

Section 708A Notice

MOD Resources Ltd (ASX: MOD) (the **Company**) advises that it has allotted 21,353,317 fully paid ordinary shares (**Offer Shares**) pursuant to the non-renounceable pro rata entitlement offer announced on 21 January 2019.

In accordance with section 708A(5)(e) of the Corporations Act 2001 (Cth) (**Corporations Act**), the Company gives notice that;

- (i) the Offer Shares were issued without disclosure under Part 6D.2 of the Corporations Act;
- (ii) this notice is being given under paragraph 5(e) of section 708A of the Corporations Act;
- (iii) as at the date of this notice, the Company has complied with the provisions of the Chapter 2M of the Corporations Act (as they apply to the Company) and section 674 of the Corporations Act; and
- (iv) as at the date of this notice, there is no excluded information with respect to the Company for the purposes of sections 708A(7) and (8) of the Corporations Act.

An Appendix 3B reflecting the revised capital structure following the issue of the above securities has been released with this announcement.

-ENDS-

For and on behalf of the MOD Board.

Julian Hanna
Managing Director

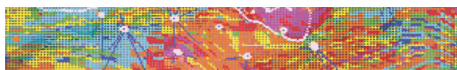
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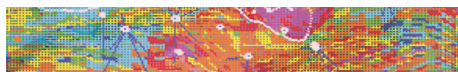


About MOD Resources

MOD Resources Ltd (ASX/LSE: MOD) is a dual listed copper exploration and development company with a dominant land position within the Kalahari Copper Belt in Botswana. The Company is focussed on the 100% MOD owned T3 Copper Project, expecting to release a Feasibility Study in the first quarter of 2019. In parallel with the development of the T3 Copper Project, MOD continues its exploration program across several priority drill targets and within untested areas of interesting and potentially significant Cu-Zn soil anomalies.

The Company is continuing to engage with interested parties in relation to T3 funding opportunities and is targeting to begin development of the T3 Copper Project in 2H 2019, with a vision of commencing production in the mid-term while focussing on generating strong, consistent and predictable returns for shareholders.

MOD has a strong social licence to operate within Botswana as well as within the host community of Ghanzi. MOD will continue to work collaboratively with regulators and members of the Ghanzi District to ensure that any social investments and developments are targeted to create a positive and lasting legacy.



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

MOD Resources Limited

ABN

78 003 103 544

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 | 21,353,317 Fully Paid 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.

4	<p>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: 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>	<p>Yes, the shares will rank equally with ordinary share currently on issue.</p>
5	Issue price or consideration	\$0.24 per share
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Issue of shares pursuant to the non-renounceable Entitlement Offer announced on 21 January 2019
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 <i>in relation to the +securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	Yes
6b	The date the security holder resolution under rule 7.1A was passed	30 May 2018
6c	Number of +securities issued without security holder approval under rule 7.1	N/A
6d	Number of +securities issued with security holder approval under rule 7.1A	N/A
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A
6f	Number of +securities issued under an exception in rule 7.2	21,353,317 Fully Paid Ordinary Shares

+ See chapter 19 for defined terms.

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.	N/A					
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	N/A					
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 Annexure 1					
7	<p>+Issue dates</p> <p>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.</p> <p>Cross reference: item 33 of Appendix 3B.</p>	27 February 2019					
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>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">303,682,339</td> <td style="text-align: center;">Fully Paid Ordinary shares</td> </tr> </tbody> </table>	Number	+Class	303,682,339	Fully Paid Ordinary shares	Fully Paid Ordinary shares
Number	+Class						
303,682,339	Fully Paid Ordinary shares						

+ See chapter 19 for defined terms.

9	Number and ⁺ class of all ⁺ securities not quoted on ASX (<i>including</i> the ⁺ securities in section 2 if applicable)	4,923,482	Unlisted options exercisable at \$0.60 on or before 15 April 2019
		40,673,566	Unlisted options with a nil exercise price and expiring on 16 November 2021
		3,015,000	Unlisted options exercisable at \$0.457 on or before 30 January 2023, vesting 12 months from the date of issue and subject to a restriction period to 30 January 2022;
		3,015,000	Unlisted options exercisable at \$0.707 on or before 30 January 2023 vesting 24 months from the date of issue and subject to a restriction period to 30 January 2022;
		3,015,000	Unlisted options exercisable at \$0.907 on or before 30 January 2023 vesting 36 months from the date of issue and subject to a restriction period to 30 January 2022;
		3,050,000	Performance Rights vesting in various tranches expiring 21 February 2022

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	The Company does not have a dividend policy.
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Part 2 - Pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the ⁺ securities will be offered	N/A
14	⁺ Class of ⁺ securities to which the offer relates	N/A

⁺ See chapter 19 for defined terms.

15	+Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
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>	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A
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	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A

+ See chapter 19 for defined terms.

- | | | |
|----|--|-----|
| 31 | How do security holders sell part of their entitlements through a broker and accept for the balance? | N/A |
| 32 | How do security holders dispose of their entitlements (except by sale through a broker)? | N/A |
| 33 | +Issue date | N/A |

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)

+ See chapter 19 for defined terms.

38 Number of +securities for which +quotation is sought N/A

39 +Class of +securities for which quotation is sought N/A

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

N/A

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 N/A

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

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

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

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.

+ See chapter 19 for defined terms.

- 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.

MARK CLEMENTS
Company Secretary
27 February 2019

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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	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	189,675,326
Add 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 	
<ul style="list-style-type: none"> (i) 12 March 2018 Issue of Shares following exercise of options (ii) 12 March 2018 Issue Share pursuant to a placement (iii) 14 March 2018 Issue of Shares following exercise of options (iv) 9 April 2018 Issue of Shares pursuant to the non-renounceable pro rata entitlement offer (v) 9 April 2018 Issue of Shares following exercise of options (vi) 20 April 2018 Issue of Shares following exercise of options (vii) 26 April 2018 Issue of Shares following exercise of options (viii) 30 April 2018 Issue of Shares following exercise of options (ix) 1 May 2018 Issue of Shares following exercise of options (x) 2 May 2018 Issue of Shares following exercise of options 	<ul style="list-style-type: none"> 180,448 25,531,915 1,019,119 13,450,429 720,483 284,146 40,952 211,835 61,619 2,000

+ See chapter 19 for defined terms.

(xi) 16 November 2018 Issue of Shares (xii) 30 January 2019 Issue of Shares (xiii) 27 February 2019 Issue of Shares pursuant to non-renounceable entitlement offer <ul style="list-style-type: none"> • Number of partly paid ⁺ordinary securities that became fully paid in that 12-month period Note: <ul style="list-style-type: none"> • Include only ordinary securities here – other classes of equity securities cannot be added • Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed • It may be useful to set out issues of securities on different dates as separate line items 	17,090,000 423,069 21,353,317
Subtract the number of fully paid ⁺ ordinary securities cancelled during that 12-month period	Nil
“A”	270,044,658

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	40,506,698
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
Insert number of ⁺ equity securities issued or agreed to be issued in that 12-month period <i>not counting</i> those issued: <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 <ul style="list-style-type: none"> (i) 26 April 2018 Share Issue (ii) 30 January 2019 Issue of Shares pursuant to a placement Note: <ul style="list-style-type: none"> • This applies to equity securities, unless specifically excluded – not just ordinary securities 	304,348 33,333,333

+ See chapter 19 for defined terms.

<ul style="list-style-type: none"> • Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed • It may be useful to set out issues of securities on different dates as separate line items 	
“C”	33,637,681
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>	40,506,698
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	33,637,681
Total [“A” x 0.15] – “C” <i>[Note: this is the remaining placement capacity under rule 7.1]</i>	6,869,017

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>	270,044,658
Step 2: Calculate 10% of “A”	
“D” <i>Note: this value cannot be changed</i>	0.10
Multiply “A” by 0.10	27,004,465
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	

+ See chapter 19 for defined terms.

<p>Insert number of ⁺equity securities issued or agreed to be issued in that 12-month period under rule 7.1A</p> <p>Notes:</p> <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> 	
<p>“E”</p>	-

<p>Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A</p>	
<p>“A” x 0.10</p> <p><i>Note: number must be same as shown in Step 2</i></p>	27,004,465
<p>Subtract “E”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	-
<p>Total [“A” x 0.10] – “E”</p>	<p>27,004,465</p> <p><i>Note: this is the remaining placement capacity under rule 7.1A</i></p>

⁺ See chapter 19 for defined terms.