

9 January 2020

ASX ANNOUNCEMENT

ASX: ASN

Anson to Issue Convertible Notes to Strategic Investor

Anson Resources Limited (Anson or the Company) is pleased to advise that it has agreed to issue convertible notes with a face value of \$1.092 million (USD750,000) as the first of three tranches of an investment facility totalling \$3.275 million (USD2.250 million) offered to the Company by its major shareholder Chia Tai Xingye International, Zhongfan Group (Chia Tai).

Chia Tai has invested \$5.5 million in the Company in four tranches since October 2017 and is the Company's major shareholder. Since its first investment in October 2017, Chia Tai has made three other investments in the company and has not divested any of its shareholding.

Settlement of the first tranche convertible notes is scheduled for 20 January 2020.

The convertible notes will be issued within Anson's placement capacity under ASX Listing Rule 7.1.

The proceeds from this capital raising will be used to fund a preliminary feasibility study (PFS), permitting and working capital.

The issue of convertible notes to Chia Tai is a further commitment to Anson's Paradox Brine Project in Utah, USA (Project) from its strategic shareholder, and follows the successful piloting and production of bromine at the facilities of De Dietrich in Germany.

The bromine piloting included the estimation of CAPEX and OPEX which are key inputs of the PFS.

Terms of the convertible notes

The following is a broad summary of the terms of the convertible notes.

Term and Maturity Date	3 years from the date of the issue of the convertible notes.
Total face value	US\$750,000
Interest	5% per annum at maturity.
Security	Unsecured.
Conversion and redemption terms	The holder may convert the notes into shares at a conversion price of A\$0.028 at any time before maturity date and the Company may redeem the notes at any time before conversion.
Option to participate in further tranches	The Convertible Note holder will have the option to participate in two further convertible note tranches of an equal value to the initial investment on or before 31 March 2020. These tranches have conversion prices of A\$0.05 and A\$0.08 respectively.



An Appendix 3B will be issued after settlement of the convertible notes.

This announcement has been authorised for release by the Executive Chairman and CEO.

ENDS

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