

## Supplementary Prospectus

This is a Supplementary Prospectus issued by Siburan Resources Limited (ACN 137 176 393), dated 23 October 2014 and lodged on that date with the Australian Securities and Investments Commission (**Supplementary Prospectus**). The Supplementary Prospectus supplements and is to be read with the Company's original prospectus dated 30 September 2014 for a non-renounceable pro rata entitlements issue to Shareholders of 119,366,100 New Shares at an issue price of 2 cents each, on the basis of 1 New Share for every 1 Existing Share held, to raise \$2,387,322 before issue costs, with the grant of 3 free attaching New Options for every 2 New Shares applied for, exercisable at 2 cents each by 31 December 2017 (**Original Prospectus**). Neither ASIC, ASX nor their respective officers take any responsibility for the content of the Supplementary Prospectus or the merits of the investment to which it and the Original Prospectus relate. Words used in the Supplementary Prospectus have the meanings given in the Original Prospectus.

This Supplementary Prospectus is issued to provide additional information about:

- (a) the proposed use of funds to be applied for working capital purposes in the Original Prospectus,
- (b) the Underwriter and its intentions in relation to the Company, and
- (c) the shortfall allocation strategy that will apply in relation to shortfall securities offered under the Original Prospectus.

The information provided in this Supplementary Prospectus is not materially adverse to investors.

### Application of funds raised for working capital purposes

In the letter to investors on page 4 and in the use of funds table on page 10 of the Original Prospectus, the Company discloses that the current intentions of the Board are that \$1,187,322 out of the total funds raised of \$2,387,222 will be used for working capital purposes and may allow the Company to consider new project acquisition or earn-in opportunities. A detailed breakdown of this working capital figure is provided below:

Use of working capital for 12 months to October 2015	Breakdown \$	Total \$
Audit and accounting	48,000	
ASX, share registry, legal	51,650	
Salaries including directors fees, superannuation	551,625	
Consultants and contractors fees	60,000	
Journals, subscriptions, conferences	18,200	
Office rent, utilities, insurance, running costs	121,896	
Travel, accommodation, entertainment	49,951	
Tenement services	36,000	
new project evaluation and scoping	100,000	
contingencies	150,000	
<b>Total working capital</b>	<b>1,187,322</b>	<b>1,187,322</b>

### More information about the Underwriter and its intentions in relation to the Company

The following additional information is provided in relation to the information about the Underwriter on page 11 of the Original Prospectus and the summary of the Underwriting Agreement on page 17 of the Original Prospectus:

The Underwriter is part of the Hanhong PE Group, wholly owned by Han Hong SPC High Yield Fund and was introduced to the Company by the Manager to the Offer.

Hanhong Private Equity Management Company (“Hanhong PE”) was founded in August 2009. It was granted the license for dealing in private equity in November 2009. Subsequently, Hanhong (Hong Kong) Limited (“Hanhong HK”) was founded in April 2012 as part of the Hanhong PE Group. The establishment of the Hong Kong office serves as the hub for the Group’s ex-China Mainland business. Hanhong (HK) holds the Type 1 (Dealing in Securities) and Type 4 (Advising on securities) by SFC, CE reference BAL779.

Hanhong HK is a licensed issuer and manager of private equity funds including the Hanhong Financial Fund, the Hanhong International Oil and Gas Fund, the HanHong Precious Metal Fund, and the Hanhong Resources Fund.

The Underwriter has no present intention to make any material changes to the management or strategic direction of the Company. It is not in the business of managing resource companies and would depend on the Directors of the Company to undertake the day to day operations of the Company and make all decisions on strategic directions, such as investment projects, capital raising or asset disposal, if any. If the Underwriter becomes a shareholder as a result of the underwriting, it will exercise its rights under the Corporations Act as any other shareholder. At the moment, it does not seek to participate in further capital raising of the Company other than the underwriting. If and when the Underwriter wishes to exercise the Options acquired as a result of receiving an allotment of Shortfall Securities, the Underwriter may do so in accordance with section 606 of the Corporations Act utilising one of the permitted exceptions in section 611 of the Corporations Act.

One possible means is for the Underwriter to seek shareholder approval under exception 7 of section 611 to increase its voting power in the Company, as defined in the Corporations Act, in which case an independent expert’s report would be required to accompany the notice of meeting at which the resolution proposing an increase in voting power is put to the Company’s shareholders. In addition ASIC Regulatory Guide 74 would require the Underwriter to provide shareholders with additional information including a further statement about its future intentions for the Company.

Another possible means for the Underwriter to exercise its Options is for the Underwriter to utilise the 3% creep rule after the Underwriter has held over 20% voting power for at least 6 months. Accordingly the maximum change in control (as shown in the table on page 11 of the Prospectus) which may occur as a result of the Underwriter receiving an allotment of Options as part of the underwriting of the offer and exercising those Options, cannot occur unless the Underwriter complies with section 606 of the Corporations Act.

### **Shortfall Allocation Strategy**

The letter to investors on page 4 of the Original Prospectus discloses that the Board in conjunction with the Underwriter has full discretion in relation to the allocation of the Shortfall Securities applied for. The Company has agreed with the Underwriter in the Underwriting Agreement that any New Securities not applied for by Eligible Shareholders will be allocated by the Board to Eligible Shareholders who apply for Shortfall Securities, and to any other investors who apply for Shortfall Securities, in the Board's discretion. The Board has agreed that the Underwriter will have the right to nominate the allottees of the Shortfall Securities in consultation with the Directors and the Company will allot the Shortfall Securities after consultation with and taking into account such nomination by the Underwriter. The intention of the Board is that the Shortfall Securities will be allocated firstly to Eligible Shareholders who apply for Shortfall Securities under the general offer of the Shortfall Securities made in section 6 of the Original Prospectus, then to other investors who are not Eligible Shareholders who apply for Shortfall Securities under the general offer of the Shortfall Securities made in section 6 of the Original Prospectus, and then to the Underwriter.

### **Status of the Offer**

At the date of this Supplementary Prospectus the Company has received 3 applications for a total 80,000 Shares. The closing date has been extended to 5pm WST on 5 November 2014 as announced on ASX on 17 October 2014 to provide additional time for Eligible Shareholders to apply for Shares using their personalised application forms receiving in the mail, and to allow Eligible Shareholders and any other investors to apply for Shortfall Securities, using the application form attached to the Original Prospectus and available on the Company's website [www.siburan.com.au](http://www.siburan.com.au). The revised indicative timetable appears below:

Announcement of Issue	30 September 2014
Application to ASX for official quotation of the New Securities	30 September 2014
Lodgement of Prospectus with ASIC	30 September 2014
Record Date	8 October 2014
Closing Date for rights issue Application Forms and payment	5 November 2014
Shortfall Offer Closing Date	5 November 2014
Trading commences on a deferred settlement basis	6 November 2014
Issue Date - holding statements for New Shares despatched (latest date)	12 November 2014
Shortfall Securities allotted to Underwriter (latest date)	17 November 2014

\*The Company, in conjunction with the Underwriter, reserves the right to vary the above dates.

## Consent

Each Director has given his consent and has not withdrawn his consent to the issue of this Supplementary Prospectus and to its lodgement with ASIC in accordance with section 720 of the Corporations Act.

A handwritten signature in black ink, consisting of several overlapping, slanted lines that form a stylized, somewhat abstract representation of the name 'Noel Ong'.

Noel Ong  
Managing Director