

ASX: ANX

30 OCTOBER 2020

RE-ADMISSION DISCLOSURE

Anax Metals Limited (ASX: ANX) ("Anax" or "the Company", formerly Aurora Minerals Limited) is pleased to provide the following information in respect to its readmission to the official list of ASX.

CAPITAL STRUCTURE

The Company confirms the completion of offers under its Prospectus dated 18 September 2020 (**Prospectus**) and confirms the following securities have been issued:

- a) 66,666,667 ordinary shares at an issue price of \$0.03 per share under the Public Offer (**Capital Raising**);
- b) 23,250,000 options exercisable at \$0.045 each and expiring 3 years from the date of grant to Grange Capital Partners Pty Ltd and its nominees pursuant to the Advisor Offer;
- c) 9,000,000 options exercisable at \$0.045 each and expiring 3 years from the date of grant to directors and management under the Company's Employee Securities Incentive Plan (**Plan**) on the terms and conditions contained in the Prospectus; and
- d) 15,300,000 performance rights to be issued to directors and management under the Plan on the terms and conditions contained in the Prospectus.

Outlined below is an overview of the Company's current capital structure.

Security	Number
Shares	277,506,426
Options	42,240,000 ¹
Performance Rights	15,300,000 ²
<ol style="list-style-type: none"> 1. Comprising 1,890,000 unquoted options (\$0.232, 29 Nov 2020); 2,700,000 unquoted options (\$0.031, 10 Dec 2020); 2,700,000 unquoted options (\$0.045, 10 Dec 2021); 2,700,000 unquoted options (\$0.069 10 Dec 2022); 23,500,000 Advisor Options (\$0.045, 3 years) and 9,000,000 Incentive Options (\$0.045, 3 years). 2. Comprising 6,000,000 Class A Performance Rights, 4,800,000 Class B Performance Rights and 4,500,000 Class C Performance Rights. 3. Please refer to the Prospectus lodged with ASX on for further details on the terms and conditions of these securities. 	

EARN-IN AND JOINT VENTURE AGREEMENT

Capitalised terms not otherwise defined below have the meaning provided in the Prospectus.

The Company confirms that the conditions precedent to the Earnin and joint Venture Agreement between the Company and its subsidiary and VentureX Resources Limited (VentureX) and its subsidiaries dated 21 July 2020 (**Earn-in and Joint Venture Agreement**) have been satisfied.

Subject to obtaining all standard regulatory approvals for Western Australian exploration activities prior to the commencement of exploration works and that the exploration works are consistent with the requirements of Environmental Protection Notice Amendment 1 dated 15 May 2020 (DWERDG804/19), the Company confirms

there are no legal, regulatory, statutory or contractual impediments to the Company entering and carrying out exploration activities on granted tenements the subject of the Earn-in and Joint Venture Agreement such that the Company will be able to spend its cash in accordance with its commitments for the purpose of Listing Rule 1.3.2(b).

The Aeris Deferred Consideration under the Aeris Share Sale Agreement between VentureX, Aeris Resources and VentureX Pilbara dated 29 October 2009 will be paid following the “Announcement of a Decision to Mine”.

The “Announcement of a Decision to Mine” is an announcement by VentureX on ASX of an intention to commence mining operations on any of the tenements the subject to the Aeris Share Sale Agreement (being M47/236 and M47/237) or on any of the tenements owned by VentureX or its related bodies corporate which are located within 100 kilometres of M47/236 and M47/237.

The Company will be partly or wholly responsible for the obligations of VentureX in respect of the Aeris Deferred Consideration depending on the Company’s level of interest in the Whim Creek joint venture at the relevant time, pursuant to the provisions of the Earnin and Joint Venture Agreement.

Under the Earn-in and Joint Venture Agreement, Whim Creek Metals Pty Ltd (ACN 639 132 282), a wholly owned subsidiary of the Company (**WCM**), agreed to reimburse all costs reasonably incurred by the VXR Parties (such costs agreed between WCM and the VXR Parties in respect of the Assets) during the period from execution of the Earn-in and Joint Venture Agreement to the date the conditions precedent were satisfied up to a maximum of \$1,000,000 (**Reimbursements**). WCM is to pay the Reimbursements within 15 Business Days provision by VentureX of an invoice for the Reimbursements. The Company is working with the VXR Parties to determine the final amount of the Reimbursements, and will make an announcement to ASX once confirmed.

ESCROWED SECURITIES

The following securities are subject to ASX escrow restrictions and holding locks have been placed over these securities.

Security	24 months from date of Quotation
Advisor Options (\$0.045, 3 years)	23,250,000
Incentive Options (\$0.045, 3 years)	6,000,000
Total Options	29,250,000
Class A Performance Rights	3,000,000
Class B Performance Rights	2,600,000
Class C Performance Rights	2,500,000
Total Performance Rights	8,100,000
1. Terms defined in this table have the same meaning as the Company’s Prospectus. Please refer to the Prospectus lodged with ASX on for further details on the terms and conditions of these securities.	

PRO-FORMA STATEMENT OF FINANCIAL POSITION

Outlined below is a pro-forma statement of financial position based on the actual amount of funds raised under the Prospectus, being \$2 million (before costs), and updated to include the current value of the Company's listed investments as at 26 October 2020.

Statement of Financial Position	Note	Audited as at 30-Jun-20 \$	Pro-forma adjustments \$	Pro-forma after Offer \$
CURRENT ASSETS				
Cash and cash equivalents		3,127,467	1,559,121	4,686,588
Trade and other receivable		71,301	-	71,301
Other current assets		13,114	-	13,114
Financial assets at fair value through profit or loss	1	2,622,089	(447,959)	2,174,130
TOTAL CURRENT ASSETS		5,833,971	1,111,162	6,945,133
NON-CURRENT ASSETS				
Plant and equipment		2,193	-	2,193
TOTAL NON-CURRENT ASSETS		2,193	-	2,193
TOTAL ASSETS		5,836,164	1,111,162	6,947,326
CURRENT LIABILITIES				
Trade and other payables		130,979	-	130,979
Employee benefits		78,256	-	78,256
TOTAL CURRENT LIABILITIES		209,235	-	209,235
TOTAL LIABILITIES		209,235	-	209,235
NET ASSETS		5,626,929	1,111,162	6,738,091
EQUITY				
Issued Capital		38,379,360	1,419,242	39,798,602
Reserves		5,572,326	372,000	5,944,326
Accumulated losses	1	(38,324,757)	(680,080)	(39,004,837)
TOTAL EQUITY		5,626,929	1,111,162	6,738,091
1: Pro-forma adjustment to revalue listed financial investments held as at 26 October 2020.				
2: Please refer the Independent Limited Assurance Report in Annexure A of the Company's Prospectus for further details in respect to the pro-forma adjustment.				

STATEMENT OF COMMITMENTS

Outlined below is a summary of the Company's commitments based on the actual amount of funds raised under the Prospectus, being \$2 million (before costs), and updated based on the current value of the Company's listed investments as at 26 October 2020.

Sources of Funds	Amount	
Existing Cash on hand	\$ 3,127,467	
Listed Investments (held for resale)	\$ 2,174,130	
Proceeds from the Offer	\$ 2,000,000	
Total Funds Available	\$ 7,301,597	
Use of Funds	Amount	%
Feasibility studies	\$ 1,500,000	20.5
Site improvements and environmental	\$ 2,218,000	30.4
Exploration, heritage and tenure	\$ 548,000	7.5
Site management	\$ 955,000	13.1
Earnin and Joint Venture Agreement deposit and stamp duty	\$ 550,000	7.5
Corporate costs and working capital	\$ 1,239,718	17.0
Costs of the Offer	\$ 290,879	4.0
Total Funds Applied	\$ 7,301,597	100.0

WAIVERS GRANTED

The Company has been granted waivers from:

- a) **Listing Rule 1.1 (Condition 12)** to permit the Company to have options on issue with an exercise price of less than \$0.20. This waiver is subject to the following conditions:
 - i. The exercise price of the Options is not less than \$0.02 each;
 - ii. The terms of this waiver are disclosed to the market and, along with the terms and conditions of the Options, are clearly disclosed in the notice of meeting pursuant to which the Company will seek the approval required under listing rule 11.1.2 for the Acquisition and in the prospectus to be issued in respect of the Capital Raising; and
 - iii. The Company's shareholders approve the exercise price of the Options in conjunction with the approval obtained under listing rule 11.1.2 for the acquisition of up to an 80% interest in the Whin Creek Copper-Zinc Project (**Acquisition**) pursuant to the Earn-in and Joint Venture Agreement.

- b) **Listing Rule 2.1 (Condition 2)** to permit the Company to issue the Shares under the Public Offer at an issue price of \$0.03 per Share. This waiver is subject to the following conditions:
 - i. The issue price of the Shares issued under the Public Offer is not less than \$0.02 per Share;
 - ii. The terms of this waiver are disclosed to the market and, along with the terms and conditions of the Capital Raising Shares, are clearly disclosed in the notice of meeting pursuant to which the Company will seek the approval required under Listing Rule 11.1.2 for the Acquisition and in the Prospectus;

- iii. The Company's shareholders approve the issue price of the Capital Raising Shares in conjunction with the approval obtained under Listing Rule 11.1.2 in respect of the Acquisition; and
 - iv. The Company completes a consolidation of its capital structure in conjunction with the Acquisition such that its securities are consolidated at a ratio that will be sufficient, based on the lowest price at which the Company's securities traded over the 20 trading days preceding the date of the suspension of the Company's securities from official quotation, to achieve a market value for its securities of not less than two cents each.
- c) **Listing Rule 6.23.3** to permit the exercise price of various existing Options held by Mr Geoff Laing to be reduced due to an error when issued (**Amendment**). This waiver is subject to the following conditions:
- i. The Company's shareholders approve the Amendment; and
 - ii. The notice of meeting seeking security holder approval for the Amendment must include explanatory information regarding the Amendment to the satisfaction of ASX including, at a minimum, a clear explanation of the rationale for the proposed Amendment.

This announcement is authorised for release by the Board of Anax Metals Limited

For further details please contact:
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