

ASX ANNOUNCEMENT

22 March 2021

Capital Raising & Entitlement Issue to accelerate Camel Creek exploration

Great Northern Minerals Limited (“Great Northern Minerals” or the “Company”) (ASX: GNM) is pleased to advise that it will undertake a fully underwritten, contemporaneous placement (“**Placement**”) and a 1:7 Non-Renounceable Rights Issue (“**Rights Issue**”) to raise circa \$3 million (before costs). The new Shares to be issued under the Placement and Rights Issue will be issued at a price of \$0.01 per Share, representing a small discount to the volume weighted average price over the last 15 trading days prior to the Company’s trading halt (as per ASX announcement dated 18 March 2021).

Capital raised from the Placement and a Rights Issue will be used to systematically drill test the Camel Creek Gold Project over approximately 2 kilometres of strike. The funds will also allow for additional drilling of the Company’s Big Rush gold deposit and testing and evaluation of additional areas. Funds raised will also augment working capital.

A transaction specific prospectus in relation to the Rights Issue will be lodged with ASIC on or about 26 March 2021 (“**Prospectus**”) and will be announced to market on this date.

An overview of the proposed capital raising is as follows:

Placement

Under the Placement, the Company will raise up to \$1,500,000 (before costs) and issue a total of up to 150,000,000 new Shares to sophisticated and professional investors at \$0.01 per share (“**Placement Shares**”), together with one (1) free attaching Listed GNMOB Option for every one (1) Placement Share subscribed for, exercisable at \$0.022 each on or before 1 July 2023 (“**Placement Options**”). The Placement Shares will be issued on the same terms as, and will rank equally in all respects with, the existing fully paid ordinary Shares in the Company. The Placement Options will be issued on the same terms as, and will rank equally in all respects with, the existing GNMOB Listed Options in the Company.

The Placement will be completed in two tranches (being the **Tranche 1 Placement** and **Tranche 2 Placement**) as set out below:

- (a) **Tranche 1 Placement:** The first tranche will be for an issue of up to:
 - (i) 150,000,000 Placement Shares (to be issued pursuant to the Company’s placement capacity under ASX Listing Rules 7.1 and 7.1A); and
 - (ii) 75,000,000 Placement Options (to be issued pursuant to the Company’s placement capacity under ASX Listing Rules 7.1) ;
- (b) **Tranche 2 Placement:** The second tranche, which is conditional upon the Company obtaining shareholder approval, will be for the issue of up to 75,000,000 Placement Options.

The Company will seek shareholder approval for the issuance of the second tranche of the balance of the free attaching Placement Options via a General Meeting of the shareholders. The Company will provide details of a General Meeting of the shareholders in due course.

CPS Capital Group Pty Ltd will be acting as Lead Manager of the Placement ("**Lead Manager**"). The Lead Manager (or its nominee) will receive a 2% management fee (plus GST) of the total amount raised and 4% placing fee (plus GST) of the total amount raised. The Lead Manager (or its nominee) will also be entitled to be issued 20,000,000 GNMOB Listed Options upon full subscription of the Placement ("**Lead Manager Options**"). The Lead Manager Options will be settled in two tranches as follows:

- (a) 10,000,000 Lead Manager Options will be issued upon receipt of the full subscription under the Placement utilising the Company's capacity pursuant to the ASX Listing Rule 7.1; and
- (b) 10,000,000 Lead Manager Options will be issued upon the Company obtaining shareholder approval via a General Meeting of the shareholders to be held in due course.

Rights Issue to Shareholders

The Company intends to conduct a pro-rata non-renounceable Rights Issue to raise up to \$1,511,314 (before costs) on the basis of one (1) new Share for every seven (7) existing Shares held together with one (1) free attaching Listed GNMOB Option for every one (1) Share subscribed for and issued under the Rights Issue, exercisable at \$0.022 each on or before 1 July 2023.

The Rights Issue is open to all eligible shareholders who have a registered address in Australia, New Zealand or the United Kingdom and who hold Shares on the Record Date (as set out in the proposed timetable below). Existing Option holders are not entitled to participate in the Rights Issue without first exercising their Options to be registered as a shareholder in Australia, New Zealand or the United Kingdom before the Record Date, in accordance with the terms and conditions of those Options.

As the Record Date for the Rights Issue will be after settlement of the Placement, those persons who participate in the Placement will be entitled to participate in the Rights Issue.

Eligible shareholders should consider the Prospectus in deciding whether to acquire securities under the Rights Issue and will need to complete the personalised entitlement and acceptance form that will accompany the Prospectus.

The Company has entered into an Underwriting Agreement with CPS Capital Group Pty Ltd to act as the underwriter to the Rights Issue Offer ("**Underwriter**"). The Underwriter has agreed to fully underwrite the Rights Issue Offer and will be paid a total fee of \$10,000 cash (plus GST) and 4% (plus GST) of the underwritten amount. The Underwriting Agreement gives the Underwriter the right to enter into sub-underwriting agreements to pass on some or all of its obligations to subscribe for the shortfall under the Underwriting Agreement. Full details regarding the terms of the Underwriting Agreement will be set out in the Prospectus.

Indicative Timetable

The proposed timetable for the Placement and Right Issue is set out below:

| EVENT | BUSINESS DAYS | DATE |
|--|---------------|----------------------|
| Request Trading Halt with the ASX | | Thursday, 18-Mar-21 |
| Announcement of Proposed Placement & Non-Renounceable Rights Issue Offers and lodgement of Appendix 3B with ASX | [Day 0] | Monday, 22-Mar-21 |
| Lodgement of Prospectus with ASIC and ASX | [Day 0] | Friday, 26-Mar-21 |
| Ex date (i.e. date from with Shares trade without entitlements to participate in the Offers) | [Day 2] | Tuesday, 30-Mar-21 |
| Record Date for determining Entitlements | [Day 3] | Wednesday, 31-Mar-21 |
| Prospectus and Entitlement and Acceptance Form despatched to Eligible Shareholders, and Company announces that this has occurred | [Day 6] | Wednesday, 7-Apr-21 |
| Opening date of the Offers | [Day 6] | Wednesday, 7-Apr-21 |
| Last day to extend Closing Date of the Offers | [Day 10] | Tuesday, 13-Apr-21 |
| Closing Date (5.00pm AEDST) | [Day 13] | Friday, 16-Apr-21 |
| Securities quoted on a deferred settlement basis | [Day 14] | Monday, 19-Apr-21 |
| Announcement of results of the Offers | [Day 16] | Wednesday, 21-Apr-21 |
| Last day for the Company to issue the Securities under the Offers and lodge an Appendix 2A | [Day 18] | Friday, 23-Apr-21 |

This announcement has been authorised for release to the market by the Board of Great Northern Minerals Limited.

*****ENDS*****

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About Great Northern Minerals Limited

Great Northern Minerals Limited is an ASX-listed gold focused explorer. The Company's key North Queensland Gold Projects include the Golden Cup, Camel Creek and Big Rush Gold Mines in North Queensland. The historic mines ceased operation in the 1990's after production of over 150,000 oz at an average grade of 1.91g/t Au. Great Northern Minerals aims to extend known mineralisation and develop a new gold camp in North Queensland.