

11 June 2019

Issue of Shares and Section 708A(5)(e) Notice

Pensana Metals Limited (“Company” or “Pensana”) wishes to advise it has allotted 250,000,000 fully paid ordinary shares (“Placement Shares”) for the placement announced on 4 June 2019 at an issue price of \$0.02 per share to raise \$5m.

181,822,512 shares were issued under the Company’s placement capacity in accordance with ASX Listing Rule 7.1 and 68,177,488 shares were issued under ASX Listing Rule 7.1A.

An Appendix 3B follows in relation to the share issues described above.

Section 708A(5)(e) Notice – Issue of shares without a Disclosure Document

In accordance with the requirements of section 708A(5)(e) of the Corporations Act 2001 (“Act”), under which this notice is given, the Company confirms that:

1. The Placement Shares issued are part of the class of ordinary shares quoted on the ASX.
2. The Company has issued the Placement Shares without disclosure under Part 6D.2 of the Act.
3. This notice is being given under section 708A(5)(e) of the Act.
4. As at the date of this notice, the Company has complied with:
 - (i) the provisions of Chapter 2M of the Act as they apply to the Company; and
 - (ii) section 674 of the Act.
5. As at the date of this notice there is no excluded information of the type referred to in sections 708A(7) and 708A(8) of the Act in relation to the Company.

Notice under ASX Listing Rule 7.1A.4(b) & 3.10.5A

Pursuant to the provisions of ASX Listing Rule 3.10.5A, and in respect of the 68,177,488 shares issued under ASX Listing Rule 7.1A, the Company provides the following information:

1. The Company issued 68,177,488 of the 250,000,000 shares pursuant to ASX Listing Rule 7.1A. The securities issued resulted in the following dilution to existing holders of ordinary securities:
 - Number of fully paid ordinary shares on issue prior to the placement of securities under ASX Listing Rule 7.1A was 1,212,150,081.

- Percentage of voting dilution due to the portion of the placement shares that are issued under ASX Listing Rule 7.1A following the issue is 5.6%.
2. The 68,177,488 shares issued under ASX Listing Rule 7.1A were issued to institutional and sophisticated investors under a placement and note a pro-rata issue as it was considered to be the most efficient mechanism for raising capital for the Company at the time, given the funding certainty. The funds were raised for:
 - the execution of a Pre Feasibility Study by Wood Group into the development of the Longonjo NdPr Project in Angola; and
 - general working capital.
 3. No underwriting arrangements were entered into in respect to the 7.1A Placement.
 4. Broker commissions for the placement was 5% (plus GST) of funds raised.

For further information, please contact:

Scott Mison
Company Secretary / Chief Financial Officer
scott@pensanametals.com

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

PENSANA METALS LIMITED

ABN

86 121 985 395

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 | Fully Paid Ordinary Shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 250,000,000 |
| 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) | Fully paid ordinary shares |

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<p>4 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"> • 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>Yes</p>
<p>5 Issue price or consideration</p>	<p>\$0.02 per share</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>The funds will be applied to:</p> <ul style="list-style-type: none"> • the execution of a Pre Feasibility Study by Wood Group into the development of the Longonjo NdPr Project in Angola • General working capital
<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 in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>21 November 2018</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>181,822,512</p>
<p>6d Number of +securities issued with security holder approval under rule 7.1A</p>	<p>68,177,488</p>

+ See chapter 19 for defined terms.

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A	
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.	Yes 15 day vwap: \$0.0203 75% of vwap: \$0.0153 Source: Comsec Iress	
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	7.1: Nil 7.1A: 53,037,520	
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	7 June 2019	
8	Number and +class of all +securities quoted on ASX (including the securities in section 2 if applicable)	Number	+Class
		1,462,150,081	ORD

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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)	2,000,000	Options exercisable at \$0.05 on or before 6 April 2020
	2,500,000	Unlisted Options exercisable at \$0.04, expiring 14 Nov 2019.
	2,500,000	Unlisted Options exercisable at \$0.06, expiring 14 Nov 2019.
	77,160,742	performance rights
	20,000,000	performance rights
	5,000,000	Unlisted Options exercisable at \$0.04, expiring 25 Sept 2019
	5,000,000	Unlisted Options exercisable at \$0.06, expiring 25 Sept 2019
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	The Company currently has no dividend policy.	

Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?	No
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

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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 issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	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 prospectus or Product Disclosure Statement 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

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

Entities that have ticked box 34(b)

+ See chapter 19 for defined terms.

38 Number of securities for which
+quotation is sought

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39 Class of +securities for which
quotation is sought

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40 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

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

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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 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:
(Company secretary)

Date: 11 June 2019

Print name: Scott Mison

+ 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

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	918,452,851
<p>Add the following:</p> <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> 	<p>240,116,858 fully paid shares – 17 Sept 2018 38,580,371 - fully paid shares - 17 Sept 2018 5,000,000 – fully paid shares – 16 June 2017 10,000,000 - fully paid shares - 17 Sept 2018</p>
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	Nil
“A”	1,212,150,081

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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	181,822,512
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>Note:</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> 	181,822,512
“C”	181,822,512
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>	181,822,512
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	181,822,512
Total [“A” x 0.15] – “C”	- <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>	1,212,150,081
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	121,215,008
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> 	68,177,488
“E”	68,177,488
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>	121,215,008
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	68,177,488

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Total ["A" x 0.10] – "E"	53,037,520 <i>Note: this is the remaining placement capacity under rule 7.1A</i>
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+ See chapter 19 for defined terms.