

# 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

**COALSPUR MINES LIMITED**

ABN

**73 003 041 594**

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  | Warrants  |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued   | 60,000,000 Tranche A Warrants<br>60,000,000 Tranche B Warrants  |
| 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) | Exercisable at \$0.55 on the terms and conditions approved by Shareholders at a General Meeting on 27 June 2013 and set out in the notice of meeting and as attached to this Appendix 3B. |

+ See chapter 19 for defined terms.

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4	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?	No Refer to terms and conditions attached to this Appendix 3B
	<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>	
5	Issue price or consideration	Nil
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Issued to the EIG Funds being, EIG Energy Fund XV-A L.P., EIG Energy Fund XV L.P., EIG Energy Fund XV-B L.P. and EIG Energy Fund XV (Cayman) L.P. as approved by Shareholders at a General Meeting on 27 June 2013 for the provision of the EIG financing facility.
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?	No
	If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i	
6b	The date the security holder resolution under rule 7.1A was passed	N/A
6c	Number of +securities issued without security holder approval under rule 7.1	N/A

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+ See chapter 19 for defined terms.

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	N/A	
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	N/A	
7	<p>+Issue dates</p> <p>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.</p> <p>Cross reference: item 33 of Appendix 3B.</p>	4 July 2013	
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	641,244,435	+Class Ordinary Shares

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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)	25,000,000	E class performance shares
	60,000,000	Tranche A Warrants Exercisable at \$0.55 on the terms and conditions approved by Shareholders at a General Meeting on 27 June 2013 and set out in the notice of meeting and as attached to this Appendix 3B
	60,000,000	Tranche B Warrants Exercisable at \$0.55 on the terms and conditions approved by Shareholders at a General Meeting on 27 June 2013 and set out in the notice of meeting and as attached to this Appendix 3B
	2,750,000	Incentive options exercisable at \$0.20 each on or before 31 December 2014
	2,750,000	Incentive options exercisable at \$0.25 each on or before 30 June 2015
	800,000	Incentive options exercisable at \$0.40 each on or before 31 December 2013
	1,150,000	Incentive options exercisable at \$0.50 each on or before 30 June 2014
	1,150,000	Incentive options exercisable at \$0.60 each on or before 31 December 2014
	350,000	Incentive options exercisable at \$0.70 each on or before 30 June 2015
	1,450,000	Incentive options exercisable at \$0.85 each on or before 30 June 2014

+ See chapter 19 for defined terms.

	1,450,000	Incentive options exercisable at \$0.95 each on or before 31 December 2014
	1,450,000	Incentive options exercisable at \$1.05 each on or before 30 June 2015
	2,000,000	Unlisted options exercisable at \$0.80 each on or before 30 August 2013
	8,000,000	Unlisted options exercisable \$1.562 each on or before 8 May 2015
	2,000,000	Unlisted options exercisable \$1.662 each on or before 16 May 2015
	1,000,000	Unlisted options exercisable \$1.248 each on or before 14 September 2015
	1,000,000	Unlisted options exercisable \$1.248 each on or before 18 March 2016
	3,000,000	Unlisted options exercisable at the greater of \$1.248 and 120% of the volume weighted average market price for the 5 trading dates immediately prior to the vesting date. Expiry 3 years from the date of vesting.
<p><i>Notes</i> 1,081,272 Performance Rights lapsed and cancelled as performance hurdle not met.</p>	5,313,743	Performance Rights subject to various performance conditions to be satisfied prior to expiry dates between 30 June 2013 and 30 June 2016

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10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable
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**Part 2 - Pro rata issue**

11	Is security holder approval required?	Part 2 Not Applicable
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12	Is the issue renounceable or non-renounceable?	
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13	Ratio in which the +securities will be offered	
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14	+Class of +securities to which the offer relates	
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15	+Record date to determine entitlements	
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16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
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17	Policy for deciding entitlements in relation to fractions	
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18	Names of countries in which the entity has security holders who will not be sent new offer documents  <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	
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19	Closing date for receipt of acceptances or renunciations	
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20	Names of any underwriters	
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21	Amount of any underwriting fee or commission	
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+ See chapter 19 for defined terms.

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	<sup>+</sup> Issue date	

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### 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 +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

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+ See chapter 19 for defined terms.



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.

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- 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)

Simon Robertson

Date: 4 July 2013

Print name: .....

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+ See chapter 19 for defined terms.

## Tranche A EIG Warrant Terms and Conditions

Unless otherwise defined, capitalised and defined terms in this Schedule have the same and corresponding meaning as in the Glossary in Schedule 1 of the Notice of Meeting for the General Meeting dated 27 June 2013.

### 1. Exercise Price

The exercise price of each Tranche A EIG Warrant is A\$0.55 (Exercise Price).

### 2. Expiry Date

Each Tranche A EIG Warrant expires on the earlier to occur of:

- (a) the date on which the total outstanding principal amount of the EIG Facility together with all accrued interest is repaid by CMO following the Initial Noteholder issuing an EIG Redemption Notice;
- (b) the date on which all EIG Convertible Notes are converted into Shares; and
- (c) 5:00pm (AWST) on the date that is 8 years after the date on which Notes are first issued by CMO under the EIG Facility.

(Expiry Date).

### 3. Commencement Date

Each Tranche A EIG Warrant may be exercised commencing from the date which is the earlier of:

- (a) the date the Final Available Facility Limit is determined (if that figure is US\$250,000,000 or greater);
- (b) the date CMO gives notice to the EIG Funds that it wishes to proceed with the EIG Facility (if the actual Final Available Facility Limit is less than US\$250,000,000);
- (c) the date on which the total outstanding principal amount of the EIG Facility together with all accrued interest is repaid by CMO following the Initial Noteholder issuing an EIG Redemption Notice; and

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+ See chapter 19 for defined terms.

- (d) the date on which all EIG Convertible Notes are converted into Shares,

(Commencement Date).

**4. Exercise Period**

The exercise period is the period from the Commencement Date to the Expiry Date (**Exercise Period**).

For the avoidance of doubt, the Tranche A EIG Warrants cannot be exercised if CMO issues an Exit Notice.

**5. Exercise of Warrants**

The Tranche A EIG Warrants may only be exercised during the Exercise Period.

**6. No Official Quotation of Warrants**

The Company will not apply for official quotation of the Tranche A EIG Warrants.

**7. Entitlement**

Each Tranche A EIG Warrant entitles the holder to subscribe for one Share upon exercise of each Tranche A EIG Warrant.

**8. Notice of Exercise**

The Tranche A EIG Warrants may be exercised by giving notice to the Company at any time during the Exercise Period. The notice must be in the prescribed form (**Exercise Notice**) specifying:

- (a) the number and type of warrants being exercised and the number of Shares to be issued;
- (b) whether the Shares are to be quoted on the ASX and/or TSX;
- (c) the consideration payable to the Company on the exercise of the Tranche A EIG Warrants and issue of Shares (Exercise Consideration), equal to the sum of the number of Tranche A EIG Warrants specified in the notice multiplied by the Exercise Price;
- (d) whether the Shares are to be issued to the holder of the Tranche A EIG Warrants or a nominee; and

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+ See chapter 19 for defined terms.

- (e) a time and date on which completion of the exercise of the Tranche A EIG Warrants can take place (Warrant Completion), being a date not less than 5 Business Days but no more than 10 Business Days after the date the Exercise Notice is given.

**9. Issue of Shares**

If on the date the Company receives an Exercise Notice shareholder approval is not required or has been received for the conversion of Tranche A EIG Warrants into Shares, then after receipt of the Exercise Consideration, the Company will on Warrant Completion:

- (a) issue and allot the Shares to the holder of the Tranche A EIG Warrants or its nominee;
- (b) enter the holder of the Tranche A EIG Warrants or its nominee onto the Company's register as the registered holder of the Shares;
- (c) issue a notice to the ASX that complies with sections 708A(5)(e) and 708A(6) of the Corporations Act or lodge a disclosure document pursuant to section 708A(11) of the Corporations Act with ASIC; and
- (d) apply for official quotation of the Shares on the ASX and/or TSX so that the Shares can be traded on the ASX and/or TSX.

**10. Cash Settlement on Exercise**

If on the date the Company receives an Exercise Notice shareholder approval is required and has not been received for the conversion of Tranche A EIG Warrants into Shares, then after receipt of the Exercise Consideration, within one ASX trading day notify the holder of the Tranche A EIG Warrant that the Company will cash settle the exercise of the Tranche A EIG Warrant.

On Warrant Completion the Company will pay the holder of the Tranche A EIG Warrant a cash settlement amount calculated in accordance with the following formula:

$$CSA = (MP - EP) \times WPS$$

where:

CSA is the cash settlement amount;

MP is the daily volume weighted average market price per Share on the ASX during the 10 trading days ending on the day

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+ See chapter 19 for defined terms.

immediately preceding the date on which the Exercise Notice is received by the Company;

EP is the Exercise Price; and

WPS is the number of Shares that the holder of the Tranche A EIG Warrant would have been issued on Warrant Completion if shareholder approval had been received or did not apply on the date of receipt of an Exercise Notice.

**11. Shares Issued on Exercise**

Shares issued on exercise of the Tranche A EIG Warrants rank equally with the then Shares currently on issue.

**12. Official Quotation of Shares on Exercise**

Application will be made by the Company to the ASX and/or TSX for official quotation of the Shares issued upon the exercise of the Tranche A EIG Warrants.

**13. Participation in New Issues**

The Tranche A EIG Warrants do not entitle the holder of the Tranche A EIG Warrant to participate in any new issue of securities by the Company unless the Tranche A EIG Warrants have been validly exercised, and Shares issued, prior to the record date for that new issue.

**14. Adjustment for Bonus Issues of Shares**

If the Company makes a bonus issue of Shares to existing Shareholders before the expiry of the Exercise Period, the number of Shares which must be issued on the exercise of a Tranche A EIG Warrant will be increased by the number of Shares which the holder of the Tranche A EIG Warrant would have received if the Tranche A EIG Warrant had been exercised before the record date for the bonus issue.

**15. Adjustment for Rights Issue**

If the Company makes a pro rata issue of Shares to existing Shareholders (other than a bonus issue) before the expiry of the Exercise Period, the Exercise Price will be reduced in accordance with the following formula:

$$\text{New exercise price} = O - \frac{E [P - (S + D)]}{N + 1}$$

O = the Exercise Price of the Tranche A EIG Warrant before the pro rata issue.

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+ See chapter 19 for defined terms.

- E = the number of underlying Shares into which one Tranche A EIG Warrant is exercisable.
- P = is the volume weighted average price per Share recorded on ASX during the 5 trading days immediately preceding the ex-rights date or ex-entitlement date for the pro rata issue.
- S = the subscription price of a Share under the pro rata issue.
- D = the dividends due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue).
- N = is the number of Shares with rights or entitlements that must be held to receive a right to one new Share under the pro rata issue.

#### **16. Adjustments for Reorganisation**

If there is any reconstruction of the issued share capital of the Company, the rights of the holders of Tranche A EIG Warrants will be varied to comply with the Listing Rules and the TSX Rules which apply to the reconstruction at the time of the reconstruction.

#### **17. Information**

During the period from repayment of the EIG Facility until expiry of the latest Exercise Period, the Company must provide the initial holders of Tranche A EIG Warrants or any of their affiliates all documents provided by the Company to a stock exchange or holders of any Shares at the same time as the Company provides those documents to the stock exchange or those holders.

#### **18. Warrants Transferable**

The Tranche A EIG Warrants are transferable provided that the transfer of Tranche A EIG Warrants complies with section 707(3) of the Corporations Act.

Some or all of the Tranche A EIG Warrants may be transferred to any other person provided that:

- (a) the person to whom the Tranche A EIG Warrant is transferred is a sophisticated or professional investor within section 708(8) or 708(11) of the Corporations Act; and
- (b) the terms on which the Tranche A EIG Warrants are transferred includes an express representation or warranty in favour of both:
  - (i) the person transferring the Tranche A EIG Warrants; and

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+ See chapter 19 for defined terms.

(ii) the Company,

that the transferee is (if in Australia) a sophisticated or professional investor within section 708(8) or 708(11) of the Corporations Act or (if in Canada) an "accredited investor" as defined in NI 45-106 or (if in the United States) a US Institutional Accredited Investor.



## Tranche B EIG Warrant Terms and Conditions

Unless otherwise defined, capitalised and defined terms in this Schedule have the same and corresponding meaning as in the Glossary in Schedule 1 of the Notice of Meeting for the General Meeting dated 27 June 2013.

### 1. Exercise Price

The exercise price of each Tranche B EIG Warrant is A\$0.55 (**Exercise Price**).

### 2. Expiry Date

Each Tranche B EIG Warrant expires on the earlier to occur of:

- (a) the date on which the total outstanding principal amount of the EIG Facility together with all accrued interest is repaid by CMO following the Initial Noteholder issuing an EIG Redemption Notice; and
- (b) 5:00pm (AWST) on the date that is 8 years after the date on which Notes are first issued by CMO under the EIG Facility.

(**Expiry Date**).

### 3. Commencement Date

Each Tranche B EIG Warrant may be exercised commencing from the date which is the earlier of:

- (a) the date the Final Available Facility Limit is determined (if that figure is US\$250,000,000 or greater);
- (e) the date CMO gives notice to the EIG Funds that it wishes to proceed with the EIG Facility (if the actual Final Available Facility Limit is less than US\$250,000,000);
- (b) the date on which the total outstanding principal amount of the EIG facility together with all accrued interest is repaid by CMO following the Initial Noteholder issuing an EIG Redemption Notice; and

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+ See chapter 19 for defined terms.

- (c) the date on which all EIG Convertible Notes are converted into Shares,

(Commencement Date).

**4. Exercise Period**

The exercise period is the period from the Commencement Date to the Expiry Date (**Exercise Period**).

For the avoidance of doubt, the Tranche B EIG Warrants cannot be exercised if an EIG Conversion Notice is provided.

**5. Exercise of Warrants**

The Tranche B EIG Warrants may only be exercised during the Exercise Period.

**6. No Official Quotation of Warrants**

The Company will not apply for official quotation of the Tranche B EIG Warrants.

**7. Entitlement**

Each Tranche B EIG Warrant entitles the holder to subscribe for one Share upon exercise of each Tranche B EIG Warrant.

**8. Notice of Exercise**

The Tranche B EIG Warrants may be exercised by giving notice to the Company at any time during the Exercise Period. The notice must be in the prescribed form (**Exercise Notice**) specifying:

- (a) the number and type of warrants being exercised and the number of Shares to be issued;
- (b) whether the Shares are to be quoted on the ASX and/or TSX;
- (c) the consideration payable to the Company on the exercise of the Tranche B EIG Warrants and issue of Shares (Exercise Consideration), equal to the sum of the number of Tranche B EIG Warrants specified in the notice multiplied by the Exercise Price;
- (d) whether the Shares are to be issued to the holder of the Tranche B EIG Warrants or a nominee; and

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+ See chapter 19 for defined terms.

- (e) a time and date on which completion of the exercise of the Tranche B EIG Warrants can take place (Warrant Completion), being a date not less than 5 Business Days but no more than 10 Business Days after the date the Exercise Notice is given.

**9. Issue of Shares**

If on the date the Company receives an Exercise Notice shareholder approval is not required or has been received for the conversion of Tranche B EIG Warrants into Shares, then after receipt of the Exercise Consideration, the Company will on Warrant Completion:

- (a) issue and allot the Shares to the holder of the Tranche B EIG Warrants or its nominee;
- (b) enter the holder of the Tranche B EIG Warrants or its nominee onto the Company's register as the registered holder of the Shares;
- (c) issue a notice to the ASX that complies with sections 708A(5)(e) and 708A(6) of the Corporations Act or lodge a disclosure document pursuant to section 708A(11) of the Corporations Act with ASIC; and
- (d) apply for official quotation of the Shares on the ASX and/or TSX so that the Shares can be traded on the ASX and/or TSX.

**10. Cash Settlement on Exercise**

If on the date the Company receives an Exercise Notice shareholder approval is required and has not been received for the conversion of Tranche B EIG Warrants into Shares, then after receipt of the Exercise Consideration, within one ASX trading day notify the holder of the Tranche B EIG Warrant that the Company will cash settle the exercise of the Tranche B EIG Warrant.

On Warrant Completion the Company will pay the holder of the Tranche B EIG Warrant a cash settlement amount calculated in accordance with the following formula:

$$CSA = (MP - EP) \times WPS$$

where:

CSA is the cash settlement amount;

MP is the daily volume weighted average market price per Share on the ASX during the 10 trading days ending on the day

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+ See chapter 19 for defined terms.

immediately preceding the date on which the Exercise Notice is received by the Company;

EP is the Exercise Price; and

WPS is the number of Shares that the holder of the Tranche B EIG Warrant would have been issued on Warrant Completion if shareholder approval had been received or did not apply on the date of receipt of an Exercise Notice.

**11. Shares Issued on Exercise**

Shares issued on exercise of the Tranche B EIG Warrants rank equally with the then Shares currently on issue.

**12. Official Quotation of Shares on Exercise**

Application will be made by the Company to the ASX and/or TSX for official quotation of the Shares issued upon the exercise of the Tranche B EIG Warrants.

**13. Participation in New Issues**

The Tranche B EIG Warrants do not entitle the holder of the Tranche B EIG Warrant to participate in any new issue of securities by the Company unless the Tranche B EIG Warrants have been validly exercised, and Shares issued, prior to the record date for that new issue.

**14. Adjustment for Bonus Issues of Shares**

If the Company makes a bonus issue of Shares to existing Shareholders before the expiry of the Exercise Period, the number of Shares which must be issued on the exercise of a Tranche B EIG Warrant will be increased by the number of Shares which the holder of the Tranche B EIG Warrant would have received if the Tranche B EIG Warrant had been exercised before the record date for the bonus issue.

**15. Adjustment for Rights Issue**

If the Company makes a pro rata issue of Shares to existing Shareholders (other than a bonus issue) before the expiry of the Exercise Period, the Exercise Price will be reduced in accordance with the following formula:

$$\text{New exercise price} = O - \frac{E [P - (S + D)]}{N + 1}$$

O = the Exercise Price of the Tranche B EIG Warrant before the pro rata issue.

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+ See chapter 19 for defined terms.

- E = the number of underlying Shares into which one Tranche B EIG Warrant is exercisable.
- P = is the volume weighted average price per Share recorded on ASX during the 5 trading days immediately preceding the ex-rights date or ex-entitlement date for the pro rata issue.
- S = the subscription price of a Share under the pro rata issue.
- D = the dividends due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue).
- N = is the number of Shares with rights or entitlements that must be held to receive a right to one new Share under the pro rata issue.

#### **16. Adjustments for Reorganisation**

If there is any reconstruction of the issued share capital of the Company, the rights of the holders of Tranche B EIG Warrants will be varied to comply with the Listing Rules and the TSX Rules which apply to the reconstruction at the time of the reconstruction.

#### **17. Information**

During the period from repayment of the EIG Facility until expiry of the latest Exercise Period, the Company must provide the initial holders of Tranche B EIG Warrants or any of their affiliates all documents provided by the Company to a stock exchange or holders of any Shares at the same time as the Company provides those documents to the stock exchange or those holders.

#### **18. Warrants Transferable**

The Tranche B EIG Warrants are transferable provided that the transfer of Tranche B EIG Warrants complies with section 707(3) of the Corporations Act.

Some or all of the Tranche B EIG Warrants may be transferred to any other person provided that:

- (a) the person to whom the Tranche B EIG Warrant is transferred is a sophisticated or professional investor within section 708(8) or 708(11) of the Corporations Act; and
- (b) the terms on which the Tranche B EIG Warrants are transferred includes an express representation or warranty in favour of both:
  - (i) the person transferring the Tranche B EIG Warrants; and

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(ii) the Company,

that the transferee is (if in Australia) a sophisticated or professional investor within section 708(8) or 708(11) of the Corporations Act or (if in Canada) an "accredited investor" as defined in NI 45-106 or (if in the United States) a US Institutional Accredited Investor.

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+ See chapter 19 for defined terms.