



ASX ANNOUNCEMENT

11 August 2022

Austral Resources Successfully Completes \$17 million Placement

Highlights

- *Firm commitments secured for a placement to raise A\$17 million at an issue price of A\$0.37 per share from institutional and sophisticated investors.*
- *Proceeds will primarily be used for exploration, partial repayment of the Wingate debt facility and working capital.*

Copper producer Austral Resources Australia Ltd (ASX:ARI) ("**Austral**" or the "**Company**") is pleased to announce that it has received firm commitments to raise A\$17 million in an institutional placement of approximately 45.9 million shares ("**New Shares**") at an issue price of A\$0.37 per share ("**Placement**"). Under the Placement, Dan Jauncey, Managing Director and CEO, will subscribe for A\$1 million worth of New Shares, subject to shareholder approval at a general meeting of the Company.

Petra Capital acted as Sole Lead Manager and Bookrunner to the Placement.

The placement was strongly supported by institutional and sophisticated investors, providing significant endorsement of Austral's ongoing progress.

Austral's Managing Director and CEO, Dan Jauncey, commented:

"We are delighted with the support for the placement and welcome a number of new institutional investors to the register.

Austral would like to thank our existing shareholders for the continued support and we look forward to delivering on our strategy."

Placement Details

New Shares will be issued under the Placement at an issue price of A\$0.37 per share, which represents:

- 17.8% discount to the last traded price of A\$0.45 per share on 9 August 2022; and
- 16.2% discount to the 5-day volume weighted average price ("**VWAP**") of A\$0.441 per share at close on 9 August 2022.



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Under the Placement 43,243,244 New Shares will be issued under the Company's existing Listing Rule 7.1A capacity, raising approximately A\$16 million. In addition, Dan Jauncey, Managing Director and CEO, will subscribe for 2,702,703 shares, A\$1 million, subject to shareholder approval at a general meeting of the Company.

The Placement shares to be issued under Listing Rule 7.1A are expected to settle on or around 17 August 2022, with shares to be issued on 18 August 2022.

This announcement is authorised by the Austral Board.

FOR FURTHER INFORMATION PLEASE CONTACT:

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About Austral Resources

Austral Resources Australia Ltd is an ASX listed copper cathode producer operating in the Mt Isa region, Queensland, Australia. Its Mt Kelly copper oxide heap leach and solvent extraction electrowinning (SXEW) plant has a nameplate capacity of 30,000tpa of copper cathode. Austral has developed its Anthill oxide copper mine which has an Ore Reserve of 5.06Mt at 0.94% Cu. The Company expects to produce 40,000t of copper cathode over a four-year period from mid-2022.

Austral also owns a significant copper inventory with a JORC compliant Mineral Resource Estimate of 60Mt@ 0.7% Cu (420,000t of contained copper) and 2,100km² of highly prospective exploration tenure in the heart of the Mt Isa district, a world class copper and base metals province. The Company is implementing an intensive exploration and development programme designed to extend the life of mine, increase its resource base and then review options to commercialise its copper resources.

The Company confirms that it is not aware of any new information or data that materially affects the estimates of Mineral Resources and Ore Reserves as cross referenced in the ASX release "Prospectus" on 1 November 2021 and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not changed.