



**Factor signs Share Purchase Agreement to acquire PowerLime, Inc.  
Company to seek reinstatement to Official Quotation on ASX and raise up to A\$4M  
Change of company name to Dominion Minerals Limited**

**Brisbane (Australia) 26 July 2021:** Factor Therapeutics Limited (ASX:FTT) (“FTT” or “Company”) is pleased to provide an update on the Company’s proposed acquisition of PowerLime, Inc. (“PowerLime”) and re-listing on the ASX.

In March 2021, Factor commenced negotiations with PowerLime, Inc. (**PowerLime**), a company associated with the Apollo Group (**Apollo**). Apollo is an investment and management group with more than 20 years of success in the natural resources sector.

PowerLime holds an option under an Option Agreement to acquire a land parcel located in Early County, south Georgia, USA to explore and develop an advanced high calcium limestone project (**PowerLime Option Agreement**).

On 20 April 2021, the Company announced that it had entered into a non-binding term sheet with PowerLime. Factor has now entered into a conditional Share Purchase Agreement (**SPA**) with PowerLime and the PowerLime shareholders, to acquire all issued shares in PowerLime (**Transaction**). The Transaction will result in a significant change in the nature and scale of the Company’s activities, away from life sciences and into the resources sector. In accordance with Listing Rule 11.1.2, Shareholder approval of this significant change will be required. The SPA is conditional upon the Company obtaining such approval.

Following financial close of the Transaction, the Company will seek reinstatement to official quotation of the Company’s shares on the ASX (**Official Quotation**) and will undertake a A\$4M capital raise at an offer price of A\$0.004 (on a pre-Consolidation basis) under a Prospectus (**Offer**). In accordance with Listing Rule 11.1.3, the Company will be required to re-comply with Chapters 1 and 2 of the Listing Rules, to ASX’s satisfaction.

The Company is preparing a Notice of Extraordinary General Meeting and Explanatory Memorandum which sets out the Shareholder Resolutions necessary to complete the Transaction, seek Official Quotation on ASX and undertake the Offer (**EGM NoM**). It is anticipated the EGM NoM will be lodged with ASX and distributed to Shareholders in the near term.

An indicative timetable to complete the Transaction, seek Official Quotation and undertake the Offer is detailed below.

### **Summary of the Transaction**

#### Consideration

- Factor proposes to issue 187,500,000 shares to PowerLime’s shareholders (**PowerLime Shareholders**) at A\$0.004 per share (on a pre-Consolidation basis) representing an acquisition value of A\$750,000.



- In addition Factor will issue 62,500,000 options to PowerLime shareholders and 46,875,000 options to the management team. The options will be exercisable at \$0.012 per option (on a pre-Consolidation basis) and have a four year term.
- In accordance with Appendix 9B, securities issued as consideration for the Transaction will be subject to a mandatory restriction period of 24 months.

#### Second Option Payment

- Under the PowerLime Option Agreement, a second option payment is payable by on or before 31 July 2021 in order to purchase the real property located in south Georgia, USA. In accordance with the SPA, Factor will advance US\$150,000 for the second option payment.
- In the event the SPA is terminated prior to financial close of the Transaction, and such termination is not a result of Factor materially breaching the SPA, or failing to obtain Shareholder approval to effect the Transaction, PowerLime must repay the second option payment amount to Factor, or the PowerLime Shareholders will otherwise be required to transfer ownership of their PowerLime shares to Factor.

#### Conditions

- Closing of the Transaction is conditional upon various conditions precedent being satisfied or waived, including but not limited to:
  - o PowerLime paying the second option payment under the Option Agreement to the current landholder (following receipt of that amount from Factor), and negotiating the terms of purchase for the land;
  - o Factor having obtained all required Shareholder approvals to the Transaction;
  - o Factor and PowerLime completing satisfactory due diligence investigations; and
  - o Factor granting the PowerLime Shareholders the right to nominate two representative directors to Factor, upon Official Quotation.

#### **Factor to raise up to A\$4M – priority allocation for existing Factor shareholders**

The Company is seeking to raise A\$4M by issuing up to 1,000,000,000 shares at an offer price of A\$0.004 (on a pre-Consolidation basis) from existing and new Shareholders. The Offer will be conducted under a Prospectus to be prepared by the Company. Taylor Collison has been appointed as Lead Manager for the Offer.

Taylor Collison will be entitled to raise up to A\$2.4M under the Offer, of which the Company's existing Shareholders will have a priority allocation of up to A\$0.8M (i.e. up to 200,000,000 shares on a pre-Consolidation basis).

Existing PowerLime Shareholders (or their nominees) will be entitled to subscribe for up to A\$1.6M (i.e. up to 400,000,000 shares on a pre-Consolidation basis).

The Company has agreed to pay Taylor Collison a management fee of 2% of the total amount raised under the Offer and a capital raising fee of 4% of the total amount raised less the A\$1.6M raised from Existing PowerLime Shareholders noted above. The Company has also agreed to issue Taylor Collison



options to purchase 50,000,000 Shares in the Company (on a pre-Consolidation basis). The Options will be exercisable at \$0.012 per Option and have a three year term.

The purpose of the capital raise is to raise working capital and to satisfy ASX re-compliance requirements. Capital raised will be applied towards the ongoing exploration and development of the high calcium limestone on the land subject to the Option Agreement, and to working capital needs of the Company.

### **ASX Waivers**

ASX has confirmed to the Company that, subject to certain conditions being satisfied, ASX has granted Factor a waiver from compliance with Listing Rule 2.1, Condition 2 to the extent necessary to permit the Company to issue Shares at an issue price of less than \$0.20 per Share in connection with the Transaction and the Offer.

ASX has also granted to Factor a waiver from compliance with Listing Rule 1.1 Condition 12 to permit the Company to issue options with an exercise price of less than \$0.20 in connection with the Transaction and the Offer.

### **Changes to the Board**

As soon as practicable after the Company's readmission to ASX the Board intends to appoint Mr Dominic Allen as an Executive Director, and Mr Anastasios Arima as a Non-Executive Director, of the Company. Mr John Michailidis and Ms Melanie Farris will retire from the Board upon the Company's readmission to ASX.

Mr. Allen is a finance professional with over 15 years experience in the management and operations of natural resources organisations. Mr. Allen is currently Head of Corporate Development for Hyperion Metals (ASX:HYM), focused on the development of the Titan heavy mineral sand project and associated titanium metal technologies in Tennessee, USA, having previously held senior roles with major resource organisations Rio Tinto Limited and Oyu Tolgoi LLC. Mr. Allen commenced his career in the corporate finance team of international accounting firm Ernst & Young, holds a Bachelor of Commerce and a Bachelor of Science (Hons) from the University of Western Australia and is a qualified Chartered Accountant (CA ANZ).

Mr. Arima is a resource company executive with a strong history of identifying company-making resource projects. He was the founder of Piedmont Lithium (Nasdaq:PLL) and was instrumental in identifying and securing the Piedmont Lithium Project in North Carolina, USA. Mr. Arima is the founder and Managing Director of Hyperion Metals (ASX:HYM), focused on the development of the Titan heavy mineral sand project and associated titanium metal technologies in Tennessee, USA. He has extensive experience in the formation and development of energy and resource projects in North America and Europe. He attended the University of Western Australia where he earned a Bachelor of Commerce whilst studying for a Bachelor of Engineering.

### **Change to Company name**

As a result of the Transaction, the Company proposes to change its name to 'Dominion Minerals Limited' and its ASX code to 'DML'.

## Impact on the Company's Capital Structure

If all required Shareholder approvals are passed at the Extraordinary General Meeting, and the Company successfully issues Shares to PowerLime Shareholders under the SPA, closes the Transaction and completes the Offer, the overall ownership structure of the Company will be as follows:

Shareholder	Number of Shares	Percentage Interest
All existing Shareholders of Factor	1,042,835,633	47%
Shareholders of PowerLime	187,500,000	8%
Shareholders of PowerLime participating under the Offer	400,000,000	18%
Other Participants under the Offer	600,000,000	27%
Total	2,230,335,633	100%

Notes to the Table:

- i. Shares are shown in this table on a pre-Consolidation basis.
- ii. Shares under the Offer will be issued after the Consolidation, which equates to 100,000,000 Shares on a post-Consolidation basis. Consolidation will not affect the percentage interest of Shareholders

## Indicative Timetable

An indicative timetable for completion of the Transaction is outlined below. Factor reserves the right to vary these dates in consultation with ASX and subject to the requirements of ASX Listing Rules. Commencement of trading is subject to Factor meeting all of the requirements for re-admission and re-quotations set out in Chapters 1 and 2 of the Listing Rules to ASX's satisfaction and ASX, at its absolute discretion, granting approval to readmit Factor to the official list.

Events	Date
Notice of Meeting lodged with ASX and despatched to Shareholders	Monday, 4 August 2021
Extraordinary General Meeting	Friday, 3 September 2021
Consolidation to take effect	Tuesday, 7 September 2021
Issue of Shares under Share Purchase Agreement	Wednesday, 8 September 2021
Offer open	Monday 6 September 2021
Offer close	Monday 20 September 2020
Allotment of shares under Offer	Monday 27 September 2021
Despatch of holding statements	Tuesday 28 September 2021
Trade commences *	Friday 1 October 2021



### **About PowerLime, Inc.**

PowerLime, Inc. was incorporated in 2019 in the state of North Carolina, United States. The Company was established with the purpose of acquiring potential industrial mineral projects in the United States. On 26 October 2019 PowerLime entered into a memorandum of the Option Agreement to purchase certain real property located in Early County, south Georgia (**Property**). The Property is considered prospective for the development of an advance high calcium limestone project.

The Option Agreement grants PowerLime the right to acquire the Property for the sum of US\$1,500,000 in exchange for the grant to the optionor of a production royalty on the mineral rights to the Property, which is payable on the production of ore sold from the Property on the basis of 3.00% on the sale price of the ore at the free on-board price at the gate of the Property.

PowerLime has undertaken significant field work on the Property, including the drilling of exploration holes and the digging of test pits to test for chemical and physical analysis of limestone and other calcium-oxide materials. Almost all samples from the drilling and test pits tested greater than 95% calcium-carbonate. Initial geochemical analysis results suggest that the limestone contained on the Property may have the potential to be processed into Ag-Lime, quicklime and hydrated lime.

This announcement has been authorised for release by the Board of Factor Therapeutics Limited.