THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document you should consult a person authorised under the Financial Services and Markets Act 2000 who specialises in advising on the acquisition of shares and other securities before taking any action. The whole of the text of this document should be read. Investment in the Company is speculative and involves a high degree of risk. Your attention is also drawn to the section headed "Risk Factors" in Part I of this document.

This document is an admission document in relation to the Alternative Investment Market of the London Stock Exchange plc ("AIM"). A copy of this document (which also comprises a prospectus drawn up in accordance with the requirements of the Public Offers of Securities Regulations 1995 (as amended) ("POS Regulations")) has been delivered to the Registrar of Companies in England and Wales in accordance with Regulation 4(2) of the POS Regulations.

The Directors of Tower Resources plc, whose names appear on page 4, accept responsibility, individually and collectively, for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Application will be made for the whole of the ordinary share capital of Tower Resources plc both issued and to be issued to be admitted to trading on AIM (the "Admission"). AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority (the "Official List"). A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser.

The rules of AIM are less demanding than those of the Official List. It is emphasised that no application is being made for admission of these securities to the Official List. The London Stock Exchange plc has not itself examined or approved the contents of this document. The Ordinary Shares are not dealt in on any other recognised investment exchange and, apart from the application for the Admission, no other such applications have been or are intended to be made.

It is expected that Admission will become effective and dealings in the Ordinary Shares will commence on AIM on 13 January 2005.

TOWER RESOURCES PLC

(Incorporated in England and Wales with Registered Number 5305345)

Placing of up to 65,000,000 new Ordinary Shares at 1p per share and Admission to trading on AIM

Nominated Adviser and Broker

Nabarro Wells & Co. Limited

Share capital immediately following Admission and the Placing (assuming full subscription under the Placing)

Authorised			**Issued and fully paid**	
Amount	*Number*	Ordinary Shares of	*Amount*	*Number*
£10,000,000	10,000,000,000	£0.001 each	£125,000	125,000,000

The Placing Shares will, on Admission, rank in full for all dividends or other distributions declared, made or paid on the Ordinary Share capital of the Company after the date of this document and will rank *pari passu* in all respects with all the Ordinary Shares which will be in issue on completion of the Placing.

Nabarro Wells & Co. Limited, which is authorised and regulated by the Financial Services Authority, is acting as Nominated Adviser and Broker for the Company in relation to the Admission and Placing, and will not be responsible to any other person for providing the protections afforded to its customers or for providing advice in relation to the Placing or Admission or the contents of this document or any matter referred to herein. Nabarro Wells & Co. Limited has not authorised the contents of any part of this document for the purposes of Regulation 13(1)(g) of the POS Regulations.

This document does not constitute an offer to sell or the solicitation of an offer to buy Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful. In particular, this document is not for distribution in or into the United States of America, Canada, South Africa, the Republic of Ireland or Japan. The Ordinary Shares have not been and will not be registered under the United States Securities Act 1933 (as amended) nor under the applicable securities legislation of the United States or any province or territory of Canada, South Africa, the Republic of Ireland or Japan or in any country, territory or possession where to do so may contravene local securities law or regulations. Accordingly, subject to certain exemptions, the Ordinary Shares may not be offered or sold directly or indirectly in or into the United States of America, Canada, South Africa, the Republic of Ireland or Japan or to any national, resident or citizen of the United States of America, Canada, South Africa, the Republic of Ireland or Japan. The distribution of this document in other jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities law of any such jurisdiction.

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EXPECTED TIMETABLE OF EVENTS

Publication of this document	17 December 2004
Admission and commencement of dealings on AIM	13 January 2005
Settlement of Placing Shares through CREST	13 January 2005
Despatch of definitive share certificates in respect of the Placing Shares to Placees by no later than	27 January 2005

PLACING STATISTICS

Placing Price per Ordinary Share	1p
Number of Placing Shares	65,000,000
Number of Ordinary Shares in issue following the Placing	125,000,000
Percentage of the enlarged share capital subject to the Placing	52 per cent.
Market capitalisation following Admission at the Placing Price	£1.25 million
Estimated gross proceeds of the Placing	£0.650 million
Estimated net proceeds of the Placing	£0.575 million
Estimated net proceeds of the Placing and existing cash	£0.635 million

DIRECTORS, SECRETARY AND ADVISERS

Directors	Russell David Langusch (Non-executive Chairman) Hugh David Warner (Executive) Ross Michael Warner(Non-Executive)
Registered Office and Directors' business address	30 Farringdon Street London EC4A 4HJ
Secretary	John Bottomley
Nominated Adviser and Broker	Nabarro Wells & Co. Limited Saddlers House Gutter Lane London EC2V 6HS
Auditors and Reporting Accountants	UHY Hacker Young St. Alphage House 2 Fore Street London EC2Y 5DH
Solicitors to the Company	Watson, Farley & Williams 15 Appold Street London EC2A 2HB
Principal Bankers	Barclays Bank 50 Pall Mall London SW1A 1QF
Registrars	Computershare Investor Services PLC PO Box 82, The Pavilions Bridgwater Road Bristol BS99 7NH Phone: +44 (0)870 702 0000

DEFINITIONS

In this document, unless the context requires otherwise, the words and expressions set out below shall bear the following meanings.

"Act"	the Companies Act 1985, as amended
"Admission"	admission of the Ordinary Shares in issue following the Placing to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules
"AIM"	the Alternative Investment Market of the London Stock Exchange
"AIM Rules"	the rules published by the London Stock Exchange governing admission to and the operation of AIM
"Ascent Capital"	Ascent Capital Pty Ltd
"ASX"	Australian Stock Exchange Limited
"Company" or "Tower Resources"	Tower Resources plc
"Directors"	the directors of the Company
"London Stock Exchange"	London Stock Exchange plc
"Nabarro Wells"	Nabarro Wells & Co. Limited
"Official List"	the Official List of the United Kingdom Listing Authority
"Ordinary Shares"	ordinary shares of £0.001 each in the capital of the Company
"Placees"	the subscribers for Placing Shares pursuant to the Placing
"Placing"	the placing of the Placing Shares at the Placing Price to the Placees
"Placing Price"	1p per Ordinary Share
"Placing Shares"	the 65,000,000 new Ordinary Shares being issued by the Company pursuant to the Placing
"POS Regulations"	The Public Offers of Securities Regulations 1995 (as amended)
"Shareholders"	holders of Ordinary Shares
"TVX"	TSX Venture Exchange

PART I
INFORMATION ON THE COMPANY

Introduction

Tower Resources has been established for the purpose of making investments in the mining, minerals and oil and gas sectors. Tower Resources equity interest in a proposed investment may range from a minority position to 100% ownership. The proposed investments may be either quoted or unquoted and may be in companies, partnerships, joint ventures or direct interests in mining projects. Whilst it is likely that the investments will be made in exploration or development stage undertakings, the Directors may decide that the Company should invest in producing assets. There are no geographic restrictions on investment. The Directors believe that, in current market conditions, good opportunities exist for investment in situations which are, in their opinion, undervalued or capable of showing an above average return.

Strategy

The Directors are experienced in evaluating acquisition and investment prospects, quoted and unquoted, both in the UK and overseas and are able to call on independent expertise in the sector.

Russell Langusch is a Petroleum Engineer who has accumulated over 29 years' experience in the upstream oil & gas and finance sectors. Mr Langusch has worked with Schlumberger and Esso in a variety of roles including Field Engineer, Field Service Manager, Marketing Manager, Petrophysicist and Senior Reservoir Engineer. He has also been employed by a number of international investment banks including James Capel, Deutsche Bank and CIBC World Markets as an Oil & Gas Analyst undertaking company research, corporate advisory and M&A work. Mr Langusch was appointed Managing Director of Elixir Petroleum, an ASX-listed North Sea exploration company, in May 2004.

Hugh Warner is a director and equal beneficial shareholder of Ascent Capital Pty Ltd, an Australian registered company and a director and shareholder of Ascent Resources plc, which was recently floated on AIM. Ascent Capital was formed by David Steinepreis, Hugh Warner and Gary Steinepreis to pursue the reconstruction and recapitalisation of existing stock exchange quoted companies, assist in the establishment of new businesses and the listing of new companies on recognised stock exchanges and trading facilities including, OFEX and AIM in the United Kingdom, the ASX in Australia and the TVX in Canada. Since its foundation, Ascent Capital has successfully recapitalised and relisted fifteen companies on the ASX. In addition, Ascent Capital has successfully listed two companies on the ASX via an initial public offering. These companies are variously involved in mineral extraction, mineral exploration, biotechnology and life sciences. These companies have a collective market capitalisation of in excess of £100 million. Ross Warner is a corporate lawyer with 10 years experience in the practice of the law in Australia and the United Kingdom.

Investment propositions will be considered when the Directors perceive that enhanced values may be achieved. A particular consideration will be to identify investments which are, in the opinion of the Directors, under-performing or undervalued, and where the Directors believe that their expertise and experience can be deployed to facilitate growth or unlock inherent value.

Hugh Warner and Russell Langusch are or have been directors of other publicly listed companies in Australia, England and Canada, as set out in paragraph 4.10 of Part III of this document. New investment opportunities may be offered to one company over another and might not be offered to the Company, nor may the Directors be able to direct an investment to a particular company. When considering investment opportunities, the Directors will take steps to avoid potential conflicts of interest. The Directors do not intend that the Company will invest in any other companies in which Ascent Capital or its directors invest in the course of carrying on the business of Ascent Capital.

The Company intends be an involved and active investor. Accordingly, where necessary, the Company may seek participation in the management or board of directors of a company in which the Company invests with a view to improving its performance and use of its assets in such ways as should result in an upward re-rating of the value of such companies. The Company hopes that the resultant benefit should show a satisfactory return to the Company's shareholders.

The Directors are confident that the resources of the Company can be fully invested within two years. If no investments have been made within that period, any surplus funds will be returned to shareholders, subject to their approval. It is likely that a substantial portion of resources will be invested in a small number of propositions or in one investment.

The Directors consider that as investments are made, and new promising investment opportunities arise, further funding of the Company will be required.

Directors

The Directors are as follows:

Russell Langusch (Non-Executive Chairman) (Age:54)

Russell Langusch is a Petroleum Engineer who has accumulated over 29 years' experience in the upstream oil & gas and finance sectors. This period includes direct working experience in the Australia, Southeast Asia and the UK North Sea. From 1975 Mr Langusch spent 13 years with Schlumberger and Esso in a variety of roles including Field Engineer, Field Service Manager, Marketing Manager, Petrophysicist and Senior Reservoir Engineer. He was then employed by a number of international investment banks including James Capel, Deutsche Bank and CIBC World Markets as an Oil & Gas Analyst undertaking company research, corporate advisory and M&A work. In 2001 he established his own consulting business providing services to numerous domestic and international clients. Mr Langusch was appointed Managing Director of Elixir Petroleum, an ASX-listed North Sea exploration company, in May 2004.

Hugh Warner (Executive Director) (Age: 35)

Hugh Warner holds a Bachelor of Economics degree from the University of Western Australia. Mr Warner has been involved with a number of private and publicly listed companies in Australia, the UK and Canada involved in the oil and gas, gold, nickel, diamonds and technology sectors. He contributes general corporate and company secretarial management skills along with a strong knowledge of both the Australian and UK stock exchange requirements. Mr Warner is a director of Q-Vis Limited, Mokuti Mining Ltd, OBJ Limited, Fusia Limited, M Health Limited, Deep Yellow Limited and Black Range Minerals Limited companies listed on the ASX, MinRes Resources Inc., listed on the TVX and Ascent Resources plc a company listed on AIM and Ascent Capital.

Ross Warner (Non-Executive Director) (Age: 37)

Ross Warner holds a Bachelor of Laws degree from the University of Western Australia and a Master of Laws degree from the University of Melbourne. Mr Warner has approximately ten years experience working in law firms including Mallesons Stephen Jaques in Australia and Clifford Chance in the UK. His principal area of practice has been advising venture capital funds in relation to management buy-outs and related transactions.

The Placing

The Placing is conditional *inter alia* on Admission and a minimum subscription of £400,000 being raised. The Placing Shares allotted pursuant to the Placing, following allotment, will rank *pari passu* in all respects with the existing Ordinary Shares of the Company.

Placees are required to remit their subscription monies to the Company by 31 December 2004. Subscription monies will be held by the Company, in trust, pending Admission. Definitive share certificates for Placees wishing to hold their Placing Shares in certificated form are expected to be despatched to such Placees by 21 January 2005.

Reasons for the Placing and use of proceeds

As referred to above, the Company intends to review investments in the mining, minerals and oil and gas sectors. A large part of the funds raised in the Placing will be used to pay for the cost of reviewing potential investments as and when they are identified and, where appropriate, securing the right to make an investment. In addition, the Placing proceeds will provide working capital for the Company.

The Company is seeking Admission to AIM in order to take advantage of that market's public profile, broad investor base, liquidity and access to institutional investors.

Working capital

The Directors are of the opinion that, taking into account the net proceeds of the Placing and having made due and careful enquiry, the working capital available to the Company will, from the date of Admission, be sufficient for its present requirements, that is, for at least the next 12 months from the date of Admission.

Future prospects and significant trends

The Directors believe that the Company is well placed to enhance the value of the Company through strategic investment as described under the heading "Strategy" in Part I of this document.

Save as disclosed in this document, there have been no significant trends concerning the development of the business of the Company.

Dividend policy

The nature of the Company's business means that it is unlikely that the Directors will recommend a dividend in the early years following Admission. The Directors believe the Company should seek to generate capital growth for its Shareholders but may recommend distributions at some future date, depending upon the generation of sustainable profits, when it becomes commercially prudent to do so. If no investments have been made by the Company within two years following Admission, the Company will return surplus funds to Shareholders subject to receiving Shareholder approval.

Taxation

The attention of prospective investors is drawn to the taxation section in paragraph 8 of Part III of this document.

Lock-in arrangements

The Directors, the related parties and applicable employees (each as defined in the AIM Rules) whose interests in the Company amount to 42.8 per cent. of the issued Ordinary Shares on Admission, have undertaken not to dispose of any interest in their Ordinary Shares for a minimum period of twelve months following Admission except in the very limited circumstances allowed by the AIM Rules.

Corporate governance

The Directors recognise the importance of sound corporate governance commensurate with the size of the Company and the interests of Shareholders. As the Company grows, the Directors intend that it should develop policies and procedures which reflect the Combined Code on Corporate Governance

which was published in July 2003 (the "Combined Code"), so far as is practicable, taking into account the size and nature of the Company.

The Company will adopt and operate a share dealing code consistent with Rule 19 of the AIM Rules and will take all proper and reasonable steps to ensure compliance by the Directors and relevant employees.

CREST

The articles of association of the Company permit the Company to issue shares in uncertificated form in accordance with the Uncertificated Securities Regulations 2001. The Directors will apply for the Ordinary Shares to be admitted to CREST with effect from Admission. Accordingly, settlement of transactions in the Ordinary Shares following Admission may take place in the CREST system if the relevant Shareholders wish.

CREST is a voluntary system and holders of Ordinary Shares who wish to receive and retain certificates will be able to do so.

City Code on Takeovers and Mergers

Although the Company is incorporated in the United Kingdom, it is managed and controlled outside of the UK. Accordingly it is likely that the City Code on Takeovers and Mergers (the "City Code") does not apply to the Company and that the Company will not be subject to takeover regulation in any jurisdiction. For these reasons, the Company has incorporated provisions into its Articles of Association under which the Directors have the discretion to disenfranchise Shareholders who fail to make a mandatory offer to acquire all of the Ordinary Shares of the Company in circumstances when such Shareholders would have been obliged to do so if Rule 9 of the City Code did apply.

Risk Factors

The Directors consider the following risks to be the most significant for potential investors in the Company. However, the risks listed do not necessarily comprise all those associated with an investment in the Company:

Risks relating to investments by the Company

- The Company will initially be dependent upon the ability of the Directors to identify suitable investment opportunities and implement the Company's strategy.
- The Company may be unable to effect an investment in an identified opportunity, as a consequence of which resources might have been expended fruitlessly on investigative work and due diligence.
- The Company may have minority interests in the companies, partnerships and ventures in which it invests and may be unable to exercise control over the operations of such companies.
- The managements of targeted companies may not always welcome pro-active involvement and may be resistant to change.
- The Company may invest in jurisdictions where there may be a number of associated risks over which it will have no, or limited, control. These may include economic, social or political instability or change, hyperinflation, currency non-convertibility and changes of law.
- The Company may invest in exploration for and the development of resources which is speculative and involves a significant degree of risk. There is no assurance that such exploration will lead to commercial discoveries or, if there is a commercial discovery, that such reserves will be realisable.

- The Company is currently managed and controlled in Australia and is resident in Australia for tax purposes. However, the location of the management and control of the Company may change in the future which may affect the Company's tax residency.

General economic risks

- The Company's main strategic focus for investment will be in the mining, minerals and oil and gas sectors and therefore the Company will be exposed to general exploration, mining and processing risks. These include unusual and unexpected geological formations, rock falls, seismic activity, flooding and other conditions involved in the extraction of material, natural disasters, terrorist attacks and political unrest any of which could result in the damage to, or destruction of, mines and or other producing facilities, damage to life or property, environmental damage and possible legal liability. Although adequate precautions to minimise risk will be taken, operations are subject to hazards which may result in environmental pollution and consequent liability which could have an adverse impact on business, operations and financial performance of the Company.

- The Company's total return and net assets can be significantly affected by currency movements.

- The Company is likely to face competition from other entities operating in its business sector, many of which may have significantly greater resources than the Company.

- Share market conditions, particularly those affecting mining and exploration companies, may affect the ultimate value of the Company's share price regardless of future operating performance.

Trading and liquidity in the Ordinary Shares and growth of the Company

- The market price of the Ordinary Shares may not reflect the underlying value of the assets of the Company.

- The market in the Ordinary Shares may be illiquid or subject to sudden or large fluctuations and it may be difficult for an investor to sell his Ordinary Shares and he may receive less than the amount originally invested.

- A further issue of Ordinary Shares may be necessary for the Company to achieve its objectives. The Company may in the future raise additional funds through public or private financing. Notwithstanding statutory subscription rights, if additional funds are raised through the issue of equity securities, the percentage ownership of the then current Shareholders of the Company may be reduced and such securities may have rights, preferences or privileges senior to those of the holders of the Ordinary Shares.

- The Company is highly dependent upon on the Directors. Whilst the Board has sought to and will continue to ensure that Directors and key employees are appropriately incentivised, their services cannot be guaranteed. The Group has a small management team and the loss of one or more executive or key employees may have a material adverse effect on the performance of the Company.

The investment described in this document may not be suitable for all those who receive it. Before making a final decision, investors in any doubt are advised to consult a person authorised under the Financial Services and Markets Act 2000 who specialises in advising on the acquisition of shares and other securities.

PART II
ACCOUNTANTS' REPORT ON THE COMPANY

The following is the full text of a report on Tower Resources plc from UHY Hacker Young, the Reporting Accountants, to the Directors of Tower Resources plc and Nabarro Wells & Co. Limited

The Directors
Tower Resources plc
30 Farringdon Street
London EC4A 4HJ

and

The Directors
Nabarro Wells & Co. Limited
Saddlers House
Gutters Lane
London EC2V 6BR

17 December 2004

Dear Sirs,

TOWER RESOURCES PLC (THE "COMPANY")

Introduction

We report in connection with the proposed placing of ordinary shares of the Company ("the Placing") and admission of the ordinary share capital of the Company to trading on the Alternative Investment Market and this report has been prepared for inclusion in the Prospectus dated 17 December 2004 ("the Prospectus").

The Company was incorporated on 6 December 2004 with an authorised share capital of £10,000,000 divided into 10,000,000,000 ordinary shares of £0.001 each, of which 2 shares were issued fully paid, on incorporation.

On 13 December 2004 the founders subscribed for an aggregate of 59,999,998 Ordinary Shares, all at par value to raise £59,999.998. Other than entering into agreements to pay certain expenses and costs in connection with Admission, no material contracts or transactions have been entered into.

No dividends have been declared or paid by the Company.

The Company has not traded, has not prepared any financial statements for presentation to members, has incurred neither profit nor loss, and has neither declared nor paid dividends or made any other distributions since the date of incorporation. There have been no other transactions other than the allotment of shares described below and the execution of the material contracts referred to in paragraph 5 of Part III of the Prospectus. Accordingly, no profit and loss account information is presented in this report.

Basis of preparation

The financial information set out below has been extracted from financial records of the Company for the period from incorporation of the Company to the date of this report, with no adjustments being considered necessary. No audited financial statements have been prepared for submission to members in respect of any period since incorporation.

Responsibility

The financial records are the responsibility of the directors of the Company. The directors of the Company are also responsible for the Prospectus dated 17 December 2004 in which this report is included.

It is our responsibility to compile the financial information set out below from the Company's financial records and to make a report in accordance with paragraph 45(1)(iv) of Schedule 1 to the Public Offers of Securities Regulations 1995. Our work has been undertaken so that we might state those matters we are required to state in our report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone for any other purpose for our work, for this report or the opinions we have formed.

Basis of opinion

We conducted our work in accordance with the Statement of Investment Circular Reporting Standards issued by the Auditing Practices Board. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of the significant estimates and judgments made by those responsible for the preparation of the financial records and whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement, whether caused by fraud or other irregularity or error.

Opinion

In our opinion, the financial information set out below gives, for the purpose of the Prospectus, a true and fair view of the state of affairs and profit and loss of the Company as at the date of this report.

BALANCE SHEET

	Notes	As at 17 December 2004 £
Current assets		
Cash in hand		60,000
Capital and reserves		
Called up share capital	2	60,000

NOTES TO THE FINANCIAL INFORMATION

1. Accounting policies

The principal accounting policies, which have been consistently applied in the Company's financial information throughout the period under review, are as follows:

Basis of accounting

The financial information has been prepared under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom.

2. Share capital

	As at 17 December 2004 £
Authorised :	
10,000,000,000 Ordinary shares of £0.001 each	10,000,000
Issued and fully paid :	
60,000,000 Ordinary shares of £0.001 each	60,000

The Company was incorporated with an authorised share capital of £10,000,000 divided into 10,000,000,000 ordinary shares of £0.001 each of which two were issued.

On 13 December 2004 59,999,998 Ordinary Shares of £0.001 each were issued at par.

Nature of financial information

The financial information presented above in respect of the period ended 17 December 2004 does not constitute statutory accounts for that period.

Consent

We consent to the inclusion of this report in the Prospectus and accept responsibility for this report for the purposes of paragraph 45(1)(b)(iii) of Schedule 1 to the Public Offers of Securities Regulations 1995.

Yours faithfully

UHY Hacker Young
Chartered Accountants
Registered Auditors

PART III
ADDITIONAL INFORMATION

1. The Company.

1.1 The Company is registered in England and Wales, having been incorporated on 6 December 2004 under the Act with registered number 5305345 as a public company limited by shares with the name Tower Resources plc. The liability of members is limited.

1.2 The principal legislation under which the Company operates is the Act.

1.3 The Company has no subsidiary or associated undertakings.

1.4 On 13 December 2004, the Registrar of Companies issued a certificate entitling it to do business under the provisions of section 117 of the Act.

2. Share capital

2.1 On incorporation, the Company had an authorised share capital of £10,000,000 divided into 10,000,000,000 ordinary shares of £0.001 each, of which 2 were issued, fully paid, to the subscribers to the memorandum of association of the Company.

2.2 On 13 December 2004 the number of shares issued and fully paid was increased from 2 Ordinary Shares of £0.001 each to 60,000,000 Ordinary Shares of £0.001 each.

2.3 On Admission, the Company intends to allot a further 65,000,000 Ordinary Shares for cash at £0.01 per share pursuant to the Placing.

2.4 The authorised and issued share capital of the Company as it will be immediately following Admission are as follows (assuming full subscription under the Placing):

Authorised			**Issued and fully paid**	
Amount	*Number*	ordinary shares of	*Amount*	*Number*
£10,000,000	10,000,000,000	£0.001 each	£125,000	125,000,000

2.5 The Ordinary Shares will rank pari passu in all respects including the right to receive all dividends and other distributions declared, made or paid on the Ordinary Shares from the date of this document.

2.6 Following Admission, the Ordinary Shares may be held in either certificated or uncertificated form.

2.7 Save as disclosed in this document:

- no share or loan capital of the Company has been issued or is proposed to be issued;
- no person has any preferential subscription rights for any share capital of the Company;
- no share or loan capital of the Company is under option or agreed conditionally or unconditionally to be put under option; and
- no commissions, discounts, brokerages or other special terms have been granted by the Company since its incorporation in connection with the issue or sale of any share or loan

capital of the Company.

2.8 Subject to any direction to the contrary which may be given by the Company in general meeting, the Directors are unconditionally authorised to allot, create, deal with or otherwise dispose of relevant securities (within the meaning of section 80(2) of the Act) to such persons (including any Director) on such terms and at such times as they think fit, but no shares shall be issued at a discount to their par value. This authority remains in force until the first Annual General Meeting of the Company.

2.9 The provisions of section 89(1) of the Act, which confer on shareholders rights of pre-emption in respect of the allotment of equity securities which are, or are to be, paid up in cash, apply to the authorised but unissued share capital of the Company subject as set out herein in paragraph 2.11 of Part III of this document.

2.10 The Ordinary Shares have not been admitted to dealings on any recognised investment exchange or other trading facility nor has any application for such admission been made, and it is not intended to make any other arrangements for dealings in the Ordinary Shares on any such exchange.

2.11 125,000,000 Ordinary Shares will remain authorised and unreserved for issue free from pre-emption rights which represents 100 per cent. of the issued share capital of the Company. The Directors also have the authority to issue further Ordinary Shares free of pre-emption rights in certain circumstances, such as in connection with a rights issue.

3. Memorandum and articles of association

3.1 In this paragraph 3, references to the "Statutes" are references to the Act and every other act for the time being in force concerning companies and affecting the Company.

3.2 The principal objects of the Company are set out in full in clause 4 of the memorandum of association and include carrying on the business of a general commercial company.

3.3 The articles of association of the Company (the "Articles") contain, inter alia, provisions to the following effect:

Transfer

Except as may be required by the Statutes and the facilities and requirements of the relevant system concerned, the Directors shall have power to implement any arrangements they may, in their absolute discretion, think fit in relation to the evidencing and transfer of uncertificated shares. All transfers of certificated shares must be in writing in the usual common form or in any other form, which the Directors may approve. The instrument of transfer must be signed by or on behalf of the transferor and, if the shares being transferred are not fully paid, by or on behalf of the transferee. The Directors may refuse to register any transfer of any share that is not fully paid and they may refuse to register the transfer of any share on which the Company has a lien provided that such refusal does not prevent dealings in the shares from taking place on an open and proper basis. They may also refuse to register a transfer of any share in favour of more than four persons jointly and in certain other exceptional circumstances, and a transfer of certificated shares which has not been lodged at the Company's registered office or such place as the board may determine and which is not accompanied by the certificates for the shares to which it relates (except in the case of a transfer by a recognised person to whom a certificate has not been issued) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer.

Voting rights

Subject to any special terms as to voting upon which any shares may be issued or may for the time being be held (as to which there are none at present) and subject to certain other Articles, on a show of hands every holder of an Ordinary Share present in person (if an individual) or duly authorised representative (if a corporation) shall have one vote, and on a poll every member present in person or by proxy and entitled to vote shall have one vote for each Ordinary Share of which he is the holder.

If at any time when the City Code on Takeovers and Mergers (the "City Code") does not apply to the Company, a person (together with any persons held to be acting in concert with him) acquires shares in the Company which would have obliged them to extend an offer (a "mandatory offer") to the holders of all other shares in the Company had the City Code applied, the Directors have the discretion to disenfranchise such person until a compliant mandatory offer is made.

Dividends

The profits of the Company available for distribution and resolved to be distributed shall be applied in the payment of dividends to the members in accordance with their respective rights and priorities. No dividend may exceed the amount recommended by the Board of Directors.

Return of capital

If the Company shall be wound up, the liquidator may, with the authority of an extraordinary resolution (and any other sanction required by the Statutes), divide among the members in proportion to their shareholdings in specie the whole or any part of the assets of the Company and may determine how such division shall be carried out between the members or different classes of members.

Variation of rights

Subject to the Statutes, none of the rights, privileges or conditions for the time being attached to or belonging to any class of shares forming part of the issued share capital for the time being of the Company shall (unless otherwise provided by the terms of issue of the shares of that class) be modified, varied or abrogated in any manner except with the consent in writing of the holders of three fourths in nominal value of the issued shares of the class or, subject to the provisions of the Statutes, the sanction of an extraordinary resolution passed at a separate meeting of the members of that class.

Changes in share capital

The Company may by ordinary resolution increase its share capital, cancel any unissued shares, consolidate and divide all or any of its share capital into shares of a larger amount and, subject to the provisions of the Statutes, subdivide all or any of its shares into shares of a smaller amount. Subject to the provisions of the Statutes, the Company may by special resolution reduce its share capital, any capital redemption reserve and any share premium account in any way.

Purchase by the Company of its own shares

Subject to the provisions of the Statutes, to any rights conferred on the holders of any other shares and to the authority of the Company in general meeting required by the Statutes, the Company may purchase its own shares.

Unclaimed dividends

Any dividend unclaimed after a period of 12 years from the date it became due for payment shall,

if the Directors so resolve, be forfeited and cease to remain owing by the Company.

Borrowing powers

The Directors may exercise all the powers of the Company to borrow money and, subject to the Statutes, to grant any mortgage, charge or debentures, debenture stock or other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

Directors

Unless otherwise determined by ordinary resolution, the number of directors shall be not less than two.

4. Directors' and other interests

4.1 The interests (all of which are beneficial unless stated otherwise) of the Directors and their immediate families and the persons connected with them (within the meaning of Section 346 of the Act) which have been notified to the Company pursuant to Sections 324 and 328 of the Act or are required to be disclosed in the Register of Directors' Interests pursuant to Section 325 of the Act in the issued share capital of the Company and the existence of which is known to, or could with reasonable due diligence be ascertained by, any Director as at the date of this document are as follows:

Name	*Number of Ordinary Shares before the Placing*	*Percentage of issued share capital before the Placing*	*Number of Placing Shares subscribed*	*Number of ordinary shares held following the Placing*	*Percentage of issued share capital following the Placing*
R Langusch	2,500,000	4.17%	-	2,500,000	2.00%
H Warner*	3,000,000	5.00%	-	3,000,000	2.40%
R Warner	1,000,000	1.67%	-	1,000,000	0.80%
Ascent Capital**	3,750,000	6.25%	3,200,000	6,950,000	5.56%

* Hugh Warner's shareholding is held by a family trust called Elliot Holdings Pty Ltd <CBM Family Trust>.

** Ascent Capital is a company beneficially owned equally by David Steinepreis, Hugh Warner and Gary Steinepreis.

4.2 Save as disclosed above, none of the Directors nor any member of their respective immediate families nor any person connected with the Directors (within the meaning of Section 346 of the Act) has any interest, whether beneficial or non-beneficial, in any share capital of the Company.

4.3 There are no outstanding loans granted or guarantees provided by the Company to or for the benefit of any of the Directors.

4.4 Save as otherwise disclosed in this document, no Director has any interest, whether direct or indirect, in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company taken as a whole and which was effected by the Company since its incorporation and which remains in any respect outstanding or unperformed.

4.5 Save as disclosed in paragraph 4.1, the Company is only aware of the following persons who, immediately following Admission, directly or indirectly, jointly or severally, hold or will hold 3 per cent. or more of the ordinary share capital of the Company or exercise or could exercise control over the Company:

Name	*Number of Ordinary Shares*	*Percentage of issued share capital following the Placing*
Ronald Bruce Rowan	25,000,000	20.00%
Derek Christian Steinepreis*	10,500,000	8.40%
Weighbridge Trust Limited	8,000,000	6.40%
Argonaut Capital Limited	7,500,000	6.00%
Australian Heritage Group Pty Ltd	5,000,000	4.00%
Arredo Pty Ltd	5,000,000	4.00%

* Derek Steinepreis's shareholding will include 500,000 Ordinary Shares held by a family trust called Talltree Holdings Pty Ltd <Nerd Family Trust>

4.6 Hugh Warner has agreed to provide executive director's services to the Company and Russell Langusch and Ross Warner have agreed to provide non-executive director's services to the Company. Such services are to be provided either directly by the relevant Director or through a consultancy agreement between the Company and an associated company of the relevant Director. Each such agreement will be terminable on one months' notice and the remuneration payable by the Company to the relevant Director or to the relevant Director's associated consultancy company under each such agreement will be £12,000 per annum. These arrangements will be reviewed on completion of the first investment by the Company.

4.7 Save as disclosed in paragraph 4.6 above and the Lock-In Deed (as described in paragraph 5.2 below), there are no contracts, existing or proposed, between any Director and the Company.

4.8 There is no arrangement under which any Director has agreed to waive future emoluments nor has there been any waiver of emoluments during the financial year immediately preceding the date of this document.

4.9 It is estimated that under the arrangements currently in force, the aggregate remuneration and benefits in kind to be paid to the Directors and the Directors' associated consultancy companies, as the case may be, for the 18 months ending 30 June 2006 will be approximately £54,000.

4.10 In addition to the directorships in the Company the Directors hold or have held the following directorships within the five years immediately prior to the date of this document:

Name	*Current Directorships*	*Past Directorships*
Russell Langusch	Elixir Petroleum Ltd; Elixir Petroleum (UK) Ltd; Langusch & Associates Pty Ltd	Lowell Resources Funds Management Pty Ltd
Hugh Warner	Ascent Capital Pty Ltd; MinRes Resources Inc.; Black Range Minerals Ltd; M Health Limited; Mokuti Mining Limited; OBJ Limited; Salus Technologies Limited; Deep Yellow Limited; Elliot Holdings Pty Ltd; Viking Investments Pty Ltd; Ascent Resources plc	Black Rock Oil & Gas PLC; Extract Resources Ltd; Medivac Limited; Aeris Technologies Ltd; Peak Hill Gold Mines NL; Copperco Limited; Resonance Health Ltd; Synergy Metals Ltd; View Resources Ltd; IM Medical Ltd; Service Stream Ltd; Peninsular Mineral Limited; Data Centre Holdings Pty Ltd; My Accountants Online Pty Ltd; Black Rock Petroleum NL; Rakov Pty Limited; Fusia Limited
Ross Warner	Nil	Ascent Capital Pty Ltd

4.11 As described earlier, Ascent Capital was formed by David Steinepreis, Hugh Warner and Gary Steinepreis to pursue, amongst other things, the reconstruction and recapitalisation of existing stock exchange quoted companies. Since its foundation, Ascent Capital has successfully recapitalised and relisted 15 companies on the ASX. Each of the 15 companies recapitalised by Ascent Capital were placed under external administration either prior to Ascent Capital recapitalising the company or as part of Ascent Capital's recapitalisation of the company. As a consequence, Hugh Warner has been appointed a director of companies in administration or has placed a company into administration. The Directors have been directors of the following companies in administration, all of which have been successfully released from administration.

Name	***Company***
Russell Langusch	Nil
Hugh Warner	Fusia Limited Service Stream Ltd Black Range Minerals Limited M Health Limited OBJ Limited Q-Vis Limited Extract Resources Ltd Medivac Limited Copperco Limited Resonance Health Ltd Synergy Metals Ltd View Resources Ltd IM Medical Ltd Deep Yellow Limited
Ross Warner	Nil

4.12 Hugh Warner was appointed as a director of Sturt Australia Resources NL to wind up that company, by way of a members voluntary liquidation.

4.13 Save as disclosed above none of the Directors has:

- any unspent convictions in relation to indictable offences;
- had any bankruptcy order made against him or entered into any voluntary arrangements;
- been a director of a company which has been placed in receivership, compulsory liquidation, creditors voluntary liquidation, administration, been subject to a company voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors whilst he was a director of that company or within the 12 months after he ceased to be a director of that company;
- been a partner in any partnership which has been placed in compulsory liquidation, administration or been the subject of a partnership voluntary arrangement whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;
- been the owner of any assets or a partner in any partnership which has been placed in receivership whilst he was a partner in that partnership or within 12 months after he ceased to be a partner in that partnership;
- been publicly criticised by any statutory or regulatory body (including recognised

professional bodies); or

- been disqualified by a court from acting as a director of any company or from acting in the management or conduct of affairs of a company.

5. Material contracts

The following contracts, not being contracts entered into in the ordinary course of business of the Company, have been entered into by the Company and are or may be material:

5.1 Nominated Adviser and Broker agreement

A letter of engagement dated 9 December 2004 from Nabarro Wells to the Company under which Nabarro Wells has agreed to act as the Company's nominated adviser and broker for one year from Admission and thereafter, unless terminated by three months' written notice by Nabarro Wells or the Company). Under the agreement, the Company has agreed to pay to Nabarro Wells a fee of £20,000 (plus VAT) on admission, an ongoing nominated adviser fee of £10,000 (plus VAT) per annum and an ongoing broker's free of £10,000 (plus VAT) per annum, if applicable.

5.2 Lock-In Deed

A Lock-In Deed (the "Deed") dated 17 December 2004 between the Directors, applicable employees and related parties (each as defined in the AIM Rules, the "Locked-In Persons") and the Company and Nabarro Wells pursuant to which the Locked-In Persons have undertaken to Nabarro Wells and the Company save in specified circumstances not to sell or otherwise dispose of, or agree to sell or dispose of any of their interests in the Ordinary Shares held by them for the 12 month period commencing on the date of Admission.

Save as disclosed above, there are no contracts (other than contracts entered into in the ordinary course of business) which have been entered into by the Company since its incorporation and which are or may be material.

6. Litigation

There are no legal or arbitration proceedings (including, to the knowledge of the Directors, any such proceedings which are pending or threatened by or against the Company) which may have or have had during the 12 months immediately preceding the date of this document a significant effect on the financial position of the Company.

7. Working capital

The Directors are of the opinion that, taking into account the net proceeds of the Placing and having made due and careful enquiry, the working capital available to the Company will, from the date of Admission, be sufficient for its present requirements, that is, for at least the next 12 months from the date of Admission.

8. Taxation

The following summary is intended as a general guide to United Kingdom resident and ordinarily resident Shareholders, who are domiciled in the United Kingdom, and who hold Ordinary Shares in the Company as investments (rather than as dealing stock). The summary is based upon existing legislation and current Inland Revenue practice. Any prospective Placee who is in any doubt as to his tax position, whether in the United Kingdom or in any other jurisdiction in which he may be liable to tax, should consult, and rely upon, the advice of his own professional advisor.

8.1 Tax residence of the Company

The Company is currently managed and controlled in Australia. Accordingly, it should be treated as being resident in Australia under the United Kingdom/Australian double tax treaty and consequently not resident in the United Kingdom under the United Kingdom's domestic law.

8.2 Taxation of Dividends

Individual

Although dividends paid by the Company will constitute Schedule D Case V income in the hands of Shareholders, United Kingdom resident Shareholders who are individuals will be liable to income tax (if at all) on dividends at, in the case of starting and basic rate taxpayers, the Schedule F ordinary rate (10% for the year 2004-2005) or, in the case of higher rate taxpayers, the Schedule F upper rate (32.5% for the year 2004-2005) in accordance with Sections 1A and 1B of the Income and Corporation Taxes Act 1988. Dividend income from the Company will be treated as forming the highest part of the Shareholder's income.

Companies

A corporate Shareholder will generally be subject to United Kingdom corporation tax under Schedule D Case V in respect of dividends received from the Company at the usual rate of corporation tax applicable to it (30% for the year 2004-2005 for companies paying the full rate of corporation tax).

Tax Credits

Individuals and corporate Shareholders (in the case of corporate Shareholders owning less than 10% of the Company) are not normally able to obtain credit for any underlying tax paid by the Company in respect of its own profits.

In the event that dividends are paid under deduction of Australian withholding tax, United Kingdom Shareholders may be able to obtain credit for all or part of any Australian tax so withheld, in computing their respective liabilities to United Kingdom income tax or corporation tax on such dividend income.

8.3 Taxation on disposals

Individuals

A Shareholder who disposes of (or who is deemed to dispose of) his Ordinary Shares may be liable to capital gains tax in relation thereto at rates up to 40% (for the year 2004-2005) of any chargeable gain thereby realised. In computing the chargeable gain the Shareholder should be entitled to deduct from disposal proceeds the cost to him of the Ordinary Shares (together with incidental costs of acquisition and disposal) and may be able to deduct other amounts including all or part of his annual exemption (£8,200 for the year 2004-2005) and any capital losses available to him. In certain circumstances, the Shareholder's liability to capital gains tax may be reduced by taper relief.

Capital losses arising from the disposal of the Ordinary Shares may, in certain circumstances, be set off against income of the Shareholder.

Companies

A corporate Shareholder who disposes of (or who is deemed to dispose of) its Ordinary Shares may be liable to corporation tax on chargeable gains in relation thereto at the usual rates of

corporation tax applicable to it (30% for the year 2004-2005 for companies paying the full rate of corporation tax). In computing the chargeable gain liable to corporation tax the Shareholder should be able to deduct from disposal proceeds the cost to it of the Ordinary Shares (together with incidental costs of acquisition and disposal), as increased by indexation allowance, and may be able to deduct capital and certain income losses available to it. In some circumstances a Shareholder may be exempt from corporation tax in relation to its disposal of Ordinary Shares under the substantial shareholding exemption.

8.4 Stamp duty and stamp duty reserve tax ("SDRT")

Issue

No stamp duty, or SDRT, will be payable on the allotment or issue of the Ordinary Shares, provided that they are not issued to a nominee or agent whose business includes the provision of clearance services or the issuance of depository receipts.

Transfer

Transfers of Ordinary Shares outside the CREST system will generally be liable to stamp duty on the instrument of transfer at a rate of (currently) 0.5% of the amount or value of the consideration given for the shares (rounded up to the nearest £5). Stamp duty is normally the liability of the transferee of the shares. An agreement to transfer Ordinary Shares will generally be subject to SDRT at a rate of (currently) 0.5% of the agreed consideration. If, however, the agreement is subsequently perfected by an instrument of transfer which is duly stamped before the expiry of six years from the date of the agreement (or, if later, the date upon which it becomes unconditional) any SDRT will be cancelled or, to the extent already paid, will, upon a claim being made, be repaid. SDRT is normally paid by the person to whom the shares will be transferred under the agreement.

Entry into CREST

No stamp duty or SDRT should arise on the transfer of the Ordinary Shares to CREST for conversion into uncertified form, unless the transfer is for consideration.

Transfers within CREST

Ordinary Shares may be transferred in a paperless form within CREST. Any such transfer will normally be subject to SDRT at a rate of (currently) 0.5% of the amount or value of the consideration paid for the Ordinary Shares. CREST is obliged to collect SDRT from the transferee in relation to transactions settled through the CREST system.

Persons who are not resident or ordinarily resident (or, if resident or ordinarily resident are not domiciled,) in the United Kingdom, including those individuals and companies which trade in the United Kingdom through a branch, agency or permanent establishment, and who subscribe for the Ordinary Shares in the course of that trade, are recommended to seek the advice of professional advisors in relation to their taxation obligations in both the United Kingdom and any other jurisdiction in which they may be liable to tax.

9. General

9.1 In the Directors' opinion, the minimum amount which must be raised by the Company pursuant to the Placing in order to provide the sums required pursuant to paragraph 21(a) of Schedule 1 to the POS regulations is £400,000 comprising:-

Issue expenses and commissions	£75,000
Working capital	£325,000
	£400,000

9.2 The accounting reference date of the Company is 30 June and the first audited accounts will be made up to 30 June 2005.

9.3 The expenses of and incidental to the Admission including registration and London Stock Exchange fees, professional fees and the costs of printing and distribution, are estimated to amount to approximately £75,000 (excluding VAT), all of which will be payable by the Company.

9.4 Save as disclosed in this document, no person (excluding professional advisers otherwise disclosed in this document and trade suppliers) has:

9.4.1 received, directly or indirectly, from the Company within 12 months preceding the date of this document; or

9.4.2 entered into contractual arrangements (not otherwise disclosed in this document) to receive, directly or indirectly, from the Company on or after Admission any of the following:

(a) fees totalling £10,000 or more; or

(b) securities in the Company with a value of £10,000 or more; or

(c) any other benefit with a value of £10,000 or more at the date of Admission.

9.5 The financial information contained in Part II of this Prospectus does not constitute full statutory accounts as referred to in section 240 of the Act.

9.6 UHY Hacker Young has given and not withdrawn its written consent to the issue of this document with the inclusion of its Report and references to its name in the form and context in which it appears.

9.7 Nabarro Wells has given and not withdrawn its written consent to the issue of this document with the inclusion of its name and references to its name in the form and context in which it appears.

9.8 Save as set out in this document, the Directors are not aware of any exceptional factors that have influenced the Company's activities.

9.9 The Placing has not been underwritten or guaranteed by any person.

9.10 Save as set out in this document, no commission is payable by the Company to any person in consideration of his agreeing to subscribe for securities to which this document relates or of his procuring or agreeing to procure subscriptions for such securities.

9.11 No paying agent has been appointed by the Company.

9.12 The Placing Shares will be issued at 1p per share, a premium of 0.9p per Ordinary Share above nominal value.

9.13 Save as disclosed in this document, no payment (including commissions) or other benefit has been or is to be paid or given to any promoter of the Company.

9.14 Save as disclosed in this document, there are no patents or other intellectual property rights, licences or particular contracts which are, or may be, of fundamental importance to the business of the Company.

9.15 Save as disclosed in this document, there are no investments in progress which are significant.

10. Documents available for inspection

Copies of the following documents will be available for inspection at the offices of Nabarro Wells at Saddlers House, Gutter Lane, London EC2V 6HS and from the registered office of the Company at 30 Farringdon Street, London EC4A 4HJ, during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the date of this document until at least 30 days after the date of Admission:

10.1 the memorandum and articles of association of the Company;

10.2 the Accountants' Report set out in Part II of this document; and

10.3 the letters of consent referred to in paragraphs 9.6 and 9.7 of this Part III.

17 December 2004