



Announcement Summary

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**Entity name**

LOYAL LITHIUM LIMITED

**Announcement Type**

New announcement

**Date of this announcement**

8/6/2023

**The Proposed issue is:**

A placement or other type of issue

**Total number of +securities proposed to be issued for a placement or other type of issue**

<b>ASX +security code</b>	<b>+Security description</b>	<b>Maximum Number of +securities to be issued</b>
New class-code to be confirmed	Unquoted Consideration Options	4,000,000
LLI	ORDINARY FULLY PAID	16,000,000

**Proposed +issue date**

26/6/2023

Refer to next page for full details of the announcement



## Part 1 - Entity and announcement details

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### 1.1 Name of +Entity

LOYAL LITHIUM LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

### 1.2 Registered Number Type

ACN

### Registration Number

644564241

### 1.3 ASX issuer code

LLI

### 1.4 The announcement is

New announcement

### 1.5 Date of this announcement

8/6/2023

### 1.6 The Proposed issue is:

A placement or other type of issue



Part 7 - Details of proposed placement or other issue

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Part 7A - Conditions

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**7A.1 Do any external approvals need to be obtained or other conditions satisfied before the placement or other type of issue can proceed on an unconditional basis?**

Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	26/6/2023	<input checked="" type="checkbox"/> Actual	No

Comments

Part 7B - Issue details

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**Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?**

Existing class

**Will the proposed issue of this +security include an offer of attaching +securities?**

No

Details of +securities proposed to be issued

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**ASX +security code and description**

LLI : ORDINARY FULLY PAID

**Number of +securities proposed to be issued**

16,000,000

**Offer price details**

**Are the +securities proposed to be issued being issued for a cash consideration?**

No



**Please describe the consideration being provided for the +securities**

Consideration to Youssa Pty Ltd and DG Resource Management Ltd as part consideration payable under the Acquisition Agreements. Refer to Section 7.1 of the Prospectus for a summary of the Acquisition Agreements. <https://www.asx.com.au/asx/statistics/displayAnnouncement.do?display=pdf&idsId=02672989>

**Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities**

4,800,000.000000

**Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?**

Yes

**Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?**

New class

**Will the proposed issue of this +security include an offer of attaching +securities?**

No

Details of +securities proposed to be issued

**ISIN Code (if Issuer is a foreign company and +securities are non CDIs)**

**Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?**

Yes

**Will the entity be seeking quotation of the 'new' class of +securities on ASX?**

No

**ASX +security code**

New class-code to be confirmed

**+Security description**

Unquoted Consideration Options

**+Security type**

Options

**Number of +securities proposed to be issued**

4,000,000

**Offer price details**

**Are the +securities proposed to be issued being issued for a cash consideration?**

No



**Please describe the consideration being provided for the +securities**

Pursuant to the Acquisition Agreements (the materials terms of which are summarised at Section 7.1), 16,000,000 Consideration Shares will be issued amongst the Vendors. Pursuant to the respective Acquisition Agreements, 14,000,000 Consideration Shares will be issued to Youssa and 2,000,000 Consideration Shares will be issued to DGRM.

**Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities**

647,000.000000

**Will all the +securities issued in this class rank equally in all respects from their issue date?**

Yes

Options details

<b>+Security currency</b>	<b>Exercise price</b>	<b>Expiry date</b>
AUD - Australian Dollar	AUD 0.6000	28/3/2026

**Details of the type of +security that will be issued if the option is exercised**

LLI : ORDINARY FULLY PAID

**Number of securities that will be issued if the option is exercised**

4000000

**Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.**

Refer Notice of Meeting - <https://www.asx.com.au/asx/statistics/displayAnnouncement.do?display=pdf&idsId=02669925>

Part 7C - Timetable

**7C.1 Proposed +issue date**

26/6/2023

Part 7D - Listing Rule requirements

**7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?**

Yes

**7D.1a Date of meeting or proposed meeting to approve the issue under listing rule 7.1**

26/6/2023



**7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?**

No

**7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?**

No

**7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?**

Yes

**7D.4a Please enter the number and +class of the +securities subject to +voluntary escrow and the date from which they will cease to be subject to +voluntary escrow**

The Shares issued under the Consideration Offer may be subject to escrow under the ASX Listing Rules. - Refer Prospectus - S2.10 - <https://www.asx.com.au/asx/statistics/displayAnnouncement.do?display=pdf&idsId=02672989>

## Part 7E - Fees and expenses

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**7E.1 Will there be a lead manager or broker to the proposed issue?**

No

**7E.2 Is the proposed issue to be underwritten?**

No

**7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue**

## Part 7F - Further Information

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**7F.01 The purpose(s) for which the entity is issuing the securities**

Pursuant to the Acquisition Agreements (the materials terms of which are summarised at Section 7.1 of the Prospectus),

**7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?**

No

**7F.2 Any other information the entity wishes to provide about the proposed issue**

**7F.3 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:**

The publication of a +disclosure document or +PDS involving the same class of securities as the +securities proposed to be issued that meets the requirements of section 708A(11) or 1012DA(11)

