

ASX: ANX

17 JUNE 2024

\$4M IN FUNDING TO PROGRESS STRATEGIC OBJECTIVES

- **Anax received firm commitments to raise \$3 million via a Placement to sophisticated and institutional investors**
- **Proceeds of Placement to be used for drilling at Evelyn and to accelerate technical studies at Whundo and Sulphur Springs**
- **Agreement with Topdrill for part payment of drilling services in equity up to \$1 million in addition to this placement**

Anax Metals Limited (ASX: **ANX**, "**Anax**" or "**Company**") is pleased to advise that it has received firm commitments from institutional, sophisticated and professional investors to raise approximately \$3 million (before costs) via a placement of 100 million new fully paid ordinary shares ("**Placement Shares**") at an issue price of \$0.03 per share ("**Placement**").

Anax's Managing Director, Geoff Laing commented:

"The Company is pleased to have had strong support for this raise including from our major shareholder. We are in the enviable position of having a robust permitted copper project in the Pilbara with fantastic growth potential. We continue to position ourselves as the key player for consolidation of Pilbara copper assets through the development of our copper processing hub."

We are looking forward to working with Topdrill to deliver the planned program at our high-grade Evelyn resource where previous drilling intersected 13 m @ 4.46% Cu, 3.10% Zn, 45 g/t Ag and 1.61 g/t Au from 204m¹."

The Company intends to use the funds raised from the Placement for:

- Resource extensional drilling and at the high-grade Evelyn Project;
- Conducting technical studies to assess the treatment of GreenTech Metals Ltd (ASX:GRE) base metal assets at the Whim Creek Project as part of the recently formed Pilbara Base Metal Alliance^{2&3};
- Advancing the Scoping Study in collaboration with Develop Global Limited (ASX:DVP) to evaluate the treatment of high-grade oxide/traditional ores from DVP's 100% owned Sulphur Springs project at the fully permitted Whim Creek heap⁴;
- Advancing off-take and project finance discussions towards Financial Investment Decision for the construction and development of the 80%-owned, **mine ready, fully permitted**, Whim Creek Project; And
- Working capital requirements.

The Placement will be undertaken utilising the Company's existing placement capacity under Listing Rules 7.1 and 7.1A through the issue of 40,868,291 and 59,131,709 Placement Shares respectively. The Placement issue price of A\$0.03 per share represents a 16.6% discount to the last traded price of \$0.036. The Company expects the Placement Shares to be quoted on Monday, 24 June 2024. The Placement Shares will rank equally with the existing fully paid ordinary shares on issue.

Placement participants will also be entitled to one free attaching unlisted option (exercisable at \$0.06 and expiring 2 years from issue) for every two Placement Shares subscribed for ("**Attaching Options**"). The issue of the 50,000,000 free Attaching Options will be subject to shareholder approval at an Extraordinary General Meeting (EGM) anticipated to be held in early August 2024. The Company will circulate a Notice of Meeting to shareholders in due course.

In addition to the Placement, Anax has entered into an agreement ("**Agreement**") with drilling services company Topdrill Pty Ltd ("**Topdrill**"). Under the Agreement, Anax may issue Topdrill fully paid ordinary shares in the Company ("**Contractor Shares**") in lieu of a part cash payment for drilling services rendered. The Company expects that a drill rig will be mobilised by Topdrill to Whim Creek in the coming months.

The maximum number of Contractor Shares that Anax may issue is up to 60% of the total invoice value for drilling services, and up to a maximum invoice value of \$1 million. The Contractor Shares will be issued at a deemed issue price being the five-day volume weighted average price ("VWAP") of the shares of the Company for the five trading days immediately preceding invoice date. Any issue of Contractor Shares are at the discretion of the Company. Alternatively, the Company may elect to make a cash payment for the services. The Agreement is effective immediately and will remain in force until the earlier of 31 October 2024 or the Agreement is terminated by either party. Shareholder approval for the proposed Contractor Shares will be sought at the upcoming EGM.

Evolution Capital Pty Ltd has acted as Lead Manager to the Placement and will receive 4,500,000 unlisted options (exercisable at \$0.06 and expiring 2 years from issue) ("**Lead Manager Options**"). The Lead Manager Options will be issued utilising the Company's existing placement capacity under Listing Rules 7.1 and will not be subject to shareholder approval.

In addition to the above, Anax has agreed to issue 1,200,000 unlisted broker options (exercisable at \$0.06 and expiring 2 years from issue) to T Conn as consideration for ongoing placement support provided to the Company ("**Broker Options**"). The Broker Options will be issued utilising the Company's existing placement capacity under Listing Rules 7.1 and will not be subject to shareholder approval.

Authorised for ASX release by the Board of Directors.

For Further Information, please contact:

Anax Metals Limited
info@anaxmetals.com.au

References

The information provided in this report was summarised from the following Anax Announcements to the ASX:

1. Evelyn Extended with Excellent Cu, Zn & Au Intersection, 4 October 2022
2. Greentech and Anax to Collaborate on Copper-focussed Pilbara base Metal Alliance, 16 May 2024
3. Retraction of Statements Regarding the Greentech and Anax Pilbara Base Metal Alliance, 17 May 2024.
4. Develop and Anax Commence Scoping Study to Investigate Heap Leaching of Sulphur Springs Oxide/Transitional Ore, 28 March 2024

No New Information

To the extent that this announcement contains references to prior exploration results, a production target and financial information derived from a production target and Mineral Resource estimates, which have been cross referenced to previous market announcements made by the Company, unless explicitly stated, no new information is contained. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of estimates of a production target and financial information derived from a production target and Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.