



ASX Announcement

Dark Horse Resources Limited (ASX:DHR)

13 April 2017

Accelerated Non-Renounceable Entitlement Offer Despatch of Prospectus to Eligible Retail Shareholders

Dark Horse Resources Limited (ASX:DHR or **Company**) wishes to confirm that the Company's Registry has commenced the despatch of the Entitlement Offer Prospectus to Eligible Retail Shareholders.

As announced on Monday 10 April 2017, the Company is undertaking an accelerated non-renounceable rights issue to both institutional and retail eligible shareholders (**Entitlement Offer**), on the basis of 1 new fully paid ordinary share for every 2 shares held at an issue price of \$0.008 per share (**New Shares**), to raise approximately \$3.48 million (before costs). Each new Share is issued with one bonus right (**Performance Right**) that will, at the holder's election but at no cost, convert to 1 fully paid Share in the Company should the Company's 60-day volume weighted average Share price exceed 5 cents per Share at any time before their Expiry Date. The Expiry Date of the Performance Rights is 1 July 2020. The Performance Rights are unlisted and non-transferable. Full details are contained in the Prospectus.

The Institutional Offer closed on Tuesday 11 April 2017, with the results announced yesterday. \$1,538,435 was raised under the Institutional Offer and a total of 192,304,388 New Shares and Performance Rights for the Institutional Offer will be allotted next Tuesday 18 April 2017.

Accordingly, the Retail Offer, which is open to Eligible Retail Shareholders from 18 April 2017 through to 3 May 2017 can raise up to approximately \$1.94m (before costs). The purpose of the overall Entitlement Offer is to raise approximately \$4.38 million, by way of cash and the conversion of debt owed by the Company to DGR Global, Directors and management. The funds raised from the Entitlement Offer (after payment of expenses in connection with the Offer) will be used to continue to develop Dark Horse's business and meet its strategic goals. More particularly, funds raised under the Entitlement Offer have been earmarked for exploration activities in Argentina. The studies associated with the Company's proposed Argentinean mine mouth coal-fired power station proposal will also be advanced. The Company is planning to carry out exploration programs with the funds raised from the Entitlement Offer, including drilling, geophysical surveys and surface, rock chip sampling as well as having some funds available for corporate costs and working capital purposes.

Where not all Eligible Retail Shareholders take up all of their respective Entitlements (**Shortfall**), the Shortfall will be offered to Eligible Retail Shareholders who have taken up all of their Entitlements and also apply for additional New Shares (**Additional New Shares**).



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The Entitlement Offer is underwritten to the extent of \$3,000,000 by DGR Global Limited. If the Company receives applications from Eligible Retail Shareholders for Additional New Shares that would not result in the Offer being oversubscribed, it will, subject to the other terms of this policy, allocate those Additional New Shares to the Eligible Retail Shareholders who applied for them before calling upon the Underwriter to discharge its obligations in respect of the Underwritten Shares

The timetable for the remaining elements of the Entitlement Offer is set out in the table below:

Event	Date
Despatch of Prospectus	Thursday 13 April to Monday 10 April 2017
Opening Date of Retail Entitlement Offer (9:00am Brisbane time)	Tuesday 18 April 2017
Closing Date of Retail Entitlement Offer (5:00pm Brisbane time)	Wednesday 3 May 2017
Announce results of Retail Entitlement Offer	Monday 8 May 2017
Allotment Date - expected date of allotment of the New Shares issued under the Retail Entitlement Offer	Wednesday 10 May 2017
Normal trading begins	Thursday 11 May 2017
Despatch Date - expected date of despatch of New Shares holding statements under the Retail Entitlement Offer and the Shortfall Facility (if any), and deferred settlement trading ends	Friday 12 May 2017

This timetable is indicative only and may be subject to change subject to the requirements of the Corporations Act and the ASX Listing Rules.

In the event of a shortfall, the Directors of the Company, in consultation with DGR Global (as underwriter) reserve the right to place the shortfall at their sole discretion. Acceptance of entitlements or the placement of any shortfall may also result in existing shareholders or new investors significantly increasing their interest in the Company or obtaining a substantial interest in the Company. However, the shortfall will only be placed to the extent that such placement is in compliance with the takeover provisions of the Corporations Act, which restrict a person and their associates from having a relevant interest in the Company of not more than 20%, subject to a number of exemptions.

Upon completion of the Entitlement Offer, and assuming it is fully subscribed and that existing options are not exercised, the issued capital of Dark Horse Resources will comprise approximately 1,306,471,322 shares, 435,490,441 unlisted Performance Rights and 46,000,000 unlisted options exercisable at between \$0.01 and \$0.02 with expiry dates varying between 7 October 2017 and 28 June 2018.



On behalf of the Board
Karl Schlobohm
Company Secretary

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Electronic copies and more information are available on the Company website: www.darkhorseresources.com.au

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