

ASX: **POL**

ASX Announcement

**4 June 2024**

## **\$6.2M EQUITY CAPITAL RAISE**

*Firm commitments to fund Australia's next Silver and Zinc producer.*

Polymetals Resources Ltd (ASX: **POL**) (**Polymetals** or the **Company**) has received firm commitments for a placement to raise \$6.2 million (before issue costs) by issuing 22 million New Shares (the "**Placement**") at \$0.28 per new fully paid ordinary share.

### **HIGHLIGHTS**

- **Single tranche Placement of 22 million shares raising \$6.2 million.**
- **Metals Acquisition Limited (ASX:MAC) has committed to participate in the Placement to maintain its current 4.3% shareholding.**
- **POL is now well-funded with pro forma cash position of ~\$8.7 million, following this equity raising and recent cash receipt of \$2.5 million from MAC. MAC has also committed to a further \$2.5 million conditional equity payment; and**
- **Funds will be applied to complete geotechnical drilling, the Endeavor Mine Restart optimisation, further exploration and commencement of refurbishment activities.**

### **EQUITY PLACEMENT**

The Placement was strongly supported by existing and new domestic and offshore sophisticated, professional and institutional investors. This includes support from MAC, who recently announced their strategic investment in Polymetals. The Company is particularly pleased to have welcomed a number of new, specialist resource investors to the register.

In addition to the Placement, \$1.4 million of unsecured loan facility provided by Executive Chairman, Mr David Sproule, will separately be converted into equity at the Offer Price of \$0.28 per New Share, subject to shareholder approval.

### **Polymetals Executive Chairman Dave Sproule said:**

*"We are very pleased with the interest received and welcome our new shareholders to Polymetals."*

*This equity raising has strengthened both our balance sheet and share register at an exciting time for the Company and its Endeavor Mine strategy.*

*Polymetals is now well funded to undertake geotechnical drilling to assess use of lower cost mining methods for silver-rich ore early in the mine life, finalise optimisation of the Endeavor Mine Restart, start refurbishment activities and carry out exploration drilling at its near-mine prospects, such as Carpark and near-mine copper targets”.*

## **PLACEMENT DETAILS**

The Company will issue 22 million New Shares at an issue price of \$0.28 per New Share to raise \$6,160,000 (before issue costs). The New Shares will be issued in a single tranche.

The New Shares will be issued under the Company's existing capacity pursuant to ASX Listing Rule 7.1 and 7.1A.

Further, existing shareholder SPARTA AG has committed to subscribe for an additional 2 million POL shares at \$0.28 per share to be issued as a conditional placement, subject to Polymetals shareholder approval.

The Offer Price of \$0.28 represents:

- a 20.0% discount to the price at which MAC has made its initial strategic investment into the Company of \$0.35 per share;
- a 17.6% discount to the 1-Month trading price of \$0.34 per share; and
- a 10.4% discount to the 3-Month trading price of \$0.31 per share.

Blue Ocean Equities Pty Ltd acted as Sole Lead Manager and Bookrunner to the transaction and will receive 6% fee on gross proceeds.

**<ENDS>**

**This announcement was authorised for release by Polymetals Resources board.**

*For further information, please contact:*

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#### **ABOUT POLYMETALS**

Polymetals Resources Ltd (**ASX: POL**) is a mining and metals company developing & producing commodities like silver and zinc. Polymetals owns and operates the high-grade underground Endeavor silver zinc mine (+copper & gold). Endeavor is located within Australia's premier polymetallic mineral province the Cobar Basin, New South Wales Australia. Polymetals is seeking to become a long term, consistent and profitable base and precious metal producer holding a strong exploration portfolio for organic growth, and continually measure strategic acquisition opportunities. For more information visit [www.polymetals.com](http://www.polymetals.com)

#### **FORWARD LOOKING STATEMENTS**

Certain statements in this document are or maybe "forward-looking statements" and represent Polymetals' intentions, projections, expectations or beliefs concerning among other things, future exploration activities. The projections, estimates and beliefs contained in such forward-looking statements necessarily involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Polymetals, and which may cause Polymetals' actual performance in future periods to differ materially from any express or implied estimates or projections. Nothing in this document is a promise or representation as to the future. Statements or assumptions in this document as to future matters may prove to be incorrect and differences may be material. Polymetals does not make any representation or warranty as to the accuracy of such statements or assumptions.