## Announcement Summary

**Entity name**

PIVOTAL METALS LIMITED

**Announcement Type**

New announcement

**Date of this announcement**

12/12/2022

**The Proposed issue is:**
☑ A placement or other type of issue

**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 |
|---|---|---|
| New class-code to be confirmed | Unquoted convertible securities | 1,080,000 |
| New class-code to be confirmed | Convertible ex @ lesser of $0.045 & 130% of 13Mar23 5dayVWAP, not < Extension Price ea exp13Mar26 | 6,250,000 |
| PVT | ORDINARY FULLY PAID | 116,383,150 |

**Proposed +issue date**

15/12/2022

Refer to next page for full details of the announcement

## Part 1 - Entity and announcement details

**1.1 Name of +Entity**

PIVOTAL 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.
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** |
|---|---|
| ACN | 623130987 |

**1.3 ASX issuer code**

PVT

**1.4 The announcement is**

☑ New announcement

**1.5 Date of this announcement**

12/12/2022

**1.6 The Proposed issue is:**

☑ A placement or other type of issue

## 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 | 15/2/2023 | Estimated | No |

**Comments**

7,142,858 PVT Fully paid ordinary shares to be issued to Directors are subject to shareholder approval
109,240,292 PVT Fully paid ordinary shares; 1,080,000 Unquoted convertible securities; and 6,250,000 Unquoted options are not subject to shareholder approval

### 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**

PVT : ORDINARY FULLY PAID

**Number of +securities proposed to be issued**

38,568,343

**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**

Partial consideration for the acquisition of the Horden Lake project

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

0.042000

**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**

PVT : ORDINARY FULLY PAID

**Number of +securities proposed to be issued**

70,671,949

**Offer price details**

**Are the +securities proposed to be issued being issued for a cash consideration?**
☑ Yes

**In what currency is the cash consideration being paid?**

AUD - Australian Dollar

**What is the issue price per +security?**

AUD 0.04200

**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)**

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

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

☑ No

Details of +securities proposed to be issued

**ASX +security code and description**

PVT : ORDINARY FULLY PAID

**Number of +securities proposed to be issued**

7,142,858

**Offer price details**

**Are the +securities proposed to be issued being issued for a cash consideration?**
☑ Yes

**In what currency is the cash consideration being paid?**

AUD - Australian Dollar

**What is the issue price per +security?**

AUD 0.04200

**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)?**
☑ New class

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

Details of +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?**
☑ No

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

| **ASX +security code** | **+Security description** |
|---|---|
| New class-code to be confirmed | Unquoted convertible securities |

**+Security type**

+Convertible debt securities

**Number of +securities proposed to be issued**

1,080,000

**Offer price details**

**Are the +securities proposed to be issued being issued for a cash consideration?**
Yes

**In what currency is the cash consideration being paid?**

AUD - Australian Dollar

**What is the issue price per +security?**

AUD 1.00000

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

+Convertible debt securities details

**These securities are:**

Convertible

**Type of security**

Convertible note or bond

**+Security currency**

AUD - Australian Dollar

**Face value**

AUD 1.0000

**Interest rate type**

Fixed rate

**Frequency of coupon/interest payments per year**

Quarterly

**First interest payment date**

13/3/2024

**Interest rate per annum**

6.40000 %

**Is the interest rate per annum estimated at this time?**
Yes

**If the interest rate per annum is estimated, then what is the date for this information to be announced to the market (if known)**

**s128F of the Income Tax Assessment Act status applicable to the +security**

Not applicable

**Is the +security perpetual (ie. no**

**maturity date)?**
☑ No

**Maturity date**

11/3/2024

**Select other features applicable to the +security**
☑ Extendable
☑ Redeemable

**Is there a first trigger date on which a right of conversion, redemption, call or put can be exercised (whichever is first)?**
☑ Yes

**If yes, what is the first trigger date**

13/3/2023

**Details of the type of +security that will be issued if the securities are converted, transformed or exchanged**

PVT : ORDINARY FULLY PAID

**Number of +securities that will be issued if the +securities are converted, transformed or exchanged (including, if applicable, any interest)**

1 PVT Fully paid ordinary share for 1 Unquoted convertible security converted

**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 announcements dated 13-Sep-22 & 12-Dec-22

**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)?**
☑ New class

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

Details of +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?**
☑ No

**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**

Convertible ex @ lesser of $0.045 & 130% of 13Mar23 5dayVWAP, not < Extension Price ea exp13Mar26

**+Security type**

Options

**Number of +securities proposed to be issued**

6,250,000

**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**

Issued in accordance with the terms of a funding agreement

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

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

Options details

| +Security currency | Exercise price | Expiry date |
|---|---|---|
| AUD - Australian Dollar | AUD 0.0480 | 13/3/2026 |

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

PVT : ORDINARY FULLY PAID

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

1 PVT Fully paid ordinary share for 1 Option exercised

**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 announcement dated 12-Dec-22

## Part 7C - Timetable

**7C.1 Proposed +issue date**

15/12/2022

## 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?**
No

**7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?**
Yes

**7D.1b ( i ) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?**

1,080,000 Unquoted convertible securities
6,250,000 Unquoted options exercisable at the lesser of: (a) $0.045; and (b) 130% of the 5-day VWAP on 13 March 2023 (Extension Price), but in any case, shall not be less than the Extension Price, each expiring 13 March 2026

**7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?**
No

**7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?**
Yes

**7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?**
No

**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**

The 1,080,000 convertible securities have a 3.5% implementation fee on the amount drawn. The discount to the face value (amount available for drawdown) is $1,000,000 with the additional $80,000 representing the interest.

Part 7F - Further Information

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

The acquisition of the Horden Lake project, as announced on 13 September 2022, 17 October 2022, 16 November 2022, 25 November 2022 and 12 December 2022

**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**

1,080,000 Unquoted convertible securities are to be issued on or around 15 December 2022 using the 7.1 capacity
109,240,292 PVT Fully paid ordinary shares, are to be issued on 19 December 2022 under shareholder approval received at the 22 November 2022 Annual General Meeting (resolution 7)
7,142,858 PVT Fully paid ordinary shares are to be issued, subject to shareholder approval on or around 15 February 2023
6,250,000 Unquoted options exercisable at the lesser of: (a) $0.045; and (b) 130% of the 5-day VWAP on 13 March 2023 (Extension Price), but in any case, shall not be less than the Extension Price, each expiring 13 March 2026, are to be issued on or around 13 March 2023 using the 7.1 capacity & may be issued if loan note not repaid by repayment date

**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 cleansing notice under section 708A(5), 708AA(2)(f), 1012DA(5) or 1012DAA(2)(f)