

ASX Waivers Granted and Minor Amendments to Performance Share Terms

ASX Release

12 April 2016

ANTARES MINING
LIMITED
ACN 119 047 693

Unit B9
431 Roberts Rd
Subiaco WA 6008

Tel: +61 8 6143 4100
Fax: +61 8 9381 2330

Contact:

Mr Peter Torre
Company Secretary

Mr Frank Licciardello
Director

E-mail:

info@antaresmining.com.au

Directors:

David Wheeler
Lay Ann Ong
Frank Licciardello

Issued Capital:

1,166,938,638 shares

ASX Symbol:
AWW

Antares Mining Limited (**Antares** or **Company**) is pleased to announce that ASX has granted the Company's application for the following waivers in connection with the Company's proposed acquisition of Precast Australia Pty Ltd (**Precast** (**Acquisition**)):

1. a waiver from listing rule 1.1 condition 11 to the extent necessary to permit the exercise price of 20,000,000 new unquoted options to be issued by the Company to Precast (**Vendor Options**), 5,000,000 new unquoted options to be issued by the Company to Sanston Securities Australia Pty Ltd (**Advisory Options**) (all on a post-consolidation basis) in connection with the Acquisition (together **Transaction Options**) not to be at least \$0.20 on the following conditions.
 - 1.1 the exercise price of the Transaction Options is not less than \$0.02 each (on a post-consolidation basis);
 - 1.2 shareholders approve the exercise price of the Transaction Options in conjunction with the approval obtained under listing rule 11.1.2 in respect of the Acquisition; and
 - 1.3 the terms and conditions of the Transaction Options are clearly disclosed in the notice of meeting of shareholders which will consider the approval required under listing rule 11.1.2 in respect of the Acquisition (**Notice**) and in the prospectus for the capital raising (**Prospectus**); and
2. a waiver from listing rule 2.1 condition 2 to the extent necessary to permit the issue price for up to 80,000,000 fully paid ordinary shares (**Shares**) (on a post-consolidation basis) (**Capital Raising Shares**) proposed to be issued pursuant to the Prospectus (**Capital Raising**) not to be at least \$0.20, on the following conditions.
 - 2.1 the issue price of the Capital Raising Shares is not less than \$0.02 each; and
 - 2.2 shareholders approve the issue price of the Capital Raising Shares and the consolidation in conjunction with the approval obtained under listing rule 11.1.2 in respect of the Acquisition.

In addition, ASX has confirmed that the terms of the performance shares proposed to be issued to the vendors of Precast in connection with the Acquisition (**Performance Shares**) in the form set out in Annexure A to this announcement (**Performance Share Terms**) are appropriate and equitable for the purposes of listing rule 6.1, subject to the following conditions.

1. The Company obtains shareholder approval for the issue of the Performance Shares and the notice of meeting seeking shareholder approval includes sufficient information about the terms and conditions of the Performance Shares including, if applicable, approval for the issue of

- any Performance Shares to a related party pursuant to Chapter 2E of the *Corporations Act 2001* (Cth).
2. The Performance Shares are not quoted.
 3. The Performance Shares are not transferable.
 4. The Performance Shares do not have voting rights, subject to those required by law.
 5. The Performance Shares do not permit the holder to participate in new issues of capital such as bonus issues and entitlement issues.
 6. The Performance Shares do not carry an entitlement to a dividend.
 7. The Performance Shares do not carry an entitlement to participate in the surplus profits or assets of the Company upon winding up of the Company.
 8. Each Performance Share is converted into one Share on achievement of the relevant milestone.
 9. If the performance milestone for the Performance Shares (**Milestone**) is not achieved by 29 December 2018, all Performance Shares will be cancelled.
 10. The Company makes an announcement upon the satisfaction of any Milestone, the conversion of any of the Performance Shares and the expiry of any tranche of Performance Shares.
 11. The terms and conditions of the Performance Shares, including without limitation the relevant Milestones that have to be satisfied before each tranche of Performance Shares is converted into ordinary shares, are not to be changed without the prior approval of ASX and the Company's shareholders.
 12. Upon conversion of the Performance Shares into Shares, the Company will apply to the ASX for quotation of the Shares within the requisite time period.
 13. The Company discloses the following in each annual report, annual audited accounts, half-yearly report and quarterly cashflow report issued by the Company in respect of any period during which any of the Performance Shares remain on issue or were converted or cancelled.
 - 13.1 The number of Performance Shares on issue during the relevant period.
 - 13.2 A summary of the terms and conditions of the Performance Shares, including without limitation the number of ordinary shares into which they are convertible and the relevant Milestones.
 - 13.3 Whether any of the Performance Shares were converted or cancelled during that period.
 - 13.4 Whether any Performance Milestones were met during the period.
 14. The Company discloses the following in item 9 of each Appendix 3B lodged by the Company while any of the Performance Shares remain on issue.
 - 14.1 The number of Performance Shares on issue at the time of lodgement of the Appendix 3B.

- 14.2 The conversion ratio of the Performance Shares into ordinary shares upon achievement of a relevant Milestone.

Amendments to Performance Share Terms

It is noted that, to comply with listing rule 6.1, the Performance Share Terms as confirmed by ASX vary slightly to the terms set out in Annexure B of the Company's Notice of General Meeting released on the ASX market announcements platform on 18 March 2016. The amendments are marked up in Annexure A for ease of reference.

In light of the above minor amendments to the performance share terms (which amendments are permitted by Part 1 (j) of the Performance Share Terms), the Company wishes to note that Annexure B in the Notice of Meeting is deemed to be amended to reflect the Performance Share Terms as set out below.

Peter Torre
Company Secretary

Annexure A – Amended Performance Share Terms

Part 1: Terms

(a) Performance Shares

Each Performance Share is a share in the capital of the Company.

(b) General meetings

The Performance Shares shall confer on the holder (**Holder**) the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to Shareholders. Holders have the right to attend general meetings of the Company.

(c) No voting rights

The Performance Shares do not entitle the Holder to vote on any resolutions proposed at a general meeting of the Company, subject to any voting rights under the *Corporations Act 2001* (Cth) (**Corporations Act**) or the ASX Listing Rules (**Listing Rules**) where such rights cannot be excluded by these terms.

(d) No dividend rights

The Performance Shares do not entitle the Holder to any dividends.

(e) No rights on winding up

Upon winding up of the Company, the Performance Shares may not participate in the surplus profits or assets of the Company.

(f) Transfer of Performance Shares

A Performance Share is not transferable.

(g) Reorganisation of capital

If the issued capital of the Company is reconstructed, all rights of a Holder will be changed to the extent necessary to comply with the

Listing Rules at the time of reorganisation provided that, subject to compliance with the Listing Rules, following such reorganisation the economic and other rights of the Holder are not diminished or terminated.

(h) **Application to ASX**

The Performance Shares will not be quoted on ASX. Upon conversion of the Performance Shares into fully paid ordinary shares (**Shares**) in accordance with these terms, the Company must within seven (7) days after the conversion, apply for and use its best endeavours to obtain the official quotation on ASX of the Shares arising from the conversion.

(i) **Participation in entitlements and bonus issues**

Subject always to the rights under item (g), holders of Performance Shares will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.

(j) **Amendments required by ASX**

The terms of the Performance Shares may be amended as necessary by the Company's board of directors in order to comply with the Listing Rules, or any directions of ASX regarding the terms provided that, subject to compliance with the Listing Rules, following such amendment, the economic and other rights of the Holder are not diminished or terminate.

(k) **No other rights**

The Performance Shares give the Holders no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

Part 2: Conversion of the Performance Shares

(a) **Milestone**

The Performance Shares will convert into Shares upon satisfaction of the following milestones (each, a **Milestone**):

- **(FY16 Tranche)**: if Precast achieves earnings before interest, tax, depreciation and amortisation (**EBITDA**) of at least \$500,000 but less than \$1 million during the financial year ending 30 June 2016, a total of 13.6 million Performance Shares will convert into Shares;
- **(FY17 Tranche)**: if Precast achieves EBITDA of at least:
 - (i) \$1 million during the period 1 July 2016 to 30 June 2017; or
 - (ii) \$1.5 million during the period 1 July 2015 to 30 June 2017, a total of 26.4 million Performance Shares (less the sum of any Shares which have already been converted into Shares under the FY16 Tranche) will convert into Shares;
- **(FY18 Tranche)**: if Precast achieves EBITDA of at least:
 - (i) \$1.5 million during the period 1 July 2017 to 30 June 2018; or
 - (ii) \$3 million during the period 1 July 2015 to 30 June 2018,

a total of 40 million Performance Shares (less the sum of any Shares which have already been converted into Shares under the FY16 Tranche and the FY17 Tranche) will convert into Shares; and

- **(Bonus tranche):** if Precast achieves EBITDA during the period 1 July 2015 to 30 June 2018:

(i) of greater than \$3 million in aggregate, a total of 80 million Performance Shares (less the sum of any Shares which have already been converted into Shares during the period 1 July 2015 to 30 July 2018) will convert into Shares; ~~and/or~~

(ii) of between \$500,000 and \$3 million, the number of Performance Shares determined in accordance with the following formula will convert into Shares:

$$A = ((B/C) \times D) - E$$

Where:

A = The number of Performance Shares to convert into Shares

B = EBITDA achieved in aggregate for period 1 July 2015 to 30 June 2018

C = \$3,000,000

D = 80,000,000

E = Total number of Performance Shares already issued under the FY16 Tranche, the FY17 Tranche and the FY18 Tranche respectively.

(b) **Conversion of Performance Shares**

If the Milestone is satisfied, the Performance Shares held by the Holder will convert into an equal number of Shares.

(c) **No conversion if Milestone not achieved**

Any Performance Share not converted into a Share by 29 December 2017~~8~~ will ~~lapse~~ be cancelled.

(d) **After conversion**

The Shares issued on conversion of the Performance Shares will, as and from 5:00pm (WST) on the date of issue, rank equally with and confer rights identical with all other Shares then on issue and application will be made by the Company to ASX for official quotation of the Shares issued upon conversion.

(e) **Conversion procedure**

The Company will issue the Holder with a new holding statement for the Shares as soon as practicable following the conversion of the Performance Shares into Shares.

(f) **Ranking of Shares**

The Shares into which the Performance Shares will convert will rank pari passu in all respects with the Shares on issue at the date of conversion.