

2 February 2018

Completion of Placement and Appendix 3B

Protean Energy Limited (ASX: POW) (**Protean** or the **Company**) is pleased to confirm it has completed the placement of \$1 million through the issue of 40,000,000 shares at an issue price of 2.5¢ per share (**Placement**).

The Placement was made utilising the Company's existing placement capacity under Listing Rules 7.1 and 7.1A. Protean provides the following information in relation to the Placement as required under ASX Listing Rule 3.10.5A:

1. The dilutive effect of the Placement shares on existing shareholders is as follow:

Number of shares on issue prior to the placement: 256,649,841

Dilution as a result of issue under LR7.1 of 14,935,016 shares	5.82%
Dilution as a result of issue under LR7.1A of 25,064,984 shares	9.77%
Total Dilution	15.59%

Details of the Company's issued capital following completion of only the shares issued under Listing Rule 7.1A held by pre-issue shareholders and new shareholders are as follows:

	Shares	Percentage
Pre-issue shareholders who did not participate in the new issue	256,649,841	91.10%
Pre-issue shareholders who participated in the new issue	-	-
New shareholders who participated in the new issue	25,064,984	8.90%
Total		100%

2. 25,064,984 shares were issued under Listing Rule 7.1A and were issued to sophisticated and professional investors as it was considered to be the most efficient mechanism for raising funds at the time.
3. Commission fees equal to 6% (plus GST) of the total funds raised will be paid to CPS Capital as Placement manager in shares at the capital raising price. In addition, the Company intends to seek shareholder approval for the issue of up to 85 million options exercisable at 3.7¢ on or before 30 June 2021 to CPS Capital or its nominee.

– ENDS –

For further information, see www.proteanenergy.com or contact: Protean Energy Ltd T: + 61 8 9481 2276

ABOUT STONEHENGE KOREA LIMITED

Protean Energy Limited (ASX Code: POW) is developing a multi-mineral project in South Korea through its 50% holding in Stonehenge Korea Limited (SHK). SHK is a JV company with two KOSDAQ listed industry partners being DST Co Ltd (DST) [formerly KORID] and BHI Co Ltd (BHI). SHK owns 100% of the rights to three projects in South Korea, including the Company's flagship Daejon Project. The Daejon Project contains a vanadium resource of 17.3Mlbs (largely indicated) grading 3,186ppm V₂O₅ at a cut-off of 2,000ppm V₂O₅. The vanadium resource is coincident with a larger uranium resource advised to ASX on 29/08/2013 and 31/10/2013 (This information was prepared and disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since announcement on 29/08/2013).

V ₂ O ₅ Mineral Resource Estimate @ 2,000 ppm V ₂ O ₅ cut-off ²			
Classification	Tonnage	Grade	Metal
	Mt	ppm	Mlbs
Indicated	2.3	3,208	16.5
Inferred	0.1	2,788	0.8
Total	2.5	3,186	17.3

Vanadium Exploration Target ¹		
Tonnes (Mt)	Grade V ₂ O ₅ (ppm)	Contained V ₂ O ₅ (Mlbs)
70 - 90	2,500 - 3,500	385 - 695



¹ The potential quantity and grade of the Exploration Target is conceptual in nature, there has been insufficient exploration to define a Mineral Resource, and it is uncertain if further exploration will result in the definition of a Mineral Resource. The vanadium exploration targets are based on exploration results from the 2013 drilling at Chubu and Gwesan (refer announcements 15 July and 13 November 2013) that demonstrated vanadium mineralisation through the black shales. The geology in the Okcheon belt consists of a meta-sedimentary sequence that comprises three formations, Wunkyori, Hwajeonri and Guryongsan. The stratigraphic sequence within the belt at the Gwesan project comprises dark grey phyllite, overlain by the black shale (ore zone) and a fine-grained sandstone.

The historical drilling at the Gwesan project has demonstrated black shale deposits along 10km of strike. KORES completed three drill holes targeting the mineralised black shale at Gwesan in order to verify the mineralisation zone throughout the area. All three holes were drilled to a total depth of 100m and several ore zones between 3m and 11m have been intercepted in each drill hole.

The best intercept of 3500 ppm V₂O₅ and <10 ppm U₃O₈ in the first hole provides encouraging results (refer ASX announcement 13 Nov 2013). More drilling will be required to define the high-grade mineralisation zone in the area. The mineralisation remains open at depth and along the 10km strike. The project is in its exploration stage and the additional drilling is expected to increase the potential to discover high class vanadium Mineral Resources at Gwesan. Stonehenge Korea will test the validity of the exploration target now that access to historical drill core has been obtained and the Company can analyse the core for vanadium mineralisation.

² These estimates were prepared and first disclosed under the JORC Code (2004). They have not been updated since to comply with the JORC Code 2012 on the basis that they have not materially changed since release

COMPETENT PERSON'S STATEMENT

The information contained in this ASX release relating to Mineral Resources has been compiled by Mr Ian Glacken of Optiro Pty Ltd. Mr Glacken is a consultant to the Company and is a Fellow of The Australasian Institute of Mining and Metallurgy and 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 2004 and 2012 editions of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Glacken consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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

Name of entity

Protean Energy Limited

ABN

81 119 267 391

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 | <ol style="list-style-type: none">1. Ordinary Shares2. Ordinary Shares3. Ordinary Shares4. Performance Rights |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | <ol style="list-style-type: none">1. 40,000,0002. 2,400,0003. 150,0004. 5,000,000 |
| 3 | Principal terms of the +securities (eg, 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) | <ol style="list-style-type: none">1. Ordinary Shares2. Ordinary Shares3. Ordinary Shares4. Performance Rights subject to performance milestones |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the ⁺securities rank equally in all respects from the date of allotment 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>1. Yes 2. Yes 3. Yes 4. Shares issued upon satisfaction of performance rights conditions will rank equally with ordinary shares</p>
<p>5 Issue price or consideration</p>	<p>1. 2.5¢ per share 2. N/A 3. N/A 4. N/A</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>1. Placement of Shares 2. Shares issued in satisfaction of capital raising fee 3. Conversion of performance rights 4. Issue of performance rights plan securities</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>9 November 2017</p>
<p>6c Number of ⁺securities issued without security holder approval under rule 7.1</p>	<p>1. 14,935,016 2. 2,400,000</p>
<p>6d Number of ⁺securities issued with security holder approval under rule 7.1A</p>	<p>1. 25,064,984</p>
<p>6e Number of ⁺securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)</p>	<p>N/A</p>

+ See chapter 19 for defined terms.

6f	Number of securities issued under an exception in rule 7.2	3. 150,000 4. 5,000,000													
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.	Yes 15-day VWAP: 3.21¢ 75% of 15-day VWAP: 2.405¢ Source: IRESS													
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	See Annexure 1													
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	2 February 2018													
8	Number and +class of all +securities quoted on ASX (including the securities in section 2 if applicable)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Number</th> <th style="text-align: left;">+Class</th> </tr> </thead> <tbody> <tr> <td style="vertical-align: top;">298,857,698</td> <td style="vertical-align: top;">Ordinary shares</td> </tr> <tr> <td style="vertical-align: top;">Number</td> <td style="vertical-align: top;">+Class</td> </tr> </tbody> </table>	Number	+Class	298,857,698	Ordinary shares	Number	+Class	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Number</th> <th style="text-align: left;">+Class</th> </tr> </thead> <tbody> <tr> <td style="vertical-align: top;">298,857,698</td> <td style="vertical-align: top;">Ordinary shares</td> </tr> <tr> <td style="vertical-align: top;">Number</td> <td style="vertical-align: top;">+Class</td> </tr> </tbody> </table>	Number	+Class	298,857,698	Ordinary shares	Number	+Class
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Appendix 3B
New issue announcement

9	Number and ⁺ class of all ⁺ securities not quoted on ASX (<i>including</i> the securities in section 2 if applicable)	342,143	Ordinary shares held in escrow for two years from 29/02/2016
		4,795,494	Options exercisable at \$1.125 on or before 31/12/2018
		428,143	Options exercisable at \$1.125 on or before 31/12/2018 held in escrow for two years from 29/02/2016
		161,249	Options exercisable at \$1.125 on or before 30/11/2018
		133,332	Options exercisable at \$1.125 on or before 30/11/2018 held in escrow for two years from 29/02/2016
		322,499	Options exercisable at \$1.50 on or before 30/11/2018
		266,665	Options exercisable at \$1.50 on or before 30/11/2018 held in escrow for two years from 29/02/2016
		483,750	Options exercisable at \$1.875 on or before 30/11/2018
		400,000	Options exercisable at \$1.875 on or before 30/11/2018 held in escrow for two years from 29/02/2016
		644,999	Options exercisable at \$2.25 on or before 30/11/2018
533,332	Options exercisable at \$2.25 on or before 30/11/2018 held in escrow for two years from 29/02/2016		

⁺ See chapter 19 for defined terms.

33,333	Options exercisable at \$2.43 on or before 30/11/2018 held in escrow for two years from 29/02/2016
3,388,269	Class A Performance Shares
611,727	Class A Performance Shares held in escrow for two years from 29/02/2016
716,000	Class B Performance Rights held in escrow for two years from 29/02/2016
550,000	Class C Performance Rights held in escrow for two years from 29/02/2016
316,666	Class D Performance Rights subject to vesting conditions
5,000,000	Class E Performance Rights Subject to vesting conditions

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 - Bonus issue or pro rata issue

- | | | |
|----|---|--|
| 11 | Is security holder approval required? | |
| 12 | Is the issue renounceable or non-renounceable? | |
| 13 | Ratio in which the +securities will be offered | |
| 14 | +Class of +securities to which the offer relates | |
| 15 | +Record date to determine entitlements | |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | |
| 17 | Policy for deciding entitlements in relation to fractions | |
| 18 | Names of countries in which the entity has +security holders who will not be sent new issue documents

<small>Note: Security holders must be told how their entitlements are to be dealt with.
Cross reference: rule 7.7.</small> | |
| 19 | Closing date for receipt of acceptances or renunciations | |

+ See chapter 19 for defined terms.

20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
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	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	
31	How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	
32	How do ⁺ security holders dispose of their entitlements (except by sale through a broker)?	
33	⁺ Despatch date	

+ See chapter 19 for defined terms.

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
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 date of allotment
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)

	Number	+Class
42	Number and +class of all +securities quoted on ASX (<i>including</i> the securities in clause 38)	

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

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 not available now, 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: 2 February 2018
(Company secretary)

Print name: Matthew Foy

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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	35,681,836
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 	158,887,035 56,230,970 -
Note: <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</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> 	
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	Nil
“A”	250,799,841
Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

Multiply “A” by 0.15	37,619,976
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <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 <p><i>Note:</i></p> <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> 	17,335,016
“C”	17,335,016
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	37,619,976
<p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	17,335,016
<p>Total [“A” x 0.15] – “C”</p>	<p>20,284,960</p> <p><i>[Note: this is the remaining placement capacity under rule 7.1]</i></p>

+ 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>	250,799,841
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	25,079,984
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: <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> 	25,064,984
“E”	25,064,984

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

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>	25,079,841
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	25,064,984
Total [“A” x 0.10] – “E”	15,000 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.