

28 JUNE 2018

ASX LIMITED
MARKET ANNOUNCEMENTS OFFICE
LEVEL 40, CENTRAL PARK
152–158 ST GEORGES TERRACE
PERTH, WA 6000

Dear Sir/Madam

NOTICE UNDER SECTION 708A(5)(e) OF THE CORPORATIONS ACT

NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

This cleansing notice (**Cleansing Notice**) is given by Beadell Resources Limited (ASX:BDR) (ACN 125 222 291) (**Company**) under section 708A(5)(e) of the *Corporations Act 2001* (Cth) (**Corporations Act**).

The Company advises that it has today issued 136,170,060 fully paid ordinary shares (Shares) and 102,127,545 attaching warrants at an issue price of A\$0.083 per Share to certain professional and sophisticated investors as part of a capital raising announced by the Company on 7 May 2018.

For the purposes of section 708A(5)(e) of the Corporations Act, the Company gives notice that:

- (a) the Shares were issued without disclosure to investors under Part 6D.2 of the Corporations Act;
- (b) as at the date of this Cleansing Notice, the Company has complied with:
 - (1) the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
 - (2) section 674 of the Corporations Act; and
- (c) as at the date of this Cleansing Notice, there is no “excluded information” within the meaning of sections 708A(7) and 708A(8) of the Corporations Act that is required to be set out in this Cleansing Notice under section 708A(6)(e) of the Corporations Act.

A separate cleansing notice under section 708A(12C)(e) of the Corporations Act in respect of the issue of convertible debentures by the Company will be released by the Company to ASX today.

Yours sincerely



GREG BARRETT
Company Secretary
Beadell Resources Limited

28 JUNE 2018

ASX LIMITED

LEVEL 40, CENTRAL PARK
152–158 ST GEORGES TERRACE
PERTH, WA 6000

Dear Sir/Madam

NOTICE UNDER SECTION 708A(12C)(e) OF THE CORPORATIONS ACT

NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

This cleansing notice (**Cleansing Notice**) is given by Beadell Resources Limited (ASX:BDR) (ACN 125 222 291) (**Beadell** or the **Company**) under section 708A(12C)(e) of the *Corporations Act 2001* (Cth) (**Corporations Act**) (as notionally inserted by ASIC Corporations (Sale Offers: Securities Issued on Conversion of Convertible Notes) Instrument 2016/82).

The Company advises that it has today issued the convertible debentures referred to in section 1(a) below without disclosure to investors under Part 6D.2 of the Corporations Act.

The purpose of this Cleansing Notice is to enable the fully paid ordinary shares in the capital of the Company (**Shares**) that may be issued on the conversion of the convertible debentures to be on-sold to retail investors without further disclosure.

This Cleansing Notice is an important document and should be read in its entirety. Neither ASIC nor ASX takes any responsibility for the contents of this Cleansing Notice.

1 Background

On 7 May 2018, the Company announced that it has received commitments from sophisticated and institutional investors to participate in a placement (**Placement**) of Shares (with attaching warrants (**Warrants**)) and convertible debentures.

The Company is conducting the Placement in two tranches:

- (a) an unconditional issue of US\$3.7 million of 6% senior secured convertible debentures due 30 June 2023 (**Debentures**) and approximately 73.8 million Shares and 55.4 million attaching Warrants within the Company's 15% placement capacity under ASX Listing Rule 7.1, which took place on 18 May 2018; and
- (b) a conditional issue of US\$6.3 million of Debentures and approximately 136.2 million Shares and approximately 102.1 million attaching Warrants, which is the subject of this Cleansing Notice and which was subject to shareholder approval (which was obtained at the General Meeting of the Company held on 25 June 2018) and ongoing satisfactory progress on the turnaround of operations at the Tucano mine (which the Company confirmed with the proposed investors).

The Company has today issued the second tranche of Debentures, Shares and Warrants.

The terms of the Debentures are set out in the Debenture Indenture and related Collateral Agency Deed and Specific Security Deed executed by the Company in favour the trustee and collateral agent for the holders of the Debentures, and are summarised in section 3 below.

A separate cleansing notice under section 708A(5)(e) of the Corporations Act in respect of the issue of the second tranche of 136.2 million Shares and 102.1 million Warrants will be released by the Company to ASX today.

The directors of the Company consider that the raising of capital by the issue of the Debentures, together with the issue of the Shares and Warrants (as set out above) is in the best interests of the Company.

2 The effect of the issue on the Company

2.1 Summary

The principal effect of the issue of the second tranche of Debentures on the Company will be to:

- (a) increase the Company's cash reserves by US\$6.3 million (before costs associated with the issue);
- (b) increase the number of unlisted Debentures on issue from 3,700 to 10,000; and
- (c) give rise to the Company having a liability for the amount of the aggregate face value of the Debentures, plus all accrued and unpaid interest.

The holders of the Debentures may convert all or part of the Debentures into Shares at a conversion price of US\$0.0815 per Share, subject to adjustment in certain circumstances. If the Debentures are converted, either whole or in part, this will dilute existing shareholders in the Company. The effect of the conversion on the Company's capital structure is show in section 2.3 below.

2.2 Pro forma consolidated statement of financial position of the Company taking into account the issue of the second tranche of Debentures

- (a) Set out below is a pro forma consolidated statement of financial position of the Company as at 31 December 2017, based on the audited consolidated statement of financial position of the Company adjusted to reflect the issue of the second tranche of convertible Debentures, and prepared on the basis of the accounting policies normally adopted by the Company.
- (b) The pro forma financial information is presented in an abbreviated form in so far as it does not include all of the disclosures required by Australian Accounting Standards applicable to the annual financial statements. The pro forma financial information is not audited.
- (c) Cash proceeds of US\$6.3 million (before costs and expenses) arising from the issue of 6,300 convertible Debentures have been recognised. The convertible Debentures have been provisionally accounted for as financial liabilities, and presented in non-current Borrowings.
- (d) The convertible Debentures and cash proceeds have been translated to A\$ at an exchange rate of A\$1.00 to US\$0.75.
- (e) The provisional accounting for the convertible Debentures and allocations between liabilities and equity may change in the future.
- (f) The pro forma consolidated statement of financial position of the Company has been adjusted to reflect the issue of the first and second tranche of convertible Debentures. The first tranche is presented as Adjustment 1 and the second tranche is presented as Adjustment 2, as set out below. For further details regarding the first tranche, please refer to the ASX announcement named "Cleansing Notices and Appendix 3B - Tranche 1" dated 18 May 2018.

Beadell Resources Ltd	Audited	Adjustment 1	Adjustment 2	Pro forma
Statement of Financial Position as at 31 December 2017	\$'000	\$'000	\$'000	\$'000
Assets				
Cash and cash equivalents	10,136	4,930	8,400	23,466
Restricted cash	171			171
Prepayments	2,365			2,365
Gold bullion awaiting settlement	9,496			9,496
Trade and other receivables	24,907			24,907
Inventories	29,696			29,696
Total current assets	76,771	4,930	8,400	90,101
Trade and other receivables	18,062			18,062
Exploration and evaluation assets	451			451
Mineral properties	31,429			31,429
Property, plant and equipment	137,270			137,270
Deferred tax assets	30,820			30,820
Total non-current assets	218,032			218,032
Total assets	294,803	4,930	8,400	308,133
Liabilities				
Trade and other payables	58,670			58,670
Employee benefits	4,311			4,311
Borrowings	55,801			55,801
Provisions	5,333			5,333
Total current liabilities	124,115			124,115
Employee benefits	13			13
Borrowings	-	4,930	8,400	13,330
Provisions	8,209			8,209
Total non-current liabilities	8,222	4,930	8,400	21,552
Total liabilities	132,337	4,930	8,400	145,667
Net assets	162,466			162,466
Equity				
Share capital	303,512			303,512
Reserves	(22,530)			(22,530)
Accumulated losses	(118,516)			(118,516)
Total equity	162,466			162,466

2.3 Potential effect of the second tranche on capital structure

(a) The total issued capital of the Company as at the date of this Cleansing Notice is summarised in the table below:

Securities	Number
Shares currently on issue <i>Note: Including 136,170,060 Shares issued today under the second tranche of the Placement</i>	1,443,441,127
Warrants <i>Note: Being the Warrants issued under the first and second tranches of the Placement</i>	157,507,710
Debentures <i>Note: Being the Debentures issued under the first and second tranches of the Placement</i>	10,000

Options at various exercises prices with various expiry dates	34,050,000
Performance rights	7,832,513

- (b) The capital structure of the Company will be affected by the conversion of the first and second tranches of Debentures by the Debenture holders, which will result in additional Shares being issued.
- (c) The Debentures can be converted at any time prior to the date of maturity (being 30 June 2023 (**Maturity Date**)) at the request of the Debenture holder, or they will be redeemed (by repayment of the principal amount of the Debentures, plus accrued and unpaid interest) on the Maturity Date.
- (d) If the Debenture holders convert the maximum number of convertible Debentures on issue at a full face value of US\$1,000 per Debenture, then based on a conversion price of US\$0.0815 per Share, approximately 122,700,000 new Shares would be issued.
- (e) The actual effect on the issued share capital of the Company will depend on what percentage of the Debentures are actually converted. The effect on the issued ordinary share capital of the Company on conversion of all the Debentures is set out in the table below. This is based on a conversion price of US\$0.0815 per Share (subject to standard adjustment provisions) and assumes conversion by the exercise of the standard conversion rights described in the summary in section 3 below.

	Number
Shares currently on issue (prior to conversion of Debentures)	1,443,441,127
Shares issued assuming conversion of all Debentures issued in the first tranche	45,399,000
Shares issued assuming conversion of all Debentures issued in the second tranche	77,301,000
Total Shares on issue following conversion of all of the Debentures	1,566,141,127

3 Rights and liabilities attaching to the Debentures

The following table contains a summary of the rights and liabilities attaching to the Debentures. The summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of the Debenture holders.

Term	Summary
Issue price	US\$1,000 per Debenture.
Maturity Date	30 June 2023.
Coupon	6.0% per annum, payable semi-annually in arrears on 30 June and 31 December each year, commencing 31 December 2018. Beadell has the option (but no obligation) to pay interest by delivering Shares to a trustee for sale, in which event the Debenture holders will be entitled to receive a cash payment from the proceeds.

Term	Summary
Security and ranking	<p>Beadell will grant share pledges over its shares in Beadell (Brazil) Pty Ltd and Beadell (Brazil 2) Pty Ltd (which companies hold the shares in Beadell's operating Brazilian subsidiary, Beadell Brasil Ltda) as security for the Debentures.</p> <p>The Debentures will be direct obligations of the Company ranking pari passu in right of payment with all other senior liabilities of the Company and, on enforcement in respect of the secured property, ranking senior in right of payment to all other liabilities (senior or subordinate) of the Company, other than, in each case, those liabilities mandatorily preferred by law.</p>
Conversion rights	<p>Each US\$1,000 amount will be convertible by the Debenture holder on any day prior to the business day before the Maturity Date or before a date fixed for redemption (see below) into Shares at a conversion price of US\$0.0815 per Share, subject to standard adjustment provisions summarised below (Conversion Price).</p> <p>The Shares issued on conversion of the Debentures will rank equally in all respects with the fully paid ordinary Shares on issue in the capital of the Company at the relevant time.</p>
Redemption	<p>Beadell will only be able to redeem the Debentures on the following terms:</p> <ul style="list-style-type: none"> • the Debentures are not redeemable on or before 30 June 2021 (First Call Date); • after the First Call Date and prior to 30 June 2022 (Second Call Date), the Debentures are redeemable at a price equal to their principal amount plus accrued and unpaid interest (provided that the current market price preceding the date on which the notice of redemption is given is at least 125% of the Conversion Price set out above); and • on or after the Second Call Date, the new securities are redeemable at a price equal to their principal amount plus accrued and unpaid interest.
Events of Default	<p>Each of the follow events constitutes an Event of Default for the purposes of the Debenture Indenture:</p> <ul style="list-style-type: none"> • failure to pay amounts when due; • default in the delivery, when due, of any Shares; • breach of covenants under the Debenture Indenture or the collateral documents; • Beadell suffering an event of insolvency or a secured creditor seizing assets of Beadell; and • any failure by Beadell to comply with the terms of any indebtedness of the Company or its subsidiaries above a threshold amount.

Term	Summary
Change of control	<p>On a change of control of Beadell (other than the proposed scheme of arrangement with Golden Harp referred to below), holders will have the right to require Beadell to repurchase their Debentures, in whole or in part, at a price equal to 105% of the principal amount plus accrued and unpaid interest.</p> <p>Additionally, subject to applicable regulatory approvals and approvals required by applicable securities exchanges, if there is a change of control where 10% or more of the consideration is or can be received in cash, equity securities that are not traded or intended to be traded immediately following such transaction on a stock exchange, or other property that is not traded or intended to be traded immediately following such transaction on a stock exchange, Debenture holders may elect to convert their Debentures and receive an additional number of Shares, such number to be outlined in an agreed table for each Share price and effective date of the change of control, and provided that the Conversion Price at the time is not less than the maximum discount permitted under applicable listing rules and policies.</p>
Adjustments	<p>The terms of the Debentures include standard provisions for adjusting the Conversion Price on certain events occurring to adjust for the effect of the event, including a reorganisation of Beadell's capital structure, the issue of new securities by way of dividend or other distribution (other than dividend reinvestment elections) or the payment of dividends, and the issue of options or warrants to all or substantially all Beadell shareholders.</p>
Transfer	<p>The Debentures are transferable subject to compliance with applicable securities laws. In Australia, the Debentures are only transferable to sophisticated or professional investors within the meaning of the Corporations Act.</p>
Voting rights	<p>Debenture holders will not be entitled to attend and vote at general meetings of the Company.</p>
Scheme of arrangement transaction	<p>As announced on 19 March 2018, Beadell and Golden Harp Resources Inc (Golden Harp) agreed to implement a scheme of arrangement following which Golden Harp was to carry on the business of Beadell under the name Americano Mining Inc, which would have remained listed on the TSXV and intends to apply for admission to the official list of the ASX.</p> <p>The Debenture terms provided for the Debentures to be assumed by Americano (through the issue of replacement debentures) and Beadell, as a subsidiary of Americano, to guarantee the Debentures.</p> <p>Following the termination of the scheme transaction, as announced on 26 June 2018, the Debentures will be held by Beadell, and Beadell will apply to ASX for quotation of any Shares issued on conversion of the Debentures, such conversion to take place at the Conversion Price.</p> <p>The Company expects to address the Debentures as part of the structure of any transaction to pursue a TSX-V listing that results from the discussions announced on 26 June 2018.</p>

4 Rights and liabilities attaching to the Shares

The Shares to be issued to Debenture holders on conversion of the Debentures will rank equally in all respects with all of the Company's existing Shares. A summary of the rights and liabilities attaching to Shares, including the Shares to be issued to Debenture holders (who will become shareholders) on conversion of the Debentures is set out below.

The summary is not exhaustive and does not purport to constitute a definitive statement of the rights and liabilities of shareholders, and is qualified by the terms of the Company's Constitution (a full copy of which is available from Company on request free of charge and can be found in the 'Corporate Governance' section of the Company's website).

Right/Liability	Summary
General Meetings	Shareholders are entitled to be present in person, by proxy, attorney or representative to attend and vote at general meetings of the Company. Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Company's Constitution.
Voting Rights	<p>Subject to any rights or restrictions (for the time being) attached to any class or classes of Shares, at general meetings of shareholders or classes of shareholders:</p> <ul style="list-style-type: none"> • each shareholder entitled to vote may vote in person or by proxy, attorney or representative; • on a show of hands, every person present who is a shareholder, or a proxy, attorney or a representative of a shareholder, entitled to vote has one vote; and • on a poll, every shareholder entitled to vote who is present in person or by proxy, attorney or representative, has one vote for each fully paid up Share held (whether the issue price of the Share was paid up, or credited, or both), but in respect of partly paid Shares shall have a fraction of a vote equivalent to the proportion which the amount paid up on that Share (excluding amounts credited) is to the total amounts paid up and payable on that Share.
Dividends	<p>Dividends may be paid to shareholders as declared by the Board at its discretion, subject to and in accordance with the Corporations Act, the ASX Listing Rules and the Company's Constitution.</p> <p>Subject to the aforementioned restrictions, the person entitled to a dividend on a Share is entitled to, if the Share is fully paid up, the entire dividend, and if the Share is partially paid up, a proportion of the dividend equal to the proportion the Share is paid up.</p> <p>The directors may implement a dividend reinvestment plan on the terms they think fit, under which the whole or any part of a dividend due to members who participate in the plan on their Shares or any class of Shares may be applied in subscribing for securities of the Company or of a related body corporate. The directors may amend, suspend or terminate a dividend reinvestment plan implemented by them.</p>
Rights on Winding Up	<p>Subject to any rights or restrictions attached to a class of Shares, if the Company is wound up, any surplus must be distributed among the shareholders in the proportions of which the amount paid on the Shares of a member is of the total amounts paid and payable on the Shares of all members.</p> <p>Subject to any rights or restrictions attached to a class of Shares, if the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the shareholders in kind the whole or any part of the property of the Company, and may determine how the division is to be carried out as between the shareholders or different classes of shareholders.</p>
Transfer	Generally, Shares are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of (or failure to observe) the provisions of a law of Australia, and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

Right/Liability	Summary
Variation of Rights	The rights of Shares in a class may only be varied by consent in writing of the holders of 75% of issued Shares of that class, or by the passing of a special resolution passed at a separate meeting of the holders of the issued Shares of that class.
Alteration of Constitution	The Company's Constitution can only be amended by a special resolution.
ASX Listing Rules	To the extent of any inconsistency, the ASX Listing Rules prevail over the Company's Constitution.

5 Compliance with disclosure obligations

The Company is a "disclosing entity" under the Corporations Act and is subject to regular reporting and disclosure obligations under both the Corporations Act and the ASX Listing Rules.

Broadly, these obligations require:

- (a) the Company to notify ASX immediately of any information (subject to certain exceptions) of which it is or becomes aware which a reasonable person would expect to have a material effect on the price value of its securities. That information is available to the public from ASX; and
- (b) the preparation of yearly and half-yearly financial statements and a report of the Company's operations during the relevant account period, together with an audit or review report prepared by the Company's auditor. These documents are lodged with ASIC and ASX.

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

The Company will provide a copy of each of the following documents, free of charge, to any person on request:

- (a) the annual financial report most recently lodged by the Company with ASIC, being the financial report of the Company for the year ended 31 December 2017; and
- (b) any of the other continuous disclosure documents given by the Company to ASX after the lodgement of the annual financial report referred to above and before the lodgement of this Cleansing Notice with ASX.

A list of those continuous disclosure documents follows:

Date	Announcement
02 March 2018	Change in substantial holding from CBA
19 March 2018	Proposed Toronto listing and merger with Golden Harp
21 March 2018	Becoming a substantial holder
21 March 2018	Corporate Presentation – March 2018
03 April 2018	New Tucano Mill Arrives on Site
04 April 2018	Ceasing to be a substantial holder from CBA
05 April 2018	Forfeiture of Employee Options
20 April 2018	Notice of Annual General Meeting/Proxy Form
20 April 2018	2017 Appendix 4G and Corporate Governance Statement
20 April 2018	2017 Annual Report
23 April 2018	Ceasing to be a substantial holder
26 April 2018	Trading Halt

Date	Announcement
30 April 2018	Suspension from Official Quotation
30 April 2018	Forfeiture of Employee Options
01 May 2018	March 2018 Quarterly Report
03 May 2018	Notice of initial substantial shareholder
07 May 2018	US\$23 Million Capital Raising
07 May 2018	Reinstatement to Official Quotation
10 May 2018	Grant of ASX Waiver
18 May 2018	Cleansing Notices and Appendix 3B - Tranche 1
18 May 2018	Tranche 1 of Capital Raising Completed
21 May 2018	Change in substantial holding
21 May 2018	2018 Share Purchase Plan Booklet
21 May 2018	Tap AB Continues to Demonstrate High Grade Shoots
23 May 2018	Ceasing to be a substantial holder
23 May 2018	Two New Gold Discoveries at Tucano
23 May 2018	Ceasing to be a substantial holder
24 May 2018	Notice of General Meeting and Proxy Form
24 May 2018	Chairman's Address to Shareholders
24 May 2018	CEO and Managing Director 2018 AGM Presentation
24 May 2018	Results of Meeting
28 May 2018	Becoming a substantial holder
01 June 2018	Change in substantial holding
01 June 2018	Extension of Closing Date of Share Purchase Plan
14 June 2018	Ceasing to be a substantial holder
14 June 2018	Grant of ASX Waiver from Listing Rule 14.7
15 June 2018	Ceasing to be a substantial holder
18 June 2018	New Closing Date of Share Purchase Plan
18 June 2018	New Head of Exploration and Geology
22 June 2018	Termination of Mining Services Contract with MACA Limited
25 June 2018	New Extension of Closing Date of Share Purchase Plan
25 June 2018	Result of General Meeting
26 June 2018	Toronto Listing Update

6 Information excluded from continuous disclosure notices

As at the date of this Cleansing Notice, other than as set out in this Cleansing Notice, the Company advises that there is no information that:

- (a) the Company has excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
- (b) is information that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - (1) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and

- (2) the rights and liabilities of the convertible Debentures (and the underlying Shares) offered by the Company.

For more information please contact the undersigned on +61 8 9429 0800.

Yours sincerely

A handwritten signature in black ink, appearing to read "G Barrett". The signature is fluid and cursive, with a period at the end.

GREG BARRETT
Company Secretary
Beadell Resources Limited

Appendix 3B

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

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

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

Name of entity

Beadell Resources Limited

ABN

50 125 222 291

We (the entity) give ASX the following information.

Part 1 - All issues

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

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | <ol style="list-style-type: none"> 1. Ordinary Fully Paid Shares. 2. Unlisted Warrants. 3. Unlisted Convertible Debentures. |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | <ol style="list-style-type: none"> 1. 136,170,060 Ordinary Fully Paid Shares. 2. 102,127,545 Unlisted Warrants. 3. 6,300 Unlisted Convertible Debentures. |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | <ol style="list-style-type: none"> 1. Ordinary Fully Paid Shares. 2. Unlisted Warrants with an exercise price of US\$0.0815 expiring 18 May 2022. 3. Unlisted 6.0% senior secured Convertible Debentures due 30 June 2023, each with a face value of US\$1,000. See the Cleansing Notice released by Beadell to the ASX on 28 June 2018 for further details of the terms of the Convertible Debentures. |

+ See chapter 19 for defined terms.

<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<ol style="list-style-type: none"> 1. Yes. 2. The Ordinary Fully Paid Shares issued on exercise of the Warrants will rank equally with the existing Ordinary Fully Paid Shares from the date of issue. 3. The Ordinary Fully Paid Shares issued on conversion of the Convertible Debentures will rank equally with the existing Ordinary Fully Paid Shares from the date of issue.
<p>5 Issue price or consideration</p>	<ol style="list-style-type: none"> 1. A\$0.083 per share. 2. Attaching Warrants on the basis of three-quarters of one Warrant for each share issued. 3. Face value of US\$1,000 per Convertible Debenture.
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<ul style="list-style-type: none"> • Completion of the Tucano plant upgrade • Working Capital • General corporate purposes.
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>No</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>N/A</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>N/A</p>
<p>6d Number of +securities issued with security holder approval under rule 7.1A</p>	<p>N/A</p>

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A					
6f	Number of +securities issued under an exception in rule 7.2	N/A					
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A					
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A					
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	N/A					
7	<p>+Issue dates</p> <p>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</p> <p>Cross reference: item 33 of Appendix 3B.</p>	28 June 2018					
8	Number and +class of all +securities quoted on ASX (<i>including</i> the +securities in section 2 if applicable)	<table border="1"> <thead> <tr> <th data-bbox="766 1523 1069 1568">Number</th> <th data-bbox="1069 1523 1361 1568">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="766 1568 1069 1794">1,443,441,127</td> <td data-bbox="1069 1568 1361 1794">Ordinary Fully Paid Shares</td> </tr> </tbody> </table>	Number	+Class	1,443,441,127	Ordinary Fully Paid Shares	
Number	+Class						
1,443,441,127	Ordinary Fully Paid Shares						

+ See chapter 19 for defined terms.

	Number	+Class	
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	250,000	Opts Ex Price \$0.93 Exp 20/9/18
	14,400,000	Opts Ex Price \$0.20 Exp 31/12/18	
	2,500,000	Opts Ex Price \$0.54 Exp 30/9/19	
	14,400,000	Opts Ex Price \$0.25 Exp 31/12/19	
	2,500,000	Opts Ex Price \$0.63 Exp 30/9/20 (vesting 30/9/18)	
	157,507,710	Warrants Ex Price US\$0.0815 Exp 18/5/2022	
	10,000	Convertible Debentures due 30 June 2023	

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	The extent, timing and payment of dividends in the future will be determined by the Directors based on a number of factors, including future earnings and the financial performance of the Company.
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Part 2 - Pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the +securities will be offered	N/A
14	+Class of +securities to which the offer relates	N/A
15	+Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A

17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A

+ See chapter 19 for defined terms.

- | | | |
|----|---|-----|
| | | |
| 30 | How do security holders sell their entitlements <i>in full</i> through a broker? | N/A |
| 31 | How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | N/A |
| 32 | How do security holders dispose of their entitlements (except by sale through a broker)? | N/A |
| 33 | +Issue date | N/A |

Part 3 - Quotation of securities

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

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

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

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

100,001 and over

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

N/A

39 +Class of +securities for which quotation is sought

N/A

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

If the additional +securities do not rank equally, please state:
• the date from which they do
• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

N/A

41 Reason for request for quotation now

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

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

N/A

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

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



Date: 28 June 2018

Company secretary

Print name: Greg Barrett

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