

Projects

CANADA

- **Horden Lake**
Ni-Cu-PGM development
- **Belleterre-Angliers**
Ni-Cu-PGM exploration

SPAIN

- **Santa Comba**
W-Sn development
- **San Finx**
W-Sn development

ASX ANNOUNCEMENT

27 September 2022

AUD1M EQUITY FUNDING FACILITY DRAW DOWN

Rafaella Resources Limited (ASX:RFR) ('Rafaella' or the 'Company') announces that the Company has elected to draw down the Starboard Global Limited equity placement facility that was made available when the Company agreed terms to acquire the Horden Lake Cu-Ni deposit in Quebec, Canada.

The Company announced on 9 September, as part of its agreed acquisition of the transformative Horden Lake deposit in Quebec, Canada, that it had secured a A\$1 million equity placement commitment with Starboard Global Limited and associated co-investors at a 50% premium to the 10-day Rafaella share price Volume Weighted Average Price ('VWAP') prior to the acquisition announcement, or A\$0.035 per share, whichever was lower.

The Board has elected to draw upon this facility, with the issuance of 28,571,429 shares at the issuance price of \$0.035/share, which will be completed within the existing share capacity under ASX listing rule 7.1, following the refreshment of such capacities at the extraordinary general meeting held on 23rd September 2022.

One of the parties subscribing under the Starboard Global Limited facility is Dr Robert Wrixon, a director of both the Company and Starboard Global Limited, and therefore this portion of the share issuance will be subject to subsequent shareholder approval.

The Board, with Dr Wrixon abstaining, considered it important to reduce uncertainty around the acquisition of Horden Lake and that drawing on this facility now, which is at a 7.9% discount to the Company's most recent closing price of A\$0.038 on 26 September, is the prudent course of action, given ongoing market volatility.

It is intended that the funds will be primarily allocated to the remaining acquisition cost of the Horden Lake project, alongside some ongoing working capital commitments, if required.

Managing Director, Steven Turner said: "The facility has been provided by a number of Rafaella's long term, supportive shareholders and is a testament to the value recognised in the recently announced transformative Holden Lake acquisition. The Company continues to have discussions with other parties regarding additional acquisition and development funding for Horden Lake."

This announcement has been authorised by the Board of Directors of the Company.

Ends

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About Rafaella Resources

Rafaella Resources Limited (ASX:RFR) is an explorer and developer of world-class mineral deposits. Rafaella holds a battery metals exploration portfolio in Canada located within the prolific Belleterre-Angliers Greenstone Belt comprised of the Midrim, Laforce, Alotta and Lorraine high-grade nickel copper PGM sulphide projects in Quebec (together the '**Belleterre-Angliers Project**'). These projects are now complemented by the recently-acquired flagship Horden Lake property with a significant PGM nickel copper cobalt gold and silver metal resource. The combination of these projects offers significant upside for the Company shareholders in a supportive mining jurisdiction as modern economies look to transition to renewables.

Rafaella also owns the Santa Comba and San Finx tungsten and tin development projects in Spain. The recently acquired San Finx project lies 50km south from the Company's Santa Comba tungsten and tin mine in Galicia, NW Spain, all within the same geological belt, strengthening the Company's strategic position in the Iberian Peninsula and its long-term goal of being a significant supplier of the critically listed metals of tungsten and tin.

To learn more please visit: www.rafaellaresources.com.au

Forward Looking Statements Disclaimer

This announcement contains forward-looking statements that involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions, and estimates should change or to reflect other future developments.