

21 December 2020

ASX Release

ASX Code: CXX

CRADLE AND TREMONT TRANSACTION COMPLETES

Cradle Resources Limited ("Cradle") advises that the previously announced transaction between Cradle and Tremont Investments Limited ("Tremont") in connection with the Panda Hill Niobium Project has completed.

Following completion:

- Cradle has bought back and cancelled ~36.9 million shares held by Tremont. Cradle now has 152,748,622 ordinary shares on issue.
- PHT will be owned by Tremont 63.2% and Cradle 37.2%.
- Tremont will fund all ongoing financial requirements of PHT and the Panda Hill Project until the development costs of the Panda Hill Project are raised.
- Under the shareholder agreement, PHT may only undertake a development capital raising for the Panda Hill Project by a combination of bank debt and the issue of new ordinary shares at US\$1.00 minimum or such greater price as third parties participate.
- Cradle holds 19,086,345 shares in PHT and the right to a further 490,219 shares subject to regulatory approval (representing 37.2% of issued shares).
- Cradle has approximately \$740k in cash.

An Appendix 3C Announcement of buy-back is attached.

Contact Information:

For further information, please contact:

Grant Davey, Executive Director

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Appendix 3C

Announcement of buy-back (except minimum holding buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: Appendix 7B. Amended 13/3/2000, 30/9/2001, 11/01/10

Name of entity	ABN/ARSN
Cradle Resources Limited	60 149 637 016

We (the entity) give ASX the following information.

Information about buy-back

1	Type of buy-back	Selective buy-back and cancellation
2	⁺ Class of shares/units which is the subject of the buy-back (eg, ordinary/preference)	ORD
3	Voting rights (eg, one for one)	One for one
4	Fully paid/partly paid (and if partly paid, details of how much has been paid and how much is outstanding)	Fully paid
5	Number of shares/units in the ⁺ class on issue	36,933,161
6	Whether shareholder/unitholder approval is required for buy-back	Shareholder approval was received on 18 September 2020
7	Reason for buy-back	The buy-back is an integral part of the resolution of the dispute and arbitration between Cradle and Tremont Investments Limited

⁺ See chapter 19 for defined terms.

8	Any other information material to a shareholder's/unitholder's decision whether to accept the offer (<i>eg, details of any proposed takeover bid</i>)	ASX announcement dated 9 June 2020, Notice of Meeting dated 28 July 2020 (and announced to the market on 19 August 2020).
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On-market buy-back

9	Name of broker who will act on the company's behalf	N/A
10	Deleted 30/9/2001.	
11	If the company/trust intends to buy back a maximum number of shares - that number <small>Note: This requires a figure to be included, not a percentage.</small>	N/A
12	If the company/trust intends to buy back shares/units within a period of time - that period of time; if the company/trust intends that the buy-back be of unlimited duration - that intention	N/A
13	If the company/trust intends to buy back shares/units if conditions are met - those conditions	N/A

Employee share scheme buy-back

14	Number of shares proposed to be bought back	N/A
15	Price to be offered for shares	N/A

Selective buy-back

16	Name of person or description of class of person whose shares are proposed to be bought back	Tremont Investments Limited
17	Number of shares proposed to be bought back	36,933,161
18	Price to be offered for shares	As consideration for the buy-back, Cradle will transfer 4,614,896 shares held in Panda Hill Tanzania to Tremont Investments Limited. For further information on the buy-back please refer to the Notice of Meeting dated 28 July 2020 (and announced to the market on 19 August 2020)

Equal access scheme

19	Percentage of shares proposed to be bought back	N/A
20	Total number of shares proposed to be bought back if all offers are accepted	N/A
21	Price to be offered for shares	N/A
22	⁺ Record date for participation in offer Cross reference: Appendix 7A, clause 9.	N/A

Compliance statement

1. The company is in compliance with all Corporations Act requirements relevant to this buy-back.

or, for trusts only:

1. The trust is in compliance with all requirements of the Corporations Act as modified by Class Order 07/422, and of the trust's constitution, relevant to this buy-back.
2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.

⁺ See chapter 19 for defined terms.



Sign here:

Date:21/12/20.....

(Company secretary)

Print name:

Chris Bath