

SALE OF IRON ORE ROYALTY FOR A\$7M CASH

Highlights:

- **Sale of 100% of Evanston iron ore royalty for A\$7m cash**
- **Payable in 2 instalments, with first instalment of A\$4m payable on Completion, which is subject to conditions outlined in Appendix 1 including FIRB approval**
- **Monetises non-core asset to provide certainty of funding for exploration activities**

Fe Limited (ASX: **FEL**) (**FEL** or the **Company**) is pleased to advise that it has entered a Sale and Purchase Agreement with TRR Services Australia Pty Ltd, a wholly owned subsidiary of Trident Resources PLC (LSX: **TRR**) (**Trident**) for its Evanston royalty interest over a portion of the wider Koolyanobbing Iron Ore Mine.

For further information regarding the key terms and conditions of the sale and background on Trident please refer to Appendix A.

FEL Chairman Tony Sage commented “We are pleased to have agreed this transaction with Trident. The royalty has provided useful cash flow in recent quarters but it is not our main undertaking and its quantum is never certain, so monetising it makes it much easier for us to plan our exploration programs on the Company’s key focus areas knowing we have the cash in place.”

Mr Sage continued “We have a large tenement holding in the Pilbara which is prospective for multiple commodities so we look forward to continuing to actively explore that including follow up works to the recent drilling conducted at Hillside.”

In accordance with Listing Rule 11.4, FEL will seek shareholder approval for the sale. FEL is consulting with ASX on the application of Listing Rule 11.2.



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This announcement is intended to lift the trading halt requested on 26 March 2020.

Announcement released with authority of the FEL board of directors.

Yours faithfully
FE LIMITED

Tony Sage
Non-Executive Chairman

For further information please contact:

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ASX Announcement

Appendix 1


Key Terms

- Consideration of A\$7 million payable in 2 installments:
 - A\$4 million payable at Completion
 - A\$3 million payable one day after the first anniversary of Completion
- The second instalment is secured by a specific security deed over TRR Service Australia Pty Limited's interest in the royalty.
- Completion is subject to the following conditions being satisfied by 30 June 2020, failing which either party may terminate:
 - either:
 - admission of all of the ordinary shares of £0.01 (issued and to be issued) of Trident to trading on the AIM Market of London Stock Exchange plc becomes effective in accordance with Rule 6 of part 1 of the AIM Rules for Companies; or
 - Trident being readmitted to trading on the Main Market of LSE;
 - (“Admission Condition”)
 - approval of the transaction by the Foreign Investment Review Board; and
 - if required by ASX, approval by the Company's shareholders.
- Effective Date for the sale is 1 January 2020 and the sale price will be adjusted for any funds earned by FEL after that time, with the next royalty due to be calculated at 31 March 2020.

To satisfy the Admission Condition, Trident has advised FEL:

- Admission to AIM requires, amongst other things, Trident's shareholders approving and Trident completing an equity raise, and Trident completing the usual admission process and regulatory approvals and requirements. Trident is, as a result of its track record, confident of satisfying these conditions.
- In the event Trident is not admitted to AIM and as the proposed acquisition results in its cancellation from the Main Market of LSE, Trident may seek re-admission on the Main Market of LSE. Given Trident's circumstances, readmission is subject to regulatory approvals and the key requirement in connection with readmission is the publication of an prospectus, which has to be approved by the FCA, with no further fundraising required. For that reason, Trident is confident that, if required, this condition can be satisfied.





Trident is proposing to hold a general meeting of shareholders and to complete the process for admission to AIM by 30 June 2020.

About TRR Services Australia Pty Ltd

TRR Services Australia Pty Ltd is a wholly owned subsidiary of Trident Resources Plc, which is listed on the Main Market (Standard Segment) of the London Stock Exchange under the ticker TRR. Trident has advised it has sufficient cash on hand to settle the first installment. For more information regarding the company please refer to their website www.tridentresources.co.uk

