



SHORT FORM PROSPECTUS

For a non-renounceable entitlement issue of up to 7,000,000 New Options on the basis of 1 New Option for every 3 Shares held by Shareholders as at 5.00pm (WDST) on 29 February 2008 at an issue price of 1 cent per New Option to raise up to \$70,000.

Important Information

This Prospectus is a short form prospectus issued in accordance with Section 712 of the Corporations Act 2001. This Prospectus does not of itself contain all the information that is generally required to be set out in a document of this type but refers to another document the information of which is deemed to be incorporated in this Prospectus.

The securities offered by this Prospectus should be considered as speculative.

Bathurst Holdings Ltd

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Important Notice

This Prospectus is dated 20 February 2008.

A copy of this Prospectus was lodged with ASIC on 20 February 2008. ASIC and ASX take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No New Options will be issued on the basis of this Prospectus later than thirteen (13) months after the date of this Prospectus.

No person is authorised to give information or make any representations in connection with this Prospectus which is not contained in this Prospectus. Applicants should read this document in its entirety and, if in any doubt, consult with their professional advisors before deciding whether to apply for New Options. There are risks associated with an investment in Bathurst Resources Ltd and the New Options offered under this Prospectus must be regarded as a speculative investment. The New Options offered under this Prospectus carry no guarantee with respect to return on capital investment, payment of dividends or the future value of the New Options.

Certain abbreviations and other defined terms are used throughout this Prospectus. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations used are set out in Section 13 of this Prospectus.

Short Form Prospectus

This Prospectus is a short form prospectus issued in accordance with Section 712 of the Corporations Act 2001. This means that this Prospectus does not of itself contain all the information that is generally required to be set out in a document of this type. Rather, the Prospectus incorporates by reference information contained in a document that has been lodged with the ASIC. Please refer to the Prospectus dated 12 November 2007 ("November 2007 Prospectus") for the offer of 15,000,000 Shares at an issue price of 20 cents each to raise a total of \$3,000,000 before costs. In referring to the November 2007 Prospectus, the Company:

- (a) identifies the November 2007 Prospectus as being relevant to the offer of New Options under this Prospectus and containing information that will provide investors and their professional advisers information to assist them in making an informed assessment of:
 - (i) the rights and liabilities attaching to:
 - (a) the New Options; and
 - (b) the underlying securities;
 - (ii) the capacity of the Company to issue the underlying securities; and
 - (iii) the assets and liabilities, financial position and performance, profits and losses and prospects of Bathurst;
- (b) refers investors and their professional advisers to Section 5 of this Prospectus which summarises the information in the November 2007 Prospectus deemed to be incorporated in this Prospectus;
- (c) informs investors and their professional advisers that they are able to obtain, free of charge, a copy of the November 2007 Prospectus by either emailing or writing to the Company at its registered office during normal business hours during the Offer Period, or by visiting the Company's website at www.bathurstresources.com.au; and
- (d) advises that the information in the November 2007 Prospectus will be primarily of interest to investors and their professional advisers or analysts.

SECTION 1 CORPORATE DIRECTORY

Board of Directors	:	John Hannaford (Chairman) Richard Monti Frank Ashe
Company Secretary	:	Morgan Barron
Registered Office	:	Level 2, 16 Altona Street West Perth WA 6005 T: (08) 9482 0500 F: (08) 9482 0505
Corporate Advisor	:	Ventnor Capital Pty Ltd Level 2 16 Altona Street West Perth WA 6005
Legal Advisers to the Company	:	Steinepreis Paganin Level 4, Next Building 16 Milligan Street Perth WA 6000
Independent Solicitor Reporting on the Tenements	:	Steinepreis Paganin Level 4, Next Building 16 Milligan Street Perth WA 6000
Independent Consulting Geologist	:	Malcolm Castle PO Box 473 South Perth WA 6951
Share Registry*	:	Security Transfer Registrars PO Box 535 Applecross WA 6953
Auditors	:	WHK Horwath Chartered Accountants Level 6, 256 St Georges Terrace Perth WA 6000
Stock Exchange*	:	Australian Securities Exchange (Home Exchange: Perth, Western Australia) Codes: BTU

*These parties have been included for information purposes only. They have not been involved in the preparation of this Prospectus.

SECTION 2 LETTER FROM THE BOARD OF DIRECTORS

20 February 2008

Dear Shareholder,

The Board is pleased to offer Shareholders the opportunity to participate in a 1 for 3 non-renounceable entitlement issue of Options, as foreshadowed in the Company's recent prospectus under which it raised \$3.0 million.

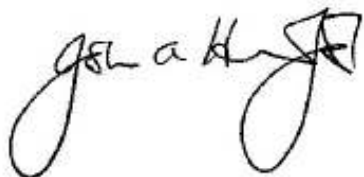
All Shareholders registered as at 5.00pm WDST on 29 February 2008 will be entitled to participate in a non-renounceable entitlement issue of New Options on the basis of 1 New Option for every 3 Shares then held. The options will be issued at 1 cent per option with an exercise price of 25 cent and an expiry date of 31 December 2010.

The Closing Date for acceptances is 5.00pm WDST on 25 March 2008.

The Board recommends all Shareholders take up their entitlement and advises that the Directors will take up their entitlement. Funds raised from the issue will be used for working capital purposes and to pay the expenses of the offer.

The Board takes this opportunity to thank all Shareholders for their support since listing and looks forward to your continued support in the future.

Yours faithfully,



John Hannaford
Chairman

SECTION 3 TIMETABLE AND IMPORTANT DATES

SUMMARY OF IMPORTANT DATES

Announcement of the issue	20 February 2008
Lodgement of Prospectus with ASIC	20 February 2008
Shares quoted on an "ex" basis	25 February 2008
Record Date for determining Entitlement	29 February 2008
Prospectus Dispatched to Shareholders	6 March 2008
Expected Closing Date *	25 March 2008
Deferred settlement trading begins	26 March 2008
Despatch holding statements	2 April 2008
Full quotation of Options	3 April 2008

The dates set out above are indicative only and may be subject to change.

* The Directors may extend the Closing Date by giving at least 6 Business Days notice to ASX prior to the Closing Date. As such, the date the New Options are expected to commence trading on ASX may vary.

SECTION 4 DETAILS OF THE OFFER

4.1 Purpose of the Offer

The funds raised by this Offer, together with the capital recently raised by the Company, will be utilised to explore the Company's portfolio of mineral exploration tenements and assess and if warranted acquire further resource projects.

4.2 The Offer

The Company is making a pro-rata non-renounceable entitlement issue to Shareholders who are registered at 5.00pm WDST on 29 February 2008 of up to 7,000,000 New Options at an issue price of 1 cent each to raise approximately \$70,000 (before costs of the Offer).

The New Options will be offered on the basis of one (1) New Option for every three (3) Shares then held. The terms and conditions of the Options are set out in Section 8 of this Prospectus.

In the calculation of any Entitlement, fractions will be rounded down to the nearest whole number.

4.3 Entitlement

The number of New Options to which each Shareholder is entitled ("Entitlement") is shown on the enclosed Acceptance Form. Your acceptance must not exceed your Entitlement as shown on that form. If it does, your acceptance will be deemed to be the maximum Entitlement.

Shareholders may accept their entitlement in full or part by returning a completed Acceptance Form to the Company's Share Registry by 5.00 pm WDST, on the Closing Date.

4.4 Minimum Subscription

There is no minimum subscription.

4.5 Oversubscriptions

Oversubscriptions will not be accepted.

4.6 Issue Price

The issue price is 1 cent for each New Option payable in full in Australian currency on the acceptance of the Offer as follows:

- Cheque drawn on and payable at any Australian bank;
- Money Order; or
- Bank draft drawn on and payable at any Australian bank.

SECTION 4

DETAILS OF THE OFFER CONTINUED

4.7 Acceptance

This Offer may be accepted in whole or in part. Acceptance and payment in full of 1 cent per New Option must be received before 5.00pm WDST on the Closing Date. Instructions for completion and lodgement of acceptances are set out on the back of the enclosed Acceptance Form.

4.8 Action Required

If you wish to take up all of your Entitlement, complete the enclosed Acceptance Form in accordance with the instructions set out and lodge the form together with your cheque for the amount shown on the form so that it reaches the Company's share registry by no later than 5.00pm WDST on the Closing Date:

Security Transfer Registrars
PO Box 535
Applecross WA 6953

Cheques and drafts should be made payable to "**Bathurst Resources Ltd – Option Issue A/C**" and crossed "Not Negotiable".

If you wish to take up part of your Entitlement, complete the enclosed Acceptance Form in respect of the New Options you wish to take up in accordance with the instructions set out in the form and lodge the form together with your cheque for the relevant amount (being the number of New Options you wish to take up multiplied by 1 cent per New Option) so that it reaches the Company's share registry by no later than 5.00pm WDST on the Closing Date.

If you do not wish to take up any of your Entitlement, you do not need to take any action and your Entitlement to the New Options will lapse.

The Offer is non-renounceable so that a holder of Shares may not sell or transfer all or part of their Entitlement.

4.9 Underwriting

This Offer is not underwritten.

4.10 Shortfall

If any Shortfall remains after Shareholders have taken up their Entitlement, the Directors reserve the right pursuant to Listing Rule 7.2 (exception 3) to place any Shortfall with parties selected by them.

The offer of any Shortfall is a separate offer made pursuant to this Prospectus and will remain open for up to 3 months following the Closing Date. The issue price of any Shortfall shall be \$0.01 per New Option being the price at which the Entitlement has been offered to Shareholders pursuant to this Prospectus.

New Options not taken up by Shareholders will not be placed to the Directors or any associates of the Directors.

4.11 Allotment

The New Options will be allotted and issued as soon as practicable after the Closing Date. Where the number of New Options issued is less than the number applied for, or where no allotment is made, surplus application monies will be refunded without any interest to the applicant as soon as practicable after the Closing Date.

Statements of holding for the New Options will be mailed as soon as possible after the Closing Date. Pending the allotment and issue of the New Options or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

No New Options will be allotted and issued on the basis of this Prospectus later than thirteen (13) months after the date of this Prospectus.

4.12 Stock Exchange Quotation

Application for official quotation of the New Options by the ASX will be made by the Company within seven (7) days of the date of this Prospectus. If approval is not obtained from ASX before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any New Options and will repay all application monies for the New Options within the time prescribed under the Corporations Act, without interest.

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

4.13 Overseas Shareholders

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Options these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Options will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

Shareholders resident in New Zealand should consult their professional advisors as to whether any government or other consents are required, or other formalities need to be observed, to enable them to exercise their Entitlements under the Offer.

SECTION 4

DETAILS OF THE OFFER CONTINUED

4.14 Clearing House Electronic Sub-Register System ("CHESS") and Issuer Sponsorship

The Company will not be issuing option certificates. The Company will apply to ASX to participate in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of New Options allotted to them under this Prospectus. The notice will also advise holders of their Holder Identification Number (HIN) and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders in circumstances in which there have been any changes in their security holding in the Company during the preceding month.

4.15 Privacy

If you complete an application for New Options, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a shareholder, facilitate distribution payments and corporate communications to you as a shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (as amended), the Corporations Act and certain rules such as the ASTC Settlement Rules. You should note that if you do not provide the information required on the application for New Options, the Company may not be able to accept or process your application.

4.16 Enquiries

If you have any questions concerning your entitlement, please contact the Company Secretary, Morgan Barron on (08) 9482 0500, or fax (08) 9482 0505 or contact your professional adviser.

SECTION 5

INFORMATION DEEMED TO BE INCORPORATED IN THIS PROSPECTUS

5.1 Short Form Prospectus

This Prospectus is a short form prospectus issued in accordance with Section 712 of the Corporations Act 2001. This means that this Prospectus does not of itself contain all the information that is generally required to be set out in a document of this type, however it incorporates by reference information contained in a document that has been lodged with the ASIC.

The information to be incorporated by reference into this Prospectus is summarised below and will primarily be of interest to investors and their professional advisers or analysts.

The Company informs investors and their professional advisers that they are able to obtain, free of charge, a copy of the November 2007 Prospectus by contacting the Company at its registered office during normal business hours during the Offer Period. The November 2007 Prospectus will also be available by searching ASIC's records in relation to Bathurst, or by visiting the Company's website at www.bathurstresources.com.au.

Summary of Information Deemed to be Incorporated

Set out below is a summary of the information contained in the November 2007 Prospectus that is deemed to be incorporated in this Prospectus to assist investors and their professional advisers to determine whether, for the purposes of making an informed investment decision in relation to the New Options, they should obtain a copy of the November 2007 Prospectus.

The Sections referred to below are a reference to sections in the November 2007 Prospectus.

Section 3 – Company and Project Review

This section contains a summary of the right to earn up to 75% of the Mount Clifford Project acquired by Bathurst.

Section 4 - Board and Corporate Governance

Section 4 contains information relating to each of the three Directors of the Company and the Company Secretary and also refers to the Corporate Governance policies adopted by the Board.

Section 5 - Risk Factors

Section 5 notes that an investment in Bathurst has risks reasonably expected of an investment in a business of its type. It details a number of factors that may impact on the success and future profitability of Bathurst. The factors referred to are mineral industry risks such as exploration and development risks, operational risks, resources estimates, payment obligations, commodity price volatility, title, native title, environmental and other generic risks such as joint venture partners, agents and contractors, economic risks, market conditions, security investments, future capital requirements, limited history, policies and legislation and investment speculative.

SECTION 5 INFORMATION DEEMED TO BE INCORPORATED IN THIS PROSPECTUS CONTINUED

Section 6 - Independent Consulting Geologist's Report

Section 6 consists of the report prepared by the Independent Geologist dated 18 October 2007, Malcolm Castle. The report details the location and access, geological setting, history of exploration and exploration potential of the tenements comprising the Mount Clifford Project. The Report also sets out details of proposed exploration programs on the mining exploration tenements of the Mt Clifford Project.

Section 7 - Solicitor's Report on Tenements

Section 7 consists of a report prepared by Steinepreis Paganin dated 9 November 2007, on the mining tenements in which an interest may be earned by Bathurst. The report details the titleholders of the mining tenements and the agreements entered into by the Company with various parties. The report also details contracts entered into by the Company that have been identified as material and relevant to potential investors.

Section 8 - Investigating Accountant's Report

Section 8 comprises the Investigating Accountant's Report prepared by WHK Horwath, dated 12 November 2007. The report was included in the November 2007 Prospectus to assist investors and their financial advisers in making an assessment of the financial position of the Company.

Section 9 - Financial Information

Section 9 contains the audited balance sheet of the Company as at 31 October 2007 and pro-forma balance sheet as at that date reflecting the position of the Company on the basis that various transactions, including the issue of all the Shares offered under the November 2007 Prospectus, and the estimated expenses associated with the preparation, sponsorship and issue of the November 2007 Prospectus, have been completed.

Section 10 - Additional Statutory and Other Information

Section 10 sets out additional information required to be disclosed in the Prospectus including:

- Rights Attaching to Shares;
- Holdings of Directors;
- Directors' and Experts' Interest;
- Material Contracts;
- Details of the Consents of persons to be named in the November 2007 Prospectus;
- Litigation;
- Expenses of the Offer;
- Dividends.

SECTION 6 COMPANY OVERVIEW

6.1 Overview and Reference to November 2007 Prospectus

A comprehensive overview of the Company is set out in the November 2007 Prospectus that was lodged with ASIC on 12 November 2007 for the initial public offering of 15,000,000 Shares. Persons considering subscribing for New Options under this Prospectus should refer to Section 5 of this Prospectus for a summary of the information contained in the November 2007 Prospectus deemed to be incorporated in this Prospectus.

As detailed in Section 6 of the November 2007 Prospectus, Bathurst had proposed an exploration budget of \$1,635,000 over 24 months on the Mt Clifford project.

The actual manner in which the exploration expenditure is incurred may vary having regard to numerous factors, including the results of ongoing exploration activities and other matters as outlined in Section 6 of the November 2007 Prospectus.

On 13 December 2007, the Directors resolved to allot and issue 15,000,000 Shares at an issue price of 20 cents each pursuant to applications received under the November 2007 Prospectus. On 14 December 2007 approval for ASX listing was granted with official quotation of its shares commencing on 19 December 2007.

The Company now has 21,000,000 Shares on issue and 4,750,000 unlisted options exercisable at 25 cents on or before 31 December 2010 (250,000 these options are in escrow until 13 December 2008 and 4,500,000 of these options are in escrow until 19 December 2009). These option issues were approved by shareholders on 5 December 2007.

Under the ASX Listing Rules, 4,499,998 Shares were subject to escrow restrictions. Accordingly, the Company's share registry has implemented holding locks on the relevant holdings and will not release them without ASX approval. The numbers and periods of escrow are as follows:

- 1,350,000 Shares for 12 months from 31 October 2007
- 3,149,998 Shares for 24 months from 19 December 2007

The balance of the issued capital of the Company, being 16,500,002 Shares, are quoted on ASX.

6.2 Other Circumstances or Matters subsequent to November 2007 Prospectus

Other than as stated in this Prospectus, the Company is not aware of any material matter or circumstance that would impact on the contents of the November 2007 Prospectus or the activities and prospects of the Company and be relevant to assist investors or their professional advisers making an informed assessment of relevant matters.

SECTION 7 EFFECT OF THE ENTITLEMENT ISSUE ON THE COMPANY

7.1 Purpose of the Offer and Use of the Funds Raised

Under the Offer, up to 7,000,000 New Options are available for issue and will be issued if the Offer is fully subscribed (either by Shareholders accepting the Offer under this Prospectus or pursuant to the Directors' discretion to place any shortfall referred to in Section 4 of this Prospectus).

After expenses of the Offer, the proceeds from the issue of New Options will be approximately \$60,000 (assuming that the Offer is fully subscribed). These funds will be applied to the general working capital requirements of the Company.

The proceeds of the Offer will be used as follows (assuming full subscription):

Use of Funds	Full Subscription
Additional working capital	\$70,000
Costs of the Offer	(\$10,000)
Total proceeds	\$60,000

If less than the full subscription is received, the funds will be applied firstly to the costs of the Offer and then to the Company's working capital.

7.2 Pro-forma balance sheet

Set out below is a reviewed but unaudited pro forma Balance Sheet of the Company as at 31 December 2007 taking into account the effect of the Offer. It is based on the reviewed (unaudited) balance sheet of the Company as at 31 December 2007. The pro forma Balance Sheet illustrates the effect of the Offer as if the issue of all 7,000,000 New Options had occurred on 31 December 2007.

The financial information is presented in abbreviated form and does not contain all the disclosures that are usually provided in an annual report prepared in accordance with the Corporations Act.

The 31 December 2007 balance sheet has been reviewed by WHK Horwath in accordance with the requirements of the Corporations Act 2001.

	Reviewed (Unaudited) as at 31 December 2007 \$	Pro-forma as at 31 December 2007 \$
ASSETS		
Current assets		
Cash and cash equivalents	(a) 3,238,597	3,298,597
Trade and other receivables	5,887	5,887
Total current assets	3,244,484	3,304,484
Non-current assets		
Exploration and evaluation expenditure	34,993	34,993
Total non-current assets	34,993	34,993
TOTAL ASSETS	3,279,477	3,339,477

SECTION 7 EFFECT OF THE ENTITLEMENT ISSUE ON THE COMPANY CONTINUED

7.2 Pro-forma balance sheet continued

	Reviewed (Unaudited) as at 31 December 2007 \$	Pro-forma as at 31 December 2007 \$
LIABILITIES		
Current liabilities		
Trade and other payables	259,920	259,920
Total current liabilities	259,920	259,920
TOTAL LIABILITIES	259,920	259,920
NET ASSETS	3,019,557	3,079,557
EQUITY		
Issued capital	(b) 2,753,217	2,743,217
Reserves	(c) 459,803	529,803
Accumulated losses	(193,463)	(193,463)
TOTAL EQUITY	3,019,557	3,079,557

The effects of the Offer illustrated in the pro-forma balance sheet above are explained as follows:

- (a) an increase in cash reserves of \$60,000 (assuming full subscription);
- (b) a reduction in issued capital of \$10,000. This represents the cost of raising capital, which has been set off from issued capital; and
- (c) an increase in the options reserve of \$70,000.

7.3 Effect of the Offer

The principal effect of the Offer will be to:

- (a) increase cash reserves by \$60,000 after deducting estimated expenses of the Offer and assuming all New Options offered under this Prospectus are issued; and
- (b) increase the number of Options on issue from 4,750,000 at the date of this Prospectus to up to 11,750,000 Options.

Upon completion of the Offer, the issued capital of the Company will comprise 21,000,000 Shares and 11,750,000 Options (assuming the Offer is fully subscribed).

SECTION 8 TERMS AND CONDITION OF NEW OPTIONS AND RIGHTS ATTACHING TO SHARES

8.1 Terms and Conditions of New Options

The New Options will entitle the holders to subscribe for fully paid ordinary shares in the Company on the following terms:

- 8.1.1 Each Option entitles the holder to acquire one fully paid ordinary share in the Company.
- 8.1.2 The Options may be exercised at any time until 31 December 2010. Each Option may be exercised by forwarding to the Company at its principal office the exercise notice, duly completed together with payment of the sum of twenty five cents (25c) per Option exercised (subject to the Company's share price at the time of the entitlement offer). The Options will lapse at 5pm WST on 31 December 2010.
- 8.1.3 The Options may be transferred by an instrument (duly stamped where necessary) in the form commonly used for transfer of Options at any time until 31 December 2010. This right is subject to any restrictions on the transfer of an Option that may be imposed by ASX in circumstances where the Company is listed on ASX.
- 8.1.4 Optionholders shall be permitted to participate in new issues of securities on the prior exercise of options in which case the Optionholders shall be afforded the period of at least five (5) business days prior to and inclusive of the record date (to determine entitlements to the issue) to exercise the Option.
- 8.1.5 Shares issued on the exercise of Options will be issued not more than fourteen (14) days after receipt of a properly executed exercise notice and application monies. Shares allotted pursuant to the exercise of an Option will rank equally with the then issued ordinary shares of the Company in all respects. If the Company is listed on ASX it will, pursuant to the exercise of an Option, apply to ASX for Quotation of the Shares issued as a result of the exercise, in accordance with the Corporations Act and the Listing Rules.
- 8.1.6 In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company, all rights of the option holder will be changed to the extent necessary to comply with the Listing Rules applying to the reconstruction of capital at the time of the reconstruction.
- 8.1.7 If there is a bonus issue to shareholders, the number of shares over which the Option is exercisable may be increased by the number of shares which the holder of the Option would have received if the Option had been exercised before the record date for the bonus issue.
- 8.1.8 In the event that a pro rata issue (except a bonus issue) is made to the holders of the underlying securities in the Company, the exercise price of the Options may be reduced in accordance with Listing Rule 6.22.

SECTION 8 TERMS AND CONDITION OF NEW OPTIONS AND RIGHTS ATTACHING TO SHARES CONTINUED

8.2 Rights attaching to Shares upon Conversion of New Options

Full details of the rights attaching to Shares are set out in the Company's Constitution a copy of which can be inspected, free of charge, at the Company's registered office during normal business hours.

The following is a broad summary of the rights, privileges and restrictions attaching to all Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders.

All Shares issued pursuant to this Prospectus will from the time they are issued, rank *pari passu* with all the Company's existing Shares.

Voting Rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares (at present there are none), at meetings of shareholders of Bathurst:

- a) each shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- c) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the Share, but in respect of partly paid Shares, shall have such number of votes as bears the same proportion which the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited).

Rights on Winding Up

Subject to the rights of holders of shares with special rights in a winding up (at present there are none), on a winding up of the Company all assets that may be legally distributed among members will be distributed in proportion to the number of fully paid shares held by them (and a partly paid share is counted as a fraction of a fully paid share equal to the amount paid on it, divided by the total issue price of the share).

Transfer of Shares

Subject to the Constitution of the Company, the Corporations Act 2001, and any other laws and ASTC Settlement Rules and ASX Listing Rules, Shares are freely transferable.

SECTION 8 TERMS AND CONDITION OF NEW OPTIONS AND RIGHTS ATTACHING TO SHARES CONTINUED

8.2 Rights attaching to Shares upon Conversion of New Options Continued

Future Increases in Capital

The allotment and issue of any Shares is under the control of the Directors. Subject to restrictions on the allotment of Shares to Directors or their associates, the ASX Listing Rules, the Constitution of the Company and the Corporations Act 2001, the Directors may allot or otherwise dispose of Shares on such terms and conditions as they see fit.

Variation of Rights

Under the Corporations Act 2001, the Company may, with the sanction of a special resolution passed at a meeting of shareholders vary or abrogate the rights attaching to shares. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of the issue of the shares of that class), whether or not the Company is being wound up may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

Dividend Rights

Subject to the rights of holders of shares issued with special, preferential or qualified rights (at present there are none), the profits of the Company which the Directors determine to distribute by way of dividend are divisible among the Shareholders in proportion to the number of Shares held by them.

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SECTION 9 ADDITIONAL INFORMATION

9.1 Market Prices of Ordinary Shares

Official quotation of the Company's Shares commenced on 19 December 2007 and consequently, the trading history on ASX as at the date of this Prospectus is limited to that period.

The highest and lowest recorded market sale prices of the Company's Shares quoted on ASX during the period from commencement of official quotation to the date of this Prospectus were 27 cents on 21 December 2007 and 16 cents on 5 February 2008 respectively. The last market sale price of the Company's Shares on ASX on the last day that trading took place in these shares prior to the date of this Prospectus was 18 cents on 15 February 2007.

The Company has no options that are currently quoted on ASX.

9.2 Taxation

It is the responsibility of all persons to satisfy themselves of the particular taxation treatment that applies to them by consulting their own professional tax advisers before investing in the New Options. Taxation consequences will depend on particular circumstances. Neither Bathurst nor any of its officers accept any liability or responsibility in respect of the taxation consequences of the matters referred to above or any other taxation consequences connected with an investment in the New Options in Bathurst or dealing with an Entitlement under this Offer.

9.3 Legal Proceedings

There is no litigation, arbitration or proceedings pending against or involving the Company as at the date of this Prospectus.

9.4 Continuous Disclosure and Documents Available for Inspection

The Company is listed on ASX and its Shares are quoted on ASX under the code BTU.

The Company is a "disclosing entity" for the purposes of the Corporations Act 2001. As such, it is subject to regular reporting and disclosure obligations. As a listed company, the Company is subject to the Listing Rules that require it to immediately notify ASX of 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 securities of the Company.

Copies of documents lodged with the ASIC in relation to the Company may be obtained from or inspected at, an office of the ASIC. This includes the November 2007 Prospectus referred to in Section 5 of this Prospectus.

The Company will provide a copy of all documents used to notify the ASX of information relating to the Company under the provisions of the Listing Rules since official quotation on 14 December 2007. As at the time of lodging this Prospectus the only such documents were:

SECTION 9 ADDITIONAL INFORMATION CONTINUED

9.4 Continuous Disclosure and Documents Available for Inspection Continued

Date	Announcement
15/02/2008	Half Year Accounts
31/01/2008	Quarterly Activities and Cashflow Report
20/12/2007	Change of Director`s Interest Notice
20/12/2007	Becoming a substantial holder
20/12/2007	Becoming a substantial holder
20/12/2007	Initial Director`s Interest Notice
14/12/2007	Distribution Schedule
14/12/2007	Statement of shares in Escrow
14/12/2007	Options Terms of Issue
14/12/2007	Progress Report
14/12/2007	Results of Meeting
14/12/2007	Top 20 shareholders
14/12/2007	ASX Circular: Pre-Quotation Disclosure
14/12/2007	Appendix 1A - ASX Listing application and agreement
14/12/2007	Constitution
14/12/2007	ASX Circular: Commencement of Official Quotation
14/12/2007	Admission to Official List

ASX maintains files containing publicly available information for all listed companies on its website (www.asx.com.au). The Company's announcements can be viewed on this site.

9.5 Interests of Directors and Experts

A full disclosure of the interests of Directors, Experts and Promoters of and to the Company for the period commencing on incorporation of the Company and to the date of issue of the November 2007 Prospectus are set out in Section 10 of the November 2007 Prospectus. Other than as set out below or elsewhere in this Prospectus, that information and disclosure remains current. The interests of the Directors in the securities of the Company as at the date of this Prospectus are as follows:

Directors	Shares #	Options #
John Hannaford	1,395,000	1,600,000
Richard Monti	1,355,000	1,600,000
Frank Ashe	200,000	500,000

All Directors have stated that they intend to take up their full Entitlement under the Offer.

Ventnor Capital Pty Ltd, a company controlled by John Hannaford and Richard Monti and of which both John Hannaford and Richard Monti are directors and shareholders will be involved in preparing this prospectus will paid approximately \$6,000 for services in relation to this Prospectus.

Steinepreis Paganin will be paid approximately \$2,000 for services in relation to this Prospectus.

SECTION 9 ADDITIONAL INFORMATION CONTINUED

9.6 Expenses of the Offer

The total expenses of the Offer are estimated to be approximately \$10,000 comprising ASIC Lodgement fees, legal and due diligence costs and printing and other administrative expenses, including ASX quotation fees.

9.7 Electronic Prospectus

Pursuant to Class Order 00/044, the ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the relevant Application Forms. If you have not, please contact the Company and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus or both.

The Company reserves the right not to accept an Entitlement and Acceptance Form from a person if it has reason to believe that when that person was given access to the electronic version of the form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

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SECTION 10 MATERIAL CONTRACTS

Section 10.4 of the November 2007 Prospectus which is referred to in Section 5 of this Prospectus, set out contracts to which the Company is a party which were considered by the Directors as being material to enable investors to make an informed assessment of the shares being offered under that Prospectus. Investors and their professional advisers are referred to those sections of the November 2007 Prospectus in relation to material contracts.

A true copy of each of the material contracts referred to in the November 2007 Prospectus will be available for inspection at the Company's registered office during office hours.

SECTION 11 CONSENTS

Persons who make statements in this Prospectus or who made statements in the November 2007 Prospectus which are being incorporated by reference into this Prospectus need to provide their written consent for such use.

Each of the parties referred to in this Section 11:

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

WHK Horwath has given its written consent in relation to the Investigating Accountant's Report in Section 8 of the November 2007 Prospectus and the reference to that report in this Prospectus and has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC. WHK Horwath has not authorised or caused the issue of any other part of this Prospectus.

Steinepreis Paganin has given its written consent in relation to the Solicitor's Report set out in Section 7 of the November 2007 Prospectus and the reference to that report in this Prospectus and has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC. Steinepreis Paganin have also consented to be named in this Prospectus as solicitors to the Company. Steinepreis Paganin has not authorised or caused the issue of any other part of this Prospectus.

Malcolm Castle has given its written consent in relation to the Independent Geologist's Report set out in Section 6 of the November 2007 Prospectus and the reference to that report in this Prospectus and has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC. Malcolm Castle has not authorised or caused the issue of any other part of this Prospectus.

WHK Horwath has given its written consent to being named as Auditor to the Company in this Prospectus and to the inclusion of the reviewed balance sheet at Section 7.2 of this Prospectus. WHK Horwath has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC. WHK Horwath has not authorised or caused the issue of any other part of this Prospectus.

Steinepreis Paganin has given its written consent to being named as Solicitors to the Company in this Prospectus and has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC. Steinepreis Paganin has not authorised or caused the issue of any other part of this Prospectus.

Ventnor Capital has given its written consent to being named as Corporate Advisor to the Company in this Prospectus and has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC. Ventnor Capital has not authorised or caused the issue of any other part of this Prospectus.

None of the entities referred to in this Section 11 have authorised or caused the issue of this Prospectus and do not accept any liability to any persons in respect of any false or misleading statement in, or omission from, any part of this Prospectus.


SECTION 12 AUTHORITY OF DIRECTORS

The Directors state that they have made all reasonable enquiries and on that basis have reasonable grounds to believe that any statements made by the Directors in this Prospectus are not misleading or deceptive and that in respect to 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 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 the ASIC, or to the Directors knowledge, before any issue of Shares pursuant to this Prospectus.

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

Each of the Directors of Bathurst Resources Ltd has consented to the lodgement of this Prospectus in accordance with Section 720 of the Corporations Act 2001 and has not withdrawn that consent.

Dated the 20th day of February 2008.

A handwritten signature in black ink, appearing to read 'John Hannaford', with a stylized flourish at the end.

Signed for and on behalf of
BATHURST RESOURCES LTD
By **John Hannaford (Chairman)**

SECTION 13

DEFINITIONS

Acceptance Form means the entitlement and acceptance form enclosed with this Prospectus.

Applicant means a person who submits an Application.

Application means a valid application to subscribe for New Options.

ASIC means Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691).

Auditors means WHK Horwath.

Board means the board of Directors unless the context indicates otherwise.

Business Day means a day other than a Saturday or Sunday on which banks are open for business in Perth, Western Australia.

CHES means ASX Clearing House Electronic Subregistry System.

Closing Date means the date on which the Offer closes.

Company and **Bathurst** means Bathurst Resources Ltd (ABN 93 125 679 469).

Corporations Act 2001 and Law means the Corporations Act 2001 of Australia.

Directors mean the directors of the Company from time to time.

Dollars or \$ means Australian dollars unless otherwise stated.

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Offer.

Glossary means this glossary.

Investigating Accountant means WHK Horwath.

Investigating Accountant's Report means the report contained in Section 8 of the November 2007 Prospectus.

Independent Consulting Geologist means Malcolm Castle.

Independent Consulting Geologist's Report means the report contained in Section 6 of the November 2007 Prospectus.

Listing Rules or ASX Listing Rules means the official Listing Rules of ASX.

Mt Clifford Project means the tenements set out in the schedule to the Solicitor's Report on Tenements in Section 7 of the November 2007 Prospectus.

New Option means an option to subscribe for one Share in Bathurst exercisable at 25 cent on or before 5:00pm WDST on 31 December 2010 and issued on the terms and conditions set out in this Prospectus.

SECTION 13

DEFINITIONS CONTINUED

November 2007 Prospectus means the prospectus lodged by the Company with the ASIC and dated 12 November 2007.

Offer means a pro-rata non-renounceable entitlement issue of up to 7,000,000 New Options on the basis of 1 New Option for every 3 Shares held by Shareholders who are registered at 5.00pm WDST on 29 February 2008 at an issue price of 1 cent each to raise up to \$70,000.

Offer Period means the period commencing on the Opening Date and ending on the Closing Date.

Official List means the Official List of ASX.

Opening Date means the date on which the Offer opens.

Option means an option to acquire Shares.

Option Holders means those parties holding Options.

Prospectus means this prospectus dated 20 February 2008 for the issue of up to 7,000,000 New Options, including any electronic or online version.

Quotation and Official Quotation means official quotation on ASX.

Share means 1 fully paid ordinary share in the Company.

Shareholder means a holder of Shares.

Shortfall means the number of New Options comprising the difference between the New Options, the subject of the Offer, and the number of New Options for which valid Applications have been received and accepted by the Company by the Closing Date.

WDST means Western Daylight Savings Time, Perth, Western Australia.

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