



Niuminco Group Limited

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SYDNEY NSW 2000

Niuminco Completes \$600,000 Placement to Advance Edie Creek Operations and Bolobip Drilling Campaign

The Board of Niuminco Group Limited (ASX: NIU) (the **Company** or **Niuminco**) is pleased to announce that it has resolved to complete a placement of its securities (**Placement**) to raise AUD\$600,000 to advance further development of its flagship Edie Creek Gold Mine and to strengthen the balance sheet ahead of completing the drilling program at Edie Creek Gold Mine and the upcoming drilling campaign at Bolobip.

The Placement will comprise the issue of 150,000,000 shares to sophisticated and professional investors at an issue price of \$0.004 per share, together with one free attaching option for every share subscribed for and issued under the Placement. The options will be quoted options exercisable at \$0.007 each on or before 31 January 2019.

Patersons Securities Limited is acting as lead manager to the Placement.

The issue of the new shares and options under the Placement will fall within the Company's placement capacities pursuant to ASX Listing Rule 7.1 and 7.1A.

The funds raised from the Placement will be allocated to further development at Niuminco's flagship Edie Creek Gold Mine in Papua New Guinea, including further drilling and expanding the Company's current processing infrastructure.

The Company has completed the first drill hole (of up to 10) at a depth of 219 metres as part of the deeper drilling program (up to 300m holes) into the Enterprise / Karuka diatreme and stock-work zone. This target provides a significant bulk tonnage potential for Niuminco in addition to the high-grade mining operations at the Enterprise and Karuka vein systems. Assay results are expected shortly.

Niuminco's Managing Director Tracey Lake commented: "We are very grateful for the support shown by Patersons and the investment community for the Company and our Papua New Guinea assets."

"We look forward to soon completing drilling on the Edie Creek stock work and diatreme zones and then moving a rig to Bolobip for a maiden drilling campaign at the exciting copper-gold porphyry target. Additionally, the funds raised will be used to strengthen the balance sheet ahead of anticipated improvements to mining production on the back of significant new infrastructure instalments at Edie Creek."

Material results will be communicated to the market as they occur.

In accordance with listing rule 3.10.5A in relation to shares issued under the company's 7.1A capacity details of the placement are:

Effect of Raising

The effect of the announced raising on the capital structure of the Company is set out below.

Shares

	Number	Dilution
Shares currently on issue	1,650,703,297	
Placement		
Shares to be issued under LR7.1 placement capacity	10,738,282	0.60%
Shares to be issued under LR7.1A placement capacity	139,261,718	7.73%
Total Shares on issue after completion of the Placement	1,800,703,297	8.33%

Options

Options Number	
Options issued pursuant to the Placement under LR7.1 placement capacity	150,000,000
Broker Options pursuant to the Placement and Share Purchase Plan Mandate under LR7.1 placement capacity	30,000,000
Total Options on issue after completion of the Placement	180,000,000

The Company completed a share purchase plan to existing shareholders in September 2016. The Board believe the benefits flowing from funds raised via this placement (to strengthen the balance sheet) under the time framework for a placement compared to a protracted pro-rata issue outweigh the inability of shareholders to participate. The additional funds will allow further development at Edie Creek and drilling at the Company's Edie Creek Gold Mine and Bolobip assets.

The issue is not underwritten and direct costs of the raising are 6% (plus GST) commission on funds raised under the Placement and 10 million options on the same terms as the Attaching Options.

Yours faithfully
NIUMINCO GROUP LIMITED



Mark Ohlsson
 Company Secretary