

21 May 2015

ASX Announcement

Consolidation of Capital Completed

The Company hereby confirms that it has completed its capital consolidation on a 100:1 basis following shareholder approval on 1 May 2015, on the terms and timelines previously reported.

In addition, the Company has issued the options also approved at the 1 May 2015 General Meeting.

An Appendix 3B is attached, and despatch of new holding statements to existing shareholders is underway.

For and on behalf of the Board

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 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

Citation Resources Ltd

ABN

90 118 710 508

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

Fully Paid Ordinary Shares

Listed Options

Unlisted Options

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	<p>17,296,861 Fully Paid Ordinary Shares post completion of a 100:1 consolidation as approved at the General Meeting – 1 May 2015</p> <p>4,824,658 Listed Options (\$4.00, 15 December 2015) post completion of a 100:1 consolidation as approved at the General Meeting – 1 May 2015</p> <p>87,500 Unlisted Options (\$1.50, 17 June 2017) post completion of a 100:1 consolidation as approved at the General Meeting – 1 May 2015</p> <p>670,000 Unlisted Options (\$0.50, 31 January 2020) as approved at the General Meeting – 1 May 2015</p> <p>330,000 Unlisted Options (\$0.40, 31 January 2020) as approved at the General Meeting – 1 May 2015</p> <p>330,000 Unlisted Options (\$0.50, 31 January 2020) as approved at the General Meeting – 1 May 2015</p>
3	Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	<p>Fully Paid Ordinary Shares</p> <p>Listed Options (\$4.00, 15 December 2015)</p> <p>Unlisted Options (\$1.50, 17 June 2017)</p> <p>Unlisted Options (\$0.50, 31 January 2020)</p> <p>Unlisted Options (\$0.40, 31 January 2020)</p> <p>Unlisted Options (\$0.30, 31 January 2020)</p>

+ See chapter 19 for defined terms.

4	<p>Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	Yes
5	Issue price or consideration	<p>Consolidation of existing securities.</p> <p>Unlisted options as approved at the 1 May 2015 General Meeting issued as per agreement as part of financing package</p>
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	<p>17,296,861 Fully Paid Ordinary Shares post completion of a 100:1 consolidation as approved at the General Meeting – 1 May 2015</p> <p>4,824,658 Listed Options post completion of a 100:1 consolidation as approved at the General Meeting – 1 May 2015</p> <p>87,500 Unlisted Options post completion of a 100:1 consolidation as approved at the General Meeting – 1 May 2015</p> <p>1,330,000 Unlisted Options as per agreement for financing package – options approved at the General Meeting – 1 May 2015</p>
6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	Yes

+ See chapter 19 for defined terms.

6b	The date the security holder resolution under rule 7.1A was passed	26 November 2014
6c	Number of +securities issued without security holder approval under rule 7.1	Nil
6d	Number of +securities issued with security holder approval under rule 7.1A	Nil
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil
6f	Number of securities issued under an exception in rule 7.2	Not applicable
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	Not applicable
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not applicable
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Not applicable
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	18 May 2015

+ See chapter 19 for defined terms.

8	Number and ⁺ class of all ⁺ securities quoted on ASX (including the securities in section 2 if applicable)	Number	⁺ Class
		17,296,861	Ordinary Shares
		4,824,658	Options ex \$4.00, exp 15/12/15

⁺ See chapter 19 for defined terms.

		Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the securities in section 2 if applicable)	87,500	Unlisted Options ex \$1.50, exp 17/06/17
		670,000	Unlisted Options ex \$0.50, exp 31/01/20
		330,000	Unlisted Options ex \$0.40, exp 31/01/20
		330,000	Unlisted Options ex \$0.30, exp 31/01/20
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	The Company does not have a dividend policy	

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	Not applicable
12	Is the issue renounceable or non-renounceable?	Not applicable
13	Ratio in which the +securities will be offered	Not applicable
14	+Class of +securities to which the offer relates	Not applicable
15	+Record date to determine entitlements	Not applicable
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable
17	Policy for deciding entitlements in relation to fractions	Not applicable

+ See chapter 19 for defined terms.

18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	Not applicable
19	Closing date for receipt of acceptances or renunciations	Not applicable
20	Names of any underwriters	Not applicable
21	Amount of any underwriting fee or commission	Not applicable
22	Names of any brokers to the issue	Not applicable
23	Fee or commission payable to the broker to the issue	Not applicable
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	Not applicable
25	If the issue is contingent on +security holders' approval, the date of the meeting	Not applicable
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	Not applicable
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	Not applicable
28	Date rights trading will begin (if applicable)	Not applicable
29	Date rights trading will end (if applicable)	Not applicable

+ See chapter 19 for defined terms.

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| 30 | How do +security holders sell their entitlements <i>in full</i> through a broker? | Not applicable |
| 31 | How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | Not applicable |
| 32 | How do +security holders dispose of their entitlements (except by sale through a broker)? | Not applicable |
| 33 | +Despatch date | Not applicable |

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 (Ordinary Shares Only)
- (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 +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +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 +securities

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- 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.
- 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.



Sign here: Date: 21 May 2015
Company Secretary

Print name: Anthony Eastman

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+ See chapter 19 for defined terms.