

ASX ANNOUNCEMENT | ASX: CNR

19 October 2021

## **\$4 million Equity Raising to Fund Accelerated Exploration Program at Fisher East Nickel Project**

### **Highlights**

- **\$4 million placement (before costs) to sophisticated investors at \$0.40 per share**
- **Issue price represents a 9% discount to the last closing price and a 16% premium to the VWAP since listing on 12 August 2021**
- **Funding to be utilised to significantly expand and accelerate Fisher East drilling program**

Cannon Resources Limited (**ASX: CNR**) ("**Cannon**" or "**the Company**") is pleased to announce that it has received binding commitments to raise \$4 million (before costs) via a placement of 10 million new shares to sophisticated investors at an issue price of \$0.40 per share.

The Company has received significant interest from key investors following recent exploration success which translated into on market buying and support for this equity raising.

The new shares will be issued pursuant to the Company's existing placement capacity under Listing Rule 7.1. Settlement of the placement is expected to occur on Monday, 25 October 2021 and the new shares will rank equally with the Company's existing shares on issue.

Following the recent drilling results where nickel mineralisation has been extended at Musket, the Company has decided to expand and accelerate its drilling program at its flagship Fisher East Nickel Project. The funds raised will be allocated to expanded and accelerated programs at the Fisher East Nickel Project, specifically diamond drilling at Sabre, Tomahawk, Camelwood and Musket.

A holding lock will be placed on the new shares until the earlier of 12 months after their date of issue and the Company lodging a prospectus, which it intends to do on or around 12 November 2021 (being the date which is three months post the Company's admission to ASX).

**Cannon CEO, Steve Lynn commented:**

*"The strong demand from sophisticated investors at double the IPO price following the recent drilling results from Musket is a testament to the success of early stage exploration at Musket. The funds will allow us to aggressively expand and accelerate our diamond drilling at Fisher East with the aim to grow the existing nickel resource".*

This transaction was strongly supported by the Joint Lead Manager's (Canaccord Genuity (Australia) Limited and Taylor Collison Limited) to the Company's Initial Public Offering. Canaccord Genuity (Australia) Limited acted as Financial Advisor to this transaction.

This ASX announcement has been approved by the Board of Cannon Resources Limited.

For further information

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## About Cannon Resources

Cannon Resources is a West Australian focused nickel exploration company with two flagship projects, Fisher East and Collurabbie. Both Projects are located in the northern Goldfields region of Western Australia, approximately 200 km north-east of Leonora.

Fisher East contains the Camelwood, Cannonball and Musket nickel sulphide deposits with a combined JORC 2012 Mineral Resource of 4.2Mt grading 1.9% Ni reported at 1.0% Ni cut-off (Indicated Mineral Resource: 3.7Mt grading 1.9% Ni, Inferred Mineral Resource: 0.5Mt grading 1.5% Ni) comprising massive and disseminated nickel sulphide mineralisation, and containing 78,000 tonnes of nickel.

Collurabbie contains a JORC 2012 Inferred Mineral Resource of 573,000t grading 1.63% Ni, 1.19% Cu, 0.082% Co, 1.49g/t Pd, 0.85g/t Pt at Olympia.

## Competent Person Statements

### Exploration Results

The information in this report that relates to Data and Exploration Results is based on information compiled and reviewed by Mr Stephen Lynn a Competent Person who is a Member of the Australian Institute of Geoscientists (AIG) and Chief Executive Officer of Cannon Resources Limited. Mr Lynn has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Lynn consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Where reference is made to previous releases of exploration results in this announcement, the Company confirms that it is not aware of any new information or data that materially affects the information included in those announcements and all material assumptions and technical parameters underpinning the exploration results included in those announcements continue to apply and have not materially changed.

The information in this report that relates to previous Exploration Results, was either prepared and first disclosed under the JORC Code 2004 or under the JORC Code 2012 and has been properly and extensively cross-referenced in the text to the date of the original announcement to the ASX. In the case of the 2004 JORC Code Exploration Results and Mineral Resources, they have not been updated to comply with the JORC Code 2012.

### Resource Statement

Cannon refers to the public report regarding its mineral resource contained in its Prospectus dated 26 May 2021 which included the Competent Persons Statement and Table 1 of Appendix 5A (JORC Code). Cannon confirms that it is not aware of any new information or data that materially affects the information included in the Prospectus and, in the case of estimates of mineral resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

### Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Rox Resources Limited planned exploration program(s) and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should," and similar expressions are forward looking statements.