Announcement Summary

Entity name

MINREX RESOURCES LIMITED

Announcement Type

New announcement

Date of this announcement

Sunday February 16, 2020

The Proposed issue is:

A placement or other type of issue

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +Security Code	+Security Description	Maximum Number of +securities to be issued
n/a	Unquoted Options exercisable at $0.04 each, 30 months after the date on which the Options are issued	25,000,000
n/a	Unquoted Options exercisable at $0.04 each, 30 months after the date on which the Options are issued	65,292,576
MRR	ORDINARY FULLY PAID	105,876,331

Proposed +issue date

Wednesday March 25, 2020

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

MINREX RESOURCES LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

1.2 Registered Number Type

ACN

Registration Number

151185867

1.3 ASX issuer code

MRR

1.4 The announcement is

 New announcement

1.5 Date of this announcement

Sunday February 16, 2020

1.6 The Proposed issue is:

 A placement or other type of issue

Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 - Are any of the following approvals required for the placement or other type of issue?

- **+Security holder approval**
- **Court approval**
- **Lodgement of court order with +ASIC**
- **ACCC approval**
- **FIRB approval**
- **Another approval/condition external to the entity**

☑ Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	Wednesday March 11, 2020	☑ Actual	

Comments

Shareholder meeting scheduled on 11 March 2020 to approve for the Company to issue up to 100,000,000 FPO shares as per NoM released to the market on 11 February 2020.

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?
☑ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?
☑ Yes

Details of +securities proposed to be issued

ASX +Security Code and Description

MRR : ORDINARY FULLY PAID

Maximum Number of +securities proposed to be issued

100,000,000

Purpose of the issue

On 11-12-2019, the Company announced an issue of unsecured loan notes to raise $1,000,000. The Company seeks shareholder approval for each loan note to be converted into 1 share each, and that 1 free attaching option is granted for every 4 shares issued upon conversion of the loan notes.

Offer price details for retail security holders

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.01000

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?
 Yes

Oversubscription & Scale back details

May a scale back be applied to this event?
 No

Attaching +Security

Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?
 New class

Attaching +Security - New class (+securities in a class that is not yet quoted or recorded by ASX)

Details of attaching +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?
 Yes

Will the entity be seeking quotation of the 'new' class of +securities on ASX?
 No

ASX +Security Code

New class-code to be confirmed

+Security Description

Unquoted Options exercisable at $0.04 each, 30 months after the date on which the Options are issued

+Security Type

Options

Maximum Number of +securities proposed to be issued

25,000,000

Offer price details for retail security holders

In what currency is the cash consideration being paid?   **What is the issue price per +security?**

Oversubscription & Scale back details

May a scale back be applied to this event?
No

Will all the +securities issued in this class rank equally in all respects from their issue date?
Yes

Options details

+Security Currency

AUD - Australian Dollar

Exercise Price   **Expiry date**

AUD 0.0400

Details of the existing class of +security that will be issued upon exercise or conversion of this new class of company option

MRR : ORDINARY FULLY PAID

Please provide any further information relating to the principal terms of the +securities

Free attaching Options will expire 30 months after the date on which the Options are issued. Upon conversion into fully paid ordinary shares, the Options will rank equally in all respects with an existing class of quoted securities.

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?
Existing class

Will the proposed issue of this +security include an offer of attaching +securities?
Yes

Details of +securities proposed to be issued

ASX +Security Code and Description

MRR : ORDINARY FULLY PAID

Maximum Number of +securities proposed to be issued

5,876,331

Purpose of the issue

Per Resolution 3 of the NoM released to the market on 11 February 2020, the Company is seeking shareholder approval to settle 50% of lead manager fees for loan notes and non-renounceable entitlement offer (as per 11 December 2019 announcement) via issuance of shares and 1 free attaching option for every 3 shares issued pursuant to the conversion of the loan notes.

Offer price details for retail security holders

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.01000

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?
☑ Yes

Oversubscription & Scale back details

May a scale back be applied to this event?
☑ No

Attaching +Security

Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?
☑ New class

Attaching +Security - New class (+securities in a class that is not yet quoted or recorded by ASX)

Details of attaching +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?
☑ Yes

Will the entity be seeking quotation of the 'new' class of +securities on ASX?
☑ No

ASX +Security Code

New class-code to be confirmed

+Security Description

Unquoted Options exercisable at $0.04 each, 30 months after the date on which the Options are issued

+Security Type

Options

Maximum Number of +securities proposed to be issued

65,292,576

Offer price details for retail security holders

In what currency is the cash consideration being paid? **What is the issue price per +security?**

Oversubscription & Scale back details

May a scale back be applied to this event?
☑ No

Will all the +securities issued in this class rank equally in all respects from their issue date?
☑ Yes

Options details

+Security Currency

AUD - Australian Dollar

Exercise Price   **Expiry date**

AUD 0.0400

Details of the existing class of +security that will be issued upon exercise or conversion of this new class of company option

MRR : ORDINARY FULLY PAID

Please provide any further information relating to the principal terms of the +securities

Free attaching Options will expire 30 months after the date on which the Options are issued. Upon conversion into fully paid ordinary shares, the Options will rank equally in all respects with an existing class of quoted securities.

Part 7C - Timetable

7C.1 Proposed +issue date

Wednesday March 25, 2020

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the issue under listing rule 7.1?
☑ Yes

7D.1a Date of meeting or proposed meeting to approve the issue under listing rule 7.1

Wednesday March 11, 2020

7D.2 Is a party referred to in listing rule 10.11.1 participating in the proposed issue?
☑ Yes

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?
☑ No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?
☑ No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?
☑ Yes

7E.1a Who is the lead manager/broker?

EverBlu Capital Pty Ltd is the lead manager on the transactions.

7E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

In addition to monthly retainer of $10,000, management fee and a capital raising fee equating to 6% of the total gross proceeds raised under the Loan Note issue and the Entitlement Issue. 50% of the gross proceeds fee will be paid in cash by the Company, with remaining 50% to be paid in shares at an issue price of $0.01 per share. Lead Manager is entitled to receive 1 option for every 3 shares issued pursuant to conversion of loan notes and entitlement issue.

7E.2 Is the proposed issue to be underwritten?
☑ No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

None

Part 7F - Further Information

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?
☑ No

7F.2 Any other information the entity wishes to provide about the proposed issue