

**PETRATHERM LIMITED**  
**ACN 106 806 884**

**SHORT FORM PROSPECTUS**

For an offer to distribute up to 70,000,000 fully paid common shares in Skarb Exploration Corp, a Canadian company listed on the Canadian Securities Exchange, (**Skarb Shares**) (if the Pre-Emption Right is exercised by the Glenfine Owners) or up to 100,000,000 Skarb Shares (if the Pre-Emption Right is waived or not exercised by the Glenfine Owners) to Shareholders of Petratherm Limited pursuant to a Capital Reduction by way of In-specie Distribution, being the subject of the Capital Reduction Resolution in the Notice of Annual General Meeting to be held on 11 December 2020.

**IMPORTANT NOTICE**

This Prospectus is an important document that requires your immediate attention. You should read this Prospectus in its entirety and consult with your professional advisers in respect of its contents.

This Prospectus is a short form prospectus issued in accordance with section 712 of the Corporations Act. This Prospectus does not of itself contain all the information that is generally required to be set out in a document of this type but refers to parts of other documents lodged with ASIC, the contents of which are therefore deemed to be incorporated in this Prospectus.

The Company considers an investment in the Skarb Shares that will be distributed under this Prospectus and the Capital Reduction Resolution to be speculative.

## **IMPORTANT NOTICES**

This Prospectus is dated 30 October 2020 and a copy of this Prospectus was lodged with ASIC on that date. Neither ASIC, ASX or any of their respective officers takes any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Skarb Shares may be offered or distributed on the basis of this Prospectus later than 13 months after the date of this Prospectus.

This Prospectus, including the Notice of Annual General Meeting which is incorporated by reference into this Prospectus, is important and should be read in its entirety. If you do not fully understand this Prospectus or are in any doubt as to how to deal with it, you should consult your professional advisers immediately. 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.

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

In making representations in this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to Shareholders and professional advisers whom Shareholders may consult.

Certain words and terms used in this Prospectus have defined meanings which are set out in Section 5 of this Prospectus.

### **Short Form Prospectus**

This Prospectus is a short form prospectus issued in accordance with section 712 of the Corporations Act. This means that this Prospectus does not of itself contain all the information that is generally required to be set out in a document of this type in order to satisfy the disclosure requirements of the Corporations Act. Rather, the Prospectus incorporates by reference all other necessary information as contained in the Notice of Annual General Meeting lodged with ASIC on the same date as this Prospectus.

In referring to the Notice of Annual General Meeting, the Company:

- identifies the Notice of Annual General Meeting as being relevant to the Offer of Skarb Shares under this Prospectus and containing information for Shareholders and their professional advisers that will be necessary to assist them in making an informed assessment of:
  - the rights and liabilities attaching to the Skarb Shares; and
  - the assets and liabilities, financial position and performance, profits and losses and prospects of Skarb;
- refers Shareholders and their professional advisers to Section 2 of this Prospectus which summarises the information in the Notice of Annual General Meeting taken to be included in this Prospectus;
- informs Shareholders and their professional advisers that they are able to obtain, free of charge, a copy of the Notice of Annual General Meeting by contacting the Company at its registered office during normal business hours during the period of the Offer; and

- advises that the information in the Notice of Annual General Meeting will be primarily of interest to Shareholders and their professional analysts or advisers.

### **Exposure Period**

The Corporations Act prohibits the Company from distributing the Skarb Shares to Shareholders during the Exposure Period. The purpose of the Exposure Period is to enable this Prospectus to be examined by ASIC and market participants prior to the In-specie Distribution of Skarb Shares. As the Meeting will be held at least 28 days after this Prospectus is lodged, the Exposure Period will have ended by the time the In-specie Distribution occurs, assuming Shareholders approve the Capital Reduction Resolution and that completion is effected under (and Skarb Shares are issued to the Company pursuant to) the Asset Purchase Agreement.

This Prospectus (including the Notice of Annual General Meeting) will be made generally available during the Exposure Period by being posted on the Company's website <http://www.petratherm.com.au/>. A paper copy will be made available to Australian residents on request to the Company during the Exposure Period.

### **Forwarding-looking statements**

This Prospectus may contain forward-looking statements or information. Forward-looking statements can be identified by the use of words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' or other similar expressions. Such statements and information are subject to risks and uncertainties and a number of assumptions, which may cause the actual results or events to differ materially from the expectations described in such forward-looking statements or information.

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 the Company, the Company Directors and management. The Company 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.

The Company 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 which may cause actual events to be materially different from those expressed, implied or projected in any perceived forward-looking statements or information.

### **Foreign Jurisdictions**

The In-specie Distribution under this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law, and persons who come into possession of this Prospectus should seek advice on and observe these restrictions. Failure to comply with these restrictions may constitute a violation of applicable securities laws. Applicants who are resident in countries other than Australia and New Zealand should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed. 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 offer.

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## SECTION 1: DETAILS OF THE OFFER

### 1.1 Terms and Conditions of the Offer

The terms and conditions of the Offer are set out in the Notice of Annual General Meeting accompanying this Prospectus.

In broad terms, the Notice of Annual General Meeting includes the Capital Reduction Resolution pursuant to which the Company proposes an equal reduction of capital to be satisfied by the In-specie Distribution of up to 70,000,000 Skarb Shares (if the Pre-Emption Right is exercised by the Glenfine Owners) or up to 100,000,000 Skarb Shares (if the Pre-Emption Right is waived or not exercised by the Glenfine Owners) to be issued to the Company under the Asset Purchase Agreement, to Shareholders registered as such on the Record Date in proportion to their respective holdings of Shares as at that date.

The In-specie Distribution will only proceed if the Company obtains Shareholder approval for the In-specie Distribution pursuant to the Capital Reduction Resolution (Resolution 3 in the Notice of Annual General Meeting), and if completion is effected under (and Skarb Shares are issued to the Company pursuant to) the terms of the Asset Purchase Agreement.

Under ASIC Regulatory Guide 188, the issue of the Notice of Annual General Meeting with the Capital Reduction Resolution constitutes an offer by the Company of the Skarb Shares to be distributed to eligible Shareholders pursuant to Chapter 6D of the Corporations Act and accordingly the Company has prepared this Prospectus to accompany the Notice of Annual General Meeting.

Shareholders having an address outside Australia and New Zealand at the Record Date (**Ineligible Shareholders**) should note that the In-specie Distribution of the Skarb Shares to overseas Shareholders under the Capital Reduction will be subject to legal and regulatory requirements in their relevant overseas jurisdictions. Accordingly, Ineligible Shareholders may have their pro-rata entitlement of Skarb Shares sold on their behalf by the Company, and the net proceeds of those sales will be paid to the Ineligible Shareholder. In that event, the Company will act on a best efforts only basis to sell the Ineligible Shareholders' Skarb Shares, and will not be liable to the Ineligible Shareholders for any loss suffered as a result. For further information, please refer to Section 3.14 (Overseas Shareholders) of the Notice of Annual General Meeting.

Shareholders with a registered address outside Australia and New Zealand as at the date of this Prospectus can update their registered address on the Company's share register prior to the Record Date by contacting the Company's share registry, Computershare Investor Services on +61 8 8236 2300 or the Company Secretary. If a Shareholder's registered address remains outside Australia and New Zealand as at the Record Date that Shareholder may be treated as an Ineligible Shareholder for the purposes of the Offer.

As the return of capital will be represented and satisfied by the In-specie Distribution and security prices may vary from time to time (assuming a liquid market is available), the net proceeds of sale to such Shareholders may be more or less than the notional dollar value of the reduction of capital.

The Offer is able to be made to Shareholders registered in New Zealand pursuant to the New Zealand Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

## 1.2 **Effect of the Offer on the Company**

The effect of the Offer on the Company will be as follows:

- (a) the Company will cease to own up to 70,000,000 Skarb Shares (if the Pre-Emption Right is exercised by the Glenfine Owners) or up to 100,000,000 Skarb Shares (if the Pre-Emption Right is waived or not exercised by the Glenfine Owners) as issued to the Company under the Asset Purchase Agreement; and
- (b) if the Pre-Emption Right is exercised by the Glenfine Owners, and assuming the full 70,000,000 Skarb Shares are distributed, the Company Shareholders that are registered on the Record Date will receive 0.40697 Skarb Shares for every one Company Share held (rounded down to the nearest whole number); or
- (c) if the Pre-Emption Right is waived or not exercised by the Glenfine Owners, and assuming the full 100,000,000 Skarb Shares are distributed, the Company Shareholders that are registered on the Record Date will receive 0.58139 Skarb Shares for every one Company Share held (rounded down to the nearest whole number).

However, the Company may issue further Shares prior to the Record Date and/or options to acquire Shares may be exercised prior to the Record Date, which would increase the number of Shares on issue on the Record Date. The exact number of Skarb Shares each Shareholder will receive will depend upon the number of Shares on issue on the Record Date.

The financial effect of the Offer is outlined in the pro forma for the Company in Annexure A to the Notice of Annual General Meeting.

## 1.3 **Action Required by Shareholders**

Shareholders are not required to take any action under this Prospectus. If Shareholder approval is obtained for the Capital Reduction Resolution (and if completion is effected under, and Skarb Shares are issued to the Company pursuant to, the Asset Purchase Agreement), then the Skarb Shares will be distributed to eligible Shareholders in accordance with the terms of the Capital Reduction Resolution, whether you voted for or against the Capital Reduction Resolution or did not vote at all (or did not attend the Meeting).

In accordance with ASIC Corporations (Capital Reductions and Reconstructions - Technical Disclosure Relief) Instrument 2017/242, an application form is not required to be completed or returned to participate in the proposed In-specie Distribution of Skarb Shares under the Capital Reduction, and no application form is included in or accompanies this Prospectus.

## 1.4 **Enquiries**

If you have any questions regarding the Offer or this Prospectus, please contact the Company Secretary on +61 8 8133 5000.

## **SECTION 2: NOTICE OF ANNUAL GENERAL MEETING INFORMATION DEEMED TO BE INCORPORATED IN PROSPECTUS**

### **2.1 Short Form Prospectus**

This Prospectus is a short form prospectus prepared and issued in accordance with section 712 of the Corporations Act. This means that this Prospectus does not of itself contain all the information that is generally required to be set out in a document of this type. However, it incorporates by reference information contained in the Notice of Annual General Meeting that has been lodged with ASIC.

### **2.2 Included Information**

The Notice of Annual General Meeting contains all information that Shareholders require in relation to the Capital Reduction and the Notice of Annual General Meeting is deemed to be incorporated in this Prospectus. The material provisions of the Notice of Annual General Meeting (and the information incorporated by reference into this Prospectus) are summarised below in Section 2.3 and will primarily be of interest to Shareholders and their professional advisers or analysts.

The Notice of Annual General Meeting will be dispatched to all Shareholders with this Prospectus. In addition, the Notice of Annual General Meeting will be made generally available during the period commencing at the end of the Exposure Period and ending on the date that the Meeting is held, by being posted on the Company's website (<http://www.petratherm.com.au/>).

### **2.3 Notice of Annual General Meeting – Summary of Information Taken to be Included**

In accordance with section 712 of the Corporations Act, set out below is a summary of the information contained in the Notice of Annual General Meeting that is deemed to be incorporated in this Prospectus to assist Shareholders and their professional advisers for the purposes of making an informed investment decision in relation to the Skarb Shares offered by this Prospectus.

The sections referred to in this Section 2.3 are references to sections in the Notice of Annual General Meeting.

#### **(a) Note 14, pages 8 and 9 - Recommendations**

This note sets out potential advantages and disadvantages of, and the Company Directors' recommendations in respect of, the Capital Reduction.

#### **(b) Note 15, page 9 - Indicative Timetable**

This note sets out the key dates for the Capital Reduction.

#### **(c) Section 3.1 - Background and Overview of the In-specie Distribution**

This section provides an overview of the Company and its projects, the Asset Purchase Agreement (including in relation to the Pre-Emption Right), the Capital Reduction and In-specie Distribution, and the commercial objectives of the Capital Reduction.

(d) **Section 3.2 - Skarb Structure and Board**

This section provides an overview of Skarb and the Skarb Board.

(e) **Sections 3.3, 3.4, 3.6, 3.12 and 3.13 - Capital Reduction**

These sections provide information on the Capital Reduction including the legal procedure required to be followed by the Company and the effect of the Capital Reduction on the Shareholders (including the disadvantages and advantages, trading and tax implications).

Section 3.12 includes a statement by the Company Directors that they believe the Capital Reduction is fair and reasonable to Shareholders as a whole and does not materially prejudice the Company's ability to pay its creditors.

(f) **Sections 3.5 and 3.9, Annexure A and Annexure B - Pro-Forma and Other Financial Information**

These sections and Annexures A and B to the Notice of Annual General Meeting contain a pro-forma statement of financial position of the Company (upon completion of the Capital Reduction) and a condensed statement of financial position for Skarb as at 30 June 2020.

(g) **Section 3.7 - Disclosure to ASX**

Provides that the Company is subject to regular reporting and disclosure requirements as an ASX listed entity.

(h) **Section 3.8 and Annexure C - Risk Factors**

This section and Annexure C to the Notice of Annual General Meeting set out the general and specific risk factors which may affect Skarb and the value of its securities.

(i) **Section 3.10 - Company Directors' Interests**

This section sets out the interests held by the Company Directors at the date of the Meeting and also the number of Skarb Shares they are likely to have an interest in if the Capital Reduction and In-specie Distribution takes place.

(j) **Section 3.11 - Additional Information**

This section provides additional information in respect of the Capital Reduction including the current capital structure of the Company, the current capital structure of Skarb and the effect of completion of the Capital Reduction.

(k) **Section 3.14 - Overseas Shareholders**

This section provides that overseas Shareholders may not in fact be issued Skarb Shares and in that case instead these may be sold by the Company on their behalf.

(l) **Section 3.15 - Information Concerning Skarb Shares**

This section sets out information relating to the Skarb Shares including trading information on CSE, and gives a summary of the more significant rights attaching to the Skarb Shares to be distributed to Shareholders pursuant to the Capital Reduction.

(m) **Section 3.16 - Taxation**

This section provides a brief summary of the Australian taxation consequences for Shareholders who receive Skarb Shares in respect of the Capital Reduction based on applicable taxation law as at the date of the Notice of Annual General Meeting.

Each Shareholder should seek and rely on its own professional taxation advice, specific to its particular circumstances, in relation to the taxation consequences of the proposed Capital Reduction.

(n) **Section 3, page 28 - Directors' Recommendation**

The final paragraphs of Section 3 on page 28 set out the Company Directors' recommendation that Shareholders vote in favour of the Capital Reduction and In-specie Distribution.

A copy of the Notice of Annual General Meeting accompanies this Prospectus.

## SECTION 3: ADDITIONAL INFORMATION

### 3.1 Interests of Skarb Directors

Details of the interests of the Skarb Directors in the securities of Skarb are set out below.

	<b>Name of Skarb Director</b>	<b>Number of Skarb Shares held</b>	<b>Number of Skarb options held</b>
1.	Craig Parry	5,400,000 (direct) 1,500 (indirect)	480,000
2.	Ota Hally	200,000 (direct)	400,000
3.	Chris Donaldson	13,000 (direct)	Nil
4.	Louis Archambeault	500,000 (direct)	285,000

In addition, as no Skarb Director currently holds an interest (whether direct or indirect) in the securities of the Company, no Skarb Director will be entitled to Skarb Shares pursuant to the Offer.

### 3.2 Remuneration of Skarb Directors

Details of the remuneration of the Skarb Directors can be found in Skarb's Annual Financial Statements for the financial year ended 30 June 2020 (lodged with CSE on 26 September 2020).

Please refer to Section 3.2 (Skarb Structure and Board) of the Notice of Annual General Meeting for details of the Skarb Board.

### 3.3 Interests of Company Directors

Except as set out below or elsewhere in this Prospectus or the Notice of Annual General Meeting, no Company Director (whether individually or in consequence of a Company Director's association with any company or firm or in any material contract entered into by the Company) has now, or has had, in the two years preceding lodgement of this Prospectus with ASIC, any interest in 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 Company Director or to any company or firm with which a Company Director is associated for services provided in connection with the Offer.

Please refer to Section 3.10 (Directors' Interests) of the Notice of Annual General Meeting for details of the Company Directors' interests in the Offer.

In addition, Mr Simon O'Loughlin is a Consultant to O'Loughlins Lawyers which have acted as solicitors to the Company in relation to the Offer.

### 3.4 Interests of Experts and Advisers

Except as set out below or elsewhere in this Prospectus or the Notice of Annual General Meeting, no person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the Offer or the preparation of this Prospectus holds, or has held within the two years preceding lodgement of this Prospectus with ASIC,

any interest in 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 the Offer.

O'Loughlins Lawyers have acted as solicitors to the Company in relation to the Offer. The Company estimates it will pay O'Loughlins Lawyers a fee of approximately \$10,000 (exclusive of GST) for these services.

### 3.5 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the securities), the Company Directors, persons named in this Prospectus with their consent as proposed directors, any underwriters, persons named in this Prospectus with their consent as having made a statement in this Prospectus and persons involved in a contravention in relation to this Prospectus, with regard to misleading or deceptive statements made in this Prospectus. Although the Company bears primary responsibility for this Prospectus, other parties involved in the preparation of this Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to below:

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

O'Loughlins Lawyers have given their written consent to being named as solicitors to the Company in this Prospectus, and have not withdrawn such consent before lodgement of this Prospectus with ASIC. A copy of this consent may be inspected free of charge at the registered office of the Company during normal business hours.

### 3.6 Substantial Skarb Shareholders

As at the date of this Prospectus, Skarb is a company listed on CSE.

Based on information known at the date of this Prospectus, it is anticipated that the following persons will hold 5% or more of the Skarb Shares on issue following implementation of the Capital Reduction and In-specie Distribution:

- (a) if the Pre-Emption Right is exercised by the Glenfine Owners (and assuming that the full 70,000,000 Skarb Shares are distributed);

	Name of substantial holder	Number of Skarb Shares held	% of total
1.	Roman Dykun	7,545,000	7.01%
2.	Craig Andrew Parry	5,401,500	5.02%

- (b) if the Pre-Emption Right is waived or not exercised by the Glenfine Owners (and assuming that the full 100,000,000 Skarb Shares are distributed);

	Name of substantial holder	Number of Skarb Shares held	% of total
1.	Roman Dykun	7,545,000	5.48%

However, the Company may issue further Shares prior to the Record Date and/or options to acquire Shares may be exercised prior to the Record Date, which would increase the number of Shares on issue on the Record Date. The exact number of Skarb Shares each Shareholder will receive will depend upon the number of Shares on issue on the Record Date.

### 3.7 CSE Disclosure

Skarb is listed on CSE and its shares are quoted on CSE under the code 'SKRB'. As a company listed on CSE, Skarb is a 'reporting issuer' and is subject to regular reporting and disclosure obligations. Copies of documents lodged in relation to Skarb may be accessed at Skarb's CSE announcements platform, SEDAR at [www.sedar.com](http://www.sedar.com).

Details of documents lodged by Skarb with CSE since the date of lodgement of Skarb's latest annual financial statements and before the lodgement of this Prospectus with ASIC are set out in the table below.

Date	CSE Announcement
29 October 2020	Notice of Meeting and Record Date
29 October 2020	Form of Proxy
29 October 2020	Management Information Circular
29 October 2020	News Release
15 October 2020	News Release
9 October 2020	News Release
9 October 2020	Material Change Report
2 October 2020	Notice of Meeting and Record Date Amended
1 October 2020	News Release
1 October 2020	Material Change Report
1 October 2020	Notice of Meeting and Record Date

### 3.8 Expenses of the Offer

The total expenses of the In-specie Distribution are estimated to be \$50,000 consisting of fees for taxation advice, legal fees and ASIC fees and other expenses.

### 3.9 Litigation

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

### 3.10 Dividend Policy

Skarb has not paid and does not anticipate that any dividends will be paid on its shares in the foreseeable future.

Any future determination as to the payment of dividends by Skarb will be at the discretion of the Skarb Directors and will depend on the availability of distributable earnings and operating results and financial condition of Skarb, future capital requirements and general business and other factors considered relevant by the Skarb Directors. No assurance in relation to the payment of dividends by Skarb can be given by the Company.

### 3.11 **Privacy**

The Company collects and holds personal information about its Shareholders' holdings of Shares in accordance with the Corporations Act. The Company will share that personal information with its advisers and service providers and with Skarb and its advisers and service providers in connection with the Capital Reduction and In-specie Distribution.

Shareholders can contact the Company Secretary on +61 8 8133 5000 if they have any questions about their personal information.

## **SECTION 4: COMPANY DIRECTORS' AUTHORISATION**

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

Each Company Director has consented in writing to the lodgement of this Prospectus with ASIC in accordance with section 720 of the Corporations Act.

Dated: 30 October 2020

Signed for and on behalf of Petratherm Limited

A handwritten signature in black ink, appearing to read "Derek Carter", enclosed within a light blue rectangular border.

**Derek Carter**  
**Chairman**

## SECTION 5: DEFINITIONS

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

**Asset Purchase Agreement** means the Asset Purchase Agreement entered into between the Company and Skarb dated 9 October 2020.

**ASX** means ASX Limited ACN 008 624 691 or the financial market operated by ASX Limited, as the context requires.

**Capital Reduction** means the equal reduction of capital of the Company proposed to be satisfied by the In-specie Distribution to eligible Shareholders (in proportion to their holdings of Shares) of up to 70,000,000 Skarb Shares (if the Pre-Emption Right is exercised by the Glenfine Owners) or up to 100,000,000 Skarb Shares (if the Pre-Emption Right is waived or not exercised by the Glenfine Owners) issued by Skarb to the Company in accordance with the Asset Purchase Agreement.

**Capital Reduction Resolution** means Resolution 3 of the Notice of Annual General Meeting to be put to Shareholders at the Meeting, to approve the Capital Reduction.

**Company** means Petratherm Limited ACN 106 806 884.

**Company Director** means a director of the Company as at the date of this Prospectus.

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

**CSE** means the Canadian Securities Exchange.

**CSE Listing Rules and Policies** means the listing rules and policies of CSE.

**Explanatory Memorandum** means the explanatory memorandum accompanying and forming part of the Notice of Annual General Meeting.

**Exposure Period** means the period of seven days after the date of lodgement of this Prospectus, which period may be extended by ASIC by not more than seven days pursuant to section 727(3) of the Corporations Act.

**Glenfine Owners** means Cape Clear Minerals Pty Ltd and Predictive Discovery Limited, as described in Section 3.1(a)(1) of the Notice of Annual General Meeting.

**In-specie Distribution** means the proposed In-specie Distribution of up to 70,000,000 Skarb Shares (if the Pre-Emption Right is exercised by the Glenfine Owners) or up to 100,000,000 Skarb Shares (if the Pre-Emption Right is waived or not exercised by the Glenfine Owners) by the Company to eligible Shareholders.

**Meeting** (or **Annual General Meeting**) means the meeting of Shareholders convened by the Notice of Annual General Meeting.

**Notice of Annual General Meeting** means the Notice of Annual General Meeting and Explanatory Memorandum of the Company for the Meeting.

**Offer** means the offer of Skarb Shares to Shareholders pursuant to the Notice of Annual General Meeting.

**Pre-Emption Right** means the pre-emptive right of the Glenfine Owners under the Mining Farm-In and Joint Venture Agreement between the Company and the Glenfine Owners dated 7 July 2020, as described in Section 3.1(a)(1) of the Notice of Annual General Meeting.

**Prospectus** means this short form prospectus prepared in accordance with section 712 of the Corporations Act.

**Record Date** means the record date for determining entitlements to the In-specie Distribution of Skarb Shares under the Capital Reduction, being the record date referred to in the timetable on page 9 of the Notice of Annual General Meeting (which date is indicative only and may change without notice).

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

**Shareholder** means a registered holder of a Share.

**Skarb** means Skarb Exploration Corp, a Canadian company listed on CSE.

**Skarb Board** means the current board of directors of Skarb.

**Skarb Director** means a current director of Skarb.

**Skarb Share** means a fully paid common share in the capital of Skarb.