

## ASX Announcement

15 September 2017



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### Notice under Listing Rule 3.10.5A

#### Securities issued under Listing Rule 7.1A

The following information is provided in accordance with ASX Listing Rule 7.1A.4(b) and Listing Rule 3.10.5A with reference to the Appendix 3B lodged by the Company on 14<sup>th</sup> September 2017 regarding the issue of 179,830,000 ordinary shares from a share placement announced to the ASX on 7 September 2017.

*(a) Details of the dilution to existing holders of ordinary securities caused by the issue:*

The Company issued 73,918,115 ordinary shares under Listing Rule 7.1A, resulting in the following dilution to existing holders of ordinary securities:

- Number of fully paid ordinary shares on issue prior to the issue of securities: **744,145,537**
- Add: Number of shares issued as part of this issue under LR7.1: **105,911,885**
- Total number of fully paid ordinary shares on issue prior to 7.1A securities issue: **850,057,422**
- Ordinary shares issued under Listing Rule 7.1A: **73,918,115**
- Percentage of voting dilution to existing holders of ordinary security holders: **8.0%**

*(b) Where the equity securities are issued for cash consideration, a statement of the reasons why the eligible entity issued the equity securities as a placement under rule 7.1A and not as (or in addition to) a pro rata issue or other type of issue in which existing ordinary security holders would have been eligible to participate:*

Shares were issued at 1.05 cents per share to sophisticated and professional investors to raise a total \$1.89 million before costs. In conjunction with the share placement, PNX has commenced a Share Purchase Plan ('SPP'), whereby eligible shareholders can acquire up to \$15,000 worth of ordinary, fully paid PNX shares at the same 1.05 cent issue price as the Placement. The Record Date for the SPP was 6 September 2017, and the Offer opens on 15 September 2017 and closes at 5pm Adelaide time on 25 September 2017. Funds raised from the share placement and SPP will be used to undertake a significant zinc and base metals exploration program at the Company's Northern Territory (Burnside and Moline) Exploration Projects, including geophysical surveys over a number of high-priority zinc, copper and lead targets as well as reverse circulation and diamond drilling of the highest priority targets. Additionally, funds will be used for preparatory items associated with the progression of a Definitive Feasibility Study on the Hayes Creek Project and for working capital purposes.

*(c) Details of any underwriting arrangements including any fees payable to the underwriter:*

No underwriting arrangements were entered into.

*(d) Any fees or costs incurred in connection with the issue:*

Fees of \$122,000 were incurred in connection with the issue.

By order of the Board:

A handwritten signature in blue ink, appearing to read 'Tim Moran'.

Tim Moran  
Company Secretary  
PNX Metals Limited