

# 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

Metallum Limited

ABN

73 149 230 811

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   | Fully Paid Ordinary Shares<br>Options  |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | 132,729,443 Shares (on a post-consolidated basis)<br>132,729,443 Options (on a post-consolidated basis)                            |
| 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) | Fully Paid Ordinary Shares<br><br>Options are exercisable at \$0.024 each (on a post-consolidated basis) on or before 31 July 2016 |

4	<p>Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>Shares: Yes</p> <p>Options: No. The Options are a new class of Option.</p> <p>Options over unissued shares may only be exercised in accordance with their terms and conditions. Upon conversion of the Options to shares, the shares will rank equally with existing shares.</p>
5	Issue price or consideration	<p>\$0.02 per Share (on a post-consolidated basis)</p> <p>Nil per Option</p>
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	<p>100,000,000 Shares and up to 100,000,000 free attaching Options to be issued pursuant to Prospectus lodged with ASIC on 8 February 2016 to raise funds for drilling of the Teutonic Mustang EM target, payment of creditors, expenses of the offer and working capital;</p> <p>18,000,000 Shares and 18,000,000 free attaching Options issued on conversion of convertible loans, as approved by Shareholders on 26 February 2016;</p> <p>8,906,938 Shares and 8,906,938 free attaching Options issued on conversion of fees to related parties, as approved by Shareholders on 26 February 2016; and</p> <p>5,822,505 Shares and 5,822,505 free attaching Options issued to certain creditors on conversion of amounts owed</p>
6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>Yes.</p>
6b	The date the security holder resolution under rule 7.1A was passed	30 November 2015
6c	Number of +securities issued without security holder approval under rule 7.1	3,000,000 Shares and 3,000,000 Options

+ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A							
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	129,729,443 Shares and 129,729,443 Options (Shareholder approval received at the general meeting of Shareholders held on 26 February 2016)						
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.	N/A						
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	N/A						
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	7.1: 8,778,666 7.1A: 13,185,777						
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	17 March 2016						
8	Number and +class of all +securities quoted on ASX (including the securities in section 2 if applicable)	<table><tr><th>Number</th><th>+Class</th></tr><tr><td>134,857,775</td><td>Fully paid ordinary shares.</td></tr><tr><th>Number</th><th>+Class</th></tr></table>	Number	+Class	134,857,775	Fully paid ordinary shares.	Number	+Class
Number	+Class							
134,857,775	Fully paid ordinary shares.							
Number	+Class							
9.	Number and +class of all +securities not quoted on ASX (including the securities in	<table><tr><td>34,500</td><td>Options exercisable at \$7.44 each on or before 17 November 2017</td></tr></table>	34,500	Options exercisable at \$7.44 each on or before 17 November 2017				
34,500	Options exercisable at \$7.44 each on or before 17 November 2017							

section 2 if applicable)

30,000	Class M Options exercisable at \$20.00 each on or before 30 June 2016
20,000	Class N Options exercisable at \$13.60 each on or before 17 October 2016
25,000	Class O Options exercisable at \$14.80 each on or before 19 October 2017
2,500	Class P Options exercisable at \$20.00 each on or before 30 November 2016, vesting on the date the 30 day VWAP for MNE Shares is \$48.00 or higher
5,000	Class Q Options exercisable at \$20.00 each on or before 30 June 2016
7,500	Class R Options exercisable at \$7.60 on or before 9 March 2019
37,501	Class S Options exercisable at \$6.00 each on or before 15 July 2017
222,223	Class U Options exercisable at \$6.00 each on or before 30 July 2017
21,750	Class V Options exercisable at \$2.92 each on or before 16 July 2018
132,729,443	Class W Options exercisable at \$0.024 each on or before 31 July 2016

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

Not applicable

+ See chapter 19 for defined terms.

## Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the <sup>+</sup> securities will be offered	N/A
14	<sup>+</sup> Class of <sup>+</sup> securities to which the offer relates	N/A
15	<sup>+</sup> Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	<p>Names of countries in which the entity has <sup>+</sup>security holders who will not be sent new issue documents</p> <p>Note: Security holders must be told how their entitlements are to be dealt with.</p> <p>Cross reference: rule 7.7.</p>	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A

24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of <sup>+</sup> security holders	N/A
25	If the issue is contingent on <sup>+</sup> security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	N/A
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	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do <sup>+</sup> security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do <sup>+</sup> security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do <sup>+</sup> security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	<sup>+</sup> Despatch date	N/A

## 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)

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<sup>+</sup> See chapter 19 for defined terms.

(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)

### 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

39 Class of +securities for which quotation is sought

- 40 Do the <sup>+</sup>securities rank equally in all respects from the date of allotment with an existing <sup>+</sup>class of quoted <sup>+</sup>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

- 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)

- 42 Number and <sup>+</sup>class of all <sup>+</sup>securities quoted on ASX (including the securities in clause 38)

Number	<sup>+</sup> Class

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<sup>+</sup> See chapter 19 for defined terms.



## 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:

  
(Company Secretary)

Date: 17 March 2016

Print name: SHANNON COATES

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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

### Part 1

Rule 7.1 – Issues exceeding 15% of capital	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>Insert</b> number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	504,250,405
<b>Add</b> the following: <ul style="list-style-type: none"> <li>Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2</li> <li>Number of fully paid ordinary securities issued in that 12 month period with shareholder approval</li> <li>Number of partly paid ordinary securities that became fully paid in that 12 month period</li> </ul> <b>Note:</b> <ul style="list-style-type: none"> <li>Include only ordinary securities here – other classes of equity securities cannot be added</li> <li>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</li> <li>It may be useful to set out issues of securities on different dates as separate line items</li> </ul>	18,914,000 Shares issued 14/04/2015 21,400,500 Shares issued 12/05/2015 171,109,393 Shares issued 29/05/2015 130,525,441 Shares issued 16/07/2015  = 846,199,739 (pre-consolidated) = 2,128,332 (post consolidated) 129,729,443 Shares issued 17/03/2016 (subject of this Appendix 3B) = 131,857,775
<b>Subtract</b> the number of fully paid ordinary securities cancelled during that 12 month period	N/A
<b>“A”</b>	131,857,775

+ See chapter 19 for defined terms.

<b>Step 2: Calculate 15% of “A”</b>	
<b>“B”</b>	0.15 <i>[Note: this value cannot be changed]</i>
<b>Multiply “A” by 0.15</b>	19,778,666
<b>Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used</b>	
<p><b>Insert</b> number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> <li>Under an exception in rule 7.2</li> <li>Under rule 7.1A</li> <li>With security holder approval under rule 7.1 or rule 7.4</li> </ul> <p><b>Note:</b></p> <ul style="list-style-type: none"> <li><i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i></li> <li><i>Include here (if applicable ) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li><i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	<p>5,000,000 Shares issued 29/07/2015</p> <p>3,000,000 Shares issued 17 March 2016 (the subject of this Appendix 3B)</p> <p>3,000,000 Listed Options issued 17 March 2016 (the subject of this Appendix 3B)</p>
<b>“C”</b>	11,000,000
<b>Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1</b>	
<p><b>“A” x 0.15</b></p> <p><i>Note: number must be same as shown in Step 2</i></p>	19,778,666
<p><b>Subtract “C”</b></p> <p><i>Note: number must be same as shown in Step 3</i></p>	11,000,000
<b>Total [“A” x 0.15] – “C”</b>	<p>8,778,666</p> <p><i>[Note: this is the remaining placement capacity under rule 7.1]</i></p>

+ See chapter 19 for defined terms.

## Part 2

<b>Rule 7.1A – Additional placement capacity for eligible entities</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>“A”</b> <i>Note: number must be same as shown in Step 1 of Part 1</i>	131,857,775
<b>Step 2: Calculate 10% of “A”</b>	
<b>“D”</b>	0.10 <i>Note: this value cannot be changed</i>
<b>Multiply “A” by 0.10</b>	13,185,777
<b>Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used</b>	
<b>Insert</b> number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A  <b>Notes:</b> <ul style="list-style-type: none"> <li>• This applies to equity securities – not just ordinary securities</li> <li>• Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</li> <li>• 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</li> <li>• It may be useful to set out issues of securities on different dates as separate line items</li> </ul>	0
<b>“E”</b>	0
<b>Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A</b>	
<b>“A” x 0.10</b> <i>Note: number must be same as shown in Step 2</i>	13,185,777
<b>Subtract “E”</b> <i>Note: number must be same as shown in Step 3</i>	0
<b>Total [“A” x 0.10] – “E”</b>	13,185,777 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.