



**ASX Announcement**

**19 November 2012**

**Shareholders Approve Issue of Securities  
for Acquisition of Cardinal Resources Limited**

The directors of Ridge Resources Ltd ("Ridge" or the "Company" (ASX: RID)) are pleased to advise that shareholders approved the acquisition of Cardinal Resources Limited ("Cardinal") at the Annual General Meeting held earlier today. Pursuant to the acquisition, Ridge is required to issue and allot the following securities on Completion in accordance with the terms of the Implementation Agreement (including ASX granting permission for the securities of the Company being re-quoted on ASX):

- (a) up to 33,000,000 Shares and 16,500,000 Options to the shareholders of Cardinal in consideration of the acquisition of 100% of the issued capital of Cardinal;
- (b) up to 1,500,000 Shares and 750,000 Options in full satisfaction of US\$300,000 of loans made to Cardinal;
- (c) up to 50 Class A Performance Shares each Class A Performance Share convertible into 100,000 Shares upon the achievement of certain milestones, to nominees of Cardinal;
- (d) up to 50 Class B Performance Shares each Class B Performance Share convertible into 100,000 Shares upon the achievement of certain milestones, to nominees of Cardinal; and
- (e) 5,000,000 Underwriter Options to Azure Capital Limited.

An Appendix 3B is attached which relates to the issue of the new securities pursuant to the acquisition of Cardinal and updates the Appendix 3B (Entitlements Offer) issued by the Company earlier today.

**For further information contact:**

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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

Name of entity

Ridge Resources Ltd

ABN

56 147 325 620

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  | (a) Fully paid ordinary shares<br>(b) Options exercisable at \$0.20 expiring 30 June 2014<br>(c) Class A Performance shares<br>(d) Class B Performance shares<br>(e) Options exercisable at \$0.20 expiring 31 December 2015 |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | (a) 32,250,000<br>(b) 16,125,000<br>(c) 50<br>(d) 50<br>(e) 5,000,000  |

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|   |  |   |
|---|--|---|
| 3 | Principal terms of the +securities (eg, 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)   | <p>(a) Fully paid ordinary shares</p> <p>(b) Options exercisable at \$0.20 expiring 30 June 2014</p> <p>(c) Class A Performance Shares (refer to section 11.5 of the Prospectus)</p> <p>(d) Class B Performance Shares (refer to section 11.6 of the Prospectus)</p> <p>(e) Options exercisable at \$0.20 expiring 31 December 2015 (refer to section 11.4 of the Prospectus)</p>   |
| 4 | <p>Do the +securities rank equally in all respects from the date of allotment 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"><li>• the date from which they do</li><li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li><li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li></ul> | <p>(a) Yes, the fully paid ordinary shares offered to shareholders of Cardinal Resources Limited will rank equally with existing ordinary shares from the date of allotment</p> <p>(b) Not applicable</p> <p>(c) Not applicable</p> <p>(d) Not applicable</p> <p>(e) Not applicable</p>   |
| 5 | Issue price or consideration   | 20 cents per Share  |
| 6 | Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)   | <p>Securities offered (i) in relation to the acquisition of Cardinal Resources Limited (“Cardinal”) whereby Shareholders will receive pro rata in proportion to the number of Cardinal Shares held by them respectively on the basis of 3 Shares for every 4 Cardinal Shares held, and 1 Option for every 2 new Shares subscribed for; and (ii) the issue of securities in full satisfaction of a loan of US\$300,000 owed by Cardinal to directors of Cardinal and other parties associated with Cardinal.</p> <p>Refer to section 3.4 in the Prospectus dated 15 November 2012.</p> |

|    |  |                |
|----|--|----------------|
| 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 in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p> | No             |
| 6b | The date the security holder resolution under rule 7.1A was passed   | Not applicable |
| 6c | Number of +securities issued without security holder approval under rule 7.1   | Not applicable |
| 6d | Number of +securities issued with security holder approval under rule 7.1A   | Not applicable |
| 6e | Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)  | Not applicable |
| 6f | Number of securities issued under an exception in rule 7.2   | Not applicable |
| 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.                                   | Not applicable |
| 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   | Not applicable |

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|    |  |                  |   |
|----|--|------------------|---|
| 7  | Dates of entering <sup>+</sup> securities into uncertificated holdings or despatch of certificates                                   | 24 December 2012 |   |
| 8  | Number and <sup>+</sup> class of all <sup>+</sup> securities quoted on ASX (including the securities in section 2 if applicable)     | Number           | <sup>+</sup> Class  |
|    |  | 69,933,750       | Fully paid ordinary shares  |
|    |  | 59,992,125       | Options exercisable at 20 cents and expiring 30 June 2014   |
| 9  | Number and <sup>+</sup> class of all <sup>+</sup> securities not quoted on ASX (including the securities in section 2 if applicable) | Number           | <sup>+</sup> Class  |
|    |  | 4,100,000        | Fully paid ordinary shares  |
|    |  | 50               | Class A Performance Shares  |
|    |  | 50               | Class B Performance Shares  |
|    |  | 6,000,000        | Options exercisable at 20 cents and expiring 31 December 2015 (subject to escrow to 17 August 2013) |
|    |  | 5,000,000        | Options exercisable at 20 cents and expiring 31 December 2015                                       |
| 10 | Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)                                   | Not applicable   |   |

## Part 2 - Bonus issue or pro rata issue

- |    |   |  |
|----|---|--|
| 11 | Is security holder approval required?   |  |
| 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  |  |
| 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 issue documents<br><br><small>Note: Security holders must be told how their entitlements are to be dealt with.<br/>Cross reference: rule 7.7.</small> |  |
| 19 | Closing date for receipt of acceptances or renunciations  |  |

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- 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 prospectus or Product Disclosure Statement 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 +Despatch 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

#### Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

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39 Class of <sup>+</sup>securities for which quotation is sought

40 Do the <sup>+</sup>securities rank equally in all respects from the date of allotment with an existing <sup>+</sup>class of quoted <sup>+</sup>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 | <sup>+</sup> Class |
|---|--------|--------------------|
| 42 Number and <sup>+</sup> class of all <sup>+</sup> 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 not available now, 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 November 2012  
(Director/Company secretary)

Print name: Alec Pismiris

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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

### Part 1

| <b>Rule 7.1 – Issues exceeding 15% of capital</b>  |   |
|--|---|
| <b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>  |   |
| <b>Insert</b> number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue   | 41,783,750 (inclusive of Shares to be issued pursuant to Non-renounceable Entitlements Offer) |
| <p><b>Add</b> the following:</p> <ul style="list-style-type: none"> <li>• Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2</li> <li>• Number of fully paid ordinary securities issued in that 12 month period with shareholder approval</li> <li>• Number of partly paid ordinary securities that became fully paid in that 12 month period</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>Include only ordinary securities here – other classes of equity securities cannot be added</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul> | 32,250,000  |
| <b>Subtract</b> the number of fully paid ordinary securities cancelled during that 12 month period   | Nil   |
| <b>“A”</b>   | 74,033,750  |

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|   |   |
|---|---|
| <b>Step 2: Calculate 15% of “A”</b>   |   |
| “B”   | 0.15<br><i>[Note: this value cannot be changed]</i>                           |
| <b>Multiply “A” by 0.15</b>   |   |
| <b>Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used</b>  |   |
| <p><b>Insert</b> 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"> <li>• Under an exception in rule 7.2</li> <li>• Under rule 7.1A</li> <li>• With security holder approval under rule 7.1 or rule 7.4</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i></li> <li>• <i>Include here (if applicable ) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul> |   |
| “C”   |   |
| <b>Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1</b>   |   |
| <p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>  |   |
| <p><b>Subtract “C”</b></p> <p><i>Note: number must be same as shown in Step 3</i></p>   |   |
| <p><b>Total</b> [“A” x 0.15] – “C”</p>  | <p><i>[Note: this is the remaining placement capacity under rule 7.1]</i></p> |

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## Part 2

| <b>Rule 7.1A – Additional placement capacity for eligible entities</b>  |   |
|---|---|
| <b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>   |   |
| <b>“A”</b><br><br><i>Note: number must be same as shown in Step 1 of Part 1</i>   |   |
| <b>Step 2: Calculate 10% of “A”</b>   |   |
| <b>“D”</b>  | 0.10<br><br><i>Note: this value cannot be changed</i> |
| <b>Multiply “A” by 0.10</b>   |   |
| <b>Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used</b>   |   |
| <b>Insert</b> number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A<br><br><b>Notes:</b> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities – not just ordinary securities</i></li> <li>• <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <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></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul> |   |
| <b>“E”</b>  |   |

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|   |  |
|---|--|
| <p><b>Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A</b></p> |  |
| <p>“A” x 0.10</p> <p><i>Note: number must be same as shown in Step 2</i></p>                                  |  |
| <p><b>Subtract “E”</b></p> <p><i>Note: number must be same as shown in Step 3</i></p>                         |  |
| <p><b>Total</b> [“A” x 0.10] – “E”</p>  | <p><i>Note: this is the remaining placement capacity under rule 7.1A</i></p> |

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