



Announcement Summary

Entity name

AUSTAR GOLD LIMITED

Announcement Type

New announcement

Date of this announcement

Tuesday September 8, 2020

The Proposed issue is:

- ☒ A bonus issue
- ☒ A standard pro rata issue (including non-renounceable or renounceable)
- ☒ A placement or other type of issue

Total number of +securities proposed to be issued for a bonus issue

ASX +security code	+Security description	Maximum Number of +securities to be issued
n/a	Options exercisable at \$0.60 on or before 31/12/2021	3,498,686

Ex date

Wednesday September 16, 2020

+Record date

Thursday September 17, 2020

+Issue date

Tuesday September 22, 2020

Ex date

Wednesday September 16, 2020

+Record date

Thursday September 17, 2020

Offer closing date

Friday October 9, 2020

Issue date

Thursday October 15, 2020

Total number of +securities proposed to be issued for a placement or other type of issue



ASX +security code	+Security description	Maximum Number of +securities to be issued
n/a	Options with an exercise price of \$0.60 expiry 31/12/2021	2,177,778
AUL	ORDINARY FULLY PAID	6,533,333

Proposed +issue date

Friday September 18, 2020

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

AUSTAR GOLD LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

1.2 Registered Number Type

ABN

Registration Number

70107180441

1.3 ASX issuer code

AUL

1.4 The announcement is

☒ New announcement

1.5 Date of this announcement

Tuesday September 8, 2020

1.6 The Proposed issue is:

- ☒ A +bonus issue
- ☒ A standard +pro rata issue (non-renounceable or renounceable)
- ☒ A placement or other type of issue

1.6a The proposed standard +pro rata issue is:

☒ + Non-renounceable



Part 2 - Details of proposed bonus issue

Part 2A - Conditions

2A.1 - Are any of the following approvals required for the +bonus issue to be unconditional?

- +Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity

☒ No

Part 2B - Issue details

Class or classes of +securities that will participate in the proposed issue and class or classes of +securities proposed to be issued

ASX +security code and description

AUL : ORDINARY FULLY PAID

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ New class

Will the proposed issue of this +security include an offer of attaching +securities?

☒ No

If the entity has quoted company options, do the terms entitle option holders to participate on exercise?

☒ Yes

Details of +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

☒ No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

☒ Yes

ASX +security code

New class-code to be confirmed

+Security description

Options exercisable at \$0.60 on or before 31/12/2021

+Security type

Options

**Issue ratio (ratio to existing holdings at which the proposed +securities will be issued)**

The quantity of additional +securities to be issued	For a given quantity of +securities held
1	10

What will be done with fractional entitlements?	Maximum number of +securities proposed to be issued (subject to rounding)
--	--

Fractions rounded up to the next whole number	3,498,686
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Will all the +securities issued in this class rank equally in all respects from their issue date?

☒ Yes

Options details

+Security currency	Exercise price	Expiry date
AUD - Australian Dollar	AUD 0.6000	Friday December 31, 2021

Details of the type of +security that will be issued if the option is exercised

AUL : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

3498686

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

Material terms will be set out in a prospectus to be lodged on September 11,2020

Details of company options where holders entitled to participate in the offer

ASX +security code and description

AULOD : OPTION EXPIRING 30-SEP-2020

Date Option must be exercised by

Thursday September 17, 2020

Part 2C - Timetable



2C.1 +Record date

Thursday September 17, 2020

2C.3 Ex date

Wednesday September 16, 2020

2C.4 Record date

Thursday September 17, 2020

2C.5 +Issue date

Tuesday September 22, 2020

2C.6 Date trading starts on a normal T+2 basis

Wednesday September 23, 2020

2C.7 First settlement of trades conducted on a +deferred settlement basis and on a normal T+2 basis

Friday September 25, 2020

Part 2D - Further Information

2D.1 Will holdings on different registers or subregisters be aggregated for the purposes of determining entitlements to the +bonus issue?

☒ No

2D.2 Countries in which the entity has +security holders who will not be eligible to participate in the proposed +bonus issue

2D.3 Will the entity be changing its dividend/distribution policy as a result of the proposed +bonus issue

☒ No

2D.4 Details of any material fees or costs to be incurred by the entity in connection with the proposed +bonus issue

2D.5 Any other information the entity wishes to provide about the proposed +bonus issue



Part 3 - Details of proposed entitlement offer issue

Part 3A - Conditions

3A.1 - Are any of the following approvals required for the entitlement offer to be unconditional?

- +Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity

☒ No

Part 3B - Offer details

Class or classes of +securities that will participate in the proposed issue and class or classes of +securities proposed to be issued

ASX +security code and description

AUL : ORDINARY FULLY PAID

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

☒ Yes

If the entity has quoted company options, do the terms entitle option holders to participate on exercise?

☒ Yes

Details of +securities proposed to be issued

ASX +security code and description

AUL : ORDINARY FULLY PAID

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

ISIN Code for the entitlement or right to participate in a non-renounceable issue (if Issuer is foreign company and +securities are non CDIs)

Offer ratio (ratio to existing holdings at which the proposed +securities will be issued)



The quantity of additional +securities to be issued	For a given quantity of +securities held
--	---

1

10

What will be done with fractional entitlements?

Fractions rounded up to the next whole number

Maximum number of +securities proposed to be issued (subject to rounding)

3,498,686

Offer price details for retail security holders**In what currency will the offer be made?**

AUD - Australian Dollar

What is the offer price per +security for the retail offer?

AUD 0.30000

Oversubscription & Scale back details**Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?**☒ Yes**Describe the limits on over-subscription**

No limits

Will a scale back be applied if the offer is over-subscribed?☒ Yes**Describe the scale back arrangements**

At Directors discretion

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?☒ Yes**Attaching +Security****Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?**☒ New class

Attaching +Security - New class (+securities in a class that is not yet quoted or recorded by ASX)



Details of attaching +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

ISIN Code for the entitlement or right to participate in a non-renounceable issue (if Issuer is foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

☒ No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

☒ Yes

ASX +security code

New class-code to be confirmed

+Security description

Options exercisable at \$0.60 with expiry on or before 31/12/2021

+Security type

Options

Offer ratio (ratio of attaching securities at which the new +securities will be issued)

The quantity of attaching +securities to be issued

1

For a given quantity of the new +securities issued

3

What will be done with fractional entitlements?

Fractions rounded up to the next whole number

Maximum number of +securities proposed to be issued (subject to rounding)

1,166,228

Offer price details for retail security holders

In what currency will the offer be made?

AUD - Australian Dollar

What is the offer price per +security for the retail offer?

AUD 0.00000

Oversubscription & Scale back details

Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?

☒ Yes

Describe the limits on over-subscription

No limits

Will a scale back be applied if the offer is over-subscribed?

☒ Yes



Describe the scale back arrangements

At Directors discretion

Will all the +securities issued in this class rank equally in all respects from their issue date?

☒ Yes

Options details**+Security currency**

AUD - Australian Dollar

Exercise price

AUD

Expiry date**Details of the type of +security that will be issued if the option is exercised**

AUL : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

1166228

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

Details of company options where holders entitled to participate in the offer**ASX +security code and description**

AULOD : OPTION EXPIRING 30-SEP-2020

Date Option must be exercised by

Thursday September 17, 2020

Part 3C - Timetable**3C.1 +Record date**

Thursday September 17, 2020

3C.2 Ex date

Wednesday September 16, 2020



3C.4 Record date

Thursday September 17, 2020

3C.5 Date on which offer documents will be sent to +security holders entitled to participate in the +pro rata issue

Friday September 18, 2020

3C.6 Offer closing date

Friday October 9, 2020

3C.7 Last day to extend the offer closing date

Tuesday October 6, 2020

3C.9 Trading in new +securities commences on a deferred settlement basis

Monday October 12, 2020

3C.10 Last day for entity to announce the results of the offer to ASX, including the number and percentage of +securities taken up by existing +security holders and any shortfall taken up by underwriters or other investors

Tuesday October 13, 2020

3C.11 +Issue date

Thursday October 15, 2020

3C.12 Date trading starts on a normal T+2 basis

Friday October 16, 2020

3C.13 First settlement date of trades conducted on a +deferred settlement basis and on a normal T+2 basis

Tuesday October 20, 2020

Part 3E - Fees and expenses

3E.1 Will there be a lead manager or broker to the proposed offer?

☒ No

3E.2 Is the proposed offer to be underwritten?

☒ No

3E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?

☒ No



3E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer

Part 3F - Further Information

3F.1 The purpose(s) for which the entity intends to use the cash raised by the proposed issue

In mine and regional exploration, dewatering infrastructure and working capital and costs

3F.2 Will holdings on different registers or subregisters be aggregated for the purposes of determining entitlements to the issue?

☒ No

3F.3 Will the entity be changing its dividend/distribution policy if the proposed issue is successful?

☒ No

3F.4 Countries in which the entity has +security holders who will not be eligible to participate in the proposed issue

All countries other than Australia and New Zealand

3F.5 Will the offer be made to eligible beneficiaries on whose behalf eligible nominees or custodians hold existing +securities

☒ No

3F.6 URL on the entity's website where investors can download information about the proposed issue

www.austargold.com.au

3F.7 Any other information the entity wishes to provide about the proposed issue

3F.8 Will the offer of rights under the rights issue be made under a disclosure document or product disclosure statement under Chapter 6D or Part 7.9 of the Corporations Act (as applicable)?

☒ Yes



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 - Are any of the following approvals required for the placement or other type of issue?

- +Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity

☒ No

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

☒ Yes

Details of +securities proposed to be issued

ASX +security code and description

AUL : ORDINARY FULLY PAID

Number of +securities proposed to be issued

6,533,333

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

☒ Yes

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.30000

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

☒ Yes



Attaching +Security

Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?

☒ New class

Attaching +Security - New class (+securities in a class that is not yet quoted or recorded by ASX)

Details of attaching +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

☒ No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

☒ Yes

ASX +security code

New class-code to be confirmed

+Security description

Options with an exercise price of \$0.60 expiry 31/12/2021

+Security type

Options

Number of +securities proposed to be issued

2,177,778

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

☒ No

Please describe the consideration being provided for the +securities

Free attaching options

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

Will all the +securities issued in this class rank equally in all respects from their issue date?

☒ Yes

Options details



+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.6000

Expiry date

Friday December 31, 2021

Details of the type of +security that will be issued if the option is exercised

AUL : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

1

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

Part 7C - Timetable

7C.1 Proposed +issue date

Friday September 18, 2020

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

☒ No

7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?

☒ Yes

7D.1b (i) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?

3070250 shares, 2177778 options

7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?

☒ Yes

7D.1c (i) How many +securities are proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?

3463083 shares

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

☒ No



7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

☒ No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

☒ No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

☒ Yes

7E.1a Who is the lead manager/broker?

Barclay Pearce Capital Pty Ltd

7E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

6%

7E.2 Is the proposed issue to be underwritten?

☒ No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

To raise capital for in mine and regional exploration, dewatering infrastructure, working capital and costs

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

☒ No

7F.2 Any other information the entity wishes to provide about the proposed issue