

ASX ANNOUNCEMENT

7th February 2023

EVR Secures \$25M Investment Commitment

EV Resources Limited (ASX:EVR) (“EVR” or the “Company”) announces that it has entered an agreement for a \$25 million investment commitment from Sapphire Global Energy Fund, LLC (“Investor” or “Sapphire”) (“Capital Commitment”). The proceeds from the capital investment will be used to strategically acquire projects and as working capital to develop further the Company’s current portfolio, including but not limited to drilling campaigns and funding towards JORC compliant mineral resource estimates of the projects.

EV Resources’ Executive Director Navin Sidhu commented:

“The investment commitment is another major milestone that will enable us to grow significantly over the next 12 months. We look forward to implementing our vision to become a strategically diversified explorer and developer of precious and green energy metals.

Sapphire is very supportive of the Company and realises the potential we have, thus they have provided us with an extremely competitive and sizeable facility. This facility enables us to drawdown when necessary, allowing us to better manage our funding needs, reduce dilution and not be at the mercy of the markets.”

Terms of the Equity Placement Agreement are as follows:

- **Investment:** \$25 million via an equity drawdown facility.
- **Term:** The Company has the option to drawdown on the facility for 60 months commencing on 1 March 2023, or an earlier date agreed upon.
- **Security Shares:** The security provided to the Investor is 35 million shares to be issued prior to the first drawdown (Security Shares) which may be utilised to offset any drawdown.
- **Placement Request:** On drawdown of the facility, the Company is to send a Placement Request requiring either:
 - an amount of securities for the Investor to purchase at the Placement Price. The number of securities to be purchased will be equal to the lower of:
 - The number of securities requested;
 - 30% of the total volume traded in the 10 trading days prior to each Placement Request;
 - \$2m divided by the Placement Price;
 - The Available Facility Limited (being \$25M less drawdowns completed) divided by the Placement Price;
 - The Company’s available placement capacity under LR 7.1; and
 - The number of Security Shares less the aggregate amounts of any reductions;

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or

- a placement amount (the “Requested Placement Amount”). The Requested Placement Amount will be the lesser of:
 - the Requested Placement Amount;
 - \$250,000, which may be increased to \$500,000 by mutual agreement;
 - the Available Facility Limit (being \$25M less drawdowns completed);
 - the Placement Price multiplied by the total of Security Shares less the aggregate amount of any reductions to the Security Share number; and
 - the Placement Price multiplied by the Company’s available capacity under Listing Rules 7.1.
- **Placement Price:** The price of the drawdown will be 95% of the average of the lowest 3 daily VWAPs during the 11 trading days following the Placement Request being sent to the Investor (“Calculation Period”).
- **Trading Restriction:** The Investor agrees to not trade more than \$25,000 worth of EVR shares or more than 20% of the relevant days’ volume (whichever is higher), in a single day. Where the number of shares has been specified in the Placement Request, then the Investor agrees not to sell in excess of 3m shares or 20% of the daily trading volume (whichever is greater) during the Calculation Period.
- **Placement Conditions:** The following conditions must be met prior to a Placement:
 - The Shares are not suspended from trading on the ASX or subject to a trading halt.
 - It has been at least 12 Trading Days since the immediately prior Placement Request Date, provided that this may be reduced to a lesser number of days by mutual agreement between the Investor and the Company.
 - The Shares have not traded below A\$0.008 per Share during any of the 10 prior Trading Days;
 - The immediately prior Placement Request has Completed.
 - No Event of Default has occurred.
- **Facility Fee:** 3% of the equity facility amount to be paid in cash or shares (at the Company’s election):
 - 0.75% within 3 days of executing the Equity Placement Agreement. At the Company’s election this fee is payable by the issue of 7 million shares at an issue price of approximately \$0.027 being an 80% premium to the Company’s current trading price;
 - 0.75% upon first drawdown;
 - 1.5% upon drawdown of 50% of the facility.

About Sapphire Global Energy Fund, LLC

Sapphire Global Energy Fund, LLC (“**Sapphire**”) is a New York City-based alternative investment fund, managed by Obsidian Global Partners LLC, focused on providing growth-oriented capital to public and private companies globally.

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This ASX announcement was authorised for release by the Board of EV Resources Limited (EVR).

Forward Looking Statement

Forward Looking Statements regarding EVR's plans with respect to its mineral properties and programs are forward-looking statements. There can be no assurance that EVR's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that EVR will be able to confirm the presence of additional mineral resources, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of EVR's mineral properties. The performance of EVR may be influenced by a number of factors which are outside the control of the Company and its Directors, staff, and contractors. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All of such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the company's prospects, properties and business strategy. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.

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