

ASX Announcement

13 February 2017

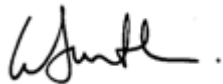
AMENDED APP 3B & TERMS AND CONDITIONS OF QUOTED OPTIONS

Attached is an updated Appendix 3B for the quotation of 430 million options which were issued yesterday. These options will commence quotation on Wednesday 15 February 2017 under the code SRNO.

The terms and conditions for the \$0.003 (expiry 30 December 2017) options is also attached.

Yours faithfully

SUREFIRE RESOURCES NL



Graeme Smith
Company Secretary

SUREFIRE RESOURCES NL
Terms and Conditions of \$0.003 Quoted Options

The Quoted Options entitle a holder to subscribe for Shares on the following terms and conditions:

- (a) Entitlement
Each Quoted Option entitles the holder to subscribe for one Share upon exercise of the Quoted Option.
- (b) Exercise Price
Subject to clause (m), the amount payable upon exercise of each Quoted Option will be \$0.003 (**Exercise Price**).
- (c) Expiry Date
Each Quoted Option will expire at 5.00pm (AWST) on 30 December 2017 (**Expiry Date**). A Quoted Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) Exercise Period
The Quoted Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).
- (e) Notice of Exercise
The Quoted Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Quoted Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.
- (f) Exercise Date
A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Quoted Option being exercised in cleared funds (**Exercise Date**).
- (g) Quotation
The Company will apply for quotation of the Quoted Options on ASX.
- (h) Quotation of Shares issued on exercise
Application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Quoted Options.
- (i) Timing of issue of Shares on exercise
After a Quoted Option is validly exercised, the Company must, within, 15 Business Days of receipt of the Notice of Exercise and receipt of cleared funds equal to the Exercise Price of the exercised Quoted Option:
 - (i) issue the Share; and
 - (ii) do all such acts, matters and things to obtain the grant of official quotation of the Share on ASX no later than 10 Business Days after issuing the Share.
- (j) Shares issued on exercise
Shares issued on exercise of the Quoted Options rank equally with the then issued shares of the Company.
- (k) Reconstruction of capital
In the event of any reconstruction (including consolidation, subdivision, reduction or return of capital) of the issued capital of the Company prior to the Expiry Date, all rights of the Quoted Option holder will be varied in accordance with the Listing Rules.

(l) Participation in new issues

There are no participation rights or entitlements inherent in the Quoted Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Quoted Options without exercising the Quoted Options.

(m) Change in exercise price

The Company may change the exercise price of the Quoted Options or the number of Shares over which the Quoted Options are exercisable in the event of the Company making a pro-rata issue of Shares or other securities to the holders of Shares in the Company (other than a bonus issue) in accordance with Listing Rule 6.22.2A.

(n) Adjustment for bonus issues

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction, of dividends or by way of dividend reinvestment):

- (i) the number of Shares which must be issued on the exercise of a Quoted Option will be increased by the number of Shares which the holder would have received if the holder of the Quoted Options had exercised the Quoted Option before the record date for the bonus issue; and
- (ii) no change will be made to the Quoted Option exercise price.

(o) Transferability

The Quoted Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

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

Name of entity

SUREFIRE RESOURCES NL (SRN)

ABN

48 083 274 024

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	Listed options to acquire fully paid Ordinary Shares (Options)
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	SRNO - 430,000,000
3	Principal terms of the +securities (eg, 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)	The Options were issued on the terms set out in the Prospectus dated 17 January 2017 and lodged with the ASX and ASIC on the same date (Prospectus) Exercise price - \$0.003 Expiry Date - 30 December 2017

4	Do the +securities rank equally in all respects from the date of allotment 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	No, the options are a new class of quoted securities. Options are exercisable in accordance with the terms and conditions summarised in section 4.1 of the Prospectus and the Shares issued and allotted upon conversion of the Options will rank equally with the existing quoted fully paid ordinary shares of the Company.
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 pursuant to shareholder approval at a General Meeting of the Company held on 9 February 2017.
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	Yes
6b	The date the security holder resolution under rule 7.1A was passed	30 November 2016
6c	Number of +securities issued without security holder approval under rule 7.1	Nil
6d	Number of +securities issued with security holder approval under rule 7.1A	Nil
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	430,000,000 – Issued pursuant to shareholder approval at a general meeting held on 9 February 2017

6f	Number of securities issued under an exception in rule 7.2	Nil						
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.							
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							
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	Issue capacity under Rule 7.1: 345,396,122 Issue capacity under Rule 7.1A: 230,264,081						
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	430,000,000 – 13 February 2017						
8	Number and +class of all +securities quoted on ASX (including the securities in section 2 if applicable)	<table><tr><th>Number</th><th>+Class</th></tr><tr><td>2,302,640,813</td><td>Ordinary Shares</td></tr><tr><td>430,000,000</td><td>Options exercisable at \$0.003 each on or before 30 December 2017</td></tr></table>	Number	+Class	2,302,640,813	Ordinary Shares	430,000,000	Options exercisable at \$0.003 each on or before 30 December 2017
Number	+Class							
2,302,640,813	Ordinary Shares							
430,000,000	Options exercisable at \$0.003 each on or before 30 December 2017							
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	<table><tr><th>Number</th><th>+Class</th></tr><tr><td></td><td></td></tr></table>	Number	+Class				
Number	+Class							
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	n/a						

Part 2 – Deleted – Not Applicable

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

Information to be provided to ASX once available

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

Quotation agreement

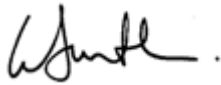
1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

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 not available now, 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: 14/02/2017
(Company Secretary)

Print name: Graeme Smith

== == == == ==

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12

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 date of issue or agreement to issue	1,559,953,481
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 <i>Note:</i> - 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	31,620,666 711,066,666
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	-
“A”	2,302,640,813

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	345,396,122
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 <i>Note:</i> • <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>	
“C”	-
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>	345,396,122
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	-
Total [“A” x 0.15] – “C”	345,396,122

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>	2,302,640,813
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	230,264,081
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: • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • 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 • It may be useful to set out issues of securities on different dates as separate line items	
“E”	-
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>	230,264,081
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	
Total [“A” x 0.10] – “E”	230,264,081