		4,468	4,468
Total current assets		249,624	723,044
Total assets		249,624	723,044
Current liabilities			
Trade and other payables		47,741	47,741
Total current liabilities		47,741	47,741
Total liabilities		47,741	47,741
Net assets		201,883	675,303
Equity			
Issued capital	(3)	24,200,416	24,673,836
Accumulated losses		(23,998,533)	(23,998,533)
Total equity		201,883	675,303

(1) **Pro-forma Adjustments**

- (a) The Directors estimate that costs for the Entitlement Issue will be \$54,120 and this estimated cost has been deducted from the Entitlement Issue of \$527,540 (see also(3)(c)).

(2) **Cash and cash equivalents**

		\$
Cash and cash equivalents at 30 November 2015 – Actual		216,314
<i>Pro-forma adjustments</i>		
- Net proceeds from 2:5 Entitlement Issue of 87,923,354shares at \$0.006	(3)(b)	473,420
		<u>689,734</u>

(3) Issued Capital

The movement in issued capital as reflected in the pro forma balance sheets at 30 November 2015 is shown below:

	Notes	Issued ordinary shares No.	Issued ordinary shares \$
Nickelore 30 November 2015 – Actual	(a)	219,808,386	24,200,416
- Issued as part 2:5 Entitlement Issue at \$0.006	(b)	87,923,354	527,540
- Transaction Costs	(c)	-	(54,120)
		307,731,740	24,673,836

- (a) **NIO Issued Capital** – As at 30 November 2015, NIO had on issue 219,808,386 fully paid ordinary shares.
- (b) **Entitlement Issue** – a 2 for 5 non-renounceable Entitlement Issue of Shares at an issue price of \$0.006, to raise approximately \$527,540.
- (c) **Transaction costs** – The Directors estimate that costs for the Entitlement Issue will be \$54,120 and this estimated cost has been deducted from the capital raising of \$527,540.

5.4 Effect on capital structure

The effect of the Offer on the capital structure of the Company, assuming all Entitlements are accepted, is set out below.

Shares

	Number
Shares currently on issue	219,808,386
Shares offered pursuant to the Offer	87,923,354
Total Shares on issue after completion of the Offer	307,731,740

The capital structure on a fully diluted basis as at the date of this Prospectus would be 219,808,386 Shares and on completion of the Offer (assuming all Entitlements are accepted) would be 307,731,740 Shares.

No Shares on issue 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	%
Wingstar Investments Pty Ltd ¹	62,587,500	28.47
World Trend Limited	32,000,000	14.56
LL Arthur Limited	22,200,000	10.10

Silkridge Consulting Pty Ltd ²	12,187,500	5.54
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Notes:

1. A company controlled by current Director, Robert Gardner.
2. A company controlled by current Director, Paul Piercy.

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

The Company notes Paul Piercy and Pauline Barbara Piercy, as trustees of the P & PB Piercy Superannuation Fund, are sub-underwriting part of the Offer. Potential changes to Paul Piercy's substantial holding are set out in section 4.8 of this Prospectus.

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

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

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

6.4 Winding-up

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

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

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

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

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

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.

7. RISK FACTORS

7.1 Introduction

The Shares 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 Shares pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. 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.

7.2 Risks relating to the Offer

(a) Control Risk

As set out in section 4.8, the underwriting and sub-underwriting arrangements in respect of the Offer may have an effect on the voting power in the Company of Dromana.

The maximum voting power of Dromana, assuming Dromana sub-underwrites the Offer to the maximum extent required under its sub-underwriting agreement with the Underwriter is 25.36%.

It is possible that, depending on the level of voting power which may be exercised by Dromana upon completion of the Offer, Dromana may be in a position to gain and exercise control of the Company and its interests may not align with those of all other Shareholders.

It may be possible that, subject to the Constitution, the ASX Listing Rules and the Corporations Act, Dromana may hold sufficient voting power in the Company to be able to influence major policy decisions of the Company, including the overall strategic direction of the Company, by:

- (i) controlling the election of Directors;
- (ii) controlling the potential outcome of matters submitted to a vote of Shareholders;
- (iii) determining the terms of any capital raising by debt or the issue of securities, and determining the terms of any such issues;
- (iv) approving mergers, acquisitions and disposals of the Company's assets or business; and
- (v) determining the timing and amount of dividend payments, if any.

(b) **Termination of Underwriting Agreement**

In the event that the Underwriter terminates the Underwriting Agreement in accordance with the terms of the Underwriting Agreement, the Company would likely raise substantially less than the maximum amount of the Offer and the Company would need to consider alternatives for future funding.

7.3 Company specific

(a) **Potential for significant dilution**

Upon implementation of the Offer, assuming all Entitlements are accepted, the number of Shares in the Company will increase from 219,808,386 currently on issue to 307,731,740. This means that each Share will represent a significantly lower proportion of the ownership of the Company. Although Shareholders interests will not dilute if they accept their Entitlement in full.

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

The last trading price of Shares on ASX prior to the prospectus being lodged of \$0.012 is not a reliable indicator as to the potential trading price of Shares after implementation of the Offer.

As announced on 10 February 2016, the Company is considering undertaking a capital raising in relation to the Proposed Helio Acquisition which could result in current Shareholders being further diluted.

(b) **Going concern risk**

The Company's annual financial report for the year ended 30 June 2015 noted the following:

"At 30 June 2015 the entity had cash and cash equivalents of \$254,737 and net working capital of \$198,091. The entity had incurred a loss for the year ended 30 June 2015 of \$162,142.

The ability of the Company to continue as a going concern and meet its planned exploration, administration, and other commitments is dependent upon the Company raising further working capital, and/or successfully exploiting its mineral assets. In the event that the entity cannot raise further equity, the entity may not be able to meet their liabilities as they fall due and the realisable value of the entity's assets may be significantly less than book values."

Notwithstanding the 'going concern' Emphasis of Matter paragraph included in the Independent Auditor's Report issued to the Company for the financial year ended 30 June 2015, the Directors believe that upon the successful completion of the Offer, the Company will have sufficient funds to adequately meet the Company's current expenditure commitments and short term working capital requirements. However, it is highly likely that further funding will be required to meet the medium

to long term working capital costs of the Company. Please refer to section 7.3(d) below for further details.

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

(c) **Proposed Helio Acquisition**

As set out in section 5.1 above, the Company has entered into a non-binding, conditional terms sheet, for the acquisition of all of the issued capital in Helio.

If the Proposed Helio Acquisition proceeds, the Company will seek to change activities from a nickel exploration company to a company specialising in the provision of roof-top solar energy systems for commercial and industrial energy customers in Brazil. This would result in the Company being exposed to a number of new risks, including:

- (i) risks associated with Helio's limited operating history;
- (ii) risks associated with operating in Brazil, such as exchange rate risks, complicated tax regimes subject to change and political and economic conditions;
- (iii) operational risks associated with solar PV projects;
- (iv) delays in the timely availability of key project components;
- (v) dependence on key management;
- (vi) environmental licensing and regulation risks;
- (vii) profitability dependence on meteorological conditions;
- (viii) risks relating to future energy prices in Brazil;
- (ix) competition risks; and
- (x) emerging market risk.

If the Proposed Helio Acquisition does not proceed, the Company may need to look at other potential acquisitions in order for the Company to remain listed on the ASX.

There is a risk that if the Company proceeds with the Proposed Helio Acquisition or any alternative acquisition, the new focus of the Company may not be consistent with the objectives of all existing Shareholders.

Any proposed change of activities will be subject to Shareholder approval, and detailed information regarding the risks applicable to the new business will be set out in a notice of meeting to be sent to Shareholders in due course.

(d) **Additional requirements for capital**

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

7.4 Industry specific

(a) **Exploration and development success**

Exploration is a high risk activity that requires large amounts of expenditure over extended periods of time. There can be no guarantee that planned exploration and evaluation programs will lead to positive exploration and evaluation results and the delineation of a commercial deposit or further, a commercial mining operation.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its mining tenements, and obtaining all required approvals for its activities. In the event that exploration programs prove to be unsuccessful this could lead to a diminution in the value of its mining tenements, a reduction in the potential size of the deposits of the Company and possible relinquishment of its mining tenements.

(b) **Operating risks**

The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests.

(c) **Tenure and access**

Mining and exploration tenements are subject to periodic renewal. There is no guarantee that current or future tenements or future applications for production tenements will be approved. Renewal and transfer conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the exploration licences comprising the Company's projects.

The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

7.5 General risks

(a) **Economic**

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

(b) **Market conditions**

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

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

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

(c) **Dividends**

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

(d) **Taxation**

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

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

(e) **Reliance on key personnel**

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

7.6 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.

8. UNDERWRITING

By an agreement between Pendragon Capital Limited and the Company (**Underwriting Agreement**), Pendragon Capital Limited has agreed to fully underwrite the Offer for 87,923,354 Shares (**Underwritten Shares**).

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

- (a) an underwriting fee of 5% of the Underwritten Amount (being \$26,377); and
- (b) a corporate advisory fee of 1% of the Underwritten Amount as consideration for its services in managing the Offer (being \$5,275).

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 at any time up to the Issue Date if:

- (a) (**Indices fall**): any of the All Ordinaries Index or the Standard and Poors / ASX 200 Index as published by ASX is at the close of business on two consecutive ASX trading days after the date of this Agreement 10% or more below its respective level as at the close of business on the Business Day prior to the date of this Agreement; or
- (b) (**Prospectus**): the Company does not lodge the Prospectus on the lodgement date or the Prospectus or the Offer is withdrawn by the Company; or
- (c) (**Copies of Prospectus**): the Company fails to provide the Underwriter with 25 copies (or such other number required by the Underwriter) within 7 days after the lodgement date; or
- (d) (**No Official Quotation**): Official Quotation has not been granted by the Shortfall Notice Deadline Date (as that term is defined in the Underwriting Agreement) or, having been granted, is subsequently withdrawn, withheld or qualified; or
- (e) (**Supplementary prospectus**):
 - (i) the Underwriter, having elected not to exercise its right to terminate its obligations under this Agreement as a result of an occurrence as described in clause (p)(v) below, forms the view on reasonable grounds that a supplementary or replacement 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 or replacement prospectus in such form and content and within such time as the Underwriter may reasonably require; or
 - (ii) the Company lodges a supplementary or replacement prospectus without the prior written agreement of the Underwriter; or
- (f) (**Non-compliance with disclosure requirements**): it transpires that the Prospectus does not contain all the information required by the Corporations Act; or

- (g) **(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 section 713 of the Corporations Act) or if any statement in the Prospectus becomes or 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;
- (h) **(Restriction on issue)**: the Company is prevented from issuing the Rights Shares within the time required by this 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;
- (i) **(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;
- (j) **(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 Deadline Date has arrived, and that application has not been dismissed or withdrawn;
- (k) **(ASIC hearing)**: ASIC gives notice of its intention to hold a hearing under section 739 or any other provision of the Corporations Act in relation to the Prospectus to determine if it should make a stop order in relation to the Prospectus or the ASIC makes an interim or final stop order in relation to the Prospectus under section 739 or any other provision of the Corporations Act;
- (l) **(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;
- (m) **(Hostilities)**: there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of this agreement involving one or more of Brazil, Australia, New Zealand, the United Kingdom, the United States of America, or the Peoples Republic of China, Israel or any member of the European Union, 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;
- (n) **(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;
- (o) **(Indictable offence)**: a director or senior manager of the Company is charged with an indictable offence;
- (p) **(Termination Events)**: any of the following events occurs (provided the Underwriter is of the reasonable opinion that the event would, or would be likely to, have a material adverse effect or give rise to a liability of the Underwriter under the Corporations Act or otherwise):

- (i) **(Default):** default or breach by the Company under this Agreement of any terms, condition, covenant or undertaking;
- (ii) **(Incorrect or untrue representation):** any representation, warranty or undertaking given by the Company in this Agreement is or becomes untrue or incorrect;
- (iii) **(Contravention of constitution or Act):** a contravention by the 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 prospective adverse change after the date of this Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of the 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, the issue or the Prospectus;
- (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 Issue or the affairs of the Company is or becomes misleading or deceptive or likely to mislead or deceive;
- (ix) **(Official Quotation qualified):** the Official Quotation is qualified or conditional other than as set out in the definition of "Official Quotation";
- (x) **(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;
- (xi) **(Prescribed Occurrence):** a Prescribed Occurrence (as defined in the Underwriting Agreement) occurs;
- (xii) **(Suspension of debt payments):** the Company suspends payment of its debts generally;

- (xiii) **(Event of Insolvency)**: an Event of Insolvency (as defined in the Underwriting Agreement) occurs in respect of the Company;
- (xiv) **(Judgment against the Company)**: a judgment in an amount exceeding \$25,000 is obtained against the Company and is not set aside or satisfied within 7 days;
- (xv) **(Litigation)**: litigation, arbitration, administrative or industrial proceedings are after the date of this Agreement commenced or threatened against the Company, other than any claims foreshadowed in the Prospectus;
- (xvi) **(Board and senior management composition)**: there is a change in the composition of the Board or a change in the senior management of the Company before completion of the Offer without the prior written consent of the Underwriter;
- (xvii) **(Change in shareholdings)**: there is a material change in the major or controlling shareholdings of the Company or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to the Company;
- (xviii) **(Timetable)**: there is a delay in any specified date in the timetable set out in the Underwriting Agreement which is greater than 7 Business Days;
- (xix) **(Force Majeure)**: a Force Majeure affecting the Company's business or any obligation under the Agreement lasting in excess of 7 days occurs;
- (xx) **(Certain resolutions passed)**: the 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;
- (xxi) **(Capital Structure)**: the Company alters its capital structure in any manner not contemplated by the Prospectus;
- (xxii) **(Investigation)**: any person is appointed under any legislation in respect of companies to investigate the affairs of the Company;
- (xxiii) **(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, Brazil, Japan, the United Kingdom, the United States of America or other international financial markets

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.

The potential control effect of the Underwriting Agreement on the Company is disclosed in section 4.8 of this Prospectus.

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
19/02/2016	Helio Energia to use JA Solar Panels in Brazil
17/02/2016	Update on Timetable of Entitlement Issue
10/02/2016	Acquisition of Brazilian Solar Company and Rights Issue
08/02/2016	Trading Halt
29/01/2016	Quarterly Activities report and Quarterly Cashflow Report
26/11/2015	Change of Director's Interest Notice – Amended
25/11/2015	Appendix 3B and Change of Directors Interest Notice x 3
23/11/2015	Results of Annual General Meeting
10/11/2015	Appendix 4G – Amended
10/11/2015	Appendix 5B – Amended
30/10/2015	Quarterly Activities and Cashflow Report
23/10/2015	Notice of Annual General Meeting/Proxy Form
07/10/2015	Appendix 4G

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.nickelore.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:

Highest	\$0.013	22 February 2016
Lowest	\$0.005	12 January 2016
Last	\$0.013	22 February 2016

9.4 Material contracts

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

(a) Sub-underwriting agreement with Paul Piercy and Pauline Barbara Piercy as trustees of the P & PB Piercy Superannuation Fund

The Underwriter has entered into a sub-underwriting agreement with current director, Paul Piercy and Pauline Barbara Piercy as trustees of the P & PB Piercy Superannuation Fund, pursuant to which it has appointed Mr and Mrs Piercy to sub-underwrite the Offer on the following material terms:

- (i) in the event of a Shortfall under the Offer, Mr and Mrs Piercy shall subscribe for up to \$35,850 of the total number of Shares which form the Shortfall from the Offer, the maximum number of which is 5,975,000 Shares;
- (ii) any application by Mr and Mrs Piercy for any of his Entitlement pursuant to the Offer will not be permitted to be applied in relief of, or be offset against, any amount that may be subsequently due pursuant to the sub-underwriting commitment;
- (iii) the Underwriter will pay Mr and Mrs Piercy a fee of 2.5% (excluding GST) of the amount sub-underwritten by Mr and Mrs Piercy. No fee will be payable if the Offer does not proceed for any reason, if the Underwriter terminates the Underwriting Agreement or if the Underwriter is not paid its fee for any reason; and
- (iv) the sub-underwriting agreement shall terminate if the Offer does not proceed or the Underwriting Agreement is terminated.

(b) Term Sheet – Proposed Helio Acquisition

As announced on 10 February 2016, the Company has entered into the non-binding Term Sheet to acquire 100% of the issued capital of Helio. The Proposed Helio Acquisition is subject to satisfaction of a number of conditions precedent. The key terms of the Term Sheet are summarised in the Company's ASX announcement dated 10 February 2016.

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	Entitlement	\$
Robert Gardner	62,587,500 ¹	25,035,000	150,210
Paul Piercy	14,937,500 ²	5,975,000	35,850
Jay Stephenson	7,343,750 ³	2,937,500	17,625

Notes:

1. Shares held by Wingstar Investments Pty Ltd, a company controlled by Mr Gardner.
2. 2,750,000 Shares held by Paul Piercy & Pauline Piercy <P & P B Piercy Superannuation A/C> and 12,187,500 Shares held by Silkridge Consulting Pty Ltd, a company controlled by Mr Piercy.
3. 1,250,000 Shares held by WSG Capital Pty Ltd, a company controlled by Mr Stephenson and 6,093,750 Shares held by Vin Ethos Pty Ltd <Vin Ethos A/C> of which Mr Stephenson is a beneficiary.

The Board recommends all Shareholders take up their Entitlement and advises that Robert Gardner's controlled entity, Wingstar Investments Pty Ltd, and Jay Stephenson intend to take up their respective Entitlements.

Paul and Pauline Barbara Piercy as trustees of the P & PB Piercy Superannuation Fund will sub-underwrite the Offer as set out in section 4.8 of this Prospectus and on the terms summarised in section 9.4(a) of this Prospectus.

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 \$250,000 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.

Director	FY2014	FY2015	FY2016 estimate
Robert Gardner	\$50,400	\$49,500	\$49,500
Paul Piercy	\$30,000	\$15,000	\$15,000
Jay Stephenson	\$30,000	\$15,000	\$15,000

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:

- (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 any of these persons for services provided in connection with:

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

Pendragon Capital Limited will be paid an underwriting fee of approximately \$26,377 together with a \$5,275 management fee in respect of this Offer. The Company has not paid Pendragon Capital Limited any fees during the 24 months preceding lodgement of this Prospectus with the ASIC.

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 \$435 (excluding GST and disbursements) for legal services provided to the Company.

9.7 Consents

Each of the parties referred to in this section 9.7:

- (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.

Pendragon Capital Limited has given its written consent to being named as underwriter to the Offer in this Prospectus, in the form and context in which it is named.

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 \$54,120 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	2,320
ASX fees	3,605
Underwriting and management fees	31,652
Legal fees	15,000
Printing and distribution	1,543
Total	54,120

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 +618 9215 6300 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.nickelore.com.au.

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

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

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 share 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 CHES 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.

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.



Robert Gardner
Executive Chairman
For and on behalf of
NICKELORE LIMITED

11. GLOSSARY

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

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

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 CHES.

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 **NIO** means Nickelore Limited (ACN 086 972 429).

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.

Dromana has the meaning given in section 4.7 of this Prospectus.

Eligible Shareholder means a Shareholder who has a registered address at the Record Date that is in Australia, New Zealand or Hong Kong.

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.

Issue Date has the meaning given in section 2 of this Prospectus.

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

Official Quotation means official quotation on ASX.

Proposed Helio Acquisition has the meaning given to that term in section 5.1 of this Prospectus.

Prospectus means this prospectus.

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

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 4.10 of this Prospectus.

Shortfall Shares means those Shares issued pursuant to the Shortfall.

Term Sheet has the meaning given to that term in section 5.1 of this Prospectus.

Underwriter means Pendragon Capital Limited (ACN 008 963 755).

Underwriting Agreement has the meaning given in section 8 of this Prospectus.

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