

ASX Announcement

05 February 2018



Level 1, 135 Fullarton Road
Rose Park, SA 5067
Australia

Telephone +61 (0) 8 8364 3188
Facsimile +61 (0) 8 8364 4288

info@pnxmetals.com.au
www.pnxmetals.com.au

Notice of Receipt of ASX Waiver

PNX Metals Limited (**ASX: PNX**) advises that it has received a waiver from the ASX allowing the Company a 2 month extension to issue 80 million shares to Marilei International Limited (**Marilei**), under an agreement to settle a loan that was announced to the ASX on 7 September 2017.

The background to the transaction, requirement for the waiver, and conditions of the waiver are outlined below.

Background

- Listing Rule 14.7 specifies that if an ASX participant “states in a notice of meeting that it will do something that the listing rules require it to do, the entity must do that thing. If the thing is to be done by another person, the entity must take all reasonable steps to ensure that the other person does it”.
- At PNX’s 25 October 2017 AGM, shareholders approved the issue of 80,000,000 shares to Marilei in order to convert and settle a \$1.2 million loan. The terms of the resolution stated that the shares would be issued ‘no later than 3 months after the Meeting’, being 25 January 2018. This timeframe was in accordance with ASX Listing Rule 7.3.2.
- PNX has not yet issued the shares to settle the loan, as under the *Foreign Acquisition and Takeovers Act 1975 (Cth)*, Marilei requires the approval of Australia’s Foreign Investment Review Board (FIRB) before it can acquire these shares.
- An application to FIRB was made by Marilei in January 2018 and a response from FIRB is expected by mid-March (at the latest).
- As it was clear PNX would not be able to issue the shares by 25 January 2018, a waiver was sought from the ASX to provide an extension to the timeframe to issue the shares, which has now been granted.

Conditions of Waiver

- The shares are to be issued within 3 days of receipt of approval from FIRB, and in any event no later than 25 March 2018, and on the same terms and conditions as approved by shareholders at the AGM.
- The terms of the waiver are released immediately to the market.
- The waiver is only effective if the conditions of the waiver are complied with, and the ASX may vary or revoke the waiver at any time.

Tim Moran

Company Secretary

Telephone: +61 (0) 8 8364 3188