

ASX Announcement

19 January 2023



HIGH-TECH METALS
LIMITED

PRE-QUOTATION DISCLOSURE

High-Tech Metals Limited (ASX: HTM) (**Company** or **High-Tech**) provides the following pre-quotations disclosures and confirmations to ASX to satisfy the conditions for admission of the Company to the Official List of the ASX and quotation of the Company's fully paid ordinary shares (**Shares**).

Capitalised terms in this announcement have the corresponding meaning as given in the Company's replacement prospectus dated 8 November 2022 (**Prospectus**), unless otherwise specified.

1. COMPLETION OF THE OFFER

The Company confirms that the Offer under the Prospectus has closed and that the Company has completed the issue of 23,590,000 Shares under the Offer at an issue price of \$0.20 per Share to raise \$4,718,000 (before associated costs).

The Company confirms that of the total amount raised under the Offer, \$273,500 (before associated costs) was raised under the MQR Offer.

2. COMPLETION OF THE ACQUISITION AGREEMENT

The Company confirms that:

- (a) other than as detailed in Annexure A, the conditions precedent to the Acquisition Agreement have been satisfied and that completion of settlement under the Acquisition Agreement has occurred; and
- (b) in accordance with the terms of the Acquisition Agreement, the Company has satisfied payment of a cash deposit of \$50,000 and completed the issue of 3,250,000 Shares to the Vendors (or their respective nominees).

3. ISSUE OF NEW OPTIONS

The Company confirms that it has completed the issue of:

- (a) 3,000,000 New Options to the Directors of High-Tech (or their respective nominees); and
- (b) 3,000,000 New Options to Brokers (or their respective nominees) who assisted the Lead Manager and the Company with facilitation of the Offer.

4. CAPITAL STRUCTURE

The Company's capital structure as at the date of admission to the Official List of the ASX is set out below:

Class of Security	Number
Fully paid ordinary shares	32,840,010
Options ¹	9,500,000

Notes:

1. Unlisted Options exercisable at \$0.25 each on or before 19 January 2026.

5. RESTRICTED SECURITIES

The Company confirms that the following securities will be subject to restrictions pursuant to the ASX Listing Rules for the periods outlined below:

Class of Security	Number	Restriction Period
Fully paid ordinary shares	8,088,522	24 months from the date of official quotation
Options	9,225,000	24 months from the date of official quotation
Fully paid ordinary shares ¹	161,250	12 months from the date of issue of the securities
Options ²	275,000	12 months from the date of issue of the securities

Notes:

1. Comprising of:
 - (a) 71,250 Shares issued on 25 March 2022; and
 - (b) 90,000 Shares issued on 21 September 2022.
2. Comprising of:
 - (a) 95,000 Options issued on 25 March 2022; and
 - (b) 180,000 Options issued on 21 September 2022.

The Company confirms that no securities will be subject to voluntary escrow.

6. STATEMENT OF COMMITMENTS

The Company provides a statement of commitments based on the actual amount raised under the Offer:

Funds available	\$	Percentage of Funds (%)
Source of funds		
Existing cash reserves ¹	\$103,452	2%
Funds raised from the Offer	\$4,718,000	98%
Total	\$4,821,452	100%
Allocation of funds		

Funds available	\$	Percentage of Funds (%)
Exploration Budget at the Project ²	\$1,988,747	41%
Expenses of the Offer ³	\$626,360	13%
Corporate and administration costs ⁴	\$470,000	10%
Working capital	\$1,736,345	36%
Total	\$4,821,452	100%

Notes:

1. Refer to the Financial Information set out in Section 6 of the Prospectus for further details.
2. Refer to Section 5.4 of the Prospectus and the Independent Geologist's Report in Annexure A of the Prospectus for further details with respect to the Company's proposed work programs for the Project.
3. Refer to Section 10.9 of the Prospectus for further details.
4. Corporate and administration costs include the general costs associated with the management and operation of the Company's business including administration expenses, management salaries, directors' fees, rent and other associated costs.

The above table is a statement of current intentions as of the date of this announcement. It should be noted that, as with any budget, the allocation of the funds may change depending on various intervening events and new circumstances, including the outcome of exploration and development activities (including, exploration success or failure), regulatory developments and market and general economic conditions. Accordingly, the Board reserves the right to alter the way funds are applied on this basis.

Refer to Section 5.6 of the Prospectus for further details of High-Tech's intended use of funds.

7. PRO-FORMA STATEMENT OF FINANCIAL POSITION

The Company provides a pro-forma statement of financial position based on the actual amount raised under the Offer at Annexure B.

8. THE PROJECT

The Company confirms that there are no legal, regulatory, statutory or contractual impediments to the Company entering onto the Properties comprising the Project and carrying out exploration activities such that the Company will be able to spend its cash in accordance with its commitments for the purposes of ASX Listing Rule 1.3.2(b).

Refer to Section 5.4 of the Prospectus for a summary of High-Tech's proposed exploration budget by activity for the Project.

This announcement was authorised for release by the Board of Directors of High-Tech Metals Limited.



Sonu Cheema
Executive Director
High-Tech Metals Limited

High-Tech Metals Limited
22 Townshend Road, Subiaco WA 6008
+61 8 9388 0051
info@hightechmetals.com.au
www.hightechmetals.com.au

ANNEXURE A – WAIVERS OF MATERIAL TERMS

Conditions to the Acquisition

As set out at Section 9.1 of the Prospectus, completion of settlement of the Acquisition was subject to and conditional on certain conditions being satisfied (or waived by HTM Canada Ltd.).

The conditions included:

- (a) CO27 having delivered evidence (in form and substance satisfactory to HTM Canada Ltd.) that the transfer of its interest in the Project has been transferred to MQR Canada (**Transfer Condition**); and
- (b) the Vendors delivering all documents deliverable on settlement under the Acquisition Agreement to HTM Canada Ltd. (**Deliverables Condition**).

The Transfer Condition

The Company confirms that it waived the Transfer Condition.

The basis for the Company agreeing to waive the Transfer Condition is set out in summary below:

- (a) CO27 and MQR Canada are both wholly owned subsidiaries of Marquee Resources Limited. The Company understands that it was intended that CO27 would transfer its interest in the Project (the **Marquee Interest**) to MQR Canada for internal restructuring purposes of Marquee Resources Limited;
- (b) the transfer of the Marquee Interest from CO27 to MQR Canada did not occur;
- (c) pursuant to the Acquisition Agreement, the Company would acquire 100% of the Marquee Interest, whether or not the Marquee Interest was transferred from CO27 to MQR Canada; and
- (d) as part of the Company agreeing to waive the Transfer Condition, MQR Canada entered into a quit claim agreement in favour of the Company pursuant to which MQR Canada agreed to release any claim it may have to the Marquee Interest, as a result of the intended transfer of the Marquee Interest from CO27 to MQR Canada.

The Company confirms that there is no impact on the Company's ability to spend its cash in accordance with its commitments for the purposes of ASX Listing Rule 1.3.2(b) as a result of the Transfer Condition being waived.

The Deliverables Condition

As part of satisfying the Deliverables Condition, the Vendors were to deliver to HTM Canada Ltd. evidence that Land Use Permit # 1155-1003488 (the **LUP**) has been transferred from GEMC to the Company, in form and substance satisfactory to HTM Canada Ltd. (the **LUP Condition**).

The Company confirms that it waived the Deliverables Condition, to the extent that it did not require the LUP Condition to be satisfied.

The basis for the Company agreeing to waive the LUP Condition is set out in summary below:

- (a) the LUP is not relevant to the current target area of focus of the Company's proposed exploration strategy. The Company understands that the LUP was obtained by the holder for the purposes of drilling on a specific area of the Project, which does not sit within the Company's current target area of focus;
- (b) notwithstanding the above, the Company has been advised by the Vendors that the Vendors' legal counsel has been in communications with the applicable authority in Canada which regulates the LUP and that the authority has agreed to make the LUP available to HTM Canada Ltd. promptly following the completion of settlement of the Acquisition; and
- (c) the tenure in question is not mineral tenure (rather, it is a license to utilise Crown surface rights for a particular purpose) and is considered of a low level of criticality for exploration.

The Company confirms that there is no impact on the Company's ability to spend its cash in accordance with its commitments for the purposes of ASX Listing Rule 1.3.2(b) as a result of the Deliverables Condition being waived, to the extent that it did not require the LUP Condition to be satisfied.

ANNEXURE B – PRO-FORMA STATEMENT OF FINANCIAL POSITION

	30 June 2022	Pro-forma Adjustments (\$4,718,000)	Pro-forma 30 June 2022 (\$4,718,000)
	\$	\$	\$
Assets			
Current Assets			
Cash and Cash Equivalent	103,452	4,112,867	4,216,319
Receivables	4,786	-	4,786
Total Current Assets	108,238	4,112,867	4,221,105
Non-current Assets			
Exploration and evaluation expenditure		700,000	700,000
Total Non-current Assets	-	700,000	700,000
Total Assets	108,238	4,812,867	4,921,105
Current Liabilities			
Trade and other payables	(153,961)	-	(153,961)
Total Current Assets	(153,961)	-	(153,961)
Net Assets	(45,723)	4,812,867	4,767,144
Equity			
Issued Capital	150,250	4,840,739	4,990,989
Reserves		558,362	558,362
Accumulated Losses	(195,973)	(586,234)	- 782,207
Total Equity	(45,723)	4,812,867	4,767,144