



demetallica

ASX: DRM

12 October 2022

REJECT the AIC Mines Offer by TAKING NO ACTION

Demetallica Limited (“**Demetallica**” the “**Company**”) (ASX:DRM) refers to the conditional, off-market takeover offer for Demetallica announced by AIC Mines Limited (“**AIC Mines**”) on 19 September 2022 (**Takeover Bid or Offer**).

The Company has today released its Target’s Statement in response to the Takeover Bid. At this point in time, Shareholders are advised to **REJECT** the Offer, by **TAKING NO ACTION**.

NEXT STEPS

The Board acknowledges that there is some commercial merit in combining Demetallica (in particular the Jericho resource) and AIC Mines, and the Board remains open to discussions with AIC in relation to an improved offer that more adequately reflects the value of the Company’s assets. At this stage the Company is not in a position to make an alternative recommendation, noting that information that is material to valuation is outstanding, specifically the updated Mineral Resource Estimate (**MRE**) in respect of the Jericho deposit.

The Company is on track to deliver an updated MRE for the Jericho deposit towards the end of October, prior to AIC Mines’ Takeover Bid closing, and therefore providing all Demetallica shareholders with adequate time to consider the Offer with the benefit of the updated MRE.

Critically, shareholders are reminded that the Offer remains conditional, and therefore, any accepting shareholders will be prevented from otherwise dealing with their Demetallica shares (including the loss of an ability to sell Demetallica shares on-market), or receiving the Offer consideration while the Offer remains subject to any of the conditions as detailed in the Bidder’s Statement.

Demetallica has appointed ICA Partners as its corporate advisor, Euroz Hartleys as corporate broker to the Company, and Steinepreis Paganin as its legal advisor in relation to the Takeover Bid.

Should you have any queries regarding the Offer, please contact Demetallica’s 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 8:30am to 4:30pm (Sydney AEDT) for assistance.

This announcement has been authorised by the Board.

Signed,



Varis Lidums

Company Secretary