



19 May 2021

Company Announcements Office  
Australian Securities Exchange  
4th Floor, 20 Bridge Street  
Sydney NSW 2000

## **RIGHTS ISSUE RAISES \$5.05 MILLION WITH SHORTFALL HEAVILY OVERSUBSCRIBED**

Strickland Metals Limited (ASX:STK) (**STK** or **Company**) is pleased to announce its pro-rata entitlements issue to raise up to \$5,053,818 (before costs) (**Rights Issue** or **Offer**) announced on 12 April 2021 closed at 5:00 p.m. (AEST) on 14 May 2021.

The Company is very pleased with the level of support from shareholders for the Rights Issue, which was underwritten by Enrizen Capital Pty Ltd (**Underwriter**). The Company is also delighted by the interest of new investors introduced by the Underwriter.

The terms of the Offer were as follows:

- Shareholders who are holders were offered the ability to subscribe for two (2) fully paid ordinary shares at an issue price of \$0.018 per share (each a **New Share**) for every three (3) existing shares they hold in the Company as at 7.00 p.m. (AEST) on 16 April, 2021 (**Record Date**) (each an **Eligible Shareholder**), to raise \$5,053,818 (including Offer costs);
- Eligible Shareholders will receive one (1) free attaching option for every two New Shares subscribed for (each a **New Option**). The New Options will have an exercise price of \$0.036, with an expiry date which is three years from issue. The Company will make application to the ASX for quotation of the New Options.

Subscriptions were received under the Rights Issue for a total of 161,563,262 New Shares (with 80,781,734 attaching New Options), resulting in a shortfall of 119,204,418 New Shares (and 59,602,106 attaching New Options) (**Shortfall**).

The demand for the Shortfall from both new and existing shareholders has greatly exceeded the number of New Shares and New Options available under the Shortfall.

As the Shortfall was oversubscribed, it has been necessary for the Company to scale back some applications for additional securities applied for under the Shortfall, in accordance with its right to do so under the terms of the Offer as set out in the Offer Document dated 12 April 2021. The general scale-back policy that has been adopted is as follows:

- Eligible shareholders who applied for New Shares and attaching New Options up to their full pro-rata entitlement will receive their full entitlement; and
- Eligible shareholders and new investors who also applied for securities under the Shortfall may have their application for these additional shares scaled back.

The scale-back of applications for New Shares and attaching New Options under the Shortfall will be at the Company's absolute discretion (in consultation with the Underwriter), and its decision on the number of New Shares and attaching New Options allocated to eligible shareholders and new investors under the Shortfall will be final.

Refunds for the unallocated portion of additional New Shares (and attaching New Options) under the Shortfall will be sent to applicants as soon as possible.

It is the responsibility of applicants under the Offer and the Shortfall to confirm the number of New Shares and attaching New Options allocated to them prior to trading in those securities.

In accordance with the timetable for the Offer set out in the Offer Document dated and lodged on ASX on 12 April 2021 (which was further extended by the Supplementary Offer Document dated and lodged on 3 May 2021), the issue date for the New Shares and New Options is intended to be 21 May 2021.

Andrew Bray, Chief Executive Officer, said *"We are thrilled with the level of support and interest in the Company. In a short period of time, we've installed a new Board, new management team, bought out Silver Lake's interest in the Horse Well Joint Venture and secured \$5million of new funding. It's been a very successful reset for Strickland."*

*We're in for an exciting time with drilling planned to begin in the coming months. The Company is looking forward to sharing details of the upcoming exploration programs soon."*

This ASX announcement was approved and authorised for release by the Chief Executive Officer of the Company.

**For more information contact:**

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