

23 SEPTEMBER 2019

ASX ANNOUNCEMENT

RIGHTS ISSUE CLOSURE AND SHORFALL NOTIFICATION

Hylea Metals Limited (HCO, Hylea or the Company) wishes to provide the following update:

The Company is pleased to advise that its underwritten non-renounceable rights issue (ASX release 23 July 2019) ("Rights Issue") closed at 5.00pm (AWST) on 18th September 2019.

The Company received acceptances for 36,783,627 new shares at an issue price of \$0.02 per share for a total of \$735,672.54, representing an approximate 73% take-up. This included participation by a number of major shareholders including Providence Gold and Minerals, Neon Capital Limited and Blue Capital Ltd.

Pursuant to the underwriting agreement, BW Equities will allocate the remaining shortfall of 13,286,204 for a total consideration of \$265,724.08 ("Shortfall").

New Shares under the Rights Issue will be issued on 25 September 2019 and holding statements will be despatched on 26 September 2019. This will include the issue of 1 free attaching option for every 2 shares issued with an exercise price of \$0.04 expiring 3 years from grant, a total of 18,391,813 (subject to rounding on issue).

Proceeds of the Rights Issue, together with Hylea's existing cash reserves, will be utilised to progress the Kayelekera Project acquisition (as previously announced on 24 June 2019).

The Company will pay to BW Equities a 5% underwriting fee on the funds raised pursuant to the Rights Issue. The Company also incurred miscellaneous expenses including legal and listing fees in connection with the Rights issue.

For further information, contact:

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