

8 June 2018

ASX Market Announcements  
ASX Limited  
Level 4  
20 Bridge Street  
SYDNEY NSW 2000

## **COMPLETION OF SECOND TRANCHE OF SHARE PLACEMENT**

GTI Resources Ltd (Company) advises that settlement of the second tranche of the share placement announced on 19 March 2018 has been completed (Tranche 2 Placement), raising gross proceeds of \$719,100 for the Company. A total of 42,300,000 ordinary fully paid shares at a subscription price of 1.7 cents per share have been issued plus 21,150,000 free attaching options over fully paid shares exercisable at 3 cents each on or before 30 December 2021 (Options). The Options were issued on the basis of one option for every two shares subscribed for under the Tranche 2 Placement.

A further 6,987,500 Options were also issued to subscribers to the first tranche of the share placement (Tranche 1 Placement) on the basis of one option for every two shares subscribed for under the Tranche 1 Placement. Refer to the ASX announcement made by the Company on 27 March 2018.

The issue of shares and Options under the Tranche 2 Placement and the issue of Options under the Tranche 1 Placement were approved by shareholders at the annual general meeting of the Company held on 31 May 2018.

A further 10,000,000 ordinary fully paid shares in the Company have been issued to the Executive Chairman of the Company, Mr Murray McDonald, in accordance with a resolution approved by shareholders at the annual general meeting. Mr McDonald has agreed to waive all outstanding salary and employment entitlements due from the Company.

In addition, 3,376,470 ordinary fully paid shares and 7,000,000 Options have been issued to CPS Capital Group Pty Ltd (CPS Capital) and its nominees in part consideration for services provided by CPS Capital in relation to the capital raising by the Company. The issue of these shares and Options was approved by shareholders at the annual general meeting.

The Tranche 1 and Tranche 2 Placements were made to investors qualifying under Section 708 of the Corporation Act and the Company.

Please find enclosed an Appendix 3B in relation to the issue of the shares and Options as approved by shareholders.

## **Notice given under Section 708A(5) of the Corporations Act 2001**

The shares are part of a class of securities quoted on the Australian Securities Exchange and the Options are convertible into a class of securities quoted on the Australian Securities Exchange.

The shares and Options were issued without disclosure to investors under Part 6D.2, in reliance on Section 708A(5) of the Corporations Act 2001.

The Company, as at the date of this notice, has complied with:

- (a) the provisions of the Chapter 2M of the Corporations Act 2001; and
- (b) Section 674 of the Corporations Act 2001.

There is no excluded information as at the date of this notice, for the purposes of Sections 708A(7) and (8) of the Corporations Act 2001 that has not already been disclosed to investors generally.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Murray McDonald', with a stylized flourish at the end.

**Murray McDonald**  
Executive Chairman

# 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

GTI Resources Ltd

ABN

33 124 792 132

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 | <sup>+</sup> Class of <sup>+</sup> securities issued or to be issued   | (i) Ordinary fully paid shares<br>(ii) Unlisted options  |
| 2 | Number of <sup>+</sup> securities issued or to be issued (if known) or maximum number which may be issued  | (i) 55,676,470<br>(ii) 35,137,500  |
| 3 | Principal terms of the <sup>+</sup> securities (e.g. if options, exercise price and expiry date; if partly paid <sup>+</sup> securities, the amount outstanding and due dates for payment; if <sup>+</sup> convertible securities, the conversion price and dates for conversion)  | (i) Ordinary fully paid shares<br>(ii) Options over fully paid shares exercisable at 3 cents each on or before 30 December 2021  |
| 4 | Do the <sup>+</sup> securities rank equally in all respects from the <sup>+</sup> issue date with an existing <sup>+</sup> class of quoted <sup>+</sup> securities?<br><br>If the additional <sup>+</sup> securities do not rank equally, please state: <ul style="list-style-type: none"><li>the date from which they do</li><li>the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li><li>the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li></ul> | (i) Yes<br>(ii) No. Shares issued as a result of the exercise of options will rank equally with ordinary fully paid shares as from the date of allotment of the shares.  |
| 5 | Issue price or consideration   | (i) 42,300,000 shares issued at 1.7 cents per share; 10,000,000 shares issued at a deemed issue price of 1.7 cents per share; 3,376,470 shares issued at \$0.00001 per share.<br>(ii) 28,137,500 options issued for nil consideration; 7,000,000 options issued at \$0.00001 per option. |

<sup>+</sup> See chapter 19 for defined terms.

## Appendix 3B

### New issue announcement

6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	<ul style="list-style-type: none"><li>- 42,300,000 shares and 21,150,000 options pursuant to Tranche 2 of share placement for working capital.</li><li>- 6,987,500 options issued to subscribers of Tranche 1 placement.</li><li>- 10,000,000 shares issued to Executive Chairman as approved by shareholders on 31 May 2018.</li><li>- 3,376,470 shares and 7,000,000 options in consideration for capital raising services.</li></ul>	
6a	Is the entity an <sup>+</sup> eligible entity that has obtained security holder approval under rule 7.1A?  If Yes, complete sections 6b-6h <i>in relation to the</i> <sup>+</sup> <i>securities the subject of this Appendix 3B</i> , and comply with section 6i	Yes	
6b	The date the security holder resolution under rule 7.1A was passed	31 May 2018	
6c	Number of <sup>+</sup> securities issued without security holder approval under rule 7.1	Nil	
6d	Number of <sup>+</sup> securities issued with security holder approval under rule 7.1A	Nil	
6e	Number of <sup>+</sup> securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	55,676,470 shares and 35,137,500 options (Date of meeting 31 May 2018)	
6f	Number of <sup>+</sup> securities issued under an exception in rule 7.2	Nil	
6g	If <sup>+</sup> 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 <sup>+</sup> issue date and both values. Include the source of the VWAP calculation.	Not applicable	
6h	If <sup>+</sup> securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not applicable	
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	Listing Rule 7.1: 24,422,720 Listing Rule 7.1A: 16,281,813	
7	<sup>+</sup> 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.	8 June 2018	
8	Number and <sup>+</sup> class of all <sup>+</sup> securities quoted on ASX (including the <sup>+</sup> securities in section 2 if applicable)	Number	<sup>+</sup> Class
		162,818,139	Ordinary shares

9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	Number	+Class
		50,000,000 35,137,500	Options (30.06.21) Options (30.12.21)
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	The Company does not presently have a formal dividend policy.	

## Part 2 - Pro rata issue

11	Is security holder approval required?	
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the <sup>+</sup> securities will be offered	
14	<sup>+</sup> Class of <sup>+</sup> securities to which the offer relates	
15	<sup>+</sup> 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 offer 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	
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 offer documents 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	

## Appendix 3B

### New issue announcement

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28	Date rights trading will begin (if applicable)	<input type="text"/>
29	Date rights trading will end (if applicable)	<input type="text"/>
30	How do security holders sell their entitlements <i>in full</i> through a broker?	<input type="text"/>
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	<input type="text"/>
32	How do security holders dispose of their entitlements (except by sale through a broker)?	<input type="text"/>
33	<sup>+</sup> Issue date	<input type="text"/>

## 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 <sup>+</sup>securities are <sup>+</sup>equity securities, the names of the 20 largest holders of the additional <sup>+</sup>securities, and the number and percentage of additional <sup>+</sup>securities held by those holders
- 36 ☐ If the <sup>+</sup>securities are <sup>+</sup>equity securities, a distribution schedule of the additional <sup>+</sup>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 <sup>+</sup>securities

## 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	<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"> <li>the date from which they do</li> <li>the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>					
41	<p>Reason for request for quotation now</p> <p><small>Example: In the case of restricted securities, end of restriction period</small></p> <p>(if issued upon conversion of another +security, clearly identify that other +security)</p>					
42	<p>Number and +class of all +securities quoted on ASX (including the +securities in clause 38)</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; text-align: center;">Number</th> <th style="width: 50%; text-align: center;">+Class</th> </tr> </thead> <tbody> <tr> <td style="height: 30px;"></td> <td></td> </tr> </tbody> </table>	Number	+Class		
Number	+Class					

## 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.

**Appendix 3B**  
**New issue announcement**

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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:

  
(Director/~~Company secretary~~)

Date: 8 June 2018

Print name: MURRAY MCDONALD

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## Appendix 3B – Annexure 1

### Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

#### Part 1

<b>Rule 7.1 – Issues exceeding 15% of capital</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>Insert</b> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	93,166,669
<b>Add</b> the following: <ul style="list-style-type: none"> <li>Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2</li> <li>Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval</li> <li>Number of partly paid +ordinary securities that became fully paid in that 12 month period</li> </ul> <i>Note:</i> <ul style="list-style-type: none"> <li>Include only ordinary securities here – other classes of equity securities cannot be added</li> <li>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</li> <li>It may be useful to set out issues of securities on different dates as separate line items</li> </ul>	13,975,000 (27.03.18) 55,676,470 (31.05.18)
<b>Subtract</b> the number of fully paid +ordinary securities cancelled during that 12 month period	
<b>“A”</b>	162,818,139
<b>Step 2: Calculate 15% of “A”</b>	
<b>“B”</b>	0.15 <i>[Note: this value cannot be changed]</i>
<b>Multiply</b> “A” by 0.15	24,422,720

<b>Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used</b>	
<p><b>Insert</b> 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"> <li>• Under an exception in rule 7.2</li> <li>• Under rule 7.1A</li> <li>• With security holder approval under rule 7.1 or rule 7.4</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i></li> <li>• <i>Include here (if applicable ) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	
<b>“C”</b>	Nil
<b>Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1</b>	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	24,422,720
<p><b>Subtract “C”</b></p> <p><i>Note: number must be same as shown in Step 3</i></p>	Nil
<b>Total</b> [“A” x 0.15] – “C”	<p>24,422,720</p> <p><i>[Note: this is the remaining placement capacity under rule 7.1]</i></p>

## Part 2

<b>Rule 7.1A – Additional placement capacity for eligible entities</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>“A”</b> <i>Note: number must be same as shown in Step 1 of Part 1</i>	162,818,139
<b>Step 2: Calculate 10% of “A”</b>	
<b>“D”</b>	0.10 <i>Note: this value cannot be changed</i>
<b>Multiply “A” by 0.10</b>	16,281,813
<b>Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used</b>	
<b>Insert</b> 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"> <li>• This applies to equity securities – not just ordinary securities</li> <li>• Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</li> <li>• 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</li> <li>• It may be useful to set out issues of securities on different dates as separate line items</li> </ul>	
<b>“E”</b>	
<b>Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A</b>	
<b>“A” x 0.10</b> <i>Note: number must be same as shown in Step 2</i>	16,281,813
<b>Subtract “E”</b> <i>Note: number must be same as shown in Step 3</i>	Nil
<b>Total [“A” x 0.10] – “E”</b>	16,281,813 <i>Note: this is the remaining placement capacity under rule 7.1A</i>