



RAGUSA MINERALS LIMITED

ACN 143 194 165
Level 2, 22 Mount Street, Perth, WA 6000
PO Box 7054, Cloisters Square, Perth, WA 6850
Ph: (08) 6188 8181 Fax: (08) 6188 8182



29 September 2020

RAGUSA MINERALS LIMITED [ACN 143 194 165] Pre-Reinstatement Disclosure Announcement

Ragusa Minerals Limited [ACN 143 194 165] (formerly Siv Asset Management Limited) (**Company**) is pleased to announce that it has raised \$5,000,000 through the issue of 83,333,333 fully paid ordinary shares (**New Shares**) under the Equity Offer made in its prospectus dated 3 August 2020 (as supplemented by its supplementary prospectus dated 18 August 2020) and lodged with ASIC on the same date (**Prospectus**). The following information is given for release to the market in connection with the reinstatement to quotation of the Company's shares on the Australian Securities Exchange (**ASX**).

Unless defined in this announcement, capitalised terms have the meanings as defined in the Prospectus.

Close of the Offers and issue of securities

The Company confirms all Offers made under the Prospectus have closed and that the Company has issued 83,333,333 New Shares under the Equity Offer.

The Company has also issued the following securities under the other Offers:

- 8,333,333 Vendor Shares, 6,666,666 First Milestone Shares and 6,666,666 Second Milestone Shares under the Vendor Offer;
- 45,000,000 Fee Options under the Fee Option Offer;
- 9,589,075 Noteholder Shares and 9,589,075 Noteholder Options under the Noteholder Offer; and
- 1,000,000 Incentive Options under the Incentive Option Offer.

The capital structure of the Company following completion of the Offers is set out below:

Securities	Number
Ordinary shares	114,098,057
Unquoted Noteholder Options	9,589,075
Unquoted Fee Options and Incentive Options	46,000,000
Unquoted First Milestone Shares	6,666,666
Unquoted Second Milestone Shares	6,666,666

The terms of the securities in the table above are set out in the Prospectus.

Restricted securities

The Company advises that the following securities are classified as restricted securities by ASX:



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Securities	Number	Restriction Period
Ordinary shares	2,268,559	24 months from relisting
Ordinary Shares	7,214,468	12 months from issue
Unquoted Noteholder Options	1,007,953	24 months from relisting
Unquoted Noteholder Options	8,581,122	12 months from issue
Unquoted Fee Options and Incentive Options	45,924,835	24 months from relisting
Unquoted First Milestone Shares	1,666,667	24 months from relisting
Unquoted First Milestone Shares	4,999,999	12 months from issue
Unquoted Second Milestone Shares	1,666,667	24 months from relisting
Unquoted Second Milestone Shares	4,999,999	12 months from issue

Completion of agreements and other confirmations

The Company confirms the following matters:

- The conditions precedent for the acquisition by the Company of 100% of the issued capital of Balancing Rocks Zim Pty Ltd (**BRZ**) as set out in the share sale agreement between the parties have been satisfied and the Company has completed the acquisition of 100% of the issued capital of BRZ, including the issue of the Vendor Shares, First Milestone Shares and Second Milestone Shares.

The Company advises that, following completion of its acquisition of 100% of the issue capital of BRZ, it has changed its name to Ragusa Minerals Limited with effect on and from 29 September 2020. This name change of the Company is anticipated to be processed by ASX in the coming days.

- BRZ has exercised its option to acquire all the issued capital of Westwood Industrial (Private) Ltd (**Westwood**) pursuant to the option deed between the parties and BRZ has completed the acquisition of all the issued capital of Westwood.

Statement of commitments

Below is an update Use of Funds table reflecting the anticipated use of funds following completion of the maximum \$5m raising under the Equity Offer.

Activity	\$
Funds under Maximum Subscription	\$5,000,000
Maintenance of Mining Claims	\$300,000
Development of Mining Claims (comprised of the four line items below, intended to be completed over 12-18 months from completion of the Offer).	\$1,400,000



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<i>Accessing historic data and mine plans, digitising, 3D orebody modelling & other desk top studies</i>	\$50,000
<i>Exploration work programmes to assess Lonely Mine and Tiberius mineralised ore structures</i>	\$475,000
<i>Delineate and drill test mineralised structures and other extensions at depth</i>	\$625,000
<i>Evaluation re-development work for the Project underground</i>	\$250,000
Total first phase Exploration Expenditure (Comprised of maintenance costs and development expenditure above.)	\$1,700,000
Second phase exploration work programmes to further drill test identified target areas.	\$1,400,000
Administration costs	\$950,000
Trade Creditors	\$182,500
Costs of the Equity Offer (Excluded costs already paid or which form part of trade creditors. Full details of costs of the Offers are set out in section 13.8 of the Prospectus.)	\$444,000
Working Capital	\$323,500
Total Expenditure	\$5,000,000

Note to table:

- *Costs of the offer represent the estimate of costs which are unpaid at the date of this Prospectus. Details of the full costs of the offer (including the costs which are paid as at the date of this Prospectus) were set out in Section 13.8 of the Prospectus.*
- *Administration costs represented the budgeted administration costs of the Company for a period of 18 months from completion of the Offers and include, but are not limited to, accounting, audit and legal service estimates, regulatory fees, director fees and an estimate of third party consultancy costs, marking and public relations fees, registry costs and insurance.*
- *As noted in the Prospectus, a substantial portion of the working capital allocation is intended to be applied to a follow-up exploration program at the Project. The use of funds table above has identified a budget of \$1,400,000 for this program. The nature and scope of that exploration program will be determined having regard to the results of the initial phase exploration program.*

Statement on the Milestone Shares

As noted above, a total of 13,333,332 Milestone Shares are being issued to the BRZ Vendors as part of the consideration for the Transaction. The milestones for the conversion of the Milestones Shares are related to the delineation of inferred JORC resources within 18 and 36 months of completion of the Transaction. The Milestones Shares were negotiated by the Company with the rationale of ensuring that



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the consideration paid by it is aligned with the development and success of the Lonely Mine Project. Specifically, by making a significant portion of the consideration contingent on development milestones the Company sought to manage the risks which are inherent in minerals exploration and align the vendors interests with both the commercial goals of the Company, and interests of the non-vendor shareholders, in successful and timely development of the Lonely Mine Project.

The number of Milestone Shares was part of a commercial negotiation with the vendors. It was the Company's view that the number of milestone shares ought to form a substantial proportion (in the case of the agreed figures, approximately 60% of the potential total consideration). Given that the success of exploration will be the Company's focus, and ultimately is expected to be the primary factor in respect of increasing value for shareholders, the Company considers that the significant portion of the consideration represented by the Milestone Shares is equitable and appropriate.

Waivers granted by ASX

The Company notes that the following waivers of the Listing Rules were granted by ASX in connection with the Transaction and matters ancillary thereto:

- Waiver of Listing Rule 1.1 Condition 12 to permit the Noteholder Options, Fee Options and Incentive Options to each have an exercise price of less than \$0.20 (20 cents). Shareholder approval was expressly sought and obtained for the Company to issue the Noteholder Options, Fee Options and Incentive Options with an exercise price of less than \$0.20 (20 cents).
- Waiver of Listing Rule 2.1 Condition 2 to permit:
 - The issue of New Shares under the Equity Offer at a price of less than \$0.20 (20 cents) per New Share; and
 - The issue of Noteholder Shares upon conversion of Notes at a conversion price of less than \$0.20 (20 cents) per Noteholder Share.

Shareholder approval was expressly sought and obtained for the Company to issue the New Shares under the Equity Offer and the Noteholder Shares upon conversion of Notes at a price of less than \$0.20 (20 cents) per share.

- Waiver of Listing Rule 10.13.5 to allow securities proposed to be issued to related parties that were subject to receipt of shareholder approval to be issued no later than 30 September 2020.

Further information

Further information can be obtained by contacting the Company on +61 8 6188 8181.

Michael Melamed
Director
Ragusa Minerals Limited