

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

Leigh Creek Energy Limited

ABN

31 107 531 822

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 | a) Convertible Notes
b) Ordinary Shares
c) Ordinary Shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | a) 25,000,000 Convertible Notes.
b) 8,360,426 Ordinary Shares
c) 25,000,000 Ordinary Shares |

+ See chapter 19 for defined terms.

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|---|---|
| <p>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)</p> | <p>a) Convertible Notes with a maturity date of 2 years from the date of issue. Convertible into fully paid ordinary shares in the capital of the Company on a one for one basis at A\$0.12 per share. Further terms and conditions of the Convertible Notes were announced to ASX on 7 February 2019.</p> <p>b) Ordinary fully paid shares issued in respect of the establishment fee and capitalised interest pursuant to the terms and conditions of the Convertible Notes issued at a).</p> <p>c) Ordinary fully paid shares issued following the conversion of the Convertible Notes issued at a).</p> |
|---|---|

⁺ See chapter 19 for defined terms.

4	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	a) No, but if the notes are converted, the fully paid ordinary shares issued as a result will rank equally with the existing class of quoted securities. b) and c) Yes
5	Issue price or consideration	a) Convertible Notes issued with a purchase price of \$0.12 each. b) and c) \$0.12 per share
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	a) To raise funds for project development and general working capital b) Ordinary fully paid shares issued in respect of the establishment fee and capitalised interest pursuant to the terms and conditions of the Convertible Notes issued at a). c) Ordinary fully paid shares issued following the conversion of the Convertible Notes issued at a).
6a	Is the entity an ⁺eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h <i>in relation to the ⁺securities the subject of this Appendix 3B</i>, and comply with section 6i	Yes
6b	The date the security holder resolution under rule 7.1A was passed	18 October 2018

⁺ See chapter 19 for defined terms.

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6c	Number of ⁺ securities issued without security holder approval under rule 7.1	a) 25,000,000 Convertible Notes b) 8,360,426 Ordinary Shares	
6d	Number of ⁺ securities issued with security holder approval under rule 7.1A	Not Applicable	
6e	Number of ⁺ securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Not Applicable	
6f	Number of ⁺ securities issued under an exception in rule 7.2	c) 25,000,000 Ordinary shares (exception 4)	
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.	Not Applicable	
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	Not Applicable	
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	Rule 7.1: 43,786,523 Rule 7.1A: 51,431,300	
7	⁺ Issue dates 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. Cross reference: item 33 of Appendix 3B.	a), b) and c) 3 April 2019	
8	Number and ⁺ class of all ⁺ securities quoted on ASX (<i>including</i> the ⁺ securities in section 2 if applicable)	Number 547,673,421	⁺ Class Ordinary Shares

⁺ See chapter 19 for defined terms.

	Number	+Class
9	Number and +class of all +securities not quoted on ASX (<i>including</i> the +securities in section 2 if applicable)	
	1,000,000	Unlisted options expiring 14 October 2019.
	1,000,000	Unlisted options expiring 14 October 2020.
	1,000,000	Unlisted options expiring 31 July 2020.
	7,673,500	Unlisted options expiring 30 November 2020.
	800,000	Unlisted options expiring 8 May 2021.
	1,500,000	Unlisted options expiring 10 May 2019.
	4,000,000	Unlisted options expiring 10 October 2021.
	5,790,000	Unlisted options expiring 16 July 2022.
	5,000,000	Unlisted options expiring 17 April 2023.
	5,000,000	Unlisted options expiring 3 July 2022.
	4,000,000	Unlisted options expiring 31 December 2020.
	4,000,000	Unlisted options expiring 31 December 2020.
	6,000,000	Unlisted options expiring 31 October 2021.
	42,763,500	Total unlisted options
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable

Part 2 - Pro rata issue

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11	Is security holder approval required?	Not Applicable
12	Is the issue renounceable or non-renounceable?	Non-Renounceable
13	Ratio in which the ⁺ securities will be offered	Not Applicable
14	⁺ Class of ⁺ securities to which the offer relates	Not Applicable
15	⁺ Record date to determine entitlements	Not Applicable
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not Applicable
17	Policy for deciding entitlements in relation to fractions	Not Applicable
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.	Not Applicable
19	Closing date for receipt of acceptances or renunciations	Not Applicable

⁺ See chapter 19 for defined terms.

20	Names of any underwriters	Not Applicable
21	Amount of any underwriting fee or commission	Not Applicable
22	Names of any brokers to the issue	Not Applicable
23	Fee or commission payable to the broker to the issue	Not Applicable
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	Not Applicable
25	If the issue is contingent on security holders' approval, the date of the meeting	Not Applicable
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	Not Applicable
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	Not Applicable
28	Date rights trading will begin (if applicable)	Not Applicable
29	Date rights trading will end (if applicable)	Not Applicable
30	How do security holders sell their entitlements <i>in full</i> through a broker?	Not Applicable
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not Applicable

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| 32 | How do security holders dispose of their entitlements (except by sale through a broker)? | Not Applicable |
| 33 | +Issue date | Not Applicable |

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 (only the ordinary shares listed at b))
- (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

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought					
39	+Class of +securities for which quotation is sought					
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					
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)					
42	Number and +class of all +securities quoted on ASX (<i>including</i> the +securities in clause 38)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; padding: 5px;">Number</th> <th style="width: 50%; padding: 5px;">+Class</th> </tr> </thead> <tbody> <tr> <td style="height: 80px;"></td> <td></td> </tr> </tbody> </table>	Number	+Class		
Number	+Class					

+ 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: 3 April 2019
Company Secretary

Print name: Damien Connor

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	415,912,956
Add the following: - Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 - Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval - Number of partly paid +ordinary securities that became fully paid in that 12 month period Note: - Include only ordinary securities here – other classes of equity securities cannot be added - Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed - It may be useful to set out issues of securities on different dates as separate line items	10,636,668 shares issued on 21 December 2018 as approved by shareholders on 18 October 2018. 9,240,000 shares issued on 30 July 2018 and approved by shareholders on 18 October 2018. 9,510,000 shares issued on 20 July 2018 under the Share Purchase Plan. 36,867,647 shares issued on 25 June 2018 and approved by shareholders on 22 August 2018. 15,535,591 Entitlement Shares issued on 7 March 2019 under the Non-Renounceable Pro Rata Rights Issue pursuant to offer document dated 8 January 2019 16,610,133 Shortfall Shares issued on 19 March 2019 under the Non-Renounceable Pro Rata Rights Issue pursuant to offer document dated 8 January 2019
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
“A”	514,312,995

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	77,146,949
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued: • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 Note: • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i>	25,000,000 Convertible Notes maturing on 1 April 2021. (these were converted into ordinary shares on the same day the Convertible Notes were issued). 8,360,426 Ordinary fully paid shares issued in respect of the establishment fee and capitalised interest pursuant to the terms and conditions of the Convertible Notes that mature on 1 April 2021.
“C”	33,360,426
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	77,146,929
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	33,360,426
Total [“A” x 0.15] – “C”	43,786,523 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	514,312,995
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	51,431,300
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items	
“E”	Nil

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	51,431,300
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	Nil
Total [“A” x 0.10] – “E”	51,431,300 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.