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

MOD Resources Limited

ABN

78 003 103 544

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) Fully paid ordinary shares (ii) Listed $0.01 options expiring 1 May 2018
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	(i) Up to 206,147,294 fully paid ordinary shares (ii) Up to 103,073,647 listed $0.01 options expiring 1 May 2018
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)	(i) Fully paid ordinary shares (ii) Listed $0.01 options expiring 1 May 2018

+ See chapter 19 for defined terms.

4	Do the +securities rank equally in all respects from the +issue date 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	(i) Yes. The shares will rank equally with the ordinary shares currently on issue. (ii) Upon exercise of the options, the shares will rank equally with the ordinary shares currently on issue.
5	Issue price or consideration	(i) $0.006 per share (ii) Nil
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	(i) Issued pursuant to non-renounceable rights issue announced on 22 September 2015 to fund a resource extension drilling program and progress towards pre-feasibility studies at the Mahumo Copper/Silver Project and subject to completion of the acquisition of licences near Mahumo, to undertake an exploration program on the acquire licenses. (ii) Issued pursuant to non-renounceable rights issue announced on 22 September 2015 to fund a resource extension drilling program and progress towards pre-feasibility studies at the Mahumo Copper/Silver Project and subject to completion of the acquisition of licences near Mahumo, to undertake an exploration program on the acquire licenses.
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h *in relation to the +securities the subject of this Appendix 3B*, and comply with section 6i	Yes
6b	The date the security holder resolution under rule 7.1A was passed	15 May 2015

+ See chapter 19 for defined terms.

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
6f	Number of +securities issued under an exception in rule 7.2	(i) Up to 206,147,294 fully paid ordinary shares (ii) Up to 103,073,647 listed $0.01 options expiring 1 May 2018
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	Refer Annexure 1
7	+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.	(i) 22 October 2015 (ii) 22 October 2015

		Number	+Class
8	Number and +class of all +securities quoted on ASX (*including* the +securities in section 2 if applicable)	After completion of the Entitlements issue there is expected to be up to 1,236,883,766 fully paid ordinary shares on issue based upon the 1,030,736,472 fully paid ordinary shares on issue as at the date of this Appendix 3B and up to 206,147,294 New Shares expected to be issued under the Entitlements offer.	Fully Paid Ordinary shares
		After completion of the Entitlements issue there is expected to be up to 103,073,647 listed $0.01 options on issue based upon the New Options expected to be issued under the Entitlements offer.	Listed options exercisable at $0.01 on or before 1 May 2018
9	Number and +class of all +securities not quoted on ASX (*including* the +securities in section 2 if applicable)	21,000,000	Unlisted options exercisable at $0.20 on or before 12 June 2016
		63,000,000	Unlisted options exercisable at $0.06 on or before 4 March 2017
		2,000,000	Unlisted options exercisable at $0.075 on or before 20 June 2017
		5,000,000	Unlisted options exercisable at $0.01 on or before 21 May 2018

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	The Company does not have a dividend policy.

+ See chapter 19 for defined terms.

Part 2 - Pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Yes
13	Ratio in which the +securities will be offered	1:5
14	+Class of +securities to which the offer relates	Fully Paid Ordinary
15	+Record date to determine entitlements	29 September 2015
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable
17	Policy for deciding entitlements in relation to fractions	Fractions of New Shares will be rounded up to the nearest whole dollar
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	Countries other than Australia and New Zealand
19	Closing date for receipt of acceptances or renunciations	15 October 2015
20	Names of any underwriters	Not applicable
21	Amount of any underwriting fee or commission	Not applicable
22	Names of any brokers to the issue	Patersons Securities Limited
23	Fee or commission payable to the broker to the issue	Refer Section 7.5 of the non-renounceable rights issue prospectus announced on 22 September 2015

+ See chapter 19 for defined terms.

24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	Not applicable
25	If the issue is contingent on security holders' approval, the date of the meeting	Not applicable
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	1 October 2015
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	22 September 2015
28	Date rights trading will begin (if applicable)	Not applicable
29	Date rights trading will end (if applicable)	Not applicable
30	How do security holders sell their entitlements *in full* through a broker?	Not applicable
31	How do security holders sell *part* of their entitlements through a broker and accept for the balance?	Not applicable
32	How do security holders dispose of their entitlements (except by sale through a broker)?	Not applicable
33	+Issue date	22 October 2015

+ 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

Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought	Not applicable
39	+Class of +securities for which quotation is sought	Not applicable

+ See chapter 19 for defined terms.

40	Do the +securities rank equally in all respects from the +issue date 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	Not applicable
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)	Not applicable

		Number	+Class
42	Number and +class of all +securities quoted on ASX (*including* the +securities in clause 38)	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 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.

MARK CLEMENTS
Company Secretary
22 September 2015

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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

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 the +issue date or date of agreement to issue	724,871,589
Add the following: • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 (i) 9 April 2015 Issue of Shares (ii) 18 May 2015 Issue of Shares • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval (iii) 27 October 2014 and 31 October 2014 Issue of Shares (iv) 17 November 2014 Issue of Shares (v) 18 December 2014 Issue of Shares (vi) 14 January 2015 Issue of Shares (vii) 9 April 2015 Issue of Shares (viii) 30 April 2015 Issue of Shares • 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*	123,992,203 34,204,742 65,109,657 6,579,150 16,241,069 8,865,250 22,599,558 8,536,212

+ See chapter 19 for defined terms.

Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
"A"	1,010,999,430

Step 2: Calculate 15% of "A"	
"B"	0.15 *[Note: this value cannot be changed]*
Multiply "A" by 0.15	151,649,915
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 *not counting* 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	
(i) 17 November 2014 Share Issue	2,629,056
(ii) 13 April 2015 Share Issue	9,000,000
(iii) 18 May 2015 Share Issue	6,107,986
(iv) 21 May 2015 Share Issue	2,000,000
(v) 21 May 2015 Option Issue	5,000,000
Note: • *This applies to equity securities, unless specifically excluded – not just ordinary securities* • *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*	
"C"	24,737,042
Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1	
"A" x 0.15 *Note: number must be same as shown in Step 2*	151,649,915

Subtract "C" *Note: number must be same as shown in Step 3*	24,737,042
Total ["A" x 0.15] – "C"	126,912,873 *[Note: 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" *Note: number must be same as shown in Step 1 of Part 1*	1,010,999,430
Step 2: Calculate 10% of "A"	
"D"	0.10 *Note: this value cannot be changed*
Multiply "A" by 0.10	101,099,943
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:* • *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"	Nil

+ See chapter 19 for defined terms.

Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 *Note: number must be same as shown in Step 2*	101,099,943
Subtract "E" *Note: number must be same as shown in Step 3*	Nil
Total ["A" x 0.10] – "E"	101,099,943 *Note: this is the remaining placement capacity under rule 7.1A*

+ See chapter 19 for defined terms.