



# North Stawell Minerals

## ASX Announcement

24 September 2024

### **NORTH STAWELL MINERALS TO RAISE \$1.3M VIA PLACEMENT AND UNDERWRITTEN ENTITLEMENT OFFER TO FUND EXPLORATION PROGRAM**

#### Highlights

- **\$1.3 million equity raising (before costs) comprising a:**
  - placement of shares to raise approximately \$0.2 million; and
  - fully underwritten 4 for 5 non-renounceable entitlement offer to raise approximately \$1.1 million.
- **Commitments received for a successful placement raising of approximately \$0.2 million at an offer price of \$0.01 per share.**
- **Entitlement Offer is fully underwritten.**
- **Proceeds of the equity raising will be applied to:**
  - exploration and drilling programmes at Wildwood and Darlington-Caledonia; and
  - general working capital and costs of the offer.
- **Placement and Entitlement Offer conducted at an offer price of \$0.01 per share.**

North Stawell Minerals Ltd (“**NSM**” or “**the Company**”) (ASX: NSM) is pleased to announce that it is conducting an equity raising of approximately \$1.3 million by way of a placement of ordinary shares to raise approximately \$0.2 million (“**Placement**”) followed by a non-renounceable, pro rata entitlement offer (“**Entitlement Offer**”), which is fully underwritten by Henslow Pty Ltd (“**Henslow**” or “**Lead Manager**”), to raise approximately \$1.1 million (collectively the “**Equity Raising**”).

The Company advises that Henslow has been appointed as Lead Manager to the Equity Raising and to fully underwrite the Entitlement Offer.

The Placement and Entitlement Offer will be undertaken at an offer price of \$0.01 (1 cent) per share (“**Offer Price**”).

The Offer Price represents a:

- 28.6% discount to NSM's last closing price of \$0.014 per share as of Thursday, 19 September 2024;
- 17.0% discount to the TERP (including Placement)<sup>1</sup> of \$0.012; and
- 37.3% discount to the Company's 15-day volume weighted average price ("VWAP") of \$0.016 as of Thursday, 19 September 2024.

The Equity Raising will result in the issue of approximately 132,800,627 new fully paid ordinary shares ("**New Shares**"). The New Shares issued under the Equity Raising will rank equally with existing NSM shares as at their date of issue and the Company will apply to the ASX for quotation of the New Shares.

Commenting on the Equity Raising, Campbell Olsen, CEO of NSM said: "We're particularly encouraged and excited about the deep exploration knowledge the past three years of hard work has produced. We're now moving into Phase 2 of our strategy which is to focus on those assets, amongst the multitude of which we have up and down the corridor, which will hopefully move us to production in the shortest possible time. To have this capital raise fully underwritten gives us confidence in our strategy. In addition, we have a Memorandum of Understanding with Stawell Gold Mines for potential future ore purchase which we believe will cut significant time periods from our path to production. This is unique amongst explorers. We thank them for their great support over the past three years, which has enabled an accelerated understanding of the mineralisation up and down the Stawell Corridor and hastened our development and maturity significantly. We look forward to a new and growing dawn for North Stawell Minerals. With gold pricing at an all-time high it is an exciting time for North Stawell Minerals."

### **Placement**

The Lead Manager has received binding commitments to raise \$209,000 through the issue of 20,900,000 New Shares to new and existing sophisticated and professional investors under section 708 of the *Corporations Act 2001* (Cth) (**Corporations Act**). The New Shares will be issued as a single tranche at the Offer Price using the Company's existing placement capacity under ASX Listing Rule 7.1. The Company will apply for quotation of the New Shares (subject to the conditions of the ASX Listing Rules).

### **Entitlement Offer**

The Company is undertaking a 4 for 5 non-renounceable entitlement offer to raise approximately \$1.1 million at the Offer Price. The Entitlement Offer is fully underwritten by Henslow. The underwriting terms and conditions will be summarised in the Offer Booklet. Key terms are also referred to in the Appendix 3B lodged in conjunction with this announcement.

C&P Entities Pty Ltd ("**C&P**") has agreed to fully sub-underwrite the Entitlement Offer, pursuant to a Sub-Underwriting Agreement entered into with Henslow.

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<sup>1</sup> The theoretical ex-rights price ("**TERP**") includes shares issued under the Placement and Entitlement Offer. TERP is a theoretical calculation only and the actual price at which NSM shares will trade immediately after the announcement of the Entitlement Offer will depend on many factors and may not be equal to the TERP. TERP has been calculated as: (existing market capitalisation of NSM plus additional equity raised) / total shares on issue following the Equity Raising. At Thursday, 19 September 2024, NSM's last closing price was \$0.014 per share and the TERP is \$0.012 per share.

C&P is an independent investor which is not related to any of the Company's directors or substantial shareholders.

C&P is also participating in the Placement.

Under the Entitlement Offer, eligible shareholders will be given the opportunity to subscribe for 4 New Shares for every 5 existing fully paid ordinary shares held at the record date, being Friday, 27 September 2024 (**Record Date**), at the Offer Price.

The Entitlement Offer will result in the issue of 111,900,627 New Shares to raise approximately \$1.1 million (before costs).

Shareholders who are eligible to participate in the Entitlement Offer are those who are either:

- a) resident in Australia or New Zealand; or
- b) resident in other select jurisdictions at the Company's discretion where the New Shares can be issued without registration, filing or the issue of an offer document to a regulatory authority,

and who hold shares as at 7.00pm (AEST) on the Record Date ("**Eligible Shareholders**").

The Entitlement Offer is being made pursuant to section 708AA of the Corporations Act. The Offer Booklet relating to the Entitlement Offer will be released to ASX separately and despatched on or about Monday, 30 September 2024.

The Entitlement Offer is non-renounceable and rights ("**Entitlements**") are not transferable and will not be traded on the ASX.

Eligible Shareholders who do not take up their Entitlement under the Entitlement Offer in full or in part will not receive any value in respect of those Entitlements not taken up.

Eligible Shareholders can choose to take up all, part or none of their Entitlement.

In addition to each Eligible Shareholder's Entitlement under the Entitlement Offer, Eligible Shareholders will be offered the opportunity to apply for additional New Shares under a "top up" facility ("**Top Up Facility**"). Under the Top Up Facility, Eligible Shareholders may apply for New Shares in excess of their Entitlement, at the Offer Price.

Eligible Shareholders are not assured of being allocated New Shares in excess of their Entitlement under the Top Up Facility. New Shares allocated under the Top Up Facility will be allocated in accordance with the allocation policy described in the Offer Booklet. The Company, in consultation with the Lead Manager, retains absolute discretion regarding allocation under the Top Up Facility. If Eligible Shareholders subscribe for more shares than are available under the Top-Up Facility, the Company will apply a scale-back procedure (which will be set out in full in the Offer Booklet).

Any Entitlements which are not taken up by close of the Entitlement Offer (including under the Top-Up Facility) ("**Shortfall**") will be offered for sale by the Lead Manager, on behalf of the Company, via a bookbuild process to professional and sophisticated investors, at the Offer Price ("**Shortfall Bookbuild**").

The ability to sell Entitlements under the Shortfall Bookbuild will depend on various factors, including market conditions. The Company reserves the right to issue Entitlements under the Shortfall Bookbuild at its discretion.

Any take up of Entitlements under the Shortfall Bookbuild will be allocated to other investors in priority to any allocation of New Shares to C&P in its capacity as sub-underwriter of the Entitlement Offer. If there is no participation in the Shortfall Bookbuild, or any Shortfall remains after the Shortfall Bookbuild, all of the remaining Shortfall will be allocated to C&P.

Eligible shareholders should note that if they do not take up their Entitlements, they will forgo any exposure to increases or decreases in the value of New Shares, and their percentage shareholding in the Company will be diluted.

In respect of ineligible shareholders, the Company has applied to ASIC to appoint a nominee for the purposes of section 615 of the Corporations Act. If appointed, the Company will issue to the nominee the entitlements which would have otherwise been available to ineligible shareholders for the nominee to sell those entitlements on behalf of the ineligible shareholders, and the nominee will remit to those shareholders any proceeds of the sale (after deducting the Offer Price, any expenses, and any withholding tax).

The purpose of the nominee appointment arrangement is to allow Henslow and C&P to subscribe for New Shares, respectively in their capacities as underwriter and sub-underwriter of the Entitlement Offer, if there is any Shortfall that is not taken up by other investors, such that their percentage interest of the total issued Shares increases to above 20%, in reliance on section 611 (item 10) of the Corporations Act, which the Board of Directors considers is in the best interests of the Company.

The Company will provide further updates as required on the application and any following appointment of a nominee.

Eligible Shareholders wishing to participate in the Entitlement Offer should carefully read the Offer Booklet and accompanying personalised Entitlement and Acceptance Form which are expected to be despatched on or around Monday, 30 September 2024. Copies of the Offer Booklet will be available on the ASX website ([www.asx.com.au](http://www.asx.com.au)) from Monday, 30 September 2024.

### **Use of Funds**

Gross proceeds raised under the Equity Raising will be used as follows:

- \$750,000 for exploration and drilling programmes at Wildwood and Darlington-Caledonia; and
- \$550,000 for general working capital and costs of the Equity Raising.

The use of funds is indicative only and may change according to the circumstances prevailing at the time. The Company presently expects that further funding will be required during 2025 to meet the Company's working capital requirements.

### **Equity Raising Timetable**

The intended timetable for the Equity Raising is as follows:

<b>Event</b>	<b>Date</b>
ASX announcement of completion of Placement and intention to undertake Entitlement Offer	Tuesday, 24 September 2024

<b>Event</b>	<b>Date</b>
Lodge Appendix 3B for Entitlement Offer	Tuesday, 24 September 2024
“Ex” date for Entitlement Offer	Thursday, 26 September 2024
Record Date for Entitlement Offer	7.00pm, Friday, 27 September 2024
Settlement of Placement	Monday, 30 September 2024
Entitlement Offer Opening Date	Monday, 30 September 2024
Entitlement Offer Booklet lodged with ASX and dispatched to shareholders	Monday, 30 September 2024
Quotation of shares issued under Placement	Tuesday, 1 October 2024
Last day to extend Entitlement Offer Closing Date	Before noon, Wednesday, 9 October 2024
Entitlement Offer Closing Date	5.00pm, Monday, 14 October 2024
Announcement of results of Entitlement Offer	Wednesday, 16 October 2024
Issue shares and lodge ASX Appendix 2A for Entitlement Offer	Before noon, Monday, 21 October 2024
Entitlement Offer shares commence trading on ASX on normal settlement basis	Tuesday, 22 October 2024

*\*All times are Melbourne, Australia time. The above timetable is indicative only and subject to change. The quotation of the New Shares issued under the Equity Raising is subject to ASX approval. Subject to the ASX Listing Rules and Corporations Act and other applicable laws, the Company reserves the right to vary these dates, without notice. Any extension of the Entitlement Offer will have a consequential effect on the issue date of the New Shares under the Entitlement Offer.*

### **Additional information**

Further details of the Equity Raising are set out in the Investor Presentation to be provided to the ASX. The Investor Presentation contains important information, including key risks and offer restrictions.

This announcement has been approved for release by the Board of North Stawell Minerals Ltd.

### **For more information contact:**

Email: [info@northstawellminerals.com](mailto:info@northstawellminerals.com)

Phone: +61 3 5358 9210

For further information visit the website: <https://www.northstawellminerals.com/>

Visit us on LinkedIn: <https://www.linkedin.com/company/north-stawell-minerals/>

Visit us on Twitter: <https://twitter.com/NorthStawell>

### **About North Stawell Minerals:**

North Stawell Minerals Ltd (ASX: NSM) is an Australian-based gold exploration company focused on discovering large scale gold deposits in the highly prospective Stawell Mineralised Corridor in Victoria.

The Company is exploring prospective tenements located along strike of, and to the immediate north of the Stawell Gold Field which has produced more than five million ounces of gold. NSM's granted tenure has a total land area of 504km<sup>2</sup>. NSM believes there is potential for the discovery of large gold mineralised systems under cover, using Stawell Gold Mine's Magdala orebody as an exploration model to test 51km of northerly strike extension of the underexplored Stawell Mineralised Corridor.

### **Important information**

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