Announcement Summary

Entity name

PATHFINDER RESOURCES LTD

Announcement Type

New announcement

Date of this announcement

28/10/2022

The Proposed issue is:

- A non pro rata offer of securities under a disclosure document or product disclosure statement (PDS)
- A placement or other type of issue

Total number of +securities proposed to be issued for a non pro rata offer of securities under a disclosure document or product disclosure statement (PDS)

ASX +security code	+Security description	Maximum Number of +securities to be issued
New class-code to be confirmed	Option EX $0.50	17500000
PF1	ORDINARY FULLY PAID	17500000

Closing date for receipt of acceptances

23/12/2022

Proposed +issue date

30/12/2022

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +security code	+Security description	Maximum Number of +securities to be issued
PF1	ORDINARY FULLY PAID	3,933,158

Proposed +issue date

30/12/2022

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

PATHFINDER RESOURCES LTD

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.
If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

1.2 Registered Number Type	**Registration Number**
ABN	80085905997

1.3 ASX issuer code

PF1

1.4 The announcement is
☑ New announcement

1.5 Date of this announcement

28/10/2022

1.6 The Proposed issue is:
☑ A non-+pro rata offer of +securities under a +disclosure document or +PDS
☑ A placement or other type of issue

Part 5 - Details of proposed non-pro rata offer under a disclosure document or PDS

Part 5A - Conditions

5A.1 Do any external approvals need to be obtained or other conditions satisfied before the non-pro rata offer of +securities under a +disclosure document or + PDS can proceed on an unconditional basis?
Yes

5A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	16/12/2022	Estimated	

Comments

Part 5B - Offer details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?
Existing class

Will the proposed issue of this +security include an offer of attaching +securities?
Yes

Details of +securities proposed to be issued

ASX +security code and description

PF1 : ORDINARY FULLY PAID

The number of +securities to be offered under the +disclosure document or +PDS

17,500,000

Will the offer be conditional on applications for a minimum number of +securities being received or a minimum amount being raised (i.e. a minimum subscription condition)?
Yes

Describe the minimum subscription condition

The Company proposes to offer pursuant to a prospectus for the issue of between 16,250,000 and 17,500,000 fully paid ordinary shares at an issue price of $0.40 per share to raise between $6,500,000 and $7,000,000 (before costs), together with 1 free attaching option for every 1 new Shares issued with an exercise price of $0.50 and expiry date of 3 years from the date of issue.

Will individual security holders be required to accept the offer for a minimum number or value of +securities (i.e. a minimum acceptance condition)?
Yes

Is the minimum acceptance unit based or dollar based?
Dollar based ($)

Please enter the minimum acceptance value

$ 2,000

Will individual security holders be limited to accepting the offer for a maximum number or value of +securities (i.e. a maximum acceptance condition)?
No

Offer price details

Has the offer price been determined?
Yes

In what currency will the offer be made?

AUD - Australian Dollar

What is the offer price per +security?

AUD 0.40000

Oversubscription & Scale back details

Will the entity be entitled to accept over-subscriptions?
No

Will a scale back be applied if the offer is over-subscribed?
Yes

Describe the scale back arrangements

Any scale back arrangement will be determined at the discretion of the Directors in consultation with the Company's Lead Manager.

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?
Yes

Attaching +Security

Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX)

or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?
New class

Attaching +Security - New class (+securities in a class that is not yet quoted or recorded by ASX)

Details of attaching +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?
Yes

Will the entity be seeking quotation of the 'new' class of +securities on ASX?
No

ASX +security code
New class-code to be confirmed

+Security description
Option EX $0.50

+Security type
Options

The number of +securities to be offered under the +disclosure document or +PDS
17,500,000

Offer price details

Has the offer price been determined?
Yes

In what currency will the offer be made?
AUD - Australian Dollar

What is the offer price per +security?
AUD 0.00000

Oversubscription & Scale back details

Will the entity be entitled to accept over-subscriptions?
No

Will a scale back be applied if the offer is over-subscribed?
Yes

Describe the scale back arrangements
Any scale back arrangement will be determined at the discretion of the Directors in consultation with the Company's Lead Manager.

Will all the +securities issued in this class rank equally in all respects from their issue date?
Yes

Options details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.5000

Expiry date

31/12/2025

Details of the type of +security that will be issued if the option is exercised

PF1 : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

17,500,000 fully paid ordinary shares

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

Part 5C - Timetable

5C.1 Lodgement date of +disclosure document or +PDS with ASIC

15/11/2022

5C.2 Date when +disclosure document or +PDS and acceptance forms will be made available to investors

16/11/2022

5C.3 Offer open date

22/11/2022

5C.4 Closing date for receipt of acceptances

23/12/2022

5C.6 Proposed +issue date

30/12/2022

Part 5D - Listing Rule requirements

5D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

Yes

5D.1a Date of meeting or proposed meeting to approve the issue under listing rule 7.1

16/12/2022

5D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?
☑ Yes

Part 5E - Fees and expenses

5E.1 Will there be a lead manager or broker to the proposed offer?
☑ Yes

5E.1a Who is the lead manager/broker?

It is proposed that the lead manager to this offer will be Kaai Capital Pty Ltd.

5E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

The Lead Manager will receive a fee of 6% of gross amount raised under the Offer.

5E.2 Is the proposed offer to be underwritten?
☑ No

5E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?
☑ No

5E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer

Part 5F - Further Information

5F.01 The purpose(s) for which the entity intends to use the cash raised by the proposed issue

The Capital raise will be used towards the acquisition of the Falcon Lake, Tidili, Bleiberg Projects, exploration expenditure on the Falcon Lake, Tidili, Bleiberg Projects & PF1's existing projects, & for re-compliance & general working capital purposes.

5F.1 Will the entity be changing its dividend/distribution policy if the proposed offer is successful?
☑ No

5F.2 Please explain the entity's allocation policy for the offer, including whether or not acceptances from existing +security holders will be given priority

The allocation policy will be at the Board's discretion in consultation with the Lead Manager.

5F.3 URL on the entity's website where investors can download the +disclosure document or +PDS

The prospectus will be made available at the Company's website, www.pathfinderresources.com.au.

5F.4 Any other information the entity wishes to provide about the proposed offer

Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 Do any external approvals need to be obtained or other conditions satisfied before the placement or other type of issue can proceed on an unconditional basis?
Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	16/12/2022	Estimated	

Comments

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?
Existing class

Will the proposed issue of this +security include an offer of attaching +securities?
No

Details of +securities proposed to be issued

ASX +security code and description

PF1 : ORDINARY FULLY PAID

Number of +securities proposed to be issued

2,125,000

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?
No

Please describe the consideration being provided for the +securities

PF1 has entered into a conditional binding agreement with First Energy Metals Limited (FEM), pursuant to which it has the right to earn-into up to a 100% interest in the Falcon Lake Project located in Canada.
Subject to the satisfaction of the conditions of the agreement, PF1 has the right to earn up to 90% interest in the Falcon Lake Lithium Project over 2 phases stage earn-in. In consideration for the earn in, PF1 has agreed to issue First Energy Metals Limited with a total of $850,000 worth of shares to be calculated based on $0.40 per share. Refer to PF1's announcement dated 28 October 2022 for further details.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

0.400000

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?
☑ Yes

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?
☑ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?
☑ No

Details of +securities proposed to be issued

ASX +security code and description

PF1 : ORDINARY FULLY PAID

Number of +securities proposed to be issued

1,558,158

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?
☑ No

Please describe the consideration being provided for the +securities

PF1 has entered into a conditional binding agreement with Poly Resources LLC, pursuant to which it has the right to earn-into up to a 80% interest in the Bleiberg Project located in Austria.
Subject to the satisfaction of the conditions of the agreement, PF1 has the right to earn up to 80% interest in the Falcon Lake Lithium Project over 4 phases stage earn-in. In consideration for the earn in, PF1 has agreed to issue Poly Resources as part consideration with a total of CAD$555,000 worth of shares to be calculated based on the 10 day VWAP of PF1's shares. Refer to PF1's announcement dated 28 October 2022 for further details.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

0.400000

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?
☑ Yes

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?
☑ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?
☑ No

Details of +securities proposed to be issued

ASX +security code and description

PF1 : ORDINARY FULLY PAID

Number of +securities proposed to be issued

250,000

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?
☑ No

Please describe the consideration being provided for the +securities

PF1 has engaged Geomap Exploration Inc to provide advisory and introductory services in respect of the acquisition of the Falcon Lake Project under the proposed transaction as announced on 28 October 2022, and has agreed to pay Geomap Exploration Inc fees of $100,000, 50% to be satisfied via an issue of fully paid ordinary shares at a deemed issue price of $0.40 per share, with the remainder 50% calculated based on the 10 day VWAP of PF1 shares, calculated over the 10 trading days
before the date of issue of the shares.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

0.400000

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?
☑ Yes

Part 7C - Timetable

7C.1 Proposed +issue date

30/12/2022

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?
☑ Yes

7D.1a Date of meeting or proposed meeting to approve the issue under listing rule 7.1

16/12/2022

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?
☑ No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?
☑ Yes

7D.3a Please enter, the number and +class of the +restricted securities and the date from which they will cease to be +restricted securities

The Company expects that some of these shares will be restricted securities subject to ASX determination.

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?
☑ No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?
☑ No

7E.2 Is the proposed issue to be underwritten?
☑ No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

In consideration for the acquisition and earn-in into the Falcon Lake, Tidili and Bleiberg Projects and in consideration of consultant fees.

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

☑ No

7F.2 Any other information the entity wishes to provide about the proposed issue

7F.3 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:

☑ The publication of a +disclosure document or +PDS for the +securities proposed to be issued