



BATTERY
MINERALS

ABN 75 152 071 095

2018 SHARE PURCHASE PLAN



IMPORTANT NOTICE

General

This document is dated 24 May 2018.

This document is not a prospectus and has not been lodged with ASIC. Accordingly, this document does not contain all the information that an investor would find in a prospectus or which may be required in order to make an informed investment decision regarding whether or not to invest in the New Shares offered by this document.

This document is important and requires your immediate attention. It should be read in its entirety. If you do not understand or are in doubt about the contents of this document, or the action you should take, you should consult your financial or other professional adviser without delay.

The market price of Shares may rise or fall between the date of this document and the date the New Shares are issued to you. This means that up to or after the date on which the New Shares are issued to you, you may be able to buy Shares on the market at a lower price than the Issue Price. The Company and its Directors do not offer any recommendation or advice regarding participation in the Offer.

Holding shares in an exploration and mining development company such as the Company is a speculative form of investment and the future price of Shares may rise or fall depending on, amongst other things, exploration success and fluctuations on the stock market generally.

This document does not, and is not intended to, constitute an Offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an Offer or to issue this document.

No action has been taken to permit the Offer in any jurisdiction other than Australia and New Zealand to the extent set out in this document.

The New Shares are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of the New Shares is being made in reliance on the Financial Markets Conduct Act 2013 and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

This document has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

The distribution of this document in jurisdictions outside Australia and New Zealand may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any other jurisdiction.

Application will be made for the New Shares to be quoted on ASX. The New Shares have not been and will not be registered under any other applicable securities laws and they may not, subject to certain exceptions, be offered or sold directly or indirectly within any jurisdiction outside Australia and New Zealand.

Capitalised terms in this document are defined in the Glossary.



No Recommendation

The information in this document is not a recommendation to accept the Offer and does not constitute financial advice. Eligible Shareholders should therefore conduct their own investigations, assessment and analysis of the Company and its operations and prospects and must base their investment decision solely on those investigations and that assessment and analysis.

If, after reading this document, Eligible Shareholders have any questions regarding the Offer, they should contact their financial or other professional adviser before deciding whether or not to accept the Offer.



24 May 2018

Dear Shareholder

SHARE PURCHASE PLAN OFFER

The Company is pleased to offer certain eligible Shareholders the opportunity to participate in the Company's share purchase plan (**Offer**). The Offer will give you the opportunity to apply for up to AU\$15,000 worth of New Shares.

On 3 May 2018, the Company announced the terms of a debt and equity funding package with Resource Capital Fund VII LP (**RCF**) comprising a US\$25 million term loan and US\$5 million in equity subscription (**RCF Funding**). The RCF Funding is conditional on, amongst other things, the Company raising a further minimum \$28.3 million via the issue of new equity (**Minimum Equity Raise**). Please refer to the Company's announcement dated 3 May 2018 for further details of RCF and the RCF Funding.

As announced on 17 May 2018, the Company is undertaking a two stage program of capital raisings comprising of:

1. a two-tranche placement to sophisticated and professional investors to raise in aggregate a total of approximately \$20 million (before costs) through the issue of approximately 333.33 million fully paid ordinary shares in the Company (**Shares**) at an issue price of \$0.06 per Share (**Initial Placement Shares**) together with, subject to prior Shareholder approval, the grant of one free attaching quoted option for every two (2) Shares issued, exercisable at \$0.10 on or before 31 July 2023 (**Placement Options**) (**Placement**). The Placement will be undertaken in two tranches:
 - approximately 183.6 million New Shares will be issued in the first tranche under the Company's placement capacity pursuant to ASX Listing Rules 7.1 (~107.8 million New Shares from Listing Rule 7.1 capacity) and ASX Listing Rule 7.1A (~75.8 million New Shares from Listing Rule 7.1A capacity) (**Tranche 1**); and
 - the balance of Initial Placement Shares and all Placement Options will be issued subject to shareholder approval at a general meeting of Shareholders planned to be held on 27 June 2018 (**Tranche 2**),
2. this share purchase plan under which Shares are offered to Shareholders, with a registered address in Australia or New Zealand (**Eligible Shareholders**), at an offer price of \$0.06 (6 cents) per Share (**New Shares**), with, subject to prior Shareholder approval, one (1) free attaching option for every two (2) New Shares exercisable at \$0.10 (10 cents) and an expiry date of 31 July 2023 (**SPP Options**).

The Company intends to complete another capital raising to raise sufficient funds to meet the Minimum Equity Raise (**Subsequent Capital Raising**).

The Company intends to issue up to 83,333,333 New Shares, and subject to prior Shareholder approval, grant of one free attaching quoted option for every two (2) Shares issued, exercisable at \$0.10 on or before 31 July 2023 to raise up to \$5,000,000 under the Offer, although (subject to compliance with ASX Listing Rules) the Directors retain the right to accept oversubscriptions in their absolute discretion.



Successful applicants for New Shares under the Offer will also be entitled to receive SPP Options at the ratio of one (1) SPP Option for every two (2) New Shares subscribed under the Offer. The Company will apply to have the SPP Options quoted so that they can be traded on ASX.

The offer of SPP Options will be made separately under a Prospectus to Eligible Shareholders as a separate document. Applicants should consider the Prospectus when deciding whether to apply for the SPP Options.

Subject to satisfying the ASX listing criteria, the SPP Options are intended to be quoted on ASX and will be issued subject to Shareholder approval at the General Meeting (detailed below).

The issue price of each New Share will be \$0.06 (**Issue Price**)

The Issue Price represents a discount of 4.8% to the last close (14 May 2018) and a 12.4% discount to the 20 day VWAP..

In the event the total value of the acceptances of under the Offer for New Shares exceeds an aggregate amount of \$5,000,000 worth of New Shares, the Company reserves the right to either expand the size of the Offer (subject to compliance with ASX Listing Rules) or to scale back applications in such manner as the Directors see fit so that the total funds raised under the Offer do not exceed this amount.

Participation in the Offer is entirely voluntary. No brokerage costs apply to purchases under the Offer.

The issue of New Shares is expected to take place on or around 27 June 2018.

Use of Funds

The funds raised via the Placement and the SPP will primarily be applied towards advancing the development of its Montepuez Graphite Project in the Cabo Delgado Province of Mozambique. Specifically the funds will be used for:

- Montepuez construction works being completed later this year;
- Performance guarantees and environmental license fees related to Montepuez mining license approvals;
- Study work at the Balama Central Graphite Project; and
- General working capital.

Note: See page 14 of May 2018 Investor Presentation for further details on “Expenditure planned for Montepuez Construction” released to ASX on 11 May 2018.

Participation and Important Dates in relation to the Offer

The Offer is offered exclusively to all eligible Shareholders (including Custodians), being registered holders of Shares as at 5:00pm WST on 16 May 2018 (**Record Date**) with a registered address in Australia or New Zealand, and not resident or located in any jurisdiction in or into which an offer of New Shares would be unlawful, who meet certain other conditions as expressly prescribed in the Terms & Conditions (**Eligible Shareholders**).



The Offer opens at 9:00am (WST) on 28 May 2018 and expected to close at 5:00pm (WST) on 22 June 2018.

No late applications will be accepted. However, the Directors reserve their right, subject to the Corporations Act and the ASX Listing Rules, to vary the closing date without prior notice. If the closing date is varied, subsequent dates may also be varied accordingly.

Gilbert George, a Director, intends to participate in the Offer. All other Directors who are Eligible Shareholders do not intend to participate in the Offer.

Offer

The Offer provides Eligible Shareholders with an opportunity to acquire a parcel of New Shares in the Company. Shareholders may apply for New Shares in five different parcels:

	Subscription Amount (AU)	Number of New Shares	Number of SPP Options
Parcel A	\$2,100 (minimum)	35,000	17,500
Parcel B	\$6,000	100,000	50,000
Parcel C	\$9,000	150,000	75,000
Parcel D	\$12,000	200,000	100,000
Parcel E	\$15,000 (maximum)	250,000	125,000

The maximum limit of \$15,000 worth of New Shares applies to you even if you receive more than one Offer. For example, if as at the Record Date, you are both a sole and joint Shareholder, you can only apply for New Shares once, either in your capacity as sole Shareholder or joint Shareholder, not both.

No fraction of New Shares will be issued.

All Application Monies must be paid in Australian dollars.

The Company reserves its right to issue fewer New Shares than an Eligible Shareholder applies for under the Offer or none at all and its right to scale back applications in such manner as the Directors see fit. Any determination by the Directors in respect of any scaling back or refusal of any application will be final. If a scale back occurs or the Company refuses an application, the Company will refund any excess Application Monies to the relevant Eligible Shareholders in full (without interest and at the Eligible Shareholder's sole risk).

The Offer is not underwritten. However, the Directors reserve their right to place any shortfall under the Offer in their absolute discretion at a price not less than the issue price of the New Shares being offered under the Offer.

Pricing

As stated above the Issue Price of each New Share is \$0.06. The Issue Price represents a discount of 4.8% to the last close (14 May 2018) and a 12.4% discount to the 20 day VWAP.



The market price of the Shares may rise or fall between the date of this document and the date that New Shares are issued to you under the Offer. This means that the price at which New Shares are issued to you may be greater or less than the prevailing market price of the Shares at the date of this document. Further, the Issue Price may exceed the price at which you would be able to buy Shares on the market at the same time that New Shares are issued to you under the Offer. You should seek financial advice from a suitably qualified adviser before you decide to participate in the Offer.

Shareholder Approval

The Offer is limited to 30% of the Company's ordinary shares on issue as at the date of this document and the Company will, issue the New Shares pursuant to ASX Listing Rule 7.2 Exception 15. Accordingly, Shareholder approval is not required for the issue of the New Shares under the Offer.

If required, the Company will scale back applications in such manner as the Directors see fit.

The issue of the SPP Options is subject to Shareholder approval at the Company's general meeting anticipated to be held on 27 June 2018 (**General Meeting**).

Important Notice

It is important to note the New Shares will be issued regardless of whether Shareholder approval is obtained for the SPP Options. Where approval is not obtained, SPP participants will not be issued the SPP Options nor will they receive a refund of any of their application money. Subject to satisfying the ASX listing criteria, the SPP Options are intended to be quoted on ASX and will be issued subject to Shareholder approval at the General Meeting to be held on or about 27 June 2018.

Terms & Conditions

Full details of the Offer are outlined in the Terms and Conditions attached. Before you decide whether to participate in the Offer, please read the Terms & Conditions carefully, as you will be bound by them.

Yours sincerely

David Flanagan

Managing Director



KEY DATES*

DATE	EVENT
5:00pm (WST) on 16 May 2018	Record Date
17 May 2018	Announcement of Offer
24 May 2018	Lodgement cleansing notice
24 May 2018	Lodgement of Prospectus
28 May 2018	Dispatch of SPP Offer Booklet and Prospectus
28 May 2018	Opening Date for Offer
5:00pm (WST) on 22 June 2018	Closing Date for Offer
27 June 2018	General Meeting
27 June 2018	Issue Date **
27 June 2018	Dispatch of holding statements**
28 June 2018	Trading Date **
28 June 2018	Expected Date for Quotation of New Options on ASX **

* The Company may change any of the Indicative Key Dates at its discretion (even if the Offer has opened or applications have been received).

** If the General Meeting is not held on 27 June 2018, the Issue Date, Trading Date and Despatch Date will take place on later dates.



TERMS & CONDITIONS

The following are the terms and conditions of the Offer. By accepting the Offer, you agree to be bound by these Terms & Conditions and the Company's constitution.

Capitalised terms in that are not defined have the same as those ascribed in the letter to Shareholders dated 28 May 2018.

1 ASIC Class Order 09/425

The Offer is offered in compliance with ASIC Class Order 09/425. ASIC Class Order 09/425 provides relief from the requirement for the Company to provide a prospectus when offering shares to existing Shareholders of a company pursuant to a share purchase plan.

2 Opening Date and Closing Date of the Offer

The Offer opens at 9:00am (WST) on 28 May 2018 (**Opening Date**).

The Offer closes at 5:00pm (WST) on 22 June 2018 (**Closing Date**).

Late applications will not be accepted. However, the Directors reserve their right, subject to the Corporations Act and the ASX Listing Rules, to vary the Closing Date without prior notice. If the Closing Date is varied, subsequent dates may also be varied accordingly.

3 Who is eligible to participate in the Offer?

You are eligible to apply for New Shares under the Offer if you were registered as a holder of Shares as at the Record Date on the Register and if your registered address, as recorded in the Register, is in Australia or New Zealand and you are not resident or located in any jurisdiction in or into which an offer of New Shares would be unlawful (**Eligible Shareholder**).

The Offer to each Eligible Shareholder is made on the same terms and conditions.

Your rights under the Offer are personal to you and the Offer is non-renounceable (i.e. you may not transfer your right to subscribe for New Shares to anyone else).

4 Shareholder Approval

The Offer is limited to 30% of the Company's ordinary shares on issue as at the date of this document and the Company will issue the New Shares pursuant to ASX Listing Rule 7.2 Exception 15. Accordingly, Shareholder approval is not required for the issue of the New Shares pursuant to the Offer.

If required, the Company will scale back applications in such manner as the Directors see fit.

The issue of the SPP Options is subject to Shareholder approval at the Company's general meeting anticipated to be held on 27 June 2018 (**General Meeting**).



It is important to note the New Shares will be issued regardless of whether Shareholder approval is obtained for the SPP Options. Where approval is not obtained, SPP participants will not be issued the SPP Options nor will they receive a refund of any of their application money. Subject to satisfying the ASX listing criteria, the SPP Options are intended to be quoted on ASX and will be issued subject to Shareholder approval at the General Meeting to be held on or about 27 June 2018.

5 Voluntary participation

The Offer is entirely voluntary and is subject to the Terms & Conditions. You are not obliged to participate in the Offer.

6 Issue Price

The Issue Price of each New Share will be \$0.06.

The Issue Price represents a discount of 4.8% to the last close (14 May 2018) and a 12.4% discount to the 20 day VWAP.

7 Important information on price risk to consider

Before deciding whether to accept the Offer, you should refer to the current market price of the Shares, which can be obtained from the financial pages of most major daily newspapers, your stockbroker, your financial adviser, or ASX.

Subscription for New Shares is a speculative investment and the market price may change between the date you apply for New Shares and the issue of New Shares to you. Accordingly, the value of New Shares applied for is likely to rise or fall. Importantly, there is a risk that during the period when the Issue Price is determined and when the New Shares are issued to you, the price at which Shares are traded on ASX may be less than the Issue Price. You must rely on your own knowledge of the Company, previous disclosures made by the Company to ASX (including disclosure regarding risks of making an investment in the Company). ***In determining whether you wish to participate in the Offer and the extent to which you participate, you should seek your own personal financial and/or taxation advice referable to your personal circumstances.***

8 How much can you invest in the Offer?

Subject to paragraph 13, if you are an Eligible Shareholder, you may subscribe for a maximum of AU\$15,000 worth of New Shares. There is no additional cost to acquire the SPP Options.

There is a minimum amount for which you may subscribe under the Offer which is \$2,100 worth of New Shares.



The following parcels of New Shares and SPP Options are available under the Offer:

	Subscription Amount (AU)	Number of New Shares	Number of SPP Options
Parcel A	\$2,100 (minimum)	35,000	17,500
Parcel B	\$6,000	100,000	50,000
Parcel C	\$9,000	150,000	75,000
Parcel D	\$12,000	200,000	100,000
Parcel E	\$15,000 (maximum)	250,000	125,000

The maximum limit of \$15,000 worth of New Shares applies to you even if you receive more than one Offer. For example, if as at the Record Date, you are both a sole and a joint Shareholder, you can only apply for New Shares once, either in your capacity as sole Shareholder or joint Shareholder, not both.

No fraction of New Shares will be issued.

All Application Monies must be paid in Australian dollars.

No brokerage, stamp duty or other costs are payable by applicants in respect of an application for New Shares or SPP Options under the Prospectus.

9 Options

Subject to Shareholder approval, successful applicants for New Shares under the Offer will also be entitled to receive SPP Options at the ratio of one (1) SPP Option for every two (2) New Shares subscribed under the Offer. The Company will apply to have the SPP Options quoted so that they can be traded on ASX.

The offer of SPP Options will be made separately under a Prospectus which will be sent to Eligible Shareholders as a separate document. Applicants should consider the Prospectus when deciding whether to apply for the SPP Options.

Subject to satisfying the ASX listing criteria, the SPP Options are intended to be quoted on ASX and will be issued subject to Shareholder approval at the General Meeting detailed in section 4 of the Terms and Conditions.

10 Condition

The issue of the New Shares under the Offer and the SPP Options pursuant to the Prospectus is subject to the Company being able to comply with the ASX Listing Rules. The issue of the SPP Options is also subject to Shareholder approval at the General Meeting of the Company and meeting ASX's quotation conditions.



11 Scale Back or Refusal of Application

The Company does not intend to issue more than 83,333,333 New Shares and 4,166,666 SPP Options. If applications of more than:

- 11.1 83,333,333 New Share and 41,666,666 SPP Options; or
- 11.2 30% of the Company's ordinary shares on issue at the Issue Date,

the Directors may in their absolute discretion, undertake a scale back to the extent and in the manner they see fit.

Factors which the Directors may take into account in determining any scale back include, but are not limited to:

- 11.1 the total Application Monies received;
- 11.2 the amount applied for by each Eligible Shareholder;
- 11.3 the number of Shares held by each Eligible Shareholder at the Record Date;
- 11.4 whether an Eligible Shareholder remains on the register on the Closing Date;
- 11.5 the date the Company received the Application Form; and
- 11.6 any other such criteria as determined by the Directors.

If there is a scale back, you may not receive all the New Shares and SPP Options for which you have applied. If a scale-back produces a fractional number when applied to the number of New Shares for which you have applied, the number of New Shares and SPP Options issued to you will be rounded down to the nearest whole number of New Shares and SPP Options.

If there is a scale back, the difference between the Application Monies received from you, and the number of New Shares issued to you multiplied by the Issue Price, will be refunded to you in full (without interest and at your sole risk).

The Directors reserve their right (in their absolute discretion) to refuse an Application Form (in whole or in part) if they consider that:

- 11.1 it is reasonable and prudent to do so;
- 11.2 the applicant is not an Eligible Shareholder;
- 11.3 the issue of those New Shares may contravene any applicable law, rule or regulation in any jurisdiction (including without limitation the Corporations Act or the ASX Listing Rules) or the requirements of any regulatory or governmental body or may require further action to be taken by the Company including, without limitation, registration of Shares or the preparation of a prospectus in any jurisdiction; or



11.4 the applicant has not otherwise complied with the Terms & Conditions.

If an Application Form is refused in whole or in part, the Application Monies will be returned to the applicant in full (without interest and at the applicant's sole risk).

All Directors' decisions in connection with a scale back or refusal of an application are final.

12 Shortfall

The Offer is not underwritten.

The Directors reserve their right to place any shortfall under the Offer at their absolute discretion at a price not less than the Issue Price.

The Directors reserve the right, to expand the size of the Offer (subject to compliance with ASX Listing Rules) and accept applications in excess of 83,333,333 shares. The Directors also reserve the right to undertake a placement of additional Shares at the same price as the Issue Price (subject to compliance with ASX Listing Rules).

13 Custodian Certification

If on the Record Date you are a Custodian and hold Shares on behalf of one or more persons each of whom is an Eligible Shareholder (each, a Participating Beneficiary), the Offer is made to you and you have the discretion whether to extend the Offer to the Participating Beneficiaries. You may apply up to a maximum of AU\$15,000 worth of New Shares for each Participating Beneficiary.

In any consecutive 12 month period, the Company can only issue to a Custodian Shares up to the value AU\$15,000, unless the Custodian certifies in writing (**Custodian Certificate**):

13.1 either or both of the following:

13.1.1 that the Custodian holds Shares on behalf of one or more Participating Beneficiaries that are not Custodians; and

13.1.2 that another Custodian (**Downstream Custodian**) holds beneficial interests in Shares on behalf of one or more Participating Beneficiaries, and the Custodian holds the Shares to which those beneficial interests relate on behalf of the Downstream Custodian or another Custodian,

on the Record Date and that each Participating Beneficiary has subsequently instructed the following persons:

13.1.3 where paragraph 13.1.1 applies – the Custodian; and

13.1.4 where paragraph 13.1.2 applies – the Downstream Custodian,

to apply for New Shares on their behalf under the Offer;



- 13.2 the number of Participating Beneficiaries;
 - 13.3 the name and address of each Participating Beneficiary;
 - 13.4 in respect of each Participating Beneficiary:
 - 13.5 where paragraph 13.1.1 applies, the number of Shares that the Custodian holds on their behalf; and
 - 13.6 where paragraph 13.1.2 applies, the number of Shares to which the beneficial interests relate applies;
 - 13.7 in respect of each Participating Beneficiary:
 - 13.7.1 where paragraph 13.1.1 applies, the number or the dollar amount of New Shares they instructed the Custodian to apply for on their behalf; and
 - 13.7.2 where paragraph 13.1.2 applies, the number or the dollar amount of New Shares they instructed the Downstream Custodian to apply for on their behalf;
 - 13.8 there are no Participating Beneficiaries in respect of which the total of the application price for the following exceeds AU\$15,000:
 - 13.8.1 the New Shares applied for by the Custodian on their behalf under the Offer in accordance with the instructions in paragraph 13.7; and
 - 13.8.2 any other Shares issued to the Custodian in the 12 months before the application under the Offer as a result of an instruction given by them to the Custodian or Downstream Custodian to apply for Shares on their behalf under an arrangement similar to the Offer;
 - 13.9 that a copy of this document was given to each Participating Beneficiary; and
 - 13.10 where paragraph 13.1.2 applies, the name and address of each Custodian who holds beneficial interests in the Shares held by the Custodian in relation to each Participating Beneficiary.
- 14 In providing a Custodian Certificate under this paragraph 13, the Custodian may rely on information provided to it by the Participating Beneficiary and any Custodian who holds beneficial interests in the Shares held by the Custodian.
- 15 If the Company is not satisfied with the Custodian Certificate (for whatever reason), the Company will not issue any New Shares to the Custodian on behalf of the relevant Participating Beneficiaries.
- 16 If you require a Custodian Certificate or require further information about the Custodian application process, you should contact the Share Registry.



17 If you hold Shares as a trustee or nominee for another person, but are not a Custodian as defined above, you cannot participate for beneficiaries in the manner described above. In this case, the rules for multiple single holdings set out in paragraph 8 apply.

18 Effect of making an application and Shareholder Certification

Subject to paragraph 13 above, if you submit a BPAY® payment or complete and return an Application Form together with a cheque, bank draft or money order (as applicable), you:

- 18.1 warrant that you are an Eligible Shareholder and are eligible to participate in the Offer;
- 18.2 irrevocably and unconditionally agree to the Terms & Conditions and the terms of the Application Form;
- 18.3 acknowledge that your application will be irrevocable and unconditional;
- 18.4 certify and represent to the Company that you have not applied for more than AU\$15,000 worth of New Shares;
- 18.5 certify that the total of the application price for the following does not exceed AU\$15,000 (irrespective of whether you may have received more than one Offer or received Offers in more than one capacity):
 - 18.5.1 the New Shares the subject of your application under the Offer;
 - 18.5.2 any other New Shares issued to you under the Offer or any other Shares issued to you under any similar arrangement in the 12 months before the application under the Offer (excluding Shares applied for but not issued);
 - 18.5.3 any other New Shares which you have instructed a Custodian to acquire on your behalf under the Offer; and
 - 18.5.4 any other Shares issued to a Custodian under an arrangement similar to the Offer in the 12 months before the application under the Offer as a result of an instruction you have given to a Custodian;
- 18.6 agree to be bound by the Company's constitution.;
- 18.7 you confirm that you are an Eligible Shareholder and that you are lawfully permitted to accept the Offer and participate in the Offer in accordance with these Terms and Conditions and any applicable laws;
- 18.8 you authorise the Company (and its officers or agents) to correct any error or omission in your Application Form and to complete the Application Form by inserting missing details if the Company elects to do so;



- 18.9 you agree that the Company may determine that your Application Form is valid and in accordance with these Terms and Conditions, even if it is incomplete, contains errors or is otherwise defective;
- 18.10 you accept the risk associated with any refund that may be sent to you by direct credit to your account as nominated to the Share Registry or cheque to your address shown on the Company's register; and
- 18.11 you agree that you are responsible for any dishonour fees or other costs which the Company may incur if your cheque for payment is dishonoured.

19 Transaction Costs

The only cost associated with the Offer is the Issue Price for the number of New Shares for which you wish to subscribe. You do not have to pay for brokerage, commission or other transaction costs which would normally apply when you acquire Shares on market.

There are no costs associated with the SPP Options.

20 Issue of New Shares and variation on number of New Shares issued

The New Shares will be issued on the Issue Date.

The Share Registry will send to you a holding statement in due course following the Issue Date.

The Company reserves its right and absolute discretion to issue fewer New Shares than an Eligible Shareholder applies for under the Offer (or none at all), if the Company believes the issue of those New Shares would contravene any applicable law, rule or regulation (including without limitation the ASX Listing Rules).

If an Application Form is refused in whole or in part, the Application Monies will be returned to the applicant in full without interest and the applicant's sole risk.

21 What rights will the New Shares carry?

Once the New Shares are issued, they will rank equally with existing Shares and will carry the same voting rights, dividend rights and other entitlements.

22 Can the Company change, suspend or terminate the Offer?

The Company reserves the right to withdraw the offer at any time up to the Issue Date. The Company reserves the right at any time to:

- 22.1 waive compliance with any provision of these Terms and Conditions;
- 22.2 amend or vary these Terms and Conditions; and
- 22.3 suspend or terminate the Offer.



Any amendment, variation, suspension or termination is binding on all Eligible Shareholders even if the Company does not notify you of the event.

23 Directors' Participation

Gilbert George, a Director intends to participate in the Offer. All other Directors who are Eligible Shareholders do not intend to participate in the Offer.

24 How do you pay for the New Shares?

All amounts in the Offer are expressed in Australian dollars. You must pay for the New Shares either by:

- 24.1 BPAY® payment via internet or phone banking. You must also quote your reference number which is on the Application Form. If you use this method, you should be aware of your financial institution's cut-off time. It is your responsibility to ensure funds are submitted correctly by the Closing Date; or
- 24.2 cheque, bank draft or money order in Australian dollars. Please make your cheque, bank draft or money order payable to "**Battery Minerals Limited**" and cheques are crossed "**Not Negotiable**".

New Zealand Shareholders are not able to make a BPAY payment.

25 Please provide a cheque, bank draft or money order for the exact amount

If you have not elected to pay by BPAY® and you do not provide the exact amount, the Company reserves its right to return your Application Form and cheque, bank draft or money order. If the Company returns your Application Form and cheque, bank draft or money order, no New Shares will be issued to you.

If you make a BPAY® payment and do not provide the exact amount, you will, subject to the Terms & Conditions, be deemed to have applied for such New Shares for which you have paid.

26 Dispute resolution

The Company may settle any dispute in connection with the Offer in any manner it thinks fit, whether generally or in relation to any participant, application or Share. The Company's decision will be final and binding.

The Company reserves its right to waive strict compliance with any provision of the Terms & Conditions.

27 Quotation and Registration of your Shares

27.1 ASX Quotation

The Company will apply for the New Shares issued to you to be quoted on ASX by 28 May 2018.



The Company will apply for the SPP Options issued to you to be quoted on ASX by 28 May 2018.

27.2 Australian and New Zealand Eligible Shareholders

The Company participates in CHESS. Under CHESS, you will not receive a share certificate but will receive a statement of your holding of Shares. The CHESS statement will prescribe the number of New Shares issued pursuant to the Offer, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the New Shares.

If you are broker sponsored, ASX Settlement will send you a CHESS statement.

If you are registered on the Issuer Sponsored Subregister, the Share Registry will dispatch your statement, which will contain the number of New Shares issued to you under the Offer and your security holder reference number.

28 Privacy

By receiving completed Application Forms, the Company collects personal information about Shareholders. The Company will use this information for the purposes of processing the Application Form and updating the records of the Company. To the extent restricted by law, the Company will not disclose personal information about a Shareholder to a third party. To the extent permitted by law, Shareholders are able to access, upon request, personal information about them by the Company.

29 Governing law and jurisdiction

These Terms & Conditions are governed by the laws in force in Western Australia. Any dispute arising out of or in connection with these Terms & Conditions, or the offer of New Shares, will be determined by the courts of Western Australia. By accepting this offer, you agree to submit to the non-exclusive jurisdiction of the courts in Western Australia.



HOW DO YOU APPLY FOR NEW SHARES UNDER THE OFFER

If you wish to participate in the Offer please read the Terms & Conditions carefully. You must subscribe for:

- 1 a minimum parcel of AU\$2,100 worth of New Shares;
- 2 a parcel of AU\$6,000 worth of New Shares;
- 3 a parcel of AU\$9,000 worth of New Shares;
- 4 a parcel of AU\$12,000 worth of New Shares; or
- 5 a maximum parcel of AU\$15,000 worth of New Shares.

Application Forms and payments under the Offer are irrevocable and may not be withdrawn once the Company receives it.

If you make a BPAY® payment, you do not need to return the Application Form. However, you must quote your reference number which is on the Application Form and your reference number will process your payment to your entitlement. Please ensure you make a payment for the exact amount of the New Share parcel for which you wish to subscribe. You will be deemed to have applied for such New Shares for which you have paid, subject to the Terms & Conditions. You should also be aware of your financial institution's cut-off time. It is your responsibility to ensure funds are submitted correctly by the Closing Date.

Late applications will not be accepted. However, the Directors reserve their right, subject to the Corporations Act and the ASX Listing Rules, to vary the Closing Date without prior notice. If the Closing Date is varied, subsequent dates may also be varied accordingly.

Application Monies must be paid in Australian dollars. If you send in your cheque, bank draft or money order, you must complete all the required details in the enclosed Application Form. You must:

- 1 Tick the box for the number of New Shares for which you wish to subscribe, noting the amount payable for that number of New Shares.
- 2 Complete the cheque details section and ensure that the "Amount" section corresponds to the exact amount payable for the New Shares for which you wish to subscribe. (Should the exact amount payable not be tendered, the Company reserves its right to return the Application Form and cheque, bank draft or money order and not issue the applicant any New Shares and/or scale back the application as it sees fit.)
- 3 Insert your telephone contact numbers so that we may contact you if necessary.
- 4 Ensure your cheque, bank draft or money order is made out for the exact amount of the Share parcel for which you wish to subscribe, payable to "**Battery Minerals Limited**" and cheques crossed "**Not Negotiable**".



- 5 You must return the completed Application Form, together with the cheque, bank draft or money order to the Share Registry.

Ensure that your completed Application Form and payment reaches the Share Registry by the Closing Date **no later than 5:00pm (WST) on the Closing Date.**



GLOSSARY

Application Form means the application form accompanying this document.

Application Monies means monies paid by Eligible Shareholders in respect of New Shares the subject of an application pursuant to the Offer.

ASIC means the Australian Securities and Investments Commission.

ASIC Class Order 09/425 means ASIC Class Order [CO 09/425] issued by ASIC (as amended from time to time).

ASX means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange, as the context requires.

ASX Listing Rules means the official listing rules of ASX (as amended from time to time).

ASX Settlement means ASX Settlement Pty Limited (ACN 008 504 532).

CHESS means the Clearing House Electronic Subregister System operated by ASX Settlement.

Closing Date has the meaning given in paragraph 2 of the Terms & Conditions.

Company means Battery Minerals Limited ACN 152 071 095.

Corporations Act means the *Corporations Act 2001* (Cth).

Custodian has the meaning given in ASIC Class Order 09/425, being a person that:

- (a) holds an Australian financial services licence that:
 - (i) covers the provision of a custodial or depositary service (as that term is defined in section 766E of the Corporations Act); or
 - (ii) covers the operation of an IDPS (as defined in ASIC Class Order [CO 13/763]);
- (b) is exempt from the requirement to hold an Australian financial services licence for the provision of a custodial or depositary service under:
 - (i) paragraph 7.6.01(1)(k) or 7.6.01(l)(na) of the Corporations Regulations 2001 (Cth);
 - (ii) ASIC Class Order [CO 14/1000] to the extent that it relates to ASIC Class Order [CO 14/1001];
 - (iii) ASIC Class Orders [CO 03/1099], [CO 03/1100], [CO 03/1101], [CO 03/1102], [CO 04/829] or [CO 04/1313];



- (iv) an individual instrument of relief granted by ASIC to the person in terms similar to one of the class orders referred to in paragraph (iii) above; or
- (v) paragraph 911A(2)(h) of the Corporations Act;
- (c) is a trustee of a:
 - (i) self-managed superannuation fund; or
 - (ii) superannuation master trust;
- (d) is the responsible entity of an IDPS-like scheme (as defined in ASIC Class Order [CO 13/762]); or
- (e) is the registered holder of shares or interest in the class and is noted on the register of members of the body or scheme (as the case may be) as holding the shares or interest on account of another person.

Custodian Certificate has the meaning given to that term in paragraph 13 of the Terms & Conditions.

Directors means the directors of the Company from time to time.

Downstream Custodian has the meaning given to that term in paragraph 13 of the Terms & Conditions.

Eligible Shareholder has the meaning given in the Letter.

General Meeting has the meaning given in the Letter.

Initial Placement Shares has the meaning given in the Letter.

Issue Date means the date on which New Shares will be issued, which as at the date of this document is intended to be on or about 27 June 2018.

Issue Price has the meaning given in the Letter.

Issuer Sponsored Subregister means that part of the register for a class of the Company's securities for which CHESS approval has been given in accordance with the operating rules of ASX Settlement that is administered by the Company (and not by ASX Settlement) and that records uncertificated holdings of securities.

Letter means the letter addressed to Shareholder from the Managing Director, dated 28 May 2018.

Minimum Equity Raise has the meaning given in the Letter.

New Shares means the Shares to be issued to Eligible Shareholders who accept the Offer.

Offer has the meaning given in the Letter.



Opening Date has the meaning given in paragraph 2 of the Terms & Conditions.

Participating Beneficiary has the meaning given to that term in paragraph 13 of the Terms & Conditions.

Placement has the meaning given in the Letter.

Placement Shares has the meaning given in the Letter.

RCF means Resource Capital Fund VII LP.

RCF Funding has the meaning given in the Letter.

Record Date has the meaning given in the Letter.

Register means the share register maintained by or on behalf of the Company in Australia.

Share means a fully paid ordinary share in the capital of the Company.

Share Registry means Automic Registry Service Limited.

Shareholder means a registered holder of Shares.

SPP Options has the meaning given in the Letter.

Subsequent Capital Raising has the meaning given in the Letter.

Terms & Conditions means the terms and conditions of the Offer as expressly prescribed in this document.

WST means Australian Western Standard Time.

[EntityRegistrationDetailsLine1Envelope]
 [EntityRegistrationDetailsLine2Envelope]
 [EntityRegistrationDetailsLine3Envelope]
 [EntityRegistrationDetailsLine4Envelope]
 [EntityRegistrationDetailsLine5Envelope]
 [EntityRegistrationDetailsLine6Envelope]

SRN/HIN	[HolderNumber]
ASX Code:	BAT
Record Date:	16 May 2018
Minimum value available to purchase:	\$2,100.00
Maximum value available to purchase:	\$15,000.00

[BARCODE]

SPP APPLICATION FORM
OFFER CLOSES 5.00PM (WST) 22 June 2018 (UNLESS LEGALLY VARIED)

1 SELECT THE VALUE OF SECURITIES APPLIED FOR (please mark "X" to indicate one choice only)

I/We being registered as the holder of Shares as at the above Record Date, do hereby apply for the number of New Shares and New Options (Securities) as indicated below at the Issue Price of \$0.06 per New Share in accordance with the Terms and Conditions of the Company's Share Purchase Plan (SPP) and prospectus dated 24 May 2018 (Prospectus).

		\$ APPLIED FOR	NO OF SHARES	NO OF OPTIONS			\$ APPLIED FOR	NO OF SHARES	NO OF OPTIONS
A	<input type="checkbox"/>	\$15,000	(250,000)	(125,000)	B	<input type="checkbox"/>	\$12,000	(200,000)	(100,000)
C	<input type="checkbox"/>	\$9,000	(150,000)	(75,000)	D	<input type="checkbox"/>	\$6,000	(100,000)	(50,000)
E	<input type="checkbox"/>	\$2,100	(35,000)	(17,500)					

2 BPAY PAYMENTS



Bill Code: 273979

Ref: [BPayCRN]

Telephone & Internet Banking – BPAY®
 Contact your bank or financial institution to make this payment from your cheque, savings, debit, credit card or transaction account. More info: www.bpay.com.au

You do not need to return this form if you have made payment via BPAY®. Your BPAY® reference number will process your payment to your entitlement electronically and you will be deemed to have applied for such Securities for which you have paid.

3 PLEASE INSERT CHEQUE DETAILS

Cheques must be drawn on an Australian branch of a financial institution in Australian currency, made payable to **Battery Minerals Limited** crossed "Not Negotiable" and forwarded to Automic to arrive no later than the Closing Date.

<i>Cheque Number</i>	<i>BSB</i>	-	<i>Account Number</i>

4 CONTACT DETAILS

Please use details where we can contact you between the hours of 9.00am and 5.00pm should we need to speak to you about your application.

Contact Name	Email Address	Telephone Number

INSTRUCTIONS FOR COMPLETION OF THIS SPP APPLICATION FORM

The right to participate in the Offer under the SPP and the SPP Options Offer under the Prospectus (**Offers**) is optional and is available exclusively to Eligible Shareholders, being those Shareholders who are registered as holders of Shares in the Company as at the Record Date and whose registered address is in Australia and New Zealand.

The Offers cannot be transferred and the Directors reserve the right to reject any application over \$15,000.00. Securities allotted under the SPP and Prospectus will be issued on 27 June 2018.

If the Company rejects or scales-back an application or purported application, the Company will return to the Shareholder the relevant Application Monies, without interest.

HOW TO APPLY FOR SHARES UNDER THE SPP

1 Select the Value of Securities Applied For

Select the value of Securities you wish to apply for by placing an "X" alongside the dollar value of your choice. You can only indicate one choice. Should you indicate more than one choice then it will be at the discretion of the Company as to which dollar value you will be deemed to have selected.

2 BPAY®

You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. To BPAY® this payment via internet or telephone banking use your reference number quoted on the front of this form. Multiple acceptances must be paid separately. Applicants should be aware of their financial institution's cut-off time (the payment must be made to be processed overnight). It is the Applicant's responsibility to ensure funds are submitted correctly by the closing date and time.

You do not need to return this form if you have made payment via BPAY®. Your BPAY® reference number will process your payment to your entitlement electronically and you will be deemed to have applied for such Securities for which you have paid.

3 Cheque Details

Enter your cheque details in section 3. Cheques must be drawn on an Australian branch of a financial institution in Australian currency, made payable to **Battery Minerals Limited** and crossed "Not Negotiable". Please ensure sufficient funds are held in your account. If you provide a cheque for an incorrect amount the Company may treat you as applying for as many Securities as your cheque will pay for.

4 Contact Details

Please enter a contact number we may reach you on between the hours of 9:00am and 5:00pm. We may use this number to contact you regarding your application for Securities, if necessary.

CERTIFICATION

By making payment of the application monies, I/we hereby:

- Acknowledge that I/we have read and understood the terms of the SPP and Prospectus;
- Agree to be bound by the Terms of the Constitution of the Company, the SPP and the Prospectus;
- Agree to accept any lesser number of the new Securities than the number of Securities applied for; and
- Certify that the amount of Securities subscribed for by me/us pursuant to the SPP does not exceed the maximum amount taking into account the Securities the subject of this application and any other Securities applied for by or on behalf of me/us under the SPP or any other similar arrangement within the 12 months prior to this application including joint and other beneficial interests.

LOGGING YOUR APPLICATION FORM

This form must be received at an address given below by 5.00pm (WST) on 22 June 2018.
(If you are making cheque payment)

BY MAIL

Battery Minerals Limited
C/- Automic
PO Box 2226
Strawberry Hills NSW 2012

BY HAND DELIVERY (Between Sydney office hours 9.00am – 5.00pm AEST)

Automic
Level 3
50 Holt Street
Surry Hills, NSW 2010

If you require further information on how to complete this SPP Application Form,
please contact Automic on 1300 288 664 between 9:00am and 5:00pm.