



ABN 74 106 240 475

Palace Resources Ltd  
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## Proposed Capital Raising

Palace Resources Ltd ("Palace" or "the Company") is pleased to announce plans to undertake a four-stage \$1.2m capital raising by way of the following:

- A placement of 9,000,000 fully paid ordinary shares ("Shares") at an issue price of 1.2 cents each to raise \$108,000 (before costs) pursuant to the Company's 15% discretionary capacity (**Discretionary Placement**) and s708 Corporations Act (Cwth) 2001
- A non-renounceable rights issue of 72,173,853 Shares at an issue price of 1.2 cents each on the basis of one (1) Share for every one (1) Share held on the record date together with one (1) free attaching option to acquire Shares at 6 cents on or before 30 months from the date of issue ("Options") for every three (3) shares applied for and allotted for to raise \$866,086 before costs (**Rights Issue**);
- A placement of 16,000,000 Shares at an issue price of 1.2 cents to raise \$192,000 before costs (**Share Placement**); and
- A placement of 99,000,000 Options at an issue price of 0.1 cents each to raise \$99,000 before costs (**Option Placement**).

The Share Placement and the Option Placement are subject to shareholder approval. The Company will seek to obtain the required shareholder approval and a Notice of General Meeting will be sent to shareholders in due course.

It is proposed that the four phases will be completed successively with the record date for the Rights Issue being before either the Share Placement or the Option Placement. Consequently, the Share Placement and Option Placement placees will not be entitled to participate in the Rights Issue. The record date for the Rights Issue will be advised in due course.

The funds raised will be used to fund new acquisitions and for working capital purposes.

*For further information contact:*  
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