

1 May 2023

Mayur secures funding for early development works at Central Lime Project

Mayur Resources Limited (ASX:MRL) (**Mayur** or the **Company**), is pleased to advise that the Company has been offered funding, comprising \$2.75 million in a placement (the **Placement**) and \$2.5 million in convertible notes (the **Notes**), with funding to be primarily applied towards early development works at Mayur's Central Lime Project in parallel with the PNG Government preparing for the Consultative Forum.

Mr Paul Mulder, Managing Director of Mayur said:

“With this \$5.25 million in funding now committed, we will immediately commence initiation works that will seamlessly enable the larger scale construction works to start at our Central Lime Project, that includes preparatory on the ground wharf works in readiness for full scale construction to commence.”

“As reported in the quarterly we are well advanced securing all required asset-level equity financing for the Central Lime Project targeted for completion mid-2023. We look forward to providing further updates to the market as we complete these works accelerating our path to material revenue generation *transitioning from exploration and development to Construction & Operations.*”

The Placement was completed at the last traded price of \$0.18 per share. The Placement generated significant interest from existing and new institutional investors resulting in a total \$2.75 million raised including \$1.25 million in additional funding above the \$1.5 million minimum sought. Pursuant to the Placement, the Company will be issuing approximately 15.3 million CDIs (the **Placement CDIs**). The Placement includes an attaching unlisted option exercisable at \$0.30 expiring three years from their date of issue on a 1 option for every 2 Placement CDIs basis (the **Placement Options**), resulting in the issue of approximately 7.64 million Placement Options.

Both the Placement CDIs and the Placement Options are being issued under the Company's existing ASX Listing Rule 7.1A and 7.1 placement capacity (respectively). The Company expects settlement of the Placement to occur on Friday, 5 May 2023 and for the shares to commence trading on Monday 8 May 2023.

Concurrently with the Placement, the Company has received an offer of \$2.5 million through the Notes which will be solely applied towards completing the early development works at the Central Lime Project. A summary of the terms of the Notes are annexed. Long form documentation will be executed in the coming days.

Evolution Capital acted as the sole Lead Manager to the Placement. Mayur will pay fees in aggregate not exceeding 6% on the total funds raised under the Placement and 3% under the Notes.

An Appendix 3B for the Placement will be lodged today following this announcement.

The Appendix 3B for the Notes will be lodged following execution of long form documentation in the coming days.

This announcement has been authorised for release by the Board of Directors of Mayur Resources Limited.



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ABOUT MAYUR

Mayur Resources Limited is focused on the development of natural resources and renewable energy in Papua New Guinea. Our diversified asset portfolio spans industrial sands, lime and cement, battery minerals and renewable power generation. Mayur also holds a 43% interest in copper gold explorer/developer Adyton Resources, a company listed on the TSX-V (TSXV:ADY).

Mayur's strategy is to serve PNG and the wider Asia Pacific region's path to decarbonisation by developing mineral projects that deliver higher quality, lower cost, and "net zero" inputs for the mining and construction industries, as well as constructing a renewable energy portfolio of solar, wind, geothermal, forestry carbon credit estates, and battery storage.

Mayur is committed to engaging with host communities throughout the lifecycle of its projects, as well as incorporating internationally recognised Environmental, Social and Governance (ESG) standards into its strategy and business practices.



Notes Terms:

Investor	Obsidian Global Partners, LLC
Investment	A\$2,500,000 in USD
Notes Face Value	A\$2,875,000 in USD Notes to be held by the Investor in USD, such that the Company receives an amount in USD equivalent to the Investment at the prevailing exchange price at the time of Notes are issued.
Maturity	18 months
Security	The Notes are NOT secured by the assets of the Company.
Collateral Shares	The Company will issue to the Investor: 1,000,000 CDIs (Shares) at the issue of the Notes; and 2,000,000 CDIs (Shares) on the 121 st day of the Notes, if it is still outstanding at that time. In the event that the Notes are repaid in cash, the Investor will pay to the Company the value of the Collateral Shares issued at a 3% discount to the 15 day Volume Weighted Average Price following the date of repayment. If the Investor converts the Notes into equity, the Investor may in its sole discretion apply the Collateral Shares to offset new shares that would be issued on conversion.
Repayment in Cash	The Company may repay the Notes in cash within the first 120 days by repaying the Face Value with no further premium. After 120 days, the Company may repay the Notes Face Value Amount outstanding on the Notes in cash plus a 10% premium, resulting in an effective interest rate of approximately 17.6% over 18 months.
Conversion	Within the first 120 days, the Investor may convert the Notes into equity at its sole discretion at the greater of \$0.30 or a 10% discount to the average of the lowest 3 daily VWAPs in the 15 days prior to conversion. After 120 days, the Investor may convert the Notes into equity at a 10% discount to the average of the lowest 3 daily VWAPs in the 15 days prior to conversion. The Notes may not be converted at a conversion price below \$0.10 per Share (Floor Price).
Options	The Company will issue to the Investor 625,000 Unlisted Options exercisable at \$0.40 expiring three years from their date of issue on issue of the Notes. If the Notes are still outstanding on the 121 st day, the Company will issue to the Investor a further 625,000 Unlisted Options expiring three years from their date of issue, with an exercise price to be the greater of \$0.40 and a 50% premium to the 15 day VWAP on the 121 st day.
Placement Capacity	The issue of the Notes and attaching securities will be made out of existing ASX Listing Rule 7.1 capacity.
Other Terms	The Notes are otherwise on terms customary for instruments of this nature.
Formal Documentation	The Company has executed a Term Sheet with the Investor for the Notes and is in the final stages of finalising definitive documentation with the Investor. The Company expects to complete formal documentation in the coming days, and will issue the first tranche Collateral Shares, Unlisted Options, and the Notes at that time.