



ABN: 44 114 553 392

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22 November 2019

Company Announcements Office
ASX Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000

Announcement of Entitlement Issue

Red Hill Iron Limited announces a non-renounceable pro-rata issue of up to 10,916,587 fully paid ordinary shares at a price of 20 cents each to all shareholders of the Company as at 28 November 2019, on the basis of 1 share (New Share) for every 5 shares held, to raise up to \$2,183,317 before expenses of this issue, which are estimated to be \$25,000.

The purpose of the issue is to repay loans from director related entities, meet ongoing administration and operating costs and maintain the Company's exploration interests.

The proposed timetable for this issue is set out below:

Announcement of Entitlement Offer and application for quotation (Appendix 3B)	22 November 2019
Lodgement of Prospectus with ASIC and ASX	22 November 2019
Despatch of notice to Shareholders containing Appendix 3B information	26 November 2019
Ex date - shares trade ex-entitlements	27 November 2019
Record Date for determining entitlements to New Shares	28 November 2019
Prospectus and Entitlement and Acceptance Form despatched and Offer opens	2 December 2019
Last day to extend the offer closing date	10 December 2019
Offer closes - latest date for acceptances and payment in full	13 December 2019
Shares quoted on a deferred settlement basis	16 December 2019
Notify ASX of undersubscriptions	18 December 2019
Issue date – New Shares entered in shareholders' holdings and deferred settlement ends	20 December 2019
Despatch of holding statements	23 December 2019

These dates are indicative only and may vary. The Company reserves the right to vary the opening and closing dates of the Entitlement Offer without prior notice. This may impact on subsequent dates.

An Appendix 3B – New issue announcement and application for quotation is attached together with a copy of the Prospectus.

Yours faithfully

Neil Tomkinson
Chairman

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

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

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

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

RED HILL IRON LIMITED

ABN

44 114 553 392

We (the entity) give ASX the following information.

Part 1 - All issues

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

- | | | |
|---|---|-----------------------------------|
| 1 | +Class of +securities issued or to be issued | ORDINARY SHARES |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 10,916,587 |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid ordinary shares |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes, rank equally with existing ordinary fully paid shares</p>
<p>5 Issue price or consideration</p>	<p>20 cents per share</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>The proceeds of the capital raising will be used to:</p> <ul style="list-style-type: none"> a) repay loans from director related entities; b) meet ongoing administration and operating costs of the Company for the next two to three years, including the costs of this issue; c) maintain the Company's exploration interests, in particular its gold and base metal interest and its wholly owned iron ore interests.
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b - 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>No</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>Not applicable</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>Not applicable</p>

+ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	Not applicable	
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Not applicable	
6f	Number of +securities issued under an exception in rule 7.2	Not applicable	
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	Not applicable	
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not applicable	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Not applicable	
7	<p>+Issue dates</p> <p>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</p> <p>Cross reference: item 33 of Appendix 3B.</p>	20 December 2019	
8	Number and +class of all +securities quoted on ASX (<i>including</i> the +securities in section 2 if applicable)	Number 65,499,523	+Class Ordinary Shares

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

	Number	+Class
9	950,000	Staff Options exercisable at 54c each by 26 Dec 2019
10	No dividend policy is currently in place since the company is involved only in exploration.	

Part 2 - Pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the +securities will be offered	1:5
14	+Class of +securities to which the offer relates	Ordinary fully paid shares
15	+Record date to determine entitlements	28 November 2019
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable
17	Policy for deciding entitlements in relation to fractions	Fractional entitlements will be disregarded through rounding down
18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	Bermuda, United Kingdom and Singapore
19	Closing date for receipt of acceptances or renunciations	13 December 2019

+ See chapter 19 for defined terms.

20	Names of any underwriters	Not applicable – the offer is not underwritten
21	Amount of any underwriting fee or commission	Not applicable
22	Names of any brokers to the issue	Not applicable
23	Fee or commission payable to the broker to the issue	Not applicable
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	Not applicable
25	If the issue is contingent on security holders' approval, the date of the meeting	Not applicable
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	23 December 2019
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	22 November 2019
28	Date rights trading will begin (if applicable)	Not applicable
29	Date rights trading will end (if applicable)	Not applicable
30	How do security holders sell their entitlements <i>in full</i> through a broker?	Not applicable
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not applicable

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

- 32 How do security holders dispose of their entitlements (except by sale through a broker)? Not applicable
- 33 ⁺Issue date 20 December 2019

Part 3 - Quotation of securities

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

- 34 Type of ⁺securities
(tick one)
- (a) ⁺Securities described in Part 1
- (b) All other ⁺securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Not applicable

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

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

⁺ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

Not applicable

38 Number of +securities for which +quotation is sought

39 +Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

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

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

Quotation agreement

Not applicable

- 1 Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - ~~If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.~~
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: Peter Rutledge
(~~Director~~/Company secretary)

Date: 22 November 2019

Print name: **Peter Rutledge**

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1 Not Applicable

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

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	
<p>Add the following:</p> <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	
“A”	

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
“C”	
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	
<p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	
<p>Total [“A” x 0.15] – “C”</p>	<p><i>[Note: this is the remaining placement capacity under rule 7.1]</i></p>

+ See chapter 19 for defined terms.

Part 2

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

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

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

+ See chapter 19 for defined terms.



RED HILL IRON
Limited

ABN 44 114 553 392

PROSPECTUS

FOR AN ENTITLEMENT OFFER OF SHARES

DATED

22 NOVEMBER 2019

For a non-renounceable pro rata issue of up to 10,916,587 fully paid ordinary shares in Red Hill Iron Limited at a price of 20 cents each to all holders of ordinary shares in Red Hill Iron Limited as at 28 November 2019, on the basis of 1 share for every 5 shares held, to raise up to \$2,183,317 before costs.

IMPORTANT NOTICE TO ALL SUBSCRIBERS TO THE OFFER

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION
IT SHOULD BE READ IN ITS ENTIRETY**

If you are in doubt as to the course you should follow,
or you need an informed opinion, you should consult your
stockbroker, solicitor, accountant or other professional
adviser immediately

THIS ISSUE IS NOT UNDERWRITTEN

CORPORATE DIRECTORY

Directors

Neil Tomkinson
Executive Chairman

Joshua Pitt
Non-executive Director

Garry Strong
Non-executive Director

Mark Okeby
Non-executive Director

Company Secretary

Peter Rutledge

Auditor

HLB Mann Judd (WA Partnership)
Level 4, 130 Stirling Street
Perth WA 6000

Registered and Business Office

Level 2, 9 Havelock Street
West Perth WA 6005
Telephone: (08) 9481 8627
Facsimile: (08) 9322 3456
Email: redhillinfo@redhilliron.com.au
Website: www.redhilliron.com.au

Share Registry

Security Transfer Australia
Level 9, Suite 913, 530 Little Collins Street,
Melbourne, Vic 3000
Telephone: Australia 1300 992 916
Overseas +61 3 9628 2200
Facsimile: +61 8 9315 2233
Email: registrar@securitytransfer.com.au

Home Exchange

Australian Securities Exchange
Level 40, Central Park
152-158 St George's Terrace
Perth WA 6000

Red Hill Iron Limited (ABN 44 114 553 392) is a public listed company incorporated and domiciled in Australia.

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SECTION 1 – EXPLANATION OF THE PROSPECTUS

This Prospectus is dated 22 November 2019. A copy of this Prospectus was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date. Neither ASIC nor the Australian Securities Exchange (**ASX**) is responsible for the contents of this Prospectus.

This Prospectus is a transaction specific prospectus issued in accordance with Section 713 of the Corporations Act 2001, which allows the issue of a more concise prospectus in relation to an offer of continuously quoted securities. This Prospectus is therefore intended to be read in conjunction with publicly available information in relation to the Company which has been notified to the ASX; it does not include all information that would be included in a prospectus for an initial offering of securities of a company that is not already listed on the ASX. Accordingly, shareholders should read this Prospectus in its entirety and should also have regard to other publicly available information in relation to the Company before deciding whether to apply for securities under this Prospectus. Refer to Section 2.1 for further information in this regard.

The securities offered under this Prospectus are shares (the **New Shares**) in a class of shares that are listed for quotation on a stockmarket of the ASX.

No securities will be issued on the basis of this Prospectus after the Expiry Date which is 3 months after the date of this Prospectus.

All monetary amounts referred to in this Prospectus are expressed in Australian Dollars.

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. The distribution of this Prospectus in jurisdictions outside Australia (other than New Zealand) may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

SECTION 2 – INFORMATION AVAILABLE

2.1 Continuous Disclosure

Red Hill Iron Limited (**Red Hill Iron or the Company**) is a "disclosing entity" for the purposes of Section 111AC of the Corporations Act 2001. As such, it is subject to regular reporting and disclosure obligations which require it to disclose to the ASX any information of which it is, or becomes, aware concerning the Company and which a reasonable person would expect to have a material effect on the price or value of the securities of the Company.

Disclosing entities are, pursuant to the Corporations Act, required to issue a prospectus satisfying the test set out in Section 713 of the Corporations Act, where the securities offered by the prospectus are to be quoted and the securities are in a class of securities that were quoted securities at all times in the twelve months before the issue of the prospectus.

The Company believes that it has complied with the general and specific requirements of the ASX (as applicable from time to time throughout the twelve months before the issue of this Prospectus) which require the Company to notify the ASX of information about specified events or matters as they arise for the purpose of the ASX making that information available to a stock market conducted by the ASX, and thereby keep the market fully informed.

The shares offered by this Prospectus are considered to be in a class of securities that have been enhanced disclosure securities at all times during the twelve months prior to the issue of this Prospectus.

Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an office of ASIC.

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

The Company will provide a copy of each of the following documents free of charge to any person who so requests during the application period under this Prospectus:

- (a) the Annual Report for the Company for the year ended 30 June 2019; and
- (b) the following documents, being all the continuous disclosure notices used to notify the ASX of information relating to the Company during the period after lodgement on 22 October 2019 of the Annual Report referred to in (a) and before the lodgement of this Prospectus with ASIC:

Lodgement Date	Headline/Description of Announcement
22 October 2019	Corporate Governance Statement
22 October 2019	Appendix 4G Corporate Governance
22 October 2019	Notice of Annual General Meeting
29 October 2019	Quarterly activities, cash flow and tenement reports

2.2 Effect of this Prospectus

When this Prospectus is forwarded to members of the Company they shall have been served with a prospectus for the purpose of the application for and allotment of and issue of New Shares.

2.3 Website – Electronic Prospectus

This Prospectus will not be issued as an electronic prospectus but a copy of the Prospectus excluding the Entitlement and Acceptance Form may be accessed and downloaded for general information purposes only from the Company's website on the internet at www.redhilliron.com.au

SECTION 3 – SUMMARY OF THE OFFER AND TIMETABLE OF IMPORTANT DATES

3.1 The Entitlement Offer

Up to 10,916,587 fully paid ordinary shares in Red Hill Iron are being offered at a price of 20 cents each to all holders of ordinary shares in the Company as at 28 November 2019, on a pro-rata basis of 1 share for every 5 shares held, to raise up to \$2,183,317 before costs.

The offer is non-renounceable and is not underwritten.

3.2 Timetable of Important Dates

Announcement of Entitlement Offer and application for quotation (Appendix 3B)	22 November 2019
Lodgement of Prospectus with ASIC and ASX	22 November 2019
Despatch of notice to Shareholders containing Appendix 3B information	26 November 2019
Ex date - shares trade ex-entitlements	27 November 2019
Record Date for determining entitlements to New Shares	28 November 2019
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Offer closes - latest date for acceptances and payment in full	13 December 2019
Shares quoted on a deferred settlement basis	16 December 2019
Notify ASX of undersubscriptions	18 December 2019
Issue date – New Shares entered in shareholders' holdings and deferred settlement ends	20 December 2019
Despatch of holding statements	23 December 2019

These dates are indicative only and may vary. The Company reserves the right to vary the date that the Entitlement Offer opens and closes without prior notice. This may impact on subsequent dates. Applicants are encouraged to apply as soon as possible after the Entitlement Offer opens as it may close earlier than the date specified. The Company reserves the right not to continue with the Entitlement Offer at any time before the allotment of New Shares to successful applicants.

SECTION 4 – CHAIRMAN’S LETTER

Dear Shareholder,

Whilst Red Hill Iron is free of contributing to the Red Hill Iron Ore Joint Venture (**RHIOJV**) until Commercial Production commences, your Company nevertheless has funding requirements for its day to day administration and its gold and base metal exploration activities.

Development of the large scale RHIOJV iron ore resources remains on hold pending an improvement in the price of lower grade iron ores. The project also requires a transport corridor and port facilities to enable production to be exported.

The Company’s joint venture partner currently is responsible for all costs to production and, after commercial development has taken place, Red Hill Iron may elect to repay those costs and participate in the RHIOJV at the 19% level or reduce its interest to a 2% Royalty on all ore produced from the RHIOJV area with all prior costs incurred on Red Hill Iron’s behalf written off.

Red Hill Iron also retains 100% of the Pannawonica Project which contains the Whitegate and Redgate channel iron deposits, activity on which is currently suspended due to market conditions. The Company also owns a significant hard rock quarry deposit which could provide material for any new mine and associated transport development proposed in the region.

The Company intends to use funds raised to explore its large non-ferrous tenement base which is within the overall RHIOJV tenement area and is now preparing target selection for further drill appraisal in the next field season. This programme will also involve the redrilling of the B4 target where drilling failed earlier in the year due to rig problems as well as a more intensive examination of the cobalt and silver anomalous sequences at the East Urandy prospect.

The proposed raising will also be applied to costs associated with the share issue, repayment of Director Related Loans, and the administration of the Company over the foreseeable future.

Entities associated with my fellow Director, Mr Joshua Pitt, and I hold 33.23% of the issued shares of the Company and intend to take up their full entitlements under this Offer, as do the other Directors.

The Offer, which is non renounceable and not underwritten, is designed to allow shareholders to participate should they so wish, or refrain from contributing without a large dilution of their current shareholdings taking place.

I encourage all shareholders to read this Prospectus in full and give due consideration to taking up their Entitlement.

Neil Tomkinson
Chairman
22 November 2019

SECTION 5 – PURPOSE AND EFFECT OF THE ENTITLEMENT OFFER

5.1 Purpose of the Entitlement Offer

The Entitlement Offer will raise funds for the following purposes:

- (a) to repay loans from director related entities;
- (b) to meet ongoing administration and operating costs of the Company for the next two to three years, including the costs of this issue;
- (c) to maintain the Company's exploration interests in particular its gold and base metal interests and its wholly owned iron ore interests.

The estimated allocation of funds to be raised is as follows:

	\$000
Costs of this issue	25
Repayment of Director Related Loans	200
Maintaining the Company's exploration interests	240
Exploration - gold and base metals	458
Administration and operating costs	<u>1,260</u>
Gross proceeds of the Entitlement Offer	<u>2,183</u>

5.2 Effect of the Entitlement Offer on the Company's Capital Structure

The capital structure before and after the Entitlement Offer is presented below based on the assumptions that:

- (a) the holders of the 950,000 unlisted staff options in the Company, exercisable at 54 cents each, will not convert their holdings to fully paid shares in the Company before the Record Date;
- (b) all Entitlements are taken up.

Ordinary Shares Fully Paid	No of Shares
On issue	54,582,936
New Shares	<u>10,916,587</u>
After this Issue	<u>65,499,523</u>

5.3 Effect of the Entitlement Offer on the Company's Statement of Financial Position

The Company's audited Statement of Financial Position as at 30 June 2019 has been used as the basis to show the effect of a fully subscribed Entitlement Offer. It is set out below alongside an unaudited Proforma Post-Issue Statement of Financial Position which reflects the following assumptions and adjustments:

- (a) The holders of the unlisted staff options will not convert their holdings to fully paid shares before the Record Date;
- (b) All Entitlements are taken up, raising \$2,183,317 less \$25,000 expenses of the Issue;
- (c) \$200,000 in Director Related Loans drawn down since 30 June 2019 up to the date of this Prospectus are repaid in full from the proceeds of the Entitlement Offer.

STATEMENT OF FINANCIAL POSITION

	Notes	Audited 30 June 2019 \$	Unaudited Proforma Post-Issue \$
Assets			
Current Assets			
Cash and cash equivalents		126,237	2,284,554
Trade and other receivables		12,739	12,739
Total Current Assets		138,976	2,297,293
Non-Current Assets			
Exploration and evaluation assets		10,008,025	10,008,025
Total Non-Current Assets		10,008,025	10,008,025
Total Assets		10,147,001	12,305,318
Liabilities			
Current Liabilities			
Trade and other payables		86,815	86,815
Borrowings	1	-	-
Total Current Liabilities		86,815	86,815
Total Liabilities		86,815	86,815
Net Assets		10,060,186	12,218,503
Equity			
Issued capital		27,035,248	29,193,565
Reserves		529,302	529,302
Accumulated losses		(17,504,364)	(17,504,364)
Total Equity		10,060,186	12,218,503

Note 1: Borrowings of \$200,000 subsequent to 30 June 2019 are reflected as fully repaid from the proceeds of the Issue

5.4 Consequences of undersubscription

As set out in Section 6.5 of this Prospectus, the Directors and their associated entities intend to take up their full entitlement under this Offer, subject to the 3% Threshold provisions of the Corporations Act not being exceeded.

If the total funds raised from acceptances of Entitlements is less than the \$2,183,317 being sought in this Offer, the Company will have the ability to amend its expenditure budgets accordingly, while the Directors consider other options, which may include alternative equity raising opportunities.

SECTION 6 – DETAILS OF THE ENTITLEMENT OFFER

6.1 The Offer

This Prospectus invites all existing holders of ordinary shares in the Company to participate in a pro-rata non-renounceable Entitlement Offer of New Shares on the basis of 1 New Share for every 5 Shares held on the Record Date at an issue price of 20 cents per New Share. Fractional entitlements will be disregarded through rounding down.

The holders of 950,000 unlisted staff options to acquire shares in the Company will not be entitled to participate in the Offer in respect of their options. They can however exercise their options converting them to Shares before the Record Date.

Assuming the options are not exercised (for the reason set out below), the Entitlement Offer is for up to 10,916,587 New Shares and will raise, on a fully subscribed basis, up to \$2,183,317 before costs (estimated to be approximately \$25,000).

There is no minimum subscription.

It is assumed that existing option holders will choose not to exercise their options before the Record Date because the exercise price of the options exceeds the current market price of the Company's shares. However, were all the 950,000 outstanding options be exercised before the Record date and the resulting Entitlements to New Shares taken up, this would result in an additional 190,000 New Shares being issued and an additional \$551,000 being raised from the conversion of the options and the take up of the resulting Entitlements.

6.2 No Rights Trading

Entitlements to New Shares pursuant to the Entitlement Offer are non-renounceable and accordingly there will be no rights trading on the ASX.

6.3 Opening and Closing Dates

The Entitlement Offer will open for receipt of acceptances at 10.00 am WST on **Monday 2 December 2019** and will close at 5.00 pm WST on **Friday 13 December 2019**, or such later date not exceeding 3 months from the date of this Prospectus, as the Directors, in their absolute discretion and subject to compliance with the Listing Rules, may determine and provided that the Company gives the ASX notice of the change at least 3 Business Days prior to the Closing Date.

6.4 Not underwritten

The Offer is not underwritten.

6.5 Directors' Support of the Offer

Each of the Directors and their associated entities intend to take up their Entitlements under this Offer.

Entities associated with Directors N Tomkinson and J Pitt hold more than 19% of the shares in the Company and the number of New Shares they are able to take up pursuant to their Entitlement will not exceed the 3% Threshold in the takeover provisions of the Corporations Act (Section 611 Exemption 9) which restricts their voting power in the Company from increasing more than 3 percentage points in 6 months. The extent to which this restriction may apply depends on the extent to which shareholders other than entities associated with those directors take up their Entitlements.

6.6 Dilution

Shareholders should note that if they do not participate in the Offer their percentage holdings in the shares of the Company will be diluted (as compared to their holdings and the number of Shares on issue as at the Record Date). Examples of how

the dilution may impact Shareholders are set out in the table below:

Holder	Holding as at Record Date	% at Record Date	Entitlements under the Offer	Holdings if Offer not taken up	% Post Offer	Dilution %
Shareholder 1	2,500,000	4.58%	500,000	2,500,000	3.85%	16.0%
Shareholder 2	1,000,000	1.83%	200,000	1,000,000	1.53%	16.4%
Shareholder 3	500,000	0.92%	100,000	500,000	0.76%	16.5%
Shareholder 4	100,000	0.18%	20,000	100,000	0.15%	16.6%
Shareholder 5	50,000	0.09%	10,000	50,000	0.08%	16.7%
Shareholder 6	10,000	0.02%	2,000	10,000	0.02%	16.7%

Note: The Dilution % for each example shareholding in the table represents the maximum dilution based on the assumption that all Entitlements other than the Shareholder's are taken up.

6.7 Share Market Trading

The latest available market sale price of the Company's shares on the ASX on the day immediately before the announcement of the terms of the Entitlement Offer was 20 cents on 11 November 2019

The highest and lowest recorded sale prices of the Company's shares during the three months immediately preceding the announcement of this issue and the most recent dates respectively of those sales were:

Highest price:	20 cents	Date:	11 November 2019
Lowest price:	15 cents	Date:	24 September 2019

6.8 Entitlements and Acceptances

Your entitlement to New Shares is set out in the accompanying Entitlement and Acceptance Form.

The Entitlement Offer is non-renounceable and accordingly you may not dispose of any part of your entitlement.

The Entitlement Offer is made on the condition that the Company has the right to scale back any acceptances from a Shareholder that would result in that Shareholder being in breach of Section 606(1)(c) (20% Threshold) or Section 611(9) (3% Threshold) of the Corporations Act.

You may:

- Accept your entitlement in full – refer below; or
- Accept part of your entitlement and allow the balance to lapse – refer below; or
- Not accept any of your entitlement and allow it to lapse – refer below.

Acceptance of Entitlement in Full

If you wish to accept your entitlement in full, you should complete the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on the Form and submit your acceptance either electronically by BPAY® **no later than 3.00 pm WST on the Closing Date**, or, together with a cheque by mail, so that it is received at the Company's Share Registry **no later than 5.00 pm WST on the Closing Date**. If you are using BPAY® please note, as set out below, that you will need to allow time for your acceptance and remittance to be processed by the banking system.

Partial Acceptance of Entitlement

If you wish to accept part of your entitlement, you should complete the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on the Form for that part of your entitlement that you wish to accept and submit your acceptance either electronically by BPAY® **no later than 5.00 pm WST on the Closing Date**, or, together with a cheque, by mail, so that it is received by the Company's Share Registry **no later than 5.00 pm on the Closing Date**, If you are using

BPAY® please note, as set out below, that you will need to allow time for your acceptance and remittance to be processed by the banking system.

Non-Acceptance of Entitlement

If you do not wish to take up any part of your entitlement, you are not required to take any action.

Payment for Acceptances by cheque or BPAY®

Entitlements may be taken up by submitting the completed Entitlement and Acceptance Form together with your cheque or money order, made payable to "Red Hill Iron Limited" and crossed "Not Negotiable", to:

Security Transfer Australia
PO Box 52
Colin Street, West Vic 8007, Australia

to be received **no later than 5pm WST on the Closing Date**. Shareholders using this method of Acceptance are cautioned to make adequate allowance for delivery by mail particularly on account of the Christmas season.

Alternatively, entitlements may be taken up electronically using BPAY®, in which case you are not required to return the Entitlement and Acceptance Form. You can simply make payment for the total number of shares accepted by using the Biller Code and the personalised Reference Number set out on your Entitlement and Acceptance Form. You must ensure that acceptance and payment by BPAY® is received **no later than 3pm WST on the Closing Date**.

Instructions for payment using BPAY® are set out in your Entitlement and Acceptance Form. You should be aware that your own financial institution may impose earlier cut-off times with regard to electronic payments and you should therefore take this into consideration when making payment. It is the responsibility of the Eligible Shareholder to ensure that funds submitted through BPAY® are received by the Closing Date.

Enquiries

If you have any queries regarding your Entitlement or Acceptance of your Entitlement please contact the Company by telephone on (08) 9481 8627 (from New Zealand +61 8 9481 8627) or your stockbroker or professional adviser.

6.9 Undersubscriptions

Entitlements not taken up will lapse.

6.10 Issue and Allotment of New Shares

The New Shares are expected to be issued and allotted by no later than 20 December 2019 and holding statements will be despatched one business day after the issue. Until the issue and allotment of the New Shares under this Prospectus, the acceptance money will be held in trust in a separate bank account opened and maintained for that purpose only, as required by the Corporations Act. Any interest earned on the acceptance money will be for the benefit of the Company and will be retained by it irrespective of whether allotment of the New Shares takes place or not.

6.11 ASX Listing

The Company has made application to the ASX for the official quotation of the New Shares offered by this Prospectus. If approval is not granted by the ASX for the official quotation of the New Shares within three (3) months after the date of this Prospectus, the Company will not allot or issue any New Shares and will repay all application monies (where applicable) within the time prescribed under the Corporations Act 2001, without interest.

The fact that the ASX may grant official quotation of the New Shares is not to be taken in any way as an indication of the merits of the Company or the New Shares now offered for subscription.

6.12 CHESS System

The Company participates in the Clearing House Electronic Subregister System (**CHESS**). ASX Settlement and Transfer Corporation Pty Limited ACN 008 504 532 (**ASTC**), a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and Securities Clearing House Business Rules.

Under CHESS, Shareholders will not receive certificates for their New Shares but will receive a statement of their holdings indicating the allotment of their New Shares pursuant to their acceptance of the offer made under this Prospectus. Shareholders who are broker-sponsored will receive a CHESS statement from ASTC.

Shareholders registered under the Issuer Sponsored subregister will receive an Issuer Sponsored statement from the Company's Share Registry.

A CHESS statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any month in which the balance of their shareholding changes. Shareholders may also request a statement at any other time, although a charge may be made for this additional service.

6.13 Overseas Investors

This Prospectus does not constitute an offer in any overseas jurisdiction in which, or to any person to whom, it would not be lawful without satisfying regulatory compliance to make such an offer.

Given the cost of regulatory compliance in those overseas jurisdictions, it is not practicable to extend this offer to shareholders other than those with Australian and New Zealand registered addresses. Consequently no offer of entitlements will be made to shareholders with registered addresses outside Australia and New Zealand.

Entitlements to New Shares which Eligible Shareholders who are not residents of Australia and New Zealand would otherwise be entitled will lapse.

New Zealand shareholders

The New Shares are being offered to existing shareholders of the Company with registered addresses in New Zealand in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand).

Shareholders resident in New Zealand should consult their professional advisers as to whether any government or other consents are required, or other formalities need to be observed, to enable them to accept their entitlements under this Offer.

6.14 No issue of New Shares after the Expiry Date

No New Shares will be issued on the basis of this Prospectus later than the Expiry Date.

6.15 Ranking of New Shares

The New Shares will rank equally in all respects with the Company's existing issued fully paid ordinary shares. The Company currently has 54,582,936 fully paid ordinary shares on issue.

6.16 Dividend Policy

As the Company is an exploration company the Directors have not considered it necessary to formulate a dividend policy. A dividend policy will become appropriate in the event of the development of a cash flow which leads to trading profits.

6.17 Taxation Implications

The Directors do not consider that it is appropriate to give shareholders advice regarding the taxation implications of applying for New Shares under the Entitlement Offer. Neither the Company nor its advisers or Directors accept any responsibility or liability for any taxation consequences to shareholders. Shareholders should therefore consult their professional tax adviser in relation to any taxation implications of the Entitlement Offer which may be relevant to them.

SECTION 7 – INVESTMENT CONSIDERATIONS - RISKS

The shares offered pursuant to this Prospectus are speculative.

The value of the Company's shares can and does fluctuate depending on various factors including the general economic conditions in Australia, world-wide prices of metals and minerals, increases in operating costs in the Company's areas of operation and non-Australian factors which influence the Australian share market.

The ownership of the Company's shares involves certain risks and shareholders in doubt should consult their stockbroker or financial adviser for advice. Factors which in the opinion of the Directors should be taken into account include:

Equity Markets

The price of shares quoted for trading by the ASX is impacted by various international and domestic factors. As the Company is listed on the ASX, its share price is subject to these numerous influences that may reflect both the trends in the share market and the share prices of individual companies.

Government

In Australia, where the Company operates, Government policies are subject to review and change from time to time and the Company relies upon Government agencies promptly and favourably dealing with applications and consents. Such matters are likely to be beyond the control of the Company. Changes in community attitudes on matters such as taxation, environment and landholder issues may bring about reviews and possible changes in government policies and regulations. Any such government action or inaction may limit or prohibit operations or require increased capital or operating expenditure and could adversely impact the Company's business.

Taxation

The Company is subject to various forms of taxation in Australia. There is an ongoing risk that changes to taxation legislation or the interpretation or enforcement of taxation laws or regulations may adversely impact revenues, and therefore the financial performance of the Company.

Economic Conditions and Project Delays

Domestic and global economic conditions may affect Company performance. Factors such as inflation, interest rates, prices and availability of critical supplies, such as gas, oil, power and water may delay operations and impact upon operating costs and may adversely affect the prospects of the Company. The Company's future possible revenue and share price can be affected by these factors all of which are beyond the control of the Company and its Directors.

Contractual and Other Legal Risks

All permits and contracts entered into by the Company are subject to interpretation. There is no guarantee that the Company will be able to enforce all its presumed rights under its permits and contracts. The introduction of new legislation or amendments to existing legislation or changes in regulation or administrative practices by governments, developments in existing common law or civil law, or the interpretation of the legal requirements in any of the legal jurisdictions which govern the Company's operations or contractual obligations, could impact adversely on the assets and operations and therefore on the financial performance and share price of the Company.

Litigation Risk

Exposure to litigation brought by third parties such as joint venture participants, contractors, regulators, or employees could negatively impact on the Company and its operations and licences. Legal claims, if successful could adversely impact on the profits or financial position of the Company.

Exploration and Appraisal Risk

Potential investors should understand that mineral projects are high-risk undertakings. There can be no assurance that exploration of the Company's tenements will result in economic mineral reserves being discovered or subsequently developed. The estimated costs of the Company are based on certain assumptions. By their nature, these estimates and assumptions are subject to significant uncertainties and, as a result, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, factors which may materially and adversely affect the Company's viability.

Reserve and Resource Estimates

Reserve and resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, reserve and resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates may change, resulting in alterations to mining development plans which could, in turn, adversely affect the Company's operations.

Title Risks

Interests in tenements are governed by the granting of licences or leases by the appropriate government authorities. The conduct of operations and the steps involved in acquiring all licences and permits involve compliance with numerous procedures and formalities. It is not always possible to correctly interpret, or comply with, or obtain waivers from, all such requirements and it is not always clear whether requirements have been properly complied with, or that it is possible or practical to obtain evidence of compliance. In some cases, failure to follow such requirements or obtain relevant evidence may call into question the validity of the titles.

Speculative Nature of Investment

This list of risk factors is not exhaustive of the risks faced by the Company or by investors in the Company. Potential investors should also have regard to the Company's prior publications and announcements. The above factors, and others not referred to specifically above, may in the future materially affect the financial performance of the Company and the value of the shares offered under this document. Potential investors should treat the investment in the Company as speculative and should consult their stockbroker or professional advisers before deciding whether to apply for shares.

SECTION 8 – ADDITIONAL INFORMATION

8.1 Interests of Directors

Except as disclosed in this Prospectus, no Director (whether individually or in consequence of a Director's association with any company or firm or in any material contract entered into by the Company) has now, or has had, in the two year period ending on the date of this Prospectus, any interest in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or its promotion of the Entitlement Offer; or
- (c) the Entitlement Offer.

Except as disclosed in this Prospectus, no amounts of any kind (whether in cash or shares or otherwise) have been paid or agreed to be paid to any Director or to any company or firm with which a Director is associated to induce him or her to become, or to qualify as, a Director, or otherwise for services rendered by him or her or any company or firm with which the Director is associated in connection with the formation or promotion of the Company or this Entitlement Offer.

Directors' Shareholdings

Directors' interests in the share capital of the Company as at the date of this Prospectus are shown below:

Director	Ordinary Shares Fully Paid
J Pitt	10,729,355
N Tomkinson	7,409,663
G Strong	1,310,951
M Okeby	714,285

The relevant interest of Mr Tomkinson and Mr Pitt in the shares of the Company is their combined holding of 18,139,018 ordinary shares (33.23%).

The Directors do not hold any options to take up shares in the Company..

Directors' Remuneration

Details relating to the remuneration of Directors are set out in the Remuneration Report section of the Directors' Report and Note 15 of the Notes to the Financial Statements contained in the Company's 2019 Annual Report lodged with the ASX on 22 October 2019. There have been no changes to the level of Directors' remuneration since that date.

Director Related Loans

The Company has entered into loan agreements with companies associated with Directors Mr Neil Tomkinson and Mr Joshua Pitt whereby those companies have made available a loan facility totalling \$300,000 to the Company to enable the Company to meet its ongoing working capital requirements.

This facility consists of two unsecured short term loans of up to \$150,000 each bearing interest at 2.5% per annum, paid quarterly in arrears, and is otherwise on normal commercial terms and conditions. The loans are repayable by 1 October 2020.

No amount was drawn on the facility to 30 June 2019. \$200,000 has been drawn down as at the date of this Prospectus.

8.2 Interests of Named Persons

Except as disclosed in this Prospectus, no expert, or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of this Prospectus, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with, has now, or has had, in the two year period ending on the date of this Prospectus, any interest in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Entitlement Offer; or
- (c) the Entitlement Offer.

Except as disclosed in this Prospectus, no amounts of any kind (whether in cash or shares or otherwise) have been paid or agreed to be paid to any expert, or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of this Prospectus, or to any firm in which any of those persons is or was a partner or to any company in which any of those persons is or was associated with, for services rendered by that person in connection with the formation or promotion of the Company or offer of the securities.

8.3 Consent

HLB Mann Judd (HLB), the Company's auditor, consents to

- (a) being named in this Prospectus;
- (b) the distribution of electronic and paper copies of the Prospectus.

HLB has not authorised or caused the issue of the Prospectus and, to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any other part of the Prospectus.

HLB has not withdrawn this consent prior to lodgement of the Prospectus with ASIC.

8.4 Substantial Shareholders

As at the date of this Prospectus the following substantial shareholdings have been recorded:

Name	Shares Held	% of Issued Capital
Perth Capital Pty Ltd and associates	18,139,018	33.23%
Aquila Resources Pty Ltd, BT.X Pty Ltd, Penoir Pty Ltd	9,920,202	18.17%
Aigle Royal Superannuation Pty Ltd as trustee for the A Poli Superannuation Fund	4,834,187	8.86%
Brisbane Investments I Ltd and Brisbane Investments II Ltd	4,051,210	7.42%

8.5 Rights Attaching To Shares

Details of the rights attaching to the Company's shares are set out in Note 10 of the Notes to the Financial Statements in the Company's 2019 Annual Report lodged with the ASX on 22 October 2019, and in the Constitution of the Company, a copy of which can be inspected at the Company's registered office at Level 2, 9 Havelock Street, West Perth during normal business hours.

8.6 Corporate Governance

The Company has adopted comprehensive corporate governance policies. These policies are set out on the Company's website at: <http://www.redhilliron.com.au/CorpGov.htm>

SECTION 9 – DIRECTORS' RESPONSIBILITY STATEMENT AND CONSENTS

The Directors state that they have made all reasonable enquiries and on that basis have reasonable grounds to believe that no statements made by the Directors in this Prospectus are misleading or deceptive and that, in respect of any other statements made in this Prospectus by persons other than Directors, the Directors have made reasonable enquiries and on that basis have reasonable grounds to believe that the persons making the statement or statements were competent to make such statements, those persons have given their consent to the statements being included in this Prospectus in the form and context in which they are included and have not withdrawn that consent before lodgement of this Prospectus with ASIC, or, to the Directors knowledge, are not likely to withdraw such consent before any issue of New Shares pursuant to this Prospectus.

This Prospectus is prepared on the basis that certain matters may be reasonably expected to be known to likely investors or their professional advisers.

Each Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

Signed in accordance with a resolution of the Directors.

N Tomkinson
Chairman

Dated 22 November 2019

SECTION 10 - GLOSSARY OF DEFINED TERMS

"ASIC" means the Australian Securities and Investments Commission;

"ASTC" means ASX Settlement and Transfer Corporation Pty Ltd ACN 008 504 532;

"ASX" means ASX Limited as operator of the Australian Securities Exchange;

"Board" means the Board of Directors of the Company;

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

"CHESS" means the ASX's Clearing House Electronic Sub Register System;

"Closing Date" means 5.00pm WST on 13 December 2019 or such other date as may apply under terms hereof;

"Company" or "Red Hill Iron" means Red Hill Iron Limited ABN 44 114 553 392;

"Corporations Act" means the Corporations Act 2001 (Cth) as amended from time to time;

"Directors" means the directors of the Company;

"Director Related Loans" means loans advanced to the company by entities associated with directors N Tomkinson and J Pitt in terms of a facility described in Section 8.1 of the Prospectus;

"Entitlement" means the entitlement of an Existing Shareholder to apply for New Shares under the Entitlement Offer;

"Entitlement Offer" or "Offer" means the non-renounceable pro-rata offer pursuant to this Prospectus, of up to 10,916,587 New Shares on the basis of one New Share for every five Shares held on the Record Date, at an issue price of 20 cents per New Share, to raise up to \$2,183,317 before expenses of the Issue;

"Entitlement and Acceptance Form" or "Form" means the personalised Entitlement and Acceptance Form accompanying this Prospectus;

"Ex Date" means 27 November 2019 being the date from which Shares trade without the Entitlement;

"Existing Shareholder" means a shareholder of the Company whose details appear on the Company's register of shareholders at the Record Date;

"Eligible Shareholder" means an Existing Shareholder who is entitled to participate in the Entitlement Offer under the Listing Rules or other ASX requirements;

"Expiry Date" is the date 3 months after the date of this Prospectus;

"Issue" means the issue of New Shares pursuant to this Prospectus;

"Listing Rules" means the Listing Rules of the ASX;

"Lodgement Date" means the date of lodgement of the Prospectus with ASIC – that is 22 November 2019;

"New Shares" means the Shares to be issued pursuant to this Prospectus;

"Offer" means the offer of New Shares pursuant to this Prospectus;

"Official Quotation" means official quotation by ASX in accordance with the Listing Rules;

"Opening Date" means 10.00am WST on 2 December 2019 or such other date as may apply under the terms hereof;

"Prospectus" means this Prospectus dated 22 November 2019;

"Record Date" means 5.00pm WST on 28 November 2019;

"RHIOJV" means the Red Hill Iron Ore Joint Venture

"Share Registry" means Security Transfer Australia;

"Section" means a section of this Prospectus;

"Share" means a fully paid ordinary share in the capital of the Company;

"Shareholder" means a holder of ordinary shares in the Company;

"WST" means Australian Western Standard Time;

"\$" means Australian dollars unless otherwise stated.