

Mons Project, WA

Nimy Resources Secures \$2.5M Cornerstone Investment to Conduct Nickel and Lithium Drill Programs

Highlights

- \$2.5 million cornerstone investment by Lind Global Fund II, LP, an institutional fund managed by New York based Lind Partners (together “Lind”), with the first \$1.75m to be provided within five days and the balance to be provided within 5 days after Nimy receives shareholder approval.
- The investment is a staged placement over a maximum 24-month period, with the price fixed at \$0.208 cents in the first four months then at either the fixed price or a calculated VWAP subscription price, as set out below.
- Nimy will use the funds to conduct its Nickel and Lithium drilling programs at the Mons project North-East of Perth, WA.

Nickel:

- Program of Works (POWs) for RC Drilling submitted for approval targeting two VTEM / MLEM high conductance anomalies targeting nickel massive sulphides.
- Downhole Electromagnetic surveys to commence late August at the Dease Gossan and East Gossan Prospects to enable targeted drilling of potential EM plates targeting nickel massive sulphides.

Lithium:

- Program of Work (POW) for RC Drilling has been submitted for approval targeting high grade lithium.
- Follow-up from recent drilling having confirmed fertile LCT Pegmatites, now targeting high priority targets 1.3km north-west having additional soil samples and Hyperspectral data confirmation.

Nimy Resources Executive Director Luke Hampson said today, "We are extremely pleased to have entered into this Agreement with The Lind Partners. To date 2023 has seen Nimy progress significantly with our nickel and lithium targets. The funds invested by Lind will further our ability to drill highly prospective targets and propel our project to the next level."

Lind Partners Founder Jeff Easton said today, "We have been watching Luke Hampson and Simon Lill both at Nimy Resources and De Grey Mining operate for some time now and are pleased to invest in Nimy Resources to further their exploration plans. We are confident both our interests are aligned given managements continued and significant shareholding in the company. Nimy is preparing a drill campaign on Priority One targets for Nickel and Lithium at The Mons Project and we are very excited to see what they yield."

Key aspects of the Placement Agreement:

- **Advance Payment:** Lind will pre-pay \$1.750 million to Nimy for an investment in shares with a value of \$1.925 million.
- **Secondary Payment:** Lind will pay \$0.750 million to Nimy for an investment in shares with a value of \$0.825 million, following shareholder approval within 90 days.
- **Commitment Fees:** \$75,000, representing 3% of the Total Advance Payment.
- **Advance Payment Date:** Lind is to provide payment of the Advance Payment as soon as possible and by no later than 28 August 2023.
- **Initial Shares:** 6,500,000 fully paid ordinary shares in the Company to be issued to Lind, before the Advance Payment Date (and which may be applied towards satisfying the Company's subscription or repayment obligations under the Agreement). If at the expiration of the Term (as defined below) there are still Initial Shares that have not been applied towards subscription or repayment, then those shares will be transferred at the direction of the Company, or Lind will pay for those shares based on the Subscription Price (defined below).
- **Term:** 24 months after the Advance Payment Date.
- **Options:** 5,989,209 options with an exercise price of \$0.208 each and an expiration date of 48 months after issue. The Options are to be issued subject to shareholder approval. If shareholder approval is not granted, then Lind is not required to pay for the Initial Shares.

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- **Fixed Subscription Price:** \$0.208
- **Variable Subscription Price:** 90% of the average of the five lowest daily VWAPs during the 20 trading days prior to the subscription.
- **Share Issue Limits:**
 - Until 30 November 2023, any subscriptions by Lind will be at the Fixed Subscription Price of \$0.208.
 - From 1 December 2023 until 31 July 2024, any subscriptions by Lind will be:
 - at either the Fixed Subscription Price of \$0.208 per share with no subscription limits at the Fixed Subscription Price, or
 - the Variable Subscription Price; but limited at an aggregate monthly subscription amount at the Variable Subscription Price of \$150,000.
 - From 1 August 2024 until 21 December 2025, any subscriptions by Lind will be at the lesser of the Fixed Subscription Price and the Variable Subscription Price, and no limits will apply.

However during the period from 1 December 2023 to 31 July 2024, Lind has the ability to increase the aggregate monthly subscription amount at the Variable Subscription Price to \$500,000 on two occasions.

- **Redemption:** The Company can elect at any time during the Term to repay in full the then unused Advance Payment value, although it must first give Lind the ability to subscribe, in accordance with the Agreement for up to one-third of that amount.
- **Other terms:** as is customary with these types of arrangements, the Agreement contains typical investor protections such as negative covenants and representations and warranties.
- **Listing Rule 7.1:**
 - The Options are being issued subject to shareholder approval.
 - The agreement to issue the shares under the Agreement is being made pursuant to the Company's placement capacity under Listing Rules 7.1.

Under the Agreement, the aggregate of shares agreed to be issued (not including the Initial Shares) is limited to 19,516,935 shares. To issue shares in excess of this number, Nimy will need to obtain shareholder approval to the particular issue, or shareholder ratification of a past issue of shares under the agreement.

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Nimy has agreed to seek shareholder approval within 90 days to issue the Options, ratify all issues of securities under the Agreement prior to the meeting (including the Initial Shares) and approve any issues of shares under the agreement within the maximum period after the meeting permitted under the listing rules at the time (presently 3 months).

Nimy has also agreed that whenever it holds a general meeting during the term of the Agreement, Nimy will seek ratification of all issues of securities under the Agreement prior to the meeting, and approval to issue shares under the agreement within the maximum period after the meeting permitted under the listing rules at the time.

An Appendix 3B for the Agreement will be released following this announcement.

There is no security provided by Nimy Resources to Lind in respect to the Placement Agreement. No interest is payable under the Agreement.

Funds are expected to be received within 5 business days of execution of the agreement.

This announcement has been approved for release by the Board

Company Information

Nimy Resources Limited

Richard Moody

info@nimyresources.com.au

(08) 9261 4600

Investor & Media Information

Read Corporate

Paul Armstrong

info@readcorporate.com.au

(08) 9388 1474

Nimy Resources ASX:NIM

Release Date 22 August 2023

BOARD AND MANAGEMENT

Simon Lill

Non-Executive Chairman

Luke Hampson

Executive Director

Christian Price

Executive Director

Henko Vos

Secretary/CFO

Fergus Jockel

Geological Consultant

Ian Glacken

Geological Technical Advisor

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CAPITAL STRUCTURE

Shares on Issue – 129.8m

Options on Issue – 28.0m

Website

www.nimy.com.au

Contact

info@nimyresources.com.au

About The Lind Partners

The Lind Partners manages institutional funds that are leaders in providing growth capital to small- and mid-cap companies publicly traded in the US, Australia, Canada and the UK. Lind's funds make direct investments ranging from US\$1 to US\$30 million, invest in syndicated equity offerings and selectively buy on market. Having completed more than 150 direct investments totalling over US\$1.5 Billion in transaction value, Lind's funds have been flexible and supportive capital partners to investee companies since 2011.

About Nimy Resources and the Mons Nickel Project

Nimy Resources is an emerging exploration company, with the vision to discover and develop critical metals for a forward-facing economy in Western Australian, a Tier 1 jurisdiction.

Nimy has prioritised the development of the Mons Project, a district scale land holding consisting of 12 approved tenements and 4 in the approval process, over an area of 2,564km² covering an 80km north/south strike of mafic and ultramafic sequences.

Mons is located 140km north - northwest of Southern Cross and covers the Karroun Hill district on the northern end of the world-famous Forrestania belt. Mons features a similar geological setting to the southern end of that belt and importantly also the Kambalda nickel belt.

The Mons Project is situated within potentially large scale fertile "Kambalda-Style" and "Mt Keith-Style" nickel rich komatiite sequences within the Murchison Domain of the Youanmi Terrane of the Archean Yilgarn Craton.

While we are primarily Nickel focused, early indications are also offering significant opportunities with other forward-facing metals, so important to the decarbonisation of our economy going forward.

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