

## ASX ANNOUNCEMENT

4 October 2017

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### Placement and Fully Underwritten Rights Issue to raise \$492,000

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- **Private placement to raise \$100,000**
- **Fully underwritten 1 for 4 pro-rata rights issue to raise \$392,000**
- **Net proceeds will be used to source a new high-calibre resource project**

Winmar Resources Ltd (ASX: WFE) (**Winmar**) is pleased to announce that it intends to raise \$492,000 by way of a private placement and a fully underwritten rights issue.

The new capital will enable Winmar to advance its current search for a new high calibre mineral project while the Lomero project in Spain remains within an administration process.

Winmar Managing Director Rod Sainty commented: “Winmar is searching vigorously for a new resource project to which we can bring value for our shareholders. We are considering quality opportunities in gold, copper and zinc together with the new energy metals lithium and cobalt, and discussions have advanced with a number of vendors. We recently placed two offers on an exciting cobalt project that would have brought our shareholders immediate value but we were out-bid. The new capital will enable us to continue the search and be more competitive in future negotiations”.

#### Placement

Firm commitments have been received from professional and sophisticated investors for a placement to raise \$100,000 (**the Placement**). The Placement will be made pursuant to the Company’s placement capacity under ASX Listing Rule 7.1.

An initial tranche of 68,750,000 shares will be issued at a price of 0.08 cents per share to raise \$55,000. Funds for this tranche have already been received by the Company. A second tranche of 45,000,000 shares will be issued at a price of 0.1 cents per share to raise \$45,000. Funds for this second tranche are expected to be received early next week.

## **Rights Issue**

Once the Placement is complete, the Company will launch a fully underwritten non-renounceable pro-rata rights issue (**the Rights Issue**) to existing shareholders at a price of 0.1 cents per share. The Rights Issue will offer eligible Winmar shareholders the opportunity to apply for 1 new ordinary share (**New Share**) for every 4 existing ordinary shares held, and will raise approximately \$392,000. The Rights Issue has been fully underwritten by Sixty Two Capital Pty Ltd.

Further information will be provided to the market in an Offer Document which is expected to be lodged with ASIC and released to the ASX in the coming days.

Winmar Managing Director Rod Sainty added: “The pause in our work at Lomero has given us the opportunity to put in place some cost-cutting initiatives, such as an office relocation that brought a significant reduction in rent. We are mindful of the need to make effective use of shareholder’s funds and will continue to look for ways to deliver value.”

Mr Rod Sainty

**Managing Director**

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