



TECHNOLOGY
METALS AUSTRALIA LIMITED

ASX Announcement

26 November 2020

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Directors

Michael Fry:
Chairman

Ian Prentice:
Managing Director

Sonu Cheema:
Director and Company Secretary

Issued Capital

123,900,000 ("TMT") Fully Paid
Ordinary Shares

8,250,000 – Unquoted Director and
Employee Options exercisable at
\$0.20 on or before 10 May 2023

9,399,834 – Unquoted Options –
various exercise prices and dates

1,800,000 – Performance Rights

ASX Code: TMT

FRA Code: TN6



PLACEMENT SUCCESSFULLY COMPLETED AND INITIATION OF SPP

HIGHLIGHTS

- Commitments received for a placement of fully paid ordinary shares to raise \$8 million at \$0.35 per share, pre costs.
- Share Purchase Plan (SPP) to eligible shareholders initiated to raise up to \$2.0 million at \$0.35 per share, the same price as the placement.
- Funds raised will be primarily used to advance the development of the Yarrabubba Iron-Vanadium Project.
- The Company envisages the capital raised will fund the completion of the Yarrabubba feasibility study.
- Yarrabubba feasibility study scheduled for completion late Q3 2021.

Technology Metals Australia Limited (ASX: **TMT**) ("**Technology Metals**" or the "**Company**"), is pleased to announce it has received commitments for a placement of 22,857,143 new fully paid ordinary shares in Technology Metals (**Placement Shares**) to eligible sophisticated and institutional investors at \$0.35 per New Share (the **Placement**). The Placement will raise \$8 million (before costs) and is priced at a 10% discount to the 15-day VWAP of TMT shares as at 20 November 2020 and a 17.7% discount to the last closing price prior to the Placement.

The Placement was well supported by new and existing strategic and sophisticated investors. The Company is very pleased with the continued support of strategic domestic and international investors, including a further investment by Mr. Xu Jinfu, the Chairman and major shareholder of Guangzhou Tinci Materials Technology Co. Ltd (Tinci Materials).

Proceeds raised will be primarily used to fund activities and development at the Company's rapidly emerging Yarrabubba Iron-Vanadium Project ("**Yarrabubba**"), as well as progress environmental approvals at the Gabanintha Vanadium Project ("**Gabanintha**") and for working capital purposes.

The Share Purchase Plan ("**SPP**") provides an opportunity for all eligible shareholders to participate at the same issue price as the Placement. The Directors of the Company intend to participate in the SPP in relation to their eligible shareholdings.

Technology Metals Managing Director, Ian Prentice, commented:

"We are very pleased to have received such strong support from both our existing strategic and sophisticated shareholders as well as the introduction of new shareholders to the register. The strength of this capital raising is a very strong endorsement of the Company's strategy in regard to the progression of Yarrabubba and the management team is very excited about executing the planned workstream to deliver on the potential of this project."

The Placement Shares are intended to be issued under the Company's capacity pursuant to ASX Listing Rule 7.1 (10,537,143 fully paid ordinary shares) and 7.1A (12,320,000 fully paid ordinary shares). The Placement Shares to be issued under 7.1A are conditional on the minimum pricing condition under ASX Listing Rule 7.1A.3 being satisfied. Where this does not occur, the issue of those Placement Shares will be subject to Shareholder approval at the Company's General Meeting (**GM**).

JOINT LEAD MANAGERS

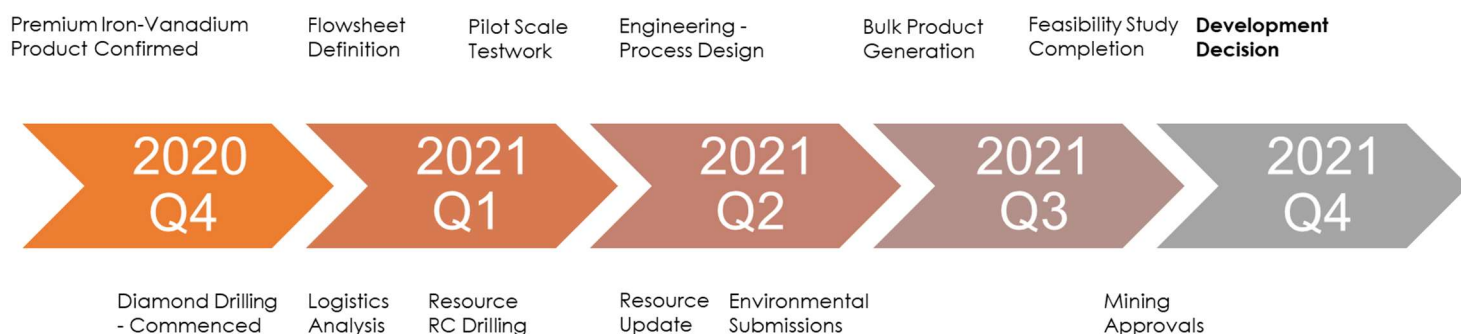
Bridge Street Capital Partners Pty Ltd (ACN 164 702 005) (**Bridge Street**) and Cumulus Wealth Pty Limited (ACN 634 297 279) (**Cumulus**) acted as Joint Lead Managers (**JLMs**) of the Placement. The JLMs will receive a management and distribution fee of 6% of the funds raised.

USE OF FUNDS

Proceeds from the placement will be primarily used to fund activities and development at the Company's rapidly emerging Yarrabubba Project, a satellite project to the globally significant Gabanintha Project. Testwork at Yarrabubba has confirmed the opportunity to produce a high grade, high purity iron-vanadium concentrate ("**Yarrabubba High Grade Iron-Vanadium Product**") across all of the mineralised units at Yarrabubba, with a weighted average grade of 64.3% Fe and 1.71% V₂O₅. The emergence of this opportunity is a major breakthrough for the Company, potentially delivering a low entry cost project that is complimentary to and expected to reduce funding and implementation risk for Gabanintha.

Workstreams in support of the development of Yarrabubba (as shown in indicative timeline below) include:

- Diamond drilling to generate bulk sample for pilot scale testwork, geotechnical data and resource infill / extension – **drilling has commenced**;
- Evaluation of logistics options, haulage routes;
- Definition of the optimal process flowsheet – including investigation of the potentially economic components of the non magnetic tails stream;
- Resource infill and extension RC drilling designed to convert Inferred resources to indicated category and expand the overall resource – leading to a resource / reserve update;
- Pilot scale testwork to confirm process flowsheet, generate samples for customer engagement and enabling refinement of engineering / process design work;
- Preparation of environmental submissions specific to Yarrabubba to enable the progression of Mining Approvals;
- Targeting completion of study activities by late Q3 2021 to inform a development decision.



Funds will also be applied to the continued progression of environmental approvals at Gabanintha, working capital and general corporate purposes.

SHARE PURCHASE PLAN

Technology Metals proposes to offer existing eligible shareholders the opportunity to participate in a non-underwritten share purchase plan (**SPP**) to raise up to \$2,000,000. Under the SPP, eligible Technology Metals shareholders, being shareholders with a registered address in Australia or New Zealand on Technology Metals register as at 5.00pm (AWST) on Thursday, 26 November 2020, will have the opportunity to apply for up to \$30,000 of New Shares at an offer price of \$0.35 per share. The SPP price equates to approximately a 19.0% discount to the 5-day volume weighted average market price of the Company's Shares as traded on the ASX immediately prior to the announcement of the SPP.

The SPP offer period will open on Friday, 27 November 2020 and is expected to close at 5.00pm (AWST) on Friday, 11 December 2020. The terms and conditions of the SPP will be set out in the SPP offer booklet, which is expected to be released to the ASX and dispatched to eligible shareholders via their preferred method of contact on Friday, 27 November 2020.

SPP KEY DATES¹

Event	Date
Record Date for SPP	25/11/2020
Announcement of SPP (and Placement)	26/11/2020
Completion of Placement and lodgement of Cleansing Notice	3/12/2020
Dispatch SPP Offer Letter to shareholders and release Offer Letter on the ASX	27/11/2020
Opening Date for SPP	27/11/2020
Closing Date for SPP	11/12/2020
Announcement of results of SPP	16/12/2020
SPP Issue date of securities	21/12/2020
Normal Trading of SPP securities	21/12/2020
Dispatch of SPP Holding Statements	22/12/2020

¹ The above timetable is indicative only and subject to change. The commencement and quotation of New Shares is subject to confirmation from ASX. Subject to the requirements of the Corporations Act, the ASX Listing Rules and other applicable rules, TMT reserves the right to amend this timetable at any time, including extending the period for the SPP or accepting late applications, either generally or in particular cases, without notice.

This announcement has been authorised by the Board of Technology Metals Australia Limited.

For, and on behalf of, the Board of the Company

Ian Prentice

Managing Director

Technology Metals Australia Limited

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