

## ASX ANNOUNCEMENT

29 December 2015

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### Extension of closing date under Prospectus and issue of Supplementary Prospectus

Palace Resources Limited (ASX: PZR) (**Company**) refers to the prospectus dated 1 October 2015 (**Prospectus**) and lodged with ASX on 2 October 2015. The Company advises that the board of directors of the Company has resolved to extend the closing date for the offer under the Prospectus (**Offer**) to 8 February 2016.

The Company reserves the right to further vary the closing date.

The Company has sought approval from ASX for an extension of time in which to issue shares under the Prospectus.

In addition, the Company has made an application to ASIC for a modification to the Corporations Act (as it applies to the Offer) (**ASIC Modification**) so that:

1. shares issued under the Offer must be quoted on ASX by no later than the date 3 months after the date of the Supplementary Prospectus (rather than 3 months after the date of the Prospectus); and
2. the minimum acceptance condition (being the receipt of applications for not less than \$4,500,000) must be satisfied by no later than the date 4 months after the date of the Supplementary Prospectus (rather than 4 months after the date of the Prospectus).

The Company intends to lodge a supplementary prospectus (**Supplementary Prospectus**) as soon as practicable which will vary the Offer in accordance with (and subject to) the ASIC Modification being sought by the Company.

The Supplementary Prospectus will provide a right for applicants under the Prospectus to withdraw their applications and be refunded their application monies for a period of 1 month after the date of the Supplementary Prospectus.

For further information please contact

Roland Berzins  
Company Secretary