

US PRIVATE EQUITY FIRM MAKES STRATEGIC INVESTMENT IN NEW WORLD RESOURCES

Highlights

- RCF Opportunities Fund II L.P. has entered into a binding agreement to make a \$5m equity investment in New World.
- RCF Opportunities Fund II L.P. will become a 6.9% shareholder in New World.
- RCF Opportunities II L.P. is a fund managed by US private equity firm RCF Management L.L.C. (“RCFM”).
- RCFM has a 25-year history with, and understanding of, mining in the US, including Arizona, hence New World considers that this investment is a strong endorsement of its strategy to develop and expand its high-grade Antler Copper Project in northern Arizona, USA.

New World’s Managing Director, Mike Haynes, commented:

“We are very pleased to welcome one of RCFM’s recently established investment funds as a shareholder in New World.

“Following an extensive due diligence process, which included two site visits and the advice of specialist consultants, RCF has agreed to make an initial investment in New World.

“Resource Capital Funds (or “RCF”) is a large, Denver-based, group of commonly managed resources funds. They understand, better than most, the mining business in the US. We consider the fact that they have decided investment in us, a copper developer in Arizona, is a strong affirmation of our project and our corporate strategy – which is to bring our very high grade Antler Copper Deposit into production as quickly as practicable while concurrently expanding the resource base.”

New World Resources (“NWC”, “New World” or the “Company”) is pleased to announce that RCF Opportunities Fund II L.P., a fund managed by US private equity firm RCF Management L.L.C. (“RCFM”) has entered into binding agreements to make an initial \$5 million equity investment in New World.

RCF Opportunities Fund II L.P. has agreed to subscribe for 156.25 million shares (“Shares”) at \$0.032 per share for \$5 million (“Placement”). The Shares will comprise 6.9% of total Shares on issue following completion. New World will also issue 62.5 million free attaching unlisted options for each Share subscribed for (calculated on 2:5 basis), each of which will be exercisable at \$0.04 and have an expiry date of three years from the date of issue (“Options”). The terms and conditions of the Options are set out in the Annexure. Settlement is expected to take place on or before 18 August 2023.

Use of Proceeds	Amount (\$'000)
Pre-feasibility study and permitting activities	3,000
Regional exploration activities	1,750
Issue expenses	250
Total	5,000

The Placement is being undertaken within the Company’s existing capacity under ASX Listing Rules 7.1 (62,500,000 Options) and 7.1A (156,250,000 Shares).

Subject to the ASX Listing Rules, and provided that RCF Opportunities Fund II L.P.’s equity position in the Company does not fall below 5%, New World has agreed that it will not make any equity offers to other subscribers unless the RCF Opportunities Fund II L.P. is first given a reasonable opportunity to participate on terms no less favourable than other subscribers.

New World Resources Limited

ABN: 23 108 456 444

ASX Code: NWC

DIRECTORS AND OFFICERS:

Richard Hill
Non-Exec. Chairman

Mike Haynes
Managing Director/CEO

Nick Woolrych
Exec. Director & COO

Tony Polglase
Non-Executive Director

Ian Cunningham
Company Secretary

CAPITAL STRUCTURE
Shares: 2,105.5m
Share Price (28/7/23):
\$0.030

PROJECTS:

Antler Copper Project,
Arizona, USA

Javelin VMS Project,
Arizona, USA

Tererro Copper-Gold-Zinc
Project, New Mexico, USA

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New World continues to advance discussions with multiple other potential strategic investors regarding additional funding.

About RCF

RCF is a group of commonly managed private equity funds established in 1998 with a mining sector specific investment mandate spanning all hard mineral commodities and geographic regions. Since inception, RCF has supported 213 portfolio companies, with projects located in 55 countries and across 36 commodities. RCF has a strong team of investment professionals, with wide ranging industry and technical expertise and a demonstrated history of investments in mining globally. RCF's track record is based on its ability to pick technically and commercially compelling assets and support management to achieve desired outcomes whilst remaining throughout a source of patient capital. RCF aims to partner with companies to build strong, successful and sustainable businesses and in doing so strives to earn superior returns for all shareholders.

Authorised for release by the Board

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Additional Information

Forward Looking Statements

Information included in this announcement constitutes forward-looking statements. When used in this announcement, forward-looking statements can be identified by words such as “anticipate”, “believe”, “could”, “estimate”, “expect”, “future”, “intend”, “may”, “opportunity”, “plan”, “potential”, “project”, “seek”, “will” and other similar words that involve risks and uncertainties.

Forward-looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licences and permits and diminishing quantities or grades of resources and reserves, political and social risks, changes to the regulatory framework within which the Company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation as well as other uncertainties and risks set out in the announcements made by the Company from time to time with the Australian Securities Exchange.

Forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, its directors and management of the Company that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. The Company does not undertake to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this report, except where required by applicable law and stock exchange listing requirements.

ANNEXURE – OPTION TERMS AND CONDITIONS

The Options have the following terms and conditions:

1. Entitlement

Each Option entitles the holder (**Option holder**) to subscribe for one fully paid ordinary share in the capital of New World Resources Limited ACN 108 456 444 (**Company**) ranking equally with all other ordinary shares currently on issue in the Company (**Shares**).

2. Exercise Price

The amount payable upon exercise of each Options will be \$0.04 (**Exercise Price**).

3. Expiry Date

The Options will automatically lapse and will no longer be exercisable after the date that is 36 months after the date of issue.

4. Notice of Exercise

The Options are exercisable at any time on or prior the Expiry date by notice in writing to the Company in the manner specified in the notice of exercise (**Notice of Exercise**) accompanied by payment of the Exercise Price for each Option being exercised via cheque or electronic funds transfer.

5. Issue

Within 10 business days of the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

6. Ranking

All Shares issued upon exercise of the Options will rank pari passu in all respects with the Company's then existing Shares.

7. Reorganisation of Capital

In the event of any reorganisation of the issued capital of the Company on or prior to the Expiry Date, the rights of the Option holder will be changed to the extent necessary to comply with the applicable ASX Listing Rules in force at the time of the reorganisation.

8. Participation in New Issues

There are no participation rights or entitlements inherent in the Options and the holder will not be entitled to participate in new issues of capital offered to shareholders during the currency of the Options without exercising the Options.

9. Bonus Issue

If there is a pro rata bonus issue of Shares to Shareholders prior to the Expiry Date, the number of Shares over which the Option is exercisable may be increased by the number of Shares which the Option holder would have received if the Option was exercised before the record date for the bonus issue.

10. Transferability

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australia securities law.

11. Agreement to be Bound

By lodging an Notice of Exercise, the Option holder agrees to take the applicable Shares and agrees to be bound by the constitution of the Company.

12. Quotation

The Company will not seek quotation of the Options on the ASX. If at any time the Options are eligible for quotation under the terms of the ASX Listing Rules, the Company must apply to ASX for official quotation of the Options.

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