

\$2.9M CAPITAL RAISING TO ADVANCE EXPLORATION

Proceeds to underpin new drilling program at the Mt Hardy zinc-copper project and advancement of Petermann Range project

Highlights:

- **Todd River to raise up to approximately A\$2.9 million (before costs) to underpin an exploration campaign targeting recently identified mineralisation at the Mt Hardy Zinc-Copper Project and advancement of the Petermann Range Project, NT by way of a capital raising consisting of:**
 - **a placement to new and existing sophisticated and institutional investors to raise up to A\$1.0M; and**
 - **a 1-for-3 underwritten non-renounceable pro-rata Entitlement Offer to raise up to a further approximately A\$1.9M (before costs).**
- **Todd River's largest shareholder, Southern Star Exploration Pty Ltd (a wholly-owned subsidiary of ASX-listed S2 Resources Ltd), will provide cornerstone support for the capital raising by participating in the Placement, pre-committing to take up its full entitlement under the Entitlement Offer and sub-underwriting a portion of the Entitlement Offer.**
- **Balance of the Entitlement Offer fully underwritten by Hartleys Limited and sub-underwritten by other existing shareholders and new qualified sophisticated and professional investors.**
- **Proceeds will underpin a number of exploration programs at the 100% owned Mt Hardy Zinc-Copper Project initially focussing on RC drilling of new targets identified in recent sampling programs and also the advancement of the Petermann Range Project where negotiations for land access are progressing towards a conclusion.**

Todd River Resources Limited (ASX: TRT; "**Todd River Resources**" or "**the Company**") is pleased to announce that it has secured firm commitments to raise A\$1.0 million (before costs) through a placement of up to approximately 32.3 million fully paid ordinary shares at an issue price of A\$0.031 per share to qualified sophisticated and professional investors ("**Placement**") and will proceed with a 1 for 3 underwritten pro-rata entitlement offer ("**Entitlement Offer**") at A\$0.031 to raise approximately A\$1.9 million (before costs).

The Entitlement Offer is underwritten by Hartleys Limited (**Hartleys**) who will also act as lead manager to the Entitlement Offer. Hartleys also acted as lead manager to the Placement.

Further details of the Placement and the Entitlement Offer are set out below.



Use of Funds

Funds raised pursuant to the Placement and the Entitlement Offer will be used to further the Company's exploration program at the Mt Hardy Project, where the Company recently announced a maiden Mineral Resource estimate at the Hendrix deposit of 2.6Mt @ 10.5% zinc equivalent, and to fund a drilling program to test a number of new base metal targets which the Company intends to commence in September 2019 with the focus being the Hendrix South and North West, Gilly, Laver and Linda Jane prospects. Funds will also be used to advance the Petermann Range Project where negotiations for land access are progressing towards a conclusion, and for general working capital purposes.

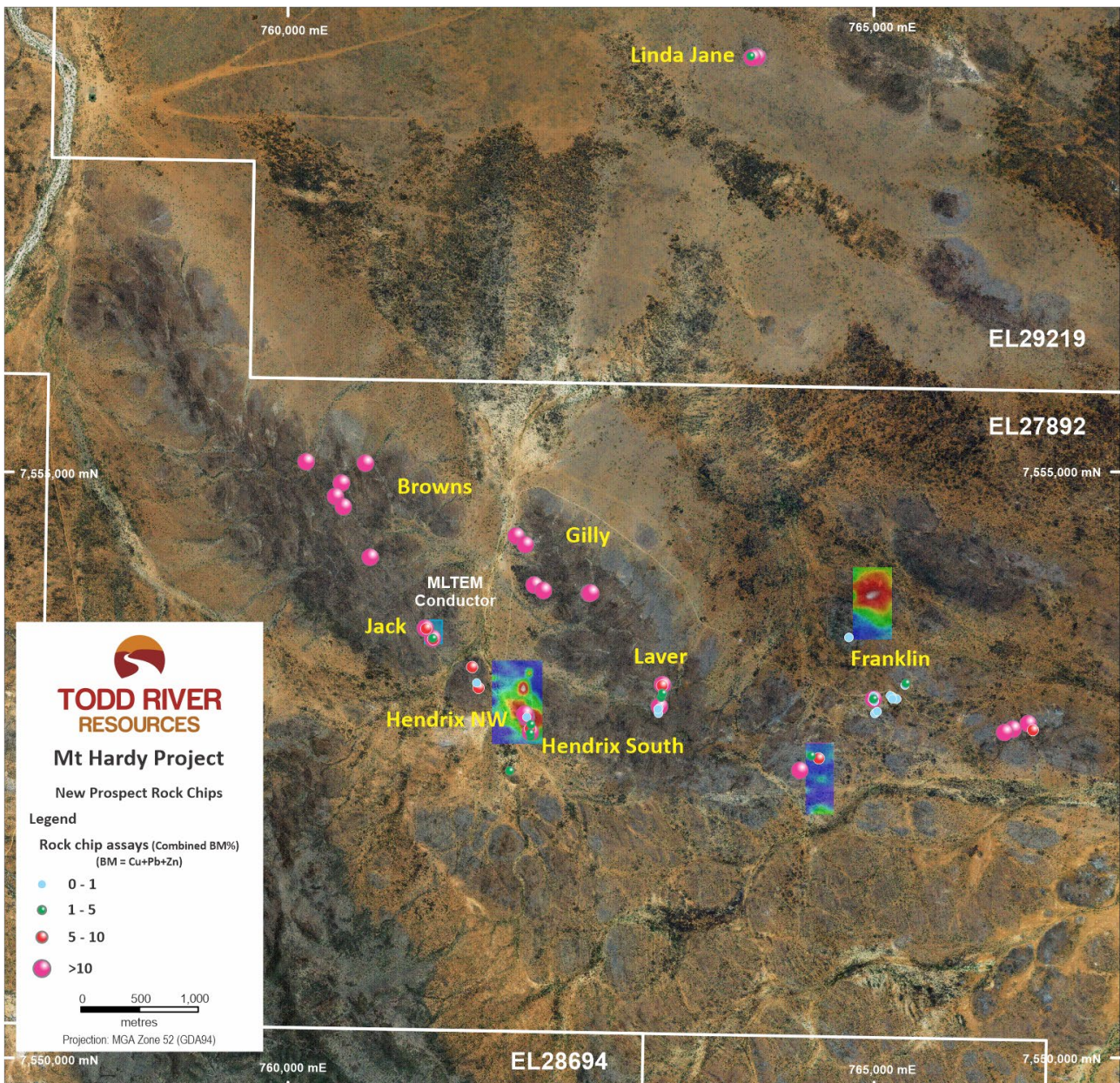




Figure 1 – Location of the New Targets identified at the Mount Hardy Copper-Zinc Project.

Todd River's Managing Director, Will Dix, said the strong support of the capital raising reflected both the solid foundation established at Mt Hardy through the initial Mineral Resource at Hendrix and also the significant upside identified in the new prospects.

"We are delighted with the level of investor support for the capital raising, and we are especially pleased with the ongoing support from our major shareholder S2 Resources as we embark on the next stage of exploration at Mt Hardy."

"For an exploration company to have its Entitlement Offer underwritten speaks volumes for the quality of our exploration assets and our exploration team and I would like to thank all of our investors who participated in the Placement and also Hartleys for their support."

"The remainder of the 2019 exploration program looks exciting and is one that we hope will give rise to significant news flow. The Company will soon be fully funded to execute our plans at Mt Hardy and also progress the Petermann Range Project once land access is fully secured."

Placement

The Company will utilise its existing placement capacity under ASX Listing Rule 7.1 (up to 17,114,176 shares) and 7.1A (up to 15,144,824 shares) for the issue of shares under the Placement and the offer price of A\$0.031 per share meets the 'minimum issue price' requirement of ASX Listing Rule 7.1A.3. Subscription funds under the Placement are due to be received by Monday, 9 September 2019 with the shares to be issued by Tuesday, 10 September 2019 (with some shares to potentially be issued earlier if required to satisfy the 'minimum issue price' requirement in ASX listing Rule 7.1A.3).

The Company's largest shareholder, Southern Star Exploration Pty Ltd (a wholly-owned subsidiary of ASX-listed S2 Resources Ltd (ASX: S2R)) (**S2**), has subscribed for a total of 11,959,700 shares under the Placement representing subscription funds of approximately A\$370,751 which will increase S2's interest in the Company to approximately 22.99% on completion of the Placement.

Entitlement Offer

The Entitlement Offer issue price of A\$0.031 per share is the same issue price as under the Placement, which represents a discount of approximately 13.9% to the last closing price of the Company's shares on ASX before the date of this announcement. Investors who participated in the Placement will be entitled to participate in the Entitlement Offer in relation to the shares acquired under the Placement to the extent they are eligible (assuming that subscription funds are received (and shares issued) before the "Record Date" as defined below).

The Entitlement Offer is being extended to eligible Todd River Resources shareholders who meet all of the following criteria:

- they are registered as a holder of Shares at 5.00pm AWST on Wednesday, 11 September 2019 ("**Record Date**");
- they have a registered address in Australia or New Zealand;



- they are not in the United States or a US Person or acting for the account or benefit of such persons; and
- they are eligible under all applicable securities laws to receive an offer under the Entitlement Offer.

The Entitlement Offer is expected to open on Thursday, 12 September 2019 and to close at 5.00pm AWST on Tuesday, 24 September 2019. Shares issued pursuant to the Entitlement Offer are expected to commence trading on a deferred settlement basis on Wednesday, 25 September 2019 and will rank equally with existing shares on issue.

The Entitlement Offer is non-renounceable. This means that Todd River Resources shareholders who do not take up their entitlement to participate in the Entitlement Offer will not be able to transfer or receive any value for those entitlements, and their equity interest in Todd River Resources will be diluted.

The Entitlement Offer will include a top-up facility under which eligible shareholders who take up their full entitlements will be invited to apply for additional shares in the Entitlement Offer up to a maximum of 50% of their entitlement from a pool of those entitlements not taken up by other eligible shareholders (“**Top-Up Facility**”). There is no guarantee that applicants under this Top-Up Facility will receive all or any of the shares they apply for under the Top-Up Facility. If eligible shareholders do not take up all of their pro-rata entitlements under the Entitlement Offer, it is anticipated that the shortfall will be allocated to eligible shareholders who apply to take up additional new shares in accordance with the terms of the Top-Up Facility in the first instance. If any shortfall remains after the allocation to eligible shareholders as provided above, the resulting shortfall will be met by the underwriter and its sub-underwriters (subject to the terms and conditions of the underwriting arrangements).

S2 has committed to take up 100% of its entitlement under the Entitlement Offer (provided that the underwriting agreement with Hartleys is not terminated). To the extent there is a shortfall after allocations to eligible shareholders under the Top-Up Facility, S2 has also agreed to sub-underwrite the Entitlement Offer up to a maximum of A\$854,167 representing 27,553,783 shares (which sub-underwriting commitment is in addition to S2’s entitlement under the Entitlement Offer).

Hartleys has agreed to fully underwrite the balance of the Entitlement Offer (ie, not including S2’s firm commitment) pursuant to an agreement which contains customary conditions and termination events. In addition to the sub-underwriting agreement with S2, Hartleys has also entered into a number of sub-underwriting agreements with other new and existing shareholders.

To the extent that S2 is relying solely on item 10 of section 611 of the Corporations Act 2001 (Cth) (**Corporations Act**) (**Item 10 Exception**) to acquire shortfall shares under its sub-underwriting commitment, it may only do so where ASIC has approved a sale nominee for foreign holders under section 615 of the Corporations Act. The Company and Hartleys have agreed that if ASIC declines to approve a sale nominee, S2 will be relieved from its obligation to sub-underwrite to the extent that it needs to rely on the Item 10 Exception, in which case Hartleys’ underwriting commitment will be reduced by the shortfall that would otherwise have been sub-underwritten by S2 in reliance on the Item 10 Exception.

The Directors of Todd River Resources have also confirmed that they and their controlled entities intend to subscribe for 100% of their entitlements under the Entitlement Offer.

An indicative timetable for the Placement and Entitlement Offer is set out below.



Indicative timetable¹

Event	Date
Announcement of the Entitlement Offer and Placement	Monday, 2 September 2019
Ex-date for Entitlement Offer	Tuesday, 10 September 2019
Shares issued under Placement	By Tuesday, 10 September 2019
Record Date to determine entitlements	5.00pm AWST on Wednesday, 11 September 2019
Entitlement Offer opens Dispatch of Entitlement Offer booklets and entitlement and acceptance forms	Thursday, 12 September 2019
Entitlement Offer closes	Tuesday, 24 September 2019
Announcement of shortfall (if any) under the Entitlement Offer	Friday, 27 September 2019
Issue of Shares under the Entitlement Offer	Tuesday, 1 October 2019
Commencement of normal trading for Shares issued under the Entitlement Offer	Wednesday, 2 October 2019

The Entitlement Offer will be conducted in accordance with section 708AA of the Corporations Act. The Company will dispatch to eligible shareholders an Entitlement Offer booklet which will provide further details of the Entitlement Offer, the underwriting arrangements in relation to the Entitlement Offer and how to participate in the Entitlement Offer. The Entitlement Offer booklet will also include a personalised entitlement and acceptance form. Eligible shareholders wishing to participate in the Entitlement Offer should carefully review the Entitlement Offer booklet. Those shareholders who the Company determines to be ineligible shareholders will be notified of that fact.

The Entitlement Offer falls within an exception to ASX Listing Rule 7.1 and 7.1A and does not require shareholder approval.

As part of Hartleys' fees for acting as lead manager and underwriter (further details of which will be provided in the Entitlement Offer booklet) and provided the Entitlement Offer is completed, the Company will issue to Hartleys (or its nominee) 2.87 million unlisted options with an exercise price of 11.2 cents and an expiry date of 3 years from the date of issue subject to shareholder approval being obtained.

Will Dix, CEO – Todd River Resources

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¹ The Company reserves the right, subject to the Corporations Act, the ASX Listing Rules and other applicable laws, to vary the dates of the Entitlement Offer, including extending the closing date of the Entitlement Offer or accepting late applications, without notice. The commencement of quotation and trading of new shares is subject to confirmation from the ASX.



Forward-looking statements

This release contains forward-looking statements. The words 'forecast', 'estimate', 'likely', 'anticipate', 'believe', 'expect', 'project', 'predict', 'outlook', 'guidance', 'intend', 'should', 'could', 'may', 'target', 'plan' and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements in this release include statements regarding our strategy, future operational and financial results, acquisitions, future projects, the results of the capital raising and the use of proceeds therefrom. You are cautioned not to place undue reliance on forward-looking statements. The forward-looking statements, opinions and estimates provided in this release are based on assumptions and contingencies that are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Forward-looking statements are subject to known and unknown risks and uncertainties, there can be no assurance that actual outcomes will not differ materially from forward-looking statements and readers are cautioned not to place undue reliance on these forward looking statements. The Company assumes no obligation to update or revise these forward-looking statements to reflect any change in expectations or assumptions.

Compliance statement – mineral resources

The information in this announcement that relates to Mineral Resources is extracted from the Company's ASX announcement dated 10 July 2019 "Maiden Mineral Resource Estimate at Mt Hardy" available to view at www.asx.com.au, and was completed in accordance with the guidelines of the JORC Code (2012). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the Mineral Resources estimates in the relevant announcement continue to apply and have not materially changed. The Company confirms that the form and content in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

About Todd River Resources

Todd River Resources (ASX: TRT) is an Australian-based resources company that has recently announced a maiden zinc-copper Mineral Resource estimate at Hendrix, within its 100% owned Mt Hardy Project, located 300km north west of Alice Springs.

With a strong management team and tight capital structure, Todd River is well placed to pursue additional base metal mineralisation at Mt Hardy and progress exploration activities across its exploration portfolio.

While Todd River's main focus is at Mt Hardy, the Company holds an extensive precious and base metal project portfolio which includes the Rover gold project, the McArthur Copper-Zinc project and the large Manbarrum Zinc resource as well as pending applications in the Petermann Range.

Not for release to US wire services or distribution in the United States

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Shares have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.