

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

Eastern Goldfields Limited

ABN

69 100 038 266

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 | i) Shares
ii) Tranche A Options
iii) Tranche B Options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | i) 3,125,500
ii) 1,562,500
iii) 1,562,500 |
| 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) | i) Fully paid ordinary shares
ii) Tranche A Options exercisable at \$0.25 each on or before 2 February 2023
iii) Tranche B Options exercisable at \$0.275 each on or before 2 February 2023 |

+ See chapter 19 for defined terms.

<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"> • 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 	<p>Shares - Yes</p> <p>Options - No. Upon exercise the Options will rank equally with existing Shares.</p>
<p>5 Issue price or consideration</p>	<p>3,125,000 Shares at an issue price of \$0.20 per Share</p> <p>1,562,500 Tranche A Options for nil cash consideration</p> <p>1,562,500 Tranche B Options for nil cash consideration</p> <p>250 Shares at an issue price of \$0.275</p> <p>250 Shares at an issue price of \$0.25</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Issue of 3,125,000 Shares and 3,125,000 free attaching Options pursuant to Shortfall Offer in relation to the Company's non-renounceable rights issue.</p> <p>250 Shares issued upon conversion of 250 Unlisted Options exercisable at \$0.275 expiring 2 February 2023</p> <p>250 Shares issued upon conversion of 250 Unlisted Options exercisable at \$0.25 expiring 2 February 2023</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 in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>Yes</p>

6b	The date the security holder resolution under rule 7.1A was passed	19 December 2017
6c	Number of +securities issued without security holder approval under rule 7.1	N/A
6d	Number of +securities issued with security holder approval under rule 7.1A	N/A
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A
6f	Number of +securities issued under an exception in rule 7.2	3,125,000 Shares, 1,562,500 Tranche A Options and 1,562,500 Tranche B Options issued under Listing Rule 7.2 Exception 1 500 Shares issued under Listing Rule Exception 4.
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	7.1: 107,997,710 7.1A: 75,893,474
7	+Issue dates 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. Cross reference: item 33 of Appendix 3B.	21 May 2018

+ 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
761,718,070	ORD
66,668 Escrowed indefinitely	E36

Number	+Class
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9	Number and ⁺ class of all ⁺ securities not quoted on ASX (including the ⁺ securities in section 2 if applicable)	9,700,000	Unlisted Options exercisable at \$0.189 each on or before 8 March 2020
		12,325,000	Unlisted Options exercisable at \$0.189 each on or before 8 March 2020, subject to vesting conditions
		9,578,544	Unlisted Options exercisable at \$0.261 each on or before 12 December 2018
		5,446,623	Unlisted Options exercisable at \$0.459 each on or before 15 March 2019
		32,675,000	Unlisted Options exercisable at \$0.25 each on or before 31 January 2023
		32,675,000	Unlisted Options exercisable at \$0.275 each on or before 31 January 2023
		7,642,500	Unlisted Options exercisable at \$0.26 each on or before 2 February 2021
		1,000,000	Unlisted Options exercisable at \$0.465 each on or before 2 February 2021
		57,822,944 ¹	Unlisted Options exercisable at \$0.25 each on or before 2 February 2023
		57,822,944 ²	Unlisted Options exercisable at \$0.275 each on or before 2 February 2023

1. Issue of 1,562,500 Tranche A Options and Exercise of 250 ULO at \$0.25 (the subject of this 3B)

2. Issue of 1,562,500 Tranche B Options Exercise of 250 ULO at \$0.275 (the subject of this 3B)

⁺ See chapter 19 for defined terms.

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

Part 2 - Pro rata issue

11 Is security holder approval required?

12 Is the issue renounceable or non-renounceable?

13 Ratio in which the +securities will be offered

14 +Class of +securities to which the offer relates

15 +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 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.

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	
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 offer documents 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	[†] Issue date	

+ 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 (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

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)

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

Number	+Class

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

+ See chapter 19 for defined terms.

- 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:
(Director)

Date: 21 May 2018

Print name: Michael Fotios
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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

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	529,033,024
Add the following: <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 <ul style="list-style-type: none"> 13,571,429 Shares issued 30 May 2017 4,373,601 Shares issued 7 June 2017 12,800,000 Shares issued 30 June 2017 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval <ul style="list-style-type: none"> 674,030 Shares issued 14 July 2017 4,500,000 Shares issued 2 November 2017 • Number of partly paid +ordinary securities that became fully paid in that 12 month period <ul style="list-style-type: none"> 62,500,000 Shares issued on 31 January 2018 750,000 Shares issued on 31 January 2018 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> <ul style="list-style-type: none"> 87,500,000 Shares issued on 2 February 2018 • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> <ul style="list-style-type: none"> 14,021,303 Shares issued on 27 February 2018 • <i>It may be useful to set out issues of securities on different dates as separate line items</i> <ul style="list-style-type: none"> 11,000,000 Shares issued on 14 March 2018 15,085,851 Shares issued 6 April 2018 3,125,500 Shares issued 21 May 2018 (the subject of this 3B) 	
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	0
“A”	758,934,738

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	113,840,210
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert 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"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p>2,850,000 Shares issued on 31 January 2018</p> <p>1,425,000 Tranche A Options issued on 31 January 2018</p> <p>1,425,000 Tranche B Options issued on 31 January 2018</p> <p>142,500 Series A Options issued on 2 February 2018</p>
“C”	5,842,500
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	113,840,210
<p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	5,842,500
Total [“A” x 0.15] – “C”	107,997,710 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	758,934,738
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	75,893,474
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <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> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	0
“E”	0

+ See chapter 19 for defined terms.

Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A

<p>"A" x 0.10</p> <p><i>Note: number must be same as shown in Step 2</i></p>	<p>75,893,474</p>
<p>Subtract "E"</p> <p><i>Note: number must be same as shown in Step 3</i></p>	<p>0</p>
<p>Total ["A" x 0.10] – "E"</p>	<p>75,893,474</p> <p><i>[Note: this is the remaining placement capacity under rule 7.1A]</i></p>