

ASX ANNOUNCEMENT

17 November 2023

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\$25 million Institutional Placement to Accelerate High-Grade Growth Strategy

High-quality institutions back Spartan's plan to unlock the potential of the Dalgaranga Gold Project

Highlights

- Firm commitments received from leading domestic and international resource investors to raise A\$25 million through a targeted institutional placement priced at A\$0.40 per share, a premium of approximately 3% to the last close on 15 November 2023.
- Proceeds to be used to underpin an expanded exploration campaign at Dalgaranga in 2024:
 - Drill out Never Never Deeps and grow this high-grade Resource beyond the MRE update scheduled for December 2023;
 - Drill out multiple new high-grade discoveries immediately along strike including Four Pillars, West Winds, Arc and Ink to bring them into the Resource;
 - Complete a Feasibility Study on a fully integrated restart of the Dalgaranga Project based on the Company's new high-grade strategy; and
 - General working capital, care and maintenance, corporate and transaction costs.
- Spartan is well-funded with pro-forma cash position of A\$53.2m on completion of the Placement¹.

Placement Overview

Spartan Resources Limited ("**Spartan**" or "**Company**") (ASX: SPR) is pleased to advise that it has received firm commitments to raise A\$25 million (before costs) through a placement to institutional investors ("**Placement**").

The Placement comprises the issue of approximately 62.5 million new Spartan shares ("**New Shares**") (representing approximately 7% of Spartan's existing shares on issue) and was conducted at an offer

¹ Based on Spartan closing cash of \$28.2m as at 30 September 2023 and adjusted for gross Placement proceeds (excludes transaction costs).

price of A\$0.40 per share, representing a premium of approximately 3% to the last closing price of A\$0.39 per share prior to the Placement.

The New Shares will be issued under the Company's existing placement capacity under ASX Listing Rule 7.1 and are expected to be issued on Friday, 24 November 2023. The New Shares issued under the Placement will rank equally with existing Spartan shares as at their date of issue.

Trading in Spartan shares is expected to resume on the ASX from market open today (Friday, 17 November 2023).

Spartan Managing Director and Chief Executive Officer, Simon Lawson, said:

"We are very pleased with the level of support shown by well-credentialed resource investors for the Placement, with the strong demand received, representing a clear endorsement of Spartan's high-grade growth strategy."

The proceeds of this Placement, combined with existing cash reserves, will put Spartan in an outstanding position to capitalise on what has been an exceptional year for the Company in 2023 and significantly up-scale our exploration and resource drilling efforts in the first half of 2024.

The funds raised will be earmarked to delivering resource growth above the scheduled MRE update in December 2023, targeting the next leg of resource growth at Dalgaranga and ensuring we can maintain our current exploration momentum.

The Spartan team is committed to ensuring a thorough and detailed approach is taken to the delineation of the Never Never orebody and the surrounding targets. Spartan is focused on expanding the Never Never footprint with the most recent results hitting broad mineralisation more than 500m from surface.

The Spartan Board has approved a significant increase in our exploration activities on site with the Placement designed to ensure Spartan's balance sheet strength and flexibility is maintained while funds are committed to advancing the Dalgaranga Gold Project."

Use of Funds

The proceeds from the Placement, when combined with the Company's existing cash balance at 30 September 2023 are intended to be used for:

- Exploration, studies and care & maintenance costs – \$40.0 million
 - \$29.3 million to be dedicated to Never Never exploration including "look-alike" targets and feasibility studies;
 - \$2.7 million to fulfill minimum expenditure commitments and maintain good standing on remaining tenements; and
 - \$8.0 million for care and maintenance costs for Dalgaranga through to the end of November 2024.
- Corporate costs and general working capital – \$12.0 million
 - \$9.0 million intended to fund corporate costs; and
 - \$3.0 million working capital for Spartan through to the end of November 2024.
- Transaction and other costs – \$1.2 million

Advisers

Canaccord Genuity (Australia) Limited and Ashanti Capital Pty Ltd are acting as Joint Lead Managers to the Placement.

Herbert Smith Freehills is acting as legal adviser to the Company in relation to the Placement.

Indicative Placement Timeline

Key Events	Date / Time (Perth Time)
Announcement of Placement and trading halt lifted	Friday, 17 November 2023
Settlement of Placement New Shares	Thursday, 23 November 2023
Allotment of Placement New Shares	Friday, 24 November 2023

The timetable is indicative only and remains subject to change at the Company's discretion, subject to compliance with the *Corporations Act 2001* (Cth), the ASX Listing Rules and any other applicable laws. The quotation of new shares is subject to confirmation from the ASX.

Authorisation

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

All dollar amounts are in Australian dollars unless otherwise indicated

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Nothing contained in this announcement constitutes investment, legal, tax or other advice. You should make your own assessment and take independent professional advice in relation to the information and any action on the basis of the information.

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BACKGROUND ON SPARTAN RESOURCES

Spartan Resources Limited (ASX: SPR) is an ASX-listed gold company which is currently undergoing a transformational restructure and repositioning as an advanced exploration company with a rapid pathway back into production at its Dalgaranga Gold Project, located 65km north-west of Mt Magnet in the Murchison District of Western Australia.

Dalgaranga produced over 70,000oz of gold in FY2022 before being placed on care and maintenance in November 2022 to implement an operational reset designed to preserve the value of its extensive infrastructure and Resource base while developing a new, sustainable operating plan.

This approach is underpinned by the exceptional high-grade Never Never gold discovery, which was made in 2022 just 1km from the existing 2.5Mtpa carbon-in-leach processing facility and the main open pit at Dalgaranga.

Spartan has moved to rapidly unlock the potential of this significant discovery, which comprises a current JORC Mineral Resource of 721,200oz at an average grade of 5.85g/t, plus an Exploration Target ([read the announcement here](#)).

In February 2023, the Company rolled out an 18-month exploration and strategic plan (**the “365” strategy**) targeting²:

- A +300koz Reserve at a grade exceeding 4.0g/t Au at Never Never;
- A +600koz Resource at a grade exceeding 5.0g/t Au at Never Never;
- The development of a 5-year mine plan aimed at delivering gold production of 130-150koz per annum.

This updated strategy is centred around an aggressive exploration program at Never Never designed to target Resource expansion, Reserve definition and near-mine exploration drilling targeting Never Never “lookalikes”.

² These are not intended to be a forecast. Spartan’s ability for achieve these aims is subject to a number of uncertainties including exploration success.

In addition to its near-mine exploration at Dalgaranga, Spartan is actively exploring more than 500km² of surrounding exploration tenements and also owns the advanced Yalgoo Gold Project with a Mineral Resource of 244koz, where permitting activities are well advanced to establish a potential satellite mining operation at the Melville deposit.

In addition to Dalgaranga and Yalgoo, the Company's advanced exploration and development project at Glenburgh–Mt Egerton with a combined 527koz Mineral Resource, located ~300km north of Dalgaranga, has the potential to be a second production hub.

Spartan is committed to safe and respectful operation as a professional and considerate organisation within a diverse and varied community. Our people represent our culture and our culture is always to show respect to each other and to our community, to respect the unique environment we operate within and to show respect to all of our various stakeholders.

Competent Persons Statement

The Mineral Resource estimates for the Dalgaranga Gold Project referred to in this announcement are extracted from the ASX announcement dated 24 July 2023 and titled "Never Never Resource Increases to Over 720koz". The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimate in the original market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements. The Competent Person responsible for reporting of those Mineral Resource estimates was Mr Nicholas Jolly.

The Mineral Resource estimates for the Gilbey's North and Never Never deposits (collectively the "Never Never deposits") referred to in this presentation are extracted from the ASX announcement dated 24 July 2023 and titled "Never Never Resource Increases to Over 720koz". The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimate in the original market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements. The Competent Person responsible for reporting of those Mineral Resource estimates was Mr Nicholas Jolly.

The Mineral Resource estimates for the Gilbey's, Gilbey's South, Plymouth, Archie Rose and Sly Fox deposits referred to in this presentation are extracted from the ASX announcement dated 8 September 2022 and titled "Gold Resources increase by 15.6% to 1.37Moz with Resource Grade up by 29%". The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimate in the original market announcement continue to apply and have not materially changed.

Information in this announcement relating to exploration results from the Dalgaranga Gold Project (Gilbey's, Gilbey's South, Plymouth, Sly Fox and Gilbey's North / Never deposits) are based on, and fairly represents data compiled by Spartan's Senior Exploration Geologist Mr Monty Graham, who is a member of The Australasian Institute of Mining and Metallurgy. Mr Graham has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person under the 2012 Edition of the Australasian Code for reporting of Exploration Results. Mr Graham consents to the inclusion of the data in the form and context in which it appears.

The Mineral Resource estimate for the Yalgoo Gold Project referred to in this announcement is extracted from the ASX announcement dated 6 December 2021 and titled "24% Increase in Yalgoo Gold Resource to 243,613oz Strengthens Dalgaranga Growth Pipeline". The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimate in the original market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the

original market announcements. The Competent Person responsible for reporting of those Mineral Resource estimates was Mr Simon Lawson.

The Mineral Resource estimate for the Yalgoo Gold Project referred to in this announcement is extracted from the ASX announcement dated 6 December 202 and titled "24% Increase in in Yalgoo Gold Resource to 243,613oz Strengthens Dalgaranga Growth Pipeline". The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimate in the original market announcement continue to apply and have not materially changed.

The Mineral Resource estimate for the Glenburgh Project referred to in this announcement is extracted from the ASX announcement dated 18 December 2020 and titled "Group Mineral Resources Grow to Over 1.3M oz". The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimate in the original market announcement continue to apply and have not materially changed.

Information in this announcement relating to the Glenburgh and Mt Egerton Gold Projects is based on, and fairly represents, data compiled by Spartan's Senior Exploration Geologist Mr Monty Graham, who is a member of The Australasian Institute of Mining and Metallurgy. Mr Graham has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person under the 2012 Edition of the Australasian Code for reporting of Exploration Results. Mr Graham consents to the inclusion in this announcement of the data relating to the Glenburgh and Mt Egerton Gold Projects in the form and context in which it appears.

Forward-looking statements

This announcement contains forward-looking statements which may be identified by words such as "believes", "estimates", "expects", "intends", "may", "will", "would", "could", or "should" and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this announcement, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management of the Company. These and other factors could cause actual results to differ materially from those expressed in any forward-looking statements.

Investors should not place undue reliance on such forward looking statements. Neither the Company, any member of the Company group or their officers, employees, agents or any other person gives any warranty, representation or assurance that the occurrence of the events expressed or implied in any forward looking statement will occur or have or accept any responsibility to update or revise any such forward-looking statement to reflect any change in the Company's circumstances or financial condition, status or affairs or any change in the events or conditions on which such statements are based, except as required under Australian law.