

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	New Energy Minerals Limited
ACN	090 074 785

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 | (i) Shares
(ii) Options |
| 2 | Number of securities issued or to be issued (if known) or maximum number which may be issued | (i) 11,309,179
(ii) 23,076,923 |
| 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) | (i) Fully paid ordinary shares
(ii) Exercisable at \$0.14 with expiry date 20 December 2021 |
-
- | | | |
|---|--|---|
| 4 | 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: <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 | (i) Yes – the Shares issued will rank equally with the existing fully paid Shares on issue.

(ii) No – upon the exercise of the Options, fully paid Ordinary Shares issued will rank equally with the existing fully paid Ordinary Shares on issue. |
|---|--|---|

5	Issue price or consideration	(i) 10,000,000 shares issued at \$0.10 per share and 1,309,179 issued at \$0.048 per share. (ii) Nil consideration.
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	(i) 10,000,000 issued as part of a debt for equity conversion to related party Regius Resources Group Limited ("Regius") with the conversion of a \$700,000 debt owing to Regius by NXE as approved by shareholders 19 December 2018. 1,309,179 shares issued in exchange for professional services. (ii) Issued as part of placement of shares to Ubzett International Investment Holdings (BVI) Ltd on the basis of 1 free option for every 1 share subscribed for nil consideration.
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	28 November 2018
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)	(i) 10,000,000 shares approved by shareholders 19 December 2018 (ii) 23,076,923 options approved by shareholders 19 December 2018
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.	Not Applicable
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	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	<u>ASX Listing Rule 7.1</u> 20,288,682 Securities <u>ASX Listing Rule 7.1A</u> 14,398,574 Quoted Securities								
7	Dates of entering securities into uncertificated holdings or despatch of certificates	(i) 20 December 2018 (ii) 20 December 2018								
8	Number and class of all securities quoted on ASX (<i>including</i> the securities in section 2 if applicable)	<table><tr><th>Number</th><th>Class</th></tr><tr><td>150,895,442</td><td>Fully paid ordinary shares</td></tr><tr><td>6,193,827</td><td>Listed Options (MUSOA) exercisable at \$0.35 on or before 25 January 2020</td></tr><tr><td>17,103,348</td><td>Listed Options exercisable at \$0.20 on or before 26 November 2020</td></tr></table>	Number	Class	150,895,442	Fully paid ordinary shares	6,193,827	Listed Options (MUSOA) exercisable at \$0.35 on or before 25 January 2020	17,103,348	Listed Options exercisable at \$0.20 on or before 26 November 2020
Number	Class									
150,895,442	Fully paid ordinary shares									
6,193,827	Listed Options (MUSOA) exercisable at \$0.35 on or before 25 January 2020									
17,103,348	Listed Options exercisable at \$0.20 on or before 26 November 2020									

	Number	Class
9	Number and class of all securities not quoted on ASX (including the securities in section 2 if applicable)	800,000 Unlisted Options exercisable at \$1.50 on or before 14 June 2019
		1,400,000 Unlisted Options exercisable at \$0.75 on or before 21 June 2019
		750,000 Unlisted Options exercisable at \$0.6 on or before 4 August 2019
		266,288 Unlisted Options exercisable at \$0.273 on or before 23 January 2020
		72,978 Unlisted Options exercisable at \$0.273 on or before 25 January 2020
		151,956 Unlisted Options exercisable at \$1.00 on or before 9 March 2020
		300,000 Unlisted Options exercisable at \$1.50 on or before 31 March 2020
		300,000 Unlisted Options exercisable at \$2.00 on or before 31 March 2020
		218,182 Unlisted Options exercisable at \$0.715 on or before 20 July 2020
		1,333,333 Unlisted Options exercisable at \$1.17 on or before 20 July 2020
		1,276,596 Unlisted Options exercisable at \$1.222 on or before 20 July 2020
		333,333 Unlisted Options exercisable at \$1.17 on or before 15 Sept 2020
		180,000 Unlisted Options exercisable at \$1.30 on or before 16 October 2020
		750,000 Unlisted Options exercisable at \$0.307 on or before 15 January 2021
		500,000 Unlisted Options exercisable at \$0.356 on or before 13 March 2021
		2,572,347 Unlisted Options exercisable at \$0.323 on or before 13 March 2021
		4,174,950 Unlisted Options exercisable at \$0.262 on or before 29 May 2021
		600,000 Unlisted Options exercisable at \$0.273 on or before 22 May 2021
		308,759 Unlisted Options exercisable at \$0.178 on or before 25 October 2021
		23,076,923 Unlisted Options exercisable at \$0.14 on or before 20 December 2021
		1,400,000 Class E Performance Rights expiring 31 December 2019 (vesting on proving a JORC compliant inferred graphite resource of a minimum of 50 million tonnes at >5% total graphite content on or before 31 December 2019 on any of the licences comprising the Balama Project at the date of issue of the Class E Performance Rights (5873L, 6527L, 6678L).
		18,500,000 (A) 1,500,000 Performance Rights vesting upon the Company receiving written confirmation of the pilot plant funding structure in relation to the Caula Project (Class A Performance Rights);
		(B) 6,000,000 Performance Rights vesting upon completion of the commissioning handover by the plant installers at the Company's Caula Project to the Company (Class B Performance Rights);
		(C) 2,000,000 Performance Rights vesting upon completion and announcement of a JORC-compliant resource upgrade to 50mt graphite & vanadium at the Company's Caula Project (Class C Performance Rights);
		(D) 2,000,000 Performance Rights vesting upon completion to pre-feasibility standards of an initial study to demonstrate profitable production at the Company's Caula Project (Class D Performance Rights);
		(E) 2,000,000 Performance Rights vesting upon the conversion of the exploration licence held by the Company (being exploration licence 6678L) to a mining licence (Class E Performance Rights); and
		(F) 5,000,000 Performance Rights vesting upon of the Company generating gross revenue of A\$2,000,000 or more (Class F Performance Rights).
		100,000 Convertible Notes with a face value of \$10.00 and a conversion price equal to the higher of: the lowest one (1) day Volume Weight Average Price (VWAP) as published by Bloomberg selected by Arena over the twenty (20) trading days prior to the conversion of the Convertible Notes and a floor price of \$0.18 and a maturity date of 10 July 2019.
		150,000 Convertible Notes with a face value of \$10.00 and a conversion price equal to the lowest one (1) day Volume Weight Average Price (VWAP) as published by Bloomberg selected by Arena over the twenty (20) trading days prior to the conversion of the Convertible Notes and a maturity date of 29 October 2019.

- 10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

N/A

Part 2 - Bonus issue or pro rata issue

Questions 11 to 33 are not applicable

Part 3 - Quotation of the Unlisted Options is not sought

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 – Shares Only

(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)

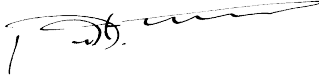
Questions 35 to 42 are not applicable

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: 20 December 2018

Print name: **Robert Marusco**
Company Secretary

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	76,794,400																								
Add the following: - 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: - 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	<table> <tr> <td>250,000</td><td>Fully paid ordinary shares (as approved by shareholders on 24 Nov 2017 AGM to Long Term Incentive Plan) issued on 15/01/18</td></tr> <tr> <td>99,606</td><td>Fully paid ordinary shares (as approved by shareholders on 2 Mar 2018 GM) issued on 15/01/18</td></tr> <tr> <td>10,681,150</td><td>Fully paid ordinary shares (applications from non-renounceable rights issue) issued on 28/03/18</td></tr> <tr> <td>2,914,263</td><td>Fully paid ordinary shares pursuant to non-renounceable rights issue shortfall) issued on 16/05/18</td></tr> <tr> <td>746,269</td><td>Fully paid ordinary shares (upon conversion of convertible notes approved by shareholders 2 Mar 2018) issued on 24/05/18</td></tr> <tr> <td>1,047,120</td><td>Fully paid ordinary shares (upon conversion of convertible notes approved by shareholders 2 Mar 2018) issued on 31/05/18</td></tr> <tr> <td>1,478,989</td><td>Fully paid ordinary shares (upon conversion of convertible notes approved by shareholders 2 Mar 2018) issued on 7/06/18 including share issue ratified at shareholder meeting 2 October 2018</td></tr> <tr> <td>1,871,943</td><td>Fully paid ordinary shares (upon conversion of convertible notes approved by shareholders 2 Mar 2018) issued on 4/07/18</td></tr> <tr> <td>3,886,153</td><td>Fully paid ordinary shares (upon conversion of convertible notes approved by shareholders 2 Mar 2018) issued on 24/07/18</td></tr> <tr> <td>15,138,283</td><td>Fully paid ordinary shares (as approved by shareholders on 2 Oct 2018 GM) issued on 20/08/18</td></tr> <tr> <td>1,601,164</td><td>Fully paid ordinary shares (as approved by shareholders on 2 Oct 2018 GM) issued on 25/10/18</td></tr> <tr> <td>27,476,401</td><td>Fully paid ordinary shares (as approved by shareholders on 19 Dec 2018 GM) issued on 9 /11/18 & 25/10/18</td></tr> </table>	250,000	Fully paid ordinary shares (as approved by shareholders on 24 Nov 2017 AGM to Long Term Incentive Plan) issued on 15/01/18	99,606	Fully paid ordinary shares (as approved by shareholders on 2 Mar 2018 GM) issued on 15/01/18	10,681,150	Fully paid ordinary shares (applications from non-renounceable rights issue) issued on 28/03/18	2,914,263	Fully paid ordinary shares pursuant to non-renounceable rights issue shortfall) issued on 16/05/18	746,269	Fully paid ordinary shares (upon conversion of convertible notes approved by shareholders 2 Mar 2018) issued on 24/05/18	1,047,120	Fully paid ordinary shares (upon conversion of convertible notes approved by shareholders 2 Mar 2018) issued on 31/05/18	1,478,989	Fully paid ordinary shares (upon conversion of convertible notes approved by shareholders 2 Mar 2018) issued on 7/06/18 including share issue ratified at shareholder meeting 2 October 2018	1,871,943	Fully paid ordinary shares (upon conversion of convertible notes approved by shareholders 2 Mar 2018) issued on 4/07/18	3,886,153	Fully paid ordinary shares (upon conversion of convertible notes approved by shareholders 2 Mar 2018) issued on 24/07/18	15,138,283	Fully paid ordinary shares (as approved by shareholders on 2 Oct 2018 GM) issued on 20/08/18	1,601,164	Fully paid ordinary shares (as approved by shareholders on 2 Oct 2018 GM) issued on 25/10/18	27,476,401	Fully paid ordinary shares (as approved by shareholders on 19 Dec 2018 GM) issued on 9 /11/18 & 25/10/18
250,000	Fully paid ordinary shares (as approved by shareholders on 24 Nov 2017 AGM to Long Term Incentive Plan) issued on 15/01/18																								
99,606	Fully paid ordinary shares (as approved by shareholders on 2 Mar 2018 GM) issued on 15/01/18																								
10,681,150	Fully paid ordinary shares (applications from non-renounceable rights issue) issued on 28/03/18																								
2,914,263	Fully paid ordinary shares pursuant to non-renounceable rights issue shortfall) issued on 16/05/18																								
746,269	Fully paid ordinary shares (upon conversion of convertible notes approved by shareholders 2 Mar 2018) issued on 24/05/18																								
1,047,120	Fully paid ordinary shares (upon conversion of convertible notes approved by shareholders 2 Mar 2018) issued on 31/05/18																								
1,478,989	Fully paid ordinary shares (upon conversion of convertible notes approved by shareholders 2 Mar 2018) issued on 7/06/18 including share issue ratified at shareholder meeting 2 October 2018																								
1,871,943	Fully paid ordinary shares (upon conversion of convertible notes approved by shareholders 2 Mar 2018) issued on 4/07/18																								
3,886,153	Fully paid ordinary shares (upon conversion of convertible notes approved by shareholders 2 Mar 2018) issued on 24/07/18																								
15,138,283	Fully paid ordinary shares (as approved by shareholders on 2 Oct 2018 GM) issued on 20/08/18																								
1,601,164	Fully paid ordinary shares (as approved by shareholders on 2 Oct 2018 GM) issued on 25/10/18																								
27,476,401	Fully paid ordinary shares (as approved by shareholders on 19 Dec 2018 GM) issued on 9 /11/18 & 25/10/18																								
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	Nil																								
“A”	143,985,741																								

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	21,597,861

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: • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 Note: • <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>	1,309,179 Issue of shares to MVP and Stocks Digital for professional services
“C”	1,309,179

Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	21,597,861
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	1,309,179
Total [“A” x 0.15] – “C”	20,288,682

**** This is the remaining placement capacity under rule 7.1**

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>	143,985,741
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	14,398,574
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> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • 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 • It may be useful to set out issues of securities on different dates as separate line items	
“E”	-
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>	14,398,574
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	-
Total [“A” x 0.10] – “E”	14,398,574 <i>Note: this is the remaining placement capacity under rule 7.1A</i>