



# Rights Issue to Accelerate both Mine Development and Exploration Programs

**Date:** 31 August 2012

**ASX Code:** CRK

**www.carrickgold.com**

**Share Capital:** 140.8M ordinary shares

**Share Price:** \$0.305

**Market Capitalisation:** \$42.9M

#### **Directors**

Laurence Freedman AM, Chairman  
John McKinstry, Managing Director  
Ross Gillon  
Robert Schuitema, Company Secretary

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Carrick Gold Limited (ASX: CRK) is pleased to announce a \$7.3 million capital raising via a pro-rata non-renounceable rights issue ("**Rights Issue**").

#### **Summary of Rights Issue:**

- 1 for 5 Rights Issue at 26 cents per share, to raise up to \$7.3 million before costs.
- The proceeds of the Rights Issue will be used to accelerate mine development and exploration programs across the KalNorth Gold Field.
- **The Company's Directors (collectively 16.2%) and the largest shareholder, Cross-Strait Common Development Fund Co., Limited (19.4%), have agreed to take up their full rights entitlements.**

Shareholders who are registered holders of shares in the Company at 5:00pm (Perth time) on Friday, 14 September 2012 and who have a registered address in Australia or New Zealand, are eligible to participate in the Rights Issue.

Eligible shareholders can apply for shares on the basis of 1 new share for every 5 shares held, at 26 cents per new share. This offer price represents a 10.6% discount to the 30 day volume weighted average price (VWAP) of the Company's shares on ASX to 30 August 2012.

**Carrick Chairman, Laurence Freedman AM**, said:

*"The signing of the Saracen Ore Processing Agreement last week is transformational for Carrick as we are one of the few resource companies making the transition from explorer to producer. This reflects two years of hard work by the Board and management.*

*"The funds raised will be put to immediate use in fast-tracking both the mining and exploration programs. We plan to substantially increase both the Resource and Reserve base of our gold deposits across the KalNorth Gold Field.*

*"The Directors believe that the current share price does not reflect the inherent value of our assets. The Rights Issue will therefore enable eligible shareholders to participate in the further growth of the Company, at an attractive price, and to share in our longer-term upside potential.*

*"The proposal to change the name of the Company to KalNorth Gold Mines Limited more properly reflects our geographical focus and the transformation to a gold producer."*

## Proposed Use of Funds

Assuming the Rights Issue is fully subscribed, the proceeds (less associated costs) will be used to:

- Progress development of the Company's four proposed gold mines, the first of which will commence in January 2013;
- Accelerate the Company's exploration program at the KalNorth Gold Field, where the Company is seeking to expand on its 1.03 million ounces of Indicated and Inferred Resources<sup>1</sup>; and
- Pay the first of three deferred payments on the Mt Jewell acquisition.

Following the capital raising, Carrick Gold will have approximately 169 million fully paid ordinary shares on issue.

**Carrick Chairman, Laurence Freedman AM**, said: *"The Rights Issue has been priced attractively and will allow eligible shareholders, many of whom we recognise as having been both patient and loyal, to participate in the upside as we transform from explorer to producer."*

*"Funds raised will ensure that Carrick can achieve both short- and long-term gold production and exploration targets, thus delivering substantially improved value to the Company and its shareholders."*

## Key Dates for the Rights Issue\*

Rights Issue announced to ASX	Friday, 31 August 2012
Shares quotes on an "ex entitlement basis"	Monday, 10 September 2012
<b>Record Date</b> to determine entitlement to new shares under the Rights Issue	<b>5:00pm (Perth time) Friday, 14 September 2012</b>
Offer Document sent to eligible shareholders	No later than Thursday, 20 September 2012
<b>Closing Date</b>	<b>5:00pm (Perth time) Thursday, 11 October 2012</b>
Shares quoted on a deferred settlement basis	Friday, 12 October 2012
Allotment of new shares subscribed for under the Rights Issue	Thursday, 18 October 2012
Trading of new shares expected to commence on the ASX	Friday, 19 October 2012
Holding statements expect to be despatched to shareholders	Monday, 22 October 2012

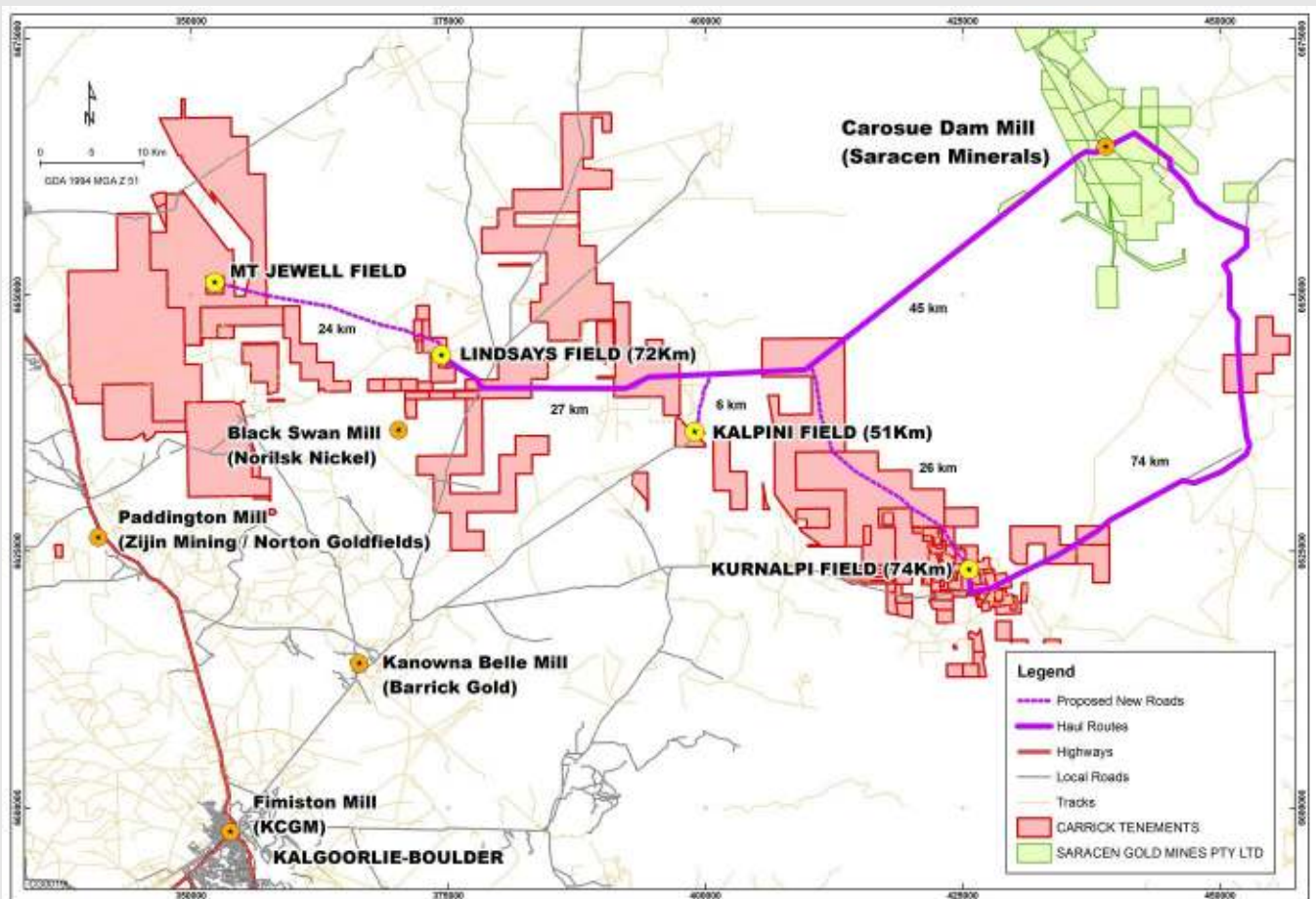
\* These dates are indicative only and are subject to change. The Company reserves the right, subject to *the Corporations Act 2001* (Cth) and the ASX Listing Rules, to amend this indicative timetable in consultation with Emerald Partners Pty Ltd (the Corporate Advisers to the Rights Issue). In particular, the Company reserves the right, to extend the Closing Date or to withdraw the Offer without prior notice. Any extension of the Closing Date will have a consequential effect on the date for the allotment of new shares.

<sup>1</sup> Indicated Resource 10.4Mt @ 1.6g/t for 526,600oz and Inferred Resource 10.2Mt @ 1.5g/t for 508,300oz.

The Company's target increase for the exploration program is a nominal 500,000oz per annum in the range of 8-10Mt @ 1.5-2g/t based on knowledge of the styles of mineralisation in the target region and exploration undertaken to date. The potential quantity and grade of the target is conceptual in nature; there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of an increased Mineral Resource.

## Competent Persons Statement

The information within this document as it relates to geology and mineralisation on all deposits was reviewed and approved by Mr Wade Johnson who is a full time employee of Carrick Gold Limited. Mr Johnson is a member of The Australian Institute of Geoscientists (**AIG**), and is a Competent Person as defined by the 2004 JORC Code, having more than five years' experience relevant to the style of mineralisation and type of deposit described in the Report. This person consents to the inclusion of this information in the form and context in which it appears in this document.



Location map showing roads and local processing plants

## About Carrick Gold Limited

*Carrick Gold Limited (ASX Code: CRK) is a gold exploration and development company based in Perth, Western Australia.*

*The Company's suite of tenements covers an area of over 1320km<sup>2</sup> and is located within 50-90km of the world-renowned gold mining town of Kalgoorlie, Western Australia, where Carrick Gold maintains an operations base.*