



ASX Release

12 December 2019

AuStar Gold Limited ABN 70 107 180 441

Registered Office: 6 Bridge Street, Woods Point VIC 3723

PROSPECTUS LODGED FOR ENTITLEMENT AND OTHER OFFERS

AuStar Gold Limited (ASX: AUL) (Austar Gold or the Company) is pleased to announce the lodgment of its Prospectus with ASIC for the Capital Raising announced by the Company on 5 December 2019.

The Prospectus includes a pro-rata, non-renounceable entitlement offer to Eligible Shareholders (**Entitlement Offer**) of 1 New Share in the Company for every 2 Shares (**New Share**) held by Eligible Shareholders on the Record Date (7.00pm AEDT on 17 December 2019), at the Offer Price of \$0.30 per New Share together with 1 New Option for every 3 New Shares exercisable at \$0.60 and expiring 30 June 2022 (**New Option**), to raise up to approximately \$5,085,545 (before costs).

The Entitlement Offer is non-renounceable. Eligible Shareholders (being Shareholders on the Record Date with a registered address in Australia and New Zealand) are also invited to apply for additional New Shares and additional New Options in excess of their entitlement if there is a shortfall between applications received from Eligible Shareholders and the number of New Shares and New Options proposed to be issued under the Entitlement Offer.

The Entitlement Offer is partially underwritten to the amount of \$1,000,000 by Claymore Capital Pty Ltd (Underwriter) pursuant to an underwriting agreement, the terms of which are summarised in the Prospectus.

The opening date for the Entitlement Offer is 18 December 2019 and the Entitlement Offer's closing date is 5pm (AEDT) 9 January 2020.

The Directors have reserved the right to place any shortfall of any entitlement not taken up under the Entitlement Offer or by the Underwriter at their discretion within 3 months of the closing date of the Offer under a Shortfall Offer also included in the Prospectus.

The Prospectus also provides an offer to certain sophisticated, institutional and/or professional Investors to apply for up to \$2,500,000 worth of New Shares at the Offer Price per Placement Share plus one free attaching New Option for every three Placement Shares applied for (**Placement Offer**); and an offer to Avior Consulting and Gandel Metals to apply for up to a combined amount of \$900,000 worth of New Shares at the Offer Price per Subscription Share plus one free attaching New Option for every three Subscription Shares applied for (**Subscription Offer**).

The funds raised from the Offers under the Prospectus will be used to contribute \$2.4 million to the completion of the Deed Of Company Administration (DOCA) as part of the consideration for the

acquisition of Centennial, capital development at the A1 mine, capital improvements at both the Maldon and Morning Star processing plants, in-mine resource drilling, regional exploration, working capital and transaction costs, and potential further growth initiatives.

On completion of the Placement Offer, the Entitlement Offer (subject to completion of the Underwriting) and the Subscription Offer, AuStar will have raised a minimum of \$4.4 million, satisfying one of the remaining conditions precedent to the acquisition of Centennial under the DOCA.

It should be noted that neither all of the conditions precedent nor the formalities of closure of the DOCA are within the control of AuStar and, accordingly, it cannot guarantee transaction completion.

The issue of shares under the Placement Offer and the Subscription Offer, the issue of Underwriter Options under the Underwriting Agreement and the issue of Additional Consideration Shares to the Centennial Vendors are subject to Shareholder Approvals at a General Meeting of the Company which is expected to be held in mid-January 2020. The Shareholder Approvals, (other than the approval to issue the Underwriter Options), will be interdependent, with the result that each of the resolutions must be passed in order for completion of each of the issues to occur. If Shareholder Approvals are not obtained, the Company's acquisition of Centennial may not proceed. Please refer to the Prospectus for further details regarding the requirements of the DOCA, the Company's acquisition of Centennial and the Shareholder Approvals.

Further information on the Entitlement Offer and the other Offers is set out in the Prospectus, which will be mailed to Eligible Shareholders with a personalised Entitlement and Acceptance Form shortly after the Record Date. Shareholders may view all the Company's ASX announcements, including those relating to the Offer, on the Company's website: www.austargold.com.au.

The Board recommends that Eligible Shareholders and prospective Investors should read the Prospectus in its entirety before deciding whether to participate in the Offers. There are a number of risks factors that should be considered in relation to making a decision on whether to participate in any of the Offers, which are summarised in the Prospectus.

The timetable of important dates under the Prospectus is set out below.

Important Dates

Event	Date
Announcement of the Placement, Entitlement Offer, Subscription Offer and intention to call the General Meeting	5 December 2019
Lodgement of this Prospectus with ASIC and ASX Notices sent to Optionholders and Ineligible Shareholders	12 December 2019
Notice of the General Meeting dispatched to Shareholders	13 December 2019
Entitlement Offer "Ex" Date	16 December 2019
Record Date for the Entitlement Offer	7pm (AEDT) 17 December 2019
Opening Date for acceptances of the Entitlement Offer	18 December 2019

Event	Date
Prospectus and personalised acceptance forms sent to Eligible Shareholders under the Entitlement Offer	18 December 2019
Last day to extend the Entitlement Offer Closing Date	6 January 2020
Closing Date for acceptances of the Entitlement Offer	5pm (AEDT) 9 January 2020
Settlement of the Placement Offer	9 January 2020
Entitlement Offer securities quoted on a deferred settlement basis	10 January 2020
Announcement of results of Entitlement Offer and notification of Entitlement Offer Shortfall	13 January 2020
General Meeting to approve issue of Securities ¹	13 January 2020
Settlement of Subscription Offer	13 January 2020
Allotment of New Shares and New Options under the Entitlement Offer, the Placement Offer and the Subscription Offer ¹ Dispatch of holding statements Appendix 2A to be lodged with ASX applying for quotation of all securities issued	14 January 2020
New Shares and New Options trading on a normal basis ²	15 January 2020
Completion under the DOCA ³	On or before 24 January 2020
Last day for issue of New Shares and New Options under the Shortfall Offer	9 April 2020

The above dates and times are indicative only and subject to change. Any material changes will be notified to ASX. The Company reserves the right to amend any or all of these dates and times subject to the Corporations Act, the Listing Rules and other applicable laws.

Notes:

1. Issue of New Shares and New Options under the Placement Offer and the Subscription Offer, the issue of the Underwriter Options and the issue of Additional Consideration Shares to the Centennial Vendors are each subject to shareholder approvals at the General Meeting.
2. The Company intends to seek Official Quotation of the New Options offered pursuant to the Prospectus, however, Official Quotation of the New Options will be subject to meeting the requirements for quotation of additional securities under Listing Rule 2.5. If the New Options issued under the Offers do not satisfy these requirements the New Options will be unlisted.
3. The date of completion under the DOCA to be adjusted as necessary in accordance with the agreed timetable for the DOCA.

Authorised by the Board of Austar Gold Limited.

For more information please contact:

Mr. Frank Terranova
Chairman
Austar Gold Limited
info@austargold.com
T + 61 3 5777 8268