

18 November 2019

## **\$17 Million Placement to Fuel Rapid Resource Growth at the Abujar Gold Project**

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### **Highlights:**

- **Firm commitments to raise \$17 million from existing shareholders and leading global institutional investors**
- **Funds raised will enable:**
  - **50,000m diamond drilling program to grow the existing 2.2Moz resource within the Abujar central permit;**
  - **25,000 metres of diamond and aircore drilling on exploration targets on the Abujar South and Abujar North permits;**
  - **Acquisition of a 4th company-owned diamond rig and other mobile equipment to accelerate the rate of drilling at the Abujar Project;**
  - **Post completion of the placement Tietto will have \$20 million cash at bank**

West African gold explorer Tietto Minerals Limited (ASX: TIE) (**Tietto or the Company**) is pleased to advise that it has received binding commitments for a placement to raise A\$17.0 million (before costs) through the placement of approximately 65.4 million fully paid ordinary shares at A\$0.26 per share (**Placement**).

The Placement enables Tietto to accelerate the Company's drill-out of the rapidly expanding Abujar Gold Project and has broadened the share register through the introduction of a number of international and Australian institutional investors, as well as enjoying strong support from existing shareholders.

Tietto Managing Director, Dr Caigen Wang, said:

*"2019 has been a year of phenomenal success at the Abujar Gold Project, with the recent upgrade of our Resources to 2.2Moz, and a large number of high grade and shallow gold intersections being reported over the past few months, suggesting excellent potential for a future high-margin mining operation.*

*"We are pleased to welcome our new shareholders to the register and expect to deliver a strong pipeline of exploration updates as a result of this successful capital raising which provides the Company with approximately A\$20.0 million including current cash.*

*"Our full focus is on adding high grade ounces to the Resource as rapidly as possible and we have ordered a 4th diamond rig to add to our existing fleet of company-owned rigs. Our rigs are proving to*

*be superbly efficient, allowing us to drill at industry-low prices of less than US \$35/m, saving the Company an astonishing A\$12 million per year assuming annual meterage of over 60,000 metres”.*

The Company recently commenced its largest drill campaign to date, with a plan to almost double all previous drilling at Abujar over a ten month period through an additional 50,000m of diamond drilling on the central Abujar permit which hosts the existing 2.2Moz Mineral Resource. This drill program will culminate in a further update to the Resource estimate for the Abujar Project scheduled for end-Q3 2020.

In addition to funding the diamond drilling on the AG deposit within the central permit, the funds raised from the Placement will allow the Company to undertake a budgeted program of 25,000m of drilling high priority regional targets on the northern and southern Abujar permits. Funds will also be used to purchase a 4th diamond drill-rig and long-lead items associated with a pre-feasibility study (including environmental and additional metallurgical studies) and provide additional working capital.

Hartleys Limited is Lead Manager to the Placement. Blackwood Capital Pty Ltd and Euroz Securities Limited will act as Co-Lead Managers to the Placement.

#### **PLACEMENT DETAILS**

The Company has agreed to issue 65,384,620 fully paid ordinary shares (**Placement Shares**) at an issue price of A\$0.26 to institutional and sophisticated investors in Australia and overseas, raising approximately A\$17.0 million before costs.

Settlement of the Placement will occur in two tranches:

- In Tranche 1, due to be settled on or around 25 November 2019, the Company will issue 29,000,000 Placement Shares under ASX Listing Rules pursuant to Listing Rule 7.1. No shareholder approval is required for the issue of shares in Tranche 1.
- In Tranche 2, which is subject to shareholder approval at a general meeting to be held in late-December 2019, the Company will issue up to 36,384,620 Placement Shares.

Two Directors of Tietto have also agreed to take part in the placement; non-executive director Mr Hanjing Xu has agreed to subscribe to approximately \$200,000 in the Placement and non-executive director Mr Mark Strizek has agreed to subscribe to \$30,000 in the Placement, subject to shareholder approval.

Once issued, the Placement Shares will rank equally alongside existing fully paid ordinary shares currently on issue.

**ENDS**

For further information, visit [www.tietto.com](http://www.tietto.com) or contact:

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