

ASX: ANX

29 JANUARY 2024

\$2.7 MILLION RAISED THROUGH PLACEMENT AND LOAN

- Anax receives firm commitments to raise \$2.1 million via a Placement and \$600,000 through an unsecured loan note agreement from its major shareholder
- Significant commitments received from major shareholder and Chairman
- Proceeds to be used to advance development and funding of the Whim Creek Copper-Zinc Project, evaluate consolidation opportunities and resource extensional drilling

Anax Metals Limited (ASX: **ANX**, "**Anax**" or "**Company**") advises that it has received firm commitments to raise approximately \$2.1 million (before costs) from institutional, sophisticated and professional investors via a two (2) tranche placement at an issue price of \$0.02 per share ("**Placement**"), with a one for two free attaching unlisted option exercisable at \$0.06 and expiring on 31 December 2025 (attaching options). The Company also received strong support from Anax's major shareholder and Chairman.

Tranche 1 is utilising the Company's existing placement capacity pursuant to ASX Listing Rules 7.1 through the issue of approximately 57.4m million fully paid ordinary shares.

Tranche 2 is subject to shareholder approval issuing 46.9m shares to the Chairman Mr Phillip Jackson, and the Company's major shareholder who will retain a position of circa 19.9% post completion.

The issue of the 52.1m free attaching options will also be subject to shareholder approval.

In addition, the Company's major shareholder, Jetosea Pty Ltd, has agreed to increase its current unsecured loan by \$600,000. The terms of the loan agreement are detailed in Appendix 1.

The capital raising has the Company well-positioned to finalise off-take and debt-funding for the 80%-owned, **mine ready, fully permitted**, Whim Creek Project, while simultaneously furthering its strategy of adding metal inventory to the Project through consolidation and near-mine exploration.

Anax Chairman, Mr Phillip Jackson has committed to take \$750,000 in the Tranche 2 Placement and major shareholder Jetosea Pty Ltd has committed to subscribe for 20,849,464 shares in the Placement with 11,480,322 shares issued in Tranche 1 and 9,369,142 shares subject to shareholder approval in Tranche 2 to maintain a 19.9% interest.

Anax's Managing Director, Geoff Laing commented:

"The Company is very pleased with the continuing strong support from our major shareholder and the Chairman of the Board, demonstrating their confidence in the Whim Creek Project and the Company's strategic direction. With Whim Creek poised to be a first mover base metals producer, Anax is very well-positioned to capitalise on the forecast global copper shortage.

"The Company's focus over the coming months is to advance Whim Creek towards a Financial Investment Decision and to work with our immediate neighbours on Project consolidation with the view to positioning Whim Creek as a metals production hub in the Pilbara region"

Veritas Securities Limited acted as Lead Manager to the Placement.

The Placement issue price of A\$0.02 per share represents a 18% discount to the 15-day VWAP.

Tranche 1 Placement Shares will be issued using the Company's existing Listing Rule 7.1 placement capacity (57,430,322 Placement Shares) on or around 5 February 2024.

Tranche 2 Placement Shares of 46,869,142 will be subject to shareholder approval at an Extraordinary General Meeting (**EGM**) anticipated to be held in early March 2024.

52,149,732 free attaching options (\$0.06, 31 December 2025) will be issued subject to shareholder approval at the EGM.

20,000,000 loan options (\$0.03, expiring 2 years after the Subscription Date) will be issued to Jetosea under the terms of the loan note, subject to shareholder approval.

The Company will circulate a Notice of Meeting to shareholders in regard to the Tranche 2 placement securities, free attaching options and loan options in due course.

Veritas Securities will receive 5,000,000 unlisted options with a strike price of \$0.06 and expiring 31 December 2025, subject to receipt of shareholder approval at a meeting proposed to be held in late March 2024. The Company will also issue 1 broker option for every one dollar (\$1.00) raised under the Placement to Veritas and/or the other designated broker groups who participate in the Placement, or their nominee(s).

The Company intends to use funds for:

1. Progressing offtake and project finance agreements towards a Financial Investment Decision for the construction and development of the Whim Creek Project.
2. Evaluation of Project consolidation opportunities.

3. Resource extensional drilling at Evelyn and Salt Creek to follow up on previous high-grade copper-zinc-gold-silver intersections.
4. Advancing gold, lithium and base metal exploration programs within the Whim Creek package of tenements.
5. Working capital requirements.

Authorised for ASX release by the Board of Directors.

For Further Information, please contact:

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APPENDIX 1 – MATERIAL TERMS OF LOAN NOTE AGREEMENT

Principal Amount:	\$600,000
Term:	Principal Amount repayable on 30 June 2025
Coupon:	6% per annum, calculated monthly and payable quarterly in arrears
Ranking:	The Subscriber shall rank as an unsecured creditor to the Company

Pursuant to the Loan Note Agreement, the Company has agreed to issue Jetosea a total of 20 million options at \$0.03 expiring 2 years after the Subscription Date, subject to shareholder approval. The Loan Note is not convertible into shares under its terms.