



TRANSCENDENCE TECHNOLOGIES LIMITED TO ACQUIRE REDCASTLE GOLD PROJECT

Release Date: 29 July 2021

HIGHLIGHTS

- ***Transcendence Technologies Limited has entered into an agreement to acquire the Redcastle Gold Project.***
 - ***Project located in Western Australia surrounding the locality of the historical Redcastle mining centre.***
 - ***Transcendence Technologies Limited to raise \$4,500,000 via re-compliance capital raising.***
 - ***Proposed appointment of highly experienced mining executive to the Board.***
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Transcendence Technologies Limited (ACN 096 781 716) (ASX:TTL) (**Company**) is pleased to announce that, through its subsidiary E-Collate Pty Ltd (ACN 608 766 123), it has entered into an agreement (**Agreement**) under which it will acquire 100% of the right, title and interest in the Redcastle Gold Project (**Project**) from the holders of the Tenements (defined below) (**Proposed Acquisition**).

The material terms of the Agreement are summarised in Annexure A.

The Proposed Acquisition is conditional on the Company obtaining all necessary regulatory and shareholder approvals (including the receipt of Ministerial consent as detailed at page 10 and Annexure A) to effect the Proposed Acquisition and satisfying all other requirements of ASX for the reinstatement to official quotation of the Company's Shares on the ASX (among other things).

On completion, the Proposed Acquisition will amount to a significant change in the nature and scale of the Company's current activities and as such, the Company will be required to obtain approval from its shareholders (**Shareholders**) and to re-comply with Chapters 1 and 2 of the ASX Listing Rules.

To assist the Company to re-comply with Chapters 1 and 2 of the ASX Listing Rules the Company plans, subject to Shareholder approval, to conduct a capital raising under a full form prospectus (**Prospectus**) for the issue of 225,000,000 fully paid ordinary shares (on a post-consolidation basis) in the capital of the Company (**Shares**) at an issue price of \$0.02 per Share to raise a minimum of \$4,500,000 (**Minimum Subscription**) (**Public Offer**).

The Company's securities have been suspended from quotation since 23 September 2019 and will remain suspended from quotation until the Company has re-complied with Chapters 1 and 2 of the ASX Listing Rules, including by satisfaction of ASX's conditions precedent to reinstatement. If the Proposed Acquisition does not proceed, the Company may not complete the re-compliance. The Company is due to be removed from the Official List of the ASX if it has not re-complied with Chapters 1 and 2 of the ASX Listing Rules by 23 September 2021 (subject to the receipt of any extension).

The Company notes that ASX takes no responsibility for the contents of this announcement.

THE REDCASTLE GOLD PROJECT

Pursuant to the Proposed Acquisition, the Company will acquire the Redcastle Gold Project which comprises the tenements detailed below.

Prior to executing the Agreement, the board considered several potential acquisition opportunities. As with any business or asset that does not have a meaningful track record of revenue and profitability, there is not always an appropriate formal valuation methodology available when determining consideration. However, based on the Company's legal and technical due diligence process, and the representations and warranties provided by the Vendors (defined below), it considered the acquisition of the Project to be the best path forward to generate value for Shareholders and the Company. In addition, based on the board's experience and background, it considered that the Proposed Acquisition compared favourably to recent third-party re-compliance listing transactions involving mineral exploration assets, given the exploration potential of the Project.

Background to the Project

The Project is a gold focused holding consisting of:

- (a) one (1) pending Mining Lease (MLA) (which is expected to be granted in the next 3-6 months, following native title negotiations);
- (b) one (1) granted Mining Lease (MLA); and
- (c) nine (9) granted Prospecting Licences (PL's),

covering a prospective area (966.8ha) surrounding the locality of the historical Redcastle Mining Centre within the Mt Morgans District of the Mt Margaret Mineral Field of WA approximately 60km east of Leonora and 60km west of Laverton in the North Eastern Goldfields. The Tenements are currently held by Trevor Dixon, Ross Crew, Russell McKnight and Robert Johnson (together, the **Vendors**).

The tenements comprising the Project (**Tenements**) are set out below:

Tenement	Area (ha)	Expiry Date	Status
M39/318	106	15/09/2036	Live
P39/5184	54	15/12/2019	Live
M39/1140	54	-	Pending
P39/5307	155	05/02/2022	Live
P39/5337	58	16/01/2022	Live
P39/5568	151	17/04/2024	Live
P39/5573	123	18/04/2024	Live
P39/5814	197	07/02/2022	Live
P39/5815	172	07/02/2022	Live
P39/5858	57	01/07/2022	Live
P39/6185	15	30/06/2025	Live

Gold was originally discovered at the Redcastle mining centre in 1895.

Gold targets are located within highly altered and sheared mafic rocks that have been intruded by small ovoid granites and porphyries. Several significant historical drill intersections that have never been followed up present as immediate target areas.

The northern portion of the project area hosts the 7.5km long east-west trending mineralised 'Redcastle Reef'.

Exploration is focusing on the delineation of structures sub-parallel to the Redcastle Reef that could potentially be concealed beneath the weathered regolith. The majority of mineralised zones in the Redcastle area are open along strike and at depth, they have not been tested beneath the zone of weathering and oxidation, 40-50m (vertical depth). The Redcastle Reef and associated sub-parallel structures are the most obvious target zones.

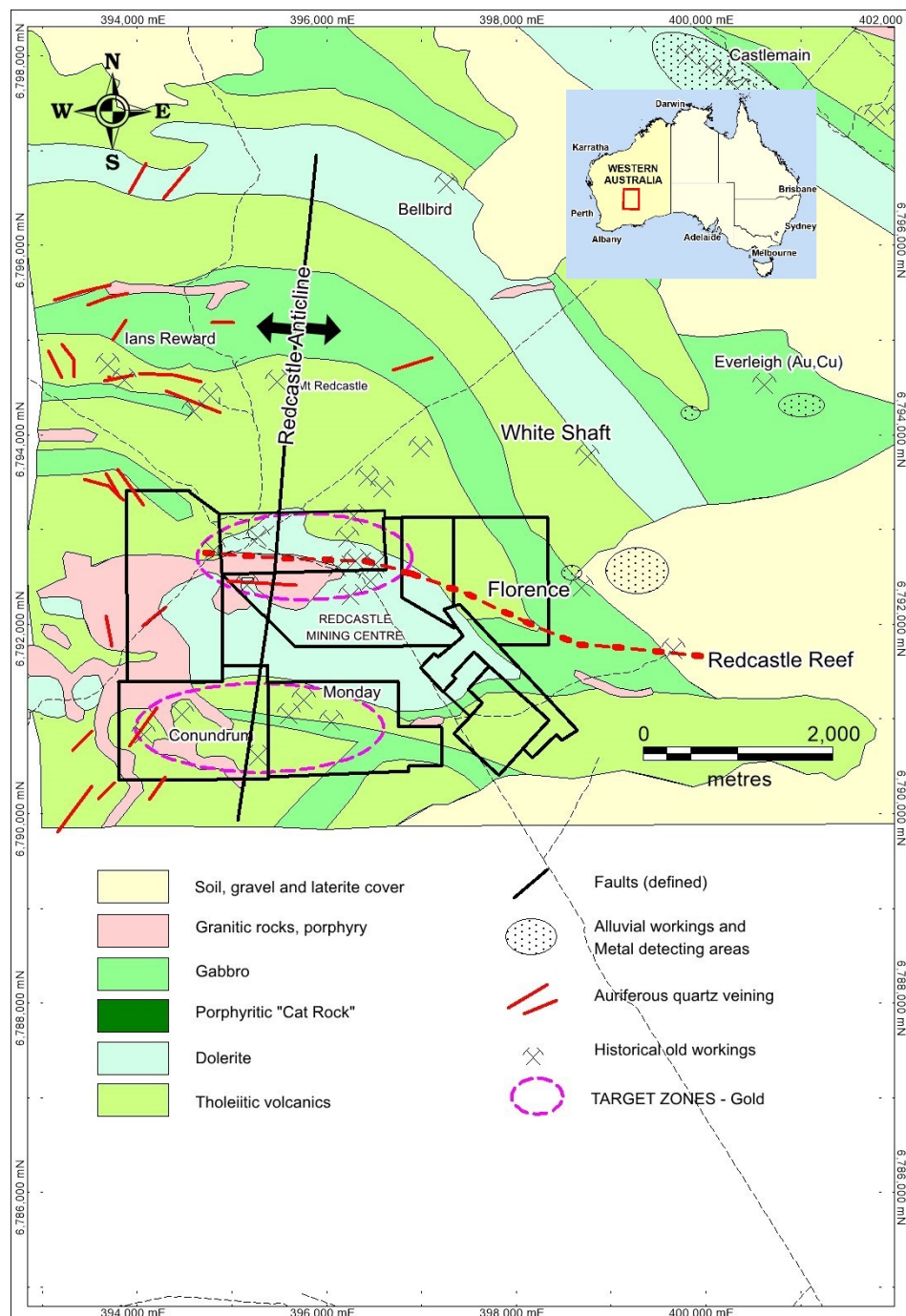


Figure 1: Geological Plan of the Redcastle Mining Centre and the tenement holding.

The source of the alluvial gold on the holdings with the exception of the Redcastle Mining Centre remains unknown however additional mineralisation on site could be sitting directly above an as yet undiscovered sub-parallel reef, related to the Redcastle Reef, that is concealed beneath the regolith.

The Redcastle Reef appears to be a large scale, late stage local dilational feature caused by folding and subsequent brittle fracturing of the mafic greenstone sequence along granitic contacts.

The local greenstone terrain is characterised by open, upright folds, low grade metamorphism and relatively continuous stratigraphy. Regionally the Redcastle Project area is separated by the Keith-Kilkenny Tectonic Zone, to the west, and the Laverton Tectonic Zone to the east with polyphase deformation, variable metamorphic grade, discontinuous stratigraphy and an association with fault bound polymictic conglomerates developed during late extension.

Gold mineralisation is associated with NW trending quartz lodes and the alluvial cover in close proximity to such lodes. The most extensive workings are for eluvial gold but numerous hard rock workings are scattered throughout the Redcastle area. The majority of the districts major producers lie within or immediately adjacent to a major tectonic zone. Gold mines in mafic sequences tend to occur in quartz reefs in dilational fault zones with little host rock alteration.

The Company is keen to explore and expand its holdings and secure additional tenements within the Redcastle area. The Company intends to acquire (subject to Shareholder approval and the conditions detailed at Annexure A) a 100% interest in the rights, title and interest in the Tenements. The Vendors of the Tenements will retain rights to all alluvial gold and a 2% overriding gross royalty over all minerals sold from the Tenements.

Further details with respect to the Project will be included in the notice of meeting and Prospectus to be prepared in connection with the Proposed Acquisition and Public Offer.

Exploration Potential and Proposed Exploration Program

As noted above, a number of different mineralisation styles and targets have been identified, including "orogenic gold mineralogy" and "intrusive gold mineralogy".

Several prospects already have ready-to-go established drill targets. Following completion of the Proposed Acquisition, the Company intends to undertake modelling and interpretation, in conjunction with a critical re-assessment of the geology and the historical exploration data of the Project.

The Company's main objectives on completion of the Public Offer will be to:

- (a) advance near surface targets utilising geophysical surveying followed by initial aircore and then deeper more focussed drilling, such as reverse circulation and/or diamond drilling;
- (b) complete regional geophysical surveys over prospective geological environments/ lithological trends followed by initial aircore and then deeper reverse circulation and/or diamond drilling;
- (c) identify additional drill targets by undertaking surface exploration activities through geophysical, gravity survey and soil sampling activities;

- (d) provide sufficient drilling data to allow estimation of maiden JORC Resources at priority target areas;
- (e) through exploration success, evaluate opportunities for near term gold production; and
- (f) seek further exploration, acquisition and joint venture opportunities in Western Australia and elsewhere.

BUSINESS MODEL OVERVIEW

Following completion of the Public Offer and the Proposed Acquisition, the Company's proposed business model will be to further explore and develop the identified mineral deposits at the Project. The Company's main objectives on completion of the Public Offer are:

- (a) systemically explore the Project for gold through geological mapping, surface sampling and drilling on the Project;
- (b) continue to pursue other acquisitions that have a strategic fit for the Company;
- (c) focus on mineral exploration or resource opportunities that have the potential to deliver growth for Shareholders;
- (d) implement a growth strategy to seek out further exploration and acquisition opportunities; and
- (e) provide working capital for the Company.

CHANGE OF NAME

On completion of the Proposed Acquisition, subject to Shareholder approval, the Company intends to change its name to 'Redcastle Resources Limited'.

KEY DEPENDENCIES

The key dependencies influencing the viability of the Proposed Acquisition are:

- (a) the Company's capacity to re-comply with Chapters 1 and 2 of the ASX Listing Rules to enable re-admission to quotation of the Company's Shares;
- (b) completion of the Proposed Acquisition;
- (c) tenure access and grant of applications;
- (d) commodity price volatility and exchange rate risk;
- (e) ability to meet resource and reserves and exploration targets;
- (f) raising sufficient funds to satisfy expenditure requirements, exploration and operating costs; and
- (g) minimising environmental impact and complying with health and safety requirements.

KEY RISKS

- (a) **Completion risk**

Pursuant to the Agreement, the Company will acquire 100% of the right, title and interest in the Tenements, the exercise and completion of which is subject to the fulfilment of certain conditions. There is a risk that the conditions for completion of the Proposed Acquisition cannot be fulfilled and, in turn, that completion of the Proposed Acquisition does not occur.

If the Proposed Acquisition is not completed, the Company will incur costs relating to advisors and other costs without any material benefit being achieved.

(b) Re-quotation of Shares on ASX

The Proposed Acquisition constitutes a significant change in the nature and scale of the Company's activities and the Company needs to re-comply with Chapters 1 and 2 of the ASX Listing Rules as if it were seeking admission to the Official List of ASX.

Trading in the Company's Shares is currently suspended and will remain suspended until the Company re-complies with Chapters 1 and 2 of the Listing Rules following completion of the Proposed Acquisition. The Proposed Acquisition is conditional on the Company obtaining all necessary regulatory and Shareholder approvals to effect the Proposed Acquisition and satisfying all other requirements of ASX for the reinstatement to Official Quotation of the Company's Shares on the ASX (among other things).

There is a risk that the Company may not be able to meet the requirements of the ASX for re-quotation of its Shares on the ASX. Should this occur, the Shares will not be able to be traded on the ASX until such time as those requirements can be met, if at all. Shareholders may be prevented from trading their Shares until such time as it does re-comply with the ASX Listing Rules.

(c) Dilution risk

The Company currently has 60,783,999 Shares on issue (on a post-Consolidation basis). Pursuant to the Proposed Acquisition and this Notice, the Company proposes to issue (on a post-Consolidation basis):

- (A) 42,500,000 Consideration Shares;
- (B) 225,000,000 Public Offer Shares;
- (C) 30,000,000 Lead Manager Options to Xcel Capital;
- (D) 4,000,000 Options to Mr Peter Wall;
- (E) 4,000,000 Options to Mr Jeremy King; and
- (F) 4,000,000 Options to Mr Patrick Holywell;

Following completion of the Proposed Acquisition, the existing Shareholders will retain approximately 18.52% of the Company's issued Share capital;

- (A) the Vendors will hold approximately 12.95% of the Company's issued Share capital; and
- (B) the investors under the Public Offer will hold approximately 68.54% of the Company's issued Share capital.

(d) Exploration

Potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that exploration of the Redcastle Gold Project, or any other tenements that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its projects and obtaining all required approvals for its activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Tenements, a reduction in the cash reserves of the Company and possible relinquishment of the Project.

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

(e) **Tenement applications and license renewal**

The Company cannot guarantee additional applications for tenements made by the Company will ultimately be granted, in whole or in part. Further the Company cannot guarantee that renewals of valid tenements will be granted on a timely basis, or at all. There is a risk that regulatory and environmental approvals required to convert exploration licences into mining leases may not be obtained or may be revoked.

(f) **Mine development**

Possible future development of a mining operation at the Project is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.

If the Company commences production, its operations may be disrupted by a variety of risks and hazards which are beyond its control, including environmental hazards, industrial accidents, technical failures, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement of hazardous weather conditions and fires, explosions or accidents. No assurance can be given that the Company will achieve commercial viability through the development or mining of its projects and treatment of ore.

(g) **Additional requirements for capital**

The funds to be raised under the Public Offer are considered sufficient to meet the immediate objectives of the Company. Additional funding may be required in the event costs exceed the Company's estimates and to effectively implement its business and operational plans in the future to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur. If such events occur, additional funding will be required.

Following completion of the Public Offer, the Company may seek to raise further funds through equity or debt financing, joint ventures, licensing arrangements, or other means. Failure to obtain sufficient financing for the Company's activities may result in delay and indefinite postponement of their activities and the proposed commercialisation, marketing and international expansion strategy. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing may not be favourable to the Company and might involve substantial dilution to Shareholders.

(h) **Reliance on key personnel**

The Company's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the continued contributions of its executive management team and other key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.

(i) **Native title and Aboriginal heritage**

In relation to Tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights exist. The Project (including the pending Tenement application) currently overlaps the Nyalpa Pimiku (WC2019/002) native title claim and a number of sites of registered Aboriginal heritage significance. Without more detailed research into the sites and how they might be affected by future works, it is impossible to anticipate whether such approvals will be forthcoming or what conditions might attach to such approval.

The ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected if the Company is unable to negotiate access to areas of interest within the Project area. The Directors will closely monitor the potential effect of native title claims or Aboriginal heritage matters involving tenements in which the Company has or may have an interest.

BOARD APPOINTMENTS

Following completion of the Proposed Acquisition, Mr Mauro Piccini will resign as a director and Mr Patrick Holywell and Mr Jeremy King will remain as directors of the Company.

Further, subject to completion of the Proposed Acquisition, it is proposed that Mr Trevor Dixon (one of the Vendors) will be appointed as a Technical Director of the Company.

The qualifications and experience of the board on completion of the Proposed Acquisition are set out below.

Patrick Holywell

Non-Executive Director

Patrick Holywell has over fifteen years of experience in accounting, finance and corporate governance, including employment at Deloitte and Patersons. He is a Chartered Accountant and a Fellow of the Governance Institute of Australia with the last ten years focused on Director/CFO/Company Secretarial roles particularly in the resources and technology space. Mr Holywell worked at Deloitte, in the assurance and advisory division and was a founding member and investment analyst for Patersons Asset Management. Mr Holywell has completed a Bachelor of Commerce at UWA, a Graduate Diploma of Chartered Accounting with the Institute of Chartered Accountants and the Company Directors Course with the Australian Institute of Company Directors.

Jeremy King

Non-Executive Director

Mr King is a corporate advisor and lawyer with over 20 years' experience in domestic and international legal, financial and corporate matters. Mr King spent several years in London where he worked with Allen & Overy LLP and Debevoise & Plimpton LLP and has extensive corporate experience, particularly in relation to cross-border private equity, leveraged buy-out acquisitions and acting for financial institutions and corporate issuers in respect of various equity capital raising. Mr King has significant ASX company experience as a Board member across resource and technology companies.

Trevor Dixon

Technical Director

Trevor is an entrepreneur with more than 30+ years of experience in the mining and exploration sector in Western Australia. He was a founding vendor to listed companies including Jubilee Mines, Terrain Minerals, Regal Resources and Kin Mining NL where he served as the founding managing director and a former chairman. He has managed mining services businesses and as a private individual identifying and acquiring prospective mineral projects. Trevor has management experience in areas of contractual outcomes, Mining Act regulatory procedures and standards, tenement management and a long history of Native Title negotiations and resolutions. Trevor is a member of the Australian Institute of Company Directors.

CAPITAL RAISING AND PROPOSED ISSUES OF SECURITIES

To assist the Company to re-comply with Chapters 1 and 2 of the ASX Listing Rules, the Company intends to undertake the Public Offer (subject to Shareholder approval).

The Company has appointed Xcel Capital Pty Ltd (ACN 617 047 319) (**Xcel Capital**) as lead manager to the Public Offer. Xcel Capital is a corporate authorised representative (Authorised Representative Number: 001277353) of Gameplay Capital Pty Ltd (AFSL: 511738). The Public Offer will not be underwritten.

Xcel Capital will receive the following fees:

- (a) \$50,000 (plus GST) lead manager fee;
- (b) an amount equal to 6% of the amount placed under the Public Offer; and

- (c) 30,000,000 Options exercisable at \$0.03 per Option on or before the date which is 4 years from the date of issue (on a post-Consolidation basis).

As part of the Company's re-compliance with Chapters 1 and 2 of the ASX Listing Rules, the Company intends to undertake a consolidation of the Company's existing capital structure on a 1 for 2.858 basis (**Consolidation**).

In addition to the Public Offer, the Company intends to issue the following securities (on a post-Consolidation basis) in connection with the Proposed Acquisition:

- (a) 42,500,000 Shares to the Vendors as consideration for the Proposed Acquisition, in the following proportions:
- (i) Mr Trevor Dixon - 23,250,000;
 - (ii) Mr Ross Crew – 3,875,000;
 - (iii) Mr Russell McKnight – 13,375,000; and
 - (iv) Mr Robert Johnson – 2,000,000;
- (b) 30,000,000 options (exercisable at \$0.03 each on or before the date which is 4 years from the date of issue) (**Lead Manager Options**) (in part consideration for their services as lead manager) to Xcel Capital;
- (c) 4,000,000 Options (exercisable at \$0.03 each on or before the date which is 4 years from the date of issue) (**Director Options**) to each of Peter Wall, Jeremy King and Patrick Holywell (in consideration for previous services provided to the Company as Directors). Refer to Annexure C for the valuation of the Director Options.

The Company has not issued any securities in the previous 6 months.

PROPOSED USE OF FUNDS

The Company intends to apply funds raised from the Public Offer, together with existing cash reserves, over the first two years following admission of the Company to the Official List of ASX as follows:

	Full Subscription	
Funds Available	Amount (A\$)	%
Company cash balance	0.471m	9.47%
Public Offer funds	4.5m	90.53%
Completion of Public Offer	4.971m	100%
Application of Funds	Amount (A\$)	%
Expenses of the Public Offer	\$250,000	5.03%
Administrative Costs	\$1,000,000	20.12%
Wages/Salaries/Contractors	\$300,000	6.04%
Data compilation	\$70,000	1.41%
Geological/Geophysical interpretation	\$40,000	0.80%
Soil Geochemical Survey	\$100,000	2.01%

Follow up RAB/AC drilling	\$185,000	3.72%
Follow up RC drilling	\$550,000	11.06%
Assays	\$120,000	2.41%
Metallurgical test work	\$10,000	0.20%
Field supplies and support	\$25,000	0.50%
Tenement costs	\$100,000	2.01%
Equipment and consumables	\$40,000	0.80%
Heritage and Environment	\$15,000	0.30%
Administration costs	\$25,000	0.50%
Rehabilitation costs	\$50,000	1.01%
Additional Project Acquisitions	\$500,000	10.06%
Contingency	\$91,000	1.83%
Unallocated Working Capital	\$1,500,000	30.18%
Total	\$4,971,000	100%

The above table is a statement of current intentions as of the date of this Announcement. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

PRO FORMA CAPITAL STRUCTURE

The indicative capital structure of the Company upon completion of the Proposed Acquisition, based on the Company's current securities on issue and assuming the Minimum Subscription is raised under the Public Offer, will be as follows:

	Number of Shares	Issue Price	Unlisted Options
Pre-Consolidation Securities	173,720,669	N/A	18,000,000
Securities on issue following Consolidation (1:2.858)	60,783,999	N/A	6,298,111 ¹
SUB TOTAL	60,783,999	N/A	6,298,111¹
Shares to be issued at settlement to the Vendors ²	42,500,000	Nil cash consideration	N/A
Shares to be issued at settlement pursuant to \$4.5m Public Offer ²	225,000,000	\$0.02	N/A
Director Options ^{2,3}	N/A	Nil cash consideration	12,000,000
Lead Manager Options ^{2,4}	N/A	Nil cash consideration	30,000,000

TOTAL SECURITIES FOLLOWING COMPLETION	328,283,999	N/A	48,298,111
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Notes:

- Options exercisable at \$0.0915 on or before 5 December 2022 (post-Consolidation).
- On a post-Consolidation basis.
- At completion, the Company is proposing to issue 12,000,000 Director Options (being the aggregate of 4,000,000 Options to be issued to each of Messrs Wall, Holywell and King (or their respective nominees) exercisable at \$0.03 each on or before the date which is 4 years from the date of issue.
- Exercisable at \$0.03 each on or before the date which is 4 years from the date of issue.

PRO FORMA BALANCE SHEET

The pro-forma balance sheet of the Company following completion of the Proposed Acquisition and issues of all Securities contemplated under the transaction is set out in Annexure B. The historical and pro-forma information is presented in an abbreviated form, insofar as it does not include all of the disclosure required by the Australian Accounting Standards applicable to annual financial statements.

INDICATIVE TIMETABLE

An indicative timetable for the Proposed Acquisition and associated events is set out below:

Event	Date*
Execution of Agreement	28 July 2021
Notice of Meeting for the Proposed Acquisition sent to Shareholders	10 August 2021
Lodgement of Prospectus with the ASIC	19 August 2021
Opening date of Public Offer	26 August 2021
Shareholders meeting to approve the Proposed Acquisition	2 September 2021
Closing date of Public Offer	9 September 2021
Settlement of Proposed Acquisition and the Public Offer	16 September 2021
Re-quotation on ASX	Late September 2020

*Please note that this timetable is indicative only and the Directors of the Company reserve the right to amend the timetable as required.

CONTROL ISSUES

No person will acquire a holding of Shares of, or increase their holding, to an amount in excess of 19.9% of all the Shares on issue on completion of the Proposed Acquisition.

RE-COMPLIANCE WITH ASX LISTING RULES CHAPTERS 1 AND 2

Since the Proposed Acquisition will amount to a significant change in the nature and scale of the Company's activities, the Company is required to obtain Shareholder approval for the Proposed Acquisition and must re-comply with Chapters 1 and 2 of the ASX Listing Rules.

SHAREHOLDER APPROVALS

A notice of meeting seeking Shareholder approval for the resolutions required to give effect to the Proposed Acquisition will be sent to Shareholders in due course. It is expected that the Company will convene a general meeting to be held in September 2021 (**General Meeting**) to facilitate Shareholder approval for the following matters in respect of the Proposed Acquisition:

- (a) approval for a change in nature and/or scale of the Company's activities;
- (b) the change of the Company's name;
- (c) appointment of Trevor Dixon as a Technical Director;
- (d) the approval of the Consolidation;
- (e) the issue of 42,500,000 consideration Shares (on a post-Consolidation basis) to the Vendors;
- (f) the issue of up to 225,000,000 Shares (on a post-Consolidation basis) under the Public Offer;
- (g) the issue of 4,000,000 Director Options (on a post-Consolidation basis) to each of Peter Wall, Jeremy King and Patrick Holywell;
- (h) the approval of related parties' participation in the Public Offer, specifically:
 - (i) 5,000,000 Shares to Mr Peter Wall (or his nominee);
 - (ii) 2,500,000 Shares to Mr Jeremy King (or his nominee);
 - (iii) 500,000 Shares to Mr Patrick Holywell (or his nominee); and
 - (iv) 500,000 Shares to Mr Trevor Dixon (or his nominee); and
- (i) the issue of 30,000,000 Lead Manager Options to Xcel Capital (or their respective nominee).

The Company's securities will remain suspended from quotation on ASX until the Company has re-complied with Chapters 1 and 2 of the ASX Listing Rules and the Proposed Acquisition is completed.

If Shareholders do not approve the Proposed Acquisition, the Company will not proceed with the Proposed Acquisition and will need to find an alternate means to meet the requirements of Chapter 12 of the ASX Listing Rules.

ASX WAIVERS AND CONFIRMATIONS REQUIRED

ASX Listing Rule 2.1 (Condition 2) provides that the issue price or sale price of all the securities for which an entity seeks quotation (except options) must be at least 20 cents in cash.

ASX Listing Rule 1.1 (Condition 12) provides that if an entity has options on issue, the underlying security (the exercise price) must be at least 20 cents.

The Company has received a conditional waiver from the requirements of:

- (a) ASX Listing Rule 2.1 (Condition 2) to allow the Company to offer Shares under the Public Offer with an issue price which is less than 20 cents; and
- (b) ASX Listing Rule 1.1 (Condition 12) to allow the Company to be reinstated to the Official List with Options on issue, and to issue Options, which are each exercisable at less than 20 cents each.

ASX Listing Rule 10.11 requires a listed company to obtain Shareholder approval by ordinary resolution prior to the issue of equity securities, or agreement to issue equity securities, to a related party of the Company.

ASX Listing Rule 10.13 sets out the requirements for Shareholder approval under ASX Listing Rule 10.11. In particular, ASX Listing Rule 10.13.5 provides that the notice of meeting must (inter alia) state the date by which the entity will issue the securities and that the securities must be issued no later than 1 month after the date of the meeting or such later date as may be permitted by any ASX waiver or modification of the ASX Listing Rules.

The Company has received a waiver from the requirements of ASX Listing Rule 10.13.5 to allow the Company to issue securities to related parties no later than 3 months after the date of the General Meeting.

Further details of the waivers and the respective conditions will be detailed in the notice of meeting.

REQUIREMENTS FOR REGULATORY AND SHAREHOLDER APPROVALS GENERALLY

The Company notes that:

- (a) the Proposed Acquisition requires Shareholder approval under the ASX Listing Rules and therefore may not proceed if that approval is not forthcoming;
- (b) the Company is required to re-comply with ASX's requirements for admission and quotation and therefore the Proposed Acquisition may not proceed if those requirements are not met;
- (c) if the Company does not complete the Proposed Acquisition and re-comply with ASX's requirements for admission and quotation, the Company's securities will not be reinstated to trading until such time as the Company has demonstrated to ASX that it satisfies Chapter 12 of the ASX Listing Rules;
- (d) ASX has an absolute discretion in deciding whether to re-admit the Company to the Official List and to quote its securities and therefore the Proposed Acquisition may not proceed if ASX exercises that discretion;
- (e) investors should take account of these uncertainties in deciding whether to buy or sell the Company's securities; and
- (f) the consent of the Minister (responsible for the *Mining Act 1978 (WA)*) to the transfer of M39/318 to E-Collate Pty Ltd is a condition of the Proposed Acquisition, and therefore may not proceed if that consent is not forthcoming.

Furthermore, the Company:

- (a) notes that ASX takes no responsibility for the contents of this announcement; and
- (b) confirms that it is in compliance with its continuous disclosure obligations under ASX Listing Rule 3.1.

The Company confirms that all material information available to the directors of the Company has been included in this Announcement.

For further information, please contact:

Sarah Smith
Company Secretary
Transcendence Technologies Limited

This announcement has been approved for release to ASX by the Board of Transcendence Technologies

COMPETENT PERSON

The information contained in this report relates to information compiled or reviewed by Paul Maher who is a member of the Australasian Institute of Mining and Metallurgy (AusIMM) who fairly represents this information. Mr. Maher is a consultant to the Company. Mr. Maher has sufficient experience of relevance to the styles of mineralisation and the types of deposit under consideration, and to the activities undertaken to qualify as Competent Persons as defined in the 2012 edition of the "JORC Australian code for reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Maher consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

ANNEXURE A – AGREEMENT

The Company has entered into a binding heads of agreement with the Vendors of the Project, pursuant to which the Company agreed to purchase (through its subsidiary E-Collate Pty Ltd (ACN 608 766 123)) and the Vendors agreed to sell 100% of the rights, title and interest in the Tenements (together with all technical and other information relating to the Tenements). The material terms of the Agreement are as follows:

Acquisition	The Company has agreed to acquire (through its subsidiary E-Collate Pty Ltd (ACN 608 766 123)) 100% of the rights, title and interest in the Tenements (together with all technical and other information relating to the Tenements) (together, the Assets) from the Vendors.
Consideration	In consideration for the Assets, the Company has agreed to issue to the Vendors a total of 42,500,000 Shares (on a post-Consolidation basis).
Conditions Precedent	Settlement of the Acquisition is subject to and conditional upon: (a) the Company obtaining shareholder approval for: (i) the change of nature and scale; (ii) the appointment of Trevor Dixon as a Director of the Company; (iii) the Consolidation; (iv) the issue of the 42,500,000 consideration Shares; and (v) the issue of the 225,000,000 Shares under the Public Offer. (b) the Company completing the Consolidation; (c) the Company lodging a full form prospectus with the ASIC for the Public Offer for not less than \$4,500,000 through the issue of Shares at \$0.02 per Share (on a post-Consolidation basis); (d) the Company and the Vendors being satisfied (acting reasonably) that, on completion of the Acquisition and the Public Offer, the Company will meet the requirements of Chapters 1 and 2 of the ASX Listing Rules and will, as a result, have its securities reinstated to trading on ASX; and (e) the Minister responsible for the <i>Mining Act 1978 (WA)</i> (Mining Act) consenting to the transfer of M39/318 to E-Collate Pty Ltd (a subsidiary of the Company) in accordance with section 82 of the Mining Act.
Termination	If the conditions precedent are not satisfied (or waived by mutual agreement) on or before 5.00pm (AWST) on 31 October 2021 (or such later date as the parties may agree), then any party may terminate the Agreement by notice in writing to the other parties, in which case the agreement constituted by the Agreement will be at an end and the parties will be released from their obligations under the Agreement (other than in respect of any breaches that occurred prior to termination).
Post Settlement	On and from Settlement: (a) E-Collate Pty Ltd agrees to grant the Vendors a 2% gross revenue royalty, on all minerals, mineral products and concentrates, produced and sold from the Tenements, payable by E-Collate Pty Ltd to the Vendors, in proportion to each Vendor's respective saleable interest; and (b) E-Collate Pty Ltd agrees to grant the right to explore and exploit all alluvial gold contained from the surface to 5 metres below the natural surface of the ground on the Tenements to the Vendors.

The Agreement otherwise contains representations and warranties, considered standard for an agreement of this nature.

ANNEXURE B – PRO FORMA BALANCE SHEET

	Transcendence Technologies Limited (Unaudited)	Pro-forma Adjustments	Pro-forma after Issue
	30-Apr-21		
	\$	\$	\$
CURRENT ASSETS			
Cash and cash equivalents	517,953	4,076,794	4,594,747
Trade and other receivables	22,132	-	22,132
TOTAL CURRENT ASSETS	540,085	4,076,794	4,616,879
NON-CURRENT ASSETS			
Exploration and evaluation expenditure	-	850,000	850,000
TOTAL NON-CURRENT ASSETS	-	850,000	850,000
TOTAL ASSETS	540,085	4,926,794	5,466,879
CURRENT LIABILITIES			
Trade and other payables	7,044	-	7,044
TOTAL CURRENT LIABILITIES	7,044	-	7,044
TOTAL LIABILITIES	7,044	-	7,044
NET ASSETS	533,041	4,926,794	5,459,835
EQUITY			
Issued capital	14,471,769	5,080,000	19,551,769
Reserves	365,382	152,200	517,582
Accumulated losses	(14,304,110)	(305,406)	(14,609,516)
TOTAL EQUITY	533,041	4,926,794	5,459,835

Notes:

- (a) Capital raising issuing 225,000,000 ordinary shares at \$0.02 per share raising \$4,500,000 before costs.
- (b) Share issue costs of 6% of capital raised.
- (c) Issue of 42,500,000 ordinary shares at a deemed issue price of \$0.02 per share to the Vendors as part consideration for the Acquisition of the Tenements.
- (d) Costs of the offer of \$153,206 including ASX, ASIC, legal and share registry costs.
- (e) Issue of 30,000,000 unlisted options, exercisable at \$0.03 with a 4 year expiry. A Black and Scholes valuation of the Lead Manager options values the options at \$108,600.

- (f) Issue of 12,000,000 unlisted options (being the aggregate of 4,000,000 Options to be issued to each of Peter Wall, Patrick Holywell and Jeremy King (or their respective nominees)) exercisable at \$0.03 each with a 4 year expiry. A Black and Scholes valuation of the Director options values the options at \$43,600.

ANNEXURE C – VALUATION OF DIRECTOR OPTIONS

The Director Options to be issued to Mr Wall, Mr King and Mr Holywell, have been valued by internal management, using the Black & Scholes option model and based on the assumptions set out below. The Director Options were ascribed the following value:

Assumptions:	
Valuation date	2 June 2021
Market price of Shares	0.800 cents
Exercise price	3 cents
Expiry date (length of time from issue)	4 years from date of issue
Risk free interest rate	0.41%
Volatility (discount)	100%
Indicative value per Director Option	0.362 cents
Total Value of Director Options	\$43,600
4,000,000 (Resolution 7)	\$14,533
4,000,000 (Resolution 8)	\$14,533
4,000,000 (Resolution 9)	\$14,533

Note: The valuation noted above is not necessarily the market price that the Director Options could be traded at and is not automatically the market price for taxation purposes.