

# Renounceable Entitlement Offer to raise up to \$2M

7 May 2018



GME Resources Limited (**GME** or the **Company**) is pleased to announce a 1:25 renounceable entitlement issue (the Issue) at 11 cents per share, to raise up to approximately \$2 million.

## Information about the use of proceeds from the Offer

Funds raised from the issue will be used to complete the Pre-Feasibility Study (PFS) on the NiWest Nickel-Cobalt Project and for general working capital purposes.

## Key Terms

Nature of offer	Renounceable Entitlement Issue of new shares
New share issue price	A\$0.11 per new share
Offer ratio	1 new share for every 25 existing shares held on record date
Number of new shares to be issued	Up to 18,543,855 new shares
Amount to be raised under the Entitlement Issue	Up to approximately A\$2 million before costs of the offer

## Eligible Shareholders

Shareholders with registered addresses inside Australia, New Zealand or Bermuda who hold ordinary shares in the Company (Existing Shares) as at 5.00pm AWDT on 11 May 2018 (Eligible Shareholders) will be entitled to participate in the Issue.

All Eligible Shareholders will be offered 1 new ordinary share in the Company (New Share) for every 25 Existing Shares held by the Eligible Shareholder, at an issue price of \$0.11 per New Share (Offer). This represents a discount of approximately 24% to the volume weighted average price (VWAP) of GME's shares for the ten trading days before the announcement (10 day VWAP is 14.5 cents).

## Key dates

Key dates for the Issue are set out in the following table. The dates are indicative only and GME reserves the right to vary them, subject to the Corporations Act 2001 (Act) and the ASX Listing Rules.

Announcement of Entitlement Issue and Cleansing Statement given to ASX	7 May 2018
Entitlement trading commences and Shares are quoted on a deferred settlement basis	10 May 2018
Record date for determining entitlements to New Shares	11 May 2018
Invitation to participate in Entitlement Issue and Entitlement Acceptance Forms dispatched to Eligible Shareholders	15 May 2018
Entitlement trading ends	29 May 2018
Closing Date and final time for receipt of Entitlement and Acceptance Forms and payment in full for New Shares	5 June 2018
Issue of New Shares	13 June 2018
Holding Statements dispatched to Shareholders	14 June 2018

## Information provided in relation to the Entitlement Issue

The Issue is being made without disclosure to investors under Part6D.2 of the Act, in accordance with section 708AA of the Act.

Eligible Shareholders will not receive a prospectus in relation to the Issue but will receive a written invitation providing details on how to take up their entitlement under the offer. Any decision to acquire New Shares should only be made after making independent enquiries and consulting relevant professional advisers, such as stockbrokers, financial advisers, accountants or solicitors. Eligible Shareholders should have regard to publicly available information about GME before deciding whether or not to acquire New Shares.

Copies of the Company's announcements to ASX can be obtained from its website [www.gmeresources.com.au](http://www.gmeresources.com.au) or from the ASX website [www.asx.com.au](http://www.asx.com.au). The Company's ASX code is GME.

## Capital structure on completion of the Offer

The following table shows the proposed capital structure of the Company on completion of the Entitlement Issue. The exact number of New Shares to be issued may vary and will be dependant on the number of Eligible Shareholders and their entitlements, and the level of acceptances under the Entitlement Issue.

<b>Shares</b>	<b>Number <sup>1</sup></b>
Existing Shares on issue at the date of this announcement	463,596,374
Maximum number of New Shares to be issued under the Offer	18,543,855
Maximum total shares on issue after the Offer <sup>1</sup>	482,140,229

<sup>1</sup> Assumes full acceptance of the offer

### **Underwriting**

The Company has been advised by major shareholders of their intention to take up their entitlements for a combined amount of \$1,225,163. In addition the Company has obtained agreement with Somers and Partners Pty Ltd for the partial underwriting for the balance of the Offer up to \$814,661. In accordance with the Underwriting Agreement Somers and Partners will be paid an underwriting fee of 4% of the amount underwritten.

### **Additional information**

New Shares, once issued, will rank equally with the Company's Existing Shares on issue.

The rights and obligations attached to shares in the Company are set out in GME's Constitution which may be examined free of charge by appointment between 9.00am and 5.00pm on normal business days at the registered office of the Company at Suite 8, 7 The Esplanade, Mt Pleasant WA and in certain circumstances, regulated by the Act, the ASX Listing Rules and the general law.

The Directors reserve the right to place sufficient of the shortfall at their absolute discretion (subject to the ASX Listing Rules) to meet the minimum requirements of the Company.

### **Foreign shareholders**

Shareholders with registered addresses outside of Australia, New Zealand and Bermuda are not eligible to participate in the Offer.

### **Enclosure**

The attached Appendix 3B and a Notice pursuant to s708AA(2)(f) of the Corporations Act (Cth) provide a summary of the proposed Entitlements Issue.

Yours faithfully



**MARK PITTS**

Company Secretary

# 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, 04/03/13

Name of entity

GME RESOURCES LTD

ABN

62 009 260 315

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   | Issue of up to 18,543,855 ordinary shares |
| 3 | Principal terms of the +securities (e.g. 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) |   |

+ See chapter 19 for defined terms.

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<p>4 Do the +securities rank equally in all respects from the +issue date 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"> <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>	<p>Yes</p>
<p>5 Issue price or consideration</p>	<p>\$0.11 per share.</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Renounceable Entitlement Issue to fund completion of the Prefeasibility Study on the NiWest Nickel Cobalt Project and for and working capital.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>15 November 2017</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>Nil</p>

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+ See chapter 19 for defined terms.

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	Issue of up to 18,543,855	
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.	N/A	
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	N/A	
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	Refer Annexure 1	
7	<p>+Issue dates</p> <p><small>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</small></p> <p><small>Cross reference: item 33 of Appendix 3B.</small></p>	13 June 2018	
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Number	+Class
		482,140,229	Ordinary fully paid (Assumes full acceptance)

+ See chapter 19 for defined terms.

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	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	N/A
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A

**Part 2 - Pro rata issue**

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Renounceable
13	Ratio in which the +securities will be offered	1 for 25
14	+Class of +securities to which the offer relates	Ordinary Shares
15	+Record date to determine entitlements	11 May 2018
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	Fractional entitlements will be rounded down
18	Names of countries in which the entity has security holders who will not be sent new offer documents  Note: Security holders must be told how their entitlements are to be dealt with.  Cross reference: rule 7.7.	China, Hong Kong, Jersey, Malaysia, Singapore, Switzerland, Taiwan, United Kingdom, United States of America.
19	Closing date for receipt of acceptances or renunciations	5 June 2018

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+ See chapter 19 for defined terms.

20	Names of any underwriters	Somers Partners Pty Ltd
21	Amount of any underwriting fee or commission	4%
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	15 May 2018
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	N/A
28	Date rights trading will begin (if applicable)	10 May 2018
29	Date rights trading will end (if applicable)	29 May 2018
30	How do security holders sell their entitlements <i>in full</i> through a broker?	Refer to Broker and the instructions on the Entitlement and Acceptance form
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Refer to Broker and the instructions on the Entitlement and Acceptance form

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- 32 How do security holders dispose of their entitlements (except by sale through a broker)?
- 33 <sup>+</sup>Issue date

**Part 3 - Quotation of securities**

*You need only complete this section if you are applying for quotation of securities*

- 34 Type of <sup>+</sup>securities  
(tick one)
- (a)  <sup>+</sup>Securities described in Part 1
- (b)  All other <sup>+</sup>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

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

Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

39 +Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- 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

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)		

+ 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 is not available now, we 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: .....  
(Company secretary)

Date: 7 May 2018

Print name: .....MARK PITTS.....

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## Appendix 3B – Annexure 1

### Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

#### Part 1

<b>Rule 7.1 – Issues exceeding 15% of capital</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>Insert</b> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	463,596,374
<b>Add</b> the following: <ul style="list-style-type: none"> <li>• Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2</li> <li>• Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval</li> <li>• Number of partly paid +ordinary securities that became fully paid in that 12 month period</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>Include only ordinary securities here – other classes of equity securities cannot be added</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	18,543,855
<b>Subtract</b> the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
<b>“A”</b>	482,140,229

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<b>Step 2: Calculate 15% of “A”</b>	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
<b>Multiply</b> “A” by 0.15	72,321,034
<b>Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used</b>	
<p><b>Insert</b> number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> <li>• Under an exception in rule 7.2</li> <li>• Under rule 7.1A</li> <li>• With security holder approval under rule 7.1 or rule 7.4</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	
“C”	Nil
<b>Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1</b>	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	72,321,034
<b>Subtract</b> “C” <i>Note: number must be same as shown in Step 3</i>	-
<b>Total</b> [“A” x 0.15] – “C”	72,321,034 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

## Part 2

<b>Rule 7.1A – Additional placement capacity for eligible entities</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>“A”</b>  <i>Note: number must be same as shown in Step 1 of Part 1</i>	482,140,229
<b>Step 2: Calculate 10% of “A”</b>	
<b>“D”</b>	0.10  <i>Note: this value cannot be changed</i>
<b>Multiply “A” by 0.10</b>	48,214,022
<b>Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used</b>	
<b>Insert</b> number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A  <b>Notes:</b> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities – not just ordinary securities</i></li> <li>• <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	
<b>“E”</b>	-

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<b>Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A</b>	
"A" x 0.10 <i>Note: number must be same as shown in Step 2</i>	48,214,022
<b>Subtract "E"</b> <i>Note: number must be same as shown in Step 3</i>	-
<b>Total</b> ["A" x 0.10] – "E"	48,214,022 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

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+ See chapter 19 for defined terms.

# Notification under Section 708AA (2) (f) of the Corporation Act 2001

7 May 2018



GME Resources Limited (GME) is making a pro-rata renounceable entitlement issue (the Entitlement Issue) to eligible security holders with registered addresses in Australia, New Zealand and Bermuda.

The Entitlement Issue is being made on the basis of 1 New Share for every 25 shares held at the Record Date (11 May 2018).

GME confirms that pursuant to section 708AA(2)(f) of the Corporations Act 2001 (Cth) (Corporations Act) that:

1. GME will offer approximately 18,543,855 fully paid ordinary shares for issue without disclosure to investors under Part 6D.2 of the Corporations Act pursuant to a non-renounceable entitlement offer announced to ASX on 7 May 2018.
2. As at the date of this notice, GME has complied with:
  - a. the provisions of Chapter 2M of the Corporations Act as they apply to GME; and
  - b. section 674 of the Corporations Act.
3. As at the date of this notice, there is no information:
  - a. that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
  - b. that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
    - i. the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
    - ii. the rights and liabilities attaching to the shares for issue.

## Control

The Entitlement Issue being made by GME will mean up to 18,543,855 New Shares (subject to rounding) are issued. Upon completion of the Entitlement Issue the issued capital of GME Resources Ltd will be approximately 482 million ordinary shares.

Control will be affected by the level of applications under the Entitlement Issue. Based on current disclosures made by substantial shareholders in GME the maximum percentage shareholding any existing shareholder could attain through taking up their entitlement would be 44.93%.



The final percentage interests held by substantial shareholders of GME Resources is entirely dependant on the extent to which other security holders take up their entitlements. On consideration of the matters summarised above GME expects that the potential effect of the issue of New Shares under the Entitlement Issue on the control of GME will be minimal and that there is not likely to be any material consequence of that effect.



**MARK PITTS**  
Company Secretary