



29 July 2016

PROPOSED ISSUE OF SECURITIES

In accordance with Listing Rule 7.1 and 7.1A, the Company is proposing to issue 23,375,000 ordinary shares by way of a placement to sophisticated investors.

The Company can issue up to a maximum of 27,843,045 ordinary shares.

Any shares issued will rank equally with all other existing shares.

The issue price of the shares is at 0.8 of a cent per share, calculated on the VWAP of trades over the last 15 traded days.

The purpose of the issue is to provide funds for ongoing exploration and administration costs.

The portion of the above issue in respect of Listing Rule 7.1, the 15% rule, which amounts to 20,787,782 shares, will require future shareholder approval.

The portion of the above issue in respect of Listing Rule 7.1A, the 10% rule, which amounts to 2,587,218 shares, was approved at the Company's Annual General Meeting held on 26 November 2015.

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