

ASX Announcement

4 June 2019

Australian Securities
Exchange Code: **FEL**

Ordinary Shares:

457,034,953

Unlisted Options:

20,000,000 at \$0.045 Exp 31/05/2020

5,625,000 at \$0.03 Exp 13/03/2021

3,125,000 at \$0.03 Exp 12/04/2021

1,250,000 at \$0.03 Exp 8/05/2021

Board of Directors:

Tony Sage

Non-Executive Chairman

Kenneth Keogh

Non-Executive Director

Nicholas Sage

Non-Executive Director

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Fe Limited is an Australian domiciled
mineral resources exploration and
development company.

Fe Limited

ABN: 31 112 731 638



Issue of Securities

Fe Limited (ASX: **FEL**) (the **Company**) refers to its announcements to ASX on 14 May 2019 and 24 May 2019 and provides the following update in respect of its placement of up to \$2 million (**Placement**). As previously announced, the Company issued 22,566,667 shares on 23 May 2019 in respect of \$338,500 initial application funds received. The Company advises it has received a further \$389,000 in application funds pursuant to the Placement and has issued 25,933,333 shares (**Placement Shares**).

Having raised a total of \$727,500 pursuant to the Placement, the Directors have decided to close the Placement offer. As announced 15 May 2019, FEL has received a royalty payment of \$211,729 in relation to mining conducted by Mineral Resources Ltd (ASX: MIN) at its Deception iron ore mine during the March 2019 quarter. FEL's Directors expect to receive future royalty payments, which will be applied towards funding of the Company's exploration expenditure obligations and general working capital.

The Company advises it has issued 2,406,990 shares to its advisors Pinnacle Corporate Finance in settlement of creditor invoices totaling \$36,105 (including GST) for services rendered (**Advisor Shares**). The Advisor Shares have been issued on the same terms as the Placement Shares, being at an issue price of \$0.015 per share with one unlisted option for every four Advisor Shares issued an exercise price of \$0.02 each expiring 31 May 2021. The issue of options remains subject to receipt of shareholder approval.

The Placement Shares and Advisor Shares have been issued without shareholder approval and using the Company's capacity under Listing Rule 7.1.

A completed Appendix 3B has been lodged together with this announcement.

Notice Under Section 708A(5)(e) of the Corporations Act 2001

In respect of the Placement Shares and Advisor Shares, FEL gives notice under section 708A(5)(e) of the Corporations Act 2001 (Cth) (**Act**) of the following:

1. The Placement Shares and Advisor Shares were issued without disclosure under Part 6D.2 of the Act;
2. As at the date of this notice, the Company has complied with:
 - a) the provisions of Chapter 2M of the Act as they apply to the Company; and
 - b) section 674 of the Act; and
3. As at the date of this notice, there is no information to be disclosed which is excluded information (as defined in section 708A(7) of the Act) that is reasonable for investors and their professional advisers to expect to find in a disclosure document.



Yours faithfully
FE LIMITED

Tony Sage
Non-Executive Chairman



Rule 2.7, 3.10.3, 3.10.4, 3.10.5

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

Fe Limited

ABN

31 112 731 638

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

(a) Fully paid ordinary shares (**Shares**)
(b) Fully paid ordinary shares (**Shares**)

- 2 Number of +securities issued or to be issued (if known) or maximum number which may be issued

(a) 25,933,333 Shares
(b) 2,406,990 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)

(a) Fully paid ordinary shares
(b) Fully paid ordinary shares

Appendix 3B

New issue announcement

4	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	(a) Fully paid ordinary shares rank equally with other fully paid ordinary shares currently on issue (b) Fully paid ordinary shares rank equally with other fully paid ordinary shares currently on issue
5	Issue price or consideration	(a) \$0.015 per Share (b) \$0.015 per Share
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	(a) Issue of shares to investors pursuant to a placement (b) Issue of shares to advisors Pinnacle Corporate Finance in settlement of creditor invoices totaling \$36,105 (including GST) for services rendered
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i	Yes
6b	The date the security holder resolution under rule 7.1A was passed	30 November 2018
6c	Number of +securities issued without security holder approval under rule 7.1	(a) 25,933,333 Shares (b) 2,406,990 Shares

+ 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	Rule 7.1 – Nil Rule 7.1A – Nil
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.	4 June 2019

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

	Number	+Class
8	444,534,953 12,500,000	ORD ORD (escrowed until 23 November 2019)

	Number	+Class
9	20,000,000	Unlisted options exercisable at \$0.045 each on or before 31 May 2020
	5,625,000	Unlisted options exercisable at \$0.03 each on or before 13 March 2021
	3,125,000	Unlisted options exercisable at \$0.03 each on or before 12 April 2021
	1,250,000	Unlisted options exercisable at \$0.03 each on or before 8 May 2021

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A
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Part 2 - Pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the +securities will be offered	N/A
14	+Class of +securities to which the offer relates	N/A

+ See chapter 19 for defined terms.

15	⁺ Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
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.	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
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	N/A

⁺ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

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)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	⁺ Issue date	N/A

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

⁺ See chapter 19 for defined terms.

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 N/A
- 39 +Class of +securities for which quotation is sought N/A
- 40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? N/A
- 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

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

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

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.

+ See chapter 19 for defined terms.

- 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:  Date: 4/06/2019
Joint Company Secretary

Print name: Catherine Grant-Edwards

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+ See chapter 19 for defined terms.

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	370,877,963
Add the following: - Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 - Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval - Number of partly paid +ordinary securities that became fully paid in that 12 month period Note: - Include only ordinary securities here – other classes of equity securities cannot be added - Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed - It may be useful to set out issues of securities on different dates as separate line items	2,750,000 (24 December 2018) (approved by shareholders 30 November 2018)
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
“A”	373,627,963

+ 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	56,044,194
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued: - Under an exception in rule 7.2 - Under rule 7.1A - With security holder approval under rule 7.1 or rule 7.4 Note: <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>	10,000,000 Unlisted Options (of which 5,625,000 Unlisted Options were issued on 14 March 2019; 3,125,000 Unlisted Options were issued on 12 April 2019; and 1,250,000 Unlisted Options were issued on 8 May 2019) 5,203,871 Shares (23 May 2019) 12,500,000 Shares (23 May 2019) 25,933,333 Shares (4 June 2019) 2,406,990 Shares (4 June 2019)
“C”	56,044,194
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	56,044,194
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	56,044,194
Total [“A” x 0.15] – “C”	Nil <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

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>	373,627,963
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	37,362,796
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 Notes: • <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>	20,000,000 Shares (of which 11,250,000 Shares were issued on 14 March 2019; 6,250,000 Shares were issued on 12 April 2019; and 2,500,000 Shares were issued on 8 May 2019) 17,362,796 Shares (23 May 2019)
“E”	37,362,796

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	37,362,796
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	37,362,796
Total [“A” x 0.10] – “E”	Nil <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.