



16 August 2017

Manager Companies
Companies Announcements Office
Australian Securities Exchange Limited

Share Placement Cleansing Notice

Issue of fully paid ordinary shares – secondary trading notice – notice pursuant to paragraph 708A(5)(e) of the Corporations Act 2001 (“Act”)

On 16 August 2017, Leigh Creek Energy Limited (“Company”) issued 17,000,000 fully paid ordinary shares in the capital of the Company at an issue price of A\$0.15 per share (“Shares”) to raise \$2.55m.

The Corporations Act restricts the on-sale of securities issued without disclosure, unless the sale is exempt under section 708 or 708A(5) of the Act.

Leigh Creek Energy Limited hereby notifies ASX under paragraph 708A(5)(e) of the Act that:

1. The Company has made an issue of new ordinary shares in the Company under a private placement arrangement without disclosure to investors under Part 6D.2 of the *Corporations Act 2001 (Cth)* (**Corporations Act**);
2. This notice is being given under section 708A(5)(e) of the Corporations Act;
3. As at the date of this notice the Company has complied with the provisions of Chapter 2M and section 674 of the Corporations Act as they apply to the Company; and
4. As at the date of this notice, there is no information that is ‘excluded information’ within the meaning of sections 708A(7) and 708A(8) of the Act.

For further information, please contact:

Andrew Harrington
Corporate Development Manager
Leigh Creek Energy Limited

Ph: +61 421 583 344
E: andrew.harrington@lcke.com.au

About Leigh Creek Energy

Leigh Creek Energy Limited (LCK) is an emerging gas company focused on developing its Leigh Creek Energy Project (LCEP), located in South Australia. The LCEP will produce high value products such as electricity, natural gas and fertiliser from the remnant coal resources at Leigh Creek utilising In Situ Gasification (ISG) technologies, and will provide long term growth and opportunities to the communities of the northern Flinders Ranges and South Australia.

The Company is committed to developing the LCEP using a best practice approach to mitigate the technical, environmental and financial project risks.

Leigh Creek Energy acknowledges and respects the Adnyamathanha people, the Traditional owners of the land on which its operations occur and pay our respects to their Elders past and present.

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Share Placement

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

Leigh Creek Energy Limited ("Company") provides notice to the ASX for the purposes of ASX Listing Rule 3.10.5A and ASX Listing Rule 7.1A.4(b) that on 16 August 2017 it issued 17,000,000 new fully paid ordinary shares in the Company ("Shares") in accordance with ASX Listing Rule 7.1A ("7.1A Placement").

The issue price was A\$0.15 per Share, with a total of \$2.55m in funds raised before costs.

Pursuant to the provisions of ASX Listing Rule 3.10.5A, and respect of the 17,000,000 Shares issued under ASX Listing Rule 7.1A, the Company provides the following information:

1. The 7.1A Placement of the 17,000,000 Shares pursuant to ASX Listing Rule 7.1A represented 5.11% of the expanded ordinary shares on issue in the Company prior to placement, resulting in dilution to the existing holders of ordinary shares in the Company by that percentage. Details of the dilution to existing holders of ordinary securities caused by the issue:

Number of fully paid ordinary shares on issue pre-Placement (W):	332,368,051
Number of Placement shares issued under Listing Rule 7.1 (X):	Nil
Number of Placement shares issued under Listing Rule 7.1A (Y):	17,000,000
Total number of shares on issue post-Placement (Z=W+X+Y):	349,368,051
Percentage of post-Placement shares held by pre-Placement security holders (W/Z):	95.13%

2. The shares were issued to sophisticated and professional investors with funds raised directed towards the construction and operation of the Pre-Commercial ISG Demonstration facility at the Leigh Creek Energy Project and working capital. The 7.1A Placement was completed instead of a rights issue or other issue in which existing shareholders could participate due to the shorter timeframe and lower costs involved in the 7.1A Placement;
3. No underwriting arrangements were entered into in respect to the 7.1A Placement;
4. A total of \$153,000 in fees and costs were incurred in connection with the 7.1A Placement.

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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

Leigh Creek Energy Limited

ABN

31 107 531 822

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	Ordinary Shares
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	17,000,000
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)	Fully Paid

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Appendix 3B
New issue announcement

4	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?	Yes
	<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 	
5	Issue price or consideration	\$0.15 Per Share
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Placement to raise funds for project development and 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	23 September 2016
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	17,000,000

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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.	Yes Issue Date: 16 August 2017 Issue Price: \$0.15 per share 15 Day VWAP: \$0.1095 75% of 15 Day VWAP: \$0.0821 Source: Bloomberg							
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	Rule 7.1: 49,855,207 Rule 7.1A: 16,236,805							
7	+Issue dates 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. Cross reference: item 33 of Appendix 3B.	16 August 2017							
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Number</th> <th style="width: 50%;">+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">349,368,051</td> <td>Ordinary Shares</td> </tr> <tr> <td style="text-align: center;">17,687,463</td> <td>Options exercisable at \$0.50 on or before 6 June 2018.</td> </tr> </tbody> </table>		Number	+Class	349,368,051	Ordinary Shares	17,687,463	Options exercisable at \$0.50 on or before 6 June 2018.
Number	+Class								
349,368,051	Ordinary Shares								
17,687,463	Options exercisable at \$0.50 on or before 6 June 2018.								

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Appendix 3B
New issue announcement

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	1,000,000	Unlisted options expiring 14 October 2019.
	1,000,000	Unlisted options expiring 14 October 2020.
	1,250,000	Unlisted options expiring 31 July 2020. (250,000 Lapsed 31 July 2017)
	9,342,250	Unlisted options expiring 30 November 2020. (238,750 Lapsed 31 July 2017)
	6,000,000	Unlisted options expiring 31 October 2018.
	800,000	Unlisted options expiring 8 May 2021.
	1,500,000	Unlisted options expiring 10 May 2019.
	4,000,000	Unlisted options expiring 10 October 2021.
	24,892,250	Total unlisted options
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable	

Part 2 - Pro rata issue

11 Is security holder approval required?	Not applicable
12 Is the issue renounceable or non-renounceable?	
13 Ratio in which the +securities will be offered	
14 +Class of +securities to which the offer relates	

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-
- 15 +Record date to determine entitlements
- 16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?
- 17 Policy for deciding entitlements in relation to fractions
- 18 Names of countries in which the entity has security holders who will not be sent new offer documents
Note: Security holders must be told how their entitlements are to be dealt with.
Cross reference: rule 7.7.
- 19 Closing date for receipt of acceptances or renunciations

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Appendix 3B
New issue announcement

- 20 Names of any underwriters
- 21 Amount of any underwriting fee or commission
- 22 Names of any brokers to the issue
- 23 Fee or commission payable to the broker to the issue
- 24 Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders
- 25 If the issue is contingent on security holders' approval, the date of the meeting
- 26 Date entitlement and acceptance form and offer documents will be sent to persons entitled
- 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
- 28 Date rights trading will begin (if applicable)
- 29 Date rights trading will end (if applicable)
- 30 How do security holders sell their entitlements *in full* through a broker?
- 31 How do security holders sell *part* of their entitlements through a broker and accept for the balance?

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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.

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Appendix 3B
New issue announcement

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 (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 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:



Date: 16 August 2017
Company Secretary

Print name:

Jordan Mehtens

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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	
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 the +issue date or date of agreement to issue	265,894,441
Add 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> 	43,685,181 issued on 4 April 2017 and approved by shareholders on 21 July 2017 22,788,429 issued on 12 May 2017 and approved by shareholders on 21 July 2017
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
“A”	332,368,051

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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	49,855,207
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”	Nil
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>	49,855,207
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	Nil
Total [“A” x 0.15] – “C”	49,855,207 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

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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>	332,368,051
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	33,236,805
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 <i>Notes:</i> <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> 	17,000,000 Issued 16 August 2017
“E”	17,000,000

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Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
<p>"A" x 0.10</p> <p><i>Note: number must be same as shown in Step 2</i></p>	<p>33,236,805</p>
<p>Subtract "E"</p> <p><i>Note: number must be same as shown in Step 3</i></p>	<p>17,000,000</p>
<p>Total ["A" x 0.10] – "E"</p>	<p>16,236,805</p> <p><i>Note: this is the remaining placement capacity under rule 7.1A</i></p>

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