



ASX Code: PLD

10 March 2015

A\$10m Financing and Acquisition of Admiral Bay

- **Due Diligence successfully completed on the Admiral Bay and Rocky Gully Projects**
- **Financing of ~A\$10m with two of the world's leading mining finance managers via a Share Subscription and Net Smelter Royalty Sales**
- **'Notice of Acquisition' given to Kagara Limited (in liquidation) regarding Admiral Bay, and Heron Resources Limited and Third Reef Pty Ltd regarding Rocky Gully**
- **Indicative Timetable and Budget to 'Completion of Acquisition' regarding the acquisition of Admiral Bay and Rocky Gully in Table 1 and Table 2**

PLD Corporation Limited (**ASX:PLD**) ("**PLD**" or "**the Company**") is pleased to announce that due diligence on the Admiral Bay Zinc Project (Admiral Bay) and the Rocky Gully Nickel-Copper Project (Rocky Gully) has been completed, and the Company has notified Kagara Limited (in liquidation) (Kagara), Heron Resources Limited (Heron) and Third Reef Pty Ltd (Third Reef) of its intention to proceed with the acquisition of the projects (Acquisition).

Admiral Bay is one of the largest undeveloped zinc projects in the world, hosting an Inferred Mineral Resource Estimate (MRE) of 72Mt at 6.7%ZnEq¹. Rocky Gully is located in the Fraser Range, where the Company is exploring for Nova-type Nickel-Copper deposits (Page 2 and 3).

The Company has signed agreements with two of the world's leading mining finance managers, to fund the acquisition of Admiral Bay and Rocky Gully as well as a 24 month work program, involving new technology, innovation and leadership, and ultimately feasibility studies.

A Subscription Agreement has been signed with Resource Capital Funds ("RCF" or the "Funds") Fund VI L.P. for a placement of ~68 million shares at 1.0c per share for ~A\$0.68 million (proceeds received on 09/03/15), as well as a Term Sheet for the sale of a 1% Net Smelter Royalty (NSR) over ML4/244, ML4/249 and EL4/1610 at Admiral Bay, for US\$5 million.

A Confidential Term Sheet has also been signed with another leading Mining Finance Fund (MFF) for the sale of 0.5% NSR over ML4/244, ML4/249 and 2% over EL4/1610 at Admiral Bay, for US\$2.5 million, with total proceeds from the agreements amounting to A\$10.28 million (Page 6).

The Company will seek shareholder and regulatory approval regarding the Acquisition of the projects. An indicative timetable and budget has been provided on Page 7.

Commenting on the Acquisition Managing Director Matt Gauci said:

"Our \$10m financing underwrites the acquisition and development plan for the projects involving new technology, innovation and leadership. While discussions with potential partners for Admiral Bay will continue, we are satisfied that via these agreements, owning, funding and developing the projects 100% will create more value for our shareholders."

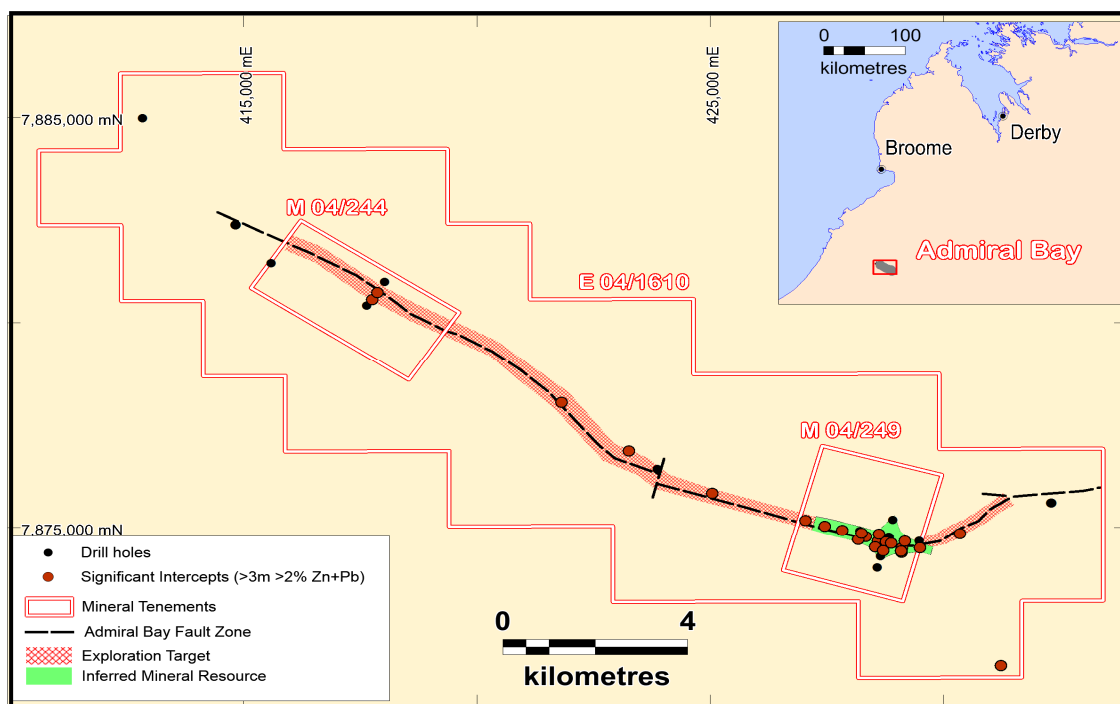
¹ see PLD ASX release on 25/11/14



Admiral Bay Zinc Project²

The Admiral Bay Zinc Project is one of the world's largest undeveloped zinc projects, hosting an Inferred Mineral Resource Estimate (MRE) of 72Mt at 6.7% ZnEq³ and an Exploration Target Range (ETR) of 170-250Mt at 5.3%-7.5% ZnEq*, located in the Canning Basin, Western Australia. The Admiral Bay Zinc Project hosts a high grade core of 20Mt at 10.1% ZnEq⁴ and based on geological assessment it is considered that multiple high grade zones could exist within the 18km mineralised corridor.

Figure 1. Admiral Bay MRE and ETR



² PLD confirms that there is no new information or data that materially affects the previous market announcements about the Admiral Bay MRE or ETR, and that for the MRE all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.

³ See PLD ASX releases on 25/11/14 and 10/2/15

⁴ See PLD ASX release on 10/2/15

* Note that the potential quantities and grades are conceptual in nature, that there has been insufficient exploration to estimate Mineral Resources and that it is uncertain whether further exploration will result in the estimation of Mineral Resources.

Rocky Gully Nickel-Copper Project

The Rocky Gully Project is one of the largest landholdings in the Albany Fraser Belt, WA, covering a total of 1,200km² of tenements. Multiple bedrock Electromagnetic (EM) conductors have been identified with exploration work planned on eight (8) priority targets that are considered prospective for Nova-type Nickel, Trilogy-type Copper and strata-bound Graphite type deposits, all of which occur elsewhere in the same geological terrain.

Figure 4. Albany Fraser Belt, WA

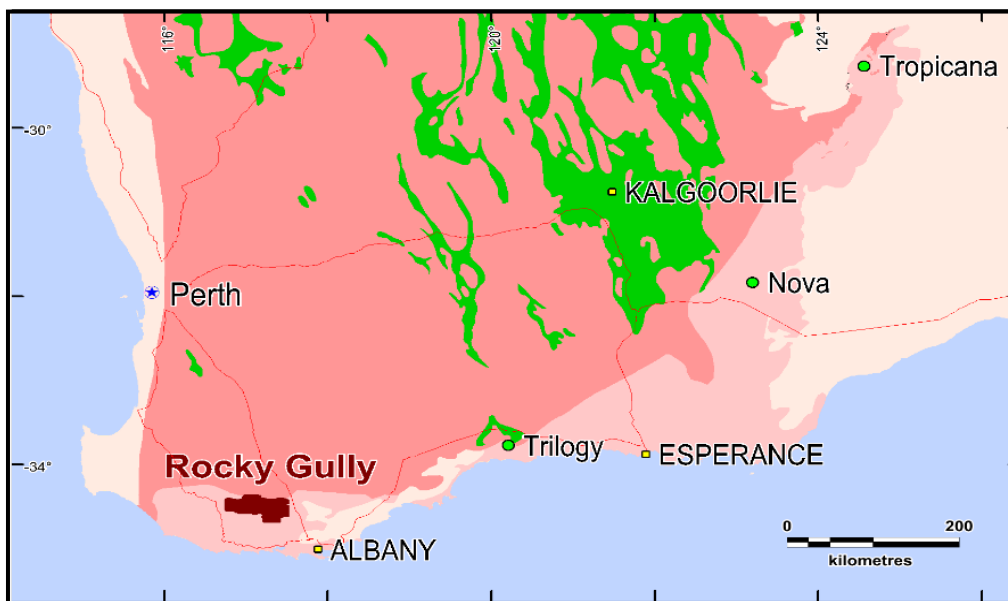
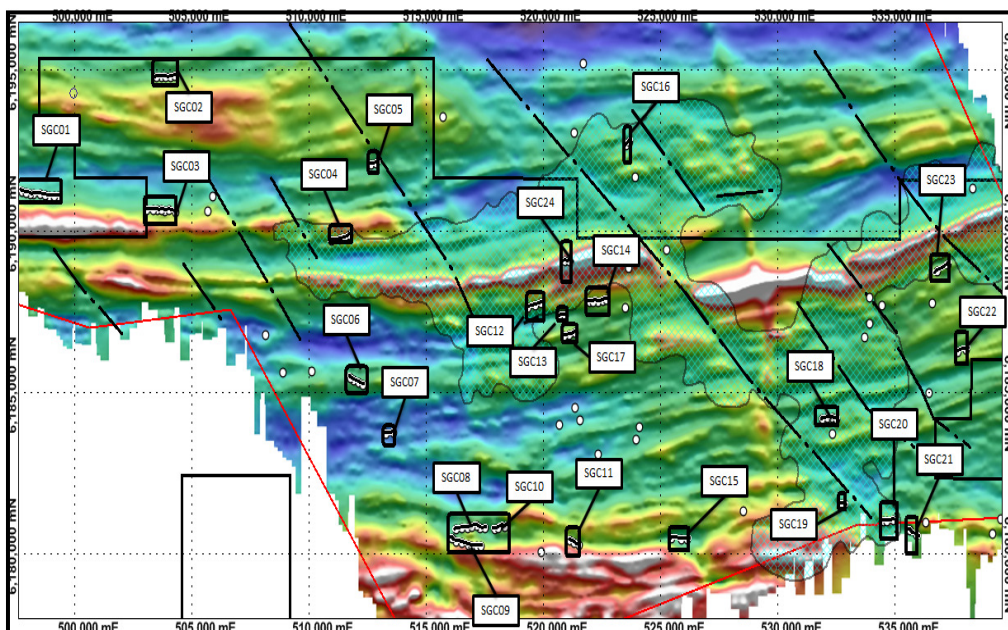


Figure 5. Rocky Gully EM Conductor Targets, WA





Acquisition Terms with Kagara

1. PLD has given written notice to Kagara electing to exercise the option and acquire a 100% unencumbered interest by:
 - a) granting a 1.5% Net Smelter Royalty (NSR) on production from the Project
 - b) paying A\$500,000 cash at Completion; and
 - c) Issue of a Convertible Note (CN) at Completion for A\$500,000, convertible at the holder's election on the maturity date, 2nd Anniversary from date of issue. The CN can be acquired by PLD at any time at face value (\$500,000 prior to maturity.)
2. PLD will have the right to Terminate the NSR via the following mechanism:
 - (1) 0.5% of the NSR buy back for \$1,000,000 cash and/or shares (at PLD election) upon successful completion of a scoping study; and
 - (2) 1.0% of the NSR buy back for \$2,500,000 cash and/or shares (at PLD election) upon successful commencement of production.
3. Further Milestone Payment of \$2,500,000 cash and/or shares (at PLD election) upon the 3rd Anniversary of the commencement of production.
4. The issue of shares in PLD under this letter agreement will be at the 20 day VWAP after a notice is given to buy back the NSR or the Milestone Payment described in paragraph 3 above is made.
5. PLD agrees to expend not less than \$5,000,000 on the Project over a period of 3 years after completion (subject to land access). If this expenditure commitment is not met by PLD, Kagara has the election to request payment by PLD of an additional sum of \$1,000,000 to Kagara or to transfer to Kagara 100% of its then legal and beneficial interest in the Project.
6. Milestone payments can be on-sold by Kagara with prior written consent from PLD which is not to be unreasonably withheld.
7. Kagara covenants in favour of PLD to keep the tenements that form the Project in good standing until the Acquisition is complete.
8. The Acquisition is subject to, amongst other things:
 - a) Approval of PLD shareholders in general meeting;
 - b) Approval of ASX to the terms of the Acquisition and the completion by PLD of any ASX imposed requirements; and
 - c) Finalisation of a formal Tenement Option and Sale Agreement with terms normally included in agreements of this nature.
 - d) Kagara obtaining court approval, up to a total of 9 months



Acquisition Terms with Heron Resources Limited and Third Reef Pty Ltd

PLD has given written notice to Heron Resources Limited (Heron) electing to acquire a 90% unencumbered interest in Rocky Gully Project with the following terms:

- 1. Rocky Gully Nickel-Copper Project** comprising EL70/2801, EL70/4543, EL70/4437.
- PLD to acquire a 90% interest by issuing Heron 28,750,000 fully paid ordinary shares in the Company at a value of \$0.008 per share (or the equivalent number of shares if the exercise of the option results in the Company having to comply with Chapters 1 & 2 of the Listing Rules) or pay Heron \$230,000 in cash, at PLD's election;
- There is a 1.5% Net Smelter Royalty payable to Heron.

The Exercise of the option is conditional upon receipt from ASX of conditional re-listing approval on ASX in compliance with Chapters 1 and 2 of the Listing Rules.

PLD has given written notice to Third Reef Pty Ltd (Third Reef) electing to acquire a 100% unencumbered interest in Rocky Gully East Project with the following terms:

- 1. Rocky Gully East Nickel-Copper Project** comprising ELA70/4436
- PLD can acquire a 100% interest by issuing Third Reef 5,000,000 fully paid ordinary shares in the Company at a value of \$0.01 per share (or the equivalent number of shares if the exercise of the option results in the Company having to comply with Chapters 1 & 2 of the Listing Rules) or pay Third Reef \$50,000 in cash, at Third Reef's election;
- There is a 1.5% Net Smelter Royalty payable to Third Reef.

The Exercise of the option is conditional upon receipt from ASX of conditional re-listing approval on ASX in compliance with Chapters 1 and 2 of the Listing Rules.

PLD is to keep the tenements in good standing until such time the Company is in compliance with Chapters 1 and 2 of the Listing Rules, which is anticipated to be approximately \$200,000.



Financing Agreement Terms with RCF and MFF.

1. Subscription Terms with RCF

A Subscription Agreement has been signed between the Company and RCF, where RCF will subscribe for 68,957,416 shares in the Company at the price of A\$0.01 per share to raise A\$689,574. The number of shares to be issued to RCF is equal to approximately 9.9% of the issued capital of the Company following the date that the Subscription Agreement is completed (assuming no other shares are issued or options exercised)

The Subscription Agreement is subject to a number of conditions precedent, including that the Company and RCF executing the Term Sheet described below at paragraph 2.

2. NSR Sale Terms with RCF

A Term Sheet has been signed with RCF for the sale of 1% Net Smelter Royalty (NSR) over the project, including ML4/249, ML4/244 and EL4/1610 for total proceeds of US\$5,000,000 subject to a number of customary conditions precedent. The Term Sheet also provides that if RCF intends to sell the NSR, RCF must invite the Company to purchase the NSR.

Some of the conditions precedent include:

Technical, Legal and Financial Due Diligence

All necessary shareholder, board and regulatory approvals including but not limited to ASX and Foreign Investment Review Board (FIRB) approvals.

Completion of a Definitive Agreement in relation to the NSR sale.

Completion of the acquisition pursuant to the Option Agreement between the Company and Kagara.

3. NSR Sale Terms with MFF

A Term Sheet has been signed with MFF for the sale of 0.5% Net Smelter Royalty (NSR) over ML4/249 and ML4/244 and 2% NSR over EL4/1610 for total proceeds of US\$2,500,000 subject to a number of customary conditions precedent.

Some of the conditions precedent include:

Technical, Legal and Financial Due Diligence

All necessary shareholder, board and regulatory approvals including but not limited to ASX and Foreign Investment Review Board (FIRB) approvals.

Completion of a Definitive Agreement

Completion of a Definitive Agreement in relation to the NSR sale.



Exercise of Option, Acquisition and Change in Nature and Scale of Activities

The acquisition of Admiral Bay and Rocky Gully will constitute a change in nature and scale of the Company's activities. As part of satisfying its requirements to re-comply with Chapters 1 and 2 of the ASX Listing Rules, the potential acquisition must be approved by PLD's Shareholders at a general meeting (Meeting). The Company's shareholders will receive a notice of meeting setting out various resolutions relating to the acquisition (Notice of Meeting). A detailed explanatory statement will accompany the Notice of Meeting, together with an independent experts report (if required) and will be distributed to all shareholders prior to the Meeting.

In addition to the Notice of Meeting, PLD will issue a prospectus that will provide full disclosure of the material matters, the details of the capital raising amount and pricing are to be determined, to enable PLD to comply with Chapters 1 & 2 of the ASX Listing Rules (Prospectus). The Company's securities will be suspended on the date of the Meeting at which Shareholder approval for the Acquisition contemplated will be sought. Subject to approval being obtained, the Company's securities will remain suspended until the Company has re-complied with Chapters 1 and 2 of the ASX Listing Rules and completion of the Acquisition has taken effect.

Further details will be included in the Notice of Meeting. An Indicative Timetable for the Completion of the Acquisition, Consolidation and the Capital Raising is set out below in Table 1.

Action	Target Days
Successful Due Diligence & Notice of Acquisition	March 5
Notice of Meeting	+35 days
Independent Experts Report	+60 days
General Meeting of Shareholders	+65 days
Approval of Acquisition	+65 days
Suspension from Official Quotation	+66 days
Prospectus Lodged with ASIC and ASX	+70 days
Opening Date for Prospectus	+77 days
Closing Date for Prospectus	+78 days
Completion of Acquisition	+82 days
Satisfaction of Requirements of Chapter 1 & 2	+82 days
Re-instatement to trading on the ASX	+87 days

An Indicative Budget for the Completion of the Acquisition is set out below in Table 2.

Item	Amount
Working Capital	\$200,000
Exploration Work	\$100,000
Corporate Documentation	\$60,000
Technical Documentation	\$50,000
Notice of Meeting	\$40,000
Independent Reports	\$55,000
Prospectus	\$30,000
Regulatory Fees	\$65,000
Total	\$600,000



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Update on Previous Business

PLD wishes to provide an update with regards to the Company's previous business and proceedings filed in the Supreme Court of NSW relating to the M-Cor modular hip system, in which PLD has been named as the second defendant. PLD denies all liability. PLD continues to rely on the Deed of Company Arrangement (DOCA), which was effectuated on 23 November 2011, for its full force and effect. The DOCA was posted on the ASX on 20 July 2011. PLD disposed of all of its business of designing, developing, engineering, manufacturing, marketing, selling and servicing the Equator+ and M-Cor product lines on 27 March 2009. Furthermore, all of PLD's subsidiaries, including trading subsidiaries, were excised from PLD and transferred into the Creditors' Trust established as part of the DOCA.

Since the effectuation of the DOCA, PLD is continuing to focus on its current business activities in the resources sector.

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About Resource Capital Funds:

Resource Capital Funds ("RCF" or the "Funds") are private equity funds with mandates to make investments exclusively in the mining sector across a diversified range of mineral commodities and geographic regions. The Funds are managed by RCF Management L.L.C. which has its principal office in Denver and additional offices in Perth, New York (Long Island) and Toronto. RCF pioneered the concept of mining-focused private equity funds and strives to produce superior returns to its investors, portfolio companies and fellow equity investors. Since inception, RCF has supported 132 mining companies (and several mining-services companies) involving projects located in 44 countries and relating to 29 commodities.

RCF is currently investing its sixth fund, Resource Capital Fund VI L.P., with committed capital of \$2.04 billion and currently manages three other active private equity funds, Resource Capital Fund V L.P., Resource Capital Fund IV L.P. and Resource Capital Fund III L.P. The Funds' committed capital is sourced primarily from US-based institutional investors. Further information about Resource Capital Funds can be found on its website www.resourcecapitalfunds.com

RCF has experience in building management teams specifically suited to develop and or operate assets and has the resources and networks to draw upon to source top talent from around the world. In addition to providing financing, RCF has the in-house technical and financial expertise to actively guide a mining company's management team through the process of raising capital in the public equity and project financing markets. RCF's management team consists of individuals with extensive commercial and technical experience in the mining industry.



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Competent Person Statement

The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the 'JORC Code') sets out minimum standards, recommendations and guidelines for Public Reporting in Australasia of Exploration Results, Mineral Resources and Ore Reserves. The Information contained in this announcement has been presented in accordance with the JORC Code and references to "Measured, Indicated and Inferred Resources" are to those terms as defined in the JORC Code.

The information in this report that relates to Geology and Exploration Results is based, and fairly reflects, information compiled by Dr Neal Reynolds, who is a Member of the Australian Institute of Geoscientists. Dr Reynolds is employed by CSA Global Pty Ltd, independent resource industry consultants. Dr Reynolds has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Jeffress consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

All parties have consented to the inclusion of their work for the purposes of this announcement. The interpretations and conclusions reached in this report are based on current geological theory and the best evidence available to the authors at the time of writing. It is the nature of all scientific conclusions that they are founded on an assessment of probabilities and, however high these probabilities might be, they make no claim for absolute certainty. Any economic decisions which might be taken on the basis of interpretations or conclusions contained in this report will therefore carry an element of risk.