

## Consequences of AIC declaring offer unconditional

Demetallica Limited (**Demetallica**) confirms it has, this morning, been served with a 'Notice declaring Takeover Offer free of remaining defeating conditions' by AIC Mines Limited.

Demetallica notes it is important to understand the implications of this for Demetallica shareholders contemplating accepting the offer (against the recommendation of the Board).

Now that the bid is unconditional:

- AIC will not need to attain minimum acceptances of 50.1% and may end up with a shareholding substantially less than 50.1% in Demetallica. The implications of this are outlined in AIC's Bidder's Statement. As at the time of the announcement, AIC had only procured acceptances of 7.73% of the shares in Demetallica.
- Demetallica shareholders who accept the offer will forego the opportunity to retain their Demetallica shares in circumstances where they originally accepted an offer conditional upon 50.1% of all shares in Demetallica accepting the offer. The Bidder's Statement acknowledged that AIC retained the right to waive the conditions to its offer, however once it does so, Demetallica shareholders will not have the luxury of keeping their Demetallica shares in circumstances where AIC does not have control of Demetallica, and will only hold shares in AIC.

In the absence of further information from AIC, Demetallica shareholders should continue to consider the information outlined in Section 4 of the Demetallica Target's Statement dated 12 October 2022 (which was not the subject of any update by Demetallica's Supplementary Target's Statement dated 18 October 2022).

Demetallica will continue to keep shareholders informed of any material developments in relation to the offer. The Demetallica Board remains committed to acting in the best interests of all shareholders and to maximise shareholder value.

Should you have queries regarding the offer, please contact the Demetallica Company Secretary, Mr Varis Lidums on 08 8132 3458 (for callers within Australia) or +61 8 8132 3458 (for callers outside of Australia) Monday to Friday between 9.00am and 4.30pm (Sydney AEDST time) for assistance.

This announcement has been authorised by the Board.

Signed,



**Varis Lidums**

Company Secretary