

**ZETA RESOURCES LIMITED  
ARBN 162 902 481**

**PROSPECTUS**

FOR

**A renounceable pro rata offer to Eligible Shareholders on the basis of 1 Share for every 1 Share held at the Record Date at an issue price of \$0.50 per Share to raise up to \$25,307,278**

**THIS OFFER CLOSSES AT 5.00pm (WST) ON 29 JANUARY 2014**

**VALID ACCEPTANCES MUST BE RECEIVED BEFORE THAT TIME.**

**Please read the instructions in this Prospectus and on the accompanying Entitlement and Acceptance Form regarding the acceptance of your Entitlement under the Offer.**

**THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT SHOULD BE READ IN ITS ENTIRETY. IF YOU ARE IN DOUBT ABOUT WHAT TO DO, YOU SHOULD CONSULT YOUR PROFESSIONAL ADVISER WITHOUT DELAY.**

**THE SECURITIES OFFERED BY THIS PROSPECTUS ARE OF A SPECULATIVE NATURE.**

# IMPORTANT INFORMATION

## General

This Prospectus is dated 20 December 2013 and was lodged with ASIC on that date with the consent of all Directors. Neither ASIC nor ASX nor their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Shares will be issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus).

A copy of this Prospectus is available for inspection at the Australian registered office of the Company at Endeavour Corporate, Suite 8, 7 The Esplanade, Mount Pleasant, Western Australia during normal business hours. The Company will provide a copy of this Prospectus to any person on request. The Company will also provide copies of other documents on request (see Section 5.4). Eligible Shareholders with registered addresses in Australia and New Zealand only can obtain a copy of this Prospectus during the period of the Offer on the Company's website - [www.zetaresources.co](http://www.zetaresources.co)

The Company will apply to ASX within 7 days of the date of this Prospectus for official quotation by ASX of the Shares offered pursuant to this Prospectus.

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

Revenues and expenditures disclosed in this Prospectus are recognised exclusive of the amount of goods and services tax, unless otherwise disclosed.

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

## Entitlement and Acceptance Form

The Entitlement and Acceptance Form accompanying this Prospectus is important. Please refer to instructions in Section 1.9 regarding the acceptance of your Entitlement. Acceptances of Shares can only be submitted on an Entitlement and Acceptance Form. The Entitlement and Acceptance Form sets out an Eligible Shareholder's Entitlement to participate in the Offer. Applications for Shortfall Shares must be made on the Entitlement and Acceptance Form if you are an Eligible Shareholder. The issue of Shortfall Shares to Shareholders is in the absolute discretion of the Directors. More information on the Shortfall Offer is contained in Section 1.5.

By returning an Entitlement and Acceptance Form, you acknowledge that you have received and read this Prospectus and you have acted in accordance with the terms of the Offer detailed in this Prospectus.

## Foreign Investors

No action has been taken to permit the offer of Shares under this Prospectus in any jurisdiction other than Australia and New Zealand. The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and therefore persons into whose possession this Prospectus comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws. This Prospectus does not constitute an offer of Shares in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

## **Speculative Investment**

The Shares offered by this Prospectus should be considered speculative. Some of the risk factors that should be considered by potential investors are outlined in Section 4.

This Prospectus is important and should be read in its entirety before deciding to participate in the Offer. This Prospectus does not take into account the investment objectives, financial or taxation or particular needs of any Applicant. Before making any investment in the Company, each Applicant should consider whether such an investment is appropriate to his/her particular needs, and considering their individual risk profile for speculative investments, investment objectives and individual financial circumstances. Each Applicant should consult his/her stockbroker, solicitor, accountant or other professional adviser without delay.

## **Transaction Specific Prospectus**

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.

## **Defined Terms**

Definitions of certain terms used in this Prospectus are contained in Section 7. All references to currency are to Australian dollars and all references to time are to WST, unless otherwise indicated.

## CORPORATE DIRECTORY

<p><b>Directors</b></p> <p>Mr Marthinus (Martin) Botha Ms Xi Xi Mr Peter Sullivan</p> <p><b>Company Secretary</b></p> <p>BCB Charter Corporate Services Limited (Bermuda)</p> <p>Mr Mark Pitts (Company Secretary - Australia)</p> <p><b>Registered Office</b></p> <p>19 Par-la-Ville Road Hamilton HM 11 Bermuda</p> <p>Telephone: +1 441 295 5678 Facsimile: +1 441 295 6699 Email: karmstrong@bcb.bm</p> <p><b>Australian Registered Office</b></p> <p>Suite 8 7 The Esplanade Mount Pleasant WA 6153 Australia</p> <p>Telephone: +61 8 9316 9100 Facsimile: +61 8 9315 5475</p> <p><b>Share Registry</b></p> <p>Security Transfer Registrars Pty Ltd 770 Canning Highway Applecross WA 6153 Australia</p> <p>Phone: +61 8 9315 2333 Facsimile: +61 8 9315 2233</p> <p><b>ASX Code:</b> ZER</p> <p><b>Website:</b> <a href="http://www.zetaresources.co">www.zetaresources.co</a></p>	<p><b>Legal Adviser - Australia</b></p> <p>Hardy Bowen Lawyers Level 1 28 Ord Street West Perth WA 6005 Australia</p> <p><b>Legal Adviser – Bermuda*</b></p> <p>Conyers Dill &amp; Pearman Pte Ltd 9 Battery Road 20-21 Straits Trading Building Singapore 049910</p> <p><b>Custodian*</b></p> <p>Bermuda Commercial Bank Limited 19 Par-la-Ville Road Hamilton HM 11 Bermuda</p> <p><b>Auditor*</b></p> <p>KPMG Inc (South Africa) MSC House 1 Mediterranean Street, Foreshore 8001, Cape Town South Africa</p> <p><b>Nominee for Foreign Shareholders</b></p> <p>BBY Nominees Pty Ltd (AFSL 238095) Level 17, 60 Margaret Street Sydney NSW 2000 Australia</p> <p>Phone: +61 2 9226 0000 Facsimile: +61 2 9226 0066 Email: <a href="mailto:enquiries@bby.com.au">enquiries@bby.com.au</a></p>
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\* This entity has not been involved in the preparation of this Prospectus and has not consented to being named in the Prospectus. Its name is included for information purposes only.

## INDICATIVE TIMETABLE

Event	Date
Announcement of Offer	20 December 2013
Lodgement of Prospectus and Appendix 3B with ASIC and provision of copies to ASX	20 December 2013
Company sends letter to Shareholders containing information required by Appendix 3B	24 December 2013
Rights trading commences Existing Shares quoted on an "ex" basis	2 January 2014
Record date for determining Entitlements	5.00pm (WST) 8 January 2014
Prospectus and Entitlement and Acceptance Form despatched to Eligible Shareholders	14 January 2014
Rights trading ends	21 January 2014
New Shares quoted on a deferred settlement basis	22 January 2014
Closing Date	5.00pm (WST) 29 January 2014
Notification of Shortfall	3 February 2014
Anticipated date for allotment and issue of new Shares and despatch of holder statements Last day for the Company to confirm to ASX all information required by Appendix 3B	6 February 2014
Anticipated date for commencement of trading of new Shares	7 February 2014

The above timetable is indicative only and subject to change. Subject to the Listing Rules, the Directors reserve the right to vary these dates, including the Closing Date for the Offer, without prior notice. Any extension of the Closing Date will have a consequential effect on the anticipated date for allotment and issue of the Shares. The Directors also reserve the right not to proceed with the whole or part of the Offer at any time prior to allotment. In that event, the relevant Application Monies will be returned without interest.

## KEY RISK FACTORS

An investment in Shares is subject to risks and uncertainties and should be considered speculative. Some of the more significant risks which affect an investment in the Company are:

- (a) Risks arising from the Company's jurisdiction of incorporation and registration – refer to Section 4.2

As a company incorporated in Bermuda, the Company is not subject to many provisions of the Corporations Act. The Bermuda Companies Act does not provide the same level of shareholder protections as the Corporations Act, including for example takeover protections. In addition, any changes in Bermudian tax law could have an adverse impact on Shareholders.

- (b) Risks related to the holding of interests in other companies – refer to Section 4.3(a)

The Company's business involves holding interests in other companies in the mining and resources sectors. As a result, the Company is exposed to the risks which affect each of the companies in which it holds an interest, including the country risk of each of the countries in which these companies operate. These countries include Australia, East Timor, Egypt, Mali, New Zealand, Tanzania and Vietnam. Political changes, conflict and changes in government policies and exchange rate fluctuations may impact the profitability and viability of the operations of those companies.

- (c) Investment in publicly quoted securities – refer to Section 4.3(c)

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

- (d) Nature of mineral exploration and mining – refer to Sections 4.4(b), (e), (g) and (j)

Mineral exploration and development is a speculative business, characterised by a number of significant uncertainties. Risks the Company is exposed to include metal price risk, native title risk and exploitation risk.

Section 4 contains details of the risks of an investment in the Company.

# CHAIRMAN'S LETTER

20 December 2013

Dear Shareholder

On behalf of the Board, I am pleased to invite you to participate in the future growth of Zeta Resources Limited (**Zeta** or the **Company**) by way of a renounceable pro rata entitlement offer of Zeta shares (**Shares**) as outlined in this Prospectus (**Offer**).

Zeta listed on the ASX in June 2013 following a scheme of arrangement to merge a portfolio of investments in resources companies owned by Utilico Investments Limited (listed on the London Stock Exchange) with ASX-listed junior gold explorer Kumarina Resources Limited.

The proceeds from the Offer will be utilised to provide additional working capital, primarily for investing in assets and companies where, in the opinion of the Company, the underlying value is not reflected in the market price of the securities of those companies.

The Board believes the Offer represents an excellent opportunity for existing Zeta shareholders to participate in the future growth of the Company.

Under the Offer, Eligible Shareholders are entitled to be issued one new Share for every one Share held by them on the Record Date (being 5.00pm (Perth time) on 8 January 2014) (**Entitlement**).

Shareholders also have the opportunity to apply for Shares in excess of their Entitlement in the event that not all Shares are taken up under the Offer (**Shortfall Shares**).

The Offer price of 50 cents per Share represents a 4% discount to the closing market price on 19 December 2013, the last day of trading before the announcement of the Offer. The Offer price also represents a 4% discount to the net tangible asset backing per Share as at 30 November 2013 (being \$0.8118) – refer to the Company's announcement dated 9 December 2013.

To apply for Shares under the Offer, you need to complete the Entitlement and Acceptance Form accompanying this Prospectus. If you wish to apply for Shortfall Shares in excess of your Entitlement, please follow the instructions in Section 1.5 of this Prospectus.

The Offer is not being underwritten and there is no minimum subscription amount under the Offer.

If you have any questions about the Offer, you should seek advice from your stockbroker, accountant or other professional adviser.

The Directors urge you to carefully read this Prospectus in its entirety (including Section 4 which contains a summary of the major risks associated with an investment in Zeta) before deciding how to deal with your Entitlement.

On behalf of the Board of Directors, I recommend this Offer to you and thank you for your continued support of Zeta.

Yours sincerely



Peter Sullivan  
Chairman  
Zeta Resources Limited

## TABLE OF CONTENTS

Section	Page No
1. Details of the Offer .....	9
2. Effect of the Offer.....	14
3. Action required by Shareholders .....	16
4. Risk factors .....	19
5. Additional information.....	28
6. Directors' Statement and Consent .....	34
7. Glossary of Terms .....	35

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## **1. Details of the Offer**

### **1.1 The Offer**

The Offer under this Prospectus is a renounceable pro rata offer to Eligible Shareholders on the basis of one Share for every one Share held on the Record Date at an issue price of \$0.50 per Share (**Offer**).

At the date of this Prospectus the Company has 50,614,556 Shares on issue. The Offer is for 50,614,556 Shares.

Where the determination of the Entitlement of any Eligible Shareholder results in a fraction of a Share, such fraction will be rounded down to the nearest whole Share.

Refer to Section 5.1 for a summary of the rights attaching to Shares.

### **1.2 Purpose of the Offer**

Completion of the Offer will result in an increase in cash in hand of up to \$25,307,278 million before the payment of costs associated with the Offer, estimated to be approximately \$48,678.50 – refer to Section 5.10.

Funds raised under the Offer are proposed to be utilised by the Company for working capital to make additional investments by both:

- (a) direct investments in resources projects; and/or
- (b) indirect investments in resources projects, via investment in entities which hold them.

The investment focus of the Company will be on a wide range of resources projects and companies, including but not limited to, those focussed on oil and gas, gold and base metals exploration and production and across a variety of jurisdictions.

Refer to the Scheme Booklet, in particular section 5.2 of the Scheme Booklet, for further details of the investment strategy of the Company.

As at the date of this Prospectus, the Company has not identified those particular investments towards which it intends to apply the funds raised from the Offer. The Company will continue to investigate investment opportunities (and, where appropriate, undertake due diligence on those opportunities) in accordance with its usual business practice.

### **1.3 Opening and Closing Dates**

The Company will accept Entitlement and Acceptance Forms from the Record Date for determining Eligible Shareholders' Entitlements under the Offer until 5.00pm (WST) on the Closing Date or such other date as the Directors in their absolute discretion shall determine, subject to the requirements of the Listing Rules.

### **1.4 Offer not underwritten**

The Offer is not being underwritten.

## **1.5 Shortfall Offer**

In the event that not all Eligible Shareholders accept their full Entitlement, the Directors reserve the right, subject to any restrictions imposed by the Corporations Act and the Listing Rules, to issue the Shortfall Shares at their sole discretion to such persons as they determine (**Shortfall Offer**).

All Eligible Shareholders may apply for Shares in excess of their Entitlement by applying for Shortfall Shares.

The offer of any Shortfall Shares is a separate offer made pursuant to this Prospectus. The Shortfall Shares will have the same issue price as the Shares offered pursuant to the Offer and will have the same rights as the Shares under the Offer as set out in Section 5.1.

Eligible Shareholders may apply for Shortfall Shares by completing the relevant section of the Entitlement and Acceptance Form sent with this Prospectus together with a cheque in Australian Dollars, crossed "Not Negotiable" and made payable to "Zeta Resources Limited – Entitlement Offer Account" for the subscription amount in the Application. Alternatively, payment of the subscription amount for the Shortfall Shares can be made by BPAY® (see Section 3.1).

The Company reserves the right to issue to an applicant for Shortfall Shares a lesser number of Shortfall Shares than the number applied for or reject an application or not proceed with the issuing of the Shortfall Shares or part thereof. If the number of Shortfall Shares issued is less than the number applied for in an Entitlement and Acceptance Form or if no Shortfall Shares are issued surplus Application Monies will be refunded in full. Interest will not be paid on any Application Monies refunded.

## **1.6 Minimum Subscription**

There is no minimum subscription under the Offer.

## **1.7 Rights Trading**

The Entitlements to Shares under the Offer are renounceable. Accordingly, there will be trading of Entitlements on ASX and you may dispose of your Entitlements to subscribe for Shares to another party. If you do not take up your Entitlement or dispose of your Entitlement to Shares under the Offer by the Closing Date, the Offer to you will lapse.

## **1.8 Risks of the Offer**

An investment in Shares should be regarded as speculative. In addition to the general risks applicable to all investments in listed securities, there are specific risks associated with an investment in the Company which are set out in Section 4.

## **1.9 Entitlement and Acceptance Forms and BPAY® Payments**

Acceptance of a completed Entitlement and Acceptance Form, or alternatively, a BPAY® payment, by the Company creates a legally binding contract between the Applicant and the Company for the number of Shares accepted by the Company. The Entitlement and Acceptance Form does not need to be signed to be a binding acceptance of Shares.

If the Entitlement and Acceptance Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

## **1.10 Issue and despatch**

Shares under the Offer are expected to be issued, and security holder statements despatched, on or before the date in the proposed timetable in this Prospectus.

It is the responsibility of Applicants to determine their allocation prior to trading in the Shares. Applicants who sell Shares before they receive their holding statements do so at their own risk.

## **1.11 Application Monies held on trust**

All Application Monies received for the Shares will be held on trust in a bank account maintained solely for the purpose of depositing Application Monies received pursuant to this Prospectus until the Shares are issued. All Application Monies will be returned (without interest) if the Shares are not issued.

## **1.12 ASX quotation**

Application will be made to ASX no later than 7 days after the date of this Prospectus for official quotation of the Shares offered pursuant to this Prospectus. If permission is not granted by ASX for the official quotation of the Shares offered by this Prospectus within 3 months after the date of this Prospectus (or such period as the ASX allows), the Company will repay, as soon as practicable, without interest, all Application Monies received pursuant to this Prospectus.

## **1.13 CHESS**

The Company participates in the Clearing House Electronic Subregister System, known as CHESS. ASTC, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and the Shares Clearing House Business Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of Shares.

If you are broker sponsored, ASTC will send you a CHESS statement.

The CHESS statement will set out the number of Shares issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the Shares.

If you are registered on the Issuer Sponsored subregister, your statement will be despatched by Security Transfer Registrars and will contain the number of Shares issued to you under this Prospectus and your security holder reference number.

A CHESS statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their Shareholding changes. Shareholders may request a statement at any other time; however, a charge may be made for additional statements.

## **1.14 Residents Outside Australia and New Zealand**

The Offer is not being extended to any Shareholders whose registered address is outside Australia or New Zealand. The Company is of the view that it is unreasonable to make the Offer to Shareholders outside Australia and New Zealand, having regard to:

- the number of those Shareholders;
- the number and value of Shares to be offered to those persons; and

- the cost of complying with overseas legal requirements.

The Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer other than for Shareholders in Australia and New Zealand. The Company is not required to make offers under the Prospectus to Shareholders other than in Australia and New Zealand. Where the Prospectus has been despatched to Shareholders domiciled outside Australia or New Zealand and where the country's securities code or legislation prohibits or restricts in any way the making of the offers contemplated by the Prospectus, the Prospectus is provided for information purposes only.

For the purposes of Listing Rule 7.7 and section 615 of the Corporations Act, and subject to ASIC approval of such appointment being obtained (and in the event that ASIC approval of the nominee appointment is not obtained, ASIC approval of a replacement nominee appointed by the Company), the Company has appointed BBY Nominees Pty Ltd as a nominee to sell the Entitlements which would have been offered to non-qualifying foreign Shareholders had they been entitled to participate in the Offer and to account to the non-qualifying foreign Shareholders for their proportion of the sale proceeds net of expenses. BBY Nominees Pty Ltd will sell the Entitlements on ASX and in the event that the Entitlements are unable to be sold on ASX (due to there being no market for the Entitlements), BBY Nominees Pty Ltd will effect the sale of the Entitlements off market for nominal consideration.

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 non-qualifying foreign Shareholder 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 non-qualifying foreign 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 will sell Entitlements, non-qualifying foreign Shareholders may nevertheless receive no net proceeds if the costs of the sale are greater than the sale proceeds.

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.

### **1.15 Taxation implications**

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of subscribing for Shares under this Prospectus.

The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders. As a result, Shareholders should consult their professional tax adviser in connection with subscribing for Shares under this Prospectus.

## **1.16 Major activities and financial information**

A summary of the major activities and financial information relating to the Company for the period ended 30 June 2013 is in the Annual Report which is available on the Company's website at [www.zetaresources.co](http://www.zetaresources.co).

A summary of the exploration activities of the Company's wholly owned subsidiary, Kumarina Resources Limited, during the quarter ended 30 September 2013 was lodged with ASX on 1 November 2013. The Company's continuous disclosure notices (i.e. ASX announcements) since the lodgement of its Annual Report for the period ended 30 June 2013 with ASX on 19 October 2013 are listed in Section 5.4.

Copies of these documents are available free of charge from the Company. Directors strongly recommend that Shareholders review these and all other announcements prior to deciding whether or not to participate in the Offer.

## **1.17 Privacy**

The Company collects information about each Applicant provided on an Entitlement and Acceptance Form for the purposes of processing the Acceptance and, if the Acceptance is successful, to administer the Applicant's security holding in the Company.

By submitting an Entitlement and Acceptance Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Entitlement and Acceptance Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the share registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

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

An Applicant has an entitlement to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

## **1.18 Enquiries concerning Prospectus**

Enquiries relating to this Prospectus should be directed to the Company Secretary by telephone on +61 8 9316 9100.

## 2. Effect of the Offer

### 2.1 Capital structure on completion of the Offer

	Number of Shares	Number of Listed Options
Balance at the date of this Prospectus	50,614,556	10,122,903
To be issued under the Offer	50,614,556*	Nil
<b>Balance after the Offer</b>	<b>101,229,112*</b>	<b>10,122,903</b>

\* Note: Assumes that the Offer is fully subscribed.

### 2.2 Pro forma consolidated statement of financial position

	Audited 30 June 2013	Unaudited 30 Nov 2013	Pro Forma Adjustments	Pro Forma 30 Nov 2013
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$2,603,538	\$116,590	\$25,307,278	\$25,423,868
Trade and other receivables	\$640,313	-		
<b>Non-current assets</b>				
Deferred exploration and evaluation expenditure*	\$4,295,631	\$4,295,631		\$4,295,631
Investments	\$36,229,896	\$59,017,294		\$59,017,294
Other assets*	\$63,838	\$63,838		\$63,838
<b>Liabilities</b>				
Loan from Utilico	(\$4,577,000)	(\$15,415,471)		(\$15,415,471)
Other liabilities	(\$3,327,584)	(\$6,727,469)	(\$48,678.50)	(\$6,776,147.50)
<b>NET ASSETS</b>	<b>\$35,928,632</b>	<b>\$41,350,413</b>	<b>\$25,258,599.50</b>	<b>\$66,609,012.50</b>
<b>Equity</b>				
Share capital	\$406	\$406	\$506	\$912

	<b>Audited 30 June 2013</b>	<b>Unaudited 30 Nov 2013</b>	<b>Pro Forma Adjustments</b>	<b>Pro Forma 30 Nov 2013</b>
Share premium	\$45,632,068	\$45,632,068	\$25,258,093.50	\$70,890,161.50
Accumulated losses	(\$9,338,686)	(\$3,916,905)		(\$3,916,905)
Foreign currency translation reserve*	(\$365,156)	(\$365,156)		(\$365,156)
<b>TOTAL EQUITY</b>	<b>\$35,928,632</b>	<b>\$41,350,413</b>		<b>\$66,609,012.50</b>

\* Assumes that the 30 November 2013 unaudited figures are the same as the equivalent in the audited 30 June 2013 figures.

### **Basis of Preparation**

The above pro forma statement of financial position has been prepared in accordance with the draft ASIC Guide to Disclosing Pro Forma Financial Information (issued July 2005).

The pro forma balance sheets have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The pro forma statement of financial position is based on the unaudited financial position as at 30 November 2013 that has then been adjusted to reflect the following material transactions:

- (a) the issue of 50,614,556 Shares pursuant to this Prospectus to raise \$25,307,278 (before costs); and
- (b) the payment of approximately \$48,678.50 costs associated with the Offer. These costs are described in Section 5.10.

### **2.3 Market price of Shares**

The highest and lowest market sale prices of the Shares on ASX during the 3 months immediately preceding the date of lodgement of this Prospectus with ASIC and the respective dates of those sales were:

Highest: \$0.56 per Share on 21 November 2013.

Lowest: \$0.51 per Share on 15 November 2013.

The latest available market sale price of the Shares on ASX prior to the date of lodgement of this Prospectus with ASIC was \$0.52 per Share on 19 December 2013.

### **2.4 Dividend policy**

The Directors are not able to say when and if dividends will be paid in the future, as the payment of any dividends will depend on the future profitability, financial position and cash requirements of the Company.

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## **3. Action required by Shareholders**

### **3.1 Acceptance of Shares under this Prospectus**

Your entitlement to participate in the Offer will be determined on the Record Date. The entitlement of Eligible Shareholders receiving this Prospectus is shown on the Entitlement and Acceptance Form sent to Eligible Shareholders with this Prospectus.

Should you wish to accept all of your Entitlement to Shares, then applications for Shares under this Prospectus must be made on the Entitlement and Acceptance Form, 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 "Zeta Resources Limited – Share Issue Account" 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 post to:

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

If you wish to pay via BPAY® you must follow the instructions in the Entitlement and Acceptance Form. You will be deemed to have accepted your entitlements upon receipt of the BPAY® payment by the Company. Eligible Shareholders who elect to pay via BPAY® do not need to return their completed Entitlement and Acceptance Form. If you elect to pay via BPAY® then your payment must be made before 3.00pm (WST) on the Closing Date. Please read the instructions carefully.

Paying via BPAY®, Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and it is the responsibility of the Applicant to ensure that funds are submitted through BPAY® by the date and time mentioned above. If you elect to pay via BPAY®, you must follow the instructions for BPAY® set out in the Entitlement and Acceptance Form and you will not need to return the Entitlement and Acceptance Form.

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

### **3.2 If you wish to take up part of your entitlement only**

Should you wish to only take up part of your Entitlement, then applications for Shares under this Prospectus must be made on the Entitlement and Acceptance Form which accompanies this Prospectus, 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, including the number of Shares you wish to accept and the Application Monies (calculated at \$0.50 per Share accepted).

Completed Entitlement and Acceptance Forms must be accompanied by a cheque in Australian dollars, crossed "Not Negotiable" and made payable to "Zeta Resources Limited – Entitlement Offer Account" and lodged at any time after the issue of this Prospectus and on or before the Closing Date at the Company's share registry (by post) at the address listed in Section 3.1.

If you wish to pay via BPAY® you must follow the instructions in the Entitlement and Acceptance Form. You will be deemed to have accepted your entitlements upon receipt of the BPAY® payment by the Company. Eligible Shareholders who elect to pay via BPAY® do not need to return their completed Entitlement and Acceptance Form. If you elect to pay via BPAY® then your payment must be made before 3.00pm (WST) on the Closing Date. Please read the instructions carefully.

Paying via BPAY®, Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and it is the responsibility of the Applicant to ensure that funds are submitted through BPAY® by the date and time mentioned above. If you elect to pay via BPAY®, you must follow the instructions for BPAY® set out in the Entitlement and Acceptance Form and you will not need to return the Entitlement and Acceptance Form.

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

### **3.3 Shortfall Shares**

If you wish to apply for Shares in excess of your Entitlement by applying for Shortfall Shares you may do so by completing the relevant sections of the Entitlement and Acceptance Form which accompanies this Prospectus, in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form (see Section 1.5). Any Shares applied for in excess of your Entitlement will be made under the Shortfall Offer and will be issued at the complete discretion of the Directors. Please read the instructions carefully.

Completed Entitlement and Acceptance Forms must be accompanied by a cheque in Australian dollars, crossed "Not Negotiable" and made payable to "Zeta Resources Limited – Entitlement Offer Account" and lodged at any time after the issue of this Prospectus and on or before the Closing Date at the Company's share registry (by post) at the address listed in Section 3.1.

If you wish to pay via BPAY® you must follow the instructions in the Entitlement and Acceptance Form. You will be deemed to have accepted any Shortfall Shares applied for in excess of your Entitlement (subject to the complete discretion of the Directors to issue Shortfall Shares) upon receipt of the BPAY® payment by the Company. Eligible Shareholders who elect to pay via BPAY® do not need to return their completed Entitlement and Acceptance Form. If you elect to pay via BPAY® then your payment must be made before 3.00pm (WST) on the Closing Date. Please read the instructions carefully.

If paying via BPAY®, shareholders should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and it is the responsibility of the shareholder to ensure that funds are submitted through BPAY® by the date and time mentioned above. If you elect to pay via BPAY®, you must follow the instructions for BPAY® set out in the Entitlement and Acceptance Form and you will not need to return the Entitlement and Acceptance Form.

### **3.4 Entitlements not taken up**

If you do not wish to accept any of your Entitlement, you are not obliged to do anything.

The number of Shares you currently hold and the entitlement attaching to those Shares will not be affected should you choose not to accept any part of your Entitlement.

### **3.5 Enquiries concerning your Entitlement**

If you have any queries concerning your Entitlement please contact Security Transfer Registrars by telephone on +61 8 9315 2333.

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## **4. Risk factors**

### **4.1 Introduction**

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

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

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

(a) Bermuda domicile risk

As a company incorporated in Bermuda, the Company is subject to the Bermuda Companies Act and is not subject to many provisions of the Corporations Act. It is important to note that there are significant differences between Australian company law and Bermuda company law including in relation to share capital, membership, payment of dividends and distributions, and protection of minority shareholders.

The Bermuda Companies Act does not provide the same level of shareholder rights and protection that a shareholder of an Australian incorporated company may be accorded. In particular, no takeover protection is provided by the Bermuda Companies Act. Where a person seeks to obtain control of the Company by acquiring Shares, under Bermuda law, Shareholders may not be granted a reasonable opportunity to participate in the benefits of any successful takeover or receive any compensation in the form of a "control premium" which would ordinarily be paid by a person obtaining control of an Australian incorporated company.

In addition, as a result of being incorporated in Bermuda, it may be more difficult for investors to enforce judgements obtained in the courts of Australia against the Company.

(b) Tax environment

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

### **4.3 Risks relating to the business of the Company and future operation of the Company**

(a) Risks related to the holding of interests in other companies

The Company's business involves holding interests in companies in the mining and resources sectors. As a result, the Company is exposed to the risks which affect each of those companies. Given that the companies are involved in the mining and resources industry, many of those risks will include those discussed in Section 4.4.

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

(b) Ability to raise additional capital

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

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

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

(c) Investment in publicly quoted securities

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

(d) Volatility

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

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

#### **4.4 Risks relating to the Company's operations and industry**

(a) General economic conditions

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

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

(b) Nature of mineral exploration and mining

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

While the discovery of a mineral structure may result in substantial rewards, few properties that are explored are ultimately developed into economically viable operating mines. Major expenditures may be required to establish reserves by drilling, constructing, mining and processing facilities at a site, and it is possible that even preliminary due diligence will show adverse results, leading to the abandonment of projects. It is impossible to ensure that preliminary feasibility studies or full feasibility studies on the Company's projects or the current or proposed exploration programmes on any of the properties in respect of which the Company has, or will have, exploration rights will result in a profitable commercial mining operation.

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

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

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

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

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

- (d) Geology and reserves

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

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

- (e) Exploitation risks

There can be no assurance that any resources recovered can be brought into profitable production. Market price fluctuations, increased production costs or reduced recovery rates, or other factors may render the present estimated or

inferred resources of the Company uneconomical or unprofitable to develop at a particular site or sites.

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

(f) Commercial risks of mineral exploitation and extraction

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

(g) Metal price risk

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

The decision to put a mine into production, and the commitment of the funds necessary for that purpose, must be made long before the first revenues from production will be received. Metal price fluctuations as well as forecast production costs between the time that such a decision is made and the commencement of production can completely change the economics of any mine. Although it is possible to protect against metal price fluctuations by hedging in certain circumstances, the volatility of metal prices represents a substantial risk in the mining industry generally, which no amount of planning or technical expertise can eliminate.

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

(h) Insurance

While the Company obtains insurance against certain risks in such amounts as it considers adequate, the nature of these risks are such that liabilities could exceed policy limits or that certain risks could be excluded from coverage. There are also risks against which the Company cannot insure or against which

it may elect not to insure. The potential costs that could be associated with any liabilities not covered by insurance or in excess of insurance coverage may cause substantial delays and require significant capital outlays, adversely affecting the Company's earnings and competitive position in the future and, potentially, its financial position. In addition, the potential costs that could be associated with compliance with applicable laws and regulations may also cause substantial delays and require significant capital outlays, adversely affecting the Company's earnings and competitive position in the future and, potentially, its financial position.

(i) Operational targets and delays

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

(j) Native title

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

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

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

Tenements which comprise the Ilgarari Project and the Murrin Murrin Project (both of which are held by the Company's wholly owned subsidiary Kumarina Resources Pty Ltd ACN 142 774 150) are currently subject to one native title determination and certain native title claims (for further information, see the Solicitor's Report on Tenements attached to the Scheme Booklet provided by the Company to ASX on 11 June 2013). However, the existence of a native title claim is not an indication that native title in fact exists on the land covered by the claim, as this is a matter ultimately determined by the Federal Court.

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

(k) Exploitation, exploration and mining licences

The Company's future exploration and mining activities are dependent upon the grant of appropriate licences, concessions, leases, permits and regulatory consents, which may be withdrawn or made subject to limitations. There is no

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

(l) Competition

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

(m) Risks of future potential acquisitions

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

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

(n) Dependence on key personnel

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

(o) Dilution of Shareholders' interests

The Company may raise additional funds in the future to finance investments and acquisitions. If additional funds are raised through the issuance of new equity or equity-linked securities of the Company, other than on a pro rata basis

to existing Shareholders, the percentage ownership of the Shareholders may be reduced, Shareholders may experience subsequent dilution and/or such securities may have preferred rights, options and pre-emption rights senior to Shares.

(p) Exchange rate risk

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

(q) Environmental risk

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

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

(r) Counterparty risk

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

#### **4.5 Litigation, regulatory and general risks**

(a) Litigation risks

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

(b) Regulatory approvals

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

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

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

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

(d) Market perception

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

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

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

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## **5. Additional information**

### **5.1 Rights attaching to Shares**

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

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

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

(a) Profits and dividends

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

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

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

(b) Voting rights

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

No Shareholder shall be entitled to vote at any general meeting, unless all calls presently payable by him in respect of Shares have been paid. On a poll a Shareholder or proxy or representative, if entitled to more than one vote, need not use all his votes or cast all the votes he uses in the same way.

(c) Appointment and removal of directors

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

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

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

- (i) the third annual general meeting; or
- (ii) 3 years,

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

(d) Rights to convene general meetings

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

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

(e) Rights on a winding up

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

(f) Variation of rights

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

## 5.2 Directors' interests in Shares and Listed Options

The Directors or their nominees currently each hold Shares and Listed Options as follows:

Director	No. of Shares	No. of Listed Options
Peter Sullivan	3,220,566	644,113
Marthinus Botha	-	-
Xi Xi	-	-

## 5.3 Company is a disclosing entity

The Company is a disclosing entity under the Corporations Act. It is subject to regular reporting and disclosure obligations under both the Corporations Act and the Listing Rules. These obligations require the Company to notify ASX of information about specific events and matters as they arise for the purpose of ASX making the information available to the stock market conducted by ASX. In particular, the Company has an obligation under the Listing Rules (subject to certain limited exceptions), to notify ASX once it is, or becomes aware of information concerning the Company which a reasonable person would expect to have a material effect on the price or value of the Shares.

Documents that the Company is required to lodge with ASX include:

- (a) quarterly activities and cashflow reports, to be provided to the ASX within a specified time at the end of each quarter;
- (b) half yearly reports and preliminary financial statements, to be provided to the ASX within a specified time of the end of each half and full year accounting period respectively; and
- (c) financial statements, to be lodged with the ASX within a specified time after the end of each accounting period.

## 5.4 Copies of documents

Copies of documents lodged with ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporation Act) may be obtained from, or inspected at, an office of ASIC. The Company will provide free of charge to any person who requests it during the period of the Offer, a copy of:

- (a) the Annual Report of the Company for the period ended 30 June 2013 being the last financial period for which an annual financial report was lodged with ASIC in relation to the Company before the issue of this Prospectus; and
- (b) the following continuous disclosure notices given by the Company to notify ASX of information relating to the Company since the Company lodged its Annual Report for the period ended 30 June 2013 and before the date of issue of this Prospectus:

Date Lodged	Subject of Announcement
10 December 2013	30 November 2013 Net Tangible Asset Backing
25 November 2013	Movement in Substantial Holding NZO
22 November 2013	Change in substantial holding for PAN

14 November 2013	Results of Annual General Meeting 13 November 2013
14 November 2013	Chairman's Address to Shareholders 13 November 2013
13 November 2013	Becoming a substantial holder for PAN
11 November 2013	31 October 2013 Net Tangible Asset Backing
1 November 2013	Quarterly Activities Report - 30 September 2013
18 October 2013	Annual Report to shareholders - amended

The following documents are available for inspection throughout the period of the Offer during normal business hours at the Australian registered office of the Company at Endeavour Corporate, Suite 8, 7 The Esplanade, Mount Pleasant, Western Australia:

- (a) this Prospectus;
- (b) the Bye-laws; and
- (c) the consents referred to in Section 5.12 and the consents provided by the Directors to the issue of this Prospectus.

## **5.5 Information excluded from continuous disclosure notices**

There is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules, and which is required to be set out in this Prospectus.

## **5.6 Determination by ASIC**

ASIC has not made a determination which would prevent the Company from relying on section 713 of the Corporations Act in issuing the Shares under this Prospectus.

## **5.7 Directors' interests**

Except as disclosed in this Prospectus, no Director or proposed director, and no firm in which a Director or proposed director is a partner:

- (a) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the Shares offered under this Prospectus or property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offer; or
- (b) has been paid or given or will be paid or given any amount or benefit to induce him or her to become, or to qualify as, a Director, or otherwise for services rendered by him or her in connection with the formation or promotion of the Company or the Offer.

## **5.8 Directors remuneration**

The Bye-laws authorise the payment of an aggregate annual amount of up to US\$200,000 as non-executive Directors' fees. As the company only became operational towards the end of the previous reporting period no remuneration was paid to directors for the period ended 30 June 2013. The following table shows the total remuneration, including Directors' fees, paid to Directors since 1 July 2013.

Director	Financial Year	Directors Fees and Salary US\$	Superannuation US\$	Other non-cash benefits US\$	Total US\$
Martin Botha	2014	\$12,500	-	-	\$12,500
Xi Xi	2014	\$12,500	-	-	\$12,500
Peter Sullivan	2014	\$12,500	-	-	\$12,500

## 5.9 Interests of other persons

Except as disclosed in this Prospectus, no expert, promoter or other person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus has, and has not had in the two years before the date of this Prospectus, any interests in:

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

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) and no other benefit has been given or agreed to be given to any of those persons for services provided by those persons in connection with the formation or promotion of the Company or the Offer.

Hardy Bowen will be paid \$10,000 (plus GST) in fees for legal services as at the date of this Prospectus in connection with the Offer. In the past two years Hardy Bowen has provided legal advice in relation to various matters, including an acquisition agreement, scheme of arrangement and the listing of the Company on ASX and been paid \$7,747.60 (plus GST) for these services.

## 5.10 Expenses of Offer

The estimated expenses of the Offer are as follows:

	Offer
	\$
ASIC Lodgement fee	2,225.00
ASX quotation fee	28,453.50
Legal and preparation expenses	10,000
Printing, mailing and other expenses	3,000.00
Share Registry	5,000.00
<b>Total</b>	<b>48,678.50</b>

## 5.11 Electronic prospectus

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

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Entitlement and Acceptance Form. If you have not, please phone the Company on +61 8 9316 9100 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.zetaresources.co](http://www.zetaresources.co).

The Company reserves the right not to accept an Entitlement and Acceptance Form from a person if it has reason to believe that when that person was given access to the electronic Entitlement and Acceptance 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.

## **5.12 Consents**

Other than as set out below, each of the parties referred to in this Section 5.12:

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

Hardy Bowen has given and has not before the date of this Prospectus withdrawn its written consent to be named as legal adviser to the Company as to matters of Australian law.

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

BBY Nominees Pty Ltd has given and has not before the date of this Prospectus withdrawn its written consent to be named as the nominee for foreign Shareholders.

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## 6. Directors' Statement and Consent

This Prospectus is authorised by each of the Directors of the Company.

This Prospectus is signed for and on behalf of the Company by:

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

Peter Sullivan  
**Director**

Dated: 20 December 2013

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## 7. Glossary of Terms

These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

**\$** means Australian dollars (unless otherwise indicated).

**Acceptance** means a valid acceptance of Shares made pursuant to this Prospectus on an Entitlement and Acceptance Form.

**Annual Report** means the financial report lodged by the Company with ASIC in respect to the period ended 30 June 2013 and includes the chairman's statement, investment manager's report, information regarding the five largest holdings, details of the investment team and investment approach, corporate governance statement and financial statements of the Company and its controlled entities for the period ended 30 June 2013, together with a Directors' report in relation to that financial year and the auditor's report for the period to 30 June 2013.

**Applicant** refers to a person who submits an Entitlement and Acceptance Form and **Application** refers to the submission of an Entitlement and Acceptance Form.

**Application Monies** means application monies for Shares received by the Company from an Applicant.

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

**ASTC** means ASX Settlement and Transfer Corporation Pty Ltd ACN 008 504 532.

**ASX** means ASX Limited ABN 98 008 624 691 and where the context permits, the Australian Securities Exchange operated by ASX Limited.

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

**BBY Nominees Pty Ltd** means BBY Nominees Pty Ltd (AFSL 238095).

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

**Board** means the Directors meeting as a board.

**Business Day** means Monday to Friday inclusive, other than a day that ASX declares is not a business day.

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

**CHESS** means ASX Clearing House Electronic Subregistry System.

**Closing Date** means the date identified as such in the proposed timetable.

**Company** or **Zeta** means Zeta Resources Limited ARBN 162 902 481.

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

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

**Eligible Shareholder** means a person registered as the holder of Shares on the Record Date whose registered address is in Australia and New Zealand.

**Entitlement** means the entitlement to Shares under the Offer.

**Entitlement and Acceptance Form** means the entitlement and acceptance form sent with this Prospectus that sets out the entitlement of Shareholders to subscribe for Shares pursuant to the Offer.

**Issuer Sponsored** means securities issued by an issuer that are held in uncertificated form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHES.

**Listed Option** means a listed option to acquire a Share exercisable at an exercise price of \$1.00 until 7 June 2016.

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

**Offer** means the Offer as defined in Section 1.1.

**Prospectus** means this prospectus dated 20 December 2013.

**Record Date** means 5:00pm (WST) on the date identified in the proposed timetable.

**Scheme Booklet** means the scheme booklet dated 8 April 2013 in respect to the scheme of arrangement between Kumarina Resources Pty Ltd ACN142 774 150 and the Company.

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

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

**Shareholder** means a holder of Shares.

**Security Transfer Registrars** means Security Transfer Registrars Pty Ltd.

**Shortfall Offer** has the meaning given in Section 1.5.

**Shortfall Shares** means Shares not subscribed for by Eligible Shareholders under the Offer or by holders of Entitlements before the Closing Date.

**US** means the United States of America, its territories and possessions, any State in the United States of America and the District of Columbia.

**US\$** means United States dollars.

**WST** means Western Standard Time, being the time in Perth, Western Australia.