

2 September 2019

Fully Underwritten Non-Renounceable Pro-Rata Entitlement Offer to raise A\$1m

As originally announced on 1 July 2019, GTI Resources Ltd (ASX:GTR) (**GTR** or the **Company**) will be undertaking a fully underwritten non-renounceable entitlement offer of one (1) fully paid ordinary share (**Share**) for every two (2) Shares held by Eligible Shareholders (defined below), at an issue price of \$0.01 per Share to raise \$1,014,091 (**Entitlement Offer**). The Entitlement Offer is fully underwritten by CPS Capital Group Pty Ltd (**CPS**) who will also act as lead manager.

An offer document containing information in respect of the Entitlement Offer was announced on the Australian Securities Exchange on 2 September 2019 (**Offer Document**).

The Entitlement Offer is being undertaken in conjunction with a placement to sophisticated investors. Tranche 1 of the Placement will offer 40,000,000 Shares to sophisticated investors at an issue price of \$0.01 to raise \$400,000 (before costs) (**Tranche 1 Placement**). A total of 24,422,721 Shares pursuant to the Tranche 1 Placement was completed using the Company's existing 15% placement capacity under Listing Rule 7.1 and the remaining 15,577,279 Shares (recently approved by Shareholders at the General Meeting held on 21 August 2019) will be issued prior to the Record Date for the Entitlement Offer in order to allow those Tranche 1 Placement holders the ability to take up their Entitlement.

The Company will also undertake an additional placement of 60,000,000 Shares at an issue price of \$0.01 to raise \$600,000 (before costs) to sophisticated investors (**Tranche 2 Placement**). The Tranche 2 Placement will be completed after the Record Date and as such investors under the Tranche 2 Placement will not be entitled to participate in the Entitlement Offer.

The Entitlement Offer is being made to all shareholders of the Company named on its register of members as at 5:00pm (WST) on 6 September 2019 (**Record Date**), whose registered address is in Australia and New Zealand (**Eligible Shareholders**).

Any entitlement not taken up pursuant to the Entitlement Offer will form part of the shortfall offer (**Shortfall Offer**). The Shortfall Offer is a separate offer pursuant to the Offer Document and will remain open for up to three months following the closing date of the Entitlement Offer. The issue price for each Share to be issued under the Shortfall Offer shall be \$0.01 being the price at which Shares have been offered under the Entitlement Offer.

Funds raised under the Entitlement Offer (together with funds raised under the Placement) will be allocated towards expenditure on the proposed new projects in Utah, USA, expenditure on the Company's existing Western Australian properties, costs of the Entitlement Offer and the Placement and for working capital purposes.

A copy of the Offer Document together with an Entitlement and Acceptance Form will be sent to Eligible Shareholders by 10 September 2019 and will be made available on the Company's website www.gtiresources.com.au. The contents of GTR's website do not form part of the Offer Document.

Eligible Shareholders should read the Offer Document in full in deciding whether to subscribe for Shares. Any Eligible Shareholder who wishes to acquire Shares under the Entitlement Offer will need to complete, or otherwise apply in accordance with, the personalised entitlement and acceptance form that will accompany the Offer Document.

Indicative Timetable:

Company Announces Rights Issue and Placement	1 July 2019
General Meeting is held	21 August 2019
Lodgement of Offer Document, Appendix 3B and s708AA Cleansing Notice with ASX (Prior to the commencement of trading) Notice sent to optionholders	2 September 2019
Completion of Tranche 1 Placement	3 September 2019
Notice sent to shareholders	4 September 2019
Ex-date	5 September 2019
Record Date for determining Entitlements	6 September 2019
Completion of Tranche 2 Placement	9 September 2019
Offer Document sent out to Eligible Shareholders & Company announces this has been completed & Offer Opening Date	10 September 2019
Closing Date	19 September 2019
Shares quoted on a deferred settlement basis	20 September 2019
ASX notified of under subscriptions	24 September 2019
Issue date/Shares entered into Shareholders' security holdings	25 September 2019
Dispatch of holding statements	26 September 2019
Quotation of Shares issued under the Offer	27 September 2019

The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. As such the date the Shares are expected to commence trading on ASX may vary.

Cleansing Notice under Section 708AA(2)(f) of the Corporations Act 2001 (Cth)

This notice is given by GTR Resources Ltd (ASX: GTR) (GTR or the Company) under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (the **Act**) as notionally modified by the Australian Securities and Investments Commission Corporations Instrument 2016/84.

The Company advises that:

- (a) the new Shares will be offered for issue without disclosure under Part 6D.2 of the Act;
- (b) the notice is being given under section 708AA(2)(f) of the Act as modified by ASIC Corporations Instrument 2016/84;
- (c) as at the date of this notice, the Company has complied with:
 - (i) the provisions of Chapter 2M of the Act as they apply to the Company; and
 - (ii) section 674 of the Act;
- (d) as at the date of this notice, there is no excluded information of the type referred to in sections 708AA(8) and 708AA(9) of the Act; and
- (e) the potential effect that the Entitlement Offer will have on the control of the Company and the consequences of that effect will depend on a number of factors, including investor demand and existing shareholdings. As the Entitlement Offer is a pro-rata issue, and given the current level of holdings of substantial holders (based on substantial shareholder notices give to the Company and lodged with ASX before the date of this announcement) the Entitlement Offer is not expected to have any material effect on the control of the Company and, as a result, there is not expected to be any consequences flowing from that effect.

-Ends-

Murray McDonald
Chairman