



11 February 2015

ENTITLEMENT OFFER

BMG Resources Limited (ASX: **BMG** or **the Company**) advises that the Entitlement Offer and Shortfall Offer (**Offers**) under the Prospectus despatched to Shareholders on 17 December 2014 have now closed. Valid applications were received for 8,121,765 shares in the amount of \$162,435, as detailed in the table below.

	Securities	Value
Total Securities available under the Entitlement Offer	63,922,852	\$1,278,457
Valid Applications received	8,121,765	\$162,435
Shortfall	55,801,087	\$1,116,022

The applications received included subscriptions from Directors and the Transcontinental Group entity TRG Equity Investments Pty Ltd (**TRG Equity**) for their full entitlements under the Offers. The Entitlement Offer was partially underwritten by TRG Equity, subject to a number of conditions which have not been satisfied. In particular, a condition precedent of the underwriting agreement required minimum subscriptions of \$400,000 (excluding any subscription from TRG Equity) which has not been satisfied.

The Board remains confident about the longer term value of the Treasure Project and has resolved to pursue an alternate capital raising process as the outcome of the Entitlement Offer is insufficient to meet the Company's capital requirements.

The Transcontinental Group has agreed to continue to provide financial support to the Company while it progresses an alternate capital raising process.

The Board has determined not to accept the applications received and accordingly the Company will not issue securities pursuant to the Offers. The Company will instruct the share registry to return all application monies received under the Offers and will update shareholders once the details of the alternate capital raising plan have been finalised.

*****ENDS*****

For further information, shareholders and media please contact:

Bruce McCracken
Managing Director
+61 8 9424 9390

Fleur Hudson
Company Secretary
+61 8 9424 9390

Nathan Barbarich
Helmsec Global Corporate Finance
+61 403 185 194