

1 December 2015

ASX Announcement

Company Announcements Office
Australian Securities Exchange
Level 6, 20 Bridge Street
SYDNEY NSW 2000

Via E Lodgment

Completion of Pearl Transaction and Capital Raising

Citation Resources Limited ("Citation" or "the Company") is pleased to announce the following key milestones as it completes its initial 40% acquisition interest in Pearl Global Limited ("Pearl") whilst still retaining exposure to its existing hydrocarbon projects:

- Completion of \$6.18m Capital Raising (comprising the Priority, Top-up and Public Offer as approved by Shareholders) with a significant number of oversubscriptions for shortfall and underwritten demand;
- Completion of Citation's initial acquisition of a 40% interest in Pearl as recently approved by Shareholders;
- Release of an initiation research report from PAC Partners; and
- Appointment of Pearl representative Mr Victor Turco to the Board of Citation and the resignation of Mr Brett Mitchell

Pearl Global

With the completion of the \$6.18m Capital Raising and the initial 40% acquisition interest in Pearl by the Company, Citation will provide a \$3m capital injection into Pearl.

With the \$3m capital injection, Pearl is well positioned to commence the commercial roll out of the thermal desorption units in Australia and with a number of strategic partners in other key jurisdictions around the world.

Over the coming months, Pearl is on track to obtain all necessary approvals to run its two existing plants commercially throughout Western Australia and move to commercialise an additional plant in New South Wales. The stringent approval process will allow Pearl to utilise the environmental and operational approval data to fast-track entry into other jurisdictions.

Pearl is in advanced negotiations with a number of strategic partners in both Australia and overseas and, in particular, South Africa, Asia and the UK. Completion of all relevant approval processes referred above should see Pearl enter its first key strategic partnerships at both an operational and financial level

Pearl has also been working with the University of Western Australia's Centre for Energy in optimising the outputs of the Pearl tyre desorption units with particular focus on the production of commercial electrical power and value added secondary products including higher performance clean fuels, activated carbon and higher grade carbon black. The Company looks forward to updating shareholders once final results are received. .

Pearl has also completed a recent promotional video following a number of requests from interested parties and this can be viewed at the following Youtube reference:

youtu.be/r7gMx8dfXL4



PAC Partners have also released an initiation research report which can be found on the Company's website following the below link:

<http://citationresources.com.au>

Citation

As set out in the recent entitlement issue documentation, Mr Victor Turco has been appointed to the Board with Mr Brett Mitchell stepping down. The Board thanks Brett for his contribution over the years and looks forward to working with Mr Turco as the Company continues with the development of Pearl and Citation's oil and gas interests.

An updated capital structure following completion of the entitlement issue is set out below (as per the announced Appendix 3B that accompanied the Entitlements Issue prospectus dated 23 October 2015).

Shares on issue pre completion of Entitlements Issue and Pearl Transaction	57,296,861
Shares issued per Priority and Top Up Issue	123,360,894
Shares issued on the Initial 40% acquisition of Pearl	80,000,000
Total Shares on Issue	<u>260,657,755</u>

For and on behalf of the Board

Citation Resources Limited