

ASX: ANX

7 DECEMBER 2022

LOAN AGREEMENT

Anax Metals Limited (ASX: ANX, **Anax**, or the **Company**) is pleased to announce that it has entered into an unsecured loan note agreement (**Loan Note Agreement**) with major shareholder, Jetosea Pty Ltd (**Jetosea** or the **Subscriber**), pursuant to which Jetosea has agreed to lend the Company a total of \$2.5M. All proceeds from the Loan Note Agreement will be used to fund the ongoing Whim Creek DFS and for general working capital purposes.

The material terms of the Loan Note Agreement are as follows:

Principal Amount: \$2,500,000

Term: \$1,000,000 of the Principal Amount is repayable within 12 months of the subscription date; and

\$1,500,000 of the Principal Amount is repayable within 24 months of the subscription date.

Coupon: 6% per annum, calculated monthly and payable quarterly in arrears.

Ranking: The Subscriber shall rank as an unsecured creditor of the Company.

Pursuant to the Loan Note Agreement the Company has agreed to issue Jetosea a total 30M New Options in the Company, comprising of:

- (i) 15M New Options exercisable at \$0.08 on or before the date that is two (2) years from the date of issue; and
- (ii) 15M New Options exercisable at \$0.12 on or before the date that is three (3) years from the date of issue.

The New Options will be issued within the Company's existing placement capacity under ASX Listing Rule 7.1. An Appendix 3B detailing the issue of New Options will follow this announcement. The loan notes are not convertible into securities of the Company.

Commenting on the Loan Note Agreement, the Managing Director of Anax, Geoff Laing, said: *"We are very pleased to have secured this loan from our largest shareholder, Jetosea. The company is rapidly advancing all aspects of the Whim Creek Copper Project including the definitive feasibility study, project permitting, infrastructure upgrades and collaboration with traditional owners, the Ngarluma people, on the Whim Creek accommodation hub. The Loan is intended to fund the Company until it formally commits to the Whim Creek Project and finalises development funding. It is the intention of the Company to minimise the dilution of*

existing shareholders. We see the Loan as a vote of confidence in our strategy by our largest shareholder."

This ASX announcement has been approved for release by the Board of the Company.

ENDS

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