

Eumeralla Resources Limited

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ASX RELEASE [ASX:EUM]

10 February 2017

Company Announcements Office
Australian Securities Exchange

GRANT OF ASX LISTING RULE WAIVER

Eumeralla Resources Limited (ASX: EUM) (**Company**) refers to its announcement of 5 December 2016 in relation to the proposed acquisition by the Company of 100% of the issued capital of Ausmex Mining Limited (**Acquisition**).

As part of the Acquisition and for the purposes of re-complying with Chapters 1 and 2 of the ASX Listing Rules, the Company is proposing to issue:

- (a) up to 75,000,000 fully paid ordinary shares at an issue price of \$0.08 to raise at up to \$6,000,000 via a prospectus (**Public Offer**); and
- (b) 63,500,000 unquoted options with exercise prices ranging between \$0.045 and \$0.14.

To facilitate the Acquisition, the Company has applied for certain waivers and confirmations from ASX.

The Company is pleased to announce that ASX has granted a waiver from ASX listing rules 1.1 (condition 12) and 2.1 (condition 2), on the terms set out below, to enable the Company to issue shares with an issue price, and options with an exercise price, of less than \$0.20.

“DECISION

1. Based solely on the information provided, in connection with the proposed acquisition by Eumeralla Resources Limited (“Company”) of all of the issued capital of Ausmex Mining Limited (“Ausmex”)(“Acquisition”), and the proposed issue of at least 50,000,000 and up to 75,000,000 fully paid ordinary shares in the issue capital of the Company (“Share”) under a public offer to raise at least \$4,000,000 and up to \$6,000,000 (“Capital Raising”), ASX Limited (“ASX”) does the following.
 - 1.1. Grants a waiver from listing rule 1.1 condition 12 to the extent necessary to permit the exercise price of the following options:
 -) 20,000,000 unquoted options with an exercise price of \$0.12 and an expiry date 3 years after the date of issue;
 -) 30,000,000 unquoted options with an exercise price of \$0.14 and an expiry date 3 years after the date of issue;

) 3,500,000 unquoted options with an exercise price of \$0.045 and an expiry date 3 years after the date of issue, to be issued to existing officers of the Company (“Officer Options”); and

) 10,000,000 unquoted options with an exercise price of \$0.12 and an expiry date 3 years after the date of issue, to be issued to one continuing and three proposed directors of the Company (“Director Options”),

(together, the “Options”) to be issued to officers of the Company and advisers in conjunction with the Acquisition, not to be at least \$0.20, subject to the following conditions.

1.1.1. The exercise price of the Options is not less than \$0.02 each.

1.1.2. The terms of this waiver are immediately disclosed to the market and, along with the terms and conditions of the Options, are clearly disclosed in the notice of meeting pursuant to which the Company will seek the approval required under listing rule 11.1.2 in respect of the Acquisition (“Notice”) and in the prospectus to be issued in respect of the Capital Raising (“Prospectus”).

1.1.3. The Company’s shareholders approve the exercise price of the Options in conjunction with the approval obtained under listing rule 11.1.2 in respect of the Acquisition.

1.2. Grants a waiver from listing rule 2.1 condition 2 to the extent necessary to permit the issue price of at least 50,000,000 and up to 75,000,000 Shares proposed to be issued pursuant to the Prospectus as part of the Capital Raising (“Capital Raising Shares”) not to be at least \$0.20 per Share, subject to the following conditions.

1.2.1. The issue price of the Capital Raising Shares is at least \$0.02 per Share.

1.2.2. The terms of this waiver are immediately disclosed to the market and are clearly disclosed in the Notice and in the Prospectus.

1.2.3. The Company’s shareholders approve the issue price of the Capital Raising Shares in conjunction with the approval obtained under listing rule 11.1.2 in respect of the Acquisition.

1.2.4. The terms of the Acquisition and Capital Raising have not materially changed (as determined by ASX in its absolute discretion) from those as announced by the Company on 5 December 2016.

2. ASX has considered listing rules 1.1 condition 12 and 2.1 condition 2 only and makes no statement as to the Company’s compliance with other listing rules.”

For further information, please contact:

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