

ASX ANNOUNCEMENT

28 June 2018

Capital Raising to Fund Project Approvals and Mine Development at Agate Creek Gold Project

Highlights

- + Capital raising program of up to \$3 million to primarily fund the Agate Creek Gold Project including the remainder of the project approvals process, payments that will be due upon grant of the mining lease and to provide funding towards the mine development start-up;
- + Capital raising program to include:
 - o an equity raising of up to \$1 million via an ordinary share issue of up to 333 million shares at an issue price of 0.3 cents per share (a 7% premium to the 10 day volume weighted average price (VWAP) of Laneway shares on ASX); and
 - o a convertible note issue raising of up to \$2 million via the issue of up to 400 million convertible notes with a face value of 0.5 cents each and convertible into one ordinary share in Laneway.
- + Laneway's largest shareholder, an entity associated with the Company's Chairman, Stephen Bizzell, has committed to subscribe for up to \$0.75 million worth of securities in the raising, subject to shareholder approval.
- + Entities related to non-executive directors Rick Anthon, Mark Baker and Peter Wright have also committed to subscribe for up to \$0.25 million worth of securities in the raising, subject to shareholder approval.
- + Proceeds of the first stage of the capital raising of \$0.86 million have been received and securities are being allotted today in this respect.

The Board of Laneway Resources Limited (**Laneway**, ASX:LNY) is pleased to announce that the Company will be undertaking a capital raising of up to \$3 million (before issue costs) to continue to develop Laneway's projects and meet its strategic goals.

The capital raising includes the issue of up to 333 million ordinary shares with an issue price of 0.3 cents per share to raise up to \$1 million. The issue price represents a 7% premium to



Laneway's 10 day VWAP (0.28 cents per share). In addition, the Company will also raise up to \$2 million by the issue of 400 million secured Convertible Notes.

The principal terms of the Convertible Notes to be issued by Laneway are as follows:

Issue Amount:	Up to \$2 million
Issue Price:	Face value of 0.5 cents per Convertible Note
Interest Rate:	15% per annum
Interest Payments:	Interest paid half yearly in arrears and the interest may be paid in certain circumstances at Laneway's election by the issue of further Convertible Notes
Maturity Date:	30 June 2021
Conversion Terms:	Convertible at any time at the Convertible Note holder's election into one ordinary share in Laneway subject to usual adjustment mechanisms in certain circumstances
Security:	The Convertible Notes will be secured over all assets of Laneway and will have equal ranking security proportionally with the existing Bizzell Nominees Pty Ltd Loan Facility.

An Appendix 3B – New Issue Announcement will be released later today following allotment of Shares and Convertible Notes for the \$0.86 million of funds received to date from initial subscribers to the capital raising. Further details of the terms of issue of the Convertible Notes will be contained in the Appendix 3B.

The proposed participants in the capital raising include entities associated with directors, Stephen Bizzell, Rick Anthon, Mark Baker and Peter Wright. The issue of securities to these parties will be subject to receipt of shareholder approval, which will be sought at either an Extraordinary General Meeting (EGM) of shareholders or at the Company's Annual General Meeting later this year (AGM).

The capital raising will enable the Company to advance its Agate Creek gold, New Zealand gold and NSW coal projects as well as make payments to creditors, allow repayment of existing borrowings and provide general working capital.

Funds will be primarily directed towards Laneway's 100% owned Agate Creek gold project. The Company will utilize the proceeds of the capital raising to complete the remainder of the project approvals process and to make payments that will be due upon grant of the mining lease and to provide funding towards the mine development start-up after grant of the Mining Lease.

For and on behalf of the Board
JPK Marshall
Company Secretary