

# 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

<b>Name of entity</b>	<b>Mustang Resources Limited</b>
<b>ACN</b>	<b>090 074 785</b>

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  | Shares                     |
| 2 | Number of securities issued or to be issued (if known) or maximum number which may be issued  | 151,382,825                |
| 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) | Fully paid ordinary shares |

4	<p>Do the securities rank equally in all respects from the date of allotment 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>Yes – the Shares issued will rank equally with the existing fully paid Shares on issue.</p>
5	Issue price or consideration	\$0.01374
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	151,382,825 Shares issued pursuant to the Placement to sophisticated and professional investors to raise \$2.080m (before costs) which will be used primarily on the Caula Vanadium and Graphite project and general working capital.
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 <i>in relation to the securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	Yes
6b	The date the security holder resolution under rule 7.1A was passed	24 November 2017
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)	Nil
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.	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	<u>ASX Listing Rule 7.1</u> Nil Securities  <u>ASX Listing Rule 7.1A</u> 86,586,986 Quoted Securities						
7	Dates of entering securities into uncertificated holdings or despatch of certificates	21 August 2018						
8	Number and class of all securities quoted on ASX ( <i>including</i> the securities in section 2 if applicable)	<table><tr><th>Number</th><th>Class</th></tr><tr><td>1,149,075,094</td><td>Fully paid ordinary shares</td></tr><tr><td>61,938,095</td><td>Listed Options (MUSOA) exercisable at \$0.035 on or before 25 January 2020</td></tr></table>	Number	Class	1,149,075,094	Fully paid ordinary shares	61,938,095	Listed Options (MUSOA) exercisable at \$0.035 on or before 25 January 2020
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9	Number and class of all securities not quoted on ASX (including the securities in section 2 if applicable)	<table><tr><th>Number</th><th>Class</th></tr><tr><td>8,000,000</td><td>Unlisted Options exercisable at \$0.15 on or before 14 June 2019</td></tr><tr><td>14,000,000</td><td>Unlisted Options exercisable at \$0.075 on or before 21 June 2019</td></tr><tr><td>7,500,000</td><td>Unlisted Options exercisable at \$0.06 on or before 4 August 2019</td></tr><tr><td>2,662,879</td><td>Unlisted Options exercisable at \$0.0273 on or before 23 January 2020</td></tr><tr><td>729,771</td><td>Unlisted Options exercisable at \$0.0273 on or before 25 January 2020</td></tr><tr><td>1,519,559</td><td>Unlisted Options exercisable at \$0.10 on or before 9 March 2020</td></tr><tr><td>3,000,000</td><td>Unlisted Options exercisable at \$0.15 on or before 31 March 2020</td></tr><tr><td>3,000,000</td><td>Unlisted Options exercisable at \$0.20 on or before 31 March 2020</td></tr><tr><td>2,181,818</td><td>Unlisted Options exercisable at \$0.0715 on or before 20 July 2020</td></tr><tr><td>13,333,333</td><td>Unlisted Options exercisable at \$0.117 on or before 20 July 2020</td></tr><tr><td>12,765,957</td><td>Unlisted Options exercisable at \$0.1222 on or before 20 July 2020</td></tr><tr><td>3,333,333</td><td>Unlisted Options exercisable at \$0.117 on or before 15 September 2020</td></tr><tr><td>1,800,000</td><td>Unlisted Options exercisable at \$0.13 on or before 16 October 2020</td></tr><tr><td>7,500,000</td><td>Unlisted Options exercisable at \$0.0307 on or before 15 January 2021</td></tr><tr><td>5,000,000</td><td>Unlisted Options exercisable at \$0.0356 on or before 13 March 2021</td></tr><tr><td>25,723,472</td><td>Unlisted Options exercisable at \$0.0323 on or before 13 March 2021</td></tr><tr><td>41,749,503</td><td>Unlisted Options exercisable at \$0.0262 on or before 29 May 2021</td></tr><tr><td>6,000,000</td><td>Unlisted Options exercisable 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10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A																																												

## Part 2 - Bonus issue or pro rata issue

Questions 11 to 33 are not applicable

## Part 3 - Quotation of the Unlisted Options is not sought

*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)

*Questions 35 to 42 are not applicable*

### 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.

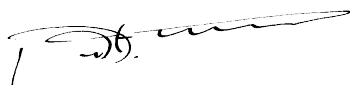
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- 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: 21 August 2018

Print name: **Robert Marusco**  
**Company Secretary**

# 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		
<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 date of issue or agreement to issue	571,314,538	
<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>		
<b>Note:</b>		
<ul style="list-style-type: none"> <li>Include only ordinary securities here – other classes of equity securities cannot be added</li> <li>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</li> <li>It may be useful to set out issues of securities on different dates as separate line items</li> </ul>		
	1,003,905	Fully paid ordinary shares (as approved by shareholders on 1 Sept 2017) issued on 21/6/17
	3,896,103	Fully paid ordinary shares (as approved by shareholders on 22 May 2017) issued on 11/8/17
	1,800,000	Fully paid ordinary shares (as approved by shareholders on 24 Nov 2017 AGM) issued on 11/8/17
	2,310,516	Fully paid ordinary shares (upon exercise of shareholder approved options) issued on 8/9/17
	11,270,491	Fully paid ordinary shares (upon conversion of convertible notes approved by shareholders 1 Sept 2017) issued on 8/9/17
	29,688,524	Fully paid ordinary shares (upon conversion of convertible notes approved by shareholders 1 Sept 2017) issued on 15/9/17
	15,243,902	Fully paid ordinary shares (upon conversion of convertible notes approved by shareholders 1 Sept 2017) issued on 19/9/17
	8,237,232	Fully paid ordinary shares (upon conversion of convertible notes approved by shareholders 1 Sept 2017) issued on 27/9/17
	12,531,328	Fully paid ordinary shares (upon conversion of convertible notes approved by shareholders 1 Sept 2017) issued on 4/10/17
	99,330	Fully paid ordinary shares (upon exercise of shareholder approved options) issued on 4/10/17
	5,780,780	Fully paid ordinary shares (upon exercise of shareholder approved options) issued on 12/10/17
	33,834,586	Fully paid ordinary shares (upon conversion of convertible notes approved by shareholders 1 Sept 2017) issued on 16/10/17
	38,847,117	Fully paid ordinary shares (upon conversion of convertible notes approved by shareholders 1 Sept 2017) issued on 19/10/17
	69,300	Fully paid ordinary shares (upon exercise of shareholder approved options) issued on 19/10/17
	38,709,677	Fully paid ordinary shares (upon exercise of shareholder approved options) issued on 26/10/17
	2,500,000	Fully paid ordinary shares (as approved by shareholders on 24 Nov 2017 AGM to Long Term Incentive Plan) issued on 15/01/18
	996,064	Fully paid ordinary shares (as approved by shareholders on 2 Mar 2018 GM) issued on 15/01/18
	106,811,504	Fully paid ordinary shares (applications from non-renounceable rights issue) issued on 28/03/18
	21,739,131	Fully paid ordinary shares pursuant to non-renounceable rights issue shortfall) issued on 16/05/18
	4,672,897	Fully paid ordinary shares (upon conversion of convertible notes approved by shareholders 2 Mar 2018) issued on 16/05/18
	7,462,686	Fully paid ordinary shares (upon conversion of convertible notes approved by shareholders 2 Mar 2018) issued on 24/05/18
	10,471,204	Fully paid ordinary shares (upon conversion of convertible notes approved by shareholders 2 Mar 2018) issued on 31/05/18
	13,157,894	Fully paid ordinary shares (upon conversion of convertible notes approved by shareholders 2 Mar 2018) issued on 7/06/18
	18,518,518	Fully paid ordinary shares (upon conversion of convertible notes approved by shareholders 2 Mar 2018) issued on 4/07/18
	38,861,530	Fully paid ordinary shares (upon conversion of convertible notes approved by shareholders 2 Mar 2018) issued on 24/07/18

<b>Subtract</b> the number of fully paid ordinary securities cancelled during that 12 month period	Nil
<b>“A”</b>	993,329,664

**Step 2: Calculate 15% of “A”**

<b>“B”</b>	0.15 <i>[Note: this value cannot be changed]</i>
<b>Multiply</b> “A” by 0.15	148,999,450

**Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used**

<p><b>Insert</b> 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"> <li>Under an exception in rule 7.2</li> <li>Under rule 7.1A</li> <li>With security holder approval under rule 7.1 or rule 7.4</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li><i>This applies to equity securities, unless specifically excluded – 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>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	<p>2,730,605 shares issued 16/05/2018 for professional services</p> <p>1,632,000 shares issued 8/06/2018 for corporate advisory and capital raising services</p> <p>6,000,000 option issued 8/06/2018 for corporate advisory and capital raising services</p> <p>138,636,845 shares issued 21/08/2018 placement to professional and sophisticated investors</p>
<b>“C”</b>	148,999,450

**Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1**

<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	148,999,450
<p><b>Subtract</b> “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	148,999,450
<b>Total</b> [“A” x 0.15] – “C”	Nil**

**\*\* This is the remaining placement capacity under rule 7.1**

## 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

<b>“A”</b>  <i>Note: number must be same as shown in Step 1 of Part 1</i>	993,329,664
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### Step 2: Calculate 10% of “A”

<b>“D”</b>	0.10  <i>Note: this value cannot be changed</i>
<b>Multiply “A” by 0.10</b>	99,332,966

### Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used

<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>• This applies to equity securities – not just ordinary securities</li> <li>• Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</li> <li>• 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</li> <li>• It may be useful to set out issues of securities on different dates as separate line items</li> </ul>	12,745,980 shares issued 21/08/2018 placement to professional and sophisticated investors
<b>“E”</b>	12,745,980

### Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A

<b>“A” x 0.10</b>  <i>Note: number must be same as shown in Step 2</i>	99,332,966
<b>Subtract “E”</b>  <i>Note: number must be same as shown in Step 3</i>	12,745,980
<b>Total</b> [“A” x 0.10] – “E”	86,586,986  <i>Note: this is the remaining placement capacity under rule 7.1A</i>