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ASX RELEASE

Asra Minerals raises A\$2.5m to advance its REE, Critical Minerals and Gold Projects at Mt Stirling, Leonora

- **A\$2.5m raised through Convertible Note issued to both new and existing groups of sophisticated and professional investors.**
- **Funds raised to advance its flagship Mt Stirling clay hosted REE project with planned drilling campaigns to commence Q1 2023 along with geology, geophysical programmes, and metallurgy studies.**

Asra Minerals Limited (ASX: ASR) is pleased to advise the completion of a capital raising of A\$2.5m (before costs) through the issues of unsecured Convertible Notes to both new and existing groups of sophisticated and professional investors.

The issue of Convertible Notes and attaching options gives the Company the necessary funds to and advance its **Rare Earth, Gold, and Critical Minerals assets at the Mt Stirling Project**, located in the heart of Western Australia's Eastern Goldfields Region, **Leonora**.

Funds will be used principally at the **Yttria, and Wishbone clay hosted REE** discovery areas at Mt Stirling for:

- Infill definition of the near-surface regolith **REE** profile.
- Step-out footprint area for resource definition along the 30km strike at Mt Stirling.
- Evaluation of **Critical Minerals Cobalt and Scandium** distribution; and
- Metallurgical requirements for REE.
- Evaluation of potential underlying Alkaline ultramafic intrusive targets

Drilling campaigns are being designed to commence in Q1 2023. Asra is also designing detail ground geological mapping and geophysical programmes based on data and information gathered to date, and observations by REE specialist, Professor Ken Collerson.

In addition to the Mount Stirling REE, Gold and Critical Minerals Project, Asra holds multiple assets and interests that have great potential to add shareholder value, including:

- 3m shares* and 3m options in **Loyal Lithium (ASX: LLI)** providing exposure for ASR holders to the rapidly expanding Lithium and EV-supply sectors in North America with LLI holding Lithium projects in both Nevada and Quebec.
- 20% free carry of LLI's gold tenure in the **Mt Monger** region near Kalgoorlie.
- 25% free carry **Zuleika Gold Joint Venture** interest with 2% Gross Royalty (Creasy Group-funded partners, **ASX: ZAG** – (Refer ASX announcement 4 October 2019).
- Strategic ownership of the **1,726km² Tarmoola Pastoral Lease at Leonora**, covering **RED 5's (ASX: RED)** mining and gold-processing facilities and **Aeris Resources' (ASX: AIS)**, zinc, copper and gold mining and processing facilities at Jaguar.

- Owning the **Tarmoola Pastoral Lease** also provides multiple benefits to Asra including a simplified process to gain land use and access to water and other vital services including the gas pipeline which runs through the property.

*LLI Shares in escrow until 6 July 2023



Yttria REE Drill Chip logging



Prof. Collerson and Non-Exec Director Mat Longworth at Yttria

With the recent rise of the gold price above US\$1,800/oz, and current corporate consolidation activity in Leonora with announcement of the merger of **St Barbara (ASX: SBM)** and **Genesis Minerals (ASX: GMS)** to form '**Hoover House**', Asra also remains focused on its own, under-explored gold assets at Mt Stirling.



Asra's Mt Stirling Project at Leonora, Western Australia



Convertible Note (Note):

A total of 2.5 million Notes were issued for A\$2.5m. The Convertible Note holders will receive free 12 attaching listed options for each one dollar (\$1) invested with an option exercise price of \$0.035 each, expiring on 30 November 2023.

If converted, payment by the Noteholders to convert options to shares at 3.5c has the potential to provide A\$1,050,000 in additional funding to Asra. The Convertible Notes are unsecured and can be converted at any time during the term at a conversion price of \$0.035 per Note. At the end of the term, a Noteholder may elect to redeem the Note and seek repayment of monies advanced, rather than convert the Note into Asra's shares.

GBA Capital acted as Lead Manager to the Capital Raising and will be issued 17 million listed options as part of the Lead Manager fee. The Convertible Notes with the free attaching options and Lead Manager options will be issued under the Company's placement capacity (ASX Listing Rule 7.1).

The Notes have a term of 12 months, with interest payable quarterly at 12% per annum. As a condition of funding, and in the event the Company does not pay an amount of interest due under the deed, the Notes will accrue interest at a rate of 18% per annum on interest unpaid until paid in full.

The remaining debt on the Riverfort Loan for Tarmoola Station (refer ASX announcement 3 August 2021) will be repaid in full from existing Asra cash funds.

This announcement has been authorised for release by the Board.

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About Asra Minerals

Asra Minerals is developing its gold, and clay hosted REE projects, located in the prime Eastern Goldfields jurisdiction of Leonora, Western Australia.

The company's flagship project at Mt Stirling hosts 10 advanced gold prospects as well as a unique inventory of clean, heavy-dominant (Dysprosium, Terbium) Rare Earth Elements (REE) and critical minerals (Scandium and Cobalt).

Located near the mining towns of Leonora and Kalgoorlie, Mt Stirling Project has a current JORC gold resource of **152,000 Au @ 1.7g/t Au** alongside Red 5's (ASX; RED) King of the Hills mine. The region has recently produced approximately 14Moz of gold from mines such as Tower Hills, Sons of Gwalia, Thunderbox, Harbour Lights and Gwalia. Mt Stirling is nearby to excellent infrastructure including road, rail and mills

A high ratio of heavy rare earths to total rare earths (0.65 to 1) and a lack of radioactivity distinguish the company's Yttria and Wishbone prospects which contain a high proportion of the magnet REEs dysprosium, terbium, praseodymium and neodymium, as well as significant anomalous concentrations of cobalt and scandium.

The Mt Stirling Project consists of two JORC compliant deposits:

1. MS Viserion :
 - 391,000t at 2.1 g/t Au for 26,000oz (Indicated)
 - 2,158,000 at 1.6 g/t Au for 111,000oz (Inferred)
2. Stirling Well: 198,000t at 2.3 g/t Au for 15,000oz (Inferred)

Competent Person Statement

Information on the JORC Mineral Resources presented, together with JORC Table 1 information, is contained in the ASX announcement released on 1 September 2022. The Company confirms that it is not aware of any new information or data that materially affects the information in the relevant market announcements, and that the form and context in which the Competent Persons findings are presented have not been materially modified from the original announcements.

Where the Company refers to Mineral Resources in this announcement (referencing previous releases made to the ASX), it confirms that it is not aware of any new information or data that materially affects the information included in that announcement and all material assumptions and technical parameters underpinning the Mineral Resource estimate with that announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons findings are presented have not materially changed from the original announcement.