

22 February 2022

**NOTICE UNDER SECTION 708AA(2)(f) OF THE CORPORATIONS ACT 2021 (CTH) AS
MODIFIED BY ASIC INSTRUMENT 2016/84**

Ora Banda Mining Limited ACN 100 038 266 (ASX:OBM) (**Company**) has today formally announced an offer comprising:

- an accelerated pro-rata non-renounceable entitlement offer of four (4) new fully paid ordinary shares in the Company (**New Shares**) for every thirteen (13) existing OBM fully paid ordinary shares (**Shares**) held as at 5:00pm (AWST) on Thursday, 24 February 2022 (**Record Date**) by OBM shareholders (**Shareholders**) at an offer price of \$0.05 per New Share to raise approximately \$15 million (before costs) (**Entitlement Offer**); and
- a placement to sophisticated and professional investors at an offer price of \$0.05 per New Share to raise up to approximately \$5 million (before costs) (**Placement**),

(together, the **Offer**).

Further details regarding the Offer are set out in the Company's ASX announcement dated 22 February 2022. An offer booklet for the retail component of the Entitlement Offer is expected to be dispatched to eligible shareholders in Australia and New Zealand on Tuesday, 1 March 2022.

This notice is given by the Company under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (**Corporations Act**) as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 (**ASIC Instrument 2016/84**).

Where applicable, references in this notice to sections of the Corporations Act are to those sections as modified by ASIC Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73.

For the purposes of Section 708AA(7) of the Corporations Act, the Company gives notice that:

- (a) the Company will offer the New Shares under the Entitlement Offer without disclosure to investors under Part 6D.2 of the Corporations Act;
- (b) this notice is being given under section 708AA(2)(f) of the Corporations Act as modified;
- (c) as at the date of this notice, the Company has complied with:
 - (i) the provisions of chapter 2M of the Corporations Act insofar as they apply to the Company; and
 - (ii) sections 674 and 674A of the Corporations Act as they apply to the Company;

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- (d) as at the date of this notice, there is no excluded information of the type referred to in sections 708AA(8) and 708AA(9) of the Corporations Act that is required to be disclosed in this notice under section 708AA(7)(d) of the Corporations Act; and
- (e) the potential effect that the issue of the New Shares will have on the control of the Company, and the consequences of that effect, will depend on a number of factors, including the extent to which eligible Shareholders take up their entitlements under the Entitlement Offer and investor demand under the Placement.

The potential effect on control is summarised below.

- 1 Based on substantial holding notices that have been given to the Company and lodged with ASX on or before the date of this notice, the current substantial Shareholders of the Company as at the date of this notice are:

| Substantial Shareholder | Shareholding | Shareholding % |
|--|--------------|----------------|
| Hawke's Point Holdings I Limited and associates (Hawke's Point) | 384,930,323 | 39.5% |

- 2 If all eligible Shareholders take up their full entitlement under the Entitlement Offer, they will maintain their existing percentage interest in the total issued share capital of the Company, subject to any New Shares issued under the Placement. In these circumstances, the Entitlement Offer will have no significant effect on the control of the Company.
- 3 In the event that there is a shortfall under the institutional component of the Entitlement Offer, those shortfall Shares will be offered to other sophisticated and professional investors under the institutional bookbuild.
- 4 In the event that there is a shortfall under the retail component of the Entitlement Offer, those shortfall Shares will be offered to eligible Shareholders under a top-up facility, whereby those eligible Shareholders may apply for additional shares in addition to their entitlement. Any shortfall after Shares are allocated through the top-up facility will be subscribed under the underwriting and sub-underwriting arrangements described below.
- 5 Eligible Shareholders who do not take up their entitlement in full may be diluted relative to those Shareholders who apply for some or all of their entitlement. The extent of dilution will depend on the extent to which Eligible Shareholders take up their entitlement, the extent to which additional Shares in the Company are issued under the top-up facility and the number of New Shares issued under the Placement.
- 6 The proportional interests of Shareholders who are not eligible Shareholders will be diluted because such Shareholders are not entitled to participate in the Entitlement Offer.
- 7 Euroz Hartleys Limited and Fresh Underwriters Pty Ltd¹ (**Underwriters**) have jointly committed, under an underwriting agreement with the Company, to fully underwrite

¹ Fresh Equities Pty Ltd is amicaa Advisors Pty Ltd's settlement agent for equity placements. Fresh Underwriters Pty Ltd is an associate of Fresh Equities Pty Ltd.

the Entitlement Offer, subject to certain conditions precedent, termination events and other customary provisions.

- 8 Additionally, Hawke’s Point has committed to take up its full entitlement under the Entitlement Offer, and has entered into a sub-underwriting agreement with the Underwriters whereby it has committed to sub-underwrite the Entitlement Offer for up to a maximum of approximately 60.5% of the shortfall (that is, excluding its own entitlement).
- 9 If following completion of the Offer, Hawke’s Point’s (and its associates’) voting power in the Company is less than its voting power prior to the Offer (being 39.5%), the Company has committed to issue to Hawke’s Point (via a placement) a number of New Shares which will result in Hawke’s Point’s (and its associates’) voting power being equal to its pre-Offer voting power of 39.5% on the same terms as the Offer, subject to the Company obtaining the prior shareholder approval in accordance with the requirements of the ASX Listing Rules. To the extent Hawke’s Point’s (and its associates’) voting power after the Offer is equal to 39.5% or greater, then no New Shares will be issued to Hawke’s Point under the Placement and the Company will not seek shareholder approval.
- 10 The table below sets out the impact on the voting power of Hawke’s Point in various scenarios where Hawke’s Point subscribes for its full entitlement of 118,440,100 New Shares under the Entitlement Offer, Hawke’s Point sub-underwrites the balance of the Entitlement Offer and no New Shares are issued under the Placement.

| % participation by Shareholders (other than Hawke’s Point) under the Entitlement Offer | % holding of Hawke’s Point post-Offer | |
|--|---------------------------------------|--------------------|
| | Undiluted | Fully diluted |
| 0% | 53.7% | 51.5% |
| 25% | 50.2% | 48.1% |
| 50% | 46.6% | 44.7% |
| 75% | 43.1% | 41.3% |
| 100% | 39.5% | 37.9% ¹ |

Note:

1. In this instance, Hawke’s Point’s voting power in the Company will have decreased below its pre-Offer voting power of 39.5%. Therefore, in that case the Company has committed to issue to Hawke’s Point (via a placement) a number of New Shares which will result in Hawke’s Point’s (and its associates’) voting power being equal to its pre-Offer voting power on the same terms as the Offer, subject to the Company obtaining prior shareholder approval in accordance with the requirements of the ASX Listing Rules. To the extent Hawke’s Point’s (and its associates’) voting power after the Offer is equal to or greater than its pre-Offer voting power, then no New Shares will be issued to Hawke’s Point under such a placement and the Company will not seek shareholder approval.

- 11 The table below sets out the impact on the voting power of Hawke’s Point in various scenarios where Hawke’s Point subscribes for its full entitlement of 118,440,100 New Shares under the Entitlement Offer, Hawke’s Point sub-underwrites the balance of the Entitlement Offer, the maximum number of New Shares are issued under the

Placement and Hawke’s Point does not subscribe for any New Shares under the Placement.

| % participation by Shareholders (other than Hawke’s Point) under the Entitlement Offer | % holding of Hawke’s Point post-Offer | |
|--|---------------------------------------|--------------------|
| | Undiluted | Fully diluted |
| 0% | 49.8% | 47.9% |
| 25% | 46.5% | 44.7% |
| 50% | 43.2% | 41.6% |
| 75% | 39.9% | 38.4% ¹ |
| 100% | 36.6% ¹ | 35.2% ¹ |

Note:

1. In this instance, Hawke’s Point’s voting power in the Company will have decreased below its pre-Offer voting power of 39.5%. Therefore, in that case the Company has committed to issue to Hawke’s Point (via a placement) a number of New Shares which will result in Hawke’s Point’s (and its associates’) voting power being equal to its pre-Offer voting power on the same terms as the Offer, subject to the Company obtaining prior shareholder approval in accordance with the requirements of the ASX Listing Rules. To the extent Hawke’s Point’s (and its associates’) voting power after the Offer is equal to or greater than its pre-Offer voting power, then no New Shares will be issued to Hawke’s Point under such a placement and the Company will not seek shareholder approval.

- 12 The increase in Hawke’s Point’s voting power in each of the above scenarios falls within the “Rights Issue” exception to the restriction in section 606 of the Corporations Act (item 10 of section 611 of the Corporations Act). The Company has obtained ASIC’s in-principle approval for the appointment of Euroz Hartleys Limited as nominee for ineligible Shareholders under the Entitlement Offer.
- 13 The Company notes that Hawke’s Point has various rights under a subscription agreement entered into in late January 2018 (**Subscription Agreement**). For further details of the Subscription Agreement please refer to the ASX announcement dated 31 January 2018.
- 14 So far as the Company is aware, no other Shareholder will, as a result of the Entitlement Offer, increase its voting power from below 20% to above a 20% interest in the Company.

This announcement was authorised for release to the ASX by Peter Nicholson, Managing Director. For further information about Ora Banda Mining Ltd and its projects please visit the Company’s website at www.orabandamining.com.au.

Investor & Media Queries:

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