



PANTORO

PROSPECTUS

PANTORO LIMITED

ACN 003 207 467

This Prospectus is for the offer and issue of 130,000,000 fully paid ordinary shares (**Consideration Shares**) in the capital of Pantoro Limited (**Company** or **Pantoro**) to Bulletin Resources Limited (**Bulletin**) as consideration for the sale by Bulletin of its remaining joint venture interest in the Halls Creek Project to the Company's subsidiary Halls Creek Mining Pty Ltd (**HCM**) in accordance with the terms of the Joint Venture Sale Agreement between the Company, Bulletin and HCM (**Offer**).

The issue of the Consideration Shares to Bulletin is subject to:

- Bulletin applying for the Consideration Shares under this Prospectus on the Completion Date;
- the Company obtaining approval from its shareholders at the General Meeting to issue the Consideration Shares to Bulletin; and
- the Joint Venture Sale Agreement otherwise becoming unconditional and the parties proceeding to completion of HCM's acquisition of Bulletin's remaining joint venture interest in the Halls Creek Project.

IMPORTANT NOTICE

This Prospectus is an important document and should be read in its entirety. If after reading this Prospectus you have any questions about the Offer, the Issue or any other matter, then you should consult your professional advisers.

The Directors consider an investment in the Shares that will be offered under this Prospectus to be speculative.

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1. CORPORATE DIRECTORY OF PANTORO LIMITED

Directors Peter Gerard Cook (Non-Executive Chairman) Paul Mathew Cmrlec (Managing Director) Scott James Huffadine (Operations Director) David Miringtoro Osikore (Non-Executive Pantoro Director)	Auditor* Somes Cooke Level 2, 35 Outram Street WEST PERTH WA 6872 Telephone +61 8 9426 4500 Facsimile +61 8 9481 5645
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Registered Office Level 3 18-32 Parliament Place WEST PERTH, WA, AUSTRALIA, 6005 Telephone + 61 (8) 9215 6005 Facsimile +61 (8) 9220 5757	Share Registry* Computershare Investor Services Pty Limited Level 11, 172 St Georges Terrace PERTH WA 6000 Telephone (within Australia) 1300 850 505 Phone (outside Australia) +61 3 9415 4000
Email admin@pantoro.com.au Website www.pantoro.com.au	ASX Code PNR

* These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus.

2. IMPORTANT NOTES

2.1 General

This Prospectus is dated 31 May 2016 and was lodged with the ASIC on that date. The ASIC and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

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

The Offer closes on the Closing Date.

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

This Prospectus is an important document and should be read in its entirety. If after reading this Prospectus you have any questions about the Offer, the Issue or any other matter, then you should consult your professional advisers.

An Application for the Consideration Shares offered, and to be issued, pursuant to this Prospectus can only be made by Bulletin and not by any other person. An Application for the Consideration Shares must be submitted on an Application Form and may only be submitted on the Completion Date. Any Application Form received by a person other than Bulletin or prior to the Completion Date will not be accepted. This Prospectus does not constitute an offer to any person other than Bulletin. This 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.

In making representations in this Prospectus, regard has been had to the fact that Pantoro 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.

2.2 Transaction specific prospectus

This Prospectus is a transaction specific prospectus for an offer, and the Issue, 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 given to the fact that Pantoro 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.

2.3 Short form Prospectus

This Prospectus is also a short form prospectus issued in accordance with Section 712 of the Corporations Act. This means this Prospectus alone does not contain all the information that is generally required to satisfy the disclosure requirements of the Corporations Act. Rather, it incorporates all other necessary information by reference to other documents. Details of the documents incorporated by reference are set out in Section 9.2 of this Prospectus.

2.4 Risk factors

Investing in Shares involves a number of risks. The key risk factors Bulletin should be aware of are set out in section 8 of this Prospectus. These risks, together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares in the future. Accordingly, an investment in Pantoro should be considered highly speculative.

2.5 Forward-looking statements

This Prospectus 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 Prospectus, are expected to take place.

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

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

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

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 8 of this Prospectus.

2.6 Web Site – Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of Pantoro at www.pantoro.com.au

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting Pantoro.

3. INDICATIVE TIMETABLE

Event	Date
Date of this Prospectus and lodgement with ASIC	31 May 2016
Date of General Meeting	5 July 2016
Date of issue of Consideration Shares to Bulletin	The Completion Date
Closing Date of the Offer	5.00pm on 15 July 2016

Notes

- Other than the date of this Prospectus and the lodgment with ASIC, the other dates above are indicative only and are subject to change at the discretion of the Company.
- The Completion Date is 5 Business Days after waiver or satisfaction of the Conditions Precedent to the Joint Venture Sale Agreement (or such later date as the parties to that agreement agree in writing). The Parties to the Joint Venture Sale Agreement are working towards satisfying the last of the Conditions Precedent on 5 July 2016. If this occurs, the Completion Date will be 12 July 2016. However, this is indicative only. The Conditions Precedent may take longer to be satisfied or waived.

4. DETAILS OF THE OFFER

4.1 Key Terms of Joint Venture Sale Agreement

On 1 May 2016 Pantoro, and its wholly owned subsidiary HCM entered into a heads of agreement with Bulletin for HCM to acquire Bulletin's remaining 20% interest in the Halls Creek Project.

HCM is currently the owner of an 80% interest in the Halls Creek Project and is the manager of the current joint venture of that project with Bulletin.

The heads of agreement was replaced with a full form Joint Venture Interest Sale and Purchase Agreement on 15 May 2016 (**Joint Venture Sale Agreement**).

Under the Joint Venture Sale Agreement HCM will acquire Bulletin's remaining 20% interest in the Halls Creek Project in consideration for procuring Pantoro to issue Bulletin the Consideration Shares (**Transaction**). The following comments are made on the Joint Venture Sale Agreement by way of overview. As a party to the Joint Venture Sale Agreement, Bulletin is aware of its terms and is able to refer to its copy of the Joint Venture Sale Agreement as to the document's full terms and effect.

Bulletin will seek approval from its shareholders to distribute to Bulletin's shareholders, following Completion of the Transaction, a portion of the Shares it receives under the Transaction by way of Bulletin's Capital Reduction Proposal. Completion of the Transaction will occur 5 Business Days after the last of the conditions precedent to the Transaction are satisfied or waived. The key conditions precedent include:

- (a) Ministerial consent for the transfer of Bulletin's interest in the relevant Halls Creek Project tenements to HCM;
- (b) Bulletin receiving all necessary shareholder approvals to sell its interest in the Halls Creek Project to HCM and undertake an in-specie distribution of a portion of the Consideration Shares to its shareholders on the basis of 1 Consideration Share for every 2 Bulletin shares held by a Bulletin shareholder. This condition is the subject of the Capital Reduction Proposal;
- (c) Pantoro receiving all necessary shareholder approvals in relation to the Transaction including shareholder approval to issue the Consideration Shares to Bulletin;
- (d) approval from Commonwealth Bank of Australia Ltd (**CBA**) the financiers of the Halls Creek Project to the transaction and the renegotiation, replacement and/ or termination of Pantoro's, HCM's and Bulletin's financing agreements with CBA relating to the Halls Creek Project; and
- (e) Bulletin's rights and obligations under certain third party contracts relating to the Halls Creek Project are assigned to and assumed by HCM (or Pantoro) and Bulletin being released from its obligations under such contracts from Completion.

Under the Joint Venture Sale Agreement for an interim period from 1 May 2016 until Completion or earlier termination of the Joint Venture Sale Agreement (**Interim Period**):

- (f) HCM will fund Bulletin's cash calls under the Joint Venture Agreement and on a de-facto basis fund all of the other obligations of Bulletin under the Joint Venture Agreement; and

- (g) HCM will also make all deliveries and make all payments required under and otherwise comply with Bulletin's obligations under Bulletin's various financing agreements with the CBA except that in relation to a mandatory gold hedging facility between Bulletin and CBA. HCM and Bulletin will split equally the difference of any cash settlement amount under each hedge transaction.

If the Joint Venture Sale Agreement is terminated before Completion HCM's de-facto exercise of Bulletin's rights and funding of obligations under the Joint Venture Agreement and Bulletin's various financing agreements with CBA will be unwound and the parties will make any adjustments and payments between them to put the parties as nearly as practicable in the position they would have been if the Joint Venture Sale Agreement (and the heads of agreement) had not been entered into.

There are various circumstances in which the Joint Venture Sale Agreement might be terminated, including failure of a condition precedent, enforcement by CBA of its rights under its financing and security agreements with Bulletin and certain defaults.

Under the Joint Venture Sale Agreement if Pantoro issues additional Shares (other than under various existing arrangements to issue further Shares) from 1 May 2016 until 12 months after the Completion Date Pantoro will offer Bulletin the right to subscribe for additional Shares to maintain its then equity position in Pantoro. Bulletin's subscription right will be on the same terms as the Shares are issued to other parties (where Shares are issued for non-cash consideration the Shares will be valued based on the 5 day volume weighted average price of Shares before the announced of the issue of the Shares to the other parties).

4.2 The Offer

The Offer is for the offer and issue of 130,000,000 fully paid ordinary shares in the capital of Pantoro to Bulletin (referred to in this Prospectus as the Consideration Shares) as consideration for the sale by Bulletin of its remaining joint venture interest in the Halls Creek Project to Pantoro's wholly owned subsidiary HCM in accordance with the terms of the Joint Venture Sale Agreement between Pantoro, Bulletin and HCM.

The issue of the Consideration Shares to Bulletin under this Prospectus is subject to:

- (a) Bulletin applying for the Consideration Shares under this Prospectus on the Completion Date;
- (b) Pantoro obtaining approval from its shareholders at the General Meeting to issue the Consideration Shares to Bulletin; and
- (c) the Joint Venture Sale Agreement otherwise becoming unconditional (whether by satisfaction or waiver of all Conditions Precedent) and the parties proceeding to Completion of HCM's acquisition of Bulletin's remaining interest in the Halls Creek Project.

A maximum of 130,000,000 Shares will be issued pursuant to the Offer. No funds will be raised from the Offer as the Shares are being issued in consideration for Bulletin's remaining interest in the Halls Creek Project.

All of the Shares offered under the Offer will, upon issue, rank equally with the Shares on issue at the date of this Prospectus. Please refer to section 7 for further information regarding the rights and liabilities attaching to the Shares.

The Offer closes on the Closing Date (currently 5.00pm (WST) on 15 July 2016) and the Board reserves the right to extend the Closing Date or close the Offer early.

The Board intends to extend the Closing Date if the Board considers it will be likely that the Completion Date may fall after the current Closing Date.

The purpose and effect of the Offer is out in section 6 of this Prospectus.

4.3 Action required by BNR in relation to the Offer

Only Bulletin can apply for the Shares under the Offer.

To apply for the Shares under the Offer Bulletin must submit an Application Form to the Company at its registered address (being Level 3, 18-32 Parliament Place West Perth, Western Australia) on the Completion Date.

4.4 Minimum subscription under the Offer

The minimum subscription under the Offer is 130,000,000 Shares.

4.5 ASX listing of the Shares

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made within seven (7) days of the date of this Prospectus. In line with section 723(3) of the Corporations Act, if ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of three (3) months after the date of issue of the Prospectus (or such period as varied or modified by the ASIC), Pantoro will not issue any Shares under this Prospectus.

However, if Completion of the Transaction is likely to be delayed beyond three (3) months after the date of this Prospectus, then the Company will seek from ASIC a modification of section 723(3) of the Corporations Act to extend the above mentioned three (3) month period to allow for the issue of the Consideration Shares outside out of that period. If a modification application is made there can be no guarantee that ASIC will extend the period as requested.

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

4.6 Issue of Shares under the Offer

Subject to Bulletin applying for the Consideration Shares on the Completion Date, the Consideration Shares to be issued pursuant to the Offer will be issued on the Completion Date.

A holding statement for Shares issued under the Offer will be provided to Bulletin upon the date of issue of the Consideration Shares.

If Completion of HCM's acquisition of Bulletin's remaining interest in the Halls Creek Project does not occur under the Joint Venture Sale Agreement or that agreement is terminated prior to the Completion Date, no Shares will be issued under the Offer.

4.7 Enquiries on the Offer

Any questions concerning the Offer should be directed to David Okeby, Pantoro's Company Secretary, on +61 (8) 9215 6005 or by email to admin@pantoro.com.au.

5. UPDATE ON PANTORO'S ACTIVITIES

5.1 General

Below is a summary of Pantoro's main projects and an update on current activities.

5.2 Halls Creek Project

Pantoro, through its wholly owned subsidiary HCM, owns a majority interest in the Halls Creek Project in joint venture with Bulletin. HCM holds an 80% interest in the project whilst Bulletin holds the remaining 20% interest.

Upon Completion of the Joint Venture Sale Agreement HCM will purchase Bulletin's remaining 20% joint venture interest in the Halls Creek Project thereby taking ownership over the whole of the project.

The Halls Creek Project includes the Nicolsons Mine and the Rowdies and Wagtail open pits (35 km south west of Halls Creek), and a pipeline of exploration and development prospects located east of Halls Creek in the Kimberley Region of Western Australia.

Pantoro acquired its initial interest the Halls Creek Project during April 2014, and took possession of the site in May 2014 as manager of the project enacting its rapid development plan for the project. First production was achieved at the Nicolsons Mine in September 2015.

The Nicolsons Mine has encountered strong overcalls to the pre-mining JORC Ore Reserve Estimates.¹

As of 30 May 2016 the Nicolsons Mine JORC Mineral Resource estimate is 719,914 tonnes at 7.41 g/t Au for 171,581 ounces Au.² The Nicolsons Mine JORC Ore Reserve estimate is 418,897 tonnes at 7.17 g/t Au for 96,551 ounces Au.²

Underground diamond drilling is continuing with strongly developed quartz veining typical of the ore system having been intersected both from holes within, and in extensions to the current mineral resource and ore reserve boundaries. Core is currently being processed ahead of dispatch for assay.

Production activities have also resulted in silver production with approximately one ounce of silver recovered for every two ounces of gold produced to date.

On 12 May 2016 Pantoro announced to ASX that it had defined a maiden open pit JORC Ore Reserve of 96,500 tonnes @ 5.5 g/t Au at the Rowdies and Wagtail deposits approximately 1.5 km south of the Nicolsons processing plant.³ Subject to government permitting requirements, Pantoro intends to commence mining the open pits during the second half of 2016.

¹ For further details see the Company's Quarterly Activities Report and Appendix 5B for the quarter ending 31 December 2015 released to ASX on 27 January 2016 and the Company's Quarterly Activities Report and Appendix 5B for the quarter ending 31 March 2016 released to ASX on 29 April 2016, which are both incorporated by reference in this Prospectus pursuant to section 712 of the Corporations Act (see Section 9.2 of this Prospectus).

² For further details see project update entitled 'Mineral Resource and Ore Reserve Upgrade' released to ASX on 30 May 2016 which is incorporated by reference in this Prospectus pursuant to section 712 of the Corporations Act (see Section 9.2 of this Prospectus).

³ For further details see project update entitled 'Open Pit to Expand Nicolsons Production' released to ASX on 12 May 2016 which is incorporated by reference in this Prospectus pursuant to section 712 of the Corporations Act (see Section 9.2 of this Prospectus).

See section 5.4 for the full JORC Mineral Resource and Ore Reserve Estimates.

The project region has been sporadically explored over a number of years. Prospecting has shown significant potential in the immediate area, which remains sparsely explored with minimal drill testing of targets outside of the existing resources. Gold has been encountered at a number of prospects within the Project area, usually coinciding with outcropping quartz veins.

5.3 PNG Projects

Pantoro, holds two project areas within Papua New Guinea (**PNG**), the Garaina Project, and the Widubosh mining lease which is held in 50/50 joint venture with PNG Forest Products Limited. Garaina is a greenfield site prospective for epithermal gold and porphyry copper-gold exploration. Widubosh is a mining lease located in the Bulolo Valley prospective for alluvial gold exploration.

Garaina Project – EL 2321, 2013 and 1614 (100%)

The Garaina Project is located 150 km southeast of the Hidden Valley Mine and Wau Town, in the Morobe Province. The tenement area covers the suture zone between the Owen Stanley Metamorphic thrust to the west and the Papuan Ultramafic to the east. Most of the EL is underlain by the Owen Stanley metamorphic complex, which is common to the majority of the known major mineral deposits in PNG. Pantoro owns 100% of the project.

Pantoro discovered significant surface mineralisation at the Kusi Prospect within the Garaina Project in January 2011 and since that time has completed extensive exploration programs. The project has returned exploration results which indicate the potential for epithermal gold and/or porphyry copper-gold deposits.

Field investigations have identified mineralisation at several additional prospects within the tenement package, indicating that mineralisation has potential to be discovered in numerous locations.

Pantoro holds an option to purchase EL1629, which is encompassed within the boundaries of the existing project EL's. Pantoro is required to maintain EL1629 during the term of the option which is two years, with an option to extend for a further two years. Pantoro is also required to pay the tenement owner an option fee of \$25,000 per annum while the option is on foot. The option period has not yet commenced as it is subject to ministerial approval which has not yet been granted.

Pantoro is considering farm out or divestment opportunities for the project.

Widubosh Project – Morobe Province ML457

Widubosh (ML457) is a project located in the Bulolo Valley in the Morobe Province of PNG prospective for alluvial gold. Widubosh is held under an existing Mining Lease and is permitted for development.

Pantoro continues with PNG Forest Products Limited (**PNGFP**) in a 50/50 Joint venture over Widubosh. PNGFP is currently the key economic and operational entity in Bulolo with substantial agriculture, timber processing, and retail operations in the area with approximately 1200 people employed. PNGFP also bring substantial access to services to the mining projects through supply of hydro-electricity from the nearby Baiune Power Station (owned by PNGFP), expertise and ability in construction and operation of mine camps and facilities, and extensive industrial workshop facilities and personnel in operation at Bulolo.

PNGFP is currently the manager of the joint venture of this project, and the parties are considering divestment opportunities for the project.

5.4 JORC Mineral Resources and Ore Reserves for Halls Creek Project

Halls Creek Project JORC Mineral Reserve as of 30 May 2016

	Measured			Indicated			Inferred			Total		
	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces
Nicolsons	46,186	17.28	25,660	478,686	6.73	103,593	195,042	6.75	42,328	719,914	7.41	171,581
Rowdies	-	-	-	52,000	4.4	7,000	13,000	4.7	2,000	65,000	4.31	9,000
Wagtail	-	-	-	236,000	4.6	35,000	17,000	3.4	2,000	253,000	4.55	37,000
Total Resource	46,186	17.28	25,660	766,686	5.91	145,593	225,042	6.40	46,328	1,037,914	6.52	217,581

Halls Creek Project JORC Ore Resource as of 30 May 2016

	Proven			Probable			Total		
	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces
Nicolsons	93,864	10.38	31,327	325,033	6.24	65,225	418,897	7.17	96,551
Rowdies/Wagtail	-	-	-	96,500	5.55	17,219	96,500	5.55	17,219
Total Mine Reserve	93,864	10.38	31,327	421,533	6.08	82,444	515,397	6.87	113,771
Total Reserve (inc Metallurgical Recovery)	93,864	9.97	30,074	421,533	5.84	79,146	515,397	6.59	109,220

For further details see project update entitled 'Mineral Resource and Ore Reserve Upgrade' released to ASX on 30 May 2016 which is incorporated by reference in this Prospectus pursuant to section 712 of the Corporations Act (see Section 9.2 of this Prospectus).

5.5 Further opportunities

Pantoro is actively looking for and evaluating potential new projects and business opportunities in the resources sector, both within Australia and overseas.

Consistent with this, Pantoro from time to time enters into, and is currently a party to, a number of confidentiality agreements with third parties under which Pantoro assesses and conducts due diligence on projects in the resources sector for possible acquisition or investment by Pantoro in the future. In relation to the current projects Pantoro is assessing and conducting due diligence on, Pantoro has not made a decision to commence negotiations, and has not made a decision to make an offer, to acquire or invest in any of the projects. If negotiations commence or an offer is made by either party there can be no guarantee that the parties will finalise negotiations or enter into a final agreement. If any of these potential acquisitions or investments develop, Pantoro will comply with its continuous disclosure obligations under the ASX Listing Rules and the Corporations Act (as relevant and as required).

6. PURPOSE AND EFFECT OF THE OFFER

6.1 Purpose of the Offer

The purpose of the Offer is to offer and issue to Bulletin the Consideration Shares that Pantoro is to issue under the Joint Venture Sale Agreement in consideration for the acquisition of Bulletin's remaining interest in the Halls Creek Project in accordance with the terms and conditions of the Joint Venture Sale Agreement. Accordingly, no funds will be raised from the Offer.

6.2 Effect of the Offer

The principal effect of the Offer (assuming the Joint Venture Sale Agreement completes) will be to increase the number of Shares on issue from 548,614,271 as at the date of this Prospectus to 678,614,271 Shares (assuming no other Shares are issued by Pantoro prior to the Completion Date).

6.3 Pro-forma statement of financial position

The audited statement of financial position as at 31 December 2015, the unaudited management accounts statement of financial position as at 30 April 2016 and the unaudited pro-forma statement of financial position as at 30 April 2016 shown below have been prepared on the basis of the accounting policies normally adopted by Pantoro and reflect the changes to its financial position.

The pro-forma statement of financial position as at 30 April 2016 has been prepared to provide an indication as to the effect of the Issue on the financial position of the Company. The pro-forma statement of financial position has been prepared assuming the Consideration Shares are issued and no other Shares are issued by Pantoro prior to the Completion Date and including expenses of the Offer. It has been prepared to provide investors with information as to the impact the Issue will have on assets and liabilities of Pantoro as shown in the unaudited financial statements as at 30 April 2016. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	AUDITED 31 December 2015	UNAUDITED 30 April 2016	PRO-FORMA 30 April 2016
CURRENT ASSETS			
Cash and cash equivalents	7,190,717	5,538,034	5,538,034
Trade and other receivables	1,376,414	1,523,405	1,523,405
Financial assets at fair value through profit or loss	38,077	38,077	38,077
Inventories	1,537,713	2,380,288	2,380,288
Other assets	36,373	-	-
TOTAL CURRENT ASSETS	10,179,294	9,479,804	9,479,804
NON-CURRENT ASSETS			
Property, plant and equipment	6,742,770	7,754,082	7,754,082
Exploration and evaluation assets	5,985,190	5,690,513	5,690,513

Mine properties and development costs	13,352,856	14,436,445	14,436,445
TOTAL NON-CURRENT ASSETS	26,080,816	27,881,040	27,881,040
TOTAL ASSETS	36,260,110	37,360,844	37,360,844

CURRENT LIABILITIES			
Trade and other payables	4,146,177	5,867,684	5,867,684
Unearned Income	4,807,733	4,807,733	4,807,733
Provisions	175,119	264,232	264,232
Interest-bearing loans and borrowings	1,585,071	1,302,537	1,302,537
Other financial liabilities	1,821,784	1,441,586	1,441,586
TOTAL CURRENT LIABILITIES	12,535,884	13,683,772	13,683,772
NON-CURRENT LIABILITIES			
Unearned Income	4,392,267	2,909,470	2,909,470
Provisions	1,372,617	1,371,184	1,371,184
TOTAL NON-CURRENT LIABILITIES	5,764,884	4,280,653	4,280,653
TOTAL LIABILITIES	18,300,768	17,964,425	17,964,425

NET ASSETS	17,959,342	19,396,419	19,396,419
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EQUITY			
Contributed Equity	145,852,604	147,789,883	147,789,883
Reserves	3,633,970	3,590,274	3,590,274
Accumulated losses	(131,527,232)	(131,983,738)	(131,983,738)
TOTAL EQUITY	17,959,342	19,396,419	19,396,419

The pro-forma statement of financial position above includes an adjustment for the estimated expenses of the Offer, the issue of the Consideration Shares and assumes no other Shares are issued by Pantoro prior to the Completion Date.

6.4 Effect on capital structure

The effect of the Offer on the capital structure of Pantoro, assuming no other securities are issued by Pantoro prior to the Completion Date, is set out below.

Shares

	Number
Shares currently on issue	548,614,271
Shares offered pursuant to the Offer	130,000,000
Total Shares on issue after completion of the Offer	678,614,271

Options

	Number
Listed Options exercisable at \$0.06 each on or before 25 August 2017 on issue	48,973,741
Unlisted Options exercisable at \$0.09 each on or before 21 November 2016	2,000,000
Unlisted Options exercisable at \$0.06 each on or before 26 February 2018 on issue	4,833,334
Unlisted Options exercisable at \$0.06 each on or before 17 March 2018 on issue	1,500,000
Unlisted Options exercisable at \$0.06 each on or before 26 May 2018 on issue	12,000,001
Unlisted Options exercisable at \$0.10 each on or before 30 June 2018 on issue	2,650,000
Unlisted Options exercisable at \$0.10 each on or before 30 January 2019 on issue	2,250,000
Options offered under the Offer	Nil
Total Options on issue upon completion of the Offer	74,207,076

Performance Rights

	Number
Performance Rights expiring 21 November 2016	1,500,000
Performance Rights expiring 30 January 2017	500,000
Performance Rights expiring 30 January 2019	500,000
Performance Rights offered under the Offer	Nil
Total performance rights on issue after completion of the Offer	2,500,000

Convertible Notes

	Number
Convertible notes on issue with a face value of \$1,000 each ¹	1,100
Convertible notes offered under the Offer	Nil
Total convertible notes on issue after completion of the Offer	1,100

Notes

1. Key terms of the convertible notes are: The notes are convertible at 6 cents per share; Coupon rate of 8% per annum, payable six monthly in cash; One option will be issued per share converted in the first year (prior to 10 July 2016) and one option will be issued per two shares converted after the first year (the options will be exercisable at 6 cents per option on or before the date which is 2 years after the date of grant); and The notes mature on 31 December 2017 unless existing Commonwealth Bank ("CBA") facilities have not been discharged. If CBA facilities are not fully discharged, maturity will be two months after the discharge of the CBA facility.

6.5 Details of substantial holders

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

Shareholder	Shares	%
Bell Potter Nominees Ltd ¹	69,067,043	12.59
Citicorp Nominees Pty Ltd	47,339,112	8.64
HSBC Custody Nominees (Australia) Limited	31,396,906	5.72

Notes

1. The shares are held by Bell Potter Nominees Ltd <BB Nominees A/C> on behalf of Robmar Investments Pty Ltd.

Upon completion of the Offer and assuming no other Shares are issued by Pantoro, based on publicly available information as at the date of this Prospectus, those persons (together with their associates) who have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Bulletin Resources Limited ¹	130,000,000	19.16
Bell Potter Nominees Ltd ²	69,067,043	10.18
Citicorp Nominees Pty Ltd	47,339,112	6.98

Notes

1. Bulletin has advised the Company that if the Capital Reduction Proposal proceeds approximately 89,000,000 Consideration Shares will be transferred and distributed to Bulletin Shareholders and Bulletin will then have an interest in approximately 6% of the Company's Shares on issue.
2. The shares are held by Bell Potter Nominees Ltd <BB Nominees A/C> on behalf of Robmar Investments Pty Ltd.

7. RIGHTS AND LIABILITIES ATTACHING TO SHARES

7.1 Shares

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

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

7.2 General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings. Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution.

7.3 Voting rights

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

- (a) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one (1) vote; and
- (c) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one (1) vote for each Share held.

7.4 Dividend rights

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

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. The Directors may set aside any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which Pantoro's profits may be properly applied.

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

7.5 Winding-up

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

7.6 Shareholder liability

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

7.7 Transfer of Shares

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

7.8 Future increase in capital

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

7.9 Variation of rights

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

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

7.10 Alteration of Constitution

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

8. RISK FACTORS

8.1 Introduction

The Shares offered under this Prospectus are considered highly speculative. An investment in Pantoro is not risk free and the Directors strongly recommend Bulletin's considers the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding about how to deal with either document.

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

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

8.2 Investment Specific Risks

(a) Stock market fluctuations and economic conditions

The Shares to be issued under this Prospectus will be quoted on the ASX. The price of Shares may rise or fall and there is no guarantee in respect of profitability, dividends, return of capital, or the price at which the Shares may trade on the ASX.

The value of the Shares will be determined by the stock market and will be subject to a range of factors beyond the control of Pantoro, and the Directors and officers of Pantoro. Such factors include, but are not limited to:

- (a) the demand for and availability of Shares;
- (b) movements in domestic interest rates;
- (c) exchange rates;
- (d) general and domestic economic activity; and
- (e) fluctuations in the Australian and international stock markets.

Returns from an investment from the Shares may also depend on general stock market conditions as well as the performance of Pantoro. There can be no guarantee that there will be an active market in the Shares.

Changes in economic and business conditions or government policies in Australia or internationally may affect the fundamentals which underpin the projected growth of Pantoro's target markets or its cost structure and profitability. Adverse changes in such things as the level of inflation, interest rates, exchange rates, government policy (including fiscal, monetary and regulatory policies), consumer spending and employment rates, amongst others, are out of the control of Pantoro and may result in material adverse impacts on the business or its operating results.

(b) Liquidity of Shares

There may be relatively few potential buyers or sellers of the Shares on the ASX at any time. This may increase the volatility of the price of the Shares. It may also affect the prevailing market price at which Shareholders are able to sell their Shares. This may result in a market price being received which is less than the price that Shareholders paid to acquire their Shares.

(c) Taxation

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

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

8.3 Company Specific Risks

(a) Additional requirements for capital

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

(b) Halls Creek Project

Pantoro is currently conducting, as manager of the Joint Venture, commercial mining activities at the Halls Creek Project for the recovery of gold and silver. Pantoro plans to continue such commercial mining activities after the Completion Date as 100% owner of the Halls Creek Project. Pantoro's ability to sustain or increase the current levels of production is dependent upon a range of factors including the market price for gold and silver, the ongoing costs of production, the level of capital costs required for ongoing development to access the ore body and in the medium to long term the successful identification and development of additional reserves at the Halls Creek Project. Reduced production could have a material adverse effect on future cash flows, results of operations and financial condition.

Pantoro intends to undertake exploration activities on a number of prospects within the Halls Creek Project. Failure to identify additional economic mineralisation could result in increased expenditure without realising the benefit of additional future production.

(c) Operations in Papua New Guinea

A number of Pantoro's projects are located in Papua New Guinea and Pantoro is subject to the risks associated with operating in that country, including various levels of political, economic, social and other risks and uncertainties.

These risks and uncertainties include but are not limited to the risk of civil unrest, terrorism, expropriation and nationalization, renegotiation or nullification of existing

concessions, licences, permits or contracts, illegal mining, changes in taxation policies, changing political conditions, currency inflation, currency controls and governmental regulations that favour or require minimum levels of ownership by Papua New Guinean residents.

Changes, if any, in mining or investment policies, or shifts in political attitude, in Papua New Guinea may adversely affect the operations or profitability of Pantoro. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, foreign currency remittance, income taxes, expropriation of property, foreign investment, maintenance of claims, environmental legislation, land use claims of local people, water use and mine safety.

The Papua New Guinean government retains the right to take a 30% contributing ownership stake in mining projects in the country under the provisions of the Mining Act (1992).

Local land groups in Papua New Guinea are recognised as the owners of the land, and land use agreements are required prior to commencement of mining. Negotiation of such agreements can be both time consuming and expensive.

Failure by the company to comply strictly with applicable laws, regulations and local practices relating to mineral rights applications and tenure, could result in loss, reduction or expropriation of entitlements, or the imposition of additional local or foreign parties as joint venture partners with carried or other interests.

Pantoro's operations in Papua New Guinea may also be adversely affected by laws and policies of Australia affecting foreign trade, taxation and investment. In the event of a dispute arising in connection with its operations in Papua New Guinea, Pantoro may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdiction of courts in Australia or enforcing Australian judgements in foreign jurisdictions.

Papua New Guinea has reported risks for personal safety and security in various locales with high crime rates which could affect operations unless appropriately managed. The Australian Department of Foreign Affairs and Trade provide travel advice at <http://www.smartraveller.gov.au>, and advise travellers to exercise a high degree of caution.

Pantoro holds an option to purchase EL1629, which is encompassed within the existing tenement package. Pantoro is required to maintain EL1629 in good standing while the option active, and is required to pay an annual option fee of \$25,000 per annum. There is no assurance that EL1629 will be purchased by Pantoro. If the tenement is purchased, there is no assurance that minerals will be discovered within the tenement area.

Pantoro's Widubosh project (ML457) is the subject of an existing joint venture with PNG Forest products (**PNGFP**), and there is no guarantee that PNGFP will meet their obligations. The project is also subject to current negotiations with respect to possible divestment. If sold, the company would not receive future benefits from the project.

The occurrence of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on the operations or profitability of Pantoro. Pantoro has made its investments and strategic decisions based on the information currently available to the Directors, however should there be any material change in the political, economic, legal and social environments in Papua New Guinea, the Directors may reassess investment decisions and commitments to assets in Papua New Guinea.

(d) Resource estimates

Any resource estimates that have been released by Pantoro now or will be released in the future will be expressions of judgement based on knowledge, experience and industry practice. Estimates which are valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretation, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans which may, in turn, adversely affect Pantoro's operations.

(e) Gold price volatility

As a gold producer Pantoro's financial performance is sensitive to the spot gold price. The gold price is affected by numerous factors and events that are beyond Pantoro's control. These factors and events include general economic activity, world demand, forward selling activity, gold reserve movements at central banks, cost of production by the gold producers and other matters such as inflationary expectations, interest rates, currency exchange rates (particularly the strength of the US dollar) as well as general global economic conditions and political trends.

If the gold price should fall below or remain below Pantoro's costs of production for any sustained period due to these or other factors and events, Pantoro's exploration and production could be delayed or even abandoned (although Pantoro may seek to manage this risk through gold price hedging arrangements). A delay in exploration or production or the abandonment of one or more of Pantoro's projects may require Pantoro to write-down any gold reserves and may have a material adverse effect on Pantoro's production, earnings and financial position.

(f) Infrastructure and transport

Pantoro's ability to achieve production targets, receive goods and services and export products may be restricted by access to power networks, roads and other infrastructure.

(g) Reliance on key personnel

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

(h) Acquisition risk

Pantoro's objectives include the pursuit of new projects and business opportunities in the resources sector, by way of acquisition or investment. The Directors will use their expertise and experience in the resources sector to assess the value of potential projects that have characteristics that are likely to provide returns to Shareholders. There can be no guarantee that any new project acquisition or investment will eventuate from these pursuits, or that any acquisitions will result in a return for Shareholders.

(i) Exploration success

The exploration tenements held by Pantoro are at various stages of exploration and potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that exploration of these tenements, or any other tenements that may be acquired in the future, will result in

discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

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

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

Pantoro's exploration costs are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may be materially different to these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect Pantoro's viability

8.4 Industry Specific Risks

(a) Environmental

Pantoro's operations activities in Australia and Papua New Guinea are subject to state and federal laws and regulations concerning the environment. As with most exploration projects and mining operations, Pantoro's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is Pantoro's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events such as unpredictable rainfall or bushfires may impact on Pantoro's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on Pantoro for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations will become more onerous making Pantoro's operations more expensive.

Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programs or mining activities.

(b) Tenure risks and native title

Interest in tenements in Australia is governed by the respective state mining legislation. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, Pantoro could lose title to or its interest in tenements if

licence conditions are not met or if insufficient funds are available to meet expenditure commitments.

If exploration is successful, the Company will not be able to exploit any mineral deposit unless the Company first acquires a mining lease. The grant of a mining lease is subject to ministerial discretion.

Additionally, in areas where native title exists or may exist, the ability of Pantoro to acquire a valid mining lease may also be subject to compliance with the 'right to negotiate' process under the Native Title Act. Compliance with this process can cause delays in obtaining the grant of a mining lease and does not ultimately guarantee that a mining lease will be granted. Attaining a negotiated agreement with native title claimants or holders to facilitate the grant of a valid mining can add significantly to the costs of any development or mining operation.

The ability of Pantoro to conduct activities on exploration or mining tenements is subject to compliance with laws protecting Aboriginal heritage. Conduct of site surveys to ensure compliance can be expensive and subject to delays. If any Aboriginal sites are located within areas of proposed exploration, mining or other activities, the ability of the Company to conduct those activities may be dependent on the Company obtaining further regulatory consents or approvals.

(c) Safety legislation

Current and future mines are subject to a range of safety legislation which may change in a manner that may include requirements in addition to those now in effect, and a heightened degree of responsibility for companies and their directors and employees.

(d) Industry and commodity cycles

The demand for, and price of, metals is highly dependent on a variety of factors, including international supply and demand, actions taken by governments, and global economic and political developments. Adverse changes in market sentiment or conditions can and will impact Pantoro's ability to manage operating costs and have future sales meet installed production capacity. These impacts could lead to a reduction in earnings and the carrying value of assets that are outside of Pantoro's control.

(e) Impact of inflation on costs

Higher than expected inflation rates generally, or specific to the mining industry in particular, could be expected to increase operating and development costs and potentially reduce the value of future project developments.

8.5 General Risks

(f) Investment risks

As with any stock market investment, there are various risks associated with investing in Pantoro, specifically because of the nature of Pantoro's exploration and mining business and the present stage of development of Pantoro's operations. Bulletin should consider whether the Shares offered under this Prospectus are a suitable investment having regard to their own personal investment objectives and financial circumstances and the risk factors set out in this section. Many of these risk factors are outside the Directors' control. Whilst some common risk factors are set out in this section, it is not possible to produce an exhaustive list. The Directors recommend that potential investors consult their professional advisers before making any decision in relation to this Prospectus and the Offer.

(g) Adverse changes to government policy and taxation

Changes in relevant taxation laws, interest rates, other legal, legislative and administrative regimes, and government policies, may have an adverse effect on the assets, operations and ultimately Pantoro's financial performance. These factors may ultimately affect Pantoro's financial performance and the market price of the Shares.

(h) Insurance risks

Pantoro's operations are insured in accordance with industry practice however in certain circumstances, Pantoro's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or not fully covered by insurance could have a material adverse effect on the business, financial condition and results of Pantoro.

Insurance against all risks associated with mining exploration and production is not always available and where available the costs can be prohibitive.

(i) Claims, liability and litigation

Although Pantoro is not currently involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against Pantoro, the risk of litigation remains a general risk to Pantoro. Pantoro may incur costs in making payments to settle any such claims which may not be adequately covered by insurance or at all. Such payment may have an adverse impact on Pantoro's profitability and/or financial position.

(j) Competition risk

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

(k) Industrial action

Pantoro is subject to the risk of industrial action and work stoppages by employees and contractors who provide services which are necessary for the continued operation of Pantoro's businesses.

(l) Operating risks

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

8.6 Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by Pantoro or by investors in Pantoro. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of Pantoro and the value of the Shares offered under this Prospectus.

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

If after reading this Prospectus you have any questions about either document or about the Offer, the Issue or any other matter, then you should consult your professional advisers.

9. ADDITIONAL INFORMATION

9.1 Litigation

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

9.2 Continuous disclosure obligations

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

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

This Prospectus is also a short form prospectus issued in accordance with Section 712 of the Corporations Act. This means this Prospectus alone does not contain all the information that is generally required to satisfy the disclosure requirements of the Corporations Act. Rather, it incorporates all other necessary information by reference to documents referred to further below in this in section 9.2.

This Prospectus is issued in circumstances where significant publicly available information in relation to the Company exists by virtue of disclosures to ASX. This Prospectus does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Bulletin is encouraged to have regard to the other publicly available information available through the ASX in relation to the Company.

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

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

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

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

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

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

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

Date	Description of Announcement
30/05/2016	Appendix 3B
30/05/2016	Mineral Resource and Ore Reserve Upgrade
26/05/2016	Appendix 3B
20/05/2016	Appendix 3B
12/05/2016	Change in substantial holding
12/05/2016	BNR: Open Pit Mining Reserves for Nicolsons
12/05/2016	Open Pit Mining to Expand Nicolsons Production
04/05/2016	Change of Directors' Interest Notices
02/05/2016	Pantoro Secures 100% Ownership of Nicolsons
02/05/2016	BNR: Disposal of Interest in Nicolsons Gold Project
29/04/2016	Quarterly Activities Report & Appendix 5B
04/04/2016	April 2016 Investor Presentation
17/03/2016	Appendix 3B
15/03/2016	Appendix 3B
15/03/2016	Initial Director's Interest Notice
15/03/2016	Appointment of Operations Director
14/03/2016	Half Yearly Report and Accounts

14/03/2016	Pantoro Consolidates Garaina Project Tenure
09/03/2016	Appendix 3B
01/03/2016	High grade drill results and regional exploration update
26/02/2016	Appendix 3B
24/02/2016	Hartleys Commencing Coverage
09/02/2016	Change of Director's Interest Notice
08/02/2016	Appendix 3B
27/01/2016	Quarterly Activities Report & Appendix 5B
19/01/2016	Appendix 3B
19/01/2016	Investor Presentation - January 2016
08/01/2016	Amended Appendix 3B
07/01/2016	Appendix 3B
04/01/2016	Change in substantial holding
08/12/2015	Name Change to Pantoro Limited
08/12/2015	Change of Director's Interest Notice
07/12/2015	Appendix 3B
01/12/2015	Change of Director's Interest Notice
27/11/2015	Results of 2015 Annual General Meeting
27/11/2015	2015 AGM Chairman's Address & Presentation
27/11/2015	Change of Director's Interest Notice
26/11/2015	Appendix 3B
02/11/2015	Change of Director's Interest Notice
30/10/2015	Appendix 3B
30/10/2015	Placement Capacity
29/10/2015	Quarterly Activities Report & Appendix 5B
28/10/2015	Notice of Annual General Meeting & Proxy Form
27/10/2015	Appendix 3B

26/10/2015	Precious Metals Investment Symposium Presentation
08/10/2015	High Grades Continue Driving Nicolsons Production
01/10/2015	Appendix 4G
01/10/2015	2015 Annual Report

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

The announcements are also available through Pantoro's website www.pantoro.com.au

Pursuant to section 712 of the Corporations Act the following documents, which are referred to in this Prospectus, are incorporated by reference in this Prospectus.

Date	Description of document
30/05/2016	Mineral Resource and Ore Reserve Upgrade
12/05/2016	Open Pit Mining to Expand Nicolsons Production
29/04/2016	Quarterly Activities Report & Appendix 5B
27/01/2016	Quarterly Activities Report & Appendix 5B

The above documents has been released to ASX and lodged with ASIC. These documents relate the Company's recent activities in relation to the Halls Creek Project and contain the current JORC Mineral Resources and Ore Reserve Estimates.

The information contained in the above documents will be primarily of interest to Bulletin and its professional advisers or analysts.

Bulletin and its professional advisers or analysts can obtain copy of the above documents of charge from the ASX website at www.asx.com.au (see ASX announcements for PNR) or from the Company's website at www.pantoro.com.au or by telephoning the Company on +61 (8) 9215 6005 or emailing the Company at admin@pantoro.com.au during the application period for this Prospectus.

If Bulletin requires any further information in relation to the Company or the Offer the Directors recommend Bulletin takes advantage of the ability to obtain and inspect copies of the documents referred to above.

9.3 Market price of Shares

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

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

Highest	13 cents	16 May 2016
Lowest	7.5 cents	24 March 2016
Last	10.7 cents	30 May 2016

9.4 Interests of Directors

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

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

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

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

Security holdings in Pantoro

The relevant interest of each of the Directors in the securities of Pantoro as at the date of this Prospectus is set out in the table below.

Pantoro Director	Current Holdings		
	Shares	Options	Performance Rights
Peter Cook	24,540,057 ¹	2,354,007 ¹	Nil
David Osikore	6,120,000	Nil	Nil
Paul Cmrlec	3,281,893 ²	2,117,099 ³	1,500,000 ⁴
Scott Huffadine	915,767 ⁵	2,057,577 ⁶	Nil

Notes

1. The Shares and Options are held by Ajava Holdings Pty Ltd (of which Mr Cook) is a director and shareholder).
2. 2,627,518 of the Shares are held by Berrimil Services Pty Ltd (of which Mr Cmrlec is a director and shareholder) as trustee for the Berrimil Services Trust. 143,750 of the Shares are held by Dannielle Brooke Cmrlec, spouse of Mr Cmrlec.
3. 2,000,000 of the Options are unlisted options exercisable at \$0.09 each on or before 21 November 2016. The Options are held by Berrimil Services Pty Ltd (of which Mr Cmrlec is a director and shareholder) as trustee for the Berrimil Services Trust. 117,099 of the Options are listed options exercisable at \$0.06 each on or before 25 August 2017. The Options are held by Berrimil Services Pty Ltd (of which Mr Cmrlec is a director and shareholder) as trustee for the Berrimil Services Trust.
4. 1,500,000 Performance Rights expiring on 21 November 2016. The Performance Rights are held by Berrimil Services Pty Ltd (of which Mr Cmrlec is a director and shareholder) as trustee for the Berrimil Services Trust.
5. 340,000 of the Shares are held by Mr Scott Huffadine as trustee for the Huffadine Family Account. Mr Huffadine is trustee and a beneficiary. 358,267 of the Shares are held by Mr Scott Huffadine and Ms Penelope Shearing as trustee for the SHIPS trust. Mr Huffadine is a trustee and beneficiary. 217,500 of the Shares are held by Ms Penelope Shearing, spouse of Mr Huffadine.
6. 2,000,000 of the Options are unlisted options exercisable at \$0.10 each on or before 30 January 2019. The Options are held by Mr Scott Huffadine as trustee for the Huffadine Family Account. Mr Huffadine is trustee and a beneficiary. 21,750 of the Options are listed options exercisable at \$0.06 each on or before 25 August 2017. The Options are held by Ms Penelope Shearing, spouse of Mr Huffadine. 35,827 of the Options are listed listed options exercisable at \$0.06 each on or before 25 August 2017. The Options are held by Mr Scott Huffadine and Ms Penelope Shearing as trustee for the SHIPS trust. Mr Huffadine is a trustee and beneficiary.

Security holdings in Bulletin

The relevant interest of each of the Directors in the securities of Bulletin within the last two years and as at the date of this Prospectus is set out in the table below.

Pantoro Director	Within the past two years	Current Holdings
	Shares	Shares
Peter Cook	-	-
David Osikore	-	-
Paul Cmrlec	1,333,333 ¹	-
Scott Huffadine	-	-

Notes

1. The shares were held by Berrimil Services Pty Ltd (of which Mr Cmrlec is a director and shareholder) as trustee for the Berrimil Services Trust. The shares were disposed of on 18 February 2016.

Remuneration

The remuneration of an executive Pantoro Director is decided by the Board, without the affected executive director participating in that decision-making process. The total maximum remuneration of non-executive directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to Pantoro of the respective contributions by each non-executive Pantoro Director. The current amount has been set to not exceed \$250,000 per annum.

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

The following table shows the total annual remuneration paid to both executive and non-executive directors for the previous 2 financial years and the proposed annual remuneration to be paid to both executive and non-executive directors for the current financial year.

Pantoro Director	2013/14 (Actual)	2014/15 (Actual)	2015/16 (Proposed)
Peter Cook	43,600	43,767	49,275
David Osikore	165,273	99,974	83,225
Paul Cmrlec	246,985	370,341	399,335
Scott Huffadine	-	-	202,254

Notes:

1. The total annual remuneration referred to in the table includes cash salary and fees, consulting fees, superannuation contributions and the valuation of any share-based payment items such as options or performance rights expensed during the financial year but does not include any reimbursements that the Directors may receive for work related expenses.

9.5 Interests of experts and advisers

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

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus; or
- (b) promoter of Pantoro; or

- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the Issue – there is no underwriter to the Issue,

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

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

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

- (d) the formation or promotion of Pantoro; or
- (e) the Offer.

EMK Lawyers has acted as the solicitors to Pantoro in relation to the Offer. Pantoro estimates it will pay EMK Lawyers \$10,000 (plus GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, EMK Lawyers has been paid fees totalling \$77,070 (plus GST) for legal services provided to Pantoro or its subsidiaries (including to HCM).

9.6 Consents

Each of the parties referred to in this section:

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

EMK Lawyers has given its written consent to being named as the solicitors to Pantoro in this Prospectus. EMK Lawyers has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Somes Cooke has had no involvement in the preparation of any part of the Prospectus other than being named as Auditor to Pantoro. Somes Cooke has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of the Prospectus.

Computershare Investor Services Pty Limited has had no involvement in the preparation of any part of the Prospectus other than being named as Share Registrar to Pantoro. Computershare Investor Services Pty Limited has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of the Prospectus.

9.7 Expenses of the Offer

The total expenses of Pantoro in relation to the Offer are estimated to be approximately \$91,620 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	2,320
ASX fees	69,300
Legal fees	10,000
Printing and distribution	5,000
Miscellaneous	5,000
Total	91,620

9.8 Competent Person's Statement

Papua New Guinea Tenements – Mineral Reporting

The information in this report that relates to exploration, mineral resources or ore reserves is based on information compiled by Mr. David Osikore B.Sc. Geol, a Competent Person who is a member of the Australasian Institute of Mining and Metallurgy. Mr. Osikore is a full time executive director of Pantoro Limited. Mr. Osikore has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a competent person as described by the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Osikore consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. Pantoro has not attempted to generate resources or reserves in compliance with the JORC Code at the Bulolo gravel projects, and does not intend to due to difficulties in dealing with alluvial deposits.

Halls Creek Tenements – Mineral Reporting

The information in this report that relates to exploration and mineral resources is based on information compiled by Mr. Scott Huffadine B.Sc. (Honors) a Competent Person who is a member of the Australasian Institute of Mining and Metallurgy. Mr. Huffadine is a full time executive director of Pantoro Limited. Mr. Huffadine has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a competent person as described by the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Huffadine consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Halls Creek Tenements – Reserve Reporting

The information in this report that relates to mineral reserves is based on information compiled by Mr. Paul Cmrlec B. Eng (Mining) (Hons), a Competent Person who is a member of the Australasian Institute of Mining and Metallurgy. Mr. Cmrlec is the full time Managing Director of Pantoro Limited. Mr. Cmrlec has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a competent person as described by the 2012 Edition of the "Australasian Code for Reporting of Exploration

Results, Mineral Resources and Ore Reserves". Mr. Cmrlec consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

9.9 Electronic prospectus

Pursuant to Class Order 00/44, the 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 Application Form. If you have not, please phone Pantoro on +61 (8) 9215 6005 and Pantoro 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 Pantoro's website at www.pantoro.com.au. Pantoro reserves the right not to accept an Application Form from Bulletin if it has reason to believe that when that Bulletin was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

9.10 Financial forecasts

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

9.11 CHESS and Issuer Sponsorship

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

Electronic registers mean that Pantoro will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

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

9.12 Privacy Act

If you complete an Application for Shares or you become a Shareholder you will be providing personal information to Pantoro (directly or by the Share Registry). Pantoro collects, holds and will use that information to assess your Application, service your needs as a holder of equity securities in Pantoro, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

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

You can access, correct and update the personal information that we hold about you. Please contact Pantoro or the Share Registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the Application Form, Pantoro may not be able to accept or process your Application.

10. DIRECTORS' AUTHORISATION

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

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



Mr Paul Cmrlec
Managing Pantoro Director
For and on behalf of
PANTORO LIMITED

11. GLOSSARY

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

Application Form means an application form either attached to or accompanying this Prospectus.

ASIC means the Australian Shares and Investments Commission.

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

ASX Listing Rules means the listing rules of the ASX.

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

Board means the board of Directors of the Company.

Bulletin means Bulletin Resources Limited (ACN 144 590 858).

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

Capital Reduction means the equal reduction of capital of Bulletin proposed to be satisfied by the distribution and transfer to Bulletin Shareholders (in proportion to their holdings of Bulletin Shares) of a portion of the Consideration Shares once issued to Bulletin.

Capital Reduction Proposal means the proposal by Bulletin to transfer the Capital Reduction Shares to the eligible Bulletin shareholders in accordance with the Capital Reduction.

Capital Reduction Shares means the Consideration Shares the subject of the Capital Reduction.

CHES means the Clearing House Electronic Sub-Register System operated by ASX Settlement Pty Ltd.

Closing Date means the closing date as specified in the timetable in Section 3 of this Prospectus or such later date as the Board decides.

Company or **Pantoro** means Pantoro Limited (ACN 003 207 467).

Completion means completion of the sale by Bulletin of its remaining joint venture interest in the Halls Creek Project to Pantoro's subsidiary HCM occurs in accordance with the terms of the Joint Venture Sale Agreement. Completion is 5 Business Days after waiver or satisfaction of the Conditions Precedent to the Joint Venture Sale Agreement (or such later date as the parties to that agreement agree in writing).

Completion Date means the date on which Completion occurs.

Conditions Precedent means the conditions precedent to the Joint Venture Sale Agreement. The key Conditions Precedent are summarised in section 4.1 of this Prospectus.

Consideration Shares means 130,000,000 Shares to be issued to Bulletin pursuant to the terms of the Joint Venture Sale Agreement.

Constitution means the constitution of Pantoro as at the date of this Prospectus.

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

Directors means the directors of Pantoro as at the date of this Prospectus.

General Meeting means the general meeting the subject of the Notice of Meeting.

Halls Creek Project means the project of that name located near Halls Creek Western Australia (the subject of Pantoro's announcement to ASX dated 2 May 2016) in relation to which HCM currently holds an 80% interest and Bulletin holds a 20% interest.

HCM means Pantoro's wholly owned subsidiary, Halls Creek Mining Pty Ltd (ACN 168 093 347).

Issue means the issue of the Consideration Shares to Bulletin as contemplated by this Prospectus.

Joint Venture means the existing joint venture between HCM and Bulletin in relation to the Halls Creek Project which joint venture will come to an end on the Completion Date.

Joint Venture Agreement means the agreement entitled 'Acquisition Agreement Nicholsons Project' between the Company, HCM and Bulletin dated on or about 18 March 2014 as amended from time to time.

Joint Venture Sale Agreement means the agreement between Bulletin, Pantoro and HCM executed on 15 May 2016 (replacing a head of agreement entered into by those parties on 1 May 2016) pursuant to which, amongst other matters, HCM agreed to purchase Bulletin's remaining 20% Joint Venture Interest in the Halls Creek Project in consideration for Pantoro issuing Bulletin the Consideration Shares as that agreement is amended from time to time.

JORC means the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, the Australian Institute of Geoscientists and Minerals Council of Australia.

JORC Code means the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves drawn up by the JORC.

Notice of Meeting means the Notice of Meeting to be issued by Pantoro calling a general meeting of Pantoro shareholders proposed to be held on or about 4 July 2016 under which Pantoro will seek approval of its shareholders to issue the Consideration Shares pursuant to the terms of the Joint Venture Sale Agreement as that notice of meeting may be amended, replaced or supplemented from time to time.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Offer has the meaning given on the cover page of this Prospectus.

Performance Rights means any performance rights on issue in the capital of Pantoro that are convertible into Shares upon meeting certain performance hurdles and otherwise in accordance with the terms of the issue.

Prospectus means this prospectus.

Shares means fully paid ordinary shares in the capital of Pantoro (including without limitation, where the context admits, the Consideration Shares to the issued to Bulletin under the Joint Venture Sale Agreement).

Share Registry means the share registry of Pantoro as noted in section 1 of this Prospectus.

Shareholder means a holder of a Share.

Transaction has the meaning given in section 4.1 of this Prospectus.

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

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

PANTORO LIMITED

ABN

30 003 207 467

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--------------------------------------|
| 1 | +Class of +securities issued or to be issued | Fully paid ordinary shares (Shares). |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 130,000,000 Shares. |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid ordinary shares. |

+ See chapter 19 for defined terms.

4	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?	Yes
	<p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	
5	Issue price or consideration	To be issued as consideration for the sale by Bulletin Resources Limited of its remaining joint venture interest in the Halls Creek Project subject to that sale becoming unconditional and completion occurring.
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	To be issued as consideration for the sale by Bulletin Resources Limited of its remaining joint venture interest in the Halls Creek Project subject to that sale becoming unconditional and completion occurring.
6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	Yes.
6b	The date the security holder resolution under rule 7.1A was passed	30 November 2015.
6c	Number of +securities issued without security holder approval under rule 7.1	N/A.
6d	Number of +securities issued with security holder approval under rule 7.1A	N/A.

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	130,000,000 Shares. Shareholder approval will be sought at a general meeting of shareholders to be held on or about 5 July 2016.	
6f	Number of securities issued under an exception in rule 7.2	N/A.	
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	N/A.	
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A.	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Rule 7.1: 0. Rule 7.1A: 62,361,425.	
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	On the completion date of the sale by Bulletin Resources Limited of its remaining joint venture interest in the Halls Creek Project.	
8	Number and +class of all +securities quoted on ASX (including the securities in section 2 if applicable)	Number	+Class
		678,614,271	Fully paid ordinary shares.
		48,973,741	Listed options exercisable at \$0.06 on or before 25/08/2017.

+ See chapter 19 for defined terms.

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in section 2 if applicable)	4,833,334	Unlisted options, exercisable at \$0.06 on or before 26/02/2018.
	1,500,000	Unlisted options, exercisable at \$0.06 on or before 17/03/2018.
	12,000,001	Unlisted options, exercisable at \$0.06 on or before 26/05/2018.
	6,900,000	Unlisted employee options, various conversions and dates.
	2,500,000	Unlisted employee performance rights.
	1,100	Convertible notes each with face value of \$1,000.
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	The Company does not have a dividend policy.	

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities (tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

- 38 Number of securities for which +quotation is sought
- 39 Class of +securities for which quotation is sought
- 40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?
- If the additional securities do not rank equally, please state:
- the date from which they do
 - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
 - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

+ See chapter 19 for defined terms.

41 Reason for request for quotation now
 Example: In the case of restricted securities, end of restriction period
 (if issued upon conversion of another security, clearly identify that other security)

N/A

42 Number and ⁺class of all ⁺securities quoted on ASX (including the securities in clause 38)

Number	⁺ Class
N/A	

Quotation agreement

1 ⁺Quotation of our additional ⁺securities is in ASX’s absolute discretion. ASX may quote the ⁺securities on any conditions it decides.

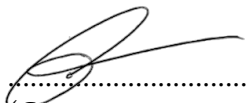
2 We warrant the following to ASX.

- The issue of the ⁺securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those ⁺securities should not be granted ⁺quotation.
- An offer of the ⁺securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any ⁺securities to be quoted and that no-one has any right to return any ⁺securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the ⁺securities be quoted.
- If we are a trust, we warrant that no person has the right to return the ⁺securities to be quoted under section 1019B of the Corporations Act at the time that we request that the ⁺securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before

+quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:  Date: 31 May 2016
(Company secretary)

Print name: David Okeby

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	392,453,924
<p>Add the following:</p> <ul style="list-style-type: none"> • Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p>99,496,509</p> <p>131,663,819 (includes 130,000,000 shares for which shareholder approval will be sought at a general meeting of shareholders to be held on or about 5 July 2016.)</p> <p>-</p>
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	-
“A”	623,614,252

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	93,542,138
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	110,000,000
“C”	110,000,000
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	93,542,138
<p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	110,000,000
<p>Total [“A” x 0.15] – “C”</p>	<p>-16,457,862</p> <p>The above figure is currently a negative number as the Company breached its ASX Listing Rule 7.1 placement capacity on 14 July 2015 when it issued 3,300 convertible notes on 15 July 2015.</p>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	623,614,252
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	62,361,425
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	-
“E”	-

Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 <i>Note: number must be same as shown in Step 2</i>	62,361,425
Subtract "E" <i>Note: number must be same as shown in Step 3</i>	-
Total ["A" x 0.10] – "E"	62,361,425 <i>Note: this is the remaining placement capacity under rule 7.1A</i>