Announcement Summary

Entity name

RAFAELLA RESOURCES LTD.

Announcement Type

New announcement

Date of this announcement

Friday August 21, 2020

The Proposed issue is:

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 \$0.20 expiring 2 years from grant date.	1,000,000
n/a	Unquoted options exercisable at \$0.20 expiring 2 years from grant date.	6,000,000
n/a	Unquoted options exercisable at \$0.20 expiring 2 years from grant date.	5,000,000
RFR	ORDINARY FULLY PAID	34,580,000

Proposed +issue date

Friday August 21, 2020

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

RAFAELLA RESOURCES LTD.

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

Registration Number

ACN

623130987

1.3 ASX issuer code

RFR

1.4 The announcement is

1.5 Date of this announcement

Friday August 21, 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	** Approval		
+Security holder approval	Monday September 28, 2020	actual?	received/condition met		
,			No		

Comments

16,580,000 fully paid ordinary share, and 12,000,000 options with an exercise price of 20 cents and expiry date of 2 years from date of grant, will be subject to shareholder approval.

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

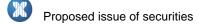
ASX +security code and description

RFR: ORDINARY FULLY PAID

Number of +securities proposed to be issued

13,050,000

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

Consideration for acquisition of projects as per the announcement dated 21 August 2020.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities 861,300.000000

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)?

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

RFR: ORDINARY FULLY PAID

Number of +securities proposed to be issued

1,450,000

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

Facilitation fee for acquisition of projects as per the announcement dated 21 August 2020.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities 95,700.000000

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)? 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

RFR: ORDINARY FULLY PAID

Number of +securities proposed to be issued

1,000,000

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

Introduction fee in respect of the proposed acquisition of the projects, as announced on 21 August 2020.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities 66,000.000000

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 Will the entity be seeking quotation ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1? ✓ No

of the 'new' class of +securities on ASX? ☑ No



Proposed issue of securities

ASX +security code

+Security description

New class-code to be confirmed

Unquoted options exercisable at \$0.20 expiring 2 years from grant date.

+Security type

Options

Number of +securities proposed to be issued

1,000,000

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration? $\ensuremath{\mathfrak{C}}$ No

Please describe the consideration being provided for the +securities

Introduction fee in respect of the proposed acquisition of the projects, as announced on 21 August 2020.

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

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

☑ Yes

Options details

+Security currency

Exercise price

Expiry date

AUD - Australian Dollar

AUD 0.2000

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

RFR: ORDINARY FULLY PAID

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

1 RFR Fully paid ordinary share

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.

Expiry date of 2 years from date of grant.

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

RFR: ORDINARY FULLY PAID

Number of +securities proposed to be issued

1,080,000

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

In lieu of 6% broking fee payable on placement of 18,000,000 shares.

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

71,280.000000

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 Will the entity be seeking quotation ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1? **⊘** No

of the 'new' class of +securities on ASX?

☑ No

ASX +security code

+Security description

New class-code to be confirmed

Unquoted options exercisable at \$0.20 expiring 2 years from grant date.

+Security type

Options



Proposed issue of securities

Number of +securities proposed to be issued

6,000,000

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

Partial satisfaction of the broking fees.

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

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

✓ Yes

Options details

+Security currency Exercise price Expiry date

AUD - Australian Dollar AUD 0.2000

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

RFR: ORDINARY FULLY PAID

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

1 RFR Fully paid ordinary share

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.

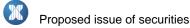
Expiry date of 2 years from date of grant.

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

RFR: ORDINARY FULLY PAID

Number of +securities proposed to be issued

18,000,000

Offer price details

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

Yes

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per

+security?

AUD 0.06600

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

Have you received confirmation from Will the entity be seeking quotation of the 'new' class of +securities on

ASX +security code

+Security description

New class-code to be confirmed

Unquoted options exercisable at \$0.20 expiring 2 years from grant date.

+Security type

Options

Number of +securities proposed to be issued

5,000,000

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration? $\ensuremath{\mathfrak{C}}$ No

Please describe the consideration being provided for the +securities

Facilitation fee for acquisition of projects as per the announcement dated 21 August 2020.

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

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

Options details

+Security currency Exercise price Expiry date

AUD - Australian Dollar AUD 0.2000

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

RFR: ORDINARY FULLY PAID

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

1 RFR Fully paid ordinary share

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.

Expiry date of 2 years from date of grant.

Part 7C - Timetable

7C.1 Proposed +issue date

Friday August 21, 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 prop	nosed r	neetina t	to annrove	the issue	under	listina	rule 7	′ 1
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Monday September 28, 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?

✓ Yes

7D.4a Please enter the number and +class of the +securities subject to +voluntary escrow and the date from which they will cease to be subject to +voluntary escrow

If not restricted for the purposes of the listing rule, 7,830,000 RFR Fully paid ordinary shares relating to the acquisition will be subject to a voluntary escrow for 6 months from the date of completion of the projects acquisition.

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?

CPS Capital Group Pty Ltd and EverBlu Capital Pty Ltd

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

6% fee on the funds raised under the placement (18,000,000 shares), payable in shares & 6,000,000 unquoted options exercisable at \$0.20 expiring 2 years from grant date.

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

Part 7F - Further Information

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

Acquisition & maintenance of new project, progressing Santa Comba Project feasibility work, satisfy corporate overheads & supplement working capital, consideration for provision of advisory services and for partial satisfaction of broking fee.

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

Of the 18,000,000 placement shares to be issued on 21 August 2020, 10,886,335 shares will be issued under ASX LR 7.1 capacity and 7,113,665 shares will be issued under ASX LR 7.1A capacity.