



Announcement Summary

Entity name

LOYAL LITHIUM LIMITED

Announcement Type

New announcement

Date of this announcement

8/6/2023

The Proposed issue is:

☒ A non pro rata offer of securities under a disclosure document or product disclosure statement (PDS)

Total number of +securities proposed to be issued for a non pro rata offer of securities under a disclosure document or product disclosure statement (PDS)

ASX +security code	+Security description	Maximum Number of +securities to be issued
LLI	ORDINARY FULLY PAID	5000000

Closing date for receipt of acceptances

26/6/2023

Proposed +issue date

28/6/2023

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

LOYAL LITHIUM LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

1.2 Registered Number Type

ACN

Registration Number

644564241

1.3 ASX issuer code

LLI

1.4 The announcement is☒ New announcement**1.5 Date of this announcement**

8/6/2023

1.6 The Proposed issue is:☒ A non-+pro rata offer of +securities under a +disclosure document or +PDS



Part 5 - Details of proposed non-pro rata offer under a disclosure document or PDS

Part 5A - Conditions

5A.1 Do any external approvals need to be obtained or other conditions satisfied before the non-pro rata offer of +securities under a +disclosure document or + PDS can proceed on an unconditional basis?

☒ Yes

5A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	26/6/2023	<input checked="" type="checkbox"/> Actual	No

Comments

Part 5B - Offer details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

☒ No

Details of +securities proposed to be issued

ASX +security code and description

LLI : ORDINARY FULLY PAID

The number of +securities to be offered under the +disclosure document or +PDS

5,000,000

Will the offer be conditional on applications for a minimum number of +securities being received or a minimum amount being raised (i.e. a minimum subscription condition)?

☒ Yes



Describe the minimum subscription condition

Minimum Raising of \$600,000 (1,500,000 Ord Shares at \$0.30)

Will individual security holders be required to accept the offer for a minimum number or value of +securities (i.e. a minimum acceptance condition)?

☒ Yes

Is the minimum acceptance unit based or dollar based?

☒ Dollar based (\$)

Please enter the minimum acceptance value

\$ 2,000

Will individual security holders be limited to accepting the offer for a maximum number or value of +securities (i.e. a maximum acceptance condition)?

☒ Yes

Is the maximum acceptance unit based or dollar based?

☒ Dollar based (\$)

Please enter the maximum acceptance value

\$ 5,000

Offer price details

Has the offer price been determined?

☒ Yes

In what currency will the offer be made?

AUD - Australian Dollar

What is the offer price per +security?

AUD 0.30000

Oversubscription & Scale back details

Will the entity be entitled to accept over-subscriptions?

☒ No

Will a scale back be applied if the offer is over-subscribed?

☒ Yes

Describe the scale back arrangements

Management to Determine

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

☒ Yes



Part 5C - Timetable

5C.1 Lodgement date of +disclosure document or +PDS with ASIC

2/6/2023

5C.2 Date when +disclosure document or +PDS and acceptance forms will be made available to investors

13/6/2023

5C.3 Offer open date

13/6/2023

5C.4 Closing date for receipt of acceptances

26/6/2023

5C.6 Proposed +issue date

28/6/2023

Part 5D - Listing Rule requirements

5D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

☒ Yes

5D.1a Date of meeting or proposed meeting to approve the issue under listing rule 7.1

26/6/2023

5D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

☒ Yes

Part 5E - Fees and expenses

5E.1 Will there be a lead manager or broker to the proposed offer?

☒ Yes

5E.1a Who is the lead manager/broker?

Canaccord Genuity (Australia) Limited

5E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

The Company will pay Canaccord the Lead Manager Fees, consisting of:

- a capital raising fee of 4% of the gross proceeds raised under the Public Offer; and
- a management fee of 2% of the gross proceeds raised under the Public Offer.

5E.2 Is the proposed offer to be underwritten?

☒ No



5E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?

☒ No

5E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer

On 4 April 2023, the Company entered into a mandate with Canaccord Genuity (Canaccord) to provide capital markets advisory services to the Company on certain terms and conditions for a period of 12 months (Mandate). Under the terms of the Mandate, the Company has agreed to issue 2,000,000 Options with an exercise price of \$0.60 per Share and an expiry date of 31 March 2026 (Canaccord Options).

Part 5F - Further Information

5F.01 The purpose(s) for which the entity intends to use the cash raised by the proposed issue

Refer S2.8 of the Prospectus - <https://www.asx.com.au/asx/statistics/displayAnnouncement.do?display=pdf&idsId=02672989>

5F.1 Will the entity be changing its dividend/distribution policy if the proposed offer is successful?

☒ No

5F.2 Please explain the entity's allocation policy for the offer, including whether or not acceptances from existing +security holders will be given priority

A priority offer to Shareholders as at the Priority Offer Record Date (Priority Offer);

5F.3 URL on the entity's website where investors can download the +disclosure document or +PDS

<https://www.asx.com.au/asx/statistics/displayAnnouncement.do?display=pdf&idsId=02672989> or <https://loyallithium.com/investor-centre/>

5F.4 Any other information the entity wishes to provide about the proposed offer