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Tolu Minerals Limited
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ASX:TOK, OTCQX: TOLUF

ASX Announcement

24 October 2024

Not for release to US wire services or distribution in the United States

A\$26.7M Placement

Tolu Minerals Limited (ASX: TOK, Tolu Minerals or the Company) is pleased to announce that it has received firm commitments for a A\$26.7 million placement to sophisticated and institutional investors at an issue price of A\$0.80 per share (**Placement**).

HIGHLIGHTS:

- Firm commitments received for a A\$26.7 million Placement.
- Strong demand from both new and existing institutional and sophisticated shareholders, located domestically and offshore.
- Proceeds from the Placement will be used for:
 - Acceleration of exploration activities across the Tolukuma Gold Mine and Structure;
 - Redevelopment of the Tolukuma Gold Mine, including study work, mine development and dewatering; and
 - Working capital and costs of the offer.
- Excellent financial position with proforma cash of approximately A\$29.4 million (before costs of the offer).¹

Tolu Minerals Managing Director & Chief Executive Officer, Iain Macpherson commented:

This successful capital raising is a very pleasing outcome. In particular, it confirms that Tolu's strategy of leveraging the existing infrastructure of the historical Tolukuma gold mine to grow and develop a very substantial Mineral Resource and at the same time return Tolukuma to high grade gold production, resonates with our shareholders and the market. I am also delighted with the ongoing support of a number of leading global institutional gold funds and existing shareholders.

This placement enables Tolu to further accelerate both regional and near mine exploration as well as to continue the rapid refurbishment of the mine back into near term high grade gold and silver production.

¹ Based on the cash position at 30 September 2024 of approximately A\$2.7 million.

The ongoing airborne survey is proving to be an invaluable tool in targeting future exploration and has already highlighted a number of near mine epithermal targets as well as several regional targets. As was the case for the recent K92 Airborne survey undertaken by the same providers, the survey is proving adept at identifying structures and mineralised zones, including both epithermal and porphyry style mineralisation, to depths in excess of 1,000m below surface. The survey will be continued over the coming weeks and I look forward to updating the market later this year with the outcomes of this work as well as providing a general update on progress. This survey work was instrumental in the value creation path of fellow PNG gold company K92, which we aim to emulate.

Use of Funds

The proceeds from the Placement will be utilised for acceleration of exploration activities across the Tolukuma Gold Mine and Structure, redevelopment of the Tolukuma Gold Mine (including study work, mine development and dewatering) and working capital and costs of the offer.

Placement Details

An equity raising of A\$26.7 million (before costs) via a Placement. Approximately 33.4 million New Shares will be issued under the Placement to sophisticated, professional and institutional investors utilising the Company's available Listing Rule 7.1 & 7.1A capacity.

The Placement issue price of A\$0.80 per share is a 60.0% premium to the A\$0.50 per share issue price used in the Company's November 2023 initial public offering and April 2024 placement. It represents a 21.6% discount to Tolu Minerals' last traded price (21 October 2024) of A\$1.02 per share, a 20.3% discount to the 5-day volume weighted average price (**VWAP**) of A\$1.04 per share and a 12.3% discount to the 15-day VWAP of A\$0.912 per share.

New Shares issued will rank equally with existing shares on issue.

Table 1. Indicative Placement Timetable

Event	Timing
ASX Announcement / Resume Trading	Thursday, 24 October 2024
Settlement New Shares	Wednesday, 30 October 2024
Expected Date of ASX Quotation of New Shares	Thursday, 31 October 2024

Note: the above timetable is indicative only and subject to change. The Company reserves the right to amend any or of these dates at its absolute discretion, subject to the Corporations Act 2001 (Cth), the ASX Listing Rules and any other applicable laws. The quotation of the New Shares is subject to approval from the ASX.

Other Information

Argonaut Securities Pty Limited acted as Sole Lead Manager and Bookrunner to the Placement.

Not an offer in the United States

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

This announcement has been authorised for release by the Directors of the Company. For additional information please visit our website at www.toluminerals.com

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TOLU MINERALS LIMITED

Competent Person Statement:

The information in this report that relates to Exploration, Exploration Results and Mineral Resources is based on information compiled by or compiled under the supervision of Peter Swiridiuk - Member of the Aust. Inst. of Geoscientists. Peter Swiridiuk is a Technical Consultant and member of the Tolu Minerals Ltd. Advisory Board. Peter Swiridiuk has sufficient experience which is relevant to the type of mineralisation and type of deposit under consideration to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code of Reporting Exploration Results, Mineral Resources and Ore Resources. Peter Swiridiuk consents to the inclusion in the report of the matters based on the information in the form and context in which it appears. Additionally, Mr Swiridiuk confirms that the entity is not aware of any new information or data that materially affects the information contained in the ASX releases referred to in this report.

Tolu Exploration Licence Information held at 23 October 2024

License Number	Type of License	Tolu Ownership	Sub-blocks	Area * (km ²)	Grant Date	Expiry Date
ML104	Mining Lease	100%	N/A	7.71	01-Sep-21	28-Aug-32
EL2531	Exploration License	100%	32.73	110.60	25-Feb-19	24-Feb-25
EL2385	Exploration License	100%	29	104.70	26-May-16	25-May24 [#]
EL2535	Exploration License	100%	8	27.28	26-Jan-22	25-Jan24 [#]
EL2536	Exploration License	100%	30	102.30	26-Jan-22	25-Jan-24 [#]
EL2538	Exploration License	100%	14	47.74	26-Jan22	25-Jan24 [#]
EL2539	Exploration License	100%	29	98.89	26-Jan22	25-Jan-24 [#]
EL2723	Exploration License	100%	53	183.30	08-Nov22	07-Nov-24 [#]
EL2662	Exploration License	100%	30	102.60	26-Oct-21	25-Oct-23 [#]
ELA2780	EL Application	100%	124	422.50	Awaiting Grant	N/A
Total			349.73	1,207.62		

*1 sub-block approximately 3.41 sq.km
Pending MRA Renewal for a further two-year term

Notes:

The PNG Mining Act-1992 stipulates that Exploration Licences (ELs) are granted for a renewable 2-year term (subject to satisfying work and expenditure commitments) and the PNG Government maintains the right to purchase up to 30% project equity at "Sunk Cost" if/when a Mining Lease (ML) is granted. EL2385, EL2535, EL2536, EL2538 and EL2539 are currently subject to an extension renewal process. The tenements remain in force until determinations of renewal are made by the Mining Advisory Council.
The Warden Hearing for ELA2780 was completed on 6 March 2024.

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