



MILLENNIUM

MINERALS LIMITED

ABN 85 003 257 556

15 December 2009

Manager Company Announcements
Company Announcements Office
Australian Securities Exchange Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000

Via Electronic Lodgement

Dear Sir/Madam,

RIGHTS ISSUE

Millennium Minerals Limited (ASX: MOY) ("the Company") is pleased to advise that it has today lodged a Prospectus for the pro-rata non-renounceable Rights Issue with the Australian Securities & Investment Commission ('ASIC'). A copy of the Prospectus is attached to this announcement, with the related Appendix 3B lodged separately today.

The key features of the Rights Issue are detailed in the attached Prospectus. The indicative dates for the Rights Issue are as follows:

Event	Date
Lodgement of Appendix 3B with ASX	15 December 2009
Lodgement of Prospectus with the ASIC and ASX	15 December 2009
Notice containing Appendix 3B information sent to Shareholders	16 December 2009
Ex date	24 December 2009
Record Date for Determining Entitlements	24 December 2009
Prospectus despatched to Shareholders	4 January 2010
Closing Date* 5.00 pm (WST)	4 February 2010
Securities quoted on a deferred settlement basis	5 February 2010
Despatch of holding statements	25 February 2010
Date of quotation of Securities issued under the Rights Issue*	25 February 2010

* 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 Securities are expected to commence trading on ASX may vary.

The Directors commend this Rights Issue to Shareholders.

Yours faithfully,
Millennium Minerals Limited

Mark Killmier
Company Secretary

MILLENNIUM

MINERALS LIMITED

ACN 003 257 556

PROSPECTUS

for

A pro rata non-renounceable entitlement issue of 2 new shares and 1 Option for each 8 Shares held at an issue price of 4.5 cents per new share ("Rights Issue")

The Rights Issue closes at 5.00 pm WST on 4 February 2010.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter then you should consult your stockbroker, accountant or other professional adviser.

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

1. CORPORATE DIRECTORY

Directors

Peter Rowe, Non-Executive Director
Clive Donner, Non Executive Director
Ross Gillon, Non Executive Director
Simon Durack, Non-Executive Director

Secretary

Mark Killmier

Registered and Principal Office

Ground Floor 17 Ord Street
WEST PERTH WA 6005 Australia
T: +61 (0) 8 9216 9011
F: +61 (0) 8 9481 0288
E: info@millenniumminerals.com.au
W: www.millenniumminerals.com.au

Share Registry *

Advanced Share Registry
150 Stirling Highway
NEDLANDS WA 6009 Australia
T: +61 (0) 8 9389 8033
F: +61 (0) 8 9389 7871

Auditor

Rothsay Chartered Accountants
Level 1
2 Barrack Street
SYDNEY NSW 2000

ASX Code:

Ordinary shares **MOY**

* This entity has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus. Their name is included for information purposes only.

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2. DATES

The following key dates are indicative only:

Event	Date
Lodgement of Appendix 3B with ASX	15 December 2009
Lodgement of Prospectus with the ASIC and ASX	15 December 2009
Notice containing Appendix 3B information sent to Shareholders	16 December 2009
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* 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 Securities are expected to commence trading on ASX may vary.

3. IMPORTANT NOTES AND STATEMENTS

Shareholders should read this document in its entirety and, if in doubt, should consult their professional advisors.

This Prospectus is dated 15 December 2009 and was lodged with ASIC on that date. ASIC takes no responsibility for the contents of this Prospectus.

No New Shares will be allotted or issued on the basis of this Prospectus later than 13 months after the date of issue of this Prospectus. New Shares allotted or issued pursuant to this Prospectus will be allotted or issued on the terms and conditions set out in this Prospectus.

Applicants should read the entire Prospectus and if in any doubt should seek professional advice from an accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest.

Certain terms and abbreviations used in this Prospectus have defined meanings, which are explained in Section 7 of this Prospectus

This Prospectus is an offer of continuously quoted securities of a corporation. This Prospectus contains all the information investors and their professional advisers would reasonably require to make an informed assessment of:

- (a) the effect of the offer on the company and the rights; and
- (b) liabilities attaching to the shares offered.

As a disclosing entity for the purposes of the Corporations Act, the Company is subject to regular reporting and disclosure obligations. Copies of documents lodged with ASIC in relation to the Company may be obtained from or inspected at an ASIC office.

The Company will make available to persons who request the following documents:

- (a) the annual financial report most recently lodged with ASIC by the Company;

- (b) any half year financial report lodged with ASIC by the Company after the lodgement of the annual financial report and before the lodgement of the copy of this Prospectus with ASIC; and
- (c) any continuous disclosure notices given by the Company after the lodgement of the annual financial report and before the lodgement of the copy of this Prospectus with ASIC.

RISK FACTORS

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus. For further information in relation to the risk factors of the Company please refer to Section 8 of this Prospectus.

ELECTRONIC PROSPECTUS

This Prospectus will be issued as an Electronic Prospectus in relation to the Shortfall. The Prospectus will be available on the Company's website at www.millenniumminerals.com.au. The offer of New Shares comprising the Shortfall pursuant to an Electronic Prospectus is only available to persons receiving an electronic version of this Prospectus within Australia. If you are a shareholder resident outside Australia, you may only apply for Shortfall by way of a hard copy of this Prospectus.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company.

New Shares offered by this Prospectus are speculative

4. CHAIRMAN'S LETTER

15 December 2009

Dear Shareholder

Millennium Minerals Limited is pleased to offer its Shareholders the opportunity to subscribe for New Shares by participating in a 2 for 8 Rights Issue with one free attached Option for every two Shares subscribed for.

This Rights Issue plans to raise up to a maximum of \$5,242,067.14, which will be used to progress the Company's Nullagine gold project and for working capital purposes.

The details of the Offer of New Shares and Options are described in this Prospectus. You should have received a personalised Entitlement and Acceptance Application Form with this Prospectus, but if you are in any doubt, please contact the Company's Share Registry.

Please note that the Closing Date for acceptances is 5.00 pm WST on Thursday, 4 February 2010. If you wish to participate in this Rights Issue of New Shares and Options it is essential that your Completed Entitlement and Acceptance Application Form reaches the Company's Share Registry by this time.

If you have any questions or queries regarding the details contained in this document, please contact your financial adviser or our Company Secretary, Mr Mark Killmier, on 0418 645 360.

Yours faithfully



PETER ROWE
Chairman of Directors

5. EFFECT OF THE RIGHTS ISSUE

5.1 Effect on Capital Structure

If the Rights Issue under this Prospectus is fully subscribed the capital structure of the Company will be as follows:

(a) **Shares**

Number	Contributed Equity	\$
465,961,524	Ordinary Shares on issue prior to Rights Issue (i)	55,246,108.00
116,490,381	New Shares to be issued under this Prospectus (i)	5,242,067.14
	Less: Estimated costs of the Rights Issue	(368,410.00)
<u>582,451,905</u>	Total contributed equity (i)	<u>60,119,765.14</u>

(b) **Options**

Number	Options on Issue
6,700,000	Unquoted Options exercisable at 29 cents expiring 19/12/2011
5,000,000	Unquoted Options exercisable at 23 cents each expiring 19/12/2011
3,500,000	Unquoted Options exercisable at 30 cents each expiring 31/10/2011
8,500,000	Unquoted Options exercisable at 20 cents each expiring 31/10/2011
2,500,000	Unquoted Options exercisable at 20 cents each expiring 21/02/2012
58,245,190	New Options exercisable at 7.5 cents each expiring 28/02/2013
<u>84,445,190</u>	Total Options following Rights Issue

- (i) It is assumed that no existing Options are exercised and that no further Shares are issued by the Company on or before the Record Date.
- (ii) During the month of November 2009 the Company placed 60,777,590 fully paid ordinary shares with sophisticated investors through BGF Equities Limited. Subject to Shareholder approval, the recipients of the 60,777,590 fully paid ordinary Shares are entitled to one free attached Option exercisable at 7.5 cents expiring 28 February 2013 for every two Shares subscribed for. As yet Shareholder approval has not been obtained and the free attached Options have not been issued. In the event that Shareholder approval is obtained, the number of Options on issue will increase by 30,388,795.

If no existing Options are exercised prior to the Record Date and full subscription is reached, the Rights Issue will have an effect on the Company's financial position by increasing Shareholders' funds and net assets by approximately \$5,242,067.14 (less expenses).

The unaudited Balance Sheet of the Company as at 30 June 2009 and a Pro-Forma Balance Sheet at that date based on the completion of the Rights Issue are set out below.

	Audited Balance Sheet as at 30/6/09 \$	Pro-forma Balance Sheet as at 30/6/09 \$
CURRENT ASSETS		
Cash	2,090,014	6,963,671
Receivables	5,662	5,662
Total Current Assets	<u>2,095,676</u>	<u>6,959,333</u>
NON-CURRENT ASSETS		
Exploration & Evaluation Expenditure	22,235,251	22,235,251
Property, Plant & Equipment	1,379,408	1,379,408
Total Non-Current Assets	<u>23,614,659</u>	<u>23,614,659</u>
TOTAL ASSETS	<u>25,710,335</u>	<u>30,583,992</u>
CURRENT LIABILITIES		
Trade and Other Payables	164,916	164,916
Provisions	628	628
Interest bearing Liabilities	--	--
Total Current Liabilities	<u>165,544</u>	<u>165,544</u>
Total Liabilities	<u>165,544</u>	<u>165,544</u>
NET ASSETS	<u>25,544,791</u>	<u>30,418,448</u>
EQUITY		
Contributed equity	52,511,117	57,384,774
Reserves	2,081,048	2,081,048
Accumulated losses	(29,047,374)	(29,047,374)
TOTAL EQUITY	<u>25,544,791</u>	<u>30,418,448</u>

The above Pro forma Balance Sheet has been prepared on the basis of the following:

- (1) no existing Options are exercised prior to the Record Date, and the Company does not issue any Shares from the date of this Prospectus to the Record Date;
- (2) the Rights Issue is fully subscribed; and
- (3) expenses of the Rights Issue are estimated at \$368,410 (which are written off against the Contributed Equity account).
- (4) The balance sheets do not include the private placement of 60,777,590 ordinary shares that raised \$2,734,991.50 (prior to expenses), which at 30 June 2009 had not occurred.

6. RIGHTS ISSUE DETAILS

6.1 The Rights Issue

The Company is making a non-renounceable offer of New Shares on the basis that for every eight (8) Shares held by Shareholders at the Record Date, Shareholders will have the right (but not the obligation) to subscribe for two (2) New Shares at an issue price of 4.5 cents per New Share and with each New Share subscribed for Shareholders will receive one (1) free attached option (the "**Rights Issue**").

The Rights Issue is non-renounceable and Shareholders may not sell or transfer all or any part of their Entitlement to this Rights Issue on ASX or otherwise.

As at the date of this Prospectus, the Company has 465,961,524 Shares and 29,900,000 existing Options on issue. Holders of existing Options will not be entitled to participate in the Rights Issue however they may exercise their existing Options prior to the Record Date if they wish to participate in the Rights Issue. Assuming none of these existing Options are exercised prior to the Record Date, the number of New Shares offered under this Prospectus will be 116,490,381.

The fractional Entitlements to New Shares will be rounded up to the nearest whole number.

Shareholders may accept their Entitlement in whole or in part, or may decide not to accept their Entitlement at all. Shareholders who do not accept their Entitlement in full will, as a result of the Rights Issue, have their percentage shareholding in the Company diluted.

Shareholders wishing to take up all or part of their Entitlement under the Rights Issue can only do so by completing the personalised Entitlement and Acceptance Form which accompanies this Prospectus.

It is important that Shareholders consider the Rights Issue carefully. If Shareholders are in doubt as to the course of action they should follow, they should consult their professional adviser.

6.2 Rights Issue Price

The issue price of the New Shares is 4.5 cents each, payable in full upon acceptance. The New Shares will be issued as fully paid ordinary Shares.

6.3 Purpose of the Issue

Assuming no existing Options are exercised prior to the Record Date and full subscription is reached, the issue of New Shares under this Prospectus will raise approximately \$5,242,067.14 before expenses.

The funds raised by the Rights Issue will be used for the following purposes:

- undertaking budgeted exploration drilling to test the potential for depth and strike extensions to existing deposits and to convert additional inferred resources to the indicated category so the mineral resources can be assessed for ore reserve determination ahead of final mine planning;
- undertaking first pass drill evaluation of the large adjacent Golden Gate South West Prospect to assess the resource potential and heap leach amenability;
- establishing a contractual base for engineering and construction of the process plant and infrastructure;
- tendering mining equipment, drill and blast, camp catering and reagent supply contracts;
- recruiting key personnel in project management, site management, mining, process and geology;

- for working capital purposes; and
- to meet the costs of the Rights Issue.

6.4 Entitlements and Acceptance

A personalised Entitlement and Acceptance Form accompanies this Prospectus. Shareholders who wish to accept all or part of their Entitlement must complete and lodge their Entitlement and Acceptance Form together with the appropriate acceptance monies in accordance with the instructions set out on that form.

If you decide not to accept your Entitlement, you need not do anything. However, your percentage shareholding in the Company will be diluted. If you decide not to accept all or part of your Entitlement, the New Shares not accepted by you will form part of the Shortfall Offer and your Entitlement to subscribe for New Shares under the Rights Issue will be dealt with in accordance with Section 6.5 of this Prospectus.

The number of New Shares accepted on the personalised Entitlement and Acceptance Form must not exceed the entitlement shown on the Entitlement and Acceptance Form. If the Entitlement and Acceptance Form is not completed correctly or if the accompanying payment is for the wrong amount, it may be still accepted by the Company. The Company's decision as to whether to accept the application and how to construe, amend or complete it shall be final, but no Applicant will be treated as having offered to purchase more New Shares than is indicated by the amount of the cheque for the application monies and any surplus application monies will be returned, without interest.

Completed Entitlement and Acceptance Forms together with the appropriate application monies must reach the Company's share registry at the following address on or before the Closing Date:

Advanced Share Registry
2/150 Stirling Highway
NEDLANDS WA 6009
Australia

Advanced Share Registry
PO Box 1159
NEDLANDS WA 6909
Australia

Any Entitlement not accepted will form part of the Shortfall Offer to be dealt with in accordance with Section 6.5 of this Prospectus.

Payment must be made to **Millennium Minerals Limited** by cheque crossed "**not negotiable**" and must be in Australian dollars.

6.5 Shortfall Offer

Any Entitlement not taken up pursuant to the Rights Issue will form the Shortfall Offer. The Directors reserve the right to issue Shortfall Shares and Options at their absolute discretion. Shareholders who wish to subscribe for Shortfall Shares and Options are invited to complete the field on their Entitlement and Acceptance Form accompanying this Prospectus and return it to the Company together with a separate cheque for the value of the Shortfall Shares. Non-Shareholders who wish to subscribe for Shortfall Shares and Options are invited to complete a Shortfall Application Form accompanying this Prospectus and return it to the Company together with a cheque for the value of the Shortfall Shares.

The Directors reserve the right to allot to an Applicant a lesser number of Shortfall Shares and Options than the number for which the Applicant applies for on their Shortfall Application Form, or to reject an application, or to not proceed with placing the Shortfall.

The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three (3) months following the Closing Date. The issue price for each Shortfall Share shall be 4.5 cents, being the price at which New Shares have been offered under the Rights Issue.

Any Shortfall Shares and Options placed through holders of Australian Financial Services may be paid a fee for doing so.

6.6 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will not be issuing share certificates. The Company is a participant in CHES for those investors who have a sponsoring stockbroker. Investors who do not wish to participate through CHES 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 Securities allotted to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

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

6.7 ASX Listing

Application for official quotation by ASX of the New Shares and Options offered by this Prospectus has been made. If the New Shares and Options are not admitted to quotation on ASX before the expiration of 3 months after the date of this Prospectus, the Company will not issue any New Shares and Options and will repay all acceptance and application monies for the New Shares and Options as soon as practicable, without interest.

The fact that ASX may admit the New Shares and Options offered by this Prospectus to quotation is not to be taken in any way as an indication of the merits of the Company or the New Shares and Options.

6.8 Opening and Closing Dates

The Rights Issue will open for acceptances of Entitlements on 4 January 2010. The Closing Date for acceptances will be 4 February 2010. The Directors reserve the right to vary the Opening Date and Closing Date, subject to compliance with ASX Listing Rules.

6.9 Participation

All Shareholders at the Record Date are entitled to participate in the Rights Issue on the basis of two (2) New Shares and one (1) free attached option for every eight (8) Shares held on the Record Date. Any holders of Shares issued and allotted as a result of existing Options being exercised prior to the Record Date will also be able to participate in the Rights Issue.

6.10 Allotment

New Shares and Options will be allotted within 6 Business Days after the Closing Date.

In accordance with the Corporations Act, all application monies shall, before allotment and issue of New Shares and Options pursuant to this Prospectus, be held by the Company in trust in a bank account established solely for that purpose. 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 and Options takes place.

6.11 Non Resident Shareholders or Potential Investors

The Company is of the view that it is unreasonable to make an offer under this Prospectus to Shareholders outside of Australia and New Zealand having regard to:

- (a) the number of Shareholders registered outside of Australia and New Zealand;

- (b) the number and value of the securities to be offered to Shareholders registered outside of Australia and New Zealand; and
- (c) the cost of complying with the legal requirements and requirements of regulatory authorities in the overseas jurisdictions.

Accordingly, the New Shares and Options being offered by the Rights Issue are only being offered to Shareholders and potential investors resident in Australia or New Zealand.

In compliance with section 615 of the Corporations Act, the Company has appointed Argonaut Securities Pty Ltd ("**Nominee**") as nominee for foreign holders of the Company's securities in those countries outside of Australia and New Zealand. The Company has applied to the ASIC for its approval of the nomination.

The Nominee will subscribe for and the Company will issue to the Nominee the New Shares and Options that would otherwise have been issued to those foreign holders if the offer had been made available to them and they had accepted.

The Nominee must sell the New Shares and Options and cause to be distributed to each of those foreign holders their proportion of the proceeds of the sale, net of expenses. Any such sale will be at such prices and otherwise in such a manner as the Nominee in its absolute discretion, determines.

Where this Prospectus has been despatched to Shareholders, or is obtained by potential investors, resident outside Australia and New Zealand, this Prospectus is provided for information purposes only. This Prospectus does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer.

The offer of the Shortfall pursuant to an Electronic Prospectus is only available to persons receiving an electronic version of this Prospectus within Australia. For persons outside Australia, an application for Shortfall may only be made pursuant to a hard copy of the Prospectus. Prior to the Closing Date, any person may obtain a hard copy of this Prospectus by contacting the Company.

6.12 Enquiries

Enquiries concerning the Entitlement and Acceptance Form should be directed to Advanced Share Registry by telephone on (08) 9389 8033 or facsimile on (08) 9389 7871.

Enquiries relating to this Prospectus should be directed to the Company by telephone on (08) 9216 9011 or facsimile on (08) 9481 0288 or e-mail on info@millenniumminerals.com.au.

6.13 Privacy Statement

If you apply for New Shares and Options, you will be asked to provide personal information to the Company (and the Company's share registry on its behalf) which collects, holds and uses that personal information in order to assess your application, service your needs as an investor, provide facilities and services that you request and carry out appropriate administration.

Under the Privacy Act 1988 (as amended), you may request access to your personal information held by (or on behalf of) the Company. You can do this by contacting the Company's share registry, details of which are set out in Section 1.

6.14 Underwriting

The Rights Issue is not underwritten.

6.15 Costs of issue

The estimated costs of the issue are:

ASIC fees	\$2,010
ASX fees	\$22,400
Legal	\$25,000
Commissions	\$315,000
Printing and postage	\$4,000
TOTAL	\$368,410

7. RIGHTS ATTACHING TO NEW SHARES

7.1 Rights and Liabilities Attaching to the New Shares

The New Shares to be issued pursuant to this Prospectus will rank *pari passu* in all respects with the Company's existing Shares.

The rights, privileges and restrictions attaching to Shares are set out in the Constitution of the Company. These rights include (but are not limited to) the following:

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) and provided no amount due and payable in respect of a call is unpaid, at a general meeting of the Company every holder of ordinary shares present in person or by proxy, attorney, or representative has on a show of hands one vote and on a poll one vote per share (provided that partly paid shares confer a fraction of a vote equal to the proportion that the amount paid bears to the total issue price of those shares).

Dividend Rights: Subject to the Constitution and to the rights attaching to shares issued on special conditions (at present there are none), the profits of the Company which the Directors may from time to time determine to distribute by way of dividend are divisible among the holders of ordinary shares in proportion to the number of shares held by them respectively and are paid irrespective of the amount paid or credited as paid on those shares.

Rights on Winding-up: Subject to the Constitution, the Corporations Act and 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 monies and property that are to be legally distributed among Shareholders on a winding-up will be distributed in proportion to the shares held by them respectively, irrespective of the amount paid up or credited as paid up on the shares. However, where a member is in arrears in payment of any call on shares but whose shares (of whatever class) have not been actually forfeited, that member is not entitled to share in that distribution until the owing amount in respect of the call has been fully paid and satisfied.

Transfer of Shares: Except as provided by law, the ASX Listing Rules, the SCH Business Rules and the Constitution, the Company's shares are freely transferable.

Issue of Further Shares: The allotment and issue of any new shares is under the control of the Directors and, subject to any restrictions on the allotment of shares imposed by the Company's Constitution, the ASX Listing Rules or the Corporations Act, the Directors may issue those new shares on such terms and conditions, and with such rights and at such times, as they may determine.

Variation of Rights: At present the Company has only ordinary shares on issue. If shares of another class are issued, the rights and privileges attaching to the ordinary shares can only be altered with the sanction of a special resolution passed at a separate general meeting of the holders of the ordinary shares or, failing that with the written consent of the holders of at least three-quarters in nominal value of the ordinary shares.

General Meetings: Each Shareholder is entitled to receive notice of, and to attend and (subject to the Constitution) vote at, general meetings of the Company.

A copy of the Company's Constitution is available for inspection by prospective investors at the Company's registered office.

7.2 Terms and Conditions of Options

TERMS AND CONDITIONS OF OPTIONS EXPIRING 28 FEBRUARY 2013

(AMOUNT PAYABLE: 7.5 CENTS)

1. Entitlement

Each Option shall entitle the holder the right to subscribe (in cash) for one (1) Share in the capital of the Company.

2. Option Period

Each Option will expire at 5.00pm WST on 28 February 2013 (such date being referred to as the "Option Expiry Date"). Each Option may be exercised at any time prior to the Option Expiry Date in accordance with the notice provisions set out below and any Option not so exercised shall automatically expire on the Option Expiry Date.

3. Ranking of Share Allotted on Exercise of Option

Each Share allotted as a result of the exercise of an Option will, subject to the Constitution of the Company, rank in all respects pari passu with the existing Shares in the capital of the Company on issue at the date of allotment.

4. Voting

A registered owner of an Option (herein referred to as an "Option Holder") will not be entitled to attend or vote at any meeting of the members of the Company unless they are, in addition to being Option Holder, members of the Company.

5. Transfer of an Option

Each Option is transferable at any time prior to the Option Expiry Date. This right is subject to any restrictions on the transfer of an Option that may be imposed by the ASX in circumstances where the Company is listed on ASX.

6. Method of Exercise of an Option

a. The Company will provide to each Option Holder a notice that is to be completed when exercising the Options (herein such notice being called a "Notice of Exercise of Options"). Options may be exercised by the Option Holder completing the Notice of Exercise of Options and forwarding the same to the Secretary of the Company to be received prior to the Option Expiry Date. The Notice of Exercise of Options must state the number of Options exercised and the consequent number of Shares in the capital of the Company to be allotted; which number of Options must be a multiple of 10,000 if only part of the Option Holders total Options are exercised, or if the total number of Options held by an Option Holder is less than 10,000, then the total of all Options held by that Option Holder must be exercised.

b. The Notice of Exercise of Options by an Option Holder must be accompanied by payment in full for the relevant number of Shares being subscribed, being an amount of 7.5 cents (\$0.075) per Share.

c. Subject to Clause 7 hereof, the exercise of less than all of an Option Holders Options will not prevent the Option Holder from exercising the whole or any part of the balance of the Option Holders entitlement under the Option Holders remaining Options.

d. Within 14 days from the date the Option Holder properly exercises Options held by the Option Holder, the Company shall issue and allot to the Option Holder that number of Shares in the capital of the Company so subscribed for by the Option Holder.

e. If the Company is listed on the ASX, the Company will within seven (7) days from the date of issue and allotment of Shares pursuant to the exercise of an Option, apply to the ASX for, and use its best endeavours to obtain, Official Quotation of all such Shares, in accordance with the Corporations Act and the Listing Rules.

f. The Company will generally comply with the requirements of the Listing Rules in relation to the timetables imposed when quoted Options are due to expire. Where there shall be any inconsistency between the timetables outlined herein regarding the expiry of the Options and the timetable outlined in the Listing Rules, the timetable outlined in the Listing Rules shall apply.

7. Reconstruction

In the event of a 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. Participation in New Share Issues

There are no participating rights or entitlements inherent in the Options to participate in any new issues of capital which may be made or offered by the Company to its Shareholders from time to time prior to the Option Expiry Date unless and until the Options are exercised. The Company will ensure that during the exercise period of the Options, the Record Date for the purposes of determining Entitlements to any new such issue, will be at least 9 Business Days after such new issues are announced (or such other date if required under the Listing Rules) in order to afford the Option Holder an opportunity to exercise the Options held by the Option Holder.

9. Change of Options' Exercise Price or Number of Underlying Shares.

There are no rights to change the exercise price or the number of underlying Shares if there is a pro-rata issue or bonus issue to the holders of Shares.

8. ADDITIONAL INFORMATION

8.1 Risk Factors

An investment in the Company is not risk free and prospective new investors should consider the risk factors described below, together with information contained elsewhere in this Prospectus, before deciding whether to apply for Securities.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

i. Economic risks

Share market conditions, particularly those affecting exploration companies, may affect the price of the Company's quoted securities regardless of operating performance.

The price of mineral is influenced by physical and investment demand for, and supply of, those commodities. Fluctuations in these commodity prices may influence the value of individual projects in which the Company has an interest and the price of the Company's listed securities.

General economic conditions may affect interest rates and inflation rates. Movements in these rates may have an impact on the price of the Company's listed securities.

ii. Exploration and development risks

The business of mineral exploration, project development and production, by its nature, contains elements of significant risk with no guarantee of success. Ultimate and continuous success of these activities is dependent on many factors such as:

- the discovery and/or acquisition of economically recoverable reserves;
- access to adequate capital for project development;
- design and construction of efficient development and production infrastructure within capital expenditure budgets;
- securing and maintaining title to interests;
- obtaining consents and approvals necessary for the conduct of mineral exploration, development and production; and
- access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants.

Whether or not income will result from projects undergoing exploration and development programs depends on successful exploration and establishment of production facilities. Factors including costs, and commodity prices affect successful project development and operations.

Drilling activities carry risk as such activities may be curtailed, delayed or cancelled as a result of weather conditions, mechanical difficulties, shortages or delays in the delivery of drill rigs or other equipment.

There is no assurance that any exploration on current or future interests will result in the discovery of an economic deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically developed.

iii. Reliance on key personnel

Within the existing corporate structure, the Company's success is dependent upon the ability of the Directors to manage the existing assets and identify acquisition opportunities for future growth. To manage its growth, the Company must in due course identify, hire, train and retain skilled personnel and senior management.

iv. Mineral price volatility

The demand for, and price of, minerals is highly dependent on a variety of factors, including international supply and demand, the level of consumer product demand, actions taken by governments and international cartels, and global economic and political developments.

International mineral prices have fluctuated widely in recent years and may continue to fluctuate significantly in the future. Fluctuations in mineral prices may have a material adverse effect on the Company's business, financial condition and results of operations.

v. Foreign exchange risk

Global currencies are affected by a number of factors that are beyond the control of the Company. These factors include economic conditions in Australia and elsewhere and the outlook for interest rates, inflation and other economic factors. These factors may have a positive or negative effect on the Company's exploration, project development and production plans and activities together with the ability to fund those plans and activities.

vi. Environmental

The Company's activities are subject to the environmental risks inherent in the mineral industry. The Company is subject to environmental laws and regulations in connection with operations it may pursue in the mineral industry, which operations are currently in Australia. The Company intends to conduct its activities in an environmentally responsible manner and in accordance with all applicable laws. However, the Company may be the subject of accidents or unforeseen circumstances that could subject the Company to extensive liability.

Further, the Company may require approval from the relevant authorities before it can undertake activities that are likely to impact the environment. Failure to obtain such approvals will prevent the Company from undertaking its desired activities. The Company is unable to predict the effect of additional environmental laws and regulations that may be adopted in the future, including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations in any area.

vii. Competition

The Company may potentially compete with other companies for new leases and prospects, including major mineral companies. Some of these companies have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business opportunities. There can be no assurance that the Company can compete effectively with these companies.

viii. Future capital needs and additional funding

The funding of any further ongoing capital requirements beyond the requirements as set out in this Prospectus will depend upon a number of factors including the extent of the Company's ability to generate income from activities which the Company cannot forecast with any certainty.

Any additional equity financing will be dilutive to shareholders, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may not be able to take advantage of opportunities or develop projects. Further, the Company may be required to reduce the scope of its operations or anticipated expansion and it may affect the Company's ability to continue as a going concern.

ix. Regulatory

Changes in relevant taxes, legal and administration regimes, accounting practice and government policies may adversely affect the financial performance of the Company.

x. General economic and political risks

Changes in the general economic and political climate in the United States, Australia and on a global basis that could impact on economic growth, the mineral prices, interest rates, the rate of inflation, taxation and tariff laws, domestic security which may affect the value and viability of any mineral activity that may be conducted by the Company.

xi. Insurance

Insurance against all risks associated with mineral production is not always available or affordable. The Company will maintain insurance where it is considered appropriate for its needs however it will not be insured against all risks either because appropriate cover is not available or because the Directors consider the required premiums to be excessive having regard to the benefits that would accrue.

xii. Speculative Nature of Investment

An investment in the Company is speculative. The Company holds an interest in a project in the mineral sector and there are no guarantees that the project or any future investments or acquisitions in the mineral sector will be profitable or otherwise successful.

The above risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the New Shares offered under this Prospectus. Therefore, the New Shares offered pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of the New Shares.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for New Shares. There are inherent risks and uncertainties associated with the Company's current and future investments. Neither the Directors nor the Company warrant the future performance of the Company or any return on an investment in the Company.

8.2 Interests of Directors

Other than as set out below or elsewhere 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 or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- the promotion or formation of the Company; or
- any property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Rights Issue; or
- the Rights Issue.

Other than as set out below or elsewhere in this Prospectus, no amounts of any kind (whether in cash, Shares, Options 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, and no benefits have been given or agreed to be given to any Director or to any company or firm with which a Director is associated to induce him to become, or to qualify as, a Director or otherwise for services rendered by him or his company or firm with which the Director is associated in connection with the formation or promotion of the Company or the Rights Issue.

Directors' Remuneration

The existing Board of Directors consists of four Non-executive Directors. Shareholders have approved the Company paying Directors' fees of up to a maximum of \$350,000 per annum to be divided between Directors as they see fit, until such time as any different amount is approved by Shareholders. The current policy is to pay the Chairman of Directors \$60,000 per annum and to pay each non-executive Director \$36,000 per annum.

From the date of his appointment, being 21 July 2009, to the date of this Prospectus Mr Rowe was paid Directors' fees totalling \$21,774 (including superannuation).

In the two years to the date of this Prospectus Mr Durack was paid Directors' fees totalling \$29,400.

In the two years to the date of this Prospectus Mr Gillon was paid Directors' fees totalling \$78,550.

In the two years to the date of this Prospectus Mr Donner was paid Directors' fees totalling \$76,783.

The Directors are entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or in connection with the performance of their duties as Directors. Subject to the Corporations Act and ASX Listing Rules, if a Director is called upon to perform extra duties or make special exertions on behalf of the Company, the Directors may remunerate that Director which may either be in addition to or in substitution for his usual Director's fees.

Directors' Interests in Securities

At the date of this Prospectus the relevant interest of each of the Directors in the securities of the Company are as follows:

Director	Ordinary Shares	Unquoted Options³	Entitlement to New Shares under this Prospectus
Peter Rowe	Nil	Nil	Nil
Simon Durack	Nil	Nil	Nil
Ross Gillon	475,001 ¹	1,500,000	118,750
Clive Donner	Nil	Nil	Nil

Notes:

1. The Shares are held by Lawstar Pty Ltd, a company controlled by Mr Gillon.
2. The Directors' holdings of Options are as follows:

Director	Number of Options	Exercise Price	Expiry date
Peter Rowe	Nil		
Simon Durack	Nil		
R Gillon	1,500,000 ³	\$0.29	19 December 2011
C Donner	Nil		

3. The Options are held directly by Mr Gillon.

Executive Services

The Company employs Brian Rear as chief executive office. Brian Rear is currently entitled to receive an annual salary of \$299,916 (including superannuation).

The Company employs Simon Pooley as General Manager - Operations. Simon Pooley is paid at a daily rate of \$800.

8.3 Interests of Experts

Other than as set out elsewhere in this Prospectus, no expert, promoter 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 the 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 2 year period ending on the date of this Prospectus, any interest in:

- the formation or promotion of the Company;
- any property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Rights Issue; or
- the Rights Issue,

and no amounts of any kind (whether in cash, Shares, Options or otherwise) have been paid or agreed to be paid and no benefits given or agreed to be given to any expert, promoter 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 the 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 them in connection with the promotion or formation of the Company or the Rights Issue.

Rothsay Chartered Accountants are the auditors to the Company. They have provided audit services to the Company during the last two years totalling approximately \$58,500 (exclusive of GST).

Argonaut Securities Pty Ltd has acted as nominee for foreign holders of the Company's securities in those countries outside of Australia and New Zealand, and will receive a fee of \$8,000 this role. Argonaut Securities Pty Ltd has not provided any other services to the Company during the last two years.

8.4 ASX Listing, Continuous Disclosure and Documents Available for Inspection

As a "disclosing entity", the Company has issued this Prospectus in accordance with section 713 of the Corporations Act applicable to prospectuses for an offer of securities which are quoted enhanced disclosure ("ED") securities and options to acquire quoted ED securities, and the securities are in a class of securities that were quoted ED securities at all times in the 12 months before the issue of this Prospectus.

As a "disclosing entity" the Company is subject to regular reporting and disclosure obligations which require it to disclose to 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 securities of the Company. Having taken such precautions and having made such enquiries as are reasonable, the Company believes that it has complied with the provisions of the ASX Listing Rules as in force from time to time which apply to disclosing entities, and which require the Company to notify ASIC of information available to the stock market conducted by ASX, throughout the 12 months before the issue of this Prospectus.

The ASX maintains files containing publicly disclosed information about all listed companies. The Company's file is available for inspection at ASX in Perth during normal working hours. In addition, copies of documents lodged by, or in relation to, the Company with ASIC may be obtained from, or inspected at, any regional office of ASIC.

The New Shares to be issued under this Prospectus are in respect of a class of shares that were continuously quoted securities at all times in the 12 months before the issue of this Prospectus.

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

- (a) the Annual Financial Report for Millennium Minerals for the period ending 31 December 2008;
- (b) the Half-Year Financial Report for Millennium Minerals for the period ended 30 June 2009; and
- (c) the following documents used to notify ASX of information relating to Millennium Minerals during the period after lodgement of the financial statements contained in the Annual Financial Report of Millennium Minerals for the period ending 31 December 2008 and before the issue of this Prospectus:

Date	Contents
1.5.09	2008 Millennium Minerals annual report
13.5.09	Non-Renounceable Rights Issue completed
13.5.09	Appendix 3B
27.5.09	Change in substantial holding from LRF
29.5.09	Result of Annual General Meeting
17.7.09	Ceasing to be a substantial holder
21.7.09	Chief Executive Officer appointment
21.7.09	Nullagine Gold Project update
21.7.09	Appointment of chairman
21.7.09	Form 603 – becoming a substantial holder
23.7.09	Initial Director's interest notice
27.7.09	Change in substantial holding from LRF
28.7.09	Form 604 – change in substantial holding
30.7.09	Second quarter activities and cashflow report
31.7.09	Change in substantial holding
4.8.09	Nullagine Gold Project resource update
18.8.09	Investors presentation August 2009
19.8.09	Half year accounts
16.10.09	Change of address
19.10.09	Nullagine Gold Project update
19.10.09	Nullagine Gold Project investor presentation
30.10.09	Quarterly activities and cashflow reports
17.11.09	Trading halt
19.11.09	Private placement and notice of Rights Issue

Date	Contents
27.11.09	Appendix 3B
27.11.09	Notice in accordance with section 708A
3.12.09	Change in substantial holding
7.12.09	Gold Investor Forum presentation

This Prospectus has been prepared under the special prospectus content rules for continuously quoted securities in section 713 of the Corporations Act and as such contains details specific to the Rights Issue. If Shareholders, or investors, require any further information in relation to the Company, the Directors recommend that they take advantage of the ability to inspect and obtain copies of the documents referred to above. All requests for copies of the above documents should be addressed to the Company Secretary, Millennium Minerals Ltd, PO Box 117, West Perth, Western Australia, 6872 or facsimile (08) 9481 0288.

8.5 Share Trading History

The highest, lowest and last closing market sale prices of the Company's Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

	Price	Date
Highest	6.9 cents	14 September 2009
Lowest	3.8 cents	14 December 2009
Last	3.8 cents	14 December 2009

8.6 Expenses of the Rights Issue

The expenses of the Rights Issue are estimated to be \$368,410. These expenses are payable by the Company.

8.7 Litigation

The Company is not currently involved in any litigation.

8.8 Consents

Each of the parties referred to in this Section:

- does not make, or purport to make, any statement in this Prospectus or on which a statement made in the Prospectus is based, other than as specified in this Section; and
- to the maximum extent permitted by law, expressly disclaims and takes 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.

Rothsay Chartered Accountants consents to being named in this Prospectus as the auditors of the Company and to the reference in this Prospectus to the reviewed balance sheet of the Company as at 30 June 2009 in the form and context in which the balance sheet is included, and has not withdrawn such consent before lodgement of this Prospectus with the ASIC.

Argonaut Securities Pty Ltd consents to being named in this Prospectus as nominee for foreign holders of the Company's securities in those countries outside of Australia and New Zealand.

There are a number of persons referred to elsewhere in this Prospectus who are not experts and who have not made statements included in this Prospectus nor are there any statements made in this Prospectus on the basis of any statements made by those persons. These persons did not consent to being named in the Prospectus and did not authorise or cause the issue of this Prospectus.

8.9 Electronic Prospectus

Pursuant to Class Order 00/44 the ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an Electronic Prospectus on the basis of a paper Prospectus lodged with the ASIC and the issue of Shares and Options in response to an electronic application form, subject to compliance with certain provisions. The Company is relying on this exemption in relation to the offer of Shortfall.

The Prospectus will be available as an Electronic Prospectus on the Company's website at www.millenniumminerals.com.au.

The offer pursuant to an Electronic Prospectus is only available for applications for the Shortfall and to persons receiving an electronic version of this Prospectus within Australia.

If you have received this Prospectus as an Electronic Prospectus please ensure that you have received the entire Prospectus accompanied by the Shortfall Application Form. If you have not, please e-mail the Company at info@millenniumminerals.com.au and the Company will send to you, without charge, either a hard copy or a further electronic copy of the Prospectus or both.

The Company reserves the right not to accept a Shortfall Application Form from a person if it has reason to believe that when that person was given access to the electronic Shortfall Application 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. In such case, the application monies received will be dealt with in accordance with section 722 of the Corporations Act.

9. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the 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 the 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 New Shares pursuant to this Prospectus.

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

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC and has not withdrawn that consent.

DATED this 15th day of December 2009



Peter Rowe
Chairman of Directors
MILLENNIUM MINERALS LIMITED

10. DEFINITIONS

\$	Australian dollars. All amounts in this Prospectus are in Australian currency unless otherwise stated.
Applicant(s)	The person(s) who submit valid Entitlement & Acceptance Forms pursuant to this Prospectus.
Application	A valid application made to subscribe for a specified number of Shares pursuant to this Prospectus.
ASIC	Australian Securities and Investments Commission.
ASTC Settlement Rules	means the settlement rules of the securities clearing house which operates CHES.
ASX	ASX Limited (ACN 006 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.
ASX Listing Rules	the official listing rules of ASX.
Board	the board of Directors.
Business Day	every day other than a Saturday, Sunday, New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.
CHES	the Clearing House Electronic Subregister System.
Closing Date	the last date for receipt of completed Entitlement and Acceptance Forms, being 5.00 pm WST on 4 February 2010, or such other date as the Directors may determine.
Company or Millennium Minerals	Millennium Minerals Ltd (ACN 003 257 556).
Corporations Act	Corporations Act 2001 (Cth).
Directors	the directors of the Company.
Electronic Prospectus	the electronic version of the Prospectus.
Entitlement	the right of a Shareholder to subscribe for New Shares in the Rights Issue.
Entitlement and Acceptance Form	the personalised entitlement and acceptance form accompanying every paper copy of this Prospectus sent to Shareholders.
New Shares	the Shares offered for subscription pursuant to the Rights Issue.
Offer	The Rights Issue pursuant to this Prospectus to subscribe for New Shares.
Official List	The Official List of ASX.
Opening Date	the first date for receipt of completed Entitlement and Acceptance Forms, being 4 January 2010.
Option	an option to acquire a Share.
Prospectus	this prospectus dated 15 December 2009 and includes the Electronic Prospectus.
Record Date	5.00 pm WST 24 December 2009.

Rights Issue	the non-renounceable pro rata rights issue pursuant to the Prospectus of up to 116,490,381 New Shares on the basis of two New Shares and one free attaching Option for every 8 Shares held on the Record Date at an issue price of 4.5 cents per New Share to raise up to approximately \$5,242,067.14 before expenses.
Section	a section of this Prospectus.
Securities	New Shares.
Share	an ordinary share in the capital of the Company.
Shareholders	holders of Shares in the Company on the Record Date.
Shortfall	shortfall in subscription of New Shares under the Rights Issue pursuant to this Prospectus.
Shortfall Application Form	the Shortfall Application Form accompanying this Prospectus.
Shortfall Offer	the offer of any Shortfall.
Shortfall Shares	New Shares not taken up by Shareholders under the Rights Issue.
WST	Western Standard Time.

MILLENNIUM MINERALS LTD

ABN 85 003 257 556

SHORT FORM APPLICATION FORM (FOR SHORTFALL OFFER ONLY)

Capitalised terms used in this application form are, unless otherwise defined herein, as defined in the Prospectus to which this form is attached.

Shareholders wishing to accept their Entitlement to New Shares under the Rights Issue cannot use this Shortfall Application Form. They must use the personalised Entitlement and Acceptance Form which accompanied their copy of the Prospectus.

This application will only be considered after the Closing Date of 4 February 2010. Applicants should read the Prospectus dated 15 December 2009 in its entirety before deciding to apply under the Shortfall Offer.

Millennium Minerals Limited
Ground Floor, 17 Ord Street
West Perth WA 6005

Millennium Minerals Limited
PO Box 117
West Perth WA 6872

I/We apply for _____ New Shares (number of shares applied for) in Millennium Minerals Limited at 4.5 cents each, or such lesser number of New Shares as may be allocated by the Directors.

I/We lodge full application monies of \$ _____ .00 (amount of your cheque)

Complete Full Name:

(Applicant) _____
(Mr/Mrs/Miss/Ms or Company Name) (given names) (surname)

(Joint Applicant) _____
(Mr/Mrs/Miss/Ms or Company Name) (given names) (surname)

Address Details: _____
(number and street)

(suburb or city) (State) (postcode)

Telephone Details: _____
STD () (Home) STD () (Business) (contact name)

Email Address: _____

Cheque Details: _____
(Drawer) (Bank) (Branch)

Broker Sponsored Applicants Only:

SBN/IPN _____ HIN _____

This Shortfall Application Form does not need to be signed. By lodging this Shortfall Application Form and a cheque for the application monies, the applicant hereby:

1. applies for the number of New Shares specified in the Shortfall Application Form or such lesser number as may be allocated by the Directors as instructed by the Directors;
2. agrees to be bound by the terms and conditions set out in the Prospectus and the Constitution of the Company;
3. authorises the Directors to complete or amend this Shortfall Application Form where necessary to correct any errors or omissions;
4. acknowledges that an application for Shortfall does not guarantee an allotment of New Shares.

SHORT FORM APPLICATION FORM AND INSTRUCTIONS TO APPLICANTS

Please complete all relevant sections of the Shortfall Application Form using BLOCK LETTERS. If you have questions on how to complete this Shortfall Application Form please telephone (08) 9216 9011.

The Shortfall Application Form relates to the one for 4 non-renounceable pro rata Rights Issue of up to 116,490,381 New Shares at an issue price of 4.5 cents each to raise up to approximately \$5,242,067.14, pursuant to the Prospectus dated 15 December 2009. The expiry date of the Prospectus is the date which is 13 months after the date of the Prospectus. The Prospectus contains information about investing in the New Shares of the Company and it is important to read this document before applying for New Shares. A person who gives another person access to this Shortfall Application Form must at the same time and by the same means, give the other person access to the Prospectus, and any supplementary Prospectus (if applicable). While the Prospectus is current, the Company will send paper copies of the Prospectus, and any supplementary Prospectus (if applicable) and a Shortfall Application Form, on request to applicants without charge.

The Prospectus does not constitute an offer in any place where or to any person to whom it would not be lawful to make such an offer.

Please post or deliver the completed Shortfall Application Form together with your cheque to the address listed below:

**Millennium Minerals Limited
Ground Floor, 17 Ord Street
West Perth WA 6005**

**Millennium Minerals Limited
PO Box 117
West Perth WA 6872**

so as to reach the Company on or before the last date instructed by the Company.

Please write your name in full. This must be either your own name or the name of a company. You should refer to the examples noted for the correct forms of name which can be registered. Applications using the incorrect form of name may be rejected. If your Shortfall Application Form is not completed correctly, or if the accompanying payment is for the wrong amount, it may still be treated as valid. Any decision as to whether to treat your application as valid, and how to construe, amend or complete it, shall be final. You will not, however, be treated as having offered to subscribe for more New Shares than is indicated by the amount of the accompanying cheque for the application monies referred to.

Your address should be your preferred postal address for all correspondence. All communications to you from the Company's Registry (shareholding statements, annual/interim reports, correspondence, etc) will be mailed to the person(s) and address as shown.

CORRECT FORMS OF REGISTRABLE TITLE

Note that ONLY legal entities can hold Shares. The application must be in the name(s) of a natural person(s), companies or other legal entities acceptable to Millennium Minerals Ltd. At least one full given name and the surname is required for each natural person. Applications cannot be made by persons under 18 years of age. Examples of the correct form of registrable title are set out below:-

Type of Investor	Correct Form of Registrable Title	Incorrect Form of Registrable Title
Trusts	Mr John David Smith	John Smith Family Trust
Deceased Estates	Mr Michael Peter Smith	John Smith (Deceased)
Partnerships	Mr John David Smith & Mr Ian Lee Smith	John Smith & Son
Clubs/Unincorporated Bodies	Mr John David Smith	Smith Investment Club
Superannuation Funds	John Smith Pty Ltd	John Smith Superannuation Fund