



11 April 2018

Manager of Company Announcements
ASX Limited

By E-mail

Placement to raise A\$1.9 million

EHR Resources Limited (**the Company** or **EHX**) is pleased to announce that it has received applications for 21,111,111 fully paid ordinary shares in the Company at a price of \$0.09 per Share (**Placement Shares**) to raise approximately A\$1.90 million (before costs) through a placement to sophisticated and professional investors (**Placement**).

The Board of EHX intends to participate in the Placement and take up an aggregate amount of \$145,000 of the Placement (subject to shareholder approval).

Xcel Capital Pty Ltd acted as sole lead manager to the Placement and will be paid a 6% capital raising fee on funds raised, and a lead manager fee of \$45,000 (plus GST) on completion of the Offer in accordance with their mandate.

Funds raised under the Placement are primarily intended to be used to meet the Company's expenditure commitments in relation to the Stage 2 farm-in arrangements with Eoro Resources Limited at the La Victoria Gold Property in the North-Central Mineral Belt of Peru. In addition, the funds will be used to strengthen the Company's balance sheet, and for working capital.

The issue of the Placement Shares is not subject to shareholder approval as the issuance will fall within the Company's placement capacity pursuant to ASX Listing Rule 7.1 and 7.1A. The Company will issue approximately 10,555,587 Placement Shares under its Listing Rule 7.1A placement capacity, with the remaining Placement Shares to be issued under its Listing Rule 7.1 placement capacity.

The Company intends to call a General Meeting to seek shareholder approval for the Directors to participate in the Placement as soon as practicable.

This announcement effectively lifts the trading halt and the Company is not aware of any reason why ASX would not allow trading to recommence immediately.

For and on behalf of the Board

Sarah Smith
Company Secretary



About EHR Resources Limited

EHR is a mineral resources company which holds a 10% interest in the La Victoria Gold/Silver Project, located in the prolific North-Central Mineral Belt of Peru, and currently is earning a further 15% interest in the Project. The La Victoria Gold/Silver Project, owned and operated by Eoro Resources Limited (TSX-V: ELO), covers 89 square kilometres and is within 50 km of several large, low-cost producing gold mines including Yanacocha (Newmont Mining), La Arena (Tahoe Resources) and Laguna Norte (Barrick Gold). Infrastructure in the area is good with access to road, water, and electricity and the project is located at an altitude that ranges from 3,100m to 4,200m above sea level.

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