Form 605

Corporations Act 2001
Section 671B

Notice of ceasing to be a substantial holder

To Company Name/Scheme	Cradle Resources Limited
ACN/ARSN	149 637 016

1. Details of substantial holder(1)

Name	Grant Davey
ACN/ARSN (if applicable)	

The holder ceased to be a substantial holder on	14 November 2015
The previous notice was given to the company on	26 June 2014
The previous notice was dated	26 June 2014

2. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest (2) of the substantial holder or an associate (3) in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of Change	Person whose relevant interest changed	Nature of Change (4)	Consideration given in relation to change (5)	Class (6) and number of securities affected	Person's votes affected
14/11/2015	Davey Holdings (Aus) Pty Ltd	Sale of interest under section 608(8) of the Corporations Act 2001 (Cth) (**Act**) by virtue of the entry into a Share Sale and Purchase Agreement between Davey Management (Aus) Pty Ltd as trustee for the Davey Family Super Fund, Davey Holdings (Aus) Pty Ltd as trustee for the Burnaford Trust, Sophie Jane Raven and Tremont Investments Limited dated 14 November 2015 (**SPA**), a copy of which is attached as Annexure A.	$A0.27 per fully paid ordinary share (which is subject to adjustment, refer to clause 3.1 of the SPA).	ORD Shares 6,480,000	4.92%
14/11/2015	Davey Management (Aus) Pty Ltd	Sale of interest under section 608(8) of the Corporations Act 2001 (Cth) (**Act**) by virtue of the entry into a Share Sale and Purchase Agreement between Davey Management (Aus) Pty Ltd as trustee for the Davey Family Super Fund, Davey Holdings (Aus) Pty Ltd as trustee for the Burnaford Trust, Sophie Jane Raven and Tremont Investments Limited dated 14 November 2015 (**SPA**), a copy of which is attached as Annexure A.	$A0.27 per fully paid ordinary share (which is subject to adjustment, refer to clause 3.1 of the SPA).	ORD Shares 6,480,000	4.92%

3. Changes in association

The persons who have become associates (3) of, ceased to be associated of, or have changed the nature of their association (7) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	

4. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Grant Davey	c/ - 3/15 Vanden Way, Joondalup WA 6027

Signature

print name Grant Davey capacity _____

sign here _____ date 17 November 2015

Annexure A

This is Annexure A of 24 pages referred to in Form 605 (Notice of ceasing to be a substantial holder) signed by me on behalf of Davey Holding (Aus) Pty Ltd and Davey Management (Aus) Pty Ltd.

I confirm that this is a true copy of the agreement between Davey Management (Aus) Pty Ltd as trustee for the Davey Family Super Fund, Davey Holding (Aus) Pty Ltd as trustee for the Burnaford Trust, Sophie Jane Raven and Tremont Investments Limited dated 14 November 2015.

Signature:

Name: Grant Davey

Title: Sole Director

Date: 17 November 2015

Share Sale and Purchase Agreement

Davey Management (Aus) Pty Ltd as trustee for the Davey Family Super Fund
ACN 157 839 480

Davey Holdings (Aus) Pty Ltd as trustee for Burnaford Trust
ACN 161 889 372

Sophie Jane Raven
and

Tremont Investments Limited
Org no. 121957 (C1/GBL)

for the sale and purchase of shares in
Cradle Resources Limited

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THIS AGREEMENT is made on 14 November 2015

BETWEEN:

(1) **Davey Management (Aus) Pty Ltd** ACN 157 839 480 as trustee for the Davey Family Super Fund (**Davey Management**) of PO Box 7209 Cloisters Square WA 6850, Australia;

(2) **Davey Holdings (Aus) Pty Ltd** ACN 161 889 372 as trustee for Burnaford Trust (**Davey Holdings**) of 3/15 Vanden Way, Joondalup WA 6027, Australia;

(3) **Sophie Jane Raven** of PO Box 751, Cottesloe WA 6911, Australia (**Raven**);

(Davey Management, Davey Holdings and Raven, together **Seller**); and

(4) **Tremont Investments Limited** Org no. 121957 (C1/GBL) (**Buyer**).

RECITALS:

(A) The Seller is the registered legal holder and beneficial owner of the Sale Shares.

(B) The Seller and the Buyer enter into this agreement for the sale and purchase of the Sale Shares.

THE PARTIES AGREE AS FOLLOWS:

1. INTERPRETATION

1.1 Definitions

The following definitions apply in this agreement.

Action means an action, dispute, Claim, demand, investigation, inquiry, prosecution, litigation, proceeding, arbitration, mediation, or dispute resolution.

Business Day means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Perth, Western Australia, Johannesburg, South Africa, and Mauritius.

Buyer Warranties means the warranties and representations set out in Schedule 2 and **Buyer Warranty** has a corresponding meaning.

Claim means, in relation to a person, any claim, allegation, notice, demand, action, investigation, cause of action, proceeding, liability, suit or demand made against the person concerned, however it arises and whether it is present or future, fixed or unascertained, actual or contingent.

Commencement of Commercial Production means the first day of the first month of production of ferroniobium at the Mine to contractual specifications.

Company means Cradle Resources Limited ACN 149 637 016.

Completion means completion of the sale and purchase of the Sale Shares in accordance with clauses 4 and 5 (as the case may be) and **Complete** has a corresponding meaning.

Controller has the meaning it has in the Corporations Act.

Converted Performance Shares means the fully paid ordinary shares in the Company converted from the Performance Shares.

Corporations Act means the Corporations Act 2001 (Cwlth).

Decision to Mine means a decision by the board of directors of Panda Hill Tanzania Ltd, made in accordance with clause 14 of the Investment and Shareholders Agreement dated 6 June 2014 entered into between the Buyer, Cradle Resources Limited, Panda Hill Tanzania Ltd and Panda Hill Mining Pty Ltd, to proceed to construction of the Mine.

DFS means definitive feasibility study.

Effective Time means 4:00 p.m. (Perth time) on the Ordinary Shares Completion Date or the Performance Shares Completion Date, as the case may be.

Encumbrance means any security for the payment of money or performance of obligations including a mortgage, charge, lien, pledge, trust, power or title retention or flawed deposit arrangement, easement, restrictive covenant, caveat or similar restriction over property and any "security interest" as defined in sections 12(1) or 12(2) of the Personal Property Securities Act 2009 (Cwlth), or any agreement to create any of them or allow them to exist.

Government Agency means any governmental, semi-governmental, administrative, fiscal, judicial or quasi-judicial body, department, commission, authority, tribunal, agency or entity.

A person is **Insolvent** if:

(a) it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act);

(b) it is in liquidation, in provisional liquidation, under administration or wound up or has had a Controller appointed to its property;

(c) it is subject to any arrangement, assignment, moratorium or composition, protected from creditors under any statute or dissolved (in each case, other than to carry out a reconstruction or amalgamation while solvent on terms approved by the other parties to this agreement);

(d) an application or order has been made (and in the case of an application, it is not stayed, withdrawn or dismissed within 30 days), resolution passed, proposal put forward, or any other action taken, in each case in connection with that person, which is preparatory to or could result in any of (a), (b) or (c) above;

(e) it is taken (under section 459F(1) of the Corporations Act) to have failed to comply with a statutory demand;

(f) it is the subject of an event described in section 459C(2)(b) or section 585 of the Corporations Act (or it makes a statement from which another party to this agreement reasonably deduces it is so subject);

(g) it is otherwise unable to pay its debts when they fall due; or

(h) something having a substantially similar effect to (a) to (g) happens in connection with that person under the law of any jurisdiction.

Loss means all damage, loss, cost, claim, liability, obligation or expense (including legal costs and expenses of any kind), but excluding liability for any consequential or indirect losses, economic losses or loss of profits.

Material Adverse Change means any change, effect, event, occurrence, state of facts or development that could reasonably be expected to be materially adverse to the business, financial condition or results of operations or prospects of the Company and its Subsidiaries.

Mine means the proposed niobium mine facility to be constructed and operated at Panda Hill, Mbeya District, Tanzania, on mining licences 237/2006, 238/2006 and 239/2006.

NPV means net present value of future cash flows at a real 10% discount rate.

Ordinary Shares means:

(a) 6,480,000 fully paid ordinary shares held by Davey Management in the Company;

(b) 6,480,000 fully paid ordinary shares held by Davey Holdings in the Company; and

(d) 315,191 fully paid ordinary shares held by Raven in the Company.

Ordinary Shares Completion means completion of the sale and purchase of the Ordinary Shares under this agreement.

Ordinary Shares Completion Date means the date being five (5) Business Days after execution of this agreement or as otherwise agreed by the parties.

Performance Shares means 4,320,000 unquoted Class B performance shares with an expiry date of 26 July 2017, which are held by Davey Holdings in the Company.

Performance Shares Completion means completion of the sale and purchase of the Converted Performance Shares under this agreement.

Performance Shares Completion Date means the date being two (2) Business Days after the later of (a) the date of conversion of the Performance Shares into fully paid ordinary shares of the Company, (b) the allotment, issue and quotation of such fully paid ordinary shares of the Company in the name of Davey Holdings and (c) the Company providing ASX with a notice in relation to the Converted Performance Shares in accordance with clause 5.5, or as otherwise agreed by the parties.

Purchase Price has the meaning given to it in clause 3.1.

Relevant Trust means, for Davey Management, the Davey Family Super Fund and for Davey Holdings, the Burnaford Trust.

Representative of a party includes an employee, agent, officer, director, auditor, adviser, partner, associate, consultant, joint venturer or sub-contractor of that party.

Respective Proportion means the proportions which each Seller's Sale Shares bear to the total number of the Sale Shares to be sold to the Buyer.

Sale Shares means the Ordinary Shares and the Performance Shares.

Subsidiary has the meaning it has in the Corporations Act and **Subsidiaries** has a corresponding meaning.

Tranche 1 Payment Date means five (5) Business Days after Decision to Mine.

Tranche 2 Payment Date means five (5) Business Days after Commencement of Commercial Production.

Trustee Seller means each of Davey Holdings and Davey Management.

Warranties means the warranties and representations set out in Schedule 1 and **Warranty** has a corresponding meaning.

1.2 **Rules for interpreting this agreement**

Headings are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this agreement, except where the context makes it clear that a rule is not intended to apply:

(a) A singular word includes the plural, and vice versa.

(b) A word which suggests one gender includes the other genders.

(c) If a word or phrase is defined, any other grammatical form of that word or phrase has a corresponding meaning.

(d) If an example is given of anything (including a right, obligation or concept), such as by saying it includes something else, the example does not limit the scope of that thing.

(e) The word **agreement** includes an undertaking or other binding arrangement or understanding, whether or not in writing.

(f) The expression **this agreement** includes the agreement, arrangement, understanding or transaction recorded in this agreement.

(g) A reference to **dollars, A$** or **$** is to an amount in Australian currency.

(h) A reference to US$ is to an amount in the currency of the USA.

(i) A reference to time is to local time in Perth, Western Australia.

1.3 **Non Business Days**

If the day on or by which a person must do something under this agreement is not a Business Day, the person must do it on or by the next Business Day.

2. **AGREEMENT TO SELL AND BUY**

2.1 **Sale and purchase**

The Seller agrees to sell by way of off-market transfer with full title the Sale Shares to the Buyer free from any Encumbrance and the Buyer agrees to buy the Sale Shares from the Seller for the Purchase Price on the terms of this agreement.

2.2 **Free from Encumbrance**

The Sale Shares must be transferred free from any Encumbrance.

2.3 **Seller's covenant**

The Seller covenants with the Buyer not to sell, offer for sale, transfer, assign or grant or allow to exist any other right in relation to the Sale Shares prior to Completion. The parties agree that damages would be an insufficient remedy for breach of this covenant and the Seller agrees that the Buyer will be entitled to seek and obtain an injunction or specific performance to enforce the Seller's obligation under this clause without proof of actual damage and without prejudice to any of its other rights or remedies.

2.4 **More than one seller**

If "Seller" comprises more than one person, then:

(a) (**references to "Seller" and "Sale Shares"**) references to the "Seller" mean each of Davey Management, Davey Holdings and Raven, and references to "Sale Shares" means, in relation to each person, the Ordinary Shares described opposite that person's name in the definition of Ordinary Shares in clause 1.1 and the Performance Shares held by Davey Holdings;

(b) (**liability**) the liability of each Seller under this agreement is individual, in each case limited to its Respective Proportion of the relevant liability; and

(c) (**payments**) any payment to be made by the Buyer to the Seller will be paid to the account specified in clause 4.3(a), or as otherwise nominated by the Seller. Each Seller is entitled to receive its Respective Proportion of each payment made to the account noted in clause 4.3(a), or as otherwise agreed between them.

2.5 **Title, property and risk**

(a) Until the Effective Time, the title to, property in and risk of the Ordinary Shares or the Performance Shares (as the case may be) remain solely with the Seller.

(b) Subject to Ordinary Shares Completion (in the case of the Ordinary Shares) and Performance Shares Completion (in the case of the Converted Performance Shares), with effect from the Effective Time, the title to, property in and risk of the Ordinary Shares or the Converted Performance Shares (as the case may be), including all rights which were attached to or had accrued thereon at the Effective Time, including the right to receive any dividend not yet paid at the Effective Time, pass to the Buyer.

3. PURCHASE PRICE

3.1 Purchase price and payment obligations

3.1.1 Subject to clauses 3.1.2 to 3.1.4, the purchase price for the Sale Shares is the aggregate of, and is payable by the Buyer to the Seller on the dates set out below, by bank transfer to the account specified in clause 4.3(a) (or as otherwise nominated by the Seller), as follows (**Purchase Price**):

	Purchase Price payable	Date Payable
(a)	A$0.27 for each Ordinary Share	Ordinary Shares Completion Date
(b)	US$0.1944 for each Converted Performance Share	Performance Shares Completion Date
(c)	US$0.0288 for each Ordinary Share	Tranche 1 Payment Date
(d)	US$0.0288 for each Converted Performance Share	The later of (i) the Tranche 1 Payment Date, and (ii) the Performance Shares Completion Date
(e)	US$0.0288 for each Ordinary Share	Tranche 2 Payment Date
(f)	US$0.0288 for each Converted Performance Share	The later of (i) the Tranche 2 Payment Date, and (ii) the Performance Shares Completion Date

3.1.2 Subject to clause 3.1.4 and 10.2, in the event of completion of a DFS on the Mine which demonstrates an NPV of less than US$400 million but equal to or greater than US$350 million, the Purchase Price payable under clauses 3.1.1(b), (d) and (f) above relating to the Converted Performance Shares, shall instead be US$0.18, US$0.0144 and US$0.0144 respectively, with any difference in the Purchase Price already paid to Davey Holdings to be deducted (rather than repayable by Davey Holdings) from the next tranche of Purchase Price payable by the Buyer to Davey Holdings.

3.1.3 Subject to clause 3.1.4 and 10.2, in the event of completion of a DFS on the Mine which demonstrates an NPV of less than US$350 million but equal to or greater than US$300 million, the Purchase Price payable under clauses 3.1.1(b), (d) and (f) above relating to the Converted Performance Shares, shall be US$0.18, nil and nil respectively, with any difference in the Purchase Price already paid to Davey Holdings to be deducted (rather than repayable by Davey Holdings) from the next tranche of Purchase Price payable by the Buyer to Davey Holdings.

3.1.4 In the event the Company undertakes a private placement or provides a conditional commitment to undertake a private placement prior to 15 February 2016 for the issue of securities at less than A$0.27 per security, and the Buyer is not offered the opportunity to participate in the private placement to enable the Buyer to maintain its shareholding percentage in the Company, the Purchase Price payable under clauses 3.1.1(a) and (b) will be reduced to the same price paid under the private placement provided that the adjustment to the Purchase Price payable under clauses 3.1.1(a) and (b) may not exceed A$0.04 per share, with any difference to be deducted (rather than repayable by the Seller) from the next tranche of the Purchase Price payable by the Buyer to the Seller.

3.1.5 The Parties agree that all Purchase Price payments referred to in clauses 3.1.1(b) to (f) above are expressed in US$ however will be payable in A$ at the A$/US$ exchange rate as quoted on the website of the Reserve Bank of Australia on the date when payment is due to the Seller under clauses 3.1.1(b) to (f) (or if no rate is quoted for that date, the rate quoted on the last Business Day prior to that date).

3.2 Default by Buyer

In the event of a failure by the Buyer to pay any of the Purchase Price as and when due, interest shall accrue at a rate of 1% per month, payable monthly in arrears from and after the date of the default until such time as the default is cured.

3.3 No set-off

The Buyer must not make any set-off, deduction or withholding from payment of any part of the Purchase Price.

4. ORDINARY SHARES COMPLETION

4.1 Time and place for Ordinary Shares Completion

Ordinary Shares Completion must take place at the Effective Time on the Ordinary Shares Completion Date at Level 7, 1008 Hay Street, Perth, Western Australia, or such other time or place as the parties may agree.

4.2 Seller's obligations at Ordinary Shares Completion

The Seller at Ordinary Shares Completion must:

(a) give to the Buyer, in a form previously approved by the Buyer (such approval not to be unreasonably withheld or delayed) and duly signed:

(i) a transfer of the Ordinary Shares, in registrable form, naming as transferee the Buyer (or its nominee);

(ii) deliver the holding statement(s) evidencing the allotment and issue of the Ordinary Shares to the Buyer, and the registration of the Buyer as the holder of the Ordinary Shares;

(iii) any powers of attorney or other documents evidencing corporate authorisation to execute and deliver documents at Ordinary Shares Completion; and

(vi) do all other things necessary or desirable to transfer the Ordinary Shares and to complete the transactions contemplated by this agreement.

4.3 Buyer obligations at Ordinary Shares Completion

At Ordinary Shares Completion, the Buyer must:

(a) pay to the Seller by bank transfer to the following account, or as otherwise nominated by the Seller, the amount payable under clause 3.1(a):

Bank name: Australia and New Zealand Banking Group Limited
Bank address: 220 St Georges Terrace, Perth WA 6000, Australia
Account number: 016-112 394587763
SWIFT: ANZBAU3M
Account name: G Davey & S Raven

(b) deliver any powers of attorney or other documents evidencing corporate authorisation to execute and deliver documents at Ordinary Shares Completion; and

(c) accept all the documents and items which the Seller gives the Buyer under clause 4.2, and sign any of those documents which require signature by the Buyer.

4.4 Simultaneous actions at Ordinary Shares Completion

In respect of Ordinary Shares Completion:

(a) the obligations of the parties under this agreement are interdependent; and

(b) unless otherwise stated, all actions required to be performed by a party at Ordinary Shares Completion are taken to have occurred simultaneously on the Ordinary Shares Completion Date.

5. PERFORMANCE SHARES COMPLETION

5.1 Time and place for Performance Shares Completion

Performance Shares Completion must take place at the Effective Time on the Performance Shares Completion Date at Level 7, 1008 Hay Street, Perth, Western Australia, or such other time or place as the parties may agree.

5.2 Seller's obligations at Performance Shares Completion

The Seller at Performance Shares Completion must:

(a) give to the Buyer, in a form previously approved by the Buyer (such approval not to be unreasonably withheld or delayed) and duly signed:

(i) a transfer of the Converted Performance Shares, in registrable form, naming as transferee the Buyer (or its nominee);

(ii) deliver the holding statement(s) evidencing the allotment and issue of the Converted Performance Shares to the Buyer, and the registration of the Buyer as the holder of the Converted Performance Shares;

(iii) any powers of attorney or other documents evidencing corporate authorisation to execute and deliver documents at Performance Shares Completion; and

(vi) do all other things necessary or desirable to transfer the Converted Performance Shares and to complete the transactions contemplated by this agreement.

5.3 **Buyer obligations at Performance Shares Completion**

At Performance Shares Completion, the Buyer must:

(a) pay to the Seller by bank transfer to the account specified in clause 4.3(a) above, or as otherwise nominated by the Seller, the amount payable under clause 3.1(b);

(b) deliver any powers of attorney or other documents evidencing corporate authorisation to execute and deliver documents at Performance Shares Completion; and

(c) accept all the documents and items which the Seller gives the Buyer under clause 5.2, and sign any of those documents which require signature by the Buyer.

5.4 **Simultaneous actions at Performance Shares Completion**

In respect of Performance Shares Completion:

(a) the obligations of the parties under this agreement are interdependent; and

(b) unless otherwise stated, all actions required to be performed by a party at Performance Shares Completion are taken to have occurred simultaneously on the Performance Shares Completion Date.

5.5 **Free Tradability**

The Seller must do all things that are necessary or desirable to procure that within two (2) Business Days of the date of issue of the Converted Performance Shares, the Company will provide ASX with a notice in relation to the Converted Performance Shares in accordance with section 708A(5)(e) of the Corporations Act which complies with section 708A(6) of the Corporations Act.

6. **WARRANTIES OF THE SELLER**

6.1 **Warranties**

The Seller warrants to the Buyer that each of the Warranties in Schedule 1:

(a) is true and accurate as at the date of this agreement; and

(b) will be true and accurate as at each of the Ordinary Shares Completion Date and the Performance Shares Completion Date, as if made on and as at each of those dates.

6.2 **Separate Warranties**

Each Warranty is to be treated as a separate representation and warranty. The interpretation of any statement made may not be restricted by reference to or inference from any other statement.

6.3 **Indemnity**

The Seller indemnifies the Buyer against all Loss arising directly or indirectly from or incurred in connection with any incorrect or misleading Warranty.

6.4 **Inducement**

The Seller acknowledges that:

(a) it has made and given the Warranties with the intention of inducing the Buyer to enter into this agreement; and

(b) the Buyer has entered into this agreement in full reliance on the Warranties.

6.5 **Breach on or before Completion**

If any Warranty is found to have been incorrect or misleading when made on or before the Ordinary Shares Completion Date and Performance Shares Completion Date, the Buyer may, by notice to the Seller, terminate this agreement without prejudice to any other remedy available to it.

7. **SELLERS AS TRUSTEE**

7.1 **Trustee Sellers' acknowledgement**

Each Trustee Seller acknowledges that it enters into this agreement in their capacity as trustee of the Relevant Trust.

7.2 **Trustee Sellers' representations and warranties**

Each Trustee Seller represents and warrant to the Buyers, that:

(a) it is the only trustee of the Relevant Trust and no action has been taken or is proposed to remove it as trustee of the Relevant Trust;

(b) it has the power under the terms of the Relevant Trust to enter into and comply with its obligations under this agreement including the power to sell the Shares and Units (as the case may be);

(c) it has carefully considered the purpose of this agreement and considers that entry into this agreement is for the benefit of the beneficiaries of the Relevant Trust, whose consents (if necessary) have been obtained and the terms of this agreement are fair and reasonable;

(d) it has a right to be fully indemnified out of the Relevant Trust assets in respect of obligations incurred by it under this agreement;

(e) it is not, and has never been, in default under the terms of the Relevant Trust;

(f) no action has been taken or proposed to terminate the Relevant Trust; and

(g) it and its directors and other officers have complied with their obligations in connection with the Relevant Trust.

7.3 **Restrictions**

Until all obligations under this agreement are discharged, each of the Trustee Sellers may not, without the consent of the Buyers, do anything which:

(a) effects or facilitates the retirement, removal or replacement of it as trustee of the Relevant Trust;

(b) could restrict the Seller's right of indemnity from the Relevant Trust assets in respect of obligations incurred by the Trustee Sellers under this agreement;

(c) could restrict or impair the ability of the Seller to comply with its obligations under this agreement;

(d) effects or facilitates the termination of the Relevant Trust;

(e) effects or facilitates the variation of the terms of the Relevant Trust;

(f) effects or facilitates the resettlement of the Relevant Trust funds; or

(g) could result in the Relevant Trust assets being mixed with other property.

8. **DISPUTES**

Any dispute as to whether a party has complied with the obligations, representations and warranties set out in this agreement (other than a breach of the obligation of the Buyer to pay any amounts owing hereunder when due, for which the Seller shall have all rights and remedies available at law and in equity) shall be subject to the following resolution process, and any obligations to be completed hereunder and the commencement of any applicable cure period shall be suspended and postponed until the resolution thereof:

(a) either party may notify the other party of the dispute in writing, whereupon the Chief Executive Officers (or equivalent) of the Parties, or their designates, shall confer in good faith to resolve the matter within 10 Business Days of receipt of the notice; and

(b) if the Parties are unable to resolve it by such good faith discussions within such time period, either party may refer the matter to binding mediation, with one mediator to be selected by the Parties (acting reasonably) and mediation to be held in Perth, Western Australia, with a decision to be rendered within 45 days of referral of the dispute to mediation, to the extent practicable.

9. **WARRANTIES BY THE BUYER**

The Buyer warrants to the Seller that each of the Buyer's Warranties in Schedule 2:

(a) is true as at the date of this agreement; and

(b) will be true as at each of the Ordinary Shares Completion Date and the Performance Shares Completion Date, as if made on and as at each of those dates.

10. **DEFAULT AND TERMINATION**

10.1 **Failure by party to Complete**

If a party does not Complete, other than as a result of default by the other party, the non-defaulting party may give the defaulting party notice requiring it to Complete within 3 days of receipt of the notice. If the defaulting party does not Complete within this period, the non-defaulting party may choose either to proceed for specific performance or

terminate this agreement. In either case, the non-defaulting party may seek damages for the default.

10.2 **No Decision to Mine or Commencement of Commercial Production**

In the event that:

(a) a Decision to Mine is not taken by 30 June 2017; or

(b) Commencement of Commercial Production does not occur by 31 December 2019,

then the parties agree that this agreement will terminate and shall be of no further force and effect.

10.3 **Effect of termination**

If this agreement is terminated under clauses 6.5, 10.1 or 10.2 then, in addition to any other rights, powers or remedies provided by law:

(a) each party is released from its obligations to further perform its obligations under this agreement except those expressed to survive termination; and

(b) each party retains the rights it has against any other party in connection with any breach or claim that has arisen before termination.

The termination of this agreement does not affect any other rights the parties have against one another at law or in equity and clause 11, clause 12 and clause 15 survive termination.

11. **COSTS AND STAMP DUTY**

11.1 **Costs generally**

Subject to clause 11.2, each party must pay its own expenses incurred in negotiating, preparing, executing, completing and carrying into effect this agreement.

11.2 **Stamp duty generally**

The Buyer is solely responsible for, and must indemnify the Seller against, any stamp duty including any interest or penalty that is payable on or in relation to:

(a) this agreement; and

(b) any instrument or transaction that this agreement contemplates.

12. **CONFIDENTIALITY**

Each party must treat the negotiations of the parties, the existence, subject matter and terms of this agreement and the status of the transactions contemplated in this agreement as confidential information and no announcement or communication relating to the negotiations of the parties, the existence, subject matter or terms of this agreement or the status of the transactions contemplated in this agreement may be made or authorised by a party unless:

(a) the other parties have first given their written approval;

(b) the disclosure is to the party's related bodies corporate, officers, employees, consultants, professional advisers, bankers, financial advisers, financiers or current

or potential creditors or investors, and those persons undertake to keep confidential any information so disclosed;

(c) the disclosure is to a person whose consent is required under this agreement or is necessary or desirable for a transaction contemplated by it; or

(d) the disclosure is made to the extent reasonably needed to comply with any applicable law or the rules of a stock exchange.

13. NOTICES

13.1 How to give a notice

A notice, consent or other communication under this agreement is only effective if it is:

(a) in writing, signed by or on behalf of the person giving it;

(b) addressed to the person to whom it is to be given; and

(c) either:

(i) delivered or sent by pre-paid mail (by airmail, if the addressee is overseas) to that person's address; or

(ii) sent in electronic form (such as email).

13.2 When a notice is given

A notice, consent or other communication that complies with this clause 13 is regarded as given and received:

(a) if it is delivered:

(i) by 5.00 pm (local time in the place of receipt) on a Business Day – on that day; or

(ii) after 5.00 pm (local time in the place of receipt) on a Business Day, or on a day that is not a Business Day – on the next Business Day;

(b) if it is sent by mail – seven Business Days after posting; and

(c) if it is sent in electronic form - when the sender receives confirmation on its server that the message has been transmitted.

13.3 Address for notices

A person's mail and email address are those set out below, or as the person notifies the sender:

Party	Address	Email
Davey Management	of PO Box 7209, Cloisters Square WA 6850, Australia	davey.grant@yahoo.com
Davey Holdings	of 3/15 Vanden Way, Joondalup WA 6027, Australia	davey.grant@yahoo.com

Raven	of PO Box 751, Cottesloe WA 6911, Australia	sophraven@yahoo.com
Buyer	of Suite C1-204, Level 2, La Croisette, Grand Baie, Mauritius	Tremont@adansoniamanagement.com

14. AMENDMENT AND ASSIGNMENT

14.1 Amendment

This agreement can only be amended or replaced by another document executed by the parties.

14.2 Assignment

A party may only assign, Encumber, declare a trust over or otherwise deal with its rights or obligations under this agreement with the written consent of the other party.

15. GST

15.1 Consideration GST exclusive

Unless expressly stated otherwise in this agreement, all amounts payable or consideration to be provided under this agreement are exclusive of GST.

15.2 Payment of GST

If GST is payable on any supply made under this agreement, for which the consideration is not expressly stated to include GST, the recipient agrees to pay to the supplier an additional amount equal to the GST payable at the same time that the consideration for the supply, or the first part of the consideration for the supply (as the case may be), is to be provided. However:

(a) the recipient need not pay the additional amount until the supplier gives the recipient a tax invoice or an adjustment note;

(b) if an adjustment event arises in respect of the supply, the additional amount must be adjusted to reflect the adjustment event and the recipient or the supplier (as the case may be) must make any payments necessary to reflect the adjustment; and

(c) this clause 15.2 does not apply to the extent that the GST on the supply is payable by the recipient under Division 84 of the GST Act.

15.3 Reimbursements

If a party is required under this agreement to indemnify another party, or pay or reimburse costs of another party, that party agrees to pay the relevant amount less any input tax credits to which the other party (or to which the representative member for a GST group of which the other party is a member) is entitled.

15.4 Calculation of payments

If an amount payable under this agreement is to be calculated by reference to:

(a) the price to be received for a taxable supply then, for the purposes of that calculation, the price is reduced to the extent that it includes any amount on account of GST; and

(b) the price to be paid or provided for an acquisition then, for the purposes of that calculation, the price is reduced to the extent that an input tax credit is available for the acquisition.

15.5 **Interpretation**

For the purposes of this clause 15:

(a) a term which has a defined meaning in the GST Act has the same meaning when used in this clause 15;

(b) "GST Act" means the A New Tax System (Goods and Services Tax) Act 1999 (Cwlth); and

(c) each periodic or progressive component of a supply to which section 156-5(1) of the GST Act applies will be treated as though it is a separate supply.

16. **GENERAL**

16.1 **Governing law**

This agreement is governed by the laws of Western Australia.

16.2 **Giving effect to this agreement**

Each party must do anything (including execute any document), and must ensure that its employees and agents do anything (including execute any document), that any other party may reasonably require to give full effect to this agreement.

16.3 **Operation of this agreement**

This agreement contains the entire agreement between the parties about its subject matter.

16.4 **Counterparts**

This agreement may be executed in counterparts each of which shall be deemed for all purposes to be an original and all such counterparts taken together shall be deemed to constitute one and the same instrument.

16.5 **No assignment**

A party must not assign or otherwise deal with its rights under this agreement or allow any interest in them to arise or be varied, in each case without the consent of the other party. That consent must not be unreasonably withheld or delayed.

16.6 **Discretion in exercising rights**

A party may exercise a right or remedy or give or refuse its consent in any way it considers appropriate (including by imposing conditions), unless this agreement expressly states otherwise.

16.7 **Failure to exercise rights**

Except as otherwise set out in this agreement, any partial exercise, failure to exercise, or delay in exercising, a right or remedy provided under this agreement or by law does not operate as a waiver or prevent or restrict any further or other exercise of that or any other right or remedy in accordance with this agreement.

16.8 **Approvals and consents**

By giving its approval or consent a party does not make or give any warranty or representation as to any circumstance relating to the subject matter of the consent or approval.

16.9 **Remedies cumulative**

The rights and remedies provided in this agreement are in addition to other rights and remedies given by law independently of this agreement.

16.10 **Rights and obligations are unaffected**

Rights given to the parties under this agreement and the parties' liabilities under it are not affected by anything which might otherwise affect them by law.

16.11 **Variation and waiver**

A provision of this agreement or a right created under it, may not be waived or varied except in writing, signed by the party or parties to be bound.

16.12 **No merger**

The warranties, undertakings and indemnities in this agreement do not merge on Completion.

16.13 **Indemnities**

The indemnities in this agreement are continuing obligations, independent from the other obligations of the parties under this agreement and continue after this agreement ends. It is not necessary for a party to incur expense or make payment before enforcing a right of indemnity under this agreement.

16.14 **Announcements**

Unless required by law or the rules of a stock exchange, or otherwise agreed:

(a) no announcement will be made about this transaction until after Completion; and

(b) the parties will consult about the terms of any announcement that either of them wishes to make after that date.

16.15 **Construction**

No rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of, or seeks to rely on, this agreement or any part of it.

16.16 **Severability**

If the whole of any part of a provision of this agreement is void, unenforceable or illegal in a jurisdiction it is severed for that jurisdiction. The remainder of this agreement has full force and effect and the validity or enforceability of that provision in any other jurisdiction

is not affected. This clause has no effect if the severance alters the basic nature of this agreement or is contrary to public policy.

16.17 **Company Board**

The Seller undertakes to use its best endeavours to facilitate that the Company offers the Buyer representation on the board of directors of the Company.

16.18 **Placements**

The Seller undertakes to use its best endeavours to facilitate that the Company offers the Buyer the opportunity to participate in any share issue to enable the Buyer to maintain its shareholding percentage in the Company from time to time.

16.19 **Acquisition of Additional Shares**

The Seller undertakes to use its best endeavours to facilitate the sale to the Buyer by one or more third party shareholders in the Company, at no more than A$0.27 per share, of such number of additional fully paid ordinary shares in the Company in order to increase the Buyer's shareholding in the Company to 19.9%.

Schedule 1

Representations and Warranties of the Seller

1. The Seller

1.1 Each of Davey Management and Davey Holdings is duly incorporated and validly exists under the laws of the place of its incorporation.

1.2 The Seller has full legal capacity and power to own the Sale Shares.

1.3 The Seller has full legal capacity and power to enter, and has taken all corporate action that is necessary to authorise its entry, into this agreement.

1.4 This agreement constitutes legal, valid and binding obligations of the Seller, enforceable against the Seller in accordance with its terms, subject to any necessary stamping or registration.

1.5 Other than Davey Management and Davey Holdings, the Seller is not entering into this agreement as trustee of any trust or settlement.

1.6 Each Seller is not Insolvent.

2. The Sale Shares

2.1 The Ordinary Shares comprise 9.84% of the issued capital of the Company and are fully paid.

2.2 The Converted Performance Shares would on conversion comprise 2.8% of the issued capital of the Company (based on the issued capital of the Company on the date of this agreement).

2.3 Each Seller is the beneficial owner and registered holder of each Sale Share described opposite that person's name in the definition of Ordinary Shares in clause 1.1.

2.4 The Seller has good and marketable title to the Sale Shares free from any Encumbrance.

2.5 No person has made a Claim to be entitled to an Encumbrance affecting any Sale Share.

2.6 The Seller has not disposed of, agreed to dispose of, or granted any option to purchase, any Sale Share or any interest in any Sale Share.

2.7 There is no agreement, arrangement or understanding, or issued security, which calls for the present or future issue of, or gives to any person the right to require the issue of, any share in or security of the Company.

2.8 There is no restriction on the transfer of the Sale Shares to the Buyer on the terms of this agreement.

2.9 The Seller has obtained all consents necessary to enable it to transfer the Sale Shares to the Buyer.

2.10 The entry into this agreement and the transfer of the Sale Shares under it does not breach any obligation or agreement binding on the Seller.

3. The Company

3.1 The Company is duly incorporated and validly exists under the laws of Australia as its place of incorporation, and the liability of its members is limited by shares.

3.2 The Company and its Subsidiaries are not Insolvent.

3.3 The business and affairs of the Company and each Subsidiary have at all times been and continue to be conducted in accordance with their respective constitutions.

4. Information

4.1 All written information given by the Seller in the course of negotiations leading to this agreement and Completion is complete, correct and not misleading, in all material respects.

5. Material Adverse Change

5.1 To the best of the Seller's knowledge, since 30 June 2015, with respect to the Company and each other Subsidiary except as disclosed by the Company to ASX:

(a) there has been no Material Adverse Change affecting:

(i) the financial or trading position, prospects, turnover, goodwill or assets of the Company or any of its Subsidiaries; and

(ii) the business carried on by the Company or any of its Subsidiaries;

(b) no material transactions have been entered into;

(c) no material liabilities or obligations have been incurred;

(d) no dividend or distribution has been considered or made;

(e) no option over share capital has been granted or exercised;

(f) all required licences, consents, approvals and insurances have been maintained; and

(g) the Company and its Subsidiaries have complied with all applicable law and no fines or penalties have been levied or notices issued in respect of non-compliance.

6. Litigation

6.1 Neither the Company nor any of its Subsidiaries is:

(a) a party to or the subject of any Action; or

(b) the subject of any ruling, judgement, order or decree by any Government Agency or any other person.

6.2 So far as the Seller is aware, there is no Action, judgment, order or decree pending, threatened or anticipated, against the Company or any of its Subsidiaries.

7. No inside information

7.1 The Seller has not provided any information to the Buyer or its Representatives, that constitutes "inside information" within the meaning of Part 7.10, Division 3 of the Corporations Act.

7.2 The Seller is not in possession of any "Inside information" within the meaning of Part 7.10, Division 3 of the Corporations Act which would prevent it from entering into this agreement or which would prevent the transfer of the Ordinary Shares at Ordinary Shares Completion or the transfer of the Converted Performance Shares at Performance Shares Completion.

Schedule 2

Buyer's Representations and Warranties

1. The Buyer

1.1 The Buyer is duly incorporated and validly exists under the laws of the place of its incorporation.

1.2 The Buyer has full legal capacity and power to own its property and to carry on its business.

1.3 The Buyer has full legal capacity and power to enter, and has taken all corporate action that is necessary to authorise its entry, into this agreement.

1.4 This agreement constitutes legal, valid and binding obligations of the Buyer, enforceable against the Buyer in accordance with its terms, subject to any necessary stamping or registration.

1.5 The Buyer is not entering into this agreement as trustee of any trust or settlement.

1.6 The Buyer is not affected by any event which results in:

(a) it is unable to pays its debts or becomes Insolvent, or circumstances exist such any relevant court must presume insolvency (regardless of whether or not an application has been made);

(b) an application being made to a court for an order to appoint, or a step is taken to appoint, a controller, administrator, receiver, provisional liquidator, trustee for creditors in bankruptcy or analogous person to the Buyer or any of the Buyer's property, or such an appointment being made;

(c) the Buyer suspending payment of its debts or enters, or takes any step towards entering, a compromise or arrangement with, or assignment for the benefit of, any of its members or creditors; or

(d) any analogous event under the laws of any applicable jurisdiction,

unless this takes place as part of a solvent reconstruction, amalgamation, merger or consolidation.

1.7 No litigation, arbitration, mediation, conciliation or administrative proceeding is taking place or, to the best of the Buyer's knowledge, pending or threatened whose outcome is likely to have a material adverse effect on the ability of the Buyer to perform its obligations to complete the sale and purchase of the Sale Shares.

EXECUTED as an agreement.

Each person who executes this agreement on behalf of a party under a power of attorney declares that he or she is not aware of any fact or circumstance that might affect his or her authority to do so under that power of attorney.

EXECUTED by **TREMONT INVESTMENTS LIMITED**:

Signature of director

Signature of director/secretary

Pieter Rudolf Prebble
Name

Zain Mehtab Madgum
Name
For and on behalf of
ADANSONIA MANAGEMENT SERVICES LIMITED

EXECUTED by **DAVEY MANAGEMENT (AUS) PTY LTD AS TRUSTEE OF THE DAVEY FAMILY SUPER FUND**:

Signature of director

SOLE DIRECTOR AND SOLE SECRETARY

Signature of director/secretary

GRANT DAVEY
Name

Name

EXECUTED by **DAVEY HOLDINGS (AUS) PTY LTD AS TRUSTEE OF THE BURNAFORD TRUST**:

Signature of director

SOLE DIRECTOR AND SOLE SECRETARY

Signature of director/secretary

GRANT DAVEY
Name

Name

SIGNED by **SOPHIE JANE RAVEN** in the presence of:

Signature

Signature of Witness

ANA BRENDA VALDEZ MORENO
Name of Witness in Full