

21 March 2023

ASX Announcement

COMPLETION OF LDA CAPITAL SUBSCRIPTION

Highlights:

- LDA Capital pricing period completed.
- LDA Capital subscribes for 140,000,000 shares.
- Classic receives AUD 452,990.00.

Classic Minerals Limited (**CLZ** or **Company**) advises that the pricing period for the LDA Capital Limited (LDA) subscription has expired and LDA has now completed the subscription for shares pursuant to the Call Notice given to LDA as announced on 03 February 2023 (*see ASX Announcement: Classic Submits Call Notice to LDA Capital*).

LDA has subscribed for 142,000,000 shares (**Subscription Shares**) of the 212,003,617 shares (**Collateral Shares**) put to LDA pursuant to the Call Notice for a total of \$452,990.00 at a price per Subscription Share of \$0.00319. The price per Subscription Share represents 90% of the average VWAP of shares during the 30-day pricing period exclusive of adjusting events being \$0.00319. The remaining 70,003,617 Collateral Shares for which LDA has not subscribed will remain in the account of LDA to be applied for any further Call Notice to be put to LDA Capital Limited.

CLZ submitted the capital Call Notice under the terms of its strategic \$15 million Put Option Agreement (**Agreement or facility**) with the US-based financier announced in December 2022. (*See ASX Announcement dated 15 December 2022: Classic secures A\$20.0m institutional funding package*).

Under the terms of the Facility, LDA can subscribe for a minimum of 50% and a maximum of 200% of the Shares put to LDA Capital.

Market volatility during the pricing period over the 30 trading days meant that 6 days were eliminated from the volume and VWAP calculations, thereby lowering the Collateral Shares available for subscription to 169,602,894 of which LDA has subscribed for 83.75% resulting in a capital raise of \$452,990.00 from the 142,000,000 shares.

Chairman John Lester said the LDA facility had allowed the Company access to capital at reasonable rates. “The LDA Capital Facility was established specifically to ensure the Company had access to a reliable source of capital not wholly dependent on volatile, short-term shifts in equity market sentiment,” he said.

Mr Lester said the capital injection will be used to progress work at Kat Gap.

Figure 1: Kat Gap Processing site.



About Classic Minerals Ltd

Expanding its focus from exploration to mining, West Australian-based, minerals house Classic Minerals Ltd holds a pipeline of projects and continues to examine new opportunities both cyclic and counter-cyclic. Currently, ASX-listed Classic holds approximately 578 km² of tenements across two major regional exploration areas in minerals-rich West Australia. Classic's ground is in areas with identified high grade gold and base metal targets. Classic's flagship Kat Gap Gold Project has been the recent focus of its exploration, mining and processing efforts and is strategically located some 170 km south of Southern Cross and some 50 km south of the Company's Forrestania Gold Project. With strong grades and near-surface mineralisation Kat Gap is soon to attain full scale production.

This announcement has been approved by the Board.

ENDS:

ABOUT THE FORRESTANIA GOLD PROJECT

The FGP Tenements (excluding Kat Gap) are registered in the name of Reed Exploration Pty Ltd, a wholly owned subsidiary of ASX listed Hannans Ltd (ASX: HNR). Classic has acquired 80% of the gold rights on the FGP Tenements from a third party, whilst Hannans has maintained its 20% interest in the gold rights. For the avoidance of doubt Classic Ltd owns a 100% interest in the gold rights on the Kat Gap Tenements and also non-gold rights including but not limited to nickel, lithium and other metals.

Classic has inferred and indicated mineral resources of **8.24 Mt at 1.52 g/t for 403,906 ounces of gold**, classified and reported in accordance with the JORC Code (2012), with a recent Scoping Study (see ASX Announcement released 2nd May 2017) suggesting both the technical and financial viability of the project. The current post- mining Mineral Resource for Lady Ada, Lady Magdalene and Kat Gap is tabulated below.

Additional technical detail on the Mineral Resource estimation is provided, further in the text below and in the JORC Table 1 as attached to ASX announcements dated 18 December 2019, 21 January 2020, and 20 April 2020.

Prospect	Indicated			Inferred			Total		
	Tonnes	Grade (Au g/t)	Ounces Au	Tonnes	Grade (Au g/t)	Ounces Au	Tonnes	Grade (au)	Ounces
Lady Ada	257,300	2.01	16,600	1,090,800	1.23	43,100	1,348,100	1.38	59,700
Lady Magdalene				5,922,700	1.32	251,350	5,922,700	1.32	251,350
Kat Gap				975,722	2.96	92,856	975,722	2.96	92,856
Total	257,300	2.01	16,600	7,989,222	1.50	387,306	8,246,522	1.52	403,906

Notes:

1. *The Mineral Resource is classified in accordance with JORC, 2012 edition*
2. *The effective date of the mineral resource estimate is 20 April 2020.*
3. *The mineral resource is contained within FGP tenements*
4. *Estimates are rounded to reflect the level of confidence in these resources at the present time.*
5. *The mineral resource is reported at 0.5 g/t Au cut-off grade*
6. *Depletion of the resource from historic open pit mining has been considered*

The Company confirms that it is not aware of any new information or data that materially affects the information included in this market announcement and, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

Forward Looking Statements

This announcement may contain certain “forward-looking statements” which may not have been based solely on historical facts, but rather may be based on the Company’s current expectations about future events and results. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have reasonable basis. However, forward looking statements are subjected to risks, uncertainties, assumptions and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to Resource risk, metals price volatility, currency fluctuations, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, as well as political and operational risks in the Countries and States in which we operate or sell product to, and governmental regulation and judicial outcomes. For a more detailed discussion of such risks and other factors, see the Company’s annual reports, as well as the Company’s other filings. Readers should not place undue reliance on forward looking information. The Company does not undertake any obligation to release publicly any revisions to any “forward-looking statements” to reflect events or circumstances after the date of this announcement, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.