



ASX ANNOUNCEMENT

12 November 2024

Native Mineral Resources raises \$3.46M at 14% premium to fund advanced Queensland Gold Assets

Highlights:

- NMR has received commitments under a private placement to sophisticated and institutional investors to raise \$3,463,731.24 (before costs) by the issue of 86,593,281 fully paid ordinary shares (**Placement Shares**) at \$0.04 (4 cents) per Placement Share (**Placement**).
- Amount raised under the Placement was completed at a 14.3% premium to the last closing price and is the maximum that can be raised under existing placement capacity pursuant to the ASX Listing Rules.
- NMR to undertake a 1:1 non-renounceable Entitlement Offer at \$0.04 (4 cents) to raise up to \$15.9 million (before costs) which will enable existing shareholders to participate on the same terms (**Entitlement Offer**) as the Placement. Managing Director and CEO, Blake Cannavo to take up his full entitlement of over \$3 million. The Entitlement Offer is not underwritten.
- In the event that the Entitlement Offer is not fully subscribed Blake Cannavo has agreed to provide additional funding of up to \$1.2 million via convertible notes (**Notes**). This facility will be subject to shareholder approval pursuant to ASX Listing Rule 10.11.
- Funds will be used to develop NMR's Far Fanning and Black Jack deposits in Northern Queensland and its working capital requirements as well as ongoing exploration across NMR's existing tenements.

Further to its announcement on 8 November 2024, **Native Mineral Resources Holdings Limited** (ASX: **NMR**) (**Native Mineral Resources** or the **Company**), is pleased to announce it has secured \$3.46 million in firm commitments from sophisticated and professional investors via a strongly supported Placement.

The Placement was completed at a 14.3% premium to the Company's last closing price on 8 November 2024.

Commenting on the Placement, NMR Managing Director and CEO, Blake Cannavo, said: *"The support of the investment community provides confidence in our plans. The newly acquired projects provide the opportunity for us to transition from a junior explorer to a potential gold producer in under two years."*

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Placement

Under the Placement of \$3.46 million NMR will issue 86,593,281 Placement Shares at an issue price of \$0.04 per Placement Share to new professional and sophisticated shareholders. The issue price represents a 14.3% premium to the last closing price on 8 November 2024 of \$0.035 and the 5-day volume weighted average market price of the Company's shares of \$0.035. The Placement Shares will be issued utilising the Company's existing placement capacity under ASX listing rule 7.1 and 7.1A.

The Placement Shares are intended to be issued by no later than 19 November 2024 and no related parties have participated in the Placement. ABL Capital Partners acted as Lead Manager to the Placement and will receive a 6% management and selling fee on total funds raised.

NMR will also undertake a non-renounceable Entitlement Offer to raise up to \$15.9 million, enabling the Company's shareholders to participate on the same terms as the Placement. Details of the Entitlement Offer are outlined below.

Use of Funds

The Company will use the funds raised under the Placement and Entitlement Offer as follows:

Use of funds	A\$
Repay initial debt to Collins St*	3,000,000
Exploration costs – existing tenements next 12 months	3,000,000
First year exploration costs – at new Far Fanning and Black Jack tenements	2,000,000
Reimbursement of due diligence costs to Managing Director and CEO, Blake Cannavo	400,000
Early repayment of remaining Collins St debt	4,398,656
Project security fee payable to Managing Director and CEO, Blake Cannavo	385,000
Costs of the offer	840,000
General working capital	2,375,000
Additional exploration costs – across all tenements	3,000,000
Expected amount raised	19,398,656

*Refer ASX announcement dated 8 November 2024 for additional information regarding the debt facility with Collin St

Should the Entitlement Offer not be fully subscribed by \$1.2 million or less the Company will seek shareholder approval to issue the Notes to Blake Cannavo or his nominee.

To the extent that the Entitlement Offer is not fully subscribed by \$1.2 million or more (or shareholders do not approve the issue of the Notes) then the Board will adjust the amounts repaid early to Collins St and set aside for additional exploration as they see fit.

Non-Renounceable Entitlement Offer

NMR is pleased to announce that it is undertaking a 1 for 1 pro-rata non-renounceable entitlement offer of up to 398,373,124 fully paid ordinary shares in the Company (subject to rounding) (**New**

Shares) at \$0.04 per New Share to raise gross proceeds of approximately \$15.9 million (**Entitlement Offer**).

The offer price of \$0.04 per New Share represents a 14.3% premium to the Company's closing price of \$0.035 on 8 November 2024 (the last trading day before announcing a fully supported Placement raising \$3.46 million) and to the Volume Weighted Average Market Price for the 5 trading days of \$0.035 up to and including 8 November 2024.

The Entitlement Offer will be open to shareholders in Australia and New Zealand (**Eligible Shareholders**). Under the Entitlement Offer, Eligible Shareholders will be able to subscribe for 1 New Share for every 1 existing share held at 7:00pm AEDT on 15 November 2024 (**Record Date**) at the offer price (**Entitlements**), fractions rounded up.

Shareholders as at the Record Date that have a registered address outside of Australia and New Zealand (**Ineligible Shareholders**) will not be eligible to participate in the Entitlement Offer. In accordance with ASX Listing Rule 7.7.1(a) and section 9A(3)(a) of the *Corporations Act 2001 (Cth)*, the Company has determined that it would be unreasonable to extend the Entitlement Offer to Ineligible Shareholders.

The Entitlement Offer is not underwritten.

The Entitlements are non-renounceable and will not be tradeable on ASX or otherwise transferable. Eligible Shareholders who do not take up their Entitlements will not receive any value for those Entitlements that they do not take up. Ineligible Shareholders will not receive any value for the Entitlements they would have received had they been eligible. Under the Entitlement Offer, Eligible Shareholders may:

- take up all of their Entitlement;
- allow all of their Entitlement to lapse; or
- take up part of their Entitlement and allow the balance to lapse.

Eligible Shareholders who are taking up part or all of their Entitlement must ensure that the completed entitlement and acceptance form and application money is received by the Company's share registry, Automic Group, by 5:00 pm AEDT on the Closing Date.

Eligible Shareholders who take up all of their Entitlement will be able to take up additional New Shares under the Shortfall Offer.

A maximum of 398,373,124 New Shares will be issued as part of the Entitlement Offer (subject to rounding). New Shares issued under the Entitlement Offer will rank equally with existing shares.

Managing Director and Chief Executive Officer, Blake Cannavo intends to apply for his full entitlement under the Entitlement Offer of 75,059,396 New Shares (\$3,002,376).

To the extent that there is a shortfall (**Shortfall**) under the Entitlement Offer the Board reserves the right to place the Shortfall within 3 months of the close of the Offer. Eligible shareholders will be sent a copy of the Entitlements Offer Memorandum (**Offer Memorandum**) including a personalised entitlement and acceptance form from 19 November 2024. The Offer Memorandum will provide the

details of how to participate in the Entitlement Offer. A copy of the Offer Memorandum was also lodged with the ASX on 12 November 2024.

The indicative timetable* and important dates of the Entitlement Offer and Placement are set out below.

Event	Date
Announcement of Placement and Entitlement Offer Offer Memorandum, Appendix 3B and Cleansing Notice lodged with ASX	Prior to the commencement of trading on 12 November 2024
Letter to Option Holders	12 November 2024
“Ex” Date	14 November 2024
Record Date (to determine Entitlements)	7:00pm AEDT on 15 November 2024
Entitlement Offer opens Letter setting out terms of Entitlement Offer dispatched to Eligible Shareholders and lodged with ASX	19 November 2024
Issue of Placement Shares Lodgement of Appendix 2A with ASX	19 November 2024
Last day to extend Entitlement Offer Closing Date	12 December 2024
Closing Date	5:00pm AEDT on 17 December 2024
Unless otherwise determined by ASX, New Shares quoted on a deferred basis	18 December 2024
Results of Entitlement Offer announced to ASX Issue of New Shares under the Entitlement Offer Lodgement of Appendix 2A with ASX	Before 12:00pm AEDT on 23 December 2024

* These dates are indicative only and may change, subject to the Corporations Act 2001 (Cth) and the ASX Listing Rules.

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States, or in any other jurisdiction in which such an offer would be illegal. The securities referred to in this document have not been and will not be registered under the United States Securities Act of 1933 (the ‘US Securities Act’), or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, within the United States, unless the securities have been registered under the US Securities Act or an exemption from the registration requirements of the US Securities Act is available. This document may not be distributed or released in the United States.

Additional Funding Facility

If the Entitlement Offer is not taken up in full, as outlined in the Use of Funds section above, NMR’s Managing Director and Chief Executive Officer, Blake Cannavo, will provide additional funding of up to \$1,200,000.

The additional funding will be provided by way of the issue of Notes, pursuant to a Convertible Note Deed which will be executed by the parties after close of the Entitlement Offer, if required.

A summary of the key terms of the convertible note is annexed to this announcement. Issue of the Notes will be subject to and conditional upon the Company obtaining shareholder approval in accordance with ASX Listing Rule 10.11.

-END-

The Board of Native Mineral Resources Holdings Ltd authorised this announcement to be lodged with the ASX.

For more information, please visit www.nmresources.com.au or contact:

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ANNEXURE - KEY COMMERCIAL TERMS OF CONVERTIBLE NOTE DEED

Face Value	A\$1.00 per Note.
Security	The Notes are unsecured and will rank equally amongst themselves.
Transferability	The Notes are not transferable.
Maturity Date	14 months after the issue date unless otherwise agreed by the parties in writing (Maturity Date)
Coupon	<p>4.0% per annum on the outstanding principal of the Notes (Outstanding Principal) from the Issue Date. Interest:</p> <p>(a) accrues daily;</p> <p>(b) is calculated on a non-compounding basis; and</p> <p>(c) is calculated on the basis of actual days elapsed and a 365 day year, until the occurrence of a Conversion Event or until the Notes must be redeemed.</p>
Conversion Events	<p>Subject to the Company obtaining any requisite shareholder approval for the issue of fully paid ordinary shares in the Company (Shares) upon conversion of the Notes, conversion of the Notes may occur in the following circumstances:</p> <p>(a) on the Maturity Date, the Conversion Amount will automatically convert in its entirety into Shares (Maturity Date Conversion); and</p> <p>(b) at any time up to the Maturity Date following the closing of a transaction or series of transactions resulting in the Company receiving aggregate gross proceeds of at least A\$5,000,000 via the issue of Shares (whether from existing or new shareholders but excluding, for the avoidance of doubt, any issue of Notes and any issue of Shares upon Conversion of Notes) (Funding Event), the Conversion Amount of such number of Notes as notified by the noteholder to the company in writing will convert into Shares (Funding Conversion),</p> <p>(each a Conversion Event).</p> <p>In respect to a Conversion Event pursuant to paragraph (b) above, the Company will, on or before the date that is 3 months after the occurrence of that Conversion Event (End Date), convene a general meeting of shareholders to obtain any required shareholder approvals for the issue of the Shares upon conversion of the Notes (General Meeting).</p>
Conversion Amount	The conversion amount will be calculated by aggregating the total of the Outstanding Principal in respect of each Note, together with any accrued but unpaid interest, as at the date of occurrence of the relevant Conversion Event (Conversion Amount).
Conversion Price	The conversion price for the Notes will be calculated as the price per Share is set at \$0.04 (4 cents) (Conversion Price).
Timing of issue of Shares on Conversion	<p>Subject to the Company obtaining shareholder approval, following the occurrence of a Conversion Event, the Company must issue such number of Shares as determined by dividing the Conversion Amount of the number of Notes to be converted by the applicable Conversion Price for the applicable Conversion Event. Shares will be issued to Noteholders, with respect to:</p> <p>(a) a Maturity Date Conversion, on the Maturity Date; and</p> <p>(b) a Funding Conversion, within 3 months from the date the Company obtains requisite shareholder approval or if no shareholder approval is required within 1 month of being notified by the noteholder of the number of Notes to be converted following the Funding Event.</p> <p>The Shares issued on conversion will rank equally with existing Shares on issue at the time of the conversion.</p>
ASX Quotation	The Notes will not be quoted on ASX. The Company will apply for the Shares issued upon conversion of the Notes to be quoted on ASX.
Redemption Rights	The Company must redeem the Notes (in full) in the following circumstances:

	<p>(a) in respect of conversion following a Funding Event, if the Company fails (if required) to either:</p> <ul style="list-style-type: none"> i. convene a General Meeting prior to, or on, the End Date; or ii. obtain the requisite shareholder approval at the General Meeting so convened, the Notes will be redeemed for the 'Redemption Amount' (as defined below) within four (4) months from the End Date (unless otherwise agreed between the parties); <p>(b) in respect of conversion on the Maturity Date, if the Company fails to obtain any requisite shareholder approval at a General Meeting prior to the Maturity Date, the Notes will be redeemed for the Redemption Amount on the Maturity Date; or</p> <p>(c) within 15 Business Days following the occurrence of an Event of Default (as defined below), the Notes will be redeemed for the Redemption Amount.</p>
Redemption Amount	The redemption amount will be the total of the Outstanding Principal at the date of redemption, together with any accrued but unpaid interest (Redemption Amount).
Participation Rights	The Noteholder is not entitled to notice of, or to vote or attend at, a meeting of the Company's shareholders, receive any dividends declared by the Company or participate in any new issues of securities offered to the Company's Shareholders during the term of the Notes, unless and until the Notes are converted and the Noteholder holds Shares.
Bonus Issue	The Notes will carry the right to participate in any bonus issue of securities in the Company as if they had been converted in full into Shares.
Reconstruction	<p>If Company reorganises its capital in any way while the Notes are on issue, the number of Shares into which the Notes are convertible will be adjusted as the Company reasonably determines in accordance with all applicable laws so that the Noteholder will not receive a benefit that the holders of Shares do not receive as a consequence of the reorganization event, or vice versa.</p> <p>This clause does not prevent a rounding up of the number of Shares to be received on conversion of the Notes if the rounding up is approved by the holders of Shares at a meeting that approves the conversion.</p>
Events of Default	<p>The Notes will contain customary events of default (Events of Default), including:</p> <ol style="list-style-type: none"> 1. the Company commits a breach of any obligation of the Company contained in the Note Conditions which is not capable of remedy, or if capable of remedy, is not remedied within a period of 30 days after receipt of written notice from the Noteholder requiring such default to be remedied; or 2. an insolvency event occurs in relation to the Company resulting in an external administrator, liquidator or controller being appointed, and such external administrator, liquidator or controller does not within five Business Days following a written request from the Noteholder, confirm in writing that the Company will continue to perform its obligations under the Note Conditions.
Governing Law	Laws of New South Wales