

## **A\$5m Placement as Manuka transitions to silver production in March 2022**

### **Highlights:**

- Manuka has received firm commitments to raise A\$5 million through a strongly supported Placement at A\$0.30 per share.
- Support has come from a mix of new domestic and international institutional investors as well as continued support from a number of existing shareholders, including original IPO investors.
- At completion of the Placement, Manuka's pro forma cash balance is ~A\$8.3 million
- Manuka to be the largest primary producer of silver in Australia

Manuka Resources Ltd ('Manuka' or the 'Company', ASX:MKR) is pleased to announce it has received firm commitments for a A\$5 million placement to sophisticated, professional and institutional investors ("Placement").

Manuka's Executive Chairman, Dennis Karp commented: *"Demand for the placement was very strong from both existing and new investors. This funding, combined with anticipated cashflows from Wonawinta silver production which commences in March, provides a strong footing for the Company to continue its exploration programs and plans to relocate the recently acquired \*1MTPA flotation circuit<sup>1</sup> to Wonawinta."*

*"The Company has an aggressive exploration program underway with the current drill program nearing completion at Mt Boppy and our Canbelego tenements, and our focus then shifting to exploration targets on the western flank of the Cobar Basin."*

*"IGO Ltd's (ASX:IGO) bid for Glencore's CSA Copper Mine (announced 21 Feb 2022) and Peel Mining Ltd's (ASX:PEX) recent \$23m raising (announced 23 Feb 2022), highlight the strong corporate and investor interest in the Cobar region. Manuka will be one of the only companies in the region with excess production capacity, underscoring its strategic position in the Cobar basin."*

### **Placement details**

The Placement will comprise the issue of 16,666,667 million new fully paid ordinary shares at an issue price of A\$0.30 per share. The offer also includes an issue of unlisted options (Placement Options) on a 1:1 basis (for \$Nil consideration), with an exercise price of \$0.50, with a 12-month expiry. Settlement of the Placement is expected to occur on or around Wednesday, 3<sup>rd</sup> March 2022.

The issue price of A\$0.30 per share represents a:

- 11% discount to the last close price of A\$0.34 per share; and
- 8.2% discount to the 10-day volume weighted average price of A\$0.327

Funds raised from the Placement will be used towards:

- A smooth transition from Mt Boppy gold production to Wonawinta silver production;
- Ongoing exploration drilling at both Mt Boppy and Wonawinta: and

<sup>1</sup>ASX announcement 2 February 2022

- General working capital,

Evolution Capital Pty Limited has acted as Lead Manager to the Placement. Placement Fees agreed are 6% of the Placement Amount, and 5 Million Options on the same terms as the Placement Options. In addition there will be a cash fee of 6% on the exercise of any the Placement Options.

Shares issued under the Placement will be issued within the Company's 15% placement capacity in accordance with ASX Listing Rule 7.1. Of the attaching options to be issued (Placement Options), 13,736,390 options will be issued within the Company's 15% placement capacity in accordance with ASX Listing Rule 7.1.

Those Options in excess of the Company's 15% placement capacity, being 7,930,277 options, will be issued subject to shareholder approval at a future general meeting.

### Indicative Timetable

Event	Date
Successful completion of Placement announced and Company resumes trading	Thursday, 24 February 2022
Settlement of shares issued under the Placement	Wednesday, 2 March 2022
Allotment of Placement shares and Placement Options	Thursday, 3 March 2022

This announcement has been approved for release by the Board of Directors of Manuka Resources Limited.

### For further information contact:

**Dennis Karp**  
Executive Chairman  
Manuka Resources Ltd  
0412 268 114

**Investor Relations**  
Ben Henri, Media & Capital Partners  
Ben.henri@mcpartners.com.au  
0473 246 040

For further information visit the website: <https://www.manukaresources.com.au/site/content/>

Visit us on Linked: <https://www.linkedin.com/company/manuka-resources-limited/>

Visit us on Twitter: <https://twitter.com/ManukaResources>

### About Manuka

Manuka Resources Limited (ASX: MKR) is an Australian mining and exploration company located in the Cobar Basin, central west New South Wales. It is the 100% owner of two fully permitted gold and silver projects which include the following:

- Mt Boppy Gold mine and neighbouring tenements. The Mt Boppy project is nearing completion of its Phase 1 gold production and awaiting drill results from its exploration program conducted between November to February 2022, before finalizing mining and production plans for Phase 2.

- Wonawinta silver project, with mine, processing plant and neighbouring tenements. The Wonawinta processing plant has a nameplate capacity of 850,000 tonnes per year, and will be commissioned for silver production in March 2022
- Highly prospective exploration targets on its ~1125km<sup>2</sup> tenement portfolio in the Cobar Basin.



### **Important Information**

This report includes forward-looking statements and comments about future events, including the Company's expectations about the performance of its businesses. Forward-looking words such as "expect", "should", "could", "may", "predict", "plan", "will", "believe", "forecast", "estimate", "target" or other similar expressions are intended to identify forward-looking statements. Such statements involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company and which may cause actual results, performance or achievements to differ materially from those expressed or implied by such statements. Forward-looking statements are provided as a general guide only and should not be relied on as an indication or guarantee of future performance. Given these uncertainties, recipients are cautioned to not place undue reliance on any forward-looking statement. Subject to any continuing obligations under applicable law, the Company disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements in this report to reflect any change in expectations in relation to any forward-looking statements or any change in events, conditions or circumstances on which any such statement is based. No Limited Party or any other person makes any representation or gives any assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in the report will occur.

### **Previously reported information**

This report includes information that relates to Mineral Resources and Ore Reserves which were prepared and first disclosed under JORC Code 2012. The information for Wonawinta was extracted from the Company's previous ASX announcement dated 6 October 2021 (Annual Report). The Company confirms that, other than mining depletion, it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of reporting of Ore Reserves and Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which any Competent Person's findings are presented have not been materially modified from the original market announcements.

## APPENDIX – MINERAL RESOURCE ESTIMATES

### Mt Boppy Mineral Resource Estimate

Note: Reported differences may be present due to rounding of significant figures.

Table 1 – Mt Boppy Mineral Resources – as at 31 December 2021

Resource Category	Tonnes	Grade	Contained gold
		g/t Au	Troy ounces
Measured	83,150	5.21	14,950
Indicated	159,100	4.54	23,200
Inferred	4,000	5.70	1,000
<b>Total</b>	<b>246,250</b>	<b>4.94</b>	<b>39,150</b>

### Wonawinta Mineral Resource Estimate

Table 2 – Wonawinta Mineral Resources – as at 1 April 2021<sup>1</sup>

Note: Reported differences may be present due to rounding of significant figures

Resource Category	Material (Mt)	Ag (g/t)	Ag Moz	Pb (%)	Pb kt
Measured	1.1	47.3	1.65	0.69	7.5
Indicated	12.3	45.5	18.04	0.83	102.8
Inferred	24.9	39.0	31.25	0.39	96.9
<b>Total<sup>2</sup></b>	<b>38.3</b>	<b>41.3</b>	<b>50.94</b>	<b>0.54</b>	<b>207.2</b>
Stockpiles (Indicated)	0.515	70	1.16		

<sup>1</sup> Refer to Mineral resource update ASX release dated 23 September 2021, less depletions from mining to December 2021

<sup>2</sup> The Wonawinta Mineral Resource Estimate has been reported using a 20 g/t Ag cut-off grade