



ASX ANNOUNCEMENT

5 March 2019

DISCLOSURE UNDER ASX LISTING RULE 3.10.5A

BMG Resources Ltd (**ASX:BMG**) ("**BMG**" or "**Company**") refers to its announcement on 1 March 2019, in relation to the placement of securities to sophisticated and professional investors (**Placement**).

The Company advises that it has today issued 8,888,888 fully paid ordinary shares (**Shares**) at 0.9 cents per Share under the Placement using the Company's placement capacity under ASX Listing Rule 7.1A. This placement capacity was approved by the Company's Shareholders at the Company's annual general meeting held on 29 November 2018.

Disclosure under ASX Listing Rule 3.10.5A

The Company provides the following information as required under ASX Listing Rule 3.10.5A in respect of the Placement:

1. The dilutive effect of the Placement on existing shareholders is as follows:

Number of shares on issue prior to the Placement	548,843,488
Shares issued under Listing Rule 7.1A	8,888,888
Number of shares on issue after the Placement	557,732,376
Dilution to existing shareholders as a result of the Placement under Listing Rule 7.1A capacity	1.6%

2. The Shares have been issued for cash. The Company's Board proposed that the shares be issued as a placement under Listing Rule 7.1A and not as a pro rata issue or other type of issue in which ordinary shareholders would have been able to participate as it was considered to be the quickest, most efficient and certain way to raise funds in the short term for funds in relation to the Company's continued development. BMG notes that in November 2018, the Company conducted a security purchase plan offer to eligible shareholders of shares and options on the same terms as the Placement.
3. The Placement was managed by Peak Asset Management Pty Ltd ACN 607 161 900, with fees charged on the terms set out in the Company's Prospectus announced to the ASX on 8 November 2018.

For further information, please see the Company's announcements on the ASX website (www.asx.com.au) or the Company's website (www.bmgl.com.au). Alternatively, please contact Security Transfer Australia on +61 8 9315 2333 or the Company on +61 8 9424 9320 from 9.00am to 5.00pm Perth time, Monday to Friday.

*****ENDS*****

For further information, shareholders and media please contact:

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