

21 APRIL 2022

ASX Release

\$13.5M PLACEMENT CORNERSTONED BY STRATEGIC INVESTORS

Funds to fast-track exploration of Pilbara Lithium Projects with
MinRex targeting 25,000m of drilling in the next 12 months

HIGHLIGHTS

- Firm commitments received for heavily oversubscribed \$13.5 million capital raising at 6.2 cents with a 1:2 free attaching option (ex. \$0.10, 2 yr term)
- \$6.8 million cornerstone investment received from a strategic group of investors who are executives of Chinese and Australian mining groups involved in exploration, development, refining and processing of precious and battery metals
- MinRex now positioned to fast-track exploration activities, targeting 25,000m of drilling over its Pilbara Lithium-Tin-Tantalum Projects in the next 12 months and continued exploration of its other projects

MinRex Resources Limited (ASX: MRR) (“MinRex” or “the Company”) is pleased to announce it has received firm commitments for a \$13.5 million capital raising (**Placement**) to underpin the acceleration of MinRex’s Pilbara Lithium-Tin-Tantalum exploration strategy and continued exploration of its other WA and NSW gold, precious and base metal projects.

The Placement was heavily oversubscribed and strongly supported by investors, including the introduction of a \$6.8 million cornerstone group of investors who are executives of Chinese and Australian mining groups involved in exploration, development, refining and processing of precious and battery metals. The group includes some persons who were early-stage seed investors in Global Lithium Ltd (ASX:GL1).

The Placement was conducted at \$0.062 per fully paid ordinary share (**New Shares**), representing a 16.2% discount to MinRex’s 15-day VWAP and last closing price of \$0.074, together with free attaching options (ex. \$0.10, 2 years) (**New Options**) on the basis of one option for every two shares subscribed for under the Placement, subject to shareholder approval. Accordingly, the Placement comprises the issue of:

- 109,677,419 New Shares and 54,838,710 New Options to the cornerstone group of investors; and
- 108,064,516 New Shares and 54,032,258 New Options to other sophisticated and professional investors.

All New Shares are to be issued under the Company’s existing placement capacity in accordance with ASX Listing Rules 7.1 and 7.1A as follows: LR7.1 – 131,264,315 New Shares; LR7.1A – 86,477,620 New Shares. Allotment of New Shares, except for allotment to the cornerstone group, is anticipated to occur on Thursday, 28 April 2022. Allotment of New Shares to the cornerstone group is anticipated to occur on 1 June 2022. All New Options will be allotted to subscribers subject to prior shareholder approval, with a general meeting of shareholder expected to be held in early June 2022.

MinRex Resources Managing Director, George Karageorge commented:

“This capital raising marks another important milestone in our journey to becoming the next lithium producer in Pilbara. The past six months has seen us complete an outstanding acquisition of highly prospective Lithium-Tin-Tantalum Projects, with the identification of extensive spodumene and lepidolite from surface pegmatites.

The successful completion of the Placement will allow MinRex to increase our exploration momentum during this year. We look forward to furthering our relationships with our cornerstone investors given their experience in the exploration, development, refining and processing of precious and battery metals in Australia.

Finally, I would like to acknowledge the support of all new and current shareholders, who have demonstrated such support by their commitment to subscribe for \$13.5 million under the Placement.”

Canaccord Genuity (Australia) Limited acted as the sole Lead Manager for the Placement. Capital raising fees of 6% on the proceeds raised under the Placement are payable to the Lead Manager, with 4% selling fees to be passed onto other brokers that participated. Ten (10) million New Options will also be issued to the Lead Manager (or its nominee), subject to shareholder approval.

A 6% introductory fee payable on subscriptions completed from cornerstone investors is also payable to Scott Li (or his nominee), to be settled by the issue of New Shares at the same price as under the Placement, subject to shareholder approval. If shareholder approval is not received within 3 months, then such fees are to be settled by MinRex in cash.

Funds raised from the Placement will be applied to exploration on MinRex’s Pilbara Lithium Projects, continuation of exploration on existing WA and NSW gold, precious and base metal projects and for general working capital requirements.

Pilbara Exploration Program

MinRex has finalised its planned exploration program over its Pilbara Lithium Projects and plans to drill up to 25,000m within the next 12 months as follows:

- Drilling approvals already underway with 5x POW applications already registered.
- Ground proofing and drill pad construction to commence in May.
- RC drilling expected to commence over Tambourah North and Coondina Projects in June – August 2022. RC program currently targeting 8,000m over outcropping spodumene bearing pegmatites.
- RC drilling expected to commence over Sisters and Shaw River Projects in August – October 2022. RC program currently targeting 8,000m over outcropping spodumene bearing pegmatites.
- Additional geological mapping and rock chip sampling will be undertaken over Projects before drilling commences.
- Infill and resource extension RC drilling over delineated Lithium mineralised zones expected to commence October – December 2022, targeting 9,000m of RC drilling with a view to defining new Lithium deposits.
- Further extensional drilling to be planned once all 3D geological Models have been established for re-commencement of RC drilling in early 2023.

This ASX announcement has been authorised for release by the Board of MinRex Resources Limited.

-ENDS-

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About MinRex Resources Ltd

MinRex Resources Limited (ASX: MRR) is an Australian based ASX-listed emergent battery metals explorer with Lithium-Tin-Tantalum Projects in the Pilbara (WA) in close proximity to world-class Lithium and Tantalum producers Pilbara Minerals, Mineral Resources, and Global Lithium. MinRex also has a highly prospective portfolio of Gold-Copper projects in the Mercherson and Pilbara Regions (WA) and Gold-Silver-Copper and other metals projects in the Lachlan Fold Belt (NSW). The Company’s tenements package cover 1,000km² of highly prospective ground targeting multi-commodities type deposits. The Company also currently has JORC 2012 Resources totalling 352,213 oz gold at its Sofala Project (NSW).

Competent Persons Statement

The information in this report that relates to Exploration Targets and Exploration Results is based on information compiled by Pedro Kastellorizos. Mr. Kastellorizos is the Non-Executive of MinRex Resources Limited and is a Member of the AusIMM of whom have sufficient experience relevant to the styles of mineralisation under consideration and to the activity being reported to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Kastellorizos have verified the data disclosed in this release and consent to the inclusion in this release of the matters based on the information in the form and context in which it appears.

Forward Statement

This release includes forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning MinRex's planned exploration programs and other statements that are not historical facts. When used in this release, the words such as "could", "plan", "estimate", "expect", "anticipate", "intend", "may", "potential", "should", "might" and similar expressions are forward-looking statements. Although MinRex believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve known and unknown risks and uncertainties and are subject to factors outside of MinRex's control. Accordingly, no assurance can be given that actual results will be consistent with these forward-looking statements.