

The following is the pro forma consolidated statement of financial position of the Group as at 30 June 2018 (“Pro Forma Financial Position”). It has been prepared to reflect the impact of the net proceeds from the Hong Kong IPO and the Australian Entitlement Offer (the “Capital Raising”).

The Pro Forma Financial Position of the Group has been prepared in accordance with the recognition and measurement principles prescribed by International Financial Reporting Standards. It has been prepared in an abbreviated form insofar as it does not include all of the disclosures required by International Financial Reporting Standards applicable to annual financial reports prepared in accordance with the Corporations Act.

The Pro Forma Financial Position of the Group has not been audited but has been reviewed by ShineWing Australia in accordance with International Auditing Standards applicable to review engagements.

The Pro Forma Financial Position of the Group is prepared based on the consolidated statement of financial position of the Group as at 30 June 2018 as set out in the Accountants’ Report of the Company, the text of which is set out in Appendix IA to this prospectus.

The pro forma adjustments have been prepared using a A\$:US\$ exchange rate of A\$1 = US\$0.73.

The following information should be read together with the other information contained in this prospectus, including the risks in risk factors section, to understand the basis, assumptions and limitations underlying the financial information presented.

	The Group as at 30 June 2018	Pro forma adjustment for net proceeds from the Capital Raising	Pro Forma Financial Position of the Group as at 30 June 2018
	A\$'M (Note 1)	A\$'M (Note 2)	A\$'M
Current assets			
Cash and cash equivalents	485	216	701
Trade and other receivables	561	–	561
Royalty receivable	28	–	28
Non-contingent royalty receivable	18	–	18
Inventories	205	–	205
Other current assets	16	–	16
	<u>1,313</u>	<u>216</u>	<u>1,529</u>
Assets classified as held for sale	57	–	57
	<u>1,370</u>	<u>216</u>	<u>1,586</u>
Non-current assets			
Mining tenements	4,308	–	4,308
Exploration and evaluation assets	577	–	577
Intangible assets	98	–	98
Property, plant and equipment	2,938	–	2,938
Investments accounted for using the equity method	280	–	280
Trade and other receivables	348	–	348
Interest bearing loan to an associate	730	–	730
Royalty receivable	170	–	170
Non-contingent royalty receivable	7	–	7
Deferred tax assets	1,086	8	1,094
Other non-current assets	2	–	2
	<u>10,544</u>	<u>8</u>	<u>10,552</u>
Total assets	<u>11,914</u>	<u>224</u>	<u>12,138</u>
Current liabilities			
Trade and other payables	783	–	783
Interest-bearing liabilities	17	–	17
Provisions	42	–	42
Non-contingent royalty payable	64	–	64
	<u>906</u>	<u>–</u>	<u>906</u>
Non-current liabilities			
Interest-bearing liabilities	4,267	–	4,267
Deferred tax liabilities	990	–	990
Provisions	460	–	460
Non-contingent royalty payable	24	–	24
Other non-current liabilities	2	–	2
	<u>5,743</u>	<u>–</u>	<u>5,743</u>

	The Group as at 30 June 2018	Pro forma adjustment for net proceeds from the Capital Raising	Pro Forma Financial Position of the Group as at 30 June 2018
	A\$'M (Note 1)	A\$'M (Note 2)	A\$'M
Total liabilities	6,649	–	6,649
Net assets	5,265	224	5,489
Equity			
Contributed equity	6,220	238	6,458
Reserves	(554)	–	(554)
Accumulated losses	(403)	(14)	(417)
Equity attributable to equity holders of the Company	5,263	224	5,487
Non-controlling interests	2	–	2
Total equity	5,265	224	5,489

Notes:

- (1) The audited consolidated statement of financial position of the Group as at 30 June 2018 is extracted from the Accountants' Report of the Group as set out in Appendix IA to this Prospectus.
- (2) **The Capital Raising**

The Pro Forma Financial Position as at 30 June 2018 includes the following pro forma adjustments as if the Capital Raising had been completed on 30 June 2018.

- An increase in cash and cash equivalents and contributed equity of A\$243 million representing the proceeds of the Capital Raising. This assumes the low point of the potential high-low range of the Capital Raising and does not include any over-allotment. The high amount would be A\$268 million excluding any over-allotment.
- A decrease in cash and cash equivalents and contributed equity of A\$7 million representing transaction costs of the Capital Raising to be capitalised against contributed equity. This assumes the low point of the potential high-low range of the Capital Raising and does not include any over-allotment. The transaction costs capitalised against contributed equity under the high amount would increase to A\$8 million excluding any over-allotment.
- A decrease in cash and cash equivalents and an increase in accumulated losses of A\$20 million representing transaction costs of the Capital Raising expensed to the statement of profit and loss not recognised at 30 June 2018. A\$10 million of transaction costs of the Capital Raising costs were expensed for the period ended 30 June 2018.
- An increase in deferred tax assets of A\$8 million, an increase in contributed equity of A\$2 million and a decrease in accumulated losses of A\$6 million representing the tax effect of the A\$7 million and A\$20 million transaction costs capitalised and expensed, respectively.