



## Announcement Summary

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**Entity name**

DISCOVERY AFRICA LIMITED

**Announcement Type**

New announcement

**Date of this announcement**

Thursday May 7, 2020

**The Proposed issue is:**

A placement or other type of issue

**Total number of +securities proposed to be issued for a placement or other type of issue**

<b>ASX +Security Code</b>	<b>+Security Description</b>	<b>Maximum Number of +securities to be issued</b>
n/a	Unquoted options with an exercise price of AUD\$0.032 expiring 30 April 2023.	11,000,000
DAF	ORDINARY FULLY PAID	10,000,000

**Proposed +issue date**

Monday May 11, 2020

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

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**1.1 Name of +Entity**

DISCOVERY AFRICA LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

**1.2 Registered Number Type**

ABN

**Registration Number**

50147324847

**1.3 ASX issuer code**

DAF

**1.4 The announcement is**

New announcement

**1.5 Date of this announcement**

Thursday May 7, 2020

**1.6 The Proposed issue is:**

A placement or other type of issue



Part 7 - Details of proposed placement or other issue

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Part 7A - Conditions

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**7A.1 - Are any of the following approvals required for the placement or other type of issue?**

- **+Security holder approval**
- **Court approval**
- **Lodgement of court order with +ASIC**
- **ACCC approval**
- **FIRB approval**
- **Another approval/condition external to the entity**

No

Part 7B - Issue details

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**Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?**

Existing class

**Will the proposed issue of this +security include an offer of attaching +securities?**

No

Details of +securities proposed to be issued

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**ASX +Security Code and Description**

DAF : ORDINARY FULLY PAID

**Maximum Number of +securities proposed to be issued**

10,000,000

**Purpose of the issue**

Private placement to sophisticated and professional investors.

**Offer price details for retail security holders**

**In what currency is the cash consideration being paid?**

**What is the issue price per +security?**

**Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?**

Yes



### Oversubscription & Scale back details

May a scale back be applied to this event?

No

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

New class

Will the proposed issue of this +security include an offer of attaching +securities?

No

Details of +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

Yes

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

No

ASX +Security Code

New class-code to be confirmed

+Security Description

Unquoted options with an exercise price of AUD\$0.032 expiring 30 April 2023.

+Security Type

Options

Maximum Number of +securities proposed to be issued

11,000,000

Purpose of the issue

Of the maximum number of securities proposed to be issued, 10,000,000 unlisted options relate to the private placement to sophisticated and professional investors. The remaining balance of 1,000,000 unlisted options are to be issued to a consultant in consideration of consulting services provided.

Offer price details for retail security holders

In what currency is the cash consideration being paid?

What is the issue price per +security?

Will all the +securities issued in this class rank equally in all respects from their issue date?

No

Oversubscription & Scale back details



**May a scale back be applied to this event?**

No

**If some of the issued +securities do not rank equally**

**Is the actual date from which the +securities will rank equally (non-ranking end date) known?**

Yes

**Provide the actual non-ranking end date**

Sunday April 30, 2023

**Please state the extent to which the +securities do not rank equally:**

- In relation to the next dividend, distribution or interest payment; or
- For any other reason

The options will be unlisted however upon exercise of the options into fully paid ordinary shares, they will rank equally with ordinary fully paid shares on issue.

#### Options details

**+Security Currency**

AUD - Australian Dollar

**Exercise Price**

AUD 0.0320

**Expiry date**

Sunday April 30, 2023

**Details of the existing class of +security that will be issued upon exercise or conversion of this new class of company option**

DAF : ORDINARY FULLY PAID

**Please provide any further information relating to the principal terms of the +securities**

#### Part 7C - Timetable

**7C.1 Proposed +issue date**

Monday May 11, 2020

#### Part 7D - Listing Rule requirements

**7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the issue under listing rule 7.1?**

No

**7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?**

Yes



**7D.1b ( i ) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?**

17,335,205

**7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?**

Yes

**7D.1c ( i ) How many +securities are proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?**

3,664,795

**7D.1c ( ii ) Please explain why the entity has chosen to do a placement rather than a +pro rata issue or an offer under a +security purchase plan in which existing ordinary +security holders would have been eligible to participate**

DAF has elected to undertake a private placement as it was considered to be the most cost efficient and expedient method available to raise capital at an appropriate price.

**7D.2 Is a party referred to in listing rule 10.11.1 participating in the proposed issue?**

No

**7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?**

No

**7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?**

No

#### Part 7E - Fees and expenses

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**7E.1 Will there be a lead manager or broker to the proposed issue?**

No

**7E.2 Is the proposed issue to be underwritten?**

No

**7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue**

#### Part 7F - Further Information

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**7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?**

No



**7F.2 Any other information the entity wishes to provide about the proposed issue**