

## ASX Announcement

2 February 2024

ASX: MKR



# Manuka Resources completes A\$2.5 million cash placement, plus A\$2.5 million debt conversion with SPP to follow

## Placement and SPP

Manuka Resources Limited (ASX: MKR) (**Company**) is pleased to announce that it has received firm commitments from a number of new and existing sophisticated investors to raise approximately \$2.5 million cash together with \$2.5 million debt conversion to give a total placement of approximately \$5 million with the issue of 71,433,571 new fully paid ordinary shares in the Company (each, a **New Share**) at an issue price of \$0.07 per New Share (**Placement**).

The Placement was managed by Claymore Capital Pty Limited (the **Lead Manager**).

In addition to the Placement, the Company will also offer eligible Shareholders in Australia and New Zealand the opportunity to subscribe for up to \$30,000 worth of New Shares under a share purchase plan (**SPP** and, together with the Placement, the **Offer**). The Company aims to raise up to a further \$1 million under the SPP.

## Use of proceeds

Proceeds from the Offer will be used by the Company to:

- Advance final regulatory approvals for Taranaki VTB Project
- Progress project studies at Mt Boppy
- Pay certain creditors and for general working capital (including to pay the costs of the Offer<sup>1</sup>) purposes
- Retire \$2.49 million of debt by way of a debt for equity conversion (\$0.97 million of which is subject to shareholder approval under Listing Rule 10.11)

## Details of the Placement

The issue price of \$0.07 per New Share under the Placement represents a discount of approximately 16.6% to the last traded price of the Company's existing shares on ASX before the imposition of the trading halt on 29 January 2024 of \$0.084.

The Shares will be issued as follows:

Shares to sophisticated investors for cash at \$0.07 - 35,862,142 shares

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<sup>1</sup> For managing the Placement, the Company has agreed to pay the Lead Managers a fee equivalent to 6% (excluding GST) of the amount raised under the Placement.

Shares to convert \$A2,520,000 debt to equity for non- related entities at \$0.07 – 21,714,286 shares

Shares to convert \$A970,000 debt to equity for Director-related entities at \$0.07 – 13,857,143 shares

57,576,428 Shares from the Placement, are being issued under the Company's available Listing Rule 7.1 placement capacity. The issue of these New Shares under the Placement is expected to occur on 7 February 2024.

13,857,143 shares to Director related entities will be subject to shareholder approval under Listing Rule 10.11 at a meeting of shareholders expected to be held on 8 March 2024.

### Details of the SPP

As noted above, the Company is proposing to offer eligible Shareholders in Australia and New Zealand the opportunity to subscribe for up to \$30,000 worth of New Shares under the SPP.

The issue price for New Shares under the SPP will also be \$0.07 (i.e. the same price investors paid for New Shares under the Placement) will represent an 8% discount to the 5day VWAP.

No brokerage or transaction costs are payable for New Shares issued under the SPP and all New Shares issued under the SPP will rank equally with all other existing shares in the company from the date of issue.

An offer booklet for the SPP (which will contain the full terms and conditions of the SPP and a personalised application form) (**Offer Booklet**) will be sent to eligible Shareholders (i.e. Shareholders with a registered address in Australia or New Zealand as at 7pm on 1 February 2024).

### SPP Indicative dates:

<b>SPP Record Date</b>	<b>7pm</b> (Sydney time) on Wednesday, 1 February 2024
<b>Opening Date</b>	<b>9am</b> (Sydney time) on Wednesday, 7 February 2024
<b>Closing Date</b>	<b>5pm</b> (Sydney time) on Friday, 23 February 2024
<b>Results Announcement</b>	Tuesday, 27 February 2024
<b>Issue Date</b>	Wednesday, 28 February 2024
<b>New Shares quoted on ASX</b>	Friday, 1 March 2024

The above timetable is indicative only and subject to change.

## Key dates for the Placement

<i>Event</i>	<i>Date</i>
Placement launch	Monday, 29 January 2024
Placement bookbuild closed	7:00pm (Sydney time) Thursday, 1 February 2024
Results of the Placement announced to ASX	Friday, 2 February 2024
Voluntary Suspension lifted and trading resumes on ASX	Friday, 2 February 2024
Settlement of Placement Shares	Tuesday, 6 February 2024
Allotment of Placement Shares	Wednesday, 7 February 2024

## Further information

For further information in relation to Offer please see the Company's investor presentation given to ASX on 2 February 2024.

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

**For further information contact:**

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## About Manuka Resources Limited

Manuka Resources Limited (ASX: MKR) is an Australian mining and exploration company with key assets located in the Cobar Basin, central west New South Wales. In addition to its recent acquisition of Trans-Tasman Resources Limited owner of the Taranaki VTM Project, it is the 100% owner of two fully permitted mining projects, one gold and one silver, both within the Cobar Basin, which include the following:

- Gold - Mt Boppy Gold mine, 48-person mine camp and neighbouring tenements, hosting an existing open pit mineral resource<sup>2</sup> and combined ROM, waste and tailings material all of which lend themselves to upgrading through screening. The Company has commenced a screening and gold recovery project, processing the product at its Wonawinta plant. Manuka also awaits the outcome of its forthcoming exploration program to determine as to whether the future for mining any Mt Boppy extensions will be as an underground or open cast mine;
- Silver - Wonawinta silver project, with mine, 84 person mine camp, processing plant and neighbouring tenements. Previously renowned as the largest primary producer of silver in Australia, the mine hosts a significant JORC resource<sup>3</sup>. The Wonawinta processing plant has a nameplate capacity of >850,000 tonnes per year (which the Company now sees expanded to >1.0Mt/yr).

The Taranaki VTM (vanadium titano magnetite) Iron Sands Project recently released its maiden vanadium resource<sup>4</sup> which ranks it as one of the largest drilled vanadium projects globally (as well as a 3.2Bt JORC resource). The Project is located outside New

<sup>2</sup> ASX release 29 July 2022

<sup>3</sup> ASX release 1 April 2021

<sup>4</sup> ASX release 1 March 2023

Zealand territorial waters (within its EEZ or exclusive economic zone) and has a granted mining licence, MP55581 permitting production of 5Mt/a. The project is located in waters ranging between just 20 – 40 metres depth. The Project sits in the lowest quartile of the iron ore production cost curve. The Company awaits the reissuance of its Environmental Approval before completing its Bankable Feasibility Study.



### **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.