



12 November 2024

To the Australian Securities Exchange

**ENTITLEMENT OFFER CLEANSING NOTICE UNDER SECTION 708AA(2)(f) OF THE CORPORATIONS ACT 2001**

This Notice is given by Native Mineral Resources Holdings Limited (ACN 643 293 716) ("NMR" or the "Company") under *Section 708AA(2)(f) of the Corporations Act 2001 (Cth)* (the "Act") as notionally modified by ASIC Class Order 08/35.

Earlier today NMR announced a non-renounceable, pro-rata Entitlement Offer of one (1) fully paid Ordinary Share ("New Shares") for every one (1) ordinary share held as at 7:00pm AEDT on 15 November 2024 by NMR's Eligible Shareholders. The issue price for each New Share under the Entitlement Offer will be \$0.04.

The Entitlement Offer follows the Company raising \$3.46 million via a placement to sophisticated and professional investors at \$0.04 per share pursuant to its available capacity under ASX Listing Rules 7.1 and 7.1A ("Placement").

NMR advises that:

- (a) the New Shares will be offered for issue without disclosure under Part 6D.2 of the Act;
- (b) this Notice is being given under Section 708AA(2)(f) of the Act;
- (c) as at the date of this notice NMR has complied with:
  - i. the provisions of Chapter 2M of the Act as they apply to NMR; and
  - ii. Section 674 and 674A of the Act;
- (d) as at the date of this notice there is no excluded information of the type referred to in sub-sections 708AA(8) or (9) of the Act; and
- (e) the potential effect the Entitlement Offer will have on the control of NMR, and the consequences of that effect, will depend on a number of factors, including shareholder demand. The potential effect and the consequences of that effect are assessed further below.

It is anticipated that the funds to be raised under the Entitlement Offer will be applied towards ongoing exploration across its tenements as well as general administration costs and its working capital requirements.

The Company will use the funds raised under the Placement and Entitlement Offer as follows:

Use of funds	A\$
Repay initial debt to Collins St*	3,000,000
Exploration costs – existing tenements next 12 months	3,000,000
First year exploration costs – at new Far Fanning and Black Jack tenements	2,000,000
Reimbursement of due diligence costs to Managing Director and CEO, Blake Cannavo	400,000
Early repayment of remaining Collins St debt	4,398,656
Project security fee payable to Managing Director and CEO, Blake Cannavo	385,000
Costs of the offer	840,000
General working capital	2,375,000
Additional exploration costs – across all tenements	3,000,000
<b>Expected amount raised</b>	<b>19,398,656</b>

\*Refer ASX announcement dated 8 November 2024 for additional information regarding the debt facility with Collin St

Should the Entitlement Offer not be fully subscribed by \$1.2 million or less the Company will seek shareholder approval to issue up to \$1.2 million of Convertible Notes to Blake Cannavo or his nominee which will have a conversion price of \$0.04 per share (“Notes”).

To the extent that the Entitlement Offer is not fully subscribed by \$1.2 million or more (or shareholders do not approve the issue of the Notes) then the Board will adjust the amounts repaid early to Collins St and set aside for additional exploration as they see fit.

The Company has on issue 398,373,124 Ordinary Fully Paid Shares (“Shares”) and 2,740,000 vested Performance Rights and Options. The Company does not anticipate that a significant number of these Performance Rights or Options, if any, will be exercised to take advantage of the Entitlement Offer.

Further to paragraph (e) above and having regard to the composition of NMR’s share register, the terms of the Entitlement Offer, NMR believes that the only person who will increase their percentage shareholding in NMR pursuant to the Entitlement Offer in a way which will have any material impact on the control of NMR is Blake Cannavo, the Company’s Managing Director and CEO. Mr Cannavo has indicated that he and entities associated with him will take up their full entitlement under the Offer.

Assuming no rights or options to take up Shares are exercised by the holders, the potential effect\* of the issue of New Shares on the control of NMR is illustrated below:

Potential Acceptance	Effect on Control
1. If all eligible shareholders take up their full entitlement under the Entitlement Offer.	No effect on control. Mr Cannavo’s shareholding would remain at 18.9%.

2. If eligible shareholders, other than Mr Cannavo, take up only 50% of their full entitlement under the Entitlement Offer and Mr Cannavo and entities associated with him takes up their full entitlements.	Mr Cannavo's shareholding would increase from 18.9% to 22.9%.
3. If Mr Cannavo and entities associated with him are the only shareholders to take up their entitlements under the Entitlement Offer.	Mr Cannavo's shareholding would increase from 18.9% to 26.8%.

*\* If any of the vested options or performance rights to take up shares are exercised then Mr Cannavo's percentage of the shareholding would decrease.*

Eligible shareholders may apply for shares in addition to their pro rata entitlements under the Entitlement Offer to the extent that there is any shortfall ("Shortfall Offer"). Any such additional shares will be allocated at the discretion of the Company, provided that if any shareholder who takes up shares in addition to their pro rata entitlement would as a result hold greater than 19.9% of the Shares in the Company following completion of the Entitlement Offer then the number of additional shares they would be issued will be scaled back so that they do not hold greater than 19.9%. Additionally, the Company intends to scale back applications on a pro rata basis in the event of excess demand for such additional shares. Mr Cannavo and entities associated with him cannot participate in the Shortfall Offer. To the extent that the Company allocates additional shares to eligible shareholders in excess of their pro rata entitlements under the Shortfall Offer the increase in Mr Cannavo's shareholding in items 2 and 3 in the above table will be lessened.

The consequence of the change of control referred to in items 2 and 3 in the above table would be to increase the Mr Cannavo's voting power at the Company's general meetings. The practical effect of this would be minimal in the circumstances of item 2 but in the circumstances of item 3 he could effectively block the passing of special resolutions but not otherwise approve or block the passage of any resolution.

Authorised by the Board of Native Mineral Resources Holdings Limited.

Yours faithfully,



**James Walker**  
**Non-Executive Chair**  
**Native Mineral Resources Holdings Limited**