



ABN 44 009 157 439

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5 December 2011

***Company Announcements Platform***

**Share Purchase Plan – notice under ASIC CO 09/425**

Hawthorn Resources Limited (ASX: HAW) gives notice that within 24 hours it will make offers to issue shares under a share purchase plan without disclosure to investors under Part 6D.2 of the Corporations Act 2001 (**Act**).

This notice is being given under ASIC Class Order 09/425, Share and interest purchase plans.

At the date of this notice, HAW has complied with the provisions of Chapter 2M of the Act as they apply to HAW and section 674 of the Act.

There is no information that is excluded information as at the date of this notice (in accordance with the requirements of subsections 708A (7) and (8) of the Act as if this notice were a notice under paragraph 708A (5)(e) of the Act).

A copy of the documents in connection with the Share Purchase Plan will be sent to shareholders of HAW in due course.

***END ANNOUNCEMENT***



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5 December 2012

## NEWS RELEASE

### Corporate Restructure and Share Purchase Plan

On behalf of the Board of Directors I am pleased to detail a proposal to restructure our company, Hawthorn Resources Limited ("Hawthorn").

Following successful drilling and exploration programs during 2011, which achieved significant results on Iron Ore and Gold Projects, it has become increasingly obvious that a corporate restructure is required if we are to realise the full value of our significant assets.

We are pleased to announce

- That we seek to restructure the assets of Hawthorn Resources Limited.
- It is intended that the existing company Hawthorn hold only the Mt Bevan Iron Project asset, making this a significant and focused iron project.
- Hawthorn intends to spin off all its other assets, including its interests in 5 major Gold projects, to a new ASX listed company.
- The spin off is to occur during March 2012, subject to further legal, tax and accounting advice.
- The shares in the spin off will be distributed *in specie* to the existing shareholders of Hawthorn at that time that is at no cost to you.

The Board considers it opportune timing to spin off the distinct and unique Iron Ore and Gold exploration and development arms of our company prior to each arm of the business moving into development and production phases in 2012.

At Mt Bevan, our joint venture partner Legacy Iron Ore Limited ("Legacy"), announced an initial JORC compliant resource of 617 Million tonnes of magnetite ore with an independent valuation of \$174 Million for the entire project calculated by SRK Consulting, Australasia. Subsequent drilling completed during November is reported by Legacy to have substantially increased the likelihood of the project delivering the exploration target of 1.5 – 2.0 Billion tonnes into a resource category (*Legacy: ASX Announcement 9/9/2011*).

A new, enhanced JORC compliant resource statement is to be completed during December 2011, with an inevitable rise in the project valuation (*Legacy: ASX Announcement 18/10/2011*).

We are delighted that the Mt Bevan Project continues to progress smoothly and that the timetable for development of the ore body is ahead of schedule.

With aggressive programs designed to lift the resource into higher resource categories scheduled to commence in early 2012, and the future requirements of the project likely to be substantial, your Board believes that this project is now of a scale to stand alone.

The advantages of such a move would be:

- to create a commodity specific company valued by class specific investors
- to provide Hawthorn with corporate opportunities and access to Iron Ore specific capital and debt markets
- A commodity focused vehicle that can target specific funding opportunities, staff and infrastructure
- Allow shareholders to choose their preferred level of exposure to either Iron Ore or Gold projects, or both.

Simultaneous with the announcement of this proposed restructure plan I am pleased to announce that Hawthorn is launching a Shareholder Purchase Plan (SPP) which will enable Hawthorn shareholders to increase their participation in this exciting journey through 2012 and beyond. The Plan is to be capped at a raising of \$5,000,000.

The (SPP) will allow existing shareholders to increase their shareholding in Hawthorn, while the proceeds will provide Hawthorn with working capital in order to continue its exploration activities and complete the restructure during March 2012.

The offer will provide shareholders the opportunity to subscribe for up to \$15,000 per shareholding at 1.0 cents / share (i.e. up to 1,500,000 shares per shareholding)

The details of the plan are summarised below:

Record Date:	2 December 2011
Announcement Date:	5 December 2011
Despatch of Document:	12 December 2011
Offer Closes:	16 January 2012

At this stage these dates are indicative only.

On behalf of the Board I encourage you to take up this offer.

Attached for release to the market is an Appendix 3B Notice

Regards



Mark Kerr  
Chairman

**For further information please contact**

Mourice Garbutt                      Company Secretary 03 9605 5917

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

# 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 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

**HAWTHORN RESOURCES LIMITED**

ABN

**44 009 157 439**

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   | ORDINARY FULLY PAID SHARES   |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | UP TO 500,000,000 ORDINARY FULLY PAID SHARES   |
| 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) | THE SHARES REFERRED TO IN PART 1.2 ARE THE MAXIMUM NUMBER OF SHARES TO BE OFFERED UNDER A CAPPED \$5 MILLION SHARE PURCHASE PLAN OFFERING TO ELIGIBLE, REGISTERED SHAREHOLDERS AS AT THE RECORD DATE OF FRIDAY 2 DECEMBER 2011 |

+ See chapter 19 for defined terms.

4	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?  If the additional securities do not rank equally, please state: <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>	THE NEW ORDINARY SHARES WILL RANK EQUALLY WITH ALL OTHER ISSUED ORDINARY SHARES										
5	Issue price or consideration	\$0.01 A SHARE										
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	ALL FUNDS RAISED THROUGH THE SPP OFFERING WILL BE USED TO PROVIDE WORKING CAPITAL IN THE INTERIM WHILST THE ANNOUNCED RE-STRUCTURING PROPOSALS FOR THE SEPARARTE DEVELOPMENT OF THE COMPANY'S IRON ORE AND GOLD ASSETS PROCEED DURING THE FIRST QUARTER OF 2012.										
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	9TH DECEMBER 2010										
8	Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)	<table><tr><th>Number</th><th>+Class</th></tr><tr><td>2,275,595,897</td><td>ORDINARY SHARES (HAW)</td></tr><tr><td>13,569,422</td><td>OPTION (HAWO) - 20 CENT; 30.04.2012</td></tr><tr><td>165,084,231</td><td>OPTION (HAWOB) – 10 CENT; 28.02.2013</td></tr></table>	Number	+Class	2,275,595,897	ORDINARY SHARES (HAW)	13,569,422	OPTION (HAWO) - 20 CENT; 30.04.2012	165,084,231	OPTION (HAWOB) – 10 CENT; 28.02.2013		
Number	+Class											
2,275,595,897	ORDINARY SHARES (HAW)											
13,569,422	OPTION (HAWO) - 20 CENT; 30.04.2012											
165,084,231	OPTION (HAWOB) – 10 CENT; 28.02.2013											
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	<table><tr><th>Number</th><th>+Class</th></tr><tr><td>10,000,000</td><td>OPTIONS (HAWAM) – 10 CENT; 25.01.2018</td></tr><tr><td>2,500,000</td><td>OPTIONS (HAWAI) – 10 CENT; 30.06.2018</td></tr></table>	Number	+Class	10,000,000	OPTIONS (HAWAM) – 10 CENT; 25.01.2018	2,500,000	OPTIONS (HAWAI) – 10 CENT; 30.06.2018				
Number	+Class											
10,000,000	OPTIONS (HAWAM) – 10 CENT; 25.01.2018											
2,500,000	OPTIONS (HAWAI) – 10 CENT; 30.06.2018											

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+ See chapter 19 for defined terms.

- |    |  |   |
|----|--|---|
| 10 | Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) | ALL NEW SHARES WILL RANK EQUALLY WITH ALL OTHER ISSUED ORDINARY SHARES. |
|----|--|---|

## **Part 2 - Bonus issue or pro rata issue**

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

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

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

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+ See chapter 19 for defined terms.

## 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)

(a) ☒ Securities described in Part 1

(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 <sup>+</sup>securities are <sup>+</sup>equity securities, the names of the 20 largest holders of the additional <sup>+</sup>securities, and the number and percentage of additional <sup>+</sup>securities held by those holders

36 ☐ If the <sup>+</sup>securities are <sup>+</sup>equity securities, a distribution schedule of the additional <sup>+</sup>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 <sup>+</sup>securities

### Entities that have ticked box 34(b)

38 Number of securities for which <sup>+</sup>quotation is sought

39 Class of <sup>+</sup>securities for which quotation is sought

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



40	<p>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?</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>					
41	<p>Reason for request for quotation now</p> <p><small>Example: In the case of restricted securities, end of restriction period</small></p> <p>(if issued upon conversion of another security, clearly identify that other security)</p>					
42	<p>Number and <sup>+</sup>class of all <sup>+</sup>securities quoted on ASX (<i>including</i> the securities in clause 38)</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; padding: 5px;">Number</th> <th style="width: 50%; padding: 5px;"><sup>+</sup>Class</th> </tr> </thead> <tbody> <tr> <td style="height: 100px;"></td> <td></td> </tr> </tbody> </table>	Number	<sup>+</sup> Class		
Number	<sup>+</sup> Class					

### Quotation agreement

- 1 <sup>+</sup>Quotation of our additional <sup>+</sup>securities is in ASX's absolute discretion. ASX may quote the <sup>+</sup>securities on any conditions it decides.
- 2 We warrant the following to ASX.
  - The issue of the <sup>+</sup>securities to be quoted complies with the law and is not for an illegal purpose.
  - There is no reason why those <sup>+</sup>securities should not be granted <sup>+</sup>quotation.

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

- 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.
  - We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided 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.



5TH DECEMBER 2011

Sign here: ..... Date: .....  
(Company Secretary)

Print name: MOURICE GARBUTT  
m2m\asx\3b 05 12 11