

# DRAIG

RESOURCES LIMITED

**Bellevue Gold Mine**  
"A forgotten treasure"  
Historically produced  
800,000oz @ 15g/t gold

**New gold discovery at  
Tribune Lode of 7m @ 27.7g/t  
gold incl 5m @ 37.5g/t from  
92m with visible gold**

#### Corporate Directory

Non-Executive Chairman  
Mr Ray Shorrocks

Executive Director  
Mr Steve Parsons

Non-executive Director  
Mr Guy Robertson

Company Secretary  
Mr Michael Naylor

#### Contact Details

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ASX Code: DRG

www.draigresources.com

## Issue of Performance Rights

Draig Resources Limited (ASX:DRG) ("Draig") advises that it has issued 10,650,000 Performance Rights to key management personnel, staff and consultants, aligning their interests to that of the Company's shareholders and assisting as an effective means of retaining key staff as the Company moves into a key growth phase from its flagship project, the Bellevue Gold Project.

The Board spent a considerable amount of time focussing on the incentive rights framework, in particular ensuring the performance hurdles relate to Company value accretion including resource growth, exploration success, health and safety and corporate governance.

The Performance Rights are being issued under the Company's Employee Incentive Plan that was approved by shareholders on 20 October 2017.

Please find attached the Appendix 3B in relation to the Performance Rights Issues.

Yours faithfully

Stephen Parsons  
Executive Director

## 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

Draig Resources Limited

ABN

99 110 439 686

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  | Unlisted Performance Rights  |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued   | 10,650,000   |
| 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) | Each Performance Right entitles the holder to receive one fully paid ordinary share in the capital of the Company, subject to the satisfaction of vesting conditions, performance hurdles and/or exercise conditions, on the terms of the Performance Rights and pursuant to the terms of the Draig Employee Incentive Plan Rules.<br>No subscription monies are required in respect of the grant or exercise of the Performance Rights.<br>Vesting dates are 1 July 2018, 31 December 2018 and 21 March 2020.<br>Expiry date – 21 March 2021. |

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**Appendix 3B**  
**New issue announcement**

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4	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <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>	<p>The unlisted Performance Rights do not rank equally with any existing class of quoted securities and are not able to participate in dividends.</p> <p>Should the unlisted Performance Rights vest and be converted into ordinary shares, the ordinary shares will rank equally with all quoted fully paid ordinary shares in the Company from that date.</p>
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 as remuneration to executives, employees and consultants to align with shareholder wealth creation.
6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	Yes
6b	The date the security holder resolution under rule 7.1A was passed	30 November 2017
6c	Number of +securities issued without security holder approval under rule 7.1	Nil

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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)	Nil	
6f	Number of +securities issued under an exception in rule 7.2	10,650,000	
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	
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	
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	<p style="margin: 0;">7.1 – 11,920,075</p> <p style="margin: 0;">7.1A – 530,050</p>	
7	<p>+Issue dates</p> <p><small>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.</small></p> <p><small>Cross reference: item 33 of Appendix 3B.</small></p>	10 April 2018	
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Number	+Class
		397,300,503	Ordinary Shares

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	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	15,000,000	\$0.05 options exercisable before 31 August 2019
	15,000,000	\$0.035 options exercisable on or before 31 March 2020
	15,000,000	\$0.04 options exercisable on or before 31 March 2020
	7,500,000	\$0.1365 options exercisable on or before 27 October 2017
	40,000,000	\$0.10 advisor options exercisable on or before 16 January 2021
	10,650,000	Performance Rights (expire 21 March 2021)

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

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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	<p>Names of countries in which the entity has security holders who will not be sent new offer documents</p> <p><small>Note: Security holders must be told how their entitlements are to be dealt with.</small></p> <p><small>Cross reference: rule 7.7.</small></p>	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

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**Appendix 3B**  
**New issue announcement**

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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	<sup>+</sup> 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 <sup>+</sup>securities  
(tick one)

(a)  <sup>+</sup>Securities described in Part 1

(b)  All other <sup>+</sup>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*

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- 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
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**Appendix 3B**  
**New issue announcement**

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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)

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

Number	+Class

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## 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

<b>Rule 7.1 – Issues exceeding 15% of capital</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>Insert</b> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	241,833,837
<b>Add</b> the following: <ul style="list-style-type: none"> <li>• Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2</li> <li>• Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval</li> <li>• Number of partly paid +ordinary securities that became fully paid in that 12 month period</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>Include only ordinary securities here – other classes of equity securities cannot be added</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	16,666,666 (5/4/17)  13,791,792 (25/8/17) 52,208,208 (20/10/17)  3,300,000 (20/10/17)
<b>Subtract</b> the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
<b>“A”</b>	327,800,503

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<b>Step 2: Calculate 15% of “A”</b>	
<b>“B”</b>	0.15 <i>[Note: this value cannot be changed]</i>
<b>Multiply “A” by 0.15</b>	49,170,075
<b>Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used</b>	
<i>Insert</i> number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:	25,250,000 (6/12/2017)
	1,000,000 (12/12/2017)
• Under an exception in rule 7.2	8,000,000 (23/03/18)
• Under rule 7.1A	3,000,000 (28/3/2018)
• 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>	
<b>“C”</b>	<b>34,250,000</b>
<b>Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1</b>	
<b>“A” x 0.15</b>	49,170,075
<i>Note: number must be same as shown in Step 2</i>	
<b>Subtract “C”</b>	37,250,000
<i>Note: number must be same as shown in Step 3</i>	
<b>Total [“A” x 0.15] – “C”</b>	11,920,075 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

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**Part 2**

<b>Rule 7.1A – Additional placement capacity for eligible entities</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>“A”</b>  <i>Note: number must be same as shown in Step 1 of Part 1</i>	327,800,503
<b>Step 2: Calculate 10% of “A”</b>	
<b>“D”</b>	0.10  <i>Note: this value cannot be changed</i>
<b>Multiply “A” by 0.10</b>	32,780,050
<b>Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used</b>	
<b>Insert</b> number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A  <i>Notes:</i> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities – not just ordinary securities</i></li> <li>• <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <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></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	32,250,000 (23/03/18)
<b>“E”</b>	32,250,000

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<b>Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A</b>	
"A" x 0.10 <i>Note: number must be same as shown in Step 2</i>	32,780,050
<b>Subtract "E"</b> <i>Note: number must be same as shown in Step 3</i>	32,250,000
<b>Total</b> ["A" x 0.10] – "E"	530,050 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

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