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ASX Announcement

27 January 2021

ASX: PWN
FSE: 4IP

TRANSFORMATIONAL \$5.25 MILLION CAPITAL RAISING

Highlights

SUCCESSFUL STRATEGIC PLACEMENT

- Placement to sophisticated and professional investors raised \$5,248,000.
- Heavily oversubscribed placement led by group of institutional investors.
- Placement Shares priced at a 2.23% discount to the 30-day VWAP.

GROWTH STRATEGY FULLY FUNDED

- Placement proceeds will support core business priorities including commercialisation of the technology portfolio, as well as a range of strategic growth initiatives.

Parkway Minerals NL (ASX: **PWN**) ("**Parkway Minerals**" or the "**Company**") is pleased to advise it has successfully conducted a placement to sophisticated and professional investors ("**Placement**"), raising gross proceeds of \$5,248,000.

At completion of the Placement, the Company expects to have a pro forma, unaudited cash balance of circa \$8.20 million. Together with the remaining shareholding in Davenport Resources Ltd and Placement proceeds, the Company will have approximately \$10 million in funding available. The strong funding position will enable the Company to accelerate a number of strategic growth initiatives as foreshadowed in recent updates, including the establishment of a products and services division, to complement the technology division of the Company.

The Placement will result in the issue of 291,555,556 new fully paid ordinary shares ("**Placement Shares**") at an issue price of \$0.018 each. The Placement Shares will be issued with free attaching unlisted options ("**Placement Options**") on a 1:2 basis, with an exercise price of \$0.03 and expiring 24 months from the date of issue (145,777,778 attaching options to be issued). The allotment of the Placement Shares and Placement Options will be made pursuant to the Company's ASX Listing Rule 7.1 and Listing Rule 7.1a capacity. These securities are expected to be allotted on or about Wednesday 3 February 2021, with holding statements expected to be dispatched to Placement participants, shortly thereafter.

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Evolution Capital Advisors acted as Lead Manager to the Placement. The Lead Manager will be issued 30,000,000 broker options on the same terms as the Placement Options.

Commentary

Parkway Minerals – Managing Director, Bahay Ozcakmak commented:

“In recent announcements, including our [2020 AGM Presentation](#), we summarised the key strategic foundations we established for the Company in CY2020, and also outlined our near to medium term and longer-term goals. Whilst innovative technology will always be at the core of our business, we recently foreshadowed our aspirations to either acquire and/or build a synergistic, products and services business (conventional processes technologies) focused on the water/wastewater sector. In addition to the obvious benefits of near-term revenue generation opportunities, the new strategic business unit/s, will also be highly complementary with our existing technology portfolio. The addition of a conventional process portfolio will enable us to provide our clients with a wider range of process solutions and will also be a powerful springboard for commercialising our own portfolio of next-generation technologies, including the delivery of highly differentiated integrated solutions. In this regard, whilst we have been in stealth-mode on this new initiative, we have already established significant relationships with a range of parties, including numerous major international OEM’s, and look forward to providing further details in the near future.

As we’ve continued to methodically execute our business plan step-by-step, we’ve received overwhelmingly positive feedback from all our partners and stakeholders. We remain absolutely optimistic, that our vision of utilising innovative technologies to solve some of the most difficult water related challenges facing industry, is not only a worthy cause, but also an enormous business opportunity, which we believe we are well-placed to capture a material share of, in time. This transformational capital raising allows us to not only i) advance our core technology business, ii) develop and/or acquire related capabilities, and iii) strategically bolt-on businesses that make sense; but also, iv) assists us demonstrate to our partners that we have the balance sheet to stand behind the application of our technology-based solutions, which we continue to explore with leading major global companies.

In terms of funding, although our two most recent capital raisings (in Nov 2019 and Oct 2020, respectively) were both heavily oversubscribed, as a board, we exercised reasonable restraint at the time, to ensure we struck the right balance between being able to fund our ongoing growth, whilst minimising dilution. With the recent strength in our share price and the support of incoming institutional and sophisticated investors, we are fortunate to have been able to build a significant war chest, which will see us through to many significant milestones, including the generation of several recurring revenue streams.

The Placement Shares are priced* at a:

- 25% discount to the last closing price of \$0.024 on 25 January 2021.
- 2.23% discount to the 30-day VWAP
- 100% premium to the October 2020 capital raising
- 200% premium to the November 2019 capital raising

* The simplified evaluation of the relative price of the Placement Shares does not take transaction costs, issuance of options, or other considerations into account, and is provided for illustrative purposes only.

Finally, I'd like to take this opportunity to welcome our incoming shareholders and thank our existing shareholders for their continued support during an exciting time in the evolution of Company."

On behalf of Parkway Minerals NL.



Bahay Ozcakmak

Managing Director

Additional Information

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aMES[®] Technology

The *activated Mineral Extraction System*, or **aMES[®]** is an innovative process technology that enables the treatment of concentrated brine solutions to recover a range of valuable compounds, reagents and fresh water. The technology utilises a proprietary multi-staged process incorporating novel membrane technology and is based on proprietary IP, incorporating patents, expertise and know-how acquired over more than a decade of intense process development.

Advantages of the aMES[®] technology include:

- improvements in mineral recovery and product quality,
- opportunity for substantial project capex & opex savings,
- efficient use of energy and produces pure water as a by-product, and
- improved project footprint and environmental sustainability.

Ongoing collaboration with a number of brine project developers and operators has confirmed there are many applications where the aMES[®] technology has the potential to deliver substantial value by enhancing existing flowsheets, in order to improve overall project performance.

Additional Information

www.parkwayminerals.com.au/ames-technology

iBC[®] Technology

The *integrated Brine Causticization*, or **iBC[®]** is a patented process technology that simultaneously removes common impurities from waste brine streams and converts sodium carbonates and bicarbonates commonly found in coal seam gas (CSG) brines, into more soluble sodium hydroxide.

As a result of the causticization step, the iBC[®] technology produces a purified brine suitable for downstream processing, including with the aMES[®] technology, for the production of various salt products and industrial-grade sodium hydroxide.

Additional Information

<https://www.parkwayminerals.com.au/ibc-technology>

aMES[®]

Brine Processing Technology

Key Industries (Applications)

- Mining natural brine (salt lakes)
- Solution mining brine (potash)
- Refinery & industrial waste brine
- Wastewater treatment brine

Target Products (Produced)

- Potash (MOP/SOP/KMS)
- Lithium and magnesium salts
- Range of byproducts (B, Br, Ca, Co, Cu, I, Na, Ni, REE, Si, Sr)
- Reagents
- Water

iBC[®]

Brine Pre-Treatment Technology

Key Industries (Applications)

- Oil & gas waste brine (CSG)
- Wastewater treatment brine

Target Products (Produced)

- Sodium hydroxide concentrate
- Sodium chloride
- Byproducts (Ca, Mg, Si)

About Parkway Minerals

In October 2019, Parkway Minerals (ASX: PWN) completed a transformational transaction by acquiring an Australian unlisted public company, Consolidated Potash Corporation (CPC). Through CPC, Parkway Minerals acquired a minority interest in the Karinga Lakes Potash Project (KLPP) in NT Australia, as well as a majority interest in the New Mexico Lithium Project (NMLP), in the United States. The CPC transaction, also resulted in Parkway Minerals acquiring the innovative aMES® technology, which has been developed to process a range of challenging brine streams from the mining industry, in order to recover valuable minerals, reagents as well as produce fresh water.

Given the significant market opportunities, Parkway Minerals is focused on commercialising a world-class technology portfolio to provide long-term sustainable solutions for processing complex brines, in the energy, mining and wastewater industries. In order to achieve this objective, Parkway Minerals is partnering with leading industry participants to provide, BPaaS – Brine Processing as a Solution™.

Strategic Investment

Parkway Minerals holds a strategic investment in Davenport Resources (ASX: DAV), which has successfully delineated a globally significant in-situ potash resource (in excess of 550 million tonnes of contained potash), at its South Harz project in Central Germany. Recently completed scoping studies have delivered excellent technical and economic results and provide Davenport Resources with an attractive opportunity to create and unlock substantial value.

Parkway Minerals is commercialising a world-class technology portfolio to provide long-term sustainable solutions for processing complex brines, in the energy, mining and wastewater industries.

Our mission is to collaborate with leading strategic partners to deliver:

BPaaS – Brine Processing as a Solution™

Forward-Looking Statements

This ASX Release may contain certain “forward-looking statements” which may be based on forward-looking information that are subject to a number of known and unknown risks, uncertainties, and other factors that may cause actual results to differ materially from those presented here. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. Forward-looking information includes exchange rates; proposed or projected project or transaction timelines; uncertainties and risks associated with the advantages and/or performance of the Company’s projects and/or technologies; uncertainties and risks regarding the estimated capital and operating costs; uncertainties and risks regarding any envisaged timelines in relations to any results, milestones, partnerships, including but not limited to any milestones which may require obtaining approvals from third parties.

For a more detailed discussion of such risks and other factors, see the Company’s other ASX Releases. Readers should not place undue reliance on forward-looking information. The Company does not undertake any obligation to release publicly any revisions to any forward-looking statement to reflect events or circumstances after the date of this ASX Release, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.