

Announcement Summary

Entity name

GRAPHEX MINING LIMITED

Announcement Type

New announcement

Date of this announcement

Monday July 20, 2020

The Proposed issue is:

- ☒ A standard pro rata issue (including non-renounceable or renounceable)
- ☒ A placement or other type of issue

Total number of +securities proposed to be issued for a standard pro rata issue (including non-renounceable or renounceable)

ASX +security code	+Security description	Maximum Number of +securities to be issued
GPX	ORDINARY FULLY PAID	115,011,555

Ex date

Thursday July 23, 2020

+Record date

Friday July 24, 2020

Offer closing date

Wednesday August 12, 2020

Issue date

Friday August 14, 2020

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	6,450,000
n/a	Unquoted Options	12,900,000
n/a	Unquoted Options	6,450,000



GPXAK	OPTION EXPIRING VARIOUS DATES EX VARIOUS PRICES	12,900,000
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Proposed +issue date

Thursday July 30, 2020

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

GRAPHEX MINING 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

ABN

Registration Number

77610319769

1.3 ASX issuer code

GPX

1.4 The announcement is

☒ New announcement

1.5 Date of this announcement

Monday July 20, 2020

1.6 The Proposed issue is:

- ☒ A standard +pro rata issue (non-renounceable or renounceable)
- ☒ A placement or other type of issue

1.6a The proposed standard +pro rata issue is:

☒ + Non-renounceable



Part 3 - Details of proposed entitlement offer issue

Part 3A - Conditions

3A.1 - Are any of the following approvals required for the entitlement offer to be unconditional?

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

☒ No

Part 3B - Offer details

Class or classes of +securities that will participate in the proposed issue and class or classes of +securities proposed to be issued

ASX +security code and description

GPX : ORDINARY FULLY PAID

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?

☒ No

If the entity has quoted company options, do the terms entitle option holders to participate on exercise?

☒ No

Details of +securities proposed to be issued

ASX +security code and description

GPX : ORDINARY FULLY PAID

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

ISIN Code for the entitlement or right to participate in a non-renounceable issue (if Issuer is foreign company and +securities are non CDIs)

Offer ratio (ratio to existing holdings at which the proposed +securities will be issued)



The quantity of additional +securities to be issued	For a given quantity of +securities held
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1

1

What will be done with fractional entitlements?

Not applicable

Maximum number of +securities proposed to be issued (subject to rounding)

115,011,555

Offer price details for retail security holders**In what currency will the offer be made?**

AUD - Australian Dollar

What is the offer price per +security for the retail offer?

AUD 0.02000

Oversubscription & Scale back details**Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?**☒ No**Will a scale back be applied if the offer is over-subscribed?**☒ No**Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?**☒ Yes

Part 3C - Timetable

3C.1 +Record date

Friday July 24, 2020

3C.2 Ex date

Thursday July 23, 2020

3C.4 Record date

Friday July 24, 2020



3C.5 Date on which offer documents will be sent to +security holders entitled to participate in the +pro rata issue

Wednesday July 29, 2020

3C.6 Offer closing date

Wednesday August 12, 2020

3C.7 Last day to extend the offer closing date

Friday August 7, 2020

3C.9 Trading in new +securities commences on a deferred settlement basis

Thursday August 13, 2020

3C.10 Last day for entity to announce the results of the offer to ASX, including the number and percentage of +securities taken up by existing +security holders and any shortfall taken up by underwriters or other investors

Monday August 17, 2020

3C.11 +Issue date

Friday August 14, 2020

3C.12 Date trading starts on a normal T+2 basis

Monday August 17, 2020

3C.13 First settlement date of trades conducted on a +deferred settlement basis and on a normal T+2 basis

Wednesday August 19, 2020

Part 3E - Fees and expenses

3E.1 Will there be a lead manager or broker to the proposed offer?

☒ No

3E.2 Is the proposed offer to be underwritten?

☒ Yes

3E.2a Who are the underwriter(s)?

Bridge Street Capital Partners (BSC)
Capital DI Limited

3E.2b What is the extent of the underwriting (ie the amount or proportion of the offer that is underwritten)?

The Offer is fully underwritten

3E.2c What fees, commissions or other consideration are payable to them for acting as underwriter(s)?

BSC receives a fee equal to % of \$1,450,000.
Capital DI Limited receives no fee



3E.2d Please provide a summary of the significant events that could lead to the underwriting being terminated

Please refer to the announcement of the Entitlement Offer dated 21 July 2020.

3E.2e Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed offer?

☒ No

3E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?

☒ No

3E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer

N/A

Part 3F - Further Information

3F.1 The purpose(s) for which the entity intends to use the cash raised by the proposed issue

Exploration at the Company's Mali Project interests, undertaking a process to sell-down or refinance the Chilalo Project, business development and general corporate purposes.

3F.2 Will holdings on different registers or subregisters be aggregated for the purposes of determining entitlements to the issue?

☒ No

3F.3 Will the entity be changing its dividend/distribution policy if the proposed issue is successful?

☒ No

3F.4 Countries in which the entity has +security holders who will not be eligible to participate in the proposed issue

Australia, New Zealand, Germany, United Kingdom, Singapore, Hong Kong, Mauritius

3F.5 Will the offer be made to eligible beneficiaries on whose behalf eligible nominees or custodians hold existing +securities

☒ No

3F.6 URL on the entity's website where investors can download information about the proposed issue

<http://www.graphexmining.com.au/category/recent-announcements/>

3F.7 Any other information the entity wishes to provide about the proposed issue

3F.8 Will the offer of rights under the rights issue be made under a disclosure document or product disclosure statement under Chapter 6D or Part 7.9 of the Corporations Act (as applicable)?

☒ Yes



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	Monday July 20, 2020	<input checked="" type="checkbox"/> Actual	Yes

Comments

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?

☒ No

Details of +securities proposed to be issued

ASX +security code and description

GPXAK : OPTION EXPIRING VARIOUS DATES EX VARIOUS PRICES

Number of +securities proposed to be issued

12,900,000

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

☒ No



Please describe the consideration being provided for the +securities

The options are being issued to directors and executives

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

129,000.000000

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

☒ Yes

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)?

☒ New class

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

☒ No

Details of +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?

☒ No

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

+Security type

Options

Number of +securities proposed to be issued

6,450,000

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

☒ No

Please describe the consideration being provided for the +securities

The options are being issued to appropriately incentivise directors and executives.



Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

38,700.000000

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

AUD 0.1000

Expiry date

Monday July 29, 2024

Details of the type of +security that will be issued if the option is exercised

GPX : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

6450000

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

<https://www.asx.com.au/asxpdf/20200618/pdf/44jrp5k2swmlcy.pdf>

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)?

☒ New class

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

☒ No

Details of +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?

☒ No

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

+Security type

Options

**Number of +securities proposed to be issued**

12,900,000

Offer price details**Are the +securities proposed to be issued being issued for a cash consideration?**☒ No**Please describe the consideration being provided for the +securities**

Being issued to incentivise directors and management.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

129,000.000000

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

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.0350

Expiry date

Monday July 29, 2024

Details of the type of +security that will be issued if the option is exercised

GPX : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

12900000

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

<https://www.asx.com.au/asxpdf/20200618/pdf/44jrp5k2swmlcy.pdf>

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)?

☒ New class

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

☒ NoDetails of +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?

☒ No

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

+Security type

Options

Number of +securities proposed to be issued

6,450,000

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

☒ No

Please describe the consideration being provided for the +securities

Issued pursuant to the terms under which directors and executives are engaged by the Company.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

51,600.000000

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

AUD 0.0600

Expiry date

Monday July 29, 2024

Details of the type of +security that will be issued if the option is exercised

GPX : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

6450000

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

<https://www.asx.com.au/asxpdf/20200618/pdf/44jrp5k2swmlcy.pdf>



Part 7C - Timetable

7C.1 Proposed +issue date

Thursday July 30, 2020

Part 7D - Listing Rule requirements

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

☒ Yes

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

Monday July 20, 2020

7D.2 Is a party referred to in listing rule 10.11 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?

☒ No

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

N/A

Part 7F - Further Information



7F.01 The purpose(s) for which the entity is issuing the securities

A cost effective and efficient means for the Company to make to appropriately incentivise the performance of directors and executives.

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