

19 March 2019

HGM PROVIDES VICTORY BORE SALE UPDATE

High Grade Metals Ltd (ASX: HGM) ("**HGM**" or the "**Company**") is pleased to provide the following update with respect to the proposed sale of the Victory Bore Project to Surefire Resources NL (ASX:SRN).

Background

On 21 August 2018, HGM announced it had agreed to sell its non core vanadium project located in Western Australia to ASX listed SRN. The Project is known as the Victory Bore Project ("**Project**").

Under the terms of the sale agreement, HGM is to receive the following consideration:

- A\$500k cash;
- 62.5m ordinary shares in SRN, escrowed for six months;
- A\$650k cash or share consideration within 60 days of SRN announcing a PFS for the Project that has an IRR of over 20%; and
- A\$650k cash or share consideration within 60 days of SRN announcing a decision to mine.

The sale was subject to a number of conditions including the following outstanding conditions as at 18 March 2019:

1. SRN raising A\$1m of equity capital or obtaining debt finance, on terms acceptable to SRN (acting reasonably) to fund the purchase of the Project;
2. ASX not imposing escrow on any of the shares in SRN to be issued to HGM pursuant to the sale agreement;
3. The parties satisfying all legislative and regulatory requirements applicable to the transactions contemplated in the sale agreement.

On 21 January 2019, HGM agreed to provide SRN with an extension of 60 days to complete the transaction as contemplated in the sale agreement.

On 6 March 2019, SRN received shareholder approval to complete the transaction. This satisfied a key condition that remained outstanding on 21 January 2019 when the extension of time was agreed.

Sale Update

On 18 March 2019, HGM agreed to a further extension of time for SRN to satisfy the remaining conditions to complete the sale of the Project. The extension runs to 18 April 2019.

SRN has advised it believes the extension provides sufficient time to enable it to satisfy the remaining conditions and complete the transaction.

ENDS

For further information, contact:

Anthony Hall
Executive Chairman
Ph: +61 417 466 039

Elvis Jurcevic
Investor Relations
Ph: +61 408 268 271

High Grade Metals Ltd

ACN: 062 879 583
ASX: HGM

Issued Capital

452,937,867 Shares
97,500,000 Options
240,000,000 Perf Shares

Australian Registered Office

Level 17, 500 Collins Street
Melbourne VIC 3000

Directors

Anthony Hall – Executive Chairman
Steve Formica – Non-Executive Director
Adrien Wing – Non-Executive Director / Company Secretary



About High Grade Metals Ltd

High Grade Metals (ASX: HGM) is an ASX listed mineral exploration company with a portfolio of brown fields cobalt, copper and gold assets in Austria.

The assets comprise nine exploration areas that are highly prospective for cobalt, nickel, copper and gold.

The Company is currently focused on cobalt/nickel/copper mineralisation at Leogang, and high grade gold potential at Schellgaden.



Figure 1. Location of High Grade Metals’ Projects within Austria

High Grade Metals Ltd

ACN: 062 879 583
ASX: HGM

Issued Capital

452,937,867 Shares
97,500,000 Options
240,000,000 Perf Shares

Australian Registered Office

Level 17, 500 Collins Street
Melbourne VIC 3000

Directors

Anthony Hall – Executive Chairman
Steve Formica – Non-Executive Director
Adrien Wing – Non-Executive Director / Company Secretary