



## Announcement Summary

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**Entity name**

ESSENTIAL METALS LIMITED

**Announcement Type**

New announcement

**Date of this announcement**

Wednesday November 18, 2020

**The Proposed issue is:**

☒ A placement or other type of issue

**Total number of +securities proposed to be issued for a placement or other type of issue**

| ASX +security code | +Security description   | Maximum Number of +securities to be issued |
|--------------------|---|--|
| n/a                | Option with an exercise price of \$0.15 and an expiry date of 30/11/2022. | 12,051,639                                 |
| ESS                | ORDINARY FULLY PAID   | 24,103,288                                 |

**Proposed +issue date**

Monday November 23, 2020

Refer to next page for full details of the announcement



## Part 1 - Entity and announcement details

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### 1.1 Name of +Entity

ESSENTIAL METALS LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

### 1.2 Registered Number Type

ABN

### Registration Number

44103423981

### 1.3 ASX issuer code

ESS

### 1.4 The announcement is

☒ New announcement

### 1.5 Date of this announcement

Wednesday November 18, 2020

### 1.6 The Proposed issue is:

☒ A placement or other type of issue



## Part 7 - Details of proposed placement or other issue

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### Part 7A - Conditions

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#### 7A.1 - Are any of the following approvals required for the placement or other type of issue?

- +Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity

☒ No

### Part 7B - Issue details

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Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

☒ No

#### Details of +securities proposed to be issued

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##### ASX +security code and description

ESS : ORDINARY FULLY PAID

##### Number of +securities proposed to be issued

24,103,288

##### Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

☒ Yes

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.08500

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

☒ Yes



Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ New class

Will the proposed issue of this +security include an offer of attaching +securities?

☒ No

Details of +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

☒ No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

☒ No

ASX +security code

New class-code to be confirmed

+Security description

Option with an exercise price of \$0.15 and an expiry date of 30/11/2022.

+Security type

Options

Number of +securities proposed to be issued

12,051,639

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

☒ No

Please describe the consideration being provided for the +securities

Subscribers in the Placement will receive 1 free Option for each 2 Shares subscribed and issued.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

Will all the +securities issued in this class rank equally in all respects from their issue date?

☒ Yes

Options details

**+Security currency**

AUD - Australian Dollar

**Exercise price**

AUD 0.1500

**Expiry date**

Wednesday November 30, 2022

**Details of the type of +security that will be issued if the option is exercised**

ESS : ORDINARY FULLY PAID

**Number of securities that will be issued if the option is exercised**

1

**Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.**

Refer to Placement announcement dated 18 November 2020

## Part 7C - Timetable

**7C.1 Proposed +issue date**

Monday November 23, 2020

## Part 7D - Listing Rule requirements

**7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?**☒ No**7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?**☒ Yes**7D.1b ( i ) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?**

10,579,824 Shares

12,051,639 Options

**7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?**☒ Yes**7D.1c ( i ) How many +securities are proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?**

13,523,464 Shares

**7D.1c ( ii ) Please explain why the entity has chosen to do a placement rather than a +pro rata issue or an offer under a +security purchase plan in which existing ordinary +security holders would have been eligible to participate**

A Share Purchase Plan will be offered on the same terms.

**7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?**☒ No



**7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?**

☒ No

**7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?**

☒ No

#### Part 7E - Fees and expenses

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**7E.1 Will there be a lead manager or broker to the proposed issue?**

☒ No

**7E.2 Is the proposed issue to be underwritten?**

☒ No

**7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue**

6-7% in fees.

#### Part 7F - Further Information

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**7F.01 The purpose(s) for which the entity is issuing the securities**

Exploration activities at:

- two gold projects; Juglah Dome and Golden Ridge
  - Dome North Lithium Project and Sinclair Caesium Mine
- and additional working capital for the Company.

**7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?**

☒ No

**7F.2 Any other information the entity wishes to provide about the proposed issue**