

ASX & Media Release

15 September 2017

ASX Symbol

ARL

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DirectorsKatina Law
*Chair*Matt Painter
*Managing Director*Ian Buchhorn
*Non-Executive Director***Issued Capital***Shares*
73,207,885*Unlisted options*
12,310,022 at 25 cents - 9/2/20
25,297,087 at 77 cents – 31/5/18**ABN 30 614 289 342**

Heavily oversubscribed placement raises \$5.54M

Ardea Resources is pleased to announce that it has received binding commitments for a share placement to sophisticated and professional investors to raise A\$5.54 million before costs.

Patersons Securities Limited acted as Lead Manager to the placement. The placement was heavily oversubscribed.

The new shares will be issued at a price of 72.5 cents per share being the same issue price as under the Company's recently completed share purchase plan.

Under the placement, the Company will issue 7,647,850 new fully paid ordinary shares to sophisticated and professional investors using its existing placement capacity under ASX Listing Rule 7.1. It is anticipated settlement will occur on or about 21 September 2017.¹ The new shares will rank equally in all respects with existing ordinary shares in the Company.

The Company will have over \$12m cash upon settlement of the Placement. Funds raised will be used to accelerate KNP Cobalt Zone drill programs (previously scheduled for 2018) which will expedite completion of the KNP PFS and bring forward the KNP DFS.

The bulk of these programs will focus on the KNP Cobalt Zone through reserve definition (e.g. Patricia Anne deposit at Goongarrie South), resource upgrades (e.g. Black Range and Kalpini), and elevation of appropriate outlying deposits to the KNP Cobalt Zone. The results of these drill programs will be used to define mining schedules that will be integral to the DFS.

The Company will also use funds raised to employ additional technical staff and drill-out its non-core gold and base metal projects (e.g. Mt Zephyr) to evaluate potential further work, JV or spin out opportunities.

Should all outstanding options be exercised in due course, the Company expects that it will have sufficient funds through to the completion of the DFS in 2019.

Ardea thanks all shareholders for their strong and continued support, and welcomes Patersons' clients to its register.

(1) A director participated in the Placement for \$200,000 which has been paid to the Company although will be subject to shareholder approval at the AGM before shares issued.

For further information regarding Ardea, please visit www.ardearesources.com.au:

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