



Announcement Summary

Entity name

STRICKLAND METALS LIMITED

Announcement Type

New announcement

Date of this announcement

Monday April 12, 2021

The Proposed issue is:

☒ A standard pro rata issue (including non-renounceable or renounceable)

Total number of +securities proposed to be issued for a standard pro rata issue (including non-renounceable or renounceable)

ASX +security code	+Security description	Maximum Number of +securities to be issued
n/a	STKO	140,383,840
STK	ORDINARY FULLY PAID	280,767,680

Ex date

Thursday April 15, 2021

+Record date

Friday April 16, 2021

Offer closing date

Monday May 10, 2021

Issue date

Monday May 17, 2021

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

STRICKLAND METALS LIMITED

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.

1.2 Registered Number Type

ACN

Registration Number

109361195

1.3 ASX issuer code

STK

1.4 The announcement is

☒ New announcement

1.5 Date of this announcement

Monday April 12, 2021

1.6 The Proposed issue is:

☒ A standard +pro rata issue (non-renounceable or renounceable)

1.6a The proposed standard +pro rata issue is:

☒ + Non-renounceable



Part 3 - Details of proposed entitlement offer issue

Part 3A - Conditions

3A.1 - Are any of the following approvals required for the entitlement offer to be unconditional?

- +Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity

☒ No

Part 3B - Offer details

Class or classes of +securities that will participate in the proposed issue and class or classes of +securities proposed to be issued

ASX +security code and description

STK : ORDINARY FULLY PAID

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

If the entity has quoted company options, do the terms entitle option holders to participate on exercise?

☒ No

Details of +securities proposed to be issued

ASX +security code and description

STK : ORDINARY FULLY PAID

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

ISIN Code for the entitlement or right to participate in a non-renounceable issue (if Issuer is foreign company and +securities are non CDIs)

Offer ratio (ratio to existing holdings at which the proposed +securities will be issued)



The quantity of additional +securities to be issued	For a given quantity of +securities held
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2

3

What will be done with fractional entitlements?

Fractions rounded up to the next whole number

Maximum number of +securities proposed to be issued (subject to rounding)

280,767,680

Offer price details for retail security holders**In what currency will the offer be made?**

AUD - Australian Dollar

What is the offer price per +security for the retail offer?

AUD 0.01800

Oversubscription & Scale back details**Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?**☒ Yes**Describe the limits on over-subscription**

eligible shareholders are further invited to subscribe for shortfall securities in addition to their Entitlement under the shortfall offer. Subject to the terms of the shortfall offer, all shortfall shares will be placed at the discretion of the Board in consultation with the Underwriter. In doing so, no breach of the Corporations Act (by the Applicant, the Company or otherwise) or other applicable law occurs or the obtaining of any shareholder or regulatory approval is required to be obtained.

Will a scale back be applied if the offer is over-subscribed?☒ Yes**Describe the scale back arrangements**

Would only apply to the Shortfall Offer, in which case will be placed at the discretion of the Board in consultation with the Underwriter.

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)****ISIN Code for the entitlement or right to participate in a non-renounceable issue (if Issuer is 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?**☒ No**Will the entity be seeking quotation of the 'new' class of +securities on ASX?**☒ Yes**ASX +security code**

New class-code to be confirmed

+Security description

STKO

+Security type

Options

Offer ratio (ratio of attaching securities at which the new +securities will be issued)**The quantity of attaching +securities to be issued**

1

For a given quantity of the new +securities issued

2

What will be done with fractional entitlements?

Fractions rounded up to the next whole number

Maximum number of +securities proposed to be issued (subject to rounding)

140,383,840

Offer price details for retail security holders**In what currency will the offer be made?**

AUD - Australian Dollar

What is the offer price per +security for the retail offer?

AUD 0.00000

Oversubscription & Scale back details**Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?**☒ Yes



Describe the limits on over-subscription

eligible shareholders are further invited to subscribe for shortfall securities in addition to their Entitlement under the shortfall offer. Subject to the terms of the shortfall offer, all shortfall shares will be placed at the discretion of the Board in consultation with the Underwriter. In doing so, no breach of the Corporations Act (by the Applicant, the Company or otherwise) or other applicable law occurs or the obtaining of any shareholder or regulatory approval is required to be obtained.

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

☒ Yes

Describe the scale back arrangements

Would only apply to the Shortfall Offer, in which case will be placed at the discretion of the Board in consultation with the Underwriter.

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 0.0360

Expiry date

Friday May 17, 2024

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

STK : ORDINARY FULLY PAID

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

One fully paid ordinary share (ASX:STK)

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.

Refer to Offer Document lodged with ASX on 12 April 2021

Part 3C - Timetable

3C.1 +Record date

Friday April 16, 2021

3C.2 Ex date

Thursday April 15, 2021



3C.4 Record date

Friday April 16, 2021

3C.5 Date on which offer documents will be sent to +security holders entitled to participate in the +pro rata issue

Wednesday April 21, 2021

3C.6 Offer closing date

Monday May 10, 2021

3C.7 Last day to extend the offer closing date

Wednesday May 5, 2021

3C.9 Trading in new +securities commences on a deferred settlement basis

Tuesday May 11, 2021

3C.10 Last day for entity to announce the results of the offer to ASX, including the number and percentage of +securities taken up by existing +security holders and any shortfall taken up by underwriters or other investors

Thursday May 13, 2021

3C.11 +Issue date

Monday May 17, 2021

3C.12 Date trading starts on a normal T+2 basis

Tuesday May 18, 2021

3C.13 First settlement date of trades conducted on a +deferred settlement basis and on a normal T+2 basis

Thursday May 20, 2021

Part 3E - Fees and expenses

3E.1 Will there be a lead manager or broker to the proposed offer?

☒ No

3E.2 Is the proposed offer to be underwritten?

☒ Yes

3E.2a Who are the underwriter(s)?

Enrizen Capital Pty Ltd

3E.2b What is the extent of the underwriting (ie the amount or proportion of the offer that is underwritten)?

The offer will be fully underwritten.



3E.2c What fees, commissions or other consideration are payable to them for acting as underwriter(s)?

The Company has agreed to pay the Underwriter an underwriting fee equal to 6% of the total gross amount raised under the Offer. All sub-underwriting and selling fees to third parties will be met from this fee by the Underwriter.

In addition, the Company will be required under the terms of the Underwriting Agreement, but subject to Shareholder approval being obtained, to grant to the Underwriter 20,000,000 Options on the same terms as the attaching options in the rights issue.

3E.2d Please provide a summary of the significant events that could lead to the underwriting being terminated

Refer to section 8.2(a) of the Offer Document released to ASX on 12 April 2021.

3E.2e Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed offer?

☒ Yes

3E.2e (i) What is the name of that party?

Trent Franklin who controls Enrizen Capital Pty Ltd and who has been appointed as a director of Strickland Metals Limited.

Anthony McClure, David Morgan and Paul Skinner have confirmed they will sub-underwrite the offer.

3E.2e (ii) What is the extent of their underwriting or sub-underwriting (ie the amount or proportion of the offer they have underwritten or sub-underwritten)?

Enrizen Capital Pty Ltd a Company controlled by Trent Franklin has agreed to fully underwrite the offer.

Anthony McClure and David Morgan (each a Sub-Underwriting Director) have each confirmed, that they will sub-underwrite the Offer for a collective total of \$120,000.

3E.2e (iii) What fee, commission or other consideration is payable to them for acting as underwriter or sub-underwriter?

The Company has agreed to pay the Enrizen Capital Pty Ltd an underwriting fee equal to 6% of the total gross amount raised under the Offer. All sub-underwriting and selling fees to third parties will be met from this fee by Enrizen Capital. In addition, the Company will be required under the terms of the Underwriting Agreement, but subject to Shareholder approval being obtained, to grant to the Underwriter 20,000,000 Options on the same terms as the attaching options in the rights issue.

The Sub-Underwriting Directors will not receive any payment for their commitment to be a Sub-Underwriting Director

3E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?

☒ No

3E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer

Other material costs include: ASIC Fees \$3,206, ASX Fees: \$14,636, Legal fees: \$50,000 and printing and distribution fees.

Part 3F - Further Information



3F.1 The purpose(s) for which the entity intends to use the cash raised by the proposed issue

The primary purpose of the cash raised is to fund:
Continued exploration of the Company's existing projects in Western Australia, potential project acquisitions; and
Costs associated with the Offers; and
a portion of the Company's working capital needs.

3F.2 Will holdings on different registers or subregisters be aggregated for the purposes of determining entitlements to the issue?

☒ No

3F.3 Will the entity be changing its dividend/distribution policy if the proposed issue is successful?

☒ No

3F.4 Countries in which the entity has +security holders who will not be eligible to participate in the proposed issue

China, Denmark, France, Ireland, Philippines, Switzerland and United Kingdom.
The Company does not intend to offer participation in the rights issue for any shareholder in any jurisdiction outside of Australia and New Zealand.

3F.5 Will the offer be made to eligible beneficiaries on whose behalf eligible nominees or custodians hold existing +securities

☒ No

3F.6 URL on the entity's website where investors can download information about the proposed issue

<https://www.stricklandmetals.com.au/investors/asx-announcements>

3F.7 Any other information the entity wishes to provide about the proposed issue

3F.8 Will the offer of rights under the rights issue be made under a disclosure document or product disclosure statement under Chapter 6D or Part 7.9 of the Corporations Act (as applicable)?

☒ Yes