

Thursday, 13th July 2023

A\$7.8M EQUITY RAISING TO ACCELERATE STORM COPPER PROJECT, CANADA

- **A\$6.755 million to be raised utilising the Flow-Through Shares (FTS) provisions under Canadian tax law**
- **FTS shares will be placed at A\$0.1918¹ per share, representing a 20% premium to American West's closing price of A\$0.16 per share on 10 July 2023**
- **Concurrent with the FTS placement the Company is undertaking a placement to raise a further A\$1.05 million at A\$0.14 per share**
- **Strengthened balance sheet enables American West to accelerate exploration at the Storm Copper Project**

American West Metals Ltd (“**AW1**” or “**the Company**”) is pleased to announce that it has received firm commitments to raise A\$7.8 million via a combination of a Flow-Through Shares (**FTS**) placement under the Income Tax Act (Canada) (**FTS Placement**) and a placement of ordinary fully paid shares (**Institutional Placement**) to sophisticated investors pursuant to s708(8) of the Corporations Act (Cth) 2001 and ASX Listing Rules 7.1 and 7.1A.

Dave O’Neill, American West Managing Director said:

“American West is delighted with the high level of interest in this capital raising from quality investors in Australia and globally.

“The opportunity to raise funds at a significant premium to the current share price provides the Company with additional working capital while minimising dilution to existing shareholders.

“This funding will allow the Company to further ramp up exploration and resource drilling activities at the near-surface deposits at Storm – already shaping-up as a very significant copper deposit – and to implement an expanded diamond drill program to test the large geophysical targets that could unlock the full potential at Storm.”

Flow Through Placement Raises A\$6.755 Million at a Premium

American West has received firm commitments under the FTS Placement to raise C\$6,000,000 (A\$6,755,000)² (before costs) through the issue of 35,231,944 shares at an issue price of C\$0.1703 (A\$0.1918) per share (**New FTS Shares**).

¹ FTS shares are placed to Canadian investors at C\$0.1703 which is equivalent to A\$0.1918 based on an A\$:C\$ exchange rate of 0.88790.

² A\$6,755,000 based on an A\$:C\$ exchange rate of 0.88790.



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Pursuant to the Canadian FTS regime, tax incentives are provided to eligible investors in the FTS Placement for expenditures of American West which qualify as flow through critical mineral mining expenditures under the Income Tax Act (Canada). The “Flow-Through Share” is a defined term in the Income Tax Act (Canada) and is not a special class of share under corporate law.

The FTS Placement is facilitated by Canadian flow-through share dealer, PearTree Securities Inc (**PearTree**), pursuant to a subscription and renunciation agreement with the Company. PearTree will not receive any fees or commissions from the Company for its role in respect of the FTS Placement.

The New FTS Shares will be issued at:

- a 20% premium to the closing price of American West on 10 July 2023, the day prior to launch of the FTS Placement
- A 37% premium to the secondary sale price of the New FTS Shares

Secondary sale – RM Capital and Ord Minnett

RM Capital Pty Ltd (**RM Capital**) and Ord Minnett Limited (**Ord Minnett**) will facilitate the secondary sale of all of the New FTS Shares pursuant to a block-trade arrangement with PearTree at a price of A\$0.14 per share (**Block Trade Price**).

The FTS Shares will cease to be ‘flow-through shares’ on completion of the FTS Placement and investors acquiring any New FTS Shares as part of the secondary sale will not have rights to tax benefits under the FTS regime.

A transaction specific prospectus prepared in accordance with section 713 of the Corporations Act 2001 (Cth) will be issued in connection with the FTS Placement to facilitate secondary trading of the New FTS Shares.

Institutional placement raises an additional A\$1.05 Million

American West has also received firm commitments under the Institutional Placement to raise A\$1,050,000 (before costs) through the issue of 7,503,227 shares at an issue price of A\$0.14 per share, being the same as the Block Trade Price. This price represents a 12.5% discount to the closing price on 10 July 2023 of A\$0.16 per share and a 15.2% discount to the 10-day VWAP of A\$0.165 per share.

Use of funds

Funds raised from the FTS Placement will be specifically used for exploration at the Storm Copper Project with a focus on exploration and resource drilling.

Funds raised under the Institutional Placement will be used for exploration activities at the Storm Copper Project, for working capital at the Company’s other projects and for general working capital purposes.

Placement capacity

For the FTS Placement, 2,865,976 shares will be issued using the Company’s Listing Rule 7.1 placement capacity and 32,365,968 shares will be issued using the Company’s Listing Rule 7.1A placement capacity. The New FTS Shares will rank equally with the Company’s existing shares on issue.

Settlement of the secondary sale of the New FTS Shares is scheduled to occur on 20 July 2023.



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The shares issued under the Institutional Placement will be issued under the Company's existing placement capacity under ASX Listing Rule 7.1, and will rank equally with the Company's existing shares on issue.

Settlement of the Institutional Placement is also scheduled to occur on 20 July 2023.

Joint Lead Managers

RM Capital and Ord Minnett acted as Joint Lead Managers to the Institutional Placement as well as to the secondary sale of the New FTS Shares. A management fee of 2% and a placement fee of 4% are payable to the Joint Lead Managers in regard to the amount raised under the Institutional Placement and on the value of the secondary sale of New FTS Shares, respectively. Subject to receipt of shareholder approval, the Joint Lead Managers will also be allotted 6,000,000 options in AW1 exercisable at A\$0.25 on or before 30 September 2027.

This announcement has been approved for release by the Board of American West Metals Limited.

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ABOUT AMERICAN WEST METALS

AMERICAN WEST METALS LIMITED (ASX: AW1) is a new Australian company focussed on growth through the discovery and development of major base metal mineral deposits in Tier 1 jurisdictions of North America. We are a progressive mining company focused on developing mines that have a low-footprint and support the global energy transformation.

Our portfolio of copper and zinc projects include significant existing resource inventories and high-grade mineralisation that can generate robust mining proposals. Core to our approach is our commitment to the ethical extraction and processing of minerals and making a meaningful contribution to the communities where our projects are located.

Led by a highly experienced leadership team, our strategic initiatives lay the foundation for a sustainable business which can deliver high-multiplier returns on shareholder investment and economic benefits to all stakeholders.



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