

\$5.0M NON-RENOUCEABLE ENTITLEMENT OFFER

HIGHLIGHTS

- **1 for 3 Entitlement Offer with 1 free attaching option for every 2 new shares subscribed for to raise up to approximately \$5.0 million (before costs).**
- **Issue price of A\$0.035 per share represents a 28.9% discount to 15-day VWAP and a 12.5% discount to last closing price.**
- **Irrevocable commitments received from major shareholder, Jetosea Pty Ltd, and all eligible Directors to subscribe for all or part of their respective entitlements, totalling approximately \$1.4 million.**
- **Partial underwriting secured from Directors Peter Cordin and Philip Warren, and the Company's Chief Financial Officer, Jenine Owen for \$220,000 in addition to their collective entitlement.**
- **Eligible shareholders and other investors invited to apply for any shortfall that might exist under the Entitlement Offer; priority allocation to existing eligible shareholders.**
- **Funds raised to be primarily applied towards the Company's Whim Creek Project and lithium exploration initiatives.**

Anax Metals Limited (ASX: ANX) (**Anax** or the **Company**) is pleased to announce a non-renounceable pro rata entitlement offer to eligible shareholders to raise up to approximately \$5.0 million (before costs) (**Entitlement Offer**).

The Entitlement Offer is being undertaken on the basis of 1 new share for every 3 existing shares held on the record date of 5.00pm on 5 October 2023 (**Record Date**) at an issue price of \$0.035 per new share. Participants in the Entitlement Offer will also be issued one free attaching unquoted option for every 2 new shares subscribed for, exercisable at \$0.06 each and expiring on 31 December 2025.

Anax has received an irrevocable commitment from major shareholder, Jetosea Pty Ltd, and all eligible Directors to participate in the Entitlement Offer for all or part their respective entitlements. These commitments total approximately \$1.4 million.

The Entitlement Offer also provides for eligible shareholders, and other investors, to apply for any shortfall shares that might exist after all valid entitlement take-up.

Funds raised under the Entitlement Offer are to be applied towards:

- early-stage lithium exploration activities at Whim Maar, Loudens Patch and central prospects;
- progressing product offtake and debt financing activities at the Whim Creek Project;
- progressing project consolidation initiatives within the Pilbara Region
- maintaining mine site operations and environmental monitoring at the Whim Creek Project; and

- general working capital and the costs of the offers.

Further details of Anax's intended use of funds will be provided in the Prospectus expected to be announced by the Company on Friday, 29 September 2023.

Anax's Managing Director, Geoff Laing, commented:

"We are pleased to offer all our shareholders the opportunity to participate in this capital raising. The team looks forward to unlocking further value through the ongoing project development and debt funding initiatives in parallel with the exciting lithium exploration programmes that are in progress. The company is ideally positioned to become a Pilbara copper producer with a processing hub while exploiting the lithium potential on our prospective tenure."

Eligible Jurisdictions

The Entitlement Offer is being made available to all shareholders with a registered address in Australia, New Zealand, Hong Kong, Singapore, and the United Kingdom as at the Record Date.

Indicative Timetable

The Entitlement Offer will be undertaken in accordance with the following indicative timetable:

Event	Date
Lodgement of Appendix 3B with ASX	27 September 2023
Lodgement of Prospectus with ASIC and ASX	29 September 2023
Shares quoted on an "EX" basis	4 October 2023
Record Date for determining Entitlements	5 October 2023
Prospectus and Application Forms made available to Eligible Shareholders	10 October 2023
Opening date of the Entitlement Offer	
Last day to extend Entitlement Offer Closing Date	23 October 2023
Closing Date of the Entitlement Offer (5pm WST)	26 October 2023
New Shares quoted on a deferred settlement basis	27 October 2023
Announcement of results of the Entitlement Offer and issue date of new Securities under the Entitlement Offer	2 November 2023
Anticipated date for commencement of New Shares issued under the Entitlement Offer trading on a normal settlement basis	3 November 2023

The Directors may extend the closing date in respect of the Entitlement Offer by giving at least 3 business days' notice to ASX prior to the closing date. As such the date the new shares issued under the Entitlement Offer are expected to commence trading on ASX may vary.

Top-Up Facility, Partial Underwriting and Shortfall

Eligible shareholders may, in addition to taking up their entitlements in full, apply for additional shares (and attaching options) in excess of their entitlements (**Top-Up Securities**). Top-Up Securities will only

be available when there is a shortfall between applications received from eligible shareholders under the Entitlement Offer, and the number of new securities offered under the Entitlement Offer.

Directors Peter Cordin and Philip Warren, as well as the Company's Chief Financial Officer, Jenine Owen, have agreed to partially underwrite the Entitlement Offer by an additional \$220,000 in addition to their collective entitlements. Details of the partial underwriting will be detailed further in the Company's Prospectus.

Other investors invited by the Company may apply for any shortfall remaining after the allocation of the securities under the Entitlement Offer and the Top-Up Securities (including pursuant to the partial underwriting).

Lead Manager

Veritas Securities Limited has been appointed as Lead Manager and sale agent with respect to the Entitlement Offer. On completion of the Entitlement Offer, the Lead Manager (or its nominees) is entitled to receive (in each case, excluding GST):

- a management fee of 2% of the total gross proceeds of the Entitlement Offer (and any shortfall);
- a selling fee of 4% on the total gross proceeds raised from placing any Shortfall Securities; and
- up to a maximum of 10,015,545 options on the same terms as the options offered under the Entitlement Offer (**Lead Manager Options**).

The Lead Manager Options will be issued using the Company's available placement capacity under Listing Rule 7.1.

Capital Structure

The effect of the Entitlement Offer on the Company's capital structure, on the assumption the Entitlement Offer is fully subscribed, is outlined below (subject to rounding):

Securities	Shares	Options	Performance Rights
Securities currently on issue	429,903,917	72,983,333	20,100,000
New securities offered under the Entitlement Offer	143,301,305	71,650,652	Nil
Lead Manager Options	-	10,105,545	-
TOTAL	573,205,222	154,739,530	20,100,000

Details of the Entitlement Offer are contained in the Prospectus. A copy of the Prospectus is intended to be released on the ASX market announcements platform on Friday, 29 September 2023. The Directors of Anax urge you to read the Prospectus carefully and seek advice from your suitably qualified professional adviser if you have any queries.

This announcement has been authorised for release by the Board of Anax Metals Limited.

ENDS

For Enquiries

Mr Geoff Laing
Managing Director
Anax Metals Limited
info@anaxmetals.com.au
+61 8 6143 1840

Mr Lucas Robinson
Managing Director
Corporate Storytime
lucas@corporatestorytime.com
+ 61 408 228 889