

**ASX:SQX**

**16 February 2023**

## **PRE-QUOTATION DISCLOSURE**

### *Initial Public Offering of SQX Resources Limited*

The following information is required to be provided to ASX Limited (**ASX**) for release to the market in connection with the admission to the official list and official quotation of the fully paid ordinary shares in SQX Resources Limited (**Company**). Unless otherwise defined, capitalised terms used in this notice have the meaning given to them in the Company's prospectus dated 30 November 2022 (**Prospectus**).

#### **1. Change of Name**

The Company's shareholders approved the change of the Company's name to SQX RESOURCES LIMITED on 23 December 2022.

#### **2. Completion of the Offer**

The Company confirms close of the offer under the prospectus dated 30 November 2022 (the 'Prospectus') and completion of:

- i. the issue of 25,000,000 ordinary fully paid shares at an issue price of \$0.20 per share; and
- ii. the issue of 12,500,000 free attaching options with an exercise price of \$0.30 and expiring 3 years from the date of issue

#### **3. Escrow Arrangements**

##### **a) Restricted Securities for 24 months from the date of official quotation**

The Company confirms that the following securities will not be quoted and will be classified as restricted securities for a period of 24 months from the date of official quotation of the securities of the Company:

- i. 6,250,000 fully paid ordinary shares;
- ii. 1,124,997 Class A Performance Rights;
- iii. 3,125,000 Existing Options;
- iv. 3,335,478 Lead Manager Options; and
- v. 3,350,000 Director and Management Options.

##### **b) Summary of escrow**

The amount of escrow, as a proportion of total share capital of the Company, is set out below:

	<b>Number of Shares</b>	<b>% Share Capital</b>
<b>Mandatory Escrow</b>	6,250,000	20.0%
<b>Free Trading</b>	25,000,000	80.0%

<b>Total</b>	<b>31,250,000</b>	<b>100.0%</b>
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#### **4. Issue of securities**

The Company confirms that the following unquoted securities have now been issued:

- i. 2,000,000 options to the Chair and CEO exercisable at \$0.00 and expiring 10 February 2025 (being 24 months from the date of issue);
- ii. 1,350,000 options to Directors and management exercisable at \$0.30 and expiring 10 February 2025 (being 24 months from the date of issue);
- iii. 3,335,478 options to the lead manager exercisable at \$0.30 and expiring 10 February 2026 (being 36 months from the date of issue);
- iv. 12,500,000 loyalty options exercisable at \$0.30 and expiring 10 February 2026 (being 36 months from the date of issue);
- v. 1,124,997 performance rights to the Directors and CEO and expiring 10 February 2028 (being 5 years from the date of issue); and
- vi. 3,125,000 options to existing shareholders exercisable at \$0.30 and expiring 16 February 2026 (36 months from the date of admission of the Company to the Official List of ASX).

#### **5. Capital Structure**

At the date of Admission, the capital structure of the Company is set out below:

<b>Security</b>	<b>Number of Securities</b>
Fully paid ordinary shares	31,250,000
Options <sup>1</sup>	22,310,478
Performance Rights <sup>2</sup>	1,124,997

<sup>1</sup> Comprised of the Loyalty Options, Existing Options, Director and Management Options and the Lead Manager Options. <sup>2</sup> Class A Performance Rights

#### **6. Compliance with Listing Rule 1.3.2(b)**

The Company confirms that there are no legal, regulatory or contractual impediments to the Company entering and carrying out exploration activities on its granted tenements such that the Company will be able to spend its cash in accordance with its commitments for the purposes of Listing Rule 1.3.2(b)

#### **7. Ollenburgs Acquisition Agreement**

The Company confirms satisfaction of conditions precedent and completion of the share sale agreement between SQX and Mining Projects Accelerator Pty Ltd dated 2 August 2022.

#### **8. Seed Loans**

The Company confirms the Seed Loan Agreements have now been repaid from the proceeds of the Offer in accordance with their terms.

## **9. Waiver**

ASX Limited ('ASX') granted the Company a waiver from Listing Rule 1.1 Condition 12 to the extent necessary to permit the Company to have on issue up to 2,000,000 options ('Options') and 1,124,997 performance rights ('Performance Rights') with an exercise price of less than \$0.20 on the condition that the material terms and conditions of the Options and Performance Rights are clearly disclosed in the Company's initial public offering Prospectus.

The Company must make an announcement immediately upon the satisfaction of any milestones, upon the conversion of any of the Performance Rights and Options and the expiry of any of the Performance Rights and Options.

The terms and conditions of the Performance Rights and Options, including without limitation, the relevant milestones that have to be satisfied before each Performance Right or Option is converted into an ordinary share, are not to be changed without the prior approval of ASX and the Company's shareholders.

Upon conversion of the Performance Rights and Options into ordinary shares, the Company will apply to the ASX for quotation of the shares within the requisite time period.

The Company will disclose the following in each annual report and half-yearly report issued by the Company in respect of any period during which any of the Performance Rights and Options remain on issue or were converted or cancelled:

- i. The number of Performance Rights and Options on issue during the relevant period;
- ii. A summary of the terms and conditions of the Performance Rights and Options, including without limitation the number of ordinary shares into which they are convertible and the relevant milestones;
- iii. Whether any of the Performance Rights and Options were converted or cancelled during that period; and
- iv. Whether any milestones were met during the period.

This announcement has been approved and authorised to be released to the ASX by the Board of Directors of SQX Resources Limited.

**– ENDS –**

**For further information please contact:**

**SQX Resources Limited**

Mark Purcell

Chief Executive Officer

E: [info@sqxresources.com](mailto:info@sqxresources.com)

Additional information is available at [sqxresources.com](http://sqxresources.com).



**About SQX Resources Limited (SQX)**

SQX is a modern mineral exploration company dedicated to delivering shareholder value by building a portfolio of exploration, development, and operating assets. Its current focus is on gold and copper mineralisation at the Ollenburgs and Scrub Paddock prospects, located in the underexplored Esk Basin in southeast Queensland near major regional infrastructure and population centres. Both prospects feature known mineralisation and historical mine workings.

**Scrub Paddock**

Identified as a potential gold-copper porphyry, the Scrub Paddock Prospect features more than 20 historical mine workings with surface mineralisation extending across a ~2km strike length. Soil sampling and drilling have already confirmed gold and copper mineralisation; the extent of this mineralisation, both along the strike of the surface anomaly and also the depth, is unknown. The Company intends to drill its high priority targets shortly after listing, with the aim of defining an economic mineral resource.

**Ollenburgs**

The Ollenburgs Prospect hosts potential for a copper-gold porphyry and features several copper / gold / silver historical mine workings, an anomaly visible on aeromagnetic mapping and a surface soil and rock-chip anomaly, all within a ~300x50m area. No historical drilling has occurred at the Prospect. The Company intends to expand soil sampling, undertake IP surveying and, if justified, follow up with exploration drilling.