



ASX ANNOUNCEMENT

5 December 2016

HEXAGON SIGNS SALES AGREEMENT FOR SOUTH KOREAN GRAPHITE ASSETS TO BATTERY MINERAL RESOURCES

Hexagon Resources Limited (ASX: HXG, “the company” or “HXG”) is pleased to announce that it has signed a Share Sale Agreement (subject to finalising Due Diligence) for the sale of its subsidiary company which holds its South Korean assets to Battery Material Resources Limited (“BMR”).

The key terms of the deal are:

- **Payment of A\$700,000 (Cash Consideration) to HXG in cleared funds on the Completion Date**
- **Issue of 5 million fully paid ordinary shares (Share Consideration) in BMR to HXG on the Completion Date. The shares which will not be subject to any kind of escrow or restriction on dealing, except for the minimum restrictions imposed by the securities exchange, on which BMR seeks to list and on which quotation will be sought by BMR at the material time**
- **If BMR does not list within 15 months after completion, Hexagon has a put option to sell the BMR shares back to BMR for the higher of their market value at the time or \$500K plus a 10% per annum return compounded**
- **Each party gives the other warranties consistent with the nature of the transaction**

The Completion Date is expected to be around but not before 23 December 2016.

Hexagon’s CEO / Head of Operations, Tony Cormack commented, “This is a great deal for the company and its shareholders with the cash proceeds to go towards the advancement of the company’s flagship project at McIntosh. We are also retaining the potential upside with the development of the South Korean assets by Battery Material Resources. We have been impressed with the quality of the assets and people BMR have put together and look forward to the advancement of their projects”.



About Battery Mineral Resources Pty Ltd

Battery Mineral Resources Limited is an unlisted Australian public company focused on the acquisition, development and integration of minerals critical to the rechargeable battery market and energy storage sector. The company has assembled a diversified portfolio of advanced, quality cobalt, graphite and lithium projects close to end market consumers in Asia and North America. BMR are intending to IPO on the ASX in Q1 2017.

About Hexagon Resources Limited

Hexagon Resources Limited is an Australian based exploration company focusing on the delivery of exceptional high purity and highly crystalline flake graphite for use in new technologies.

The primary focus for Hexagon is the development of the McIntosh Flake Graphite Project in the East Kimberley, Western Australia. Mineralisation is hosted within a graphitic schist unit that extends through Hexagon's tenements which cover an area of 330 km². The tenements are logistically well placed and extend to the Great Northern Highway affording direct access to infrastructure and the port of Wyndham, 240km to the north. Within Australia, Hexagon also has exploration rights for tenements at Halls Creek and Mabel Downs in the East Kimberley targeting gold and base metal mineralisation.

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