

ELMORE LTD

ASX: ELE

"Unlocking Value by Providing
Bespoke Equipment and
Technical Expertise to the
Mining Sector"

BOARD/MANAGEMENT

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Market Update and Equity Placement to raise \$3.92m

KEY POINTS

- Magnetite (65% Fe) production ramp-up on track to achieve steady state production of approx. 350k tonnes per annum by end of March 23, once final long lead consumables arrive on site (expected mid-to late January 23).
- First shipment landed in China with product quality confirmed and paid based on 65% PLATTS pricing
- Confirming next ship for magnetite delivery has been booked and will be loaded mid to late January 23 with a third ship planned to be booked for early to mid-March 23
- Copper/Cobalt processing plant acquired, planning and construction design finalised
- Polaris Engineering appointed to manage relocation and re-assembly of Copper/Cobalt plant with payment for services to be funded from production
- Cobalt production currently scheduled to commence in the first half of 2023
- The company has successfully completed a placement of 244,787,500 shares to raise \$3,916,600 to ensure adequate funding during production ramp-up of both Magnetite and Copper/Cobalt through to positive free cash flow

Elmore's Managing Director Mr David Mendelawitz commented:
"Management are extremely pleased to now have clear line of sight to full rate production of both high grade magnetite and copper/cobalt. With Peko vendor financing now well advanced and adequate working capital to free cashflow 2023 is lining up to be an exciting, company making year for Elmore and its shareholders."



CAPITAL RAISE

The Company has made a single tranche placement of new fully paid ordinary shares (New Shares) at \$0.016 per share to professional, sophisticated and institutional investors to raise gross proceeds of A\$3.92 million (Placement or Offer).

The allotment of the New Shares is not subject to shareholder approval and will fall within the Company's placement capacity under ASX Listing Rule 7.1/7.1A.

The Offer Price represents a:

- 11.1% discount to the Company's last traded price on the ASX on Thursday, 15 December 2022 (A\$0.018)
- 19.6% discount to the 5-day VWAP (A\$0.020)
- 24.8% discount to the 15-day VWAP (A\$0.021)

Funds will be applied towards:

- relocation of plant and equipment for copper cobalt processing at Peko project;
- down-payments on flotation equipment
- working capital support until the next shipments of iron ore in the March quarter; and
- offer costs.

Settlement of the Placement is expected to take place on Thursday, 22 December 2022, and Allotment and Normal Trading of New Shares on Friday, 23 December 2022.

This release has been authorised by Elmore's Board of Directors

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ABOUT ELMORE

Elmore is an ASX listed contract mineral processing and development company which employs mobile plant and equipment, allowing the company to generate meaningful financial returns via the development of niche orebodies and mining projects.

The company has access to deep technical expertise, allowing Elmore to provide geological, metallurgical & process engineering, OH&S, mechanical and mining engineering consulting services and advice to the mining industry.

Elmore owns 100% of the NT-based Peko magnetite mining operation. Elmore acquired Peko after 12 months of work to design, build and commission the project's mining and processing operations as a contractor. Whilst Peko will initially focus on producing an iron magnetite product, the Elmore team plan to utilise wholly owned plant and equipment to produce copper, cobalt and gold from a tailings deposit at the Peko operations.