

ASX Announcement



PEARL GULL IRON

ASX ANNOUNCEMENT

ASX: PLG

20 December 2022

Notice under section 708AA(2)(f) of the Corporations Act 2001 (Cth)

Pearl Gull Iron Limited (ACN 621 103 535) (**Pearl Gull** or the **Company**) (ASX Code: PLG) today announced a two-tranche placement to sophisticated and professional investors (**Placement**) and a non-renounceable pro-rata entitlement offer (**Entitlement Offer**) to raise approximately \$2 million (before costs).

Under the Entitlement Offer, eligible shareholders will be invited to subscribe for one (1) new fully paid ordinary share (**New Shares**) for every two (2) existing shares held in the Company at the record date, being 5:00pm (AWST) on 23 December 2022, at an issue price of \$0.02 per New Share.

The Entitlement Offer and Placement will be fully underwritten by Malekula Projects Pty Ltd (**Underwriter**).

Further details regarding the Entitlement Offer and the Placement are provided in the ASX announcement lodged on 20 December 2022 and Appendix 3B.

The Company advises that it will offer the New Shares to investors under Part 6D.2 of the *Corporations Act 2001 (Cth)* (**Corporations Act**) and states that this notice is given to ASX under section 708AA(2)(f) of the Corporations Act, as modified by the Australian Securities and Investments Commission ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84.

Accordingly, Pearl Gull confirms that:

- (a) the Company will offer the New Shares under the Entitlement Offer without disclosure to investors under Part 6D.2 of the Corporations Act;
- (b) this notice is being given under section 708AA(2)(f) of the Corporations Act as modified by ASIC;
- (c) as at the date of this notice, the Company has complied with:
 - (i) the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
 - (ii) section 674 of the Corporations Act;



Registered Address

Pearl Gull Iron
ACN 621 103 535
ABN 62 621 103 535

Level 2, 87 Colin Street,
West Perth, WA 6005
www.pearlgulliron.com.au

Directors

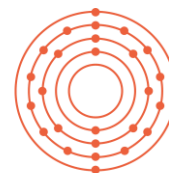
Russell Clark – Non-Executive Chairman
Jonathan Fisher – Director
Alexander Passmore – Director

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Projects

Switch Pit
North Bay
Magazine Pit

Shares on Issue	103.0M
Share Price	2.5c (14 Dec 2022)
Market Cap	\$2.6M
ASX Code	PLG



- (d) as at the date of this notice, there is no information:
- (i) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules;
 - (ii) that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - (A) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - (B) the rights and liabilities attaching to the New Shares;
- (e) the potential effect that the Entitlement Offer will have on the control of the Company and the consequences of that effect will depend on a number of factors, including the extent to which eligible shareholders take up their entitlements under the Entitlement Offer. In particular:
- (i) Cockatoo Iron NL has advised the Company that it will not take up its entitlement under the Entitlement Offer. Cockatoo Iron NL has voting power of 41.98% as at the date of this notice. Cockatoo Iron NL's voting power in the Company will be diluted to 21.14% as a result of the Entitlement Offer and Placement (assuming shareholders approve the proposed issue of shares under tranche 2 of the Placement);
 - (ii) Shares not issued under the Entitlement Offer will either be placed by the Underwriter or taken up by the Underwriter itself. The Underwriter will ensure that no person will be issued shares if such issue will result in their voting power in the Company exceeding 20% unless an exception to the restrictions contained in section 606 of the Corporations Act applies; and
 - (iii) if no eligible shareholders take up their full entitlement to New Shares under the Entitlement Offer and the Underwriter is unable to place any shortfall shares (which the directors consider unlikely), the maximum theoretical increase in voting power of the Underwriter will be approximately 31.57% following completion of the Entitlement Offer and the Placement (assuming shareholders approve the proposed issue of shares under tranche 2 of the Placement and the shares offered under the Placement are placed in accordance with the firm commitments received by the Underwriter).

Having regard to the composition of the Company's share register, the firm commitments received by the Underwriter under the Placement and the terms of the Entitlement Offer, the Company does not expect the issue of New Shares to have a material effect on the control of the Company.

Signed for and on behalf of the Board of Pearl Gull Iron Limited.

Chris Hunt
Company Secretary

