

13 March 2015

**Company Announcements Office
Australian Securities Exchange**

Renounceable Rights Issue – to raise up to \$738,000 and Cleansing Notice

Aphrodite Gold Limited (ASX:AQQ), (“Aphrodite” or “Company”) today announces that it will conduct a fully underwritten renounceable rights issue to shareholders on the basis of 3 new shares for every 7 shares held at the record date at 0.7 cents per new share to raise approximately \$738,000 before costs (“Offer”).

The Offer is fully underwritten by R.M.S. (Aust) Pty Ltd, a company owned by Mr Peter Buttigieg, the Executive Chairman and Acting CEO of Aphrodite.

The Rights Issue price represents a discount of approximately 22.2% to the closing price of Aphrodite shares last traded on ASX on 12 March 2015 of 0.9 cents per share.

Eligible shareholders (other than Directors and related parties of the Company) may, in addition to taking up their entitlement to new shares under the Offer, apply for additional shares subject to the terms of the Offer, availability and the discretion of the Directors.

The Offer is being made pursuant to an Offer document which will be lodged with ASX and mailed to shareholders after the record date (refer Timetable below) on 24 March 2015.

The funds raised under the Rights Issue will primarily be used for:

- Exploration activities
- Feasibility activities
- General working capital
- Other sundry costs including costs of the issue

Executive Chairman, Peter Buttigieg commented that Aphrodite had achieved a number of milestones over the past 2 years and that the funds raised from this issue would enable the Company to continue to evaluate a range of options for the development of the Aphrodite gold deposit over the coming year.

Attached to this announcement is a notice under section 708AA(2)(f) of the Corporations Act in relation to the Offer.

Rights Issue Key Dates

Announcement and lodgment of Appendix 3B and s708AA notice	13 March 2015
Notice to Shareholders	16 March 2015
Existing Shares quoted on an "ex" basis	17 March 2015
Record Date	19 March 2015
Rights Issue Offer Document and Entitlement and Acceptance Form sent to Eligible Shareholders	24 March 2015
Rights trading ends	26 March 2015
Shares quoted on a deferred settlement basis	27 March 2015
Closing Date	2 April 2015
Company to notify ASX of under subscriptions (if any)	9 April 2015
Anticipated date for the issue of the Shares	13 April 2015
Deferred settlement trading ends	13 April 2015

Notice under Section 708AA(2)(f) of the Corporations Act

The Company hereby confirms, as per the requirements of section 708AA(2)(f) of the Corporations Act:

- (a) The Company will offer the Shares for issue without disclosure to investors under Part 6D.2 of the Act.
- (b) The Company is providing this notice under paragraph 2(f) of section 708AA of the Act.
- (c) As at the date of this announcement, the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company.
- (d) As at the date of this announcement, the Company has complied with section 674 of the Act.
- (e) As at the date of this announcement, there is no information:
 - (i) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
 - (ii) that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - (A) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - (B) the rights and liabilities attaching to the Shares.
- (f) The potential effect the issue of new Shares under the Offer will have on the control of the Company, and the consequences of that effect, will depend on a number of factors, including investor demand and existing shareholders. However, given the structure of the Offer as a prorata issue, the primary consequences are that:
 - (i) if all eligible shareholders take up their entitlements, the Offer would have no material effect on the control of the Company as eligible shareholders would continue to hold the same percentage interest in the Company, subject only to changes resulting from the sale of Shares by the nominee on behalf of ineligible shareholders; or
 - (ii) if some eligible shareholders do not take up their full entitlements, such shareholders' control would be diluted relative to those who did take up their full entitlement (and potentially also applied for additional new Shares through the shortfall facility).

The Offer Document will more fully describe the potential control consequences for the Company of the Offer, including the underwriting arrangements with RMS. In particular, the Offer Document will describe the potential situation where the Offer is not fully subscribed for and RMS takes up its full entitlement as a shareholder and also takes up any shortfall in its capacity as underwriter. A summary of that RMS' interest, and the interest of Mr Peter Buttigieg, the Company's Executive Chairman and Acting CEO, who controls RMS, as at the date of this Notice is set out below.

- (i) RMS currently holds:
 - (A) 6.07% of the shares in the Company; and
 - (B) a convertible note issued by the Company with a face value of \$2,500,000 which can be converted into up to 100,000,000 shares in the Company at any time prior to 29 July 2015 at the election of RMS unless repaid earlier (**Convertible Note**).
 - (ii) In addition to having a relevant interest in the shares held by RMS, Mr Peter Buttigieg also has a relevant interest in:
 - (A) 5,241,024 shares in the Company held by Mr Peter Buttigieg and Mrs Jennifer Buttigieg <Buttigieg Super Fund A/C>;
 - (B) 3,250,000 shares in the Company held by P&J Superannuation Pty Ltd; and
 - (C) 4,000,000 unlisted options held by P&J Buttigieg Nominees Pty Ltd.
- Accordingly, Mr Peter Buttigieg currently has an aggregate relevant interest in 23,416,024 shares in the Company and a voting power of 9.52% (including the shares in the Company held through RMS).
- (iii) Mr Peter Buttigieg has informed the Company that:
 - (A) RMS and his other related entities intend to fully take up their entitlements under the Offer; and
 - (B) now that the Convertible Note is fully drawn, RMS intends to convert it to equity prior to the maturity date (29 July 2015).
 - (iv) The other directors have confirmed that they intend to take up any entitlements under the Offer.
 - (v) If no other shareholders take up their entitlements under the Offer and RMS is required to take up its full underwriting commitment (assuming the Convertible Note is fully converted and no options are exercised):
 - (A) RMS will have a relevant interest in 226,739,680 shares in the Company and voting power of 50.23%; and
 - (B) Mr Peter Buttigieg will have a relevant interest in 238,869,714 shares in the Company and voting power of 52.92%.

Further details regarding the Offer will be set out in the Offer Document.

Yours sincerely



Michael Beer
Company Secretary