

# 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

Hawthorn Resources Limited (**Company**)

ABN

44 009 157 439

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  | Fully Paid Ordinary Shares ( <b>Shares</b> )   |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued   | <p>Approximately 150,000,000 Shares to be issued per the ASX announcement released on 24 August 2017.</p> <p>The exact number of Shares to be issued under each of the institutional and retail components of the Entitlement Offer is to be finalised and is subject to shareholding reconciliation and rounding.</p> |
| 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) | Fully paid ordinary shares issued under the Company's accelerated non-renounceable entitlement offer ( <b>Entitlement Offer</b> )  |

4	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?	Yes, the Shares rank equally in all respects from the date of issue with the existing quoted fully paid ordinary shares of the Company.
	<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	Shares to be issued at \$0.04 per Share
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Shares are being issued to fund the Company's share of the development costs of its 70% share of the Anglo Saxon gold project and to pay the costs associated with the Entitlement Offer.
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?  If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i> , and comply with section 6i	Not Applicable
6b	The date the security holder resolution under rule 7.1A was passed	Not Applicable
6c	Number of +securities issued without security holder approval under rule 7.1	Not Applicable
6d	Number of +securities issued with security holder approval under rule 7.1A	Not Applicable
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Not Applicable
6f	Number of +securities issued under an exception in rule 7.2	Not Applicable

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+ See chapter 19 for defined terms.

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.

Not Applicable
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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

Not Applicable
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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

Not Applicable
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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.

Institutional Entitlement Offer – Friday 1 September 2017 Retail Entitlement Offer – Monday 18 September 2017
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	Number	+Class
8 Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	321,263,644	Fully paid ordinary shares

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	Nil	Nil

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

The Company's dividend policy in respect of its fully paid ordinary shares is unchanged.
The fully paid ordinary shares notified in this Appendix 3B will participate in full for future dividends.

## Part 2 - Pro rata issue

11 Is security holder approval required?

No
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12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the +securities will be offered	1 new fully paid ordinary share for each 1.141757626 share held at record date
14	+Class of +securities to which the offer relates	Fully paid ordinary shares
15	+Record date to determine entitlements	Monday 28 August 2017
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No
17	Policy for deciding entitlements in relation to fractions	Round up to nearest whole number
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>	All countries other than Australia; New Zealand and Hong Kong
19	Closing date for receipt of acceptances or renunciations	Institutional Entitlement Offer – Friday 25 August 2017  Retail Entitlement Offer - 5.00pm (AEST) on Monday 11 September 2017
20	Names of any underwriters	Belfort Investment Advisors Limited, Brian Thornton and Paradyce Pty Ltd
21	Amount of any underwriting fee or commission	Underwriting fees (which are in keeping with market rates) are payable to Belfort Investments Advisors Limited and Brian Thornton
22	Names of any brokers to the issue	Not Applicable
23	Fee or commission payable to the broker to the issue	Not Applicable
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	Not Applicable

+ See chapter 19 for defined terms.

25	If the issue is contingent on security holders' approval, the date of the meeting	Not Applicable
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	Retail Offer Document will be sent to eligible retail shareholders on Thursday 31 August 2017
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	Not Applicable
28	Date rights trading will begin (if applicable)	Not Applicable
29	Date rights trading will end (if applicable)	Not Applicable
30	How do security holders sell their entitlements <i>in full</i> through a broker?	Not Applicable
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not Applicable
32	How do security holders dispose of their entitlements (except by sale through a broker)?	Not Applicable
33	+Issue date	Institutional Entitlement Offer – Friday 1 September 2017  Retail Entitlement Offer - Monday 18 September 2017

### 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
- 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)

+ See chapter 19 for defined terms.

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

- 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: ..... Date: 24 August 2017

Mourice Garbutt, (Company secretary)