



Announcement Summary

Entity name

LOTUS RESOURCES LIMITED

Announcement Type

New announcement

Date of this announcement

Tuesday February 23, 2021

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	Unquoted Options	13,500,000
LOT	ORDINARY FULLY PAID	100,000,000

Proposed +issue date

Wednesday March 3, 2021

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

LOTUS RESOURCES 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

ACN

Registration Number

119992175

1.3 ASX issuer code

LOT

1.4 The announcement is

☒ New announcement

1.5 Date of this announcement

Tuesday February 23, 2021

1.6 The Proposed issue is:

☒ A placement or other type of issue



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

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

☒ Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	Thursday April 15, 2021	<input checked="" type="checkbox"/> Estimated	No

Comments

The issue of unquoted options to directors will be subject to shareholder approval at a general meeting expected to be held on or around 15 April 2021.

Part 7B - Issue details

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

Unquoted Options



+Security type

Options

Number of +securities proposed to be issued

13,500,000

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

Issued pursuant to the provision of director services

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

1,687,500.000000

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

☒ Yes

Options details

+Security currency	Exercise price	Expiry date
AUD - Australian Dollar	AUD 0.0000	Monday April 15, 2024

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

Other

Description

7,000,000 options proposed to be issued that vest on 18 months of continuous service
2,000,000 options proposed to be issued that vest on continuous service to 30 June 2021
4,500,000 options proposed to be issued that vest subject to performance against board approved vesting criteria linked to achievement of key performance objectives

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.

The material terms of the options will be set out in a notice of meeting that is expected to be available on or around 15 March 2021.



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?

☒ Yes

Details of +securities proposed to be issued

ASX +security code and description

LOT : ORDINARY FULLY PAID

Number of +securities proposed to be issued

100,000,000

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 0.12500

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

☒ Yes

Attaching +Security

Is the proposed attaching 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)?

Part 7C - Timetable

7C.1 Proposed +issue date

Wednesday March 3, 2021

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?

50,000,000 shares will be issued under the placement using placement capacity under LR 7.1.

Shareholder approval for the issue of 13,500,000 Unquoted Options will be sought.

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?

50,000,000 shares will be issued under the placement using placement capacity under LR 7.1A.

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 placement was considered to be the most efficient means of raising capital in the current circumstances and maximized opportunity for institutional participation in the placement.

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

☒ Yes

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

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

☒ Yes

7E.1a Who is the lead manager/broker?

Joint lead managers - Canaccord Genuity (Australia) Limited and BW Equities Pty Ltd

7E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

6%

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

Part 7F - Further Information

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

To fund a restart development study, meet care and maintenance costs, investigate rutile and rare earths development opportunities, meet bond repayments and position the company to readily restart operations in the right uranium price environment.

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

Ordinary shares are expected to be issued on 3 March 2021
Unquoted options, the issue of which is subject to shareholder approval, are expected to be issued on or around 15 April 2021.