



ASX Announcement | 27 August 2019

Rafaella Resources Limited (ASX:RFR)

Notice Under Section 708A

Rafaella Resources Limited (ASX:RFR) (“Rafaella” or “the Company”) advises that it has today issued:

- (a) 27,675,000 fully paid ordinary shares in connection with the Company’s acquisition of Galicia Tin & Tungsten SL and otherwise as approved by shareholders at the Company’s general meeting held on 9 August 2019; and
- (b) 10,000,000 quoted RFRO options as part of a corporate advisory fee.

The fully paid ordinary shares and quoted options are each part of a class of securities quoted on the Australian Securities Exchange Limited (ASX). The Company gives this notice pursuant to Section 708A(5)(e) of the Corporations Act 2001.

The fully paid ordinary shares and quoted options were issued without disclosure to the investors under Part 6D.2, in reliance on Section 708A(5) of the Corporations Act 2001.

The Company, as at the date of this notice, has complied with:

- (a) the provisions of Chapter 2M of the Corporations Act 2001; and
- (b) Section 674 of the Corporations Act 2001.

There is no excluded information as at the date of this notice, for the purposes of Sections 708A(7) and (8) of the Corporations Act 2001.

Ends

For further information, please contact:

Rafaella Resources

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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

Rafaella Resources Limited

ABN

49 623 130 987

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 | 1) Fully paid ordinary shares
2) Fully paid ordinary shares
3) Fully paid ordinary shares
4) Listed \$0.30 Options, exercise price \$0.30, expiring 31 October 2021
5) Fully paid ordinary shares
6) Unlisted \$0.20 Options expiring 27 August 2022
7) Milestone 1 Performance rights
8) Milestone 2 Performance rights |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 1) 750,000 Fully paid ordinary shares
2) 10,950,000 Fully paid ordinary shares
3) 13,125,000 Fully paid ordinary shares
4) 10,000,000 Listed \$0.30 Options, exercise price \$0.30, expiring 31 October 2021
5) 2,850,000 Fully paid ordinary shares
6) 2,925,000 Unlisted \$0.20 Options expiring 27 August 2022
7) 2,900,000 Milestone 1 Performance rights
8) 2,900,000 Milestone 2 Performance rights |

+ See chapter 19 for defined terms.

Appendix 3B
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- | | |
|--|--|
| <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)</p> | <ol style="list-style-type: none">1) Fully paid ordinary shares2) Fully paid ordinary shares3) Fully paid ordinary shares4) Listed \$0.30 Options, exercise price \$0.30, expiring 31 October 20215) Fully paid ordinary shares6) Unlisted \$0.20 Options expiring 27 August 20227) Milestone 1 Performance rights8) Milestone 2 Performance rights |
|--|--|

+ See chapter 19 for defined terms.

<p>4 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"> • 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 	<p>1), 2), 3), 5) Yes.</p> <p>4) No. Upon exercise of the Options into fully paid ordinary shares, the issued shares will rank equally with existing shares currently on issue in the Company.</p> <p>6) No. Upon exercise of the Options into fully paid ordinary shares, the issued shares will rank equally with existing shares currently on issue in the Company.</p> <p>7) No, however each performance right will convert into one Fully Paid Ordinary Share upon satisfaction of Milestone 1 by 27 August 2022 and will rank equally with the existing Fully Paid Share on issue. Refer Notice of General Meeting lodged with ASX on 9 July 2019.</p> <p>8) No, however each performance right will convert into one Fully Paid Ordinary Share upon satisfaction of Milestone 1 by 27 August 2022 and will rank equally with the existing Fully Paid Share on issue. Refer Notice of General Meeting lodged with ASX on 9 July 2019.</p>
<p>5 Issue price or consideration</p>	<p>1), 3), 5) \$Nil per share</p> <p>2) \$0.20 per share</p> <p>4), 6) \$Nil per option</p> <p>7) \$Nil per Milestone 1 Performance right</p> <p>8) \$Nil per Milestone 2 Performance right</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>1) - 8) As approved by shareholders at the General Meeting on 9 August 2019.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	<p>Yes</p>

+ See chapter 19 for defined terms.

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6b	The date the security holder resolution under rule 7.1A was passed	15 November 2018
6c	Number of +securities issued without security holder approval under rule 7.1	None
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)	1) 750,000 Fully paid ordinary shares 2) 10,950,000 Fully paid ordinary shares 3) 13,125,000 Fully paid ordinary shares 4) 10,000,000 Listed \$0.30 Options, exercise price \$0.30, expiring 31 October 2021 5) 2,850,000 Fully paid ordinary shares 6) 2,925,000 Unlisted \$0.20 Options expiring 27 August 2022 7) 2,900,000 Milestone 1 Performance rights 8) 2,900,000 Milestone 2 Performance rights
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.	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	Refer to Annexure 1

+ See chapter 19 for defined terms.

7	<p>+Issue dates</p> <p>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.</p> <p>Cross reference: item 33 of Appendix 3B.</p>	27 August 2019														
8	<p>Number and +class of all +securities quoted on ASX (<i>including</i> the +securities in section 2 if applicable)</p>	<table border="1"> <thead> <tr> <th style="text-align: center;">Number</th> <th style="text-align: center;">+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">45,215,000</td> <td>Fully Paid Ordinary Shares</td> </tr> <tr> <td style="text-align: center;">13,125,000</td> <td>Fully Paid Ordinary Shares (subject to voluntary escrow until 27 August 2020)</td> </tr> <tr> <td style="text-align: center;">27,098,036</td> <td>\$0.30 Options expiring 31 October 2021</td> </tr> </tbody> </table>	Number	+Class	45,215,000	Fully Paid Ordinary Shares	13,125,000	Fully Paid Ordinary Shares (subject to voluntary escrow until 27 August 2020)	27,098,036	\$0.30 Options expiring 31 October 2021						
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9	<p>Number and +class of all +securities not quoted on ASX (<i>including</i> the +securities in section 2 if applicable)</p>	<table border="1"> <thead> <tr> <th style="text-align: center;">Number</th> <th style="text-align: center;">+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">7,378,751</td> <td>Fully Paid Ordinary Shares</td> </tr> <tr> <td style="text-align: center;">2,325,000</td> <td>\$0.30 Options expiring 6 February 2020</td> </tr> <tr> <td style="text-align: center;">2,500,000</td> <td>\$0.20 Options expiring 19 July 2022</td> </tr> <tr> <td style="text-align: center;">2,925,000</td> <td>\$0.20 options expiring 27 August 2022</td> </tr> <tr> <td style="text-align: center;">2,900,000</td> <td>Milestone 1 performance rights expiring 27 August 2022</td> </tr> <tr> <td style="text-align: center;">2,900,000</td> <td>Milestone 2 performance rights expiring 27 August 2022</td> </tr> </tbody> </table>	Number	+Class	7,378,751	Fully Paid Ordinary Shares	2,325,000	\$0.30 Options expiring 6 February 2020	2,500,000	\$0.20 Options expiring 19 July 2022	2,925,000	\$0.20 options expiring 27 August 2022	2,900,000	Milestone 1 performance rights expiring 27 August 2022	2,900,000	Milestone 2 performance rights expiring 27 August 2022
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2,900,000	Milestone 2 performance rights expiring 27 August 2022															
10	<p>Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)</p>	N/A														

+ See chapter 19 for defined terms.

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 |
| 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

<small>Note: Security holders must be told how their entitlements are to be dealt with.
Cross reference: rule 7.7.</small> | N/A |
| 19 | Closing date for receipt of acceptances or renunciations | N/A |

+ See chapter 19 for defined terms.

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
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

+ See chapter 19 for defined terms.

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- 32 How do security holders dispose of their entitlements (except by sale through a broker)?
- 33 ⁺Issue date

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

⁺ See chapter 19 for defined terms.

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)

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

+ See chapter 19 for defined terms.

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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: Ashley Hood Date: 27 August 2019
(Director)

Print name: Ashley Hood

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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	
<i>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</i>	
<i>Insert</i> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	37,793,751
<i>Add</i> the following: <ul style="list-style-type: none"> • 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 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</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> 	- 27,925,000 -
<i>Subtract</i> the number of fully paid +ordinary securities cancelled during that 12 month period	-
“A”	65,718,751

+ See chapter 19 for defined terms.

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Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	9,857,813
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <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>	9,857,813
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	-
Total [“A” x 0.15] – “C”	9,857,813 <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>	65,718,751
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	6,571,875
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: <ul style="list-style-type: none"> • <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> 	-
“E”	-

+ See chapter 19 for defined terms.

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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>	6,571,875
Subtract "E" <i>Note: number must be same as shown in Step 3</i>	-
Total ["A" x 0.10] – "E"	6,571,875 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.