



# Rights Issue Offer Document

## TopTung Ltd

ABN 12 118 788 846

This is an offer to Eligible Shareholders to participate in a pro rata non-renounceable rights issue of 1 New Share for every 3 Existing Shares held at the Record Date of 30 January 2017, at an Issue Price of \$0.035 per New Share to raise up to approximately \$1.34 million.

### Important Notice

This Offer Document is important and requires your immediate attention.

Certain terms and abbreviations used in this Offer Document are defined in the Glossary.

References to Australian dollars or \$ are references to the lawful currency of Australia. Any discrepancies between the totals and the sum of all the individual components in the tables contained in this Offer Document are due to rounding.

In this Offer Document, references to “you” are references to Eligible Shareholders and references to “your Entitlement” are references to the Entitlement and Acceptance Form of Eligible Shareholders.

The Offer to which this Offer Document relates complies with the requirements of section 708AA of the Corporations Act and accordingly, this Offer Document is without Disclosure under Part 6D.2 of the Corporations Act and is not required to be lodged or registered with ASIC. This Offer Document is for information purposes and is not and does not purport to be a prospectus or other disclosure document for the purposes of the Corporations Act. Accordingly, this Offer Document does not contain all of the information which would be required to be disclosed in a prospectus or other disclosure document, and does not necessarily contain all the information that prospective investors may require in order to make an informed investment decision regarding, or about the rights attaching to, the New Shares offered under this Offer Document.

It should be read in its entirety. If you do not understand its content or are in doubt as to the course you should follow, you should consult your stockbroker or professional adviser without delay.

This Offer opens on 31 January 2017 and closes at 5.00 pm Sydney time on 10 February 2017.

Valid acceptances must be received before that time. Please read the instructions in this document and on the accompanying Entitlement and Acceptance Form regarding the acceptance of your Entitlement. Applications for New Shares by Eligible Shareholders, including Shortfall Shares, can only be made by using or following the instructions on an Entitlement and Acceptance Form sent together with this Offer Document.

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## Important Dates

### Indicative Timetable for Offer

Event	Date
Announcement of Offer	Monday 23 January 2017
Lodgement Date <ul style="list-style-type: none"><li>- Offer Document lodged with ASX</li><li>- Appendix 3B lodged with ASX</li></ul>	Monday 23 January 2017
Lodgement of cleansing notice with ASX	Monday 23 January 2017
Despatch of Shareholder Notice	Wednesday 25 January 2017
Ex Date - The date on which Existing Shares commence trading without the Entitlement to participate in the Offer	Friday 27 January 2017
Record Date - The date for determining Entitlements of Eligible Shareholders to participate in the Offer (7.00pm Sydney local time)	Monday 30 January 2017
Offer Document sent to Shareholders <ul style="list-style-type: none"><li>- Anticipated despatch of Offer Document and Entitlement and Acceptance Forms</li><li>- Offer opens</li></ul>	Tuesday 31 January 2017
Closing Date - The last day for receipt of Entitlement and Acceptance Forms (5.00pm Sydney time)	Friday 10 February 2017
New shares quoted on a deferred settlement basis	Monday 13 February 2017
Under-subscription notification to ASX (if any)	Wednesday 15 February 2017
Issue Date Deferred settlement trading ends	Friday 17 February 2017
Expected commencement of normal trading in New Shares on ASX	Monday 20 February 2017

The above dates and times are indicative only. All times and dates are a reference to Sydney time unless otherwise stated. TopTung reserves the right to vary any of the above dates and times, including closing the Offer early or extending it subject to the Corporations Act, ASX Listing Rules and other applicable laws.

### Key Offer Statistics

Issue price per New Share	\$0.035
Total number of New Shares available under the Offer	38,311,913
Maximum total of TopTung Shares on issue following the Rights Issue	153,247,653*(if fully subscribed)
Maximum total proceeds of the Offer (before expenses of the Offer)	\$1,340,917

\* Based on Shares on issue at 20 January 2017 and subject to rounding up of Entitlements

## Key Issues

Question	Answer	Where to find more information – section(s)
Who is the issuer ?	TopTung	
What is the offer ?	Non-renounceable pro rata rights issue to raise approximately \$1.34 million (before expenses of the Offer).	Section 1.1
Terms of the Offer	<p>1 New Share for each 3 Existing Shares at an Issue Price of \$0.035 (3.5 cents) per New Share.</p> <p>As the issue is non-renounceable, Eligible Shareholders do not have the right to sell their Entitlements. Eligible Shareholders have the opportunity to subscribe for all, part or none of their Entitlement to New Shares. Eligible Shareholders may apply for additional Shortfall Shares under the Shortfall Offer. The Directors reserve the right to issue any Shortfall Shares, at their discretion, subject to any requirements in the ASX Listing Rules.</p>	Section 1.1
Use of net proceeds	<p>To provide funding in support of:</p> <ul style="list-style-type: none"> <li>• Ongoing exploration and feasibility study costs on the Torrington Tungsten and Topaz project</li> <li>• Funding of the Topaz research project at the University of New South Wales (<b>UNSW</b>)</li> <li>• Corporate and general administration costs</li> </ul>	
Who can invest ?	Eligible Shareholders on TopTung's share register as at 7:00pm Sydney local time on the Record Date (30 January 2017)	Section 1.1
What are the potential significant risks?	<p>The significant risks specific to an investment in TopTung include:</p> <ul style="list-style-type: none"> <li>• Inherent risks in exploration and increasing resources</li> <li>• Inherent risks and delays in obtaining Government approvals for possible project development;</li> <li>• Fluctuations of commodity prices; and</li> <li>• Other risks as set out in Section 4.</li> </ul> <p>Impact on your shareholding:</p> <p>If you do not take up your Entitlement, your shareholding in TopTung will be diluted with respect to your right to any future earnings and net assets of TopTung.</p>	Section 4
What are the expenses payable by TopTung?	The maximum total expenses of the Offer are expected to be approximately \$20,000 (exclusive of GST).	Section 5.1

How can further information be obtained?	If you require advice as to whether to accept your Entitlement, you should read the continuous disclosure announcements on TopTung's website or seek professional advice from your legal, investment or other professional advisor.	
Are there any Broker Handling Fees?	No.	
Offer Date	This Offer is dated 23 January 2017.	
How do I apply for New Shares ?	<p>Return your Entitlement and Acceptance Form and the Application Money before 5:00pm Sydney time on the Closing Date (10 February 2017) to:</p> <p>By mail:  TopTung Ltd  C/- Boardroom Pty Limited  GPO Box 3993  Sydney NSW 2001</p> <p>Alternatively, payment can be made by BPAY by following the instructions set out on the Entitlement and Acceptance Form.</p>	Section 2.3 and 2.4.

## **Important Information**

### **This Offer Document is not a Prospectus**

It does **not** contain all of the information that an investor would find in a prospectus or which may be required to make an informed investment decision regarding, or about the rights attaching to, the New Shares offered by this Offer Document. It has not been and will not be lodged with ASIC. Neither ASIC nor ASX or their respective officers take any responsibility for the content of this Offer Document or for the merits of the investment to which this Offer relates.

As an Eligible Shareholder of TopTung this Offer Document is important and requires your immediate attention.

You should read the entire Offer Document before deciding whether to invest in the New Shares. Please carefully read the instructions on the accompanying Entitlement and Acceptance Form regarding the acceptance of your Entitlement under the Offer. If you have any questions regarding your Entitlement or the Offer, please contact your legal, investment or other professional adviser.

### **Professional advice**

The information in this Offer Document is not financial product advice and does not take into account your investment objectives, financial situation or particular needs. It is important that you read this Offer Document in its entirety before deciding whether to take up your Entitlement to New Shares. In particular, you should consider the risk factors that could affect the performance of TopTung, some of which are outlined in Section 4. You should carefully consider these factors in light of your personal circumstances (including financial and taxation issues) and seek professional guidance before deciding whether to take up your Entitlement. If you have any questions you should seek professional advice from your legal, investment or other professional adviser.

### **Foreign jurisdictions**

This Offer Document does not, and is not intended to constitute an offer, invitation or issue in places which, or to any person to whom, it would be unlawful to make such an offer, invitation or issue.

The distribution of this Offer in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Offer outside Australia and New Zealand should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

TopTung has decided that it is unreasonable to make the Offer to Shareholders who have a registered address in a country outside of Australia and New Zealand, having regard to the number of Shareholders in such places, the number and value of the New Shares that would be offered and the substantial costs of complying with the legal and regulatory requirements in those jurisdictions.

Accordingly, this Offer does not constitute an offer or invitation in any place outside Australia and New Zealand where, or to any person to whom, it would be unlawful to make such an offer or invitation. No action has been taken to register or qualify the New Shares or to otherwise permit an offering of the New Shares outside Australia and New Zealand. Residents of other jurisdictions should consider doing so using Australian domiciled entities, including nominee companies affiliated with Australian broking firms.

### **No Entitlement trading**

Entitlements are non-renounceable and will not be tradeable on the ASX or otherwise transferable. Accordingly, you cannot withdraw your application for New Shares once it is accepted.

### **No representations other than in this Offer**

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

### **Future performance**

Except as required by law, and only to the extent so required, none of TopTung, its Directors or any other person warrants or guarantees the future performance of TopTung or any return on any investment made pursuant to this Offer.

### **Privacy**

By filling out the Entitlement and Acceptance Form to apply for New Shares, you are providing information to TopTung (directly and/or via the Share Registry) that may constitute personal information for the purposes of the Privacy Act 1988 (Cth). TopTung (and the Share Registry on its behalf) collects, holds and uses personal information provided on an Entitlement and Acceptance Form in order to assess your application and administer your holding of Shares.

If you do not provide the information requested in the Entitlement and Acceptance Form, TopTung and the Share Registry may not be able to process or accept the form.

Access to your personal information may be provided to TopTung's agents and service providers on the basis that they deal with such information in accordance with this privacy disclosure statement. You have a right to request access to the personal information that TopTung holds about you subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to TopTung's registered office at:

In person:  
TopTung Ltd  
Level 8, 46 Edward Street  
Brisbane, Queensland 4000

By mail:  
PO Box 15505  
City East, QLD 4002

### **Defined terms and conditions**

Certain terms and abbreviations used in this Offer Document are defined in the Glossary.

## Letter from the Chairman

Dear Fellow Shareholder,

On behalf of your Directors of TopTung Ltd, I am pleased to offer you the opportunity to participate in the pro rata non-renounceable rights issue which was announced by TopTung Ltd on 23 January 2016.

Each Shareholder eligible to participate in this Offer is invited to subscribe for one (1) New Share in the capital of the Company for every three (3) existing Ordinary Shares registered in their name at 7:00pm Sydney local time on 30 January 2017 (the **Record Date**). Shareholders recorded on the share register with an address outside Australia and New Zealand are not eligible to participate in the Offer.

The 1 for 3 pro rata non-renounceable rights issue to Shareholders will raise approximately \$1.34 million (before costs) through the issue of up to 38,311,913 new fully paid ordinary shares.

The New Shares will be issued at a cost of 3.5 cents per Share.

The proceeds of the Offer will be used to fund the ongoing exploration and feasibility study costs on the Torrington Tungsten and Topaz project, the Topaz research project at the UNSW and other corporate and general administration costs.

The decision by the Board of your Company to proceed with a rights issue immediately preceding the commencement of its long-awaited resource drilling programme at its Torrington Tungsten and Topaz project in northern New South Wales probably will come as a surprise to many if not most of you. I will outline below the reasons and reasoning for this and hope it will find acceptance and garner further Shareholder support for what promises to be an exciting future for TopTung.

The Company returned 5c per share to Shareholders in 2015 after determining that the remaining funds would be sufficient to undertake the necessary exploration to increase the tungsten resources at its sole Torrington Tungsten and Topaz project and take it through to feasibility study stage. However there have been a number of negative issues that confronted the Company and affected its finances. All the following have been well documented in various Company announcements.

**Legacy issues:** In no particular order the more important of these were the criminal case against the Company for its past exploration related transgressions in the Northern Territory with its associated legal costs and the eventual High Court fine of \$150,000 after appeal; costs incurred by the previous directors defending their positions during the 249D process to change the Board; numerous years of neglected rehabilitation work caused by past exploration activities; closure of the Townsville office and redundancy payments to staff; loss on the Townsville office property sale; paying out vehicle and equipment leases; settlement of outstanding supplier, legal and consultant claims and accounts.

**Project delays:** The saying 'Nothing worth having comes easy' is aptly demonstrated by the various delays the Company has experienced from reaching agreement to purchase the Project in early 2015 and assuming after its Due Diligence that drilling could occur later that year. It has been a steep learning curve dealing with the statutory and permitting requirements – none of which the Company now understands are unique to it or New South Wales, but when holding only one project they are exacerbated and frustrating. The obvious negative impact that the delays in commencing drilling have caused are ongoing fixed administration costs; increased drilling and laboratory costs; lack of available equipment; and, assay delays due to a widespread increase in exploration sector activity.

**Positives:** During the enforced delays in progressing the project, the Board agreed to commission tungsten metallurgical studies and undertake research into topaz applications and beneficiation. These decisions have both paid off and the former will save time as the project evolves. The latter has

resulted in a joint application with the UNSW for Federal Government (ARC) funding. These are covered in the Project section which follows.

**Rationale for the rights issue and use of funds:** The present conservative budget for the fifteen months to 31 March 2018 indicates the Company will have remaining cash of approximately \$500,000. Assuming a successful resource drilling campaign, the Board will aggressively pursue the statutory clearances and permits to allow mine development while completing the BFS or DFS and associated studies. Participation in and funding of the topaz research project at the UNSW will be ongoing. The Company also has to assess the prospectivity of the areas of its two Exploration Licences not covered by the REF and the present resource drilling programme around Mt Everard, Burnt Hut and Wild Kate. These prospective areas also contain numerous historical mines, not dissimilar to those within the REF area. All these ongoing activities will consume funds not fully covered by the present budget. The Board has also resolved to sole fund the topaz fibre research at the UNSW in the unlikely event that the Federal Government does not approve the application for ARC funding assistance.

**Decision not to involve a broker:** Given the 3.5c per share pricing of this Offer which is at a discount to the present market price and effectively equivalent to the cash backing per share, it was decided that an underwriter could add little value.

Full details of the Offer and how to apply for your Entitlement can be found in the attached Offer Document.

The Offer closes at 5:00pm Sydney time on 10 February 2017. To apply for the Offer, you must return your completed Entitlement and Acceptance Form and pay the Application Money to us by this time.

Entitlements are non-renounceable and will not be tradeable on the ASX or otherwise transferable. Shareholders who do not take up their Entitlements will not receive any value in respect of those Entitlements.

I encourage you to read these documents before deciding whether or not to take up your Entitlement. You are recommended you seek independent investment advice from your stockbroker, accountant or other professional advisor before making any investment decision.

In closing, I would like to thank in advance all the Shareholders who decide to support TopTung and participate in this Offer.



Leon Pretorius

## About the Company's project

TopTung holds only two ELs in northern NSW (the Torrington Tungsten and Topaz Project) acquired from Resolve Geo (Pty) Limited (see ASX announcement of 15 April 2015).

Permitting and statutory clearances to undertake exploration to increase the existing JORC Code 2012 compliant Mineral Resource estimate took the Company more than a year and half to finalise.

The above published resource is 2,146,000 tonnes at 0.23% WO<sub>3</sub> for 4,965 tonnes WO<sub>3</sub> at a 0.063% WO<sub>3</sub> cut-off comprising an Indicated Resource of 422,000 tonnes at 0.25% WO<sub>3</sub> for 1,043 tonnes WO<sub>3</sub> and an Inferred Resource of 1,724,000 tonnes at 0.23% WO<sub>3</sub> for 3,922 tonnes WO<sub>3</sub> both at a 0.063% WO<sub>3</sub> cut-off (ASX announcement of 12 August 2015).

The host rock to the tungsten mineralisation is silexite which contains ~80% silica and ~20% topaz and the Company soon realised the potential value this poorly understood alumina silicate industrial mineral (the topaz) could add to the economics of the Project.

As previously reported (ASX announcement of 22 December 2016) all statutory requirements including community consultations to allow drilling and associated activities have been met and an alternating diamond and reverse circulation (RC) percussion drilling programme will commence in the week of 23 January 2017. The approved budget for direct drilling costs is \$700,000 and pending the ratio of RC to diamond, will allow for approximately 8,000m of RC and 2,500m of combined HQ and PQ diameter diamond drilling. Depending on the depth of mineralisation this will total at least 350 holes (based on a 30m average depth). The drill programme will run for about 3-months and is aimed at approximately doubling the existing resource and increasing its confidence level. It is anticipated that all assays will be in hand 3-months later. In addition to the direct drilling costs, the Company estimates that sample analyses, track clearing, contract geologists and field staff, accommodation, vehicles, consumables etc will cost \$400,000. The total budget estimate is therefore between \$1 and \$1.2 million.

As a result of the enforced delays in progressing the Project, the Board agreed to commission tungsten metallurgical studies and undertake research into topaz applications and beneficiation as an interim measure. Both these decisions have paid off. The former will save time as the Project evolves and, the latter has resulted in a joint application with the UNSW for Federal Government (ARC) funding.

After calling for quotes based on a Company defined scope of work, it was agreed that Peacocke and Simpson (Zimbabwe) would undertake the metallurgical testwork on a 1.1 tonne portion of the 3 tonne silexite bulk sample collected from the Mt Everard pit in late 2015. The testwork programme commenced in mid-January 2016 and was finalised in early November 2016. The initial testwork on smaller portions of the sample resulted in a processing method with recoveries of +80% of the tungsten in the feed material producing a concentrate (after magnetic clean-up) containing ~69% WO<sub>3</sub> (ASX announcement of 6 September 2016). The parameters of the earlier phases of testwork were applied to the processing of the remaining 720kg which resulted in a very simplified flowsheet encompassing gravity concentration after crushing to minus 1mm, with magnetic clean-up of the spiral concentrate (ASX announcement of 11 November 2016).

During the metallurgical testwork, samples for X-ray ore sorting trials were sent to three international laboratories, which led to a breakthrough for the Project (ASX announcement of 18 October 2016). TOMRA Sorting Solutions successfully separated hand selected (10 to 30mm) visually tungsten mineralised and unmineralised Torrington quartz-topaz host rock (known as silexite) from Mt Everard at their X-Ray Transmission (XRT) test facility in Sydney. To optimise this testwork, drill core that is

more representative of the mineralised silicite zone and the grade of the deposit will be used to verify and quantify that a significant mass reduction and high recoveries can be achieved from a full scale XRT sorter. If successful, this will result in a substantial reduction in the volume of the fraction passing through the sorter then requiring further processing to extract the tungsten. XRT sorting will be included before the fine crushing step.

Another highlight was the budget estimate cost of a processing plant that would be required at Torrington if the Project proves to be viable. This was prepared by Appropriate Process Technologies (APT) of South Africa, which is affiliated with Peacocke and Simpson. The design incorporates a 200tph crushing plant followed by 60tph scrubbing + spirals in the flowsheet. Based on the assumptions above the plant was costed at US\$8,300,000 ex-works Johannesburg. Excluded are civils, water and electricity supply, tailings facility, product drying and handling which the Company estimates would bring the total price to <US\$11,000,000, or <A\$15 million (ASX announcement of 11 November 2016).

Topaz constitutes ~20% of the silicite host rock and given the sheer volume that could be produced as a by-product during gravity separation and concentration of the tungsten and the effect it could have on the economic success of the Project led to further focus on this product. As an alumina silicate, the topaz could be used as a feedstock for ceramic and refractory production and also as an abrasive given its hardness, but the Company is more interested in the high value end of its potential in the production of mullite-type derivatives.

To progress this, preliminary negotiations for collaboration with the Materials Science and Engineering faculty of UNSW commenced in November 2015. Subsequently, there have been several on-campus meetings and agreement was reached to fund a small-scale research Project to demonstrate the development of oriented mullite fibres from fly ash. The research programme showed the potential for the fabrication of oriented mullite from fly ash; furthermore, the work showed the potential for using this material as a template for the fabrication of oriented fibres from topaz. Consequently, the Company registered a wholly-owned subsidiary Topfibre (Pty) Limited to lead its collaborative research with the UNSW (ASX announcement of 10 January 2017 – December 2016 Quarterly report). An evolving Strategic Plan was agreed to by the Company and Prof. Sorrell (and Dr Koshy) to investigate the production of Single-Crystal Mullite Fibres from the Torrington Topaz leading to commercial production of Fibre-Reinforced Composites.

If successful, the single-crystal mullite fibres could be used to reinforce in both metal matrix composites (MMCs) and ceramic matrix composites (CMCs).

MMCs are established in structural, aerospace, automotive, electronic, thermal management, and wear-resistance applications. In 2012, the market for MMCs was US\$229 billion for a volume of 5,500 tons. The market is estimated to increase in 2019 to US\$357 billion for a volume of 8,300 tons.

CMCs have only recently begun to emerge from niche applications, finding roles in space, military, ground transport, power generation, thermal protection, corrosion resistance, and wear resistance applications. The market for CMCs is considerably smaller, with a current 2016 value of US\$3.9 billion and estimated 2021 value of US\$6.2 billion.

The general aim of the research programme is to develop a pathway leading to the production of commercial quantities of such individual, single-crystal, mullite fibres of dimensions suitable for implementation as reinforcements for MMCs and CMCs.

To the knowledge of Prof. Sorrell, the only commercially available single-crystal fibre was alumina that was produced in the early 2000s by Sapphicon which sold for US\$100,000/kg.

The current benchmark cost for high-end non-oxide fibres tends to be in the vicinity of US\$1,000/kg.

A submission was lodged with the Federal Government by the UNSW as a 2016 ARC Linkage Project before the cut-off date of 22 December 2016 with Topfibre as the industry partner. Topfibre's contribution to this 3-year research Project will be in the order of \$500,000 (in cash and kind). This investment based on the merits and potential of the research was approved by the Board of TopTung and will be increased if required.

### **Competent Person Statement**

The information in this Offer Document that relates to Exploration Results is based on information compiled by Dr Leon Pretorius. Dr Pretorius is the Executive Chairman of TopTung and is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM) (CP) and a Member of the Australian Institute of Geoscientists (MAIG). Dr Pretorius has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activities, which he is undertaking. This qualifies Dr Pretorius as a "Competent Person" as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012). Dr Pretorius consents to the inclusion of information in this report in the form and context in which it appears. Dr Pretorius is a major Shareholder of TopTung.

The information in this Offer Document that relates to Metallurgical Testwork for the Torrington Project is being conducted under the supervision of Dr Leon Pretorius. Dr Pretorius is the Executive Chairman of TopTung and is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM) (CP) and a Member of the Australian Institute of Geoscientists (MAIG). Dr Pretorius has sufficient experience which is relevant to the type of beneficiation plant under consideration and to the activities being undertaken. This qualifies Dr Pretorius as a "Competent Person" as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012). Dr Pretorius consents to the inclusion in this report of the matters based on the information in the form and context in which it appears. Dr Pretorius is a major Shareholder of TopTung.

The information in this Offer Document that relates to the Torrington Project Exploration Targets and Mineral Resources was prepared Mr Gordon Saul. Mr Saul is a full time employee and sole director of Resolve Geo Pty Ltd a company that was engaged by TopTung to prepare the documentation for the Torrington tungsten and topaz deposits on which its JORC Code 2012 report is based. Mr Saul is a Member of the Australian Institute of Geoscientists (MAIG) and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activities, which he is undertaking. This qualifies Mr Saul as a "Competent Person" as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012). Mr Saul consents to the inclusion of information in this report in the form and context in which it appears. Resolve Geo Pty Ltd is a major Shareholder (14.9%) of TopTung.

## Section 1 – Details of the Offer

### 1.1 Description of the Offer

The Offer consists of a total of 38,311,913 New Shares offered by TopTung by way of a pro rata non-renounceable rights issue to raise approximately \$1.34 million (before expenses of the Offer).

The Offer is explained in more detail in this Section 1.

If you are an Eligible Shareholder, you are being offered an Entitlement to acquire 1 New Share for every 3 Existing Shares held as at the Record Date.

The Issue Price per New Share is \$0.035 (3.5 cents).

Your Entitlement to New Shares is rounded up to the nearest whole number. For rounding purposes, holdings in the same name are aggregated for the calculation of Entitlements. TopTung reserves the right to aggregate holdings where it believes holdings have been split in order to take advantage of this rounding. TopTung also reserves the right to aggregate holdings held by associated Eligible Shareholders for the purpose of calculating Entitlements.

The Entitlements are non-renounceable, meaning you do not have the right to sell or otherwise transfer your Entitlement. You have the opportunity to subscribe for all, additional, part or none of your Entitlement to New Shares.

The Closing Date for receipt of the Entitlement and Acceptance Form and payment of the Application Money from Eligible Shareholders is 5:00pm Sydney time on 10 February 2017, or such other date as the Directors may determine, subject to the requirements of the ASX's Listing Rules and any other applicable law. There is no minimum subscription.

### 1.2 Ranking of New Shares

The New Shares will be fully paid and rank equally in all respects with Existing Shares.

### 1.3 Opening and Closing Dates

The Company will accept Entitlement and Acceptance Forms from 31 January 2017 (**Opening Date**) until 5.00pm Sydney time on 10 February 2017 (**Closing Date**) or such later date as the Directors in their absolute discretion shall determine, subject to the requirements of the ASX Listing Rules.

### 1.4 Issue

TopTung expects to issue all New Shares on 17 February 2017.

The allotment of New Shares to Applicants is expected to occur in accordance with the timetable on page 1. It is the responsibility of Applicants to determine their allocation prior to trading in New Shares. Applicants who sell New Shares before they receive their new holding statements following the issue of New Shares to them will do so at their own risk.

### 1.5 Shortfall Offer

If you take up your Entitlement in full, you may also apply for additional Shares out of the Shortfall (**Shortfall Shares**) in excess of your Entitlement pursuant to a top-up facility (**Shortfall Offer**) by completing the relevant part of the Entitlement and Acceptance Form relevant to the Shortfall Offer. Refer to Section 2.5 for instructions as to how to apply for Shortfall Shares.

Any New Shares under the Offer that are not taken up by Eligible Shareholders will form part of the Shortfall and will be allocated to other Eligible Shareholders or to investors who do not need disclosure under Part 6D.2 of the Corporations Act because of subsections 708(8) to 708(12).

Shortfall Shares will be issued at the issue price of \$0.035 per Shortfall Share, being the same price as New Shares under the Offer. The Shortfall Shares will have the same rights as the New Shares.

The Shortfall Offer is a separate offer under this Offer Document and will remain open for up to three months following the Closing Date. Under this Offer Document, the Company offers to issue the Shortfall Shares to Eligible Shareholder who apply for additional New Shares out of the Shortfall as well as to other investors who are not current Shareholders and who do not need disclosure under Part 6D.2 of the Corporations Act because of subsections 708(8) to 708(12), including sophisticated and professional investors.

Shortfall Shares may, at the absolute discretion of the Directors, be allocated to Eligible Shareholders who apply for New Shares in the Entitlement and Acceptance Form or to other investors who apply for Shortfall Shares by completing the Shortfall Application Form upon invitation from the Company.

Eligible Shareholders or other investors who apply for Shortfall Shares may be allocated a lesser number of Shortfall Shares than applied for, or may be allocated no Shortfall Shares at all, in which case excess Application Monies will be refunded without interest. As the Offer is not underwritten, to the extent any Shares under the Offer remain unallocated, they will not be issued.

All decisions regarding the allocation of Shortfall Shares will be made by the Company and will be final and binding on all Eligible Shareholders.

### **1.6 Acceptance**

Lodgement of a completed Entitlement and Acceptance Form creates a legally binding contract between the Applicant and the Company for the number of New Shares applied for and is not revocable. The Entitlement and Acceptance Form does not need to be signed to be a binding acceptance of New Shares. If the Entitlement and Acceptance Form is not completed correctly it may still be treated as valid. If payment is made by BPAY® the Entitlement and Acceptance Form is not required to be completed as the payment of the Application Money is deemed to be acceptance by the Shareholder. 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.

### **1.7 Application Monies**

Until the time of issue of New Shares, TopTung will hold all Application Monies in relation to those New Shares in a purpose specific bank account. Interest earned on any Application Monies (whether or not allotment takes place) will remain the property of TopTung.

### **1.8 No underwriting**

The offer is not underwritten.

### **1.9 Effect of the Offer on Control of the Company**

It is a general rule under section 606 of the Corporations Act that a person cannot acquire a relevant interest in issued voting shares in a company if because of the transaction in relation to securities, a person's voting power in the company increases from 20% or below to more than 20%. There are exceptions to that prohibition, including an acquisition pursuant to a rights issue (if the conditions of item 10 of section 611 of the Corporations Act are satisfied).

The Company reserves the right to reject or scale back any application for Shortfall Shares which it considers may result in a breach of section 606. The Company expressly disclaims any responsibility for monitoring such applications or ensuring that Applicants to this Offer do not breach section 606 as a result of participation in the Offer.

### **1.10 Foreign Shareholders**

This Offer is made only to Shareholders with a registered address in Australia or New Zealand.

TopTung is of the view that it is unreasonable to make the Offer to other overseas Shareholders (ie. those without registered addresses in Australia or New Zealand) (**Foreign Shareholders**) having regard to:

- the number of Foreign Shareholders;
- the number and value of New Shares that would be offered to Foreign Shareholders; and
- the cost of complying with overseas legal requirements.

This Offer 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. TopTung is not required to make offers under this Offer Document to Foreign Shareholders. Where this Offer Document has been dispatched to Shareholders domiciled outside Australia or New Zealand and where the country's securities code and/or legislation prohibits or restricts in any way the making of the offers contemplated by this Offer, this Offer Document is provided for information purposes only.

Shareholders resident in Australia or New Zealand holding Shares on behalf of persons who are

resident overseas are responsible for ensuring that taking up Entitlements 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 TopTung to constitute a representation that there has been no breach of such regulations.

#### **1.11 Taxation**

The taxation consequences of investing in the New Shares will depend on your particular circumstances. It is your responsibility to make your own enquiries concerning the taxation consequences of an investment in TopTung. If you are in doubt as to the consequences of an investment, you should consult with your taxation or other professional adviser before investing.

#### **1.12 ASX official quotation of New Shares**

The Company will apply to ASX for official quotation of the New Shares. If ASX does not grant permission for official quotation of the New Shares, all Application Monies will be returned, without interest, as soon as practicable.

#### **1.13 CHESS**

The Company participates in the Clearing House Electronic Sub-register System (**CHESS**) operated by ASX Settlement Pty Ltd (**ASTC**), a wholly owned subsidiary of ASX, in accordance with the ASX Listing Rules and ASTC Settlement Rules.

Under CHESS, the Company will not issue certificates to Applicants. Instead, Applicants will receive a statement on their holdings in the Company of New Shares.

If the Applicant is broker sponsored, the ASTC will send them a CHESS statement.

The CHESS statement will set out the number of New Shares issued under this Offer Document, provide the details of a Shareholder's holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the New Shares.

If you are registered on the issuer sponsored sub-register, your statement will be dispatched by the Share Registry and will contain the number of New Shares issued to you under this Offer Document and your security 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 apply for additional statements.

#### **1.14 Enquiries**

If you require advice as to whether to accept your Entitlement, you should seek professional advice from your legal, investment or other professional adviser.

#### **1.15 Directors' Intentions**

The Directors' intend to participate in this Offer for all of their Entitlements.

#### **1.16 Impact of the Offer on your Shareholding**

The issue of New Shares pursuant to the offer is not expected to have any material effect or consequence on the control of TopTung. However, to the extent that any Shareholder does not take up their Entitlement to the New Shares under the Offer, that Shareholder's percentage holding in TopTung will be diluted by those Shareholders who take up some or all of their Entitlement.

#### **1.17 Use of Proceeds**

The proceeds of the Offer will be used to fund the ongoing exploration and feasibility study costs on the Torrington Tungsten and Topaz project, the Topaz research project at the UNSW and other corporate and general administration costs.

## **Section 2 – Action required by Eligible Shareholders**

### **2.1 What Eligible Shareholders may do**

The number of New Shares to which Eligible Shareholders are entitled (your Entitlement) is shown on the accompanying Entitlement and Acceptance Form. You may apply for Shortfall Shares in the event of a shortfall by completing the appropriate box on your Entitlement and Acceptance Form. However, the Directors will have sole and absolute discretion to accept or reject in whole or in part any application for Shortfall Shares so applied for.

If you take up your full Entitlement under the Offer, you will not have your shareholding in TopTung diluted.

As an Eligible Shareholder, you may:

- take up all of your Entitlement (refer to Section 2.3);
- take up part of your Entitlement and allow the balance to lapse (refer Section 2.4);
- allow all your Entitlement to lapse (refer 2.4).

Foreign Shareholders may not

- take any of the steps set out in Sections 2.3 to 2.7.
- apply for Shortfall Shares (refer to Section 2.5)

Eligible Shareholders who do not take up their Entitlement to New Shares, or who take up part of their Entitlement will have their Shareholding in TopTung reduced.

### **2.2 Eligible Shareholders**

Eligible Shareholders are persons who are registered as a holder of Existing Shares as at the Record Date (being 7:00pm Sydney local time) Monday, 30 January 2017 and who have an address on the share register in Australia or New Zealand.

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

If you wish to take up all of your Entitlement, complete the accompanying Entitlement and Acceptance Form for New Shares in accordance with the instructions set out in that form – and follow the steps set out in Section 2.6.

### **2.4 Taking up part or none of your Entitlement and allowing the balance to lapse**

If you wish to take up part of your Entitlement and allow the balance to lapse, complete the accompanying Entitlement and Acceptance Form for the number of New Shares you wish to take up and follow the steps required in accordance with Section 2.6. If you take no further action, the balance of your Entitlement will lapse. Your Entitlement is non-renounceable, which means that Eligible Shareholders who do not wish to accept some or all of their Entitlement cannot sell or trade all or part of their Entitlement. If you do not take up your full Entitlement, your Entitlement will lapse and your Shareholding in TopTung will be diluted with respect to your right to future earnings and net assets of TopTung and all other Shareholder entitlements, eg voting rights.

### **2.5 Shortfall**

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 Offer Document, in accordance with the instructions referred to in this Offer Document and on the Entitlement and Acceptance Form (see Section 1.5).

Eligible Shareholders who take up their Entitlement in full may apply for Shortfall Shares on the Entitlement and Acceptance Form enclosed with this Offer Document. Please read the instructions carefully.

The minimum number of Shortfall Shares that can be applied for under the Shortfall Offer is 15,000 shares. In allocating the Shortfall Shares, preference will be given to Shareholders currently holding less than a marketable parcel of shares. This will enable holders of less than a marketable parcel of shares the opportunity to increase their shareholding to a marketable parcel.

Any Shares applied for in excess of your Entitlement will be made under the Shortfall Offer. The Company reserves the right to issue an Eligible Shareholder or other investor who applies for Shortfall Shares a lesser number of Shortfall Shares than applied for or no Shortfall Shares at all. All decisions regarding the allocation of Shortfall Shares made by the Directors will be final and binding on all applicants for Shortfall Shares under the Shortfall Offer.

## **2.6 How do I accept all, or part, of my Entitlement, including application for Shortfall Shares.**

You may accept all or part of your Entitlement and apply for Shortfall Shares by following the instructions set out below. You should read this Offer Document in its entirety before deciding to complete and lodge your Entitlement and Acceptance Form.

### **(a) Payment by Cheque**

The relevant Entitlement and Acceptance Form must be accompanied by the Application Money which is payable by a cheque in Australian dollars drawn on an Australian branch of an Australian bank for the Issue Price of the New Shares for which application is made. All cheques must be made payable to 'TopTung Ltd – Offer Account' and crossed 'Not Negotiable'. Do not forward cash or money orders. Receipts for Application Monies will not be issued.

Completed Entitlement and Acceptance Forms and accompanying cheques must be returned to the following address in time to be received in the Tootung bank account as cleared funds no later than 5.00pm Sydney time on 10 February 2017.

By mail:

TopTung Ltd  
c/o Boardroom Pty Limited  
GPO Box 3993  
SYDNEY NSW 2001

A reply paid envelope is enclosed for your convenience. If mailed in Australia, no postage stamp is required.

Your completed Entitlement and Acceptance Form together with your Application Money must be received by Boardroom Pty Limited by no later than 5.00pm Sydney time 10 February 2017.

### **(b) Payment by BPAY®**

A BPAY® option is also available. If you are accepting all or part of your Entitlement and payment is being made by BPAY®, you are not required to return the Entitlement and Acceptance Form. Your BPAY® payment must be received by no later than 5.00pm Sydney time 10 February 2017.

If using the BPAY® payment option, you must contact your bank, credit union or building society to make payment from your cheque, savings or credit card account. Refer to the Entitlement and Acceptance Form for the Biller Code and Customer Reference Number. Shareholders who have multiple holdings will have multiple Customer Reference Numbers. Payment will only be accepted in Australian dollars drawn on an Australian bank.

## 2.7 Acceptance of applications under the Offer

Completing and lodging an Entitlement and Acceptance Form for the Offer or making a payment by BPAY® is an offer by you to TopTung to subscribe for the number of New Shares so applied for at the Issue Price on the terms and conditions set out in this Offer Document and the Entitlement and Acceptance Form.

An application may be accepted in respect of the full amount applied for without further notice to the relevant Eligible Shareholder. Acceptance of an application will give rise to a binding contract with acceptance to take place upon quotation of the New Shares on ASX.

No stamp duty, brokerage or commission is payable by Applicants.

## Section 3 – Purpose and effect of the Offer

### 3.1 Overview

The Directors are proceeding with this Offer for the purposes referred to in Section 3.2.

If this Offer is fully subscribed:

- the New Shares issued pursuant to this Offer will constitute approximately 25% of the total number of issued Shares immediately after the allotment of the New Shares; and
- the maximum total number of Shares on issue after the Issue will be 153,247,653. The Rights Issue will provide TopTung with net proceeds of up to approximately \$1,340,917 before issue expenses of up to approximately \$20,000 (exclusive of GST as applicable). Please refer to Section 3.3 for further information regarding the impact of the Rights Issue on the capital structure.

### 3.2 Purpose of the Offer and use of proceeds

The purpose of the Offer is to raise additional equity funding to enable TopTung to meet its anticipated costs of its Tungsten and Topaz Project at Torrington. To provide funding in support of:

- Ongoing exploration and feasibility study costs on the Torrington Tungsten and Topaz project
- Funding of the Topaz research project at UNSW
- Corporate and general administration costs

### 3.3 Impact on TopTung capital structure

The table in this section shows the current structure of TopTung and its capital structure on completion of the Rights Issue:

Shares	Number of securities
Existing shares as at 20 January 2017	114,935,740
New Shares assuming full subscription	38,311,913*
Total Shares assuming full subscription	153,247,653

\* Subject to rounding up of acceptances

## **Section 4 – Risk factors**

### **4.1 Overview**

There are a number of factors, both specific to TopTung and of a general nature, which may affect the future operating and financial performance of TopTung and the outcome of an investment in TopTung.

There can be no guarantees that TopTung will achieve its stated objectives, that forecasts will be met or that forward looking statements will be realised.

This section describes certain, but not all, risks associated with an investment in TopTung. Prior to making an investment decision, prospective investors should carefully consider the following risk factors, as well as the other information contained in this Offer Document, in the Company's announcements on ASX, or of which they are otherwise aware.

### **4.2 Specific risk factors**

#### **(a) Share Market**

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

- economic conditions and general economic outlook;
- changes in Australian and international stock markets;
- interest rates and inflation rates;
- currency fluctuations;
- commodity price fluctuation;
- changes in investor sentiment towards particular market sectors;
- taxation, government and monetary policies;
- the demand for, and supply of, capital; and
- war, terrorism or other hostilities.

#### **(b) Commodity Price Volatility**

Commodity prices inherently fluctuate and are affected by numerous factors beyond the control of the Company, including world demand for particular commodities, forward selling by producers and the level of production costs in major commodity producing regions. Moreover, commodity prices are also affected by macroeconomic factors such as expectations regarding inflation, interest rates and global and regional demand for, and supply of, a commodity.

#### **(c) Foreign Currency Risks**

Commodities are principally sold throughout the world in USD. As a result, any significant and/or sustained fluctuations in the exchange rate between the Australian and US currencies and/or adverse movements in commodity prices could have a material adverse effect on the Company's operations, financial position (including revenue and profitability) and performance.

#### **(d) Economic Factors**

Factors such as inflation, currency fluctuation, interest rates, supply and demand and industrial disruption have an impact on operating costs, commodity prices and stock market prices. The Company's future possible profitability and the market price of its quoted Shares can be affected by these factors, which are beyond the control of the Company and its Directors.

#### **(e) Government Policy**

Changes in Government, monetary policies, taxation and other laws and actions (including such matters as access to lands and infrastructure, and compliance with environmental regulations) can have a significant influence on the outlook for companies and the returns to investors.

#### **(f) Exploration**

Exploration, by its nature, contains elements of significant risk. Ultimate success depends on the discovery and delineation of economically recoverable mineral resources, establishment of an efficient exploratory operation and obtaining of necessary government, statutory and other approvals. The exploration activities of the Company may be affected by a number of factors including, but not limited to, geological conditions, seasonal weather patterns, technical difficulties and failures, availability of the necessary drilling rigs, technical equipment and appropriately skilled and experienced technicians, adverse changes in government policy or legislation and access to the required level of funding.

There can be no assurance that the Company's exploration activities, or any other projects, tenements or databases that the Company may acquire in the future, will result in the discovery of any significant mineral resource. Even if a significant mineral resource is identified, there can be no guarantee that it can be economically exploited.

#### **(g) Operational Risk**

Exploration activities may be curtailed, delayed or cancelled as a result of weather conditions, mechanical difficulties, shortages or delays in the delivery of rigs and/or other equipment.

The occurrence of any of these risks could result in legal proceedings being instituted against the Company and substantial losses to the Company due to injury or loss of life, damage to or destruction of property, natural resources, or equipment, pollution or other environmental damage, clean-up responsibilities, regulatory investigation, and penalties or suspension of operations. Damages occurring to third parties as a result of such risks may give rise to claims against the Company.

#### **(h) Tenure and Access**

There is no guarantee that current or future applications, conversions or renewals of the mineral tenements in which the Company has an interest or potential interest will be approved. Tenement applications may result in a requirement for the Company to commence negotiations with the relevant landholders and/or indigenous representative bodies to gain access to the underlying land. There is no guarantee that such negotiations will be successful.

Tenements are subject to a number of State-specific legislative conditions including payment of rent and meeting minimum annual expenditure commitments. The renewal of the term of a granted tenement is also subject to the discretion of the relevant Minister and may trigger Native Title negotiation rights. The inability to meet these conditions or triggering negotiation procedures in relation to any of the tenements comprising the Company's projects could affect the standing of a tenement or restrict its ability to be renewed, thereby adversely affecting the operations, financial position and performance of the Company.

#### **(i) Environmental**

The Company's project is subject to New South Wales and Commonwealth laws and regulations regarding environmental matters and the discharge of hazardous wastes and materials. As with all mineral projects, the Company's projects are expected to have a variety of environmental impacts. The Company intends to conduct its activities in an environmentally responsible manner and in accordance with all applicable laws, but may still be subject to accidents or other unforeseen events which compromise its environmental performance and have financial implications.

#### **(j) Native Title and Aboriginal Heritage and Sacred Sites**

These matters can affect access to exploration areas and the conduct of exploration and development activities in Australia.

**(k) Financing**

The future capital requirements of the Company will depend on many factors including the results of the proposed exploration programmes. An inability to obtain additional funding (if required) would have a material adverse effect on the Company's business and the price of its Shares.

**(l) Insurance**

Insurance of all risks associated with mineral exploration and production is not always available and, where available, the cost can be high. The Company will have in place insurances considered appropriate for the Company's needs having regard to the cost of obtaining insurance and the Company's available funds. The Company may not be insured against all possible losses, whether because of the unavailability of cover or because the premiums may be excessive relative to the benefits that would accrue and the Company's available funds.

**(m) Reliance on Strategic Partners**

The Company has existing relationships, and may develop relationships in the future, with a range of strategic partners. Should the relationships with strategic partners deteriorate, or further suitable strategic partners not be identified, there is a risk that adverse effects to the profitability and growth prospects of the Company may result.

**(n) Resource Estimates**

Resource estimates are based on knowledge, experience and industry practice. Estimates are a necessary practice, and though valid when originally calculated, may change significantly and cease to be accurate when new information becomes available through additional fieldwork and analysis. Resource estimates are by their nature imprecise and to an extent depend on interpretation, which may result in inaccuracies. This may cause changes to exploration, development and mining plans which may adversely affect the Company's operations.

**(o) Regulatory Approvals**

The Company will require government regulatory approvals for its operations and must comply with those approvals and other applicable laws, regulations and policies. This may from time to time affect timing and scope of work to be undertaken and the cost of undertaking that work.

Any proposed tenements of the Company which may be under application, can be the subject of delays. This may require the Company to focus its exploration activities on granted tenements. Although the Company is not aware of any reason why applications will not be promptly granted (unless otherwise stated in this Offer Document), the application process is subject to the exercise of discretions and hence there is the risk of adverse outcomes.

**(p) Reliance on Key Executives**

The success of the Company is dependent upon retaining its current and future experienced personnel. Although key executives have fixed term employment contracts (subject to contractual or statutory termination rights), the continued involvement of certain key Directors, employees and consultants cannot be assured.

**(q) Access to Infrastructure**

The Company will require access to transportation infrastructure (road, rail and ports), water and power. Failure to obtain appropriate access or obtaining such access on prohibitive terms, will adversely affect the prospects of the Company.

## **Additional information**

### **5.1 Expenses of the Offer**

Expenses connected with the Offer will be borne by TopTung. The approximate expenses of the Offer (excluding GST where applicable) including legal fees, share registry fees, ASX listing fees, printing and mail fees and other general costs are estimated to be up to approximately \$20,000.

### **5.2 Disclosure**

This Offer Document contains an Offer to subscribe for continuously quoted securities (as defined in the Corporations Act) of TopTung and has been prepared in accordance with section 708AA of the Corporations Act. In broad terms, section 708AA relates to rights issues by certain companies that do not require the provision of a prospectus or other disclosure document. Accordingly, the level of disclosure in this Offer Document is significantly less than that required in a prospectus. Eligible Shareholders should therefore rely upon their own knowledge of TopTung, refer to disclosures already made by it to ASX, information on our website [www.toptung.com.au](http://www.toptung.com.au) and refer to their professional adviser before deciding to accept the Offer.

### **5.3 Disclaimer and Forward Looking Statements**

This Offer Document may contain 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 Offer Document, 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 Offer Document 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 Offer Document, 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 4 of this Offer Document.

To the maximum extent permitted by law TopTung and its officer, employees, agents, associates and its advisors do not make any representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of such information or likelihood of fulfillment of any forward looking statements (including, without limitation, liability for negligence).

TopTung does not guarantee any particular rate of return or the performance of TopTung nor does it guarantee the repayment of capital from TopTung or any particular tax treatment.

### **5.4 Governing Law**

The Offer and contracts formed on acceptance of the Entitlement and Acceptance Form are governed by the law of Queensland, Australia. Each applicant submits to the non-exclusive jurisdiction of the courts of Queensland, Australia.

## Glossary

**ABN** means Australian Business Number.

**Applicant** means an Eligible Shareholder who submits an Entitlement and Acceptance Form.

**Application Money** means the monies received from persons applying for Shares pursuant to the terms of the Offer.

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

**ASTC** means ASX Settlement Pty Ltd (ABN 49 008 504 532)

**ASTC Settlement Rules** means the operating rules of the ASTC and, to the extent they are applicable, the operating rules of the ASX and the operating rules of the Australian Clearing House Pty Ltd.

**ASX** means the ASX Limited (ABN 98 008 624 691).

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

**Board** means the board of directors of TopTung.

**Business Day** means a day on which ASX is open for trading in terms of the operating rules of the ASX markets and clearing and settlement facilities.

**Company or TopTung** means TopTung Ltd (ABN 12 118 788 846).

**Closing Date** means 5:00pm (Sydney time), 10 February 2017.

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

**Directors** means the directors of TopTung as set out in the Corporate Directory.

**Eligible Shareholder** means a person who is a Shareholder on the Record Date who is not a Foreign Shareholder.

**Entitlement** means the non-renounceable right of an Eligible Shareholder to subscribe for New Shares under the Offer.

**Entitlement and Acceptance Form** means the personalised form attached to or accompanying this Offer.

**Existing Shares** means Shares on issue on the Record Date for the Offer.

**Foreign Shareholder** means a Shareholder described in Section 1.10.

**GST** means goods and services tax.

**Issue Price** means the issue price of \$0.035 per New Share.

**New Shares** means the Shares offered under this Offer.

**Offer** means the offer of Entitlements to New Shares under this Offer.

**Offer Document** means this document and any supplementary or replacement offer document.

**Record Date** means the date for determining Entitlements under the Offer, being 7.00pm. Sydney local time on 30 January 2017.

**Rights Issue** means the issue of New Shares upon receipt of valid acceptances under this Offer.

**Shareholder** means a holder of Shares.

**Share Registry** means Boardroom Pty Limited.

**Shares** means ordinary shares in TopTung.

**Shortfall Shares** means any New Shares not taken up by Eligible Shareholders pursuant to their Entitlements.

**Shortfall Offer** is as defined in Section 1.5

## **Corporate Directory**

### **Board of Directors**

Leon Pretorius – Executive Chairman

Dennis Lovell – Non-Executive Director

Martin Kavanagh - Non-Executive Director

### **Company Secretary** – Suzanne Yeates

### **Registered Office and Principal Place of Business**

Level 8

46 Edward Street

Brisbane QLD 4000

Australia

Telephone: (07) 3232 3405

Website: [www.toptung.com.au](http://www.toptung.com.au)

Facsimile: (07) 3232 3499

### **Auditors**

BDO Audit Pty Ltd

Level 10, 12 Creek Street, Brisbane QLD 4000, Australia

Telephone: (07) 3237 5999

Website: [www.bdo.com.au](http://www.bdo.com.au)

Facsimile: (07) 3221 9227

Email: [info@toptung.com.au](mailto:info@toptung.com.au)

### **Share Registry**

Boardroom Pty Limited

Level 12, 225 George Street, Sydney NSW 2000, Australia

Telephone: (02) 9290 9600

Facsimile: (02) 9279 0664

Free Call: 1300 737 760

Website: [www.boardroomlimited.com.au](http://www.boardroomlimited.com.au)

### **Home Exchange**

Australian Securities Exchange Ltd (ASX) ASX code **TTW**

Exchange Centre, 20 Bridge Street, Sydney NSW 2000, Australia