

**Centennial Mining  
Limited**  
ABN 50 149 308 921  
ASX: CTL

**Investment Highlights:**

**A1 Gold Mine**

Operating mine site including underground development and infrastructure

Mineral Resources in accordance with the JORC Code (2012)

**Indicated** – 250,000 t @ 5.1 g/t for 41,200 oz Au

**Inferred** – 1,170,000 t @ 6.4 g/t for 240,000 oz Au

**Maldon Gold Operations**

Operational 120 - 150,000tpa gold processing facility, Union Hill Mine, including underground development & infrastructure

**Executive Chair**

Dale Rogers

**Non-Executive Director**

Anthony Gray

**Company Secretary**

Dennis Wilkins

**Capital Structure:**

1,044,434,244 Ordinary Shares  
288,557,631 Listed Options  
94,500,000 Unlisted Options

**Contact:**

Dennis Wilkins

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admin.mine@centennialmining.com

**ASX Release – 15 August 2018**

## **Repayment of Convertible Notes and Capital Management Initiatives - Update**

Centennial Mining Limited (ASX: CTL) (**Centennial** or the **Company**) is pleased to advise the Company's largest shareholder group has provided a short term loan to the Company to assist in redeeming the Convertible Notes (\$2.5m face value) (**Notes**) and pay the final interest payments and ancillary charges in full. The redemption affords the Company the opportunity to progress the holistic refinancing of its operations. The previous Noteholder Representative had declined to grant a repayment extension past 10 August.

The short term loan was advanced by Gandel Metals Pty Ltd, an associate of the Company's major shareholder. The Board would like to thank the major shareholder group for extending the majority of the funds necessary to enable the Company to continue.

Over the past six weeks operations have continued on a reduced basis. The Company is mining and processing ore from the Victory North area of the A1 Gold Mine, where it is developing its next long hole stope with production to date indicating a positive reconciliation to the modelled grade and scale. An update on these mining activities will be announced in the next week.

Re-financing of Centennial will involve settling secured and unsecured creditors of between \$2.5m and up to \$5.0m respectively in addition to working capital. Of this, providers of approximately \$3.5m of funding are prepared to have this formalised into new loan agreements.

ASX has granted the necessary waivers from listing rules 7.11.3 and 7.15, subject to standard conditions, and the Company intends to lodge a prospectus for a rights issue as soon as practicable.

A non-renounceable 5 for 2 rights issue at 0.4 cents per share, raising a maximum of up to ~\$10.4m, (before costs) is presently contemplated. The successful completion of a maximum raising would facilitate the retirement of **all** financial obligations leaving additional working capital.

The Company expects to be able to provide further details on the terms and conditions of the short term loan facility during this week and further updates on the capital management initiatives including a timetable for the rights issue will be provided as they develop.

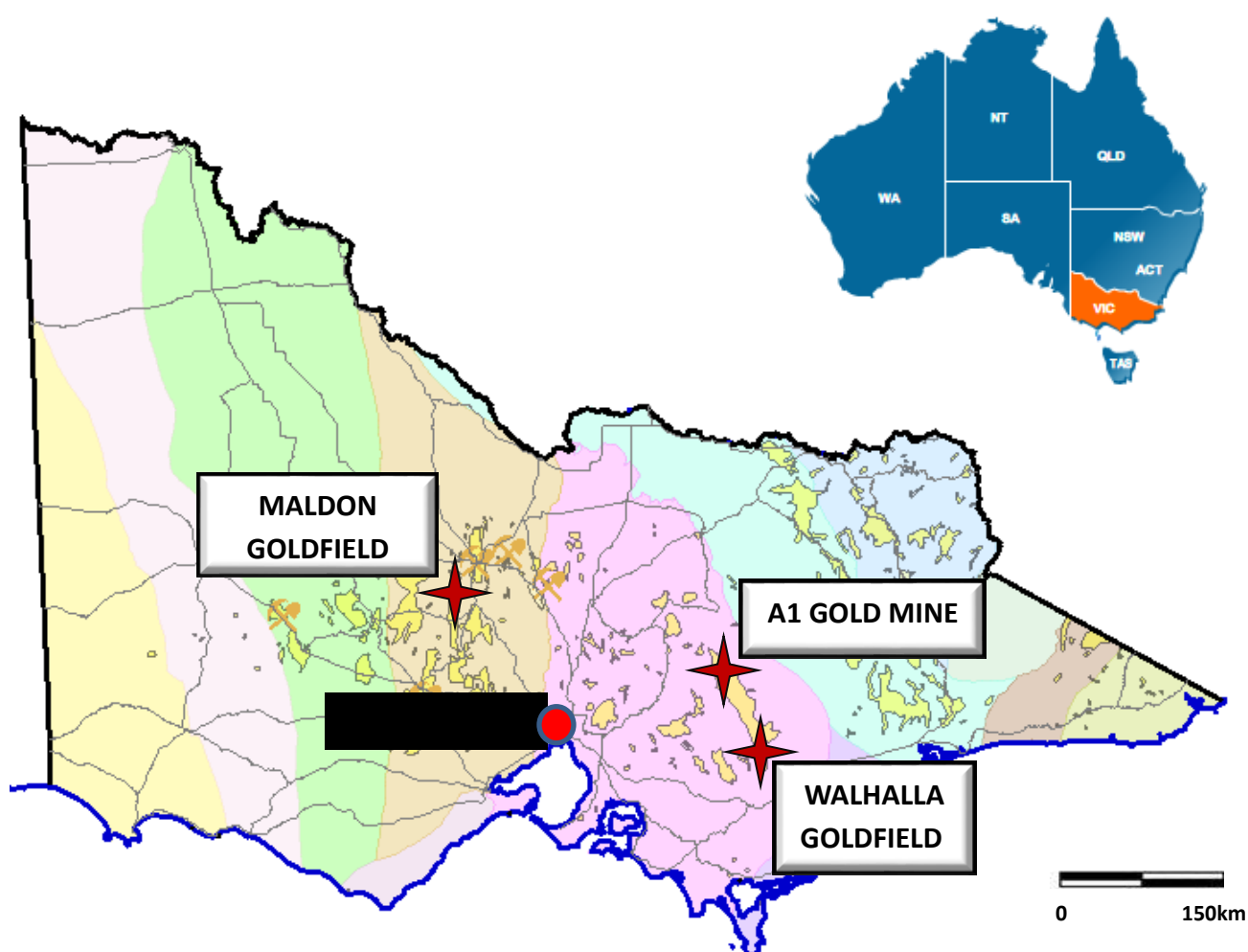
The securities of Centennial will remain suspended until further notice. An Appendix 3B is attached noting the redemption and cancellation of the Convertible Notes in full.

## About the Company

Centennial Mining Limited is an emerging Victorian gold producer that is developing and producing from the A1 Gold Mine near Woods Point, Victoria. Ore mined from the A1 Gold Mine is trucked to the Company's fully permitted and operational processing facility at Porcupine Flat, near Maldon.

The Company also owns the Union Hill Underground Mine at Maldon, which is presently being developed, and has entered into an agreement to acquire the Eureka and Tubal Cain deposits<sup>1</sup> near Walhalla.

## Location of Projects



Note 1. Refer to Orion Gold NL (ASX: ORN) ASX Announcements dated 11 August 2015 and 30 December 2015. The acquisition of the Licence by the Company is subject to the grant of consents required under the Mineral Resources (Sustainable Development) Act and the terms of the Agreement.

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

Centennial Mining Limited

ABN

50 149 308 921

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  | Convertible notes   |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued   | (71,428,565)  |
| 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) | Unlisted convertible notes total face value \$2,500,000, conversion price \$0.03438, maturity 25/06/2018 (extended to 10/08/2018) |

+ See chapter 19 for defined terms.

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

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4	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?	No
	<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>	
5	Issue price or consideration	Nil
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Redemption of convertible notes by payment of cash in accordance with their terms (refer to notice of meeting dated 26 May 2015 for terms)
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?  If Yes, complete sections 6b – 6h <i>in relation to the +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	27 November 2017
6c	Number of +securities issued without security holder approval under rule 7.1	Nil
6d	Number of +securities issued with security holder approval under rule 7.1A	Nil
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil

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+ See chapter 19 for defined terms.

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

6f	Number of +securities issued under an exception in rule 7.2	Nil							
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	7.1: 156,665,136 7.1A: 104,443,424							
7	+Issue dates  <small>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.</small>	10 August 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%;"> <thead> <tr> <th style="width: 50%;">Number</th> <th style="width: 50%;">+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1,044,434,244</td> <td>Ordinary fully paid shares</td> </tr> <tr> <td style="text-align: center;">288,557,631</td> <td>Listed Options exercise price \$0.02938 expiry 30/11/2019</td> </tr> </tbody> </table>	Number	+Class	1,044,434,244	Ordinary fully paid shares	288,557,631	Listed Options exercise price \$0.02938 expiry 30/11/2019	
Number	+Class								
1,044,434,244	Ordinary fully paid shares								
288,557,631	Listed Options exercise price \$0.02938 expiry 30/11/2019								

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**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
		3,000,000	Unlisted options exercise price \$0.04938 expiry 30/11/2019
		10,500,000	Unlisted options exercise price \$0.04438 expiry 30/11/2019
		64,000,000	Unlisted options exercise price \$0.0355 expiry 6/12/2020
		17,000,000	Unlisted options exercise price \$0.0255 expiry 2/10/2021
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A	

**Part 2 – Deleted – not applicable**

**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.

**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 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:   
(Company secretary)

Date: 15 August 2018

Print name: Dennis Wilkins

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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 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	705,444,920
<p><b>Add</b> the following:</p> <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> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>Include only ordinary securities here – other classes of equity securities cannot be added</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>	<ul style="list-style-type: none"> <li>• 100,928,238 fully paid ordinary shares issued on 27/11/2017</li> <li>• 170,191,746 fully paid ordinary shares issued on 30/11/2017</li> <li>• 16,922,775 fully paid ordinary shares issued on 28/02/2018</li> <li>• 50,946,565 fully paid ordinary shares issued on 29/03/2018</li> </ul> <p style="text-align: center;">Nil</p>
<b>Subtract</b> the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
<b>“A”</b>	1,044,434,244

+ See chapter 19 for defined terms.



<b>Step 2: Calculate 15% of “A”</b>	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
<b>Multiply “A” by 0.15</b>	156,665,136
<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>	Nil
“C”	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>	156,665,136
<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”	156,665,136 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

## 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>	1,044,434,244
<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>	104,443,424
<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>• <i>This applies to equity securities – 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>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></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	Nil
<b>“E”</b>	Nil

+ See chapter 19 for defined terms.

<b>Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A</b>	
<p>“A” x 0.10</p> <p><i>Note: number must be same as shown in Step 2</i></p>	<p>104,443,424</p>
<p><b>Subtract “E”</b></p> <p><i>Note: number must be same as shown in Step 3</i></p>	<p>Nil</p>
<p><b>Total</b> [“A” x 0.10] – “E”</p>	<p style="text-align: center;">104,443,424</p> <p style="text-align: center;"><i>Note: this is the remaining placement capacity under rule 7.1A</i></p>

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