# $4.3 million Placement

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TORONTO, Nov. 20, 2023 - Xanadu Mines Ltd. (ASX:XAM, TSX:XAM) (Xanadu or the Company) is pleased to announce the Company has received commitments for a placement to eligible professional and sophisticated investors of 78,181,818 fully-paid ordinary shares in Xanadu (New Shares) at an issue price of $0.055 each to raise A$4,299,999.99 (before costs) (Placement). The Placement will complete in two tranches. The first tranche, being the issue of 62,996,490 New Shares, is unconditional and will be issued pursuant to the Company's existing placement capacity under ASX Listing Rule 7.1 (First Tranche). The second tranche, being the proposed subscription of 15,185,328 New Shares by Xanadu's major shareholder Zijin Mining Group Co. Ltd. (Zijin),[1] is subject to formal documentation and a number of conditions set out below (Second Tranche).

Highlights

- Firm commitments received for a Placement to raise A$4.3 million (before costs).
- Supported by both domestic and international institutions.
- Includes participation by Zijin on a proportionate basis (A$0.8 million), subject to Australia Foreign Investment Review Board (FIRB) and Xanadu shareholder approval.
- Xanadu Extraordinary General Meeting to be scheduled in late January to seek approval of Zijin participation.

The proceeds of the Placement, together with the Company's existing cash reserves of A$4.7m[2], enables Xanadu to execute on its Horizon 2 and Horizon 3 strategy, including exploration at the Red Mountain Copper-Gold Project, new project acquisition and exploration, and working capital.

The issue price of $0.055 per New Share represents an 19.1% discount to Xanadu's last close (15 November 2023) of $0.068 per share, and a discount of 19.9% to the 5-day VWAP of $0.069 per share.

All New Shares will rank pari-passu with the existing fully paid ordinary shares currently on issue. The issue of the Second Tranche New Shares to Zijin is conditional on Xanadu shareholder approval under ASX Listing Rule 10.11, completion of the First Tranche and FIRB approval (Zijin Conditions).

The Placement of the First Tranche New Shares is scheduled to settle on Thursday, 23 November 2023 with allotment and trading scheduled to occur on Friday, 24 November 2023. Placement of the Second Tranche New Shares will occur 10 business days after the last of the Zijin Conditions are satisfied.

Bell Potter Securities Limited acted as Lead Manager and Ord Minnett acted as Co-Manager to the Placement.

Executive Chairman & Managing Director, Colin Moorhead, said, *"We are pleased with the support for this Placement. This provides capital to pursue our strategies, as we seek a new discovery at Red Mountain and expand our portfolio into new critical mineral projects in Mongolia. We will notify the market shortly of a date for our Extraordinary Meeting to approve Zijin's share of this placement. I look forward to updating the market with progress on our Exploration Projects as well as continued news flow from our ongoing Pre-Feasibility Study and Discovery Exploration at Kharmagtai."*

For further information, please contact:


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|---|---|
| Colin Moorhead | Spencer Cole |
| Executive Chair & Managing Director | Chief Financial Officer |
| P: +61 2 8280 7497 | P: +61 2 8280 7497 |

E: colin.moorhead@xanadumines.com E: spencer.cole@xanadumines.com
W: www.xanadumines.com

This Announcement was authorised for release by Xanadu's Board of Directors.

All dollar amounts are in Australian dollars unless otherwise indicated.

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[1] Zijin's participation is through its indirect wholly owned subsidiary Jinping (Singapore) Mining Pte. Ltd.
[2] As at 30 September 2023