



23 June 2021

CONFIRMATIONS AND COMPLETION OF ACQUISITIONS

Arcadia Minerals Ltd (ASX:AM7) (Arcadia or the Company) provides the following confirmations to satisfy conditions for the admission of the Company's securities to quotation on ASX.

Capitalised terms in this announcement have the same meaning as given under the Company's prospectus dated 15 April 2021 (**Prospectus**) which replaced the prospectus lodged by the Company on 31 March 2021 unless the context otherwise requires.

Completion of Public Offer

The Company confirms that all conditions to the Public Offer under the Prospectus have been satisfied and the Company has issued 32,000,000 CDIs under the Public Offer at an issue price of \$0.20 per CDI to raise \$6,400,000 (before costs).

Completion of the Acquisitions

The Company confirms that the conditions precedent to the Acquisition Agreement have been satisfied and the Acquisitions have completed. In accordance with the terms of the Acquisition Agreement, the Company has issued an aggregate of 45,000,000 CDIs and 8,550,000 Performance Shares to the Vendors.

Issues of Securities

The Company confirms that it has issued:

- (a) 5,000,000 CDIs to the Lenders (or their nominee(s)) under the Lender Offer in consideration for the extinguishment of loans extended to the Namibian Entities;
- (b) 4,500,000 Options to CPS Capital (or its nominee(s)) under the Lead Manager Offer in part consideration for the provision of lead manager services; and
- (c) 500,000 Options to Raubex Australia (or its nominee(s)) under the Raubex Offer in consideration for its role as a cornerstone investor in the Public Offer.

Update on Projects

The Company is pleased to confirm that the Namibian Ministry of Mines and Energy has granted the renewal application in respect of Exclusive Prospecting Licences 4633 and 5047. The area of the Exclusive Prospecting Licences has been reduced in accordance with sections 72 of the *Minerals (Prospecting and Mining) Act 1992*.

The Company also confirms that the transfer of Exclusive Prospecting Licence 8104 from Lisias Pius to Brines Mining Exploration Namibia (Proprietary) Limited has completed.



Compliance with Listing Rule 1.3.2(b)

The Company confirms that there are no legal, regulatory, statutory or contractual impediments to the Company entering the tenements and carrying out exploration activities such that the Company will be able to spend its cash in accordance with its commitments for the purposes of Listing Rule 1.3.2(b).

CAPITAL STRUCTURE

The capital structure of the Company as at the date of admission of the Company to the Official List of the ASX is set out below.

Security	Number
CDIs ¹	85,500,100
Options ²	5,000,000
Performance Shares ³	8,550,000

Notes:

1. The rights attaching to the CDIs are summarised in Section 11.4 of the Prospectus.
2. Options exercisable at \$0.20 each on or before 17 June 2024. Of the 5,000,000 Options on issue, 500,000 Options have vested and are exercisable, 2,250,000 Options will vest upon the Company's 30-Day VWAP being equal to or greater than \$0.40 and 2,250,000 Options will vest upon the Company's 30-Day VWAP being equal to or greater than \$0.50. Further terms and conditions are set out in Sections 11.5 and 11.6 of the Prospectus.
3. The terms and conditions of the Performance Shares are set out in Section 11.7 of the Prospectus.



RESTRICTED SECURITIES

The Company confirms that following admission to quotation of the Company's securities on the Official List of the ASX, the following securities will be restricted pursuant to the ASX Listing Rules for the period outlined below.

Class	Number	Restriction Period
CDIs	38,802,208	24 months from the date of quotation
	142,425	Escrowed until 22 December 2021, being 12 months from the date of issue of the securities
	125,000	Escrowed until 30 December 2021, being 12 months from the date of issue of the securities
	450,000	Escrowed until 26 January 2022, being 12 months from the date of issue of the securities
	75,075	Escrowed until 28 January 2022, being 12 months from the date of issue of the securities
	11,705,392	Escrowed until 17 June 2022, being 12 months from the date of issue of the securities
Performance Shares	6,681,214	24 months from the date of quotation
	1,868,786	Escrowed until 17 June 2022, 12 months from date of issue of the Performance Shares
Options	5,000,000	24 months from the date of quotation

The Company confirms that no securities will be subject to voluntary escrow.

UPDATED STATEMENT OF FINANCIAL POSITION

The following is an updated statement of financial position for the Company based on actual funds raised of \$6,400,000 under the Prospectus:

	Arcadia	Acquisitions	Eliminations	Subsequent events	Pro forma adjustments	Pro forma
				Unaudited	Unaudited	Unaudited
	31-Dec-20	31-Dec-20	31-Dec-20			
	AS	AS	AS	AS	AS	AS
Assets						
Current assets						
Cash and cash equivalents	163,885	2,458	-	105,015	5,705,633	5,976,991
Trade and other receivables	39,146	2,946	(39,146)	-	-	2,946
Total current assets	203,031	5,404	(39,146)	105,015	5,705,633	5,979,937



	Arcadia	Acquisitions	Eliminations	Subsequent events	Pro forma adjustments	Pro forma
	31-Dec-20	31-Dec-20	31-Dec-20	Unaudited	Unaudited	Unaudited
	AS	AS	AS	AS	AS	AS
Non-current assets						
Exploration and evaluation assets	-	12,575,364	-	-	31,250	12,606,614
Plant and equipment	-	20,615	-	-	-	20,615
Other receivables	-	9,584	-	-	-	9,584
Total non-current assets	-	12,605,563	-	-	31,250	12,636,813
Total assets	203,031	12,610,967	(39,146)	105,015	5,736,883	18,616,750
Liabilities						
Current liabilities						
Trade and other payables	45,656	1,150	-	-	-	46,806
Borrowings	5,500	-	-	-	-	5,500
Total current liabilities	51,156	1,150	-	-	-	52,306
Non-current liabilities						
Loans from shareholders	-	2,209	-	-	-	2,209
Borrowings	-	132,608	(39,146)	-	(93,462)	-
Total non-current liabilities	-	134,817	(39,146)	-	(93,462)	2,209
Total liabilities	51,156	135,967	(39,146)	-	(93,462)	54,515
Net assets	151,875	12,475,000	-	105,015	5,830,345	18,562,235
Equity						
Issued capital	244,985	9,000,000	-	105,015	6,381,050	15,731,050
Reserves	-	830,000	-	-	616,700	1,446,700
Accumulated losses	(93,110)	-	-	-	(1,173,655)	(1,266,765)
Equity attributable to equity holders of the parent	151,875	9,830,000	-	105,015	5,824,095	15,910,985
Non-controlling interests	-	2,645,000	-	-	6,250	2,651,250
Total equity	151,875	12,475,000	-	105,015	5,830,345	18,562,235



STATEMENT OF COMMITMENT OF FUNDS

The Company intends to apply the funds raised from the Public Offer (being \$6,400,000) together with its existing cash reserves over the next two (2) years as follows:

Funds available	(\$)	(%)
Existing cash reserves ¹	\$350,000	5.19%
Funds raised from the Public Offer	\$6,400,000	94.81%
Total	\$6,750,000	100.00%
Allocation of funds		
Swanson Project ²	\$3,693,450	54.72%
Karibib Project ²	\$488,400	7.24%
Kum-Kum Project ²	\$716,100	10.61%
Bitterwasser Project ²	\$468,050	6.93%
Expenses of the Offers ³	\$694,367	10.29%
Working capital ⁴	\$689,633	10.22%
Total	\$6,750,000	100.00%

Notes:

1. The Company conducted a seed capital raise through the issue of 3,500,000 Shares at an issue price of \$0.10 per Share to raise \$350,000 between December 2020 and January 2021. The Company has applied these funds to the progression of the Karibib Project and the expenses associated with the preparation of the Prospectus as set out in the table above.
2. Refer to Section 6.4 of the Prospectus and the Independent Geologist's Reports in Annexure A of the Prospectus for further details with respect to the Company's proposed exploration programs at the Projects.
3. Refer to Section 11.11 of the Prospectus for further details.
4. To the extent that:
 - (i) the Company's exploration activities warrant further exploration activities; or
 - (ii) the Company is presented with additional acquisition opportunities,

the Company's working capital will fund such further exploration and acquisition costs (including due diligence investigations and expert's fees in relation to such acquisitions). Any amounts not so expended will be applied toward administration costs for the period following the initial 2-year period following the Company's quotation on ASX.



CONFIRMATION

The Company received the following confirmation that the Performance Shares were appropriate and equitable for the purposes of ASX Listing Rules 6.1.

Based solely on the information provided, on receipt of an application for admission to the official list of ASX Limited ('ASX') by the Company, ASX would be likely to form the opinion that the terms of up to 8,550,000 performance shares (**Performance Securities**) proposed to be issued by the Company to the vendors as part consideration in connection with the acquisition of interests in ORP (the **Proposed Acquisition**) are appropriate and equitable pursuant to Listing Rule 6.1 on the following conditions:

- (a) The prospectus issued in connection with the Company's IPO contains the following details in respect of the Performance Securities:
 - (i) the party or parties to whom the Performance Securities are to be issued and the number of Performance Securities to be issued to them or each of them;
 - (ii) any relationship the recipient of the Performance Securities or an associate of the recipient has with the entity;
 - (iii) in respect of the Performance Securities proposed to be issue to the vendors in connection with the Proposed Acquisition:
 - (A) a statement to the effect that the Performance Securities are being issued in connection with the Proposed Acquisition;
 - (B) an explanation why the Performance Securities are being issued in connection with the Proposed Acquisition, including the commercial goals the entity is trying to achieve, and the risks it is trying to manage, by imposing the relevant performance milestone;
 - (C) details of the entity or undertaking being acquired;
 - (D) details of the vendors from whom the Company is acquiring the Proposed Acquisition;
 - (E) details of how the Company determined the number of Performance Securities to be issued to the vendors and why it considers that number to be appropriate and equitable; and
 - (F) if any of the Performance Securities are being issued to someone who does not have an ownership interest in the entity being acquired, or if the Performance Securities are being issued disproportionately to the ownership interests of the vendors, an explanation why that is the case and how that is considered appropriate and equitable;
 - (iv) the number of ordinary shares that the Performance Securities will convert into if the applicable performance milestone is met and the impact that will have on the entity's capital structure;
 - (v) the full terms of the Performance Securities, including:
 - (A) the Performance Securities are not quoted;
 - (B) the Performance Securities are not transferrable;
 - (C) the Performance Securities do not confer any right to vote, except as otherwise required by law;



- (D) the Performance Securities do not permit the holder to participate in new issues of capital such as bonus issues and entitlement issues;
 - (E) the Performance Securities do not carry an entitlement to a dividend;
 - (F) the Performance Securities do not permit the holder to participate in a return of capital, whether in a winding up, upon a reduction of capital or otherwise;
 - (G) the Performance Securities do not carry an entitlement to participate in the surplus profit or asset of the Company upon winding up of the Company;
 - (H) each Performance Securities is converted into one fully paid ordinary share on achievement of the relevant milestone; and
 - (I) if the relevant class of Performance Securities is not converted into a share by the relevant expiry date then all the Performance Shares of that class are converted into one fully paid ordinary share (in the case of Performance Rights) or lapse entirely (in the case of Performance Options).
- (b) The Company makes an announcement immediately upon the satisfaction of any milestones, the conversion of any of the Performance Securities and the expiry of any of the Performance Shares.
- (c) The terms and conditions of the Performance Securities, including without limitation the relevant milestones that have to be satisfied before each Performance Securities converted into an ordinary share, are not to be changed without the prior approval of ASX and the Company's shareholders.
- (d) Upon conversion of the Performance Securities into ordinary shares, the Company will apply to the ASX for quotation of the shares within the requisite time period.
- (e) The Company discloses the following in each annual report, annual audited financial accounts, half-yearly report and quarterly cash flow report issued by the Company in respect of any period during which any of the Performance Securities remain on issue or were converted or cancelled:
- (i) the number of Performance Securities on issue during the relevant period;
 - (ii) a summary of the terms and conditions of the Performance Securities, including without limitation the number of ordinary shares into which they are convertible and the relevant milestones;
 - (iii) whether any of the Performance Securities were converted or cancelled during that period; and
 - (iv) whether any milestones were met during the period.
- (f) The Company discloses the following in Part 5 of each Appendix 2A lodged by the Company while any of the Performance Securities remain on issue:
- (i) the number of Performance Securities on issue at the time of lodgement of the Appendix 2A; and
 - (ii) the conversion ratio of the Performance Securities into ordinary shares upon achievement of a vesting condition.



CLARIFICATION OF INDEPENDENT GEOLOGISTS REPORT

The following information has been retracted from the Independent Geologist's Report for the Swanson Project (**Swanson IGR**) which is included at pages 128 to 217 of the Prospectus:

- (a) Figure 6 (Ta deposits in LCT pegmatites throughout the world) which is included on page 16 of the Swanson IGR;
- (b) the final paragraph of Section 4.3 (Pegmatite Details) which appears on page 16 of the Swanson IGR; and
- (c) the pegmatite rankings and table 7 disclosed in Section 7.8.5 (Pegmatite Rankings) of the Swanson IGR which appears on page 37 of the Swanson IGR.

In addition, the following clarification is made in respect of the mineralogical testing method applied to samples X1437 and X1438 within Section 11 (Mineral Processing and Metallurgical Testing) of the Swanson IGR.

“The two samples were submitted to the Sci-Ba Laboratories in England where the samples were subjected to petrographic and XRD analyses at the University of Southampton. The Standard Method BS EN 12407-2007, natural stone method was used for a petrographic investigation of the samples.

A subsample (one piece of original sample) was selected and submitted for thin section preparation. The thin section was 30 mm x 20 mm in size and 30 µm thick. For this work, a GXM XPLPOLTEX-1 petrographic microscope was used for both plan and cross polarised light from 40 – 600 x magnification. The microscope was fitted with a Bertrand lens, quartz wedge, lambda plate and condenser to make conoscopic and orthoscopic observations needed for the mineral identification. The microscope was calibrated using a glass calibration scale slide, all measurements were performed using a GX Capture Version 8.5 software and exported to spreadsheet for calculations.

A high resolution GXCAM HICHROME-MET camera was used to record 6MP microphotographs for high quality images.”

This announcement has been authorised for release by the directors of Arcadia Minerals Limited.

For and on behalf of the board
Kyla Garlic
Company Secretary