



Parkway Minerals NL

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ASX Announcement

25 November 2019

ASX: PWN
FSE: 4IP

Corporate Update and Capital Raising

Overview

Highlights

- Current executive director, Bahay Ozcakmak to be appointed Managing Director.
- In order to fund a range of priority activities relating to the commercialisation of the aMES™ technology, including the preparation of pre-feasibility study for the Karinga Lakes project (**KLPP**), Parkway Minerals is seeking to raise up to a total of \$849,000 via a placement to sophisticated and professional investors ("**Placement**") and a share purchase plan to existing shareholders ("**SPP**").
 - Parkway Minerals has received firm commitments from sophisticated investors to subscribe for 31,500,000 shares, at an issue price of \$0.006 per share, to raise gross proceeds of \$189,000 pursuant to the Placement.
 - Existing shareholders are being offered the opportunity to participate in the SPP at the same issue price of \$0.006 per share, in order to raise up to an additional \$660,000.
 - Subscribers under the Placement and SPP will receive one free-attaching option (exercisable at \$0.02 each on or before 16 December 2022) for every two shares subscribed for.
 - The Company has engaged Peloton Capital to support the SPP offer.
 - Directors and major shareholders have indicated their intention to participate in the SPP.
- Updated Corporate Presentation and details of the Offer will be provided shortly.

Parkway Minerals NL (ASX: **PWN**) ("**Parkway Minerals**" or the "**Company**") is pleased to announce that, in order to fund a range of priority activities, the Company is seeking to raise up to \$849,000 via a Placement and SPP.

Use of Funds

Funds raised under the Placement and SPP will be applied towards:

- preparing a pre-feasibility study for the KLPP based on the aMES™ technology
- project evaluation activities for the New Mexico Lithium Project to support potential farm-out of the project
- ongoing business development and commercialisation of the aMES™ brine-processing technology (including establishment and formalisation of strategic partnerships), and
- general working capital.

Placement Details

Pursuant to the Placement, the Company has received firm commitments from sophisticated investors to subscribe for 31,500,000 shares, at an issue price of \$0.006 per share, to raise a total of \$189,000 (before costs).

The Placement will see the issue of 31,500,000 new fully paid ordinary shares in the Company at an issue price of \$0.006 per Share and will be made pursuant to the Company's 15% placement capacity under ASX Listing Rule 7.1.

The Placement pricing represents a 13.33% discount to the 5-day volume weighted average price ("VWAP") and a discount of 25% to the Company's last traded share price on the ASX being \$0.008. Settlement of the Placement is expected to occur on 4 December 2019.

Subscribers under the Placement will receive one free-attaching option (exercisable at \$0.02 each on or before 16 December 2022) for every two shares subscribed for.

SPP Details

Shareholders who are entered in the register of members at 5.00pm (WST) on 22 November 2019 (**Eligible Shareholders**) are being offered the opportunity to participate in the SPP at the same issue price under the Placement of \$0.006 per share, to raise up to an additional \$660,000.

The issue price under the SPP will be \$0.006 per Share (**Offer Price**) representing a 13.33% discount to the 5-day VWAP and a discount of 25% to the Company's last traded share price on the ASX, being \$0.008.

The Company is also offering one unlisted option (1) for every two shares issued under the SPP (exercisable at \$0.02 each on or before 16 December 2022). The offer of such Options will be made separately under a prospectus which will be sent to Eligible Shareholders as a separate document.

If total applications exceed \$660,000, the directors of the Company may in their absolute discretion accept or scale-back any applications.

Eligible shareholders wanting to participate in the SPP should obtain independent professional advice about the taxation consequences of an investment under the SPP.

Eligible shareholders are able to purchase a parcel of new shares worth \$2,000, \$5,000, \$10,000, \$15,000, \$20,000, \$25,000 and \$30,000 at the Offer Price without incurring brokerage or transaction costs. All new shares issued under the SPP will rank equally with existing ordinary shares in the Company. To apply for a parcel of shares under the SPP, please follow the instructions on the application form accompanying the SPP terms and conditions that will be sent to you in due course and ensure that your application is received in cleared funds no later than 5.00pm (WST) on 17 December 2019. The SPP is not subject to shareholder approval.

We encourage you to read the Terms and Conditions carefully when you receive the SPP documents. If you are unsure about whether to participate, please contact your professional adviser without delay. If you require further information, please contact us on +61(0) 8 9479 5386.

Board Update

Appointment of Bahay Ozcakmak as Managing Director

Immediately after the upcoming Parkway Minerals Annual General Meeting (AGM) scheduled for 2:00pm (WST) on Tuesday the 26th of November 2019, Parkway Minerals executive director Bahay Ozcakmak will be appointed the new managing director of the Company. Bahay is the founder of Activated Water Technologies (AWT). AWT was the first spin-out company from Victoria University, and was specifically established in March 2016 to commercialise the aMES™ technology platform. In February 2017, Bahay led the sale of a majority interest in AWT to Consolidated Potash Corporation (CPC) and was subsequently appointed the Managing Director and CEO up until acquisition of CPC by Parkway Minerals.

Bahay has extensive experience commercialising innovative technologies targeting the production and processing of various brine streams for a range of industrial applications as well as the production of energy, water and minerals. As an experienced executive and the driving force behind the aMES™ technology since inception, the board has determined that Bahay is uniquely well placed to lead Parkway Minerals as it embarks on a range of growth initiatives. Following the recent acquisition of CPC by Parkway Minerals, entities controlled by Bahay are amongst the largest shareholders of the Company. As part of managing director succession process, the current Parkway Minerals managing director Patrick McManus will transition into a non-executive director role where he will continue to support the Company.

Patrick McManus remarked “Following almost 2 years of discussions with the vendors of CPC, and after an extensive due-diligence initiative, we recently completed the acquisition of a 100% interest in CPC. One of the key considerations in our decision to acquire CPC was the significant opportunity to apply the aMES™ technology to a broad range of brines and other aqueous solutions. In recent years, our AWT and CPC subsidiaries have established significant experience in applying the aMES™ technology to a range of feedstocks. The accomplishments of the team have been recognised through the award of a number of merit-based competitive grants from the Australian Research Council, as well as through the calibre of partners collaborating with the Company.

I strongly believe the acquisition of CPC is a transformative acquisition for Parkway Minerals. Ownership of the aMES™ technology is already opening up numerous very exciting opportunities for the Company, which we will share with shareholders in coming months.”

Final Comments

On behalf of the Board, we thank our shareholders for your continued support of Parkway Minerals. Through the acquisition of CPC, we are confident we have established the foundations for what we believe is a transformational transaction for the Company.

As we embark on the next stage of growth, we are pleased to offer you the opportunity to increase your investment in the Company and thank you for your continued support as a shareholder. We are very pleased to advise that major shareholders and all the directors of the Company have indicated that they intend to support the Company by participating in the SPP.



Your sincerely,

A handwritten signature in blue ink, appearing to read "Patrick McManus".

PATRICK MCMANUS

Managing Director

Your sincerely,

A handwritten signature in blue ink, appearing to read "Bahay Ozcakmak".

BAHAY OZCAKMAK

Executive Director

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Bahay Ozcakmak

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