

19 April 2018



Completion of Placement and Appendix 3B

Alta Zinc Limited (**ASX: AZI**) (“**the Company**”) is pleased to advise that the placement announced on 13 April 2018 has been completed at an issue price of \$0.011 per fully paid ordinary share to sophisticated and professional investors introduced by Arete Capital Partners (“**Investors**”) raising AU\$3 million before costs (“**Placement**”). Following completion of the Placement, the Investors will collectively hold 19.92% of the issued capital of the Company with V B S Exchange Pty Limited holding the most significant stake at 11.65% of the issued capital of the Company.

The funds raised under the Placement will be used for the reasonable costs of the offer and related matters, to continue technical studies for the Gorno Project in 2018, to finalise a mining work plan, toward outstanding work to achieve a Gorno Project financing decision, permitting and for any associated development or operational costs.

The Company also confirms that, with effect from today, Mr Campbell Olsen has been appointed as a non-executive director of the Company.

Additional disclosure under ASX Listing Rule 3.10.5A

The Company completed the Placement by utilising its placement capacity under ASX Listing Rules 7.1 and 7.1A and as required under ASX Listing Rule 3.10.5A the Company provides the following additional information in respect of the shares issued under the Company’s additional 10% placement capacity pursuant to ASX Listing Rule 7.1A:

1. The dilutive effect of the Placement on existing shareholders is as follows:

	No. Shares	%
Number of shares on issue prior to Placement	1,096,238,436	80.08
Dilution as a result of issue under ASX LR7.1A	108,291,507	7.91
Dilution as a result of issue under ASX LR7.1	164,435,765	12.01
Number of shares on issue following Placement	1,368,965,708	100.00

The following table relates specifically only to the portion of new shares issued under ASX Listing Rule 7.1A (108,291,507 shares):

	No. Shares	%
Shares held by pre-Placement shareholders who did not participate in the Listing Rule 7.1A component of the Placement	1,096,238,436	80.08
Shares held by pre-Placement shareholders who did participate in the Listing Rule 7.1A component of the Placement	Nil	Nil
Shares held by new shareholders who participated in the ASX Listing Rule 7.1A component of the Placement	108,291,507	7.91
Shares held by new shareholders under both components	272,727,272	19.92

2. The shares issued under ASX Listing Rule 7.1A were issued to sophisticated and professional investors under the Placement, as it was considered by the Board of the Company as the most efficient, effective and certain mechanism to raise capital to fund the Gorno Project. The Company also considered that there were significant benefits in introducing cornerstone investors to the shareholder base.
3. There were no underwriting arrangements entered into as a part of the Placement.
4. The fee payable by the Company to Arete Capital Partners Pty Ltd in connection with the Placement is \$150,000 (plus GST). Alta Zinc will further pay to Arete certain advisory fees as set out in the announcement on 13 April 2018. Alta Zinc has also incurred expenses including legal and listing fees in connection with the Placement.

Director Nomination Rights

Arete Capital Partners have proposed that the director nomination rights contained in the Placement Agreement executed by the Investors and as set out in the announcement on 13 April 2018 be limited to V B S Exchange Pty Limited, whilst retaining the same percentage thresholds. This amendment is yet to be finalised.

Appendix 3B

Attached is an Appendix 3B in relation to this Placement.

Notice given under Section 708A(5)(e) of the Corporations Act

This notice is given by the Company under section 708A(5)(e) of the *Corporations Act 2001* (Cth) ("**Corporations Act**") in relation to the issue of 272,727,272 fully paid ordinary shares (as detailed further in the attached Appendix 3B) without disclosure to investors under Part 6D.2 of the Corporations Act.

The Company relies on case 1 in section 708A(5) of the Corporations Act in respect of the issue of Placement shares.

As at the date of this notice, the Company has complied with:

- (a) the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
- (b) section 674 of the Corporations Act.

The Company confirms that, as at the date of this notice, there is no information that:

- (a) has been excluded from a continuous disclosure notice given to ASX in accordance with the ASX Listing Rules; and
- (b) investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - (ii) the rights and liabilities attaching to the Placement shares,

to the extent to which it would be reasonable for investors and their professional advisers to expect to find such information in a disclosure document.

For and on behalf of the board:

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Company Secretary
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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

Alta Zinc Limited

ABN

63 078 510 988

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 | 272,727,272 ordinary shares |
| 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 ordinary shares |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the +securities rank equally in all respects from the +issue date 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, with fully paid ordinary shares</p>
<p>5 Issue price or consideration</p>	<p>\$0.011 (1.1 cent) per share</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Shares issued pursuant to the Placement Agreements executed with the investors introduced by Arete Capital Partners Pty Ltd as announced to the ASX on 13 April 2018. The funds will be used to progress the Company's Gorno Zinc Project</p>
<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>23 November 2017</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>164,435,765</p>
<p>6d Number of +securities issued with security holder approval under rule 7.1A</p>	<p>108,291,507</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)	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, shares issued above VWAP price Issue Date: 19 April 2018 Issue Price: \$0.011 VWAP: \$0.0085 75% of VWAP: \$0.0064 Source of VWAP: Miraql				
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	Listing Rule 7.1 – Nil Listing Rule 7.1A - 1,332,336				
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.	19th April 2018.				
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 50%;">Number</th> <th style="width: 50%;">+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1,368,965,708</td> <td style="text-align: center;">Fully paid ordinary shares</td> </tr> </tbody> </table>	Number	+Class	1,368,965,708	Fully paid ordinary shares
Number	+Class					
1,368,965,708	Fully paid ordinary shares					

+ See chapter 19 for defined terms.

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)
	2,000,000	Options exercisable @ \$0.05 per ordinary share, expiry 30 April 2019
	2,000,000	Options exercisable at \$0.10 per ordinary share, expiry 30 April 2019
	2,000,000	Options exercisable at \$0.15 per ordinary share, expiry 30 April 2019
	2,250,000	Options exercisable at \$0.05 per ordinary share, expiry 14 January 2020
	2,250,000	Options exercisable at \$0.10 per ordinary share, expiry 14 January 2020
	2,250,000	Options exercisable at \$0.15 per ordinary share, expiry 14 January 2020
	1,250,000	Options exercisable at \$0.12 per ordinary share, expiry 30 June 2020
	1,250,000	Options exercisable at \$0.18 per ordinary share, expiry 30 June 2020
	1,250,000	Options exercisable at \$0.24 per ordinary share, expiry 30 June 2020
	4,000,000	Options exercisable at \$0.12 per ordinary share, expiry 18 November 2020
	4,000,000	Options exercisable at \$0.18 per ordinary share, expiry 18 November 2020
	250,000	Options exercisable at \$0.24 per ordinary share, expiry 18 November 2020
	2,000,000	Options exercisable at \$0.10 per ordinary share, expiry 28 February 2022
	2,000,000	Options exercisable at \$0.15 per ordinary share, expiry 28 February 2022
2,000,000	Options vesting 1 March 2019 exercisable at \$0.20 per ordinary share, expiry 28 February 2022	
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	The Company does not currently have a dividend policy.

Part 2 - Pro rata issue

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

+ See chapter 19 for defined terms.

14	+Class of +securities to which the offer relates	Not applicable
15	+Record date to determine entitlements	Not applicable
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not Applicable
17	Policy for deciding entitlements in relation to fractions	Not applicable
18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	Not applicable
19	Closing date for receipt of acceptances or renunciations	Not applicable
20	Names of any underwriters	Not applicable
21	Amount of any underwriting fee or commission	Not applicable
22	Names of any brokers to the issue	Not applicable
23	Fee or commission payable to the broker to the issue	Not applicable
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	Not Applicable
25	If the issue is contingent on security holders' approval, the date of the meeting	Not Applicable
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	Not applicable

+ See chapter 19 for defined terms.

Appendix 3B New issue announcement

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	Not applicable
28	Date rights trading will begin (if applicable)	Not Applicable
29	Date rights trading will end (if applicable)	Not Applicable
30	How do security holders sell their entitlements <i>in full</i> through a broker?	Not Applicable
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not Applicable
32	How do security holders dispose of their entitlements (except by sale through a broker)?	Not Applicable
33	⁺ Issue date	Not applicable

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

⁺ See chapter 19 for defined terms.

Entities that have ticked box 34(a) Not Applicable

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)

- 38 Number of +securities for which +quotation is sought Not Applicable
- 39 +Class of +securities for which quotation is sought Not Applicable
- 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
- Not Applicable

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

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)	Not Applicable
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	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	Not Applicable	

+ See chapter 19 for defined terms.

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: 19 April 2018
(~~Director~~/Company secretary)

Print name: Jamie Armes.....

+ 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 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
<i>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</i>	
<i>Insert</i> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	783,027,454
<i>Add</i> 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> 	<p style="text-align: right;">313,210,982 (Rights Issue – August 2017)</p> <p style="text-align: right;">Nil</p> <p style="text-align: right;">Nil</p>
<i>Subtract</i> the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
“A”	1,096,238,436

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	164,435,765
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p><i>Insert</i> 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> 	164,435,765 fully paid ordinary shares issued on 19 April 2018 by placement (<i>the subject of this Appendix 3B</i>)
“C”	164,435,765
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>	164,435,765
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	164,435,765
Total [“A” x 0.15] – “C”	Nil <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>	1,096,238,436
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	109,623,843
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> 	108,291,507 fully paid ordinary shares issued on 19 April 2018 by placement (<i>the subject of this Appendix 3B</i>)
“E”	108,291,507

+ See chapter 19 for defined terms.

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>	109,623,843
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	108,291,507
Total [“A” x 0.10] – “E”	1,332,336 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.