



PILBARA MINERALS
LIMITED
ACN 112-425-788

22 April 2016

ASX RELEASE

Secured Convertible Notes

Pilbara Minerals Limited (ASX:PLS) (“**Pilbara**” or the “**Company**”) is pleased to advise that today it has converted the final outstanding unlisted secured convertible notes on issue.

The Company issued two tranches of convertible notes in June and September 2015 with a combined face value of \$5,700,000, which were secured by registered mortgage over its Pilgangoora tenements. The notes had a term of 18 months from the dates of issue and all holders have now elected to convert these notes into ordinary shares in the Company.

Accordingly, Pilbara will now move to have the mortgage security over its tenements discharged. The Pilgangoora tenements will subsequently be available as possible security for future project financing of the development of its flagship Pilgangoora Lithium-Tantalum Project.

An Appendix 3B for the issue of the shares arising under the final note conversion is enclosed.

Alan Boys
Company Secretary
Pilbara Minerals Limited

Encl:

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Pilbara Minerals Limited

ABN

95 112 425 788

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|-----------------|
| 1 | +Class of +securities issued or to be issued | Ordinary Shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 118,856 |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes</p>
<p>5 Issue price or consideration</p>	<p>\$50,000 or \$0.420676 per share</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Conversion of 50,000 Convertible Notes with a face value of \$1.00 per note due to expire on 2 March 2017</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>30 November 2015</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>NA</p>
<p>6d Number of +securities issued with security holder approval under rule 7.1A</p>	<p>NA</p>
<p>6e Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)</p>	<p>118,856 ordinary shares arising from conversion of convertible notes, approved for issue at meeting of members held on 28 August 2015</p>

+ See chapter 19 for defined terms.

6f	Number of +securities issued under an exception in rule 7.2	Not applicable				
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	Not applicable				
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not applicable				
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	<table border="1" style="width: 100%;"> <tr> <td style="width: 10%;">7.1</td> <td style="text-align: right;">62,027,463</td> </tr> <tr> <td>7.1A</td> <td style="text-align: right;">8,059,535</td> </tr> </table>	7.1	62,027,463	7.1A	8,059,535
7.1	62,027,463					
7.1A	8,059,535					
7	<p>+Issue dates</p> <p><small>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</small></p> <p><small>Cross reference: item 33 of Appendix 3B.</small></p>	22 April 2016				
8	Number and +class of all +securities quoted on ASX (<i>including</i> the +securities in section 2 if applicable)	<table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 50%;">Number</th> <th style="width: 50%;">+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: right;">1,011,787,303</td> <td>Ordinary Fully Paid Shares</td> </tr> </tbody> </table>	Number	+Class	1,011,787,303	Ordinary Fully Paid Shares
Number	+Class					
1,011,787,303	Ordinary Fully Paid Shares					

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	5,966,665	Options with an exercise price of \$0.03 and an expiration date of March 25, 2017
	1,250,000	Options with an exercise price of \$0.05 and an expiration date of December 22, 2016
	11,666,667	Options with an exercise price of \$0.05 and an expiration date of 2 March 2017
	19,300,000	Options with an exercise price of \$0.10 with an expiration date of 22 March 2017.
	3,409,090	Options with an exercise price of \$0.15 and expiration date 1 December 2017.
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	NA	

+ See chapter 19 for defined terms.

Part 2 - Pro rata issue

- | | | |
|----|--|----|
| 11 | Is security holder approval required? | |
| 12 | Is the issue renounceable or non-renounceable? | |
| 13 | Ratio in which the +securities will be offered | |
| 14 | +Class of +securities to which the offer relates | |
| 15 | +Record date to determine entitlements | |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | |
| 17 | Policy for deciding entitlements in relation to fractions | |
| 18 | Names of countries in which the entity has security holders who will not be sent new offer documents

<small>Note: Security holders must be told how their entitlements are to be dealt with.
Cross reference: rule 7.7.</small> | NA |
| 19 | Closing date for receipt of acceptances or renunciations | |
| 20 | Names of any underwriters | |
| 21 | Amount of any underwriting fee or commission | |
| 22 | Names of any brokers to the issue | NA |
| 23 | Fee or commission payable to the broker to the issue | NA |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders | NA |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

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|----|---|----|
| 25 | If the issue is contingent on security holders' approval, the date of the meeting | NA |
| 26 | Date entitlement and acceptance form and offer documents will be sent to persons entitled | NA |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | NA |
| 28 | Date rights trading will begin (if applicable) | NA |
| 29 | Date rights trading will end (if applicable) | NA |
| 30 | How do security holders sell their entitlements <i>in full</i> through a broker? | NA |
| 31 | How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | NA |
| 32 | How do security holders dispose of their entitlements (except by sale through a broker)? | NA |
| 33 | +Issue date | NA |

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
(tick one)

(a) +Securities described in Part 1 (Ordinary Securities Only)

(b) All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

+ See chapter 19 for defined terms.

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

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39 +Class of +securities for which quotation is sought

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40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

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41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

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	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)		

+ See chapter 19 for defined terms.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.

 - There is no reason why those +securities should not be granted +quotation.

 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: Date: 22 April 2016
Company Secretary)

Print name: Alan Boys

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
<i>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</i>	
<i>Insert</i> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	618,521,897
<i>Add</i> the following: <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	19,579,721 227,397,823
<i>Subtract</i> the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
“A”	865,499,441

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	129,824,916
Multiply “A” by 0.15	
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	67,797,453 (Previous issues)
“C”	67,797,453
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	129,824,916
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	67,797,453
Total [“A” x 0.15] – “C”	62,027,463

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	865,499,441
Step 2: Calculate 10% of “A”	
“D”	86,549,944 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of ⁺ equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	78,490,409
“E”	78,490,409

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
<p>“A” x 0.10 <i>Note: number must be same as shown in Step 2</i></p>	86,549,944
<p>Subtract “E” <i>Note: number must be same as shown in Step 3</i></p>	78,490,409
<p>Total [“A” x 0.10] – “E”</p>	<p>8,059,535 <i>Note: this is the remaining placement capacity under rule 7.1A</i></p>

+ See chapter 19 for defined terms.