

IND receives firm commitments for A\$1,900,000 placement and initiates A\$500,000 SPP to advance HPQ Projects

Highlights

- **Strong Institutional Support:** A\$1,900,000 placement successfully completed with participation from new and existing professional, sophisticated and institutional investors (“Placement”).
- **Share Purchase Plan:** Launch of a Share Purchase Plan (“SPP”) to raise up to an additional A\$500,000, offering eligible shareholders the opportunity to participate at the same price as the Placement, to raise a total of up to A\$2,400,000.
- **Use of Funds:** Funds will be used to complete a resource infill drilling program at the Pippingarra and Mukinbudin High Purity Quartz (HPQ) projects, progress HPQ metallurgical process testwork, continue product marketing and for general working capital
- **Director Participation:** IND’s Directors intend to subscribe for a minimum of A\$225,000 under the Placement, subject to shareholder approval (“Director Participation”).

Industrial Minerals Ltd (ASX: IND) (**Company** or **IND**) is pleased to announce it has secured firm commitments under the Placement from new and existing professional, sophisticated and institutional investors to subscribe for 9,500,000 fully paid ordinary shares in the capital of the Company (**Shares**) at an issue price of A\$0.20 per new Share (**New Share**), together with one free-attaching option exercisable at \$0.30 on or before the date that is three (3) years from the date of issue for every two (2) New Shares subscribed for and issued under the Placement (**Attaching Option**), to raise A\$1,900,000 (before costs).

The Shares issued under the Placement will be issued pursuant to the Company’s available placement capacity as follows:

- 3,876,500 Shares under ASX Listing Rule 7.1; and
- 4,498,500 Shares under ASX Listing Rule 7.1A.

The issue of the 1,125,000 Shares pursuant to the Director Participation is subject to Shareholder approval, which the Company intends to seek at a general meeting proposed to be held in September 2024 (**September EGM**).

In addition to the Placement, IND will also offer eligible shareholders on the record date, being Monday 29 July 2024, the opportunity to participate in the Company’s capital raising activities via the SPP for up to a further \$500,000 (before costs) from the issue of up to 2,500,000 Shares at an issue price of A\$0.20 per Share, together with one Attaching Option for every two (2) Shares subscribed for and issued under the SPP.

The SPP and Placement’s Attaching Options will be issued by utilising the Company’s available placement capacity under ASX Listing Rule 7.1. It is intended that the Company will seek the quotation of the Attaching Options.

Managing Director Jeff Sweet said:

“This Placement will support IND’s HPQ Development Strategy and our vision to build the Company into a Quartz Materials supplier of choice, supplying the PV Solar, Semiconductor and other high-purity markets. This will allow us to drill these HPQ projects and progress testwork to further define a premium product.

“We received a high level of interest in the Placement, and I am extremely pleased with the level of support from our leading shareholders.

“We will be pursuing multiple streams of activities to advance our HPQ Projects, including processing testwork optimisation and a resource drilling program at our Pippingarra and Mukinbudin HPQ Projects.”

Placement Details

IND has received firm commitments for an A\$1,900,000 placement at A\$0.20 per New Share (**Offer Price**). The Offer Price of A\$0.20 per New Share represents a 26% discount to the last close price, a 5.7% discount to the five-day volume weighted average trading price and a 3.4% discount to the 15-day volume weighted average trading price to 29 July 2024.

IND will issue approximately 9,500,000 New Shares under the Placement to raise approximately A\$1.9 million (before costs).

The Company's Directors and management will subscribe for a minimum of A\$225,000 of **New Shares** under the Placement, with Director Participation subject to shareholder approval at the September EGM.

The New Shares to be issued under the Placement are expected to be issued on or around Wednesday 7 August 2024 by utilising the Company's available placement capacity as follows:

- 3,876,500 Shares under ASX Listing Rule 7.1; and
- 4,498,500 Shares under ASX Listing Rule 7.1A.

One Attaching Option will be issued for every two (2) New Shares subscribed for and issued under the Placement by utilising the Company's available placement capacity under ASX Listing Rule 7.1. It is intended that the Company will seek the quotation of the Attaching Options.

Evolution Capital Pty Ltd (ACN 652 397 263) (**Evolution**) acted as the lead manager and bookrunner to the Placement and SPP. Evolution will be paid the following:

- a management and selling fee of 6.0% of the amount raised under the Placement (plus GST); and
- a cash fee of 6.0% on any shortfall amount placed from the SPP (plus GST); and
- issued 1,000,000 options in the Company on the same terms as the Attaching Options (**Broker Options**), which are to be issued by utilising the Company's available placement capacity under ASX Listing Rule 7.1.

Share Purchase Plan

IND will also launch a SPP to raise up to A\$500,000 (before costs) via the issue of up to 2,500,000 Shares at the same issue price as the New Shares offered under the Placement. Eligible shareholders on the record date, being Monday, 29 July 2024, can apply for up to A\$30,000 under the SPP. All Shares issued under the SPP will rank equally with existing Shares of the Company.

An SPP Offer Document containing further details of the SPP will be released separately and eligible shareholders wishing to participate in the SPP should carefully read the SPP Offer Document and note that their participation in the SPP is optional and at their discretion.

IND reserves the right to close the SPP early as soon as applications of at least A\$500,000 are received. IND also reserves the right to scale back applications under the SPP or to accept oversubscriptions under the SPP at its discretion. If a scale back is undertaken, applications will be scaled back having regard to the pro rata shareholdings of eligible shareholders as at the Record Date. The Company may also, where appropriate, scale back the number of Shares to be issued at its absolute discretion.

IND does not expect any shareholder approvals to be required for the SPP as Listing Rule 7.2 Exception 5 will apply and the SPP will comply with ASIC Corporations (Share and Interest

Purchase Plans) Instrument 2019/547. IND reserves the right to place any shortfall under the SPP, subject to receiving prior shareholder approval under Listing Rule 7.1.

Use of Funds

IND will use the funds raised under the Placement and the SPP to:

- Complete a resource infill drilling program at the Pippingarra and Mukinbudin HPQ Projects, consisting of both RC and diamond drilling. This will allow the Company to prepare a Mineral Resource Estimate and progress through to feasibility level studies.
- Progressing HPQ metallurgical process testwork, with samples being sent to leading HPQ Consultants ANZAPLAN, a specialist consultancy with unique expertise in designing flowsheets tailored to remove impurities at trace levels, ensuring that even the most stringent customer requirements are met.
- Continuation of product marketing to advance offtake discussions. IND will build on the relationships built to date and engage with leading companies in HPQ industries.
- General working capital and costs of the offer.

Timetable

An indicative timetable for the SPP and Placement is set out below (subject to change):

Event	Date
Record Date for SPP	Tuesday, 30 July 2024 (5:00pm AWST)
Announcement of Placement and SPP and lodgement of Appendix 3B	Wednesday, 31 July 2024
Placement bookbuild opens	Wednesday, 31 July 2024
Announcement of completion of Placement	Friday, 2 August 2024
Issue of SPP Cleansing Notice	Friday, 2 August 2024
Opening date for SPP and dispatch of SPP Offer Document	Friday, 2 August 2024
Settlement of Shares to be issued under the Placement	Tuesday 6 August 2024
Issue of Shares under Placement, lodgement of Appendix 2A and Cleansing Notice	Wednesday 6 August 2024
Lodgement of Prospectus for the offers for the Attaching Options and Broker Options offer (Offers) with ASIC	Mid-August 2024
Opening date of the Offers under the Prospectus	Mid-August 2024
Notice of General Meeting dispatched	Mid-August 2024
Closing Date for SPP	Friday 30 August 2024
Date of General Meeting	Mid-September 2024
Announcement of Result of SPP	Closing Date + 5 days (before 12:00pm AEST)
Issue of Shares under SPP and lodge Appendix 2A	Closing Date + 5 days (before 12:00pm AEST)

Quotation on ASX of Shares under the SPP Despatch of holding statements in respect of Shares issued under the SPP	Closing Date + 6 days (before 12:00pm AEST)
Issue of Attaching Options under SPP and Placement and Broker Options, and lodge Appendix 2A	Mid-September 2024
Quotation on ASX of Attaching Options under SPP and Placement and Broker Options Despatch of holding statements	Mid-September 2024

* The above timetable is indicative only and is subject to change.

This announcement has been authorised by the Board of Industrial Minerals Ltd.

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About IND

Industrial Minerals Ltd is a critical minerals explorer and a developer of high purity silica sand and quartz. The Company holds high purity silica sand (HPSS) and high purity quartz (HPQ) advanced projects in Western Australia, positioned to supply the rapidly expanding solar PV industry. The Company has a strategy of defining high quality resources near key infrastructure and located on granted mining leases to fast-track the pathway to production. IND's advanced testwork and large portfolio of projects gives the company a competitive advantage in presenting a range of product specifications to its broad network of potential customers.

Not an offer in the United States

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