

24 January 2019

CONVERSION OF CONVERTIBLE NOTE AND COMPLETION OF PLACEMENT

Amani Gold Limited (ASX: ANL) ('Amani' or 'the Company') refers to the previously announced Placement and Convertible Note Offer ('Offer') of 9 August 2018.

Under the Offer the Company issued convertible notes with a face value of \$0.953M ('Notes'). The Notes had a 12-month maturity from the date of issue ('Maturity Date') and provided that the Company could elect to repay all or part of the outstanding Notes at any time prior to the Maturity Date. In addition, that the Company could elect to convert any of the Notes into new shares at \$0.015 per share.

The Company advises that it has provided notice to the holder of the Notes for conversion of the full amount outstanding under the Notes into new shares. Accordingly, the Company has issued 63,533,333 New Shares at a price of \$0.015 per share in full satisfaction of the Notes.

In addition, the parties have satisfied the requirements for completion of the balance of the Placement as provided by the Offer. Accordingly, the Company has issued a further 71,300,000 New Shares at a price of \$0.015 per share as provided for by the Placement.

Funds from the Offer have been expended on the Company's project in the DRC (including the relocation of artisanal miners) and for general working capital purposes.

The New Shares were issued in accordance with the shareholder approval received at the Company's Annual General Meeting held 30 November 2018.

An Appendix 3B in relation to the New Share issue is attached to this release.

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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

AMANI GOLD LIMITED

ABN

14 113 517 203

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 | Fully Paid Ordinary Shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 134,833,333 |
| 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 ranking equally with existing quoted shares. |
| 4 | 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 | Yes |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

5	Issue price or consideration	\$0.015 per share
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Repayment of Convertible Notes and for expenditure at the Company's project in the DRC.
6a	Is the entity an ⁺ eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h <i>in relation to the ⁺securities the subject of this Appendix 3B</i> , and comply with section 6i	Not applicable
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)	134,833,333 (as approved at the AGM on 30 November 2018)
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	Refer attached Annexure 1
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.	24 January 2019

⁺ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

8	Number and +class of all +securities quoted on ASX (<i>including</i> the +securities in section 2 if applicable)	<table border="1"> <thead> <tr> <th data-bbox="735 203 938 237">Number</th> <th data-bbox="938 203 1505 237">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="735 237 938 338">1,846,363,747</td> <td data-bbox="938 237 1505 338">Ordinary Shares</td> </tr> </tbody> </table>	Number	+Class	1,846,363,747	Ordinary Shares														
Number	+Class																			
1,846,363,747	Ordinary Shares																			
9	Number and +class of all +securities not quoted on ASX (<i>including</i> the +securities in section 2 if applicable)	<table border="1"> <thead> <tr> <th data-bbox="735 376 938 409">Number</th> <th data-bbox="938 376 1505 409">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="735 409 938 510">9,500,000</td> <td data-bbox="938 409 1505 510">Options exercisable at \$0.08 each on or before 2 November 2019</td> </tr> <tr> <td data-bbox="735 510 938 589">9,500,000</td> <td data-bbox="938 510 1505 589">Options exercisable at \$0.10 each on or before 2 November 2019</td> </tr> <tr> <td data-bbox="735 589 938 667">7,500,000</td> <td data-bbox="938 589 1505 667">Options exercisable at \$0.03 each on or before 31 December 2020;</td> </tr> <tr> <td data-bbox="735 667 938 745">7,500,000</td> <td data-bbox="938 667 1505 745">Options exercisable at \$0.04 each on or before 31 December 2020; and</td> </tr> <tr> <td data-bbox="735 745 938 824">7,500,000</td> <td data-bbox="938 745 1505 824">Options exercisable at \$0.05 each on or before 31 December 2020</td> </tr> <tr> <td data-bbox="735 824 938 857">20,000,000</td> <td data-bbox="938 824 1505 857">Performance Rights at \$0.02 expiring 31/12/20</td> </tr> <tr> <td data-bbox="735 857 938 887">20,000,000</td> <td data-bbox="938 857 1505 887">Performance Rights at \$0.04 expiring 31/12/20</td> </tr> <tr> <td data-bbox="735 887 938 887">20,000,000</td> <td data-bbox="938 887 1505 887">Performance Rights at \$0.06 expiring 31/12/20</td> </tr> </tbody> </table>	Number	+Class	9,500,000	Options exercisable at \$0.08 each on or before 2 November 2019	9,500,000	Options exercisable at \$0.10 each on or before 2 November 2019	7,500,000	Options exercisable at \$0.03 each on or before 31 December 2020;	7,500,000	Options exercisable at \$0.04 each on or before 31 December 2020; and	7,500,000	Options exercisable at \$0.05 each on or before 31 December 2020	20,000,000	Performance Rights at \$0.02 expiring 31/12/20	20,000,000	Performance Rights at \$0.04 expiring 31/12/20	20,000,000	Performance Rights at \$0.06 expiring 31/12/20
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20,000,000	Performance Rights at \$0.06 expiring 31/12/20																			
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Same entitlement to dividends as existing shares.																		

Part 2 -Pro rata issue Not Applicable

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	

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

18	Names of countries in which the entity has security holders who will not be sent new offer documents	
	<p>Note: Security holders must be told how their entitlements are to be dealt with.</p> <p>Cross reference: rule 7.7.</p>	
19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	
25	If the issue is contingent on security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do security holders sell their entitlements <i>in full</i> through a broker?	
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	
32	How do security holders dispose of their entitlements (except by sale through a broker)?	
33	+Issue date	

+ See chapter 19 for defined terms.

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

39 +Class of +securities for which quotation is sought

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

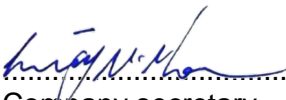
42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)

Number	+Class

+ 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: 24 January 2019

Print name: Craig McPherson

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+ 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	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
<i>Insert</i> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	1,566,163,747
<p>Add the following:</p> <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> 	180,200,000
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	-
“A”	1,746,363,747
Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	261,954,562

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 	100,000,000

+ See chapter 19 for defined terms.

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<ul style="list-style-type: none"> • 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> 	
<p>“C”</p>	100,000,000
<p>Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1</p>	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	261,954,562
<p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	100,000,000
<p>Total [“A” x 0.15] – “C”</p>	161,954,562
	<p><i>[Note: this is the remaining placement capacity under rule 7.1]</i></p>

+ 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>	Not applicable
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	Not applicable

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"> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • 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 • It may be useful to set out issues of securities on different dates as separate line items 	Not applicable
“E”	Not applicable

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>	Not applicable
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	Not applicable
Total [“A” x 0.10] – “E”	<i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.