



ASX Release

15 November 2017

Issue of Securities

Danakali Ltd (ASX:DNK) (**Danakali or Company**) advises that 150,000 performance rights were issued to employees under the Company's Performance Rights Plan.

A completed Appendix 3B has been lodged together with this announcement.

Shareholders can view all Danakali's announcements on the ASX website (www.asx.com.au) and Danakali's website (www.danakali.com).

For more information, please contact:

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About Danakali Ltd

Danakali is an ASX listed company and 50% owner of the Colluli Potash Project in Eritrea, East Africa. Danakali is currently developing the Colluli Potash Project with its joint venture partner Eritrean National Mining Corporation (ENAMCO). Danakali and ENAMCO each have a 50% ownership interest in the joint venture company, the Colluli Mining Share Company (CMSC).

The project is located in the Danakil Depression region of Eritrea, and is ~75km from the Red Sea coast, making it one of the most accessible potash deposits globally. Mineralisation within the Colluli resource commences at just 16m, making it the world's shallowest potash deposit. The resource is amenable to open pit mining, which allows higher overall resource recovery to be achieved, is generally safer than underground mining and is highly advantageous for modular growth.

The company has completed a definitive feasibility study for the production of potassium sulphate, otherwise known as SOP. SOP is a chloride free, specialty fertiliser which carries a substantial price premium relative to the more common potash type; potassium chloride. Economic resources for production of SOP are geologically scarce. The unique composition of the Colluli resource favours low energy input, high potassium yield conversion to SOP using commercially proven technology. One of the key advantages of the resource is that the salts are present in solid form (in contrast with production of SOP from brines) with which reduces infrastructure costs and substantially reduces the time required to achieve full production capacity.

The resource is favourably positioned to supply the world's fastest growing markets.

Our vision is to bring the Colluli project into production using the principles of risk management, resource utilisation and modularity, using the starting module as a growth platform to develop the resource to its full potential.

Competent Persons Statement (Rock Salt Resource)

Colluli has a JORC 2012 compliant Measured, Indicated and Inferred Mineral Resource estimate of 347Mt @97% NaCl. The resource contains 28Mt @ 97% NaCl of Measured Resources, 180Mt @ 97% NaCl of Indicated Resources and 139Mt @ 97% NaCl of Inferred Resources.

The information relating to the Colluli Rock Salt Mineral Resource estimate was compiled by Mr. John Tyrrell. Mr. Tyrrell is a member of the Australasian Institute of Mining and Metallurgy (AusIMM) and a full-time employee of AMC. Mr. Tyrrell has more than 25 years' experience in the field of Mineral Resource estimation. He has sufficient experience relevant to the style of mineralisation and type of the deposit under consideration, and in resource model development, to qualify as a Competent Person as defined in the JORC Code. Mr Tyrrell consents to the inclusion of the information relating to the rock salt Mineral Resource in the form and context in which it appears.



Competent Persons Statement (Sulphate of Potash Resource)

Colluli has a JORC 2012 compliant Measured, Indicated and Inferred Mineral Resource estimate of 1,289Mt @11% K₂O. The resource contains 303Mt @ 11% K₂O of Measured Resources, 951Mt @ 11% K₂O of Indicated Resources and 35Mt @ 10% K₂O of Inferred Resources.

The information relating to the 2015 Colluli Mineral Resource estimate was compiled by Mr. John Tyrrell, under the supervision of Mr. Stephen Halabura M. Sc. P. Geo. Fellow of Engineers Canada (Hon), Fellow of Geoscientists Canada, and as a geologist with over 25 years' experience in the potash mining industry. Mr. Tyrrell is a member of the Australian Institute of Mining and Metallurgy and a full-time employee of AMC. Mr. Tyrrell has more than 25 years' experience in the field of Mineral Resource estimation.

Mr. Halabura is a member of the Association of Professional Engineers and Geoscientists of Saskatchewan, a Recognised Professional Organisation (RPO) under the JORC Code and has sufficient experience 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 (the JORC Code). Mr. Tyrrell & Mr. Halabura consent to the inclusion of information relating to the 2015 Resource Statement in the form and context in which it appears.

Competent Persons Statement (Sulphate of Potash Reserve)

The November 2015 Colluli Ore Reserve is reported according to the JORC Code and estimated at 1,113Mt @10% K₂O Equiv. The Ore Reserve is classed as 286Mt @ 11% K₂O Equiv Proved and 827Mt @ 10% K₂O Equiv Probable. The Competent Person for the estimate is Mr Mark Chesher, a mining engineer with more than 30 years' experience in the mining industry. Mr. Chesher is a Fellow of the AusIMM, a Chartered Professional, a full-time employee of AMC Consultants Pty Ltd, and has sufficient open pit mining activity experience relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the JORC Code. Mr Chesher consents to the inclusion of information relating to the Ore Reserve in the form and context in which it appears.

In reporting the Mineral Resources and Ore Reserves referred to in this public release, AMC Consultants Pty Ltd acted as an independent party, has no interest in the outcome of the Colluli Project and has no business relationship with Danakali Ltd other than undertaking those individual technical consulting assignments as engaged, and being paid according to standard per diem rates with reimbursement for out-of-pocket expenses. Therefore, AMC Consultants Pty Ltd and the Competent Persons believe that there is no conflict of interest in undertaking the assignments which are the subject of the statements.

Quality Control and Quality Assurance

Danakali Exploration programs follow standard operating and quality assurance procedures to ensure that all sampling techniques and sample results meet international reporting standards. Drill holes are located using GPS coordinates using WGS84 Datum, all mineralisation intervals are downhole and are true width intervals.

The samples are derived from HQ diamond drill core, which in the case of carnallite ores, are sealed in heat sealed plastic tubing immediately as it is drilled to preserve the sample. Significant sample intervals are dry quarter cut using a diamond saw and then resealed and double bagged for transport to the laboratory.

Halite blanks and duplicate samples are submitted with each hole. Chemical analyses were conducted by Kali-UmwelttechnikGmbH Sondershausen, Germany utilising flame emission spectrometry, atomic absorption spectroscopy and ionchromatography. Kali- Umwelttechnik (KUTEC) Sondershausen1 have extensive experience in analysis of salt rock and brine samples and is certified according to DIN EN ISO/IEC 17025 by the Deutsche AkkreditierungssystemPrüfwesen GmbH (DAR). The laboratory follows standard procedures for the analysis of potash salt rocks chemical analysis (K⁺, Na⁺, Mg²⁺, Ca²⁺, Cl⁻, SO₄²⁻, H₂O) and X-ray diffraction (XRD) analysis of the same samples as for chemical analysis to determine a qualitative mineral composition, which combined with the chemical analysis gives a quantitative mineral composition.

Forward Looking Statements and Disclaimer

The information in this document is published to inform you about Danakali Limited (the "Company" or "DNK") and its activities. DNK has endeavoured to ensure that the information enclosed is accurate at the time of release, and that it accurately reflects the Company's intentions. All statements in this document, other than statements of historical facts, that address future production, project development, reserve or resource potential, exploration drilling, exploitation activities, corporate transactions and events or developments that the Company expects to occur, are forward-looking statements. Although the Company believes the expectations expressed in such statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements.

Factors that could cause actual results to differ materially from those in forward-looking statements include market prices of potash and, exploitation and exploration successes, capital and operating costs, changes in project parameters as plans continue to be evaluated, continued availability of capital and financing and general economic, market or business conditions, as well as those factors disclosed in the Company's filed documents.

There can be no assurance that the development of the Colluli Project will proceed as planned. Accordingly, readers should not place undue reliance on forward looking information. Mineral Resources and Ore Reserves have been reported according to the JORC Code, 2012 Edition. To the extent permitted by law, the Company accepts no responsibility or liability for any losses or damages of any kind arising out of the use of any information contained in this document. Recipients should make their own enquiries in relation to any investment decisions. Mineral Resource, Ore Reserve and financial assumptions made in this presentation are consistent with assumptions detailed in the Company's ASX announcements dated 25 February 2015, 4 March 2015, 19 May 2015, 23 September 2015, 30 November 2015, 15 August 2016 and 1 February 2017 which continue to apply and have not materially changed. The Company is not aware of any new information or data that materially affects assumptions made.

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

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

DANAKALI LTD

ABN

56 097 904 302

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 | <div>(a) Performance Rights – Class 7</div> <div>(b) Performance Rights – Class 8</div> |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | <div>(a) 50,000</div> <div>(b) 100,000</div> |
| 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) | <div>(a) Conversion to ordinary shares is subject to the achievement of vesting conditions.</div> <div>(b) Conversion to ordinary shares is subject to the achievement of vesting conditions.</div> |

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

| | |
|---|---|
| <p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> 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 | <p>(a) No – upon conversion into ordinary shares, the allotted and issued shares will rank equally in all respects with an existing class of quoted securities. The performance rights do not entitle the holder to participate in the next dividend interest payment.</p> <p>(b) No – upon conversion into ordinary shares, the allotted and issued shares will rank equally in all respects with an existing class of quoted securities. The performance rights do not entitle the holder to participate in the next dividend interest payment.</p> |
| <p>5 Issue price or consideration</p> | <p>(a) Nil</p> <p>(b) Nil</p> |
| <p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p> | <p>(a) Issued to Chief Financial Officer in accordance with employment contract.</p> <p>(b) Issued to nominee of Head of Corporate Development and External Affairs in accordance with employment contract.</p> |
| <p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i>, and comply with section 6i</p> | <p>Yes</p> |
| <p>6b The date the security holder resolution under rule 7.1A was passed</p> | <p>19 May 2017</p> |
| <p>6c Number of +securities issued without security holder approval under rule 7.1</p> | <p>Nil</p> |
| <p>6d Number of +securities issued with security holder approval under rule 7.1A</p> | <p>Nil</p> |

+ See chapter 19 for defined terms.

| | | | |
|----|---|---|-----------------|
| 6e | Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting) | N/A | |
| 6f | Number of +securities issued under an exception in rule 7.2 | 50,000 Performance Rights – Class 7 100,000 Performance Rights – Class 8 | |
| 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. | N/A | |
| 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 | N/A | |
| 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 | Capacity under L.R.7.1 is 14,137,388 Capacity under LR7.1A is 22,972,022 | |
| 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. | 15 November 2017 | |
| 8 | Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable) | Number | +Class |
| | | 249,640,868 | Ordinary Shares |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

| 9 | Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable) | Number | +Class |
|----|---|-----------|--|
| | | | |
| | | 2,000,000 | Unlisted Options exercisable at \$0.278 each, expiring 17 November 2017 |
| | | 9,713,640 | Unlisted Options exercisable at \$0.35 each, expiring 30 March 2018 |
| | | 800,000 | Unlisted Options exercisable at \$0.35 each, expiring 13 May 2018 |
| | | 2,349,000 | Remuneration Options exercisable at \$0.405 each, expiring 13 May 2018 |
| | | 750,000 | Unlisted Options exercisable at \$0.527 each, expiring 29 May 2018 |
| | | 600,000 | Unlisted Options exercisable at \$0.55 each, expiring 30 May 2018 |
| | | 200,000 | Unlisted Options exercisable at \$0.45 each, expiring 23 June 2018 |
| | | 750,000 | Unlisted Remuneration Options exercisable at \$0.55 each, expiring 4 November 2018 |
| | | 1,000,000 | Unlisted Options exercisable at \$0.55 each, expiring 31 December 2018 |
| | | 1,000,000 | Unlisted Options exercisable at \$0.558 each, expiring 8 August 2019 |
| | | 800,000 | Unlisted Options exercisable at \$0.543 each, expiring 7 October 2019 |
| | | 1,440,000 | Unlisted Remuneration Options exercisable at \$0.94 each, expiring 19 May 2020 |
| | | 400,000 | Unlisted Options exercisable at \$0.96 each, expiring 20 June 2019 |
| | | 308,000 | Performance Rights – Class 1 |
| | | 800,000 | Performance Rights – Class 4 |
| | | 100,000 | Performance Rights – Class 5 |
| | | 50,000 | Performance Rights – Class 6 |
| | | 50,000 | Performance Rights – Class 7 |
| | | 100,000 | Performance Rights – Class 8 |
| 10 | Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) | N/A | |

+ See chapter 19 for defined terms.

Part 2 - Pro rata issue

| | | |
|----|--|-----|
| 11 | Is security holder approval required? | N/A |
| 12 | Is the issue renounceable or non-renounceable? | N/A |
| 13 | Ratio in which the ⁺ securities will be offered | N/A |
| 14 | ⁺ Class of ⁺ securities to which the offer relates | N/A |
| 15 | ⁺ Record date to determine entitlements | N/A |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | N/A |
| 17 | Policy for deciding entitlements in relation to fractions | N/A |
| 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. | N/A |
| 19 | Closing date for receipt of acceptances or renunciations | N/A |
| 20 | Names of any underwriters | N/A |
| 21 | Amount of any underwriting fee or commission | N/A |
| 22 | Names of any brokers to the issue | N/A |
| 23 | Fee or commission payable to the broker to the issue | N/A |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders | N/A |
| 25 | If the issue is contingent on security holders' approval, the date of the meeting | N/A |

⁺ See chapter 19 for defined terms.

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New issue announcement

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| 26 | Date entitlement and acceptance form and offer documents will be sent to persons entitled | N/A |
| 27 | If the entity has issued options, and the terms holders to participate on exercise, the date notices will be sent to option holders | N/A |
| 28 | Date rights trading will begin (if applicable) | N/A |
| 29 | Date rights trading will end (if applicable) | N/A |
| 30 | How do security holders sell their entitlements <i>in full</i> through a broker? | N/A |
| 31 | How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | N/A |
| 32 | How do security holders dispose of their entitlements (except by sale through a broker)? | N/A |
| 33 | +Issue date | N/A |

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

(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

+ See chapter 19 for defined terms.

10,001 - 100,000
100,001 and over

- 37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

| 38 | Number of +securities for which +quotation is sought | N/A | | | | |
|--------|---|---|--------|--------|-----|-----|
| 39 | +Class of +securities for which quotation is sought | N/A | | | | |
| 40 | <p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> 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 | N/A | | | | |
| 41 | <p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another +security, clearly identify that other +security)</p> | N/A | | | | |
| 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;"> <tr> <th style="width: 50%; text-align: left; padding: 2px;">Number</th> <th style="width: 50%; text-align: left; padding: 2px;">+Class</th> </tr> <tr> <td style="padding: 5px;">N/A</td> <td style="padding: 5px;">N/A</td> </tr> </table> | Number | +Class | N/A | N/A |
| Number | +Class | | | | | |
| N/A | N/A | | | | | |

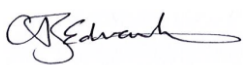
+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

Quotation agreement

- 1 ⁺Quotation of our additional ⁺securities are 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:  15 November 2017
Date:
(~~Director~~/Company secretary)

Print name: Catherine Grant-Edwards
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⁺ 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

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 date of issue or agreement to issue | 221,910,131 |
| Add the following: <ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> 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 | 300,000 (fully paid ordinary shares issued 17 Nov 2016 on exercise of options) 1,000,000 (fully paid ordinary shares issued 25 Nov 2016 on exercise of options) 1,030,000 (fully paid ordinary shares issued 28 Nov 2016 on exercise of options) 225,000 (fully paid ordinary shares issued 22 Dec 2016 on exercise of options) 29,546 (fully paid ordinary shares issued 28 Dec 2016 on exercise of options) 45,455 (fully paid ordinary shares issued 12 Jan 2017 on exercise of options) 126,000 (fully paid ordinary shares issued 17 Jan 2017 on exercise of options) 34,091 (fully paid ordinary shares issued 27 Jan 2017 on exercise of options) 775,000 (fully paid ordinary shares issued 1 Feb 2017 on vesting of performance rights) 284,091 (fully paid ordinary shares issued 1 Feb 2017 on exercise of options) 255,000 (fully paid ordinary shares issued 2 Feb 2017 on exercise of options) 136,364 (fully paid ordinary shares issued 3 Feb 2017 on exercise of options) 50,000 (fully paid ordinary shares issued 1 May 2017 on exercise of options) 454,545 (fully paid ordinary shares issued 7 June 2017 on exercise of options) 300,000 (fully paid ordinary shares issued 13 June 2017 on exercise of options) 1,300,000 (fully paid ordinary shares issued 7 July 2017 on exercise of options) |

+ See chapter 19 for defined terms.

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New issue announcement

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| | 115,000 (fully paid ordinary shares issued 3 August 2017 on exercise of options) 50,000 (fully paid ordinary shares issued 31 October 2017 on exercise of options) 1,300,000 (fully paid ordinary shares issued 8 November 2017 on exercise of options) |
| Subtract the number of fully paid ordinary securities cancelled during that 12 month period | N/A |
| “A” | 229,720,223 |

| | |
|--|--|
| Step 2: Calculate 15% of “A” | |
| “B” | 0.15 <i>[Note: this value cannot be changed]</i> |
| Multiply “A” by 0.15 | 34,458,033 |
| 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: <ul style="list-style-type: none"> Under an exception in rule 7.2 Under rule 7.1A With security holder approval under rule 7.1 or rule 7.4 Note: <ul style="list-style-type: none"> <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> | 19,920,645 (fully paid ordinary shares issued 23 May 2017 pursuant to private placement) 400,000 (unlisted options issued 20 June 2017) |
| “C” | 20,320,645 |
| Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1 | |

+ See chapter 19 for defined terms.

| | |
|--|------------|
| "A" x 0.15 <i>Note: number must be same as shown in Step 2</i> | 34,458,033 |
| Subtract "C" <i>Note: number must be same as shown in Step 3</i> | 20,320,645 |
| Total ["A" x 0.15] – "C" | 14,137,388 |

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> | 229,720,223 |
| Step 2: Calculate 10% of "A" | |
| "D" | 0.10 <i>Note: this value cannot be changed</i> |
| Multiply "A" by 0.10 | 22,972,022 |
| 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 <i>Notes:</i> <ul style="list-style-type: none"> <i>This applies to equity securities – 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>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</i> <i>It may be useful to set out issues of securities on different dates as separate line items</i> | Nil |

+ See chapter 19 for defined terms.

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| | |
|--|------------|
| "E" | Nil |
| 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> | 22,972,022 |
| Subtract "E" <i>Note: number must be same as shown in Step 3</i> | Nil |
| Total ["A" x 0.10] – "E" | 22,972,022 |

+ See chapter 19 for defined terms.