

ELMORE LTD

ASX: ELE

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

## BOARD/MANAGEMENT

Mr Russell Baskerville  
CHAIR

Mr David Mendelawitz  
MANAGING DIRECTOR

Dr Nik Senapati  
NON-EXECUTIVE DIRECTOR

Mr Tim Webster  
NON-EXECUTIVE DIRECTOR

Mr Andy Haslam  
NON-EXECUTIVE DIRECTOR

Sean Henbury  
COMPANY SECRETARY

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20 June 2023

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## BREACH OF ASX LISTING RULE 7.1A.3

Elmore Limited (ASX:ELE) (**Company** or **Elmore**) has been advised by ASX that a breach of ASX Listing Rule 7.1A.3 has occurred.

On 13 January 2023, the Company issued 3,333,333 options (the '**Options**'). As set out in the Appendix 3B released on 13 January 2023, the terms of the Options are a conversion price of \$0.02 and expiring on or before 31 January 2025. The funds used from the issue of the shares and options at that time was for the adequate funding of the Company during the ramp-up of both Magnetite and Copper /Cobalt through to positive cash flow.

ASX has advised the Company that the Options were not issued as part of an existing quoted class, and as such were issued in breach of Listing Rule 7.1A.3 (the '**Breach**'). Listing Rules 7.1A.3 states that any equity securities issued under rule 7.1A.2 (the Company's 10% capacity) must be in an existing quoted class of equity securities and issued for a cash consideration.

Given the Options were issued in breach of Listing Rule 7.1A, ASX has advised that they should instead be taken to be issued under the Company's 7.1 capacity at the time of the Breach. The Company did not have any Listing Rule 7.1 capacity on 13 January 2023 when it agreed to issue the Options, resulting in the Breach being compounded and the Company therefore also breached Listing Rule 7.1 by exceeding its capacity.



ASX has advised the Company that as a consequence:

1. The Options are to be counted towards the Company's LR 7.1 placement capacity and cannot be ratified under LR 7.4.
2. The Company was placed on a 'placement holiday', meaning that it cannot issue any new securities in either its 7.1 or 7.1A capacity without shareholder approval regardless of available capacity. ASX has calculated the placement holiday period to be 110 days. The period is calculated from the date of the Breach, as such the placement holiday period commenced on 13 January 2023 and concluded on 3 May 2023. Given the Company has not issued any securities during this period, it has effectively 'served' its placement holiday and no further action needs to be taken in that respect.

The Company's history of good corporate governance and that the Company's subsequent assessment that its corporate governance policies are sufficient to ensure circumstances such as these do not arise, the Company understands the seriousness of the breach and has taken appropriate remedial action and made necessary arrangements to mitigate further breaches of the ASX Listing Rules.

Yours faithfully,



**Sean Henbury**

Company Secretary