

17th November 2021

ASX ANNOUNCEMENT

PROPOSED ISSUE OF CONVERTIBLE NOTES AND PERFORMANCE RIGHTS

CONVERTIBLE NOTES

The Company advises that today it has entered into Convertible Note Deeds which set out the terms on which Accent Resources NL (**Company**) proposes, subject to shareholder approval, to issue convertible notes (**Convertible Notes**) to major shareholders Rich Mark Development (Group) Pty Ltd (**Rich Mark**) and Xingang Resources (HK) Ltd (**Xingang**)

Shareholder approval for the issue of the Convertible Notes to Rich Mark and Xingang will be sought at the Company's Annual General Meeting to be held on 22 December 2021, notice of which will be despatched to shareholders shortly.

Rich Mark and Xingang have been funding the Company's activities over the last 4 years by way of loans. The proposed 3 year Convertible Notes, which will replace the loans advanced to the Company by Rich Mark and Xingang, will have a face value of up to \$5.225m for Rich Mark and \$4.583m for Xingang (being all outstanding and any undrawn amounts of the current loans plus accrued interest) and, subject to shareholder approval, will be convertible into fully paid ordinary shares in the Company at a conversion price of 6 cents per share. This compares to the Company's current share price of 5.5 cents per share. The Convertible Notes can only be converted at 6 monthly intervals and for the full amount of the face value at that time.

The issue of the Convertible Note will allow conversion of Rich Mark's and Xingang's debt to equity at Rich Mark's and Xingang's election, thereby strengthening the company's financial position.

If the issue of the Convertible Notes and the issue of shares upon conversion of the Convertible Notes is approved by shareholders, it could, if conversion does not take place until maturity, decrease Rich Mark's shareholding in the Company from the current 67.2% to 63.1% and increase Xingang's from 21.0% to 28.2%. The combined percentage shareholdings in the Company of Rich Mark and its associate Xingang Resources (HK) Ltd could increase from 88.2% to 91.4 %..

PERFORMANCE RIGHTS

Shareholder approval will also be sought at the AGM for the issue of 11.5m Performance Rights to the four directors of the Company. The directors are Albert Zhou, Jerry Liang, Dianzhou He, and Charlie You. (**Director Participants**)



Further details of the proposed issue of the Convertible Notes to Rich Mark and Xingang and the Performance Rights to Directors are contained in the Notice of Annual General Meeting and accompanying Explanatory Memorandum which has been released to the ASX..

The Board looks forward to shareholder's supporting the Resolutions contained in the Notice of Meeting.

Yours sincerely



Albert Zhou - Executive Chairman