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ASX Announcement
3 February 2025

# Capital Raising Program to Raise $14 million

The Directors of Savannah Goldfields Limited (ASX:SVG) (**Savannah** or the **Company**) are pleased to announce a capital raising program to raise up to $14 million to strengthen the Company's balance sheet and to fund the re-commencement of gold mining and processing operations at the Company's Agate Creek and Georgetown projects and resource growth activities.

## Highlights:

The capital raising program consists of:

- An initial fully underwritten placement to a cornerstone investor of approximately 79m shares at an issue price of 1.5 cents per share to raise approximately $1.19 million (**Placement**).
- A fully underwritten pro-rata accelerated non-renounceable entitlement offer of ordinary shares (**New Shares**) to existing shareholders on a 1 for 1 entitlement basis at an issue price of 1.5 cents per share to raise approximately $4.2 million (**Entitlement Offer**).
- A further placement of 300m shares at an issue price of 1.5 cents per share to raise $4.5 million, subject to shareholder approval (**Conditional Placement**).
- A placement of 15.3m Convertible Notes to a cornerstone investor at an issue price of 28 cents per Note to raise approximately $4.3 million, subject to shareholder and noteholder approvals (**Convertible Note Placement**).
- The Entitlement Offer and Placement are fully underwritten by Morgans Corporate Limited who are the lead manager to the Placement, Entitlement Offer and Conditional Placement.
- Mr Wes Maas is a cornerstone investor in the capital raising program and has committed to subscribe for approximately $7m and on completion of the capital raising is expected to have an interest of approximately 19.9% in the issued capital of the Company.
- Entities associated with Savannah's Chairman and existing largest shareholder, Stephen Bizzell, have committed to invest approximately $2.4m by taking up their entitlements in full and through sub-underwriting and, subject to shareholder approval, conditional placement commitments.
- Savannah's other Directors have committed to subscribing for in aggregate $0.22 million representing some or all of their pro-rata entitlements and Director Peter Wright has also agreed, subject to shareholder approval, to additional conditional placement commitments.
- The proceeds of the capital raising program are to fund:

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- planning and preparations for mining and processing operations restart;
- working capital requirements for the restart of mining and processing operations;
- additional financial assurances to be provided pursuant to requirements under Environmental Authorities;
- exploration and resource definition drilling programs;
- payment of existing creditors;
- part repayment of short-term borrowings; and
- the costs of the Equity Raising and general working capital.

The Directors of Savannah Goldfields Limited are pleased to announce that Savannah has today launched a capital raising program comprising a Placement, Entitlement Offer, Conditional Placement and Convertible Note Placement to raise in aggregate approximately $14 million, to strengthen the Company's balance sheet and to fund the re-commencement of gold mining and processing operations at the Company's Agate Creek and Georgetown projects and resource growth activities.

***Cornerstone Investor***

The Company has received investment commitments in the current capital raising program totaling approximately $7 million from an entity associated with Wes Maas comprising:

- upfront Placement subscription of approximately $1.19m (approx. 79m shares at 1.5c per share);
- Sub-underwriting commitment in the Entitlement Offer approximately $0.73m;
- Conditional Placement commitment of approximately $0.9m plus balance of sub-underwriting commitment not subscribed for in shortfall;
- Convertible Note Placement subscription commitment for approximately $4.3m; and
- Upon completion of the cornerstone investment commitment, there will be an issue to Wes Maas' subscribing entity of 10m free attaching options exercisable at $0.06 expiring 30 June 2025 (existing listed series of options (ASX:SVGO)) (**Options Placement**).

Wes Maas is a successful entrepreneur and business leader and is the founder, major shareholder and CEO of Maas Group Holdings Ltd (ASX:MGH). MGH is a leading independent Australian construction materials, equipment and service provider with diversified exposures across the civil, infrastructure, mining and real estate end markets.

The Conditional Placement, Convertible Note Placement and Options Placement to Wes Maas' entity will all be subject to receipt of applicable shareholder approval. The Convertible Note Placement is also subject to the proposed amendments to the Company's existing convertible notes as detailed below.

***Equity Raising***

The equity raising components of the capital raising program comprise the Placement, Entitlement Offer and the Conditional Placement and will raise in aggregate approximately $9.91 million.

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Sub-underwriters appointed by Morgans Corporate Limited (**Lead Manager**) have committed to subscribing for shares in the Conditional Placement in the event shortfall shares in the Entitlement Offer are insufficient to cover their sub-underwriting commitments. Accordingly, depending on the results of the Entitlement Offer, the Directors will place up to an additional 200 million shares at the same offer price of 1.5 cents to sub-underwriters to raise up to $3 million, subject to the Company obtaining the approval of shareholders at a general meeting (**Expanded Conditional Placement**).

The issue price of $0.015 per New Share under the Entitlement Offer, Placement and Conditional Placement represents a:

- 25% discount to the last closing price of $0.02 on 29 January 2025 (being the last trading day before Savannah announced the Entitlement Offer);
- 30.8% discount to the 15-day volume weighted average price of Savannah shares on ASX of $0.0217 as at the same date; and
- 9.1% discount to the theoretical ex-rights price (**TERP**) of $0.016.[1]

The Placement and Entitlement Offer is fully underwritten by Morgans Corporate Ltd. The Conditional Placement and Expanded Conditional Placement are not underwritten.

The Placement is being conducted under the Company's ASX listing rule 7.1 placement capacity. The Company has obtained a standard 'supersize' waiver from ASX to enable it to conduct the Placement.

The Conditional Placement and Expanded Conditional Placement (if undertaken) will be subject to shareholder approval for the purpose of ASX listing rule 7.1 and for all other purposes.

***Convertible Note Raising***

A conditional placement to the Cornerstone Investor of the current issued series of Convertible Notes to raise approximately $4.3m comprising the issue of 15.3m notes at an issue price of $0.28 per note subject to shareholder and noteholder approvals.

Savannah will also be seeking approval from holders of the Company's existing issued Convertible Notes, and approval from shareholders, if necessary, including pursuant to the ASX Listing Rules, to amend the Terms of Issue of the Convertible Notes that currently mature 31 October 2025.

The proposed amendments, if approved, will extend the maturity date of the Convertible Notes to 31 December 2026 and reduce the conversion price of the Convertible Notes to 4 cents. Each Convertible Note (which has a face value of 28 cents) would therefore be convertible into 7 ordinary shares.

***Use of Funds***

The funds raised in the capital raising program will be used for the purposes of:

- planning and preparations for mining and processing operations restart;
- working capital requirements for the restart of mining and processing operations;

[1] The TERP of $0.016 is calculated using the Company's closing price on 29 January 2025 assuming proceeds from the equity raising of up to $9.91 million. TERP is the theoretical price at which the Company's shares should trade immediately following the ex-date for the Entitlement Offer assuming 100% take up of the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which the Company's shares trade immediately following the ex-date for the Entitlement Offer will depend on many factors and may not approximate TERP.

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- additional financial assurances to be provided pursuant to requirements under Environmental Authorities;
- exploration and resource definition drilling programs;
- payment of existing creditors;
- part repayment of short-term borrowings; and
- the costs of the Equity Raising and general working capital.

***Entitlement Offer Details***

The Entitlement Offer comprises the following components:

- **Institutional Entitlement Offer** – Eligible institutional shareholders will be invited to take up all or part of their entitlement under the institutional component of the Entitlement Offer. The Institutional Entitlement Offer will open today and is expected to close at 5pm (AEDT) on Tuesday, 4 February 2025.
- **Retail Entitlement Offer** – Eligible retail shareholders will be invited to take up all or part of their entitlements under the Retail Entitlement Offer with the ability to subscribe for additional New Shares in excess of their entitlement. The Retail Entitlement Offer will open on Monday, 10 February 2025 and close at 5:00 pm (AEDT) on Wednesday, 19 February 2025.

Eligible Institutional Shareholders will be provided with details of their Entitlements and how to apply under the Institutional Entitlement Offer at the commencement of the Institutional Entitlement Offer.

**Eligible Retail Shareholders** include persons who:

- are registered as a holder of fully paid ordinary shares in Savannah as at 7:00 pm (AEDT) on Wednesday, 5 February 2025 (**Record Date**);
- have a registered address in Australia and New Zealand as noted on the Company's share register;
- are not in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States (to the extent such person holds existing shares for the account or benefit of such person in the United States);
- were not invited to participate in the Institutional Entitlement Offer and were not treated as an "ineligible institutional shareholder" under the Institutional Entitlement Offer (other than as nominee or custodian, in each case in respect of other underlying holdings); and
- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer,

or are a shareholder that the Company has otherwise determined is eligible to participate in the Retail Entitlement Offer.

Entitlements are non-renounceable and will not be tradeable on ASX or otherwise transferable. Eligible shareholders who do not take up their Entitlements in full will not receive any payment or value in respect of those entitlements. Ineligible shareholders will not receive any payment or value in respect of entitlements that they would otherwise have received had they been eligible.

A Prospectus for the Entitlement Offer has been lodged by the Company with ASIC and ASX today. The Prospectus together with personalised Entitlement and Acceptance Forms will be dispatched to all

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Eligible Retail Shareholders. It is important to note that this will include via electronic distribution for those Eligible Shareholders who have previously supplied the registry with their email address.

If you are an Eligible Retail Shareholder, the number of New Shares that you are entitled to subscribe for under the Entitlement Offer (**Entitlement**) will be set out in a personalised Entitlement and Acceptance Form that will be enclosed with the Prospectus.

Savannah's largest shareholder, the Chairman Stephen Bizzell (through his associated entities), has committed to subscribe for his full entitlements of approximately $0.98 million in the Entitlement Offer and has also entered into sub-underwriting arrangements in relation to the Entitlement Offer and commitment agreements to subscribe, subject to shareholder approval, for Conditional Placement shares to a further $1.46 million in aggregate.

Savannah's other directors have all committed to take up some or all of their entitlements under the Entitlement Offer to an amount of $0.22 million in aggregate. Director Peter Wright (through his entities) has also entered into commitment agreement to subscribe, subject to shareholder approval, for Conditional Placement shares.

Details of the Directors' sub-underwriting and other arrangements are detailed in the Prospectus and Appendix 3B accompanying this announcement.

**Key Dates for the capital raising program**

Key dates of the capital raising program are provided in the indicative timetable below:

| **Event** | **Time and Date (AEDT unless otherwise stated)** |
|---|---|
| Announcement of capital raising program<br>Lodgement of Prospectus with ASIC and ASX | Before market opens on Monday, 3 February 2025 |
| Closing date for Institutional Entitlement Offer, Placement and Conditional Placement | Tuesday, 4 February 2025 |
| Announcement of results of Institutional Entitlement Offer, Placement and Conditional Placement | Before market opens on Wednesday, 5 February 2025 |
| ASX trading of shares resumes on an ex-entitlement basis | Before market opens on Wednesday, 5 February 2025 |
| Record date for determining eligible shareholders under the Entitlement Offer | 7:00pm on Wednesday, 5 February 2025 |
| Despatch of Prospectus and Entitlement and Acceptance Form to Eligible Retail Shareholders<br>Retail Entitlement Offer opens | Monday, 10 February 2025 |
| Settlement of Institutional Entitlement Offer and Placement | Monday, 10 February 2025 |
| Issue and allotment of New Shares under the Institutional Entitlement Offer and Placement | Tuesday, 11 February 2025 |

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|---|---|
| Normal trading of New Shares issued under the Institutional Entitlement Offer and Placement | Tuesday, 11 February 2025 |
| Closing date for Retail Entitlement Offer | 5.00pm on Wednesday, 19 February 2025 |
| Announcement of results under Retail Entitlement Offer | Monday, 24 February 2025 |
| Settlement of Retail Entitlement Offer | Tuesday, 25 February 2025 |
| Issue and allotment of New Shares under the Retail Entitlement Offer | Wednesday, 26 February 2025 |
| Normal trading of New Shares issued under the Retail Entitlement Offer | Thursday, 27 February 2025 |
| Proposed date of the general meeting | Friday, 14 March 2025 |
| Proposed date for the settlement of New Shares under the Conditional Placement and Expanded Conditional Placement (if any) | Monday, 17 March 2025 |
| Proposed date for the issue of New Shares under the Conditional Placement and Expanded Conditional Placement (if any) | Tuesday, 18 March 2025 |

Note: All dates and times above are indicative. Savannah reserves the right to amend any or all of these events, dates and times subject to the *Corporations Act 2001* (Cth), ASX Listing Rules and other applicable laws. All times and dates are in reference to Australian Eastern Daylight time (AEDT). The commencement of quotation of New Shares under the Entitlement Offer is subject to confirmation from ASX.

**Additional Information**

Savannah expects to announce the outcome of the Institutional Entitlement Offer before commencement of trading on Wednesday, 5 February 2025, and will remain in a trading halt until this time. In conjunction with this announcement, the Company has today released a Prospectus and an Appendix 3B (New Issue Announcement) in connection with the Entitlement Offer, Placement and Conditional Placement. Further details about the Entitlement Offer are set out in these documents. The Prospectus contains important information including key risks, assumptions and foreign selling restrictions with respect to the Entitlement Offer.

This Announcement is Authorised by the Board

Paul Marshall
Company Secretary

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## For further information contact:

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**IMPORTANT NOTICE**

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This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or in any other jurisdiction in which such an offer would be unlawful. The New Shares have not been, and will not be registered under the US Securities Act of 1933, as amended (US Securities Act) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold, directly or indirectly, in the United States unless they have been registered under the US Securities Act (which the Company has no obligation or intention to do or procure), or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and any applicable U.S. state securities laws.

The information in this announcement is of general background and does not purport to be complete. It should be read in conjunction with the Company's other periodic and continuous disclosure announcements lodged with ASX Limited, which are available at www.asx.com.au.

**Forward-looking statements**

This announcement contains certain "forward-looking statements". The words "expect", "anticipate", "estimate", "intend", "believe", "guidance", "should", "could", "may", "will", "predict", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks and uncertainties and other factors that are beyond the control of the Company, its directors and management. This includes statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Actual results, performance or achievements may differ materially from those expressed or implied in such statements and any projections and assumptions on which these statements are based.

These statements may assume the success of the Company's business strategies. The success of any of those strategies will be realised in the period for which the forward-looking statement may have been prepared or otherwise. Readers are cautioned not to place undue reliance on forward-looking statements and except as required by law or regulation, none of the Company, its representatives or advisers assumes any obligation to update these forward-looking statements. No representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this announcement. The forward-looking statements are based on information available to the Company as at the date of this announcement. Except as required by law or regulation (including the ASX Listing Rules), none of the Company, its representatives or advisers undertakes any obligation to provide any additional or updated information whether as a result of a change in expectations or assumptions, new information, future events or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements.