



ASX Announcement

NOTICE OF BREACH OF ASX LISTING RULE 10.11

On 16 April 2019, Sihayo Gold Limited (**ASX: SIH**) announced that it had closed the 1:4 non-renounceable rights issue ("**Rights Issue**") fully underwritten by Provident Minerals Pte Ltd ("**Provident**"). Under the Rights Issue, 68,649,377 shares were applied for leaving a shortfall amount of 394,484,873 shares. Shareholders were provided an opportunity to subscribe for additional shares under the shortfall offer under the Prospectus for the Rights Issue.

In the course of allocating the shortfall, 23,165,720 shares ("**Director Shortfall Shares**") were incorrectly issued to Mr Gavin Caudle, a director and related party of the Company. This has resulted in an unintentional and inadvertent breach of ASX Listing Rule 10.11 given that the Director Shortfall shares were issued without shareholder approval. The Director Shortfall Shares were issued at the same price of \$0.015 and on the same terms as the shares issued under the Rights Issue.

As a result of a delay in allocating the shortfall, 196,892,408 shares ("**Underwriter Shares**") were issued to Provident as underwriter more than 15 business days after the close of the Rights Issue as required by ASX Listing Rule 10.11. This is because Provident is considered a related party of the Company as confirmed in the Prospectus.

As a corrective measure, the Company intends to buy back the Director Shortfall Shares and Underwriter Shares (at the issue price of \$0.015) in accordance with the provisions of the *Corporations Act 2001* (Cth) for a selective reduction of capital. The Company will update the market regarding this process in the near term and will complete the buy back by no later than 30 August 2019. A holding lock has been placed on the Director Shortfall Shares and Underwriter Shares preventing their disposal. The Company regrets this oversight.

FURTHER INFORMATION

For further information, please contact:

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