



2 August 2021

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

COMPLETION OF PLACEMENT AND RIGHTS ISSUE RAISES \$12.2 MILLION WITH RIGHTS ISSUE SHORTFALL HEAVILY OVERSUBSCRIBED

Strickland Metals Limited (ASX:STK) (**STK** or **Company**) is pleased to announce the completion of its capital raising via placement and rights issue to raise a combined total of \$12.2 Million (before costs).

The Company advises its pro-rata entitlements issue to raise up to \$4,201,443 (before costs) (**Rights Issue** or **Offer**) announced on 23 June 2021 closed at 5:00 p.m. (AEST) on 26 July 2021.

The Company is also pleased to announce that it has received approval from shareholders to issue 200,000,000 fully paid ordinary shares pursuant to the Company's conditional placement to raise \$8 million on 23 June 2021 (**Placement**). Approval was obtained at the Company's general meeting held on 30 July 2021.

The Placement and the Rights Issue are together referred to as the **Capital Raising**.

Rights Issue Closure

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.

Under the terms of the Offer, Shareholders who are holders were offered the ability to subscribe for one (1) fully paid ordinary share at an issue price of \$0.04 per share (each a **New Share**) for every seven (7) existing shares they hold in the Company as at 7.00 p.m. (AEST) on 28 June, 2021 (**Record Date**) (each an **Eligible Shareholder**), to raise \$4,201,443 (including Offer costs).

Subscriptions were received under the Rights Issue for a total of 64,257,586 New Shares, resulting in a shortfall of 40,779,487 New Shares (**Shortfall**).

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

As the Shortfall was oversubscribed, it has been necessary for the Company to scale back applications for additional securities applied for under the Shortfall. The general scale-back policy that has been adopted is as follows:

- Eligible shareholders who applied for New Shares 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 allocation and scale back was conducted by the Company (in consultation with the Underwriter) with the allocation and scale back being applied at the Company's absolute discretion, in accordance with its rights under the terms of the Offer as set out in the Offer Booklet dated 23 June 2021

Refunds for the unallocated portion of additional New Shares 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 allocated to them prior to trading in those securities.

In accordance with the timetable for the Offer set out in the Offer Booklet dated and lodged on the ASX on 23 June 2021, the issue date for the New Shares is intended to be today, 2 August 2021.

Completion of Placement

The Placement raised \$8million (before costs) with Enrizen Capital Pty Ltd acting as lead manager for the Placement and was supported by JP Equity Partners.

As noted on 23 June 2021, The Company's major shareholder L11 Capital Pty Ltd (**L11 Capital**) an entity controlled by the Company's CEO, Mr Andrew Bray, agreed to cornerstone the Placement by investing \$1 million into the Placement. L11 Capital also took up its entitlements under the Rights Issue.

The Directors also committed their support for the Placement with Anthony McClure, Mark Cossom, Paul Skinner, Trent Franklin and David Morgan (and/or their nominees) collectively invested \$663,397 under the Placement being 16,584,920 New Shares (subject to rounding). All directors with entitlements under the Rights Issue have taken up their entitlements in full.

The issue of Shares under the Placement including those to be issued to related parties of the Company were approved by the Company's shareholders on 30 July 2021 at the Company's general meeting.

The issue of Shares under the Placement will occur concurrently with New Shares issued under the Rights Issue, being today, 2 August 2021.

The proceeds of the Capital Raising will be used to fund:

- the acquisition of the Millrose Gold project from Millrose Gold Ltd and Golden Eagle Mining Pty Ltd (as announced to the market on 23 June 2021);
- continued exploration of the Company's existing and newly acquired projects in Western Australia;
- costs associated with the Capital Raising; and
- a portion of the Company's working capital needs.

Andrew Bray, Chief Executive Officer, said *"Once again we are very pleased with the level of support received from both existing and new investors. The funds raised will be primarily used to fund the acquisition of the Millrose Gold Project and to further exploration programs across our suite of Yandal projects. We have now emerged as a serious, well-funded, emerging Western Australian gold company, and we are looking forward to further development and value creation as we execute our exploration plans."*



STRICKLAND
METALS LIMITED

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

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