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5th October 2010

Centralised Company Announcements Platform
Australian Stock Exchange
10th floor, 20 Bond Street
Sydney NSW 2000

APPENDIX 3B – RIGHTS ISSUE

Please find enclosed an Appendix 3B for the Rights Issue announced by Bathurst today.

For and on behalf of the Board of Bathurst Resources Ltd

A handwritten signature in black ink, appearing to read 'T Manners', written over a white rectangular area.

Tim Manners
Joint Company Secretary

For further information contact

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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 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

Bathurst Resources Limited

ABN

125 679 469

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 | Fully paid ordinary shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 113,893,946 fully paid ordinary shares pursuant to the Rights Issue as announced on 5 October 2010 |
| 3 | Principal terms of the +securities (eg, 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) | Fully paid ordinary shares |

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4	<p>Do the ⁺securities rank equally in all respects from the date of allotment 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. The fully paid ordinary shares issued under the Rights Issue will rank equally with the existing fully paid ordinary shares from the date of allotment.</p>						
5	Issue price or consideration	30 cents						
6	<p>Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Non-renounceable rights issue of 1 share for every 2 shares held as at the Record Date.</p>						
7	<p>Dates of entering ⁺securities into uncertificated holdings or despatch of certificates</p>	11 November 2010						
8	<p>Number and ⁺class of all ⁺securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; padding: 2px;">Number</th> <th style="text-align: left; padding: 2px;">⁺Class</th> </tr> </thead> <tbody> <tr> <td style="padding: 2px;">341,681,838</td> <td style="padding: 2px;">Fully paid ordinary shares</td> </tr> <tr> <td style="padding: 2px;">4,256,169</td> <td style="padding: 2px;">Options exercisable at 25 cents expiring 31 December 2010</td> </tr> </tbody> </table>	Number	⁺ Class	341,681,838	Fully paid ordinary shares	4,256,169	Options exercisable at 25 cents expiring 31 December 2010
Number	⁺ Class							
341,681,838	Fully paid ordinary shares							
4,256,169	Options exercisable at 25 cents expiring 31 December 2010							

9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)

Number	+Class
4,596,939	Options exercisable at 25 cents each expiring 31 December 2010.
1,000,000	Facilitation options exercisable at 25 cents each expiring 12 September 2011
2,400,000	Director options exercisable at 42 cents each expiring 1 September 2011. Options vest after 12 months with various performance hurdles applying to exercise.
250,000	Options exercisable at 35 cents each expiring 31 October 2011.
500,000	Options exercisable at 42 cents each expiring 31 October 2011. 60 cents share price hurdle applying to exercise.
500,000	Options exercisable at 42 cents each expiring 31 October 2012. Options vest on 31 October 2010 with 80 cents share price hurdle applying to exercise.
500,000	Options exercisable at 42 cents each expiring 31 October 2013. Options vest on 31 October 2011 with \$1.00 share price applying to exercise.
4,000,000	Options exercisable at 10 cents each expiring 30 June 2012.
5,000,000	Options exercisable at 15.5 cents each expiring 16 June 2013.

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9,500,000	Options exercisable at 15 cents each expiring 30 September 2013.
11,000,000	Options exercisable at 15 cents each expiring 30 June 2013.

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) There is currently no intention to pay dividends.

Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required? No

12 Is the issue renounceable or non-renounceable? Non-renounceable

13 Ratio in which the +securities will be offered 1 new share for every 2 existing shares held as at the Record Date.

14 +Class of +securities to which the offer relates Fully paid ordinary shares

15 +Record date to determine entitlements 5.00 pm WST on 18 October 2010

16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? No

17 Policy for deciding entitlements in relation to fractions Round up to nearest whole share.

18 Names of countries in which the entity has +security holders who will not be sent new issue documents All countries except Australia and New Zealand.

Note: Security holders must be told how their entitlements are to be dealt with.
Cross reference: rule 7.7.

19 Closing date for receipt of acceptances or renunciations 5 November 2010

20 Names of any underwriters Not applicable

21 Amount of any underwriting fee or commission Not applicable

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22	Names of any brokers to the issue	Helmsec Global Capital Limited
23	Fee or commission payable to the broker to the issue	<ul style="list-style-type: none"> • A rights issue fee equal to 5% of the amount raised under the rights issue; • A rights issue stamping fee equal to 1% (up to a maximum of A\$1,000 per application) of the amount subscribed under the rights issue pursuant to valid applications that bear the Helmsec stamp, or which have been procured by Helmsec from existing Shareholders, or for which Helmsec has received or signed commitments to take up entitlements under the Rights Issue or Shortfall; • A shortfall fee equal to 5% of the amount raised under the Shortfall offer; • Options equal to 4% of the number of shares issued under the Rights Issue with an exercise price of A\$0.36 and term of 3 years from grant.
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	1% (up to a maximum of A\$1,000 per application)
25	If the issue is contingent on +security holders' approval, the date of the meeting	Not applicable
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	Prospectus to be sent to persons entitled on 21 October 2010
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	5 October 2010
28	Date rights trading will begin (if applicable)	Not applicable
29	Date rights trading will end (if applicable)	Not applicable
30	How do +security holders sell their	Not applicable

+ See chapter 19 for defined terms.
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	entitlements <i>in full</i> through a broker?	
31	How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not applicable
32	How do ⁺ security holders dispose of their entitlements (except by sale through a broker)?	Not applicable
33	⁺ Despatch date	11 November 2010

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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

(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)

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

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

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40 Do the +securities rank equally in all respects from the date of allotment 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

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)

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

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

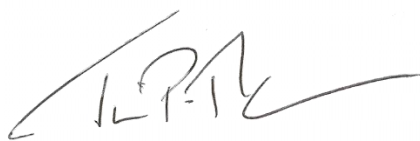
- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided 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 not available now, 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: 5 October 2010



Print name: Tim Manners, Joint Company Secretary

+ See chapter 19 for defined terms.

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