

## PRE-QUOTATION DISCLOSURE

Solstice Minerals Limited (**Solstice Minerals** or **Company**) provides the following pre-quotations disclosures and confirmations to ASX Limited (**ASX**) to satisfy the conditions for admission of the Company's fully paid ordinary shares (**Shares**) and listed options exercisable at \$0.20 and expiring 4 years from the date of issue, on 22 April 2026 (**Listed Options**) to the official list of the ASX.

All capitalised terms used in this announcement have the meaning given in the prospectus issued by the Company and lodged with ASIC on 14 March 2022 (**Prospectus**) unless otherwise stated.

### 1. COMPLETION OF THE OFFER

The Company confirms that the Offer made under the Prospectus has closed and was fully subscribed under the Maximum Subscription.

The Company confirms it has completed the issue of the following securities:

- a) 60,000,000 Shares at an issue price of \$0.20 each to raise \$12,000,000 (before costs) pursuant to the Offer;
- b) 15,000,000 Listed Options, issued on the basis of one free attaching Listed Option for every 4 Shares subscribed for under the Offer;
- c) 6,500,000 unquoted Director Options to the Directors, which are exercisable at \$0.29 per Option and expire on 22 April 2026 (**Director Options**); and
- d) 3,750,000 unquoted Employee Options to the Employees, which are exercisable at \$0.29 per Option and expire on 22 April 2026 (**Employee Options**).

The Company also confirms that the implementation of the demerger of the Company from OreCorp Limited (**OreCorp**), and the in-specie distribution of 40,000,000 Shares to OreCorp shareholders has been completed.

### 2. CAPITAL STRUCTURE

The Company's capital structure is as follows:

Security	Number
Shares	100,000,000
Listed Options <sup>1</sup>	15,000,000
Unquoted Director and Employee Options <sup>2</sup>	10,250,000

#### Notes

<sup>1</sup> Listed Options are exercisable at \$0.20 per Option and expire on 22 April 2026. Options are exercisable at any time on or prior to expiry.

<sup>2</sup> Unquoted Director and Employee Options are exercisable at \$0.29 per Option and expire on 22 April 2026. Options vest in three equal portions on the date of issue (22 April 2022) and the first and second anniversary of the date of issue.



### 3. RESTRICTED SECURITIES

The Company confirms that the following securities are subject to ASX imposed restrictions in accordance with the ASX Listing Rules:

Security	Number	Restriction Period
Unquoted Director Options <sup>1</sup>	6,500,000	24 months from the date of quotation of the Shares

#### Notes

<sup>1</sup> Unquoted Director Options are exercisable at \$0.29 per Option and expire on 22 April 2026. Options vest in three equal portions on the date of issue (22 April 2022) and the first and second anniversary of the date of issue.

### 4. STATEMENT OF COMMITMENTS

The following table shows an updated statement of commitments based on the actual amount of funds raised under the Prospectus, being the Maximum Subscription of \$12,000,000, together with the \$5,000,000 cash consideration paid by OreCorp to Solstice Minerals as part consideration for the In-specie Shares.

The statement of commitments is based on granted tenements and complies with the requirements of Listing Rule 1.3.2(b).

Use of funds - Year 1	\$	%
Exploration expenditure (Yarri, Kalgoorlie, Yundamindra & Ponton)	5,489,500	32.3%
Non-Executive Directors' fees	187,000	1.1%
Corporate costs (includes executive salaries)	1,018,370	6.0%
Future acquisition costs <sup>1</sup>	1,004,365	5.9%
Estimated expenses of the Offer	695,635	4.1%
Total Funds Allocated - Year 1	8,394,870	49.4%
Use of funds - Year 2	\$	%
Exploration expenditure (Yarri, Kalgoorlie, Yundamindra & Ponton)	6,849,760	40.3%
Non-Executive Directors' fees	187,000	1.1%
Corporate costs (includes executive salaries)	1,018,370	6.0%
Future acquisition costs <sup>1</sup>	550,000	3.2%
Total Funds Allocated - Year 2	8,605,130	50.6%
Total Funds Allocated	17,000,000	100.0%



## **Notes**

<sup>1</sup> Future acquisition costs include allowances for the identification of new projects and opportunistic acquisitions. Although the Company's immediate focus will be on the WA Assets, as with most exploration entities, it will pursue and assess new business opportunities in the resource sector over time that complement its business. These new business opportunities may take the form of direct project acquisitions, joint ventures, farm-ins, acquisition of tenements/permits, and/or direct equity participation. If no suitable acquisition opportunity arises, and subject to the outcomes of exploration activities, the Company may elect to allocate some or all of these funds to exploration on the WA Assets.

<sup>2</sup> The above table is a statement of the Company's current intentions which reflects exploration activities planned on the Company's granted tenements. The Company has a number of tenements under application and, should these be granted, the Company may elect to re-allocate some or all of the planned exploration expenditure to fund activities on those tenements. Investors should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors, including market conditions, the development of new opportunities and/or any number of other factors (including the risk factors outlined in Section 6 of the Prospectus), and actual expenditure levels may differ significantly from the above estimates.

## **5. NO IMPEDIMENTS**

The Company confirms that there are no legal, regulatory, statutory or contractual impediments to the Company entering and carrying out exploration activities on the tenements such that the Company will be able to spend its cash in accordance with its commitments for the purposes of Listing Rule 1.3.2(b).

## **6. TRANSITIONAL SERVICES AGREEMENT**

The Company has entered into the Transitional Services Agreement (**TSA**) with OreCorp dated 3 March 2022 pursuant to which, conditional on completion of the demerger, OreCorp will provide certain services and make available certain systems and infrastructure to Solstice Minerals on a transitional basis to assist the Company in operating its business following completion of the demerger.

The services to be provided include company secretarial and legal services, chief financial officer and other accounting services, office management services, tenement management services and human resources services. The systems to be made available include information technology, network infrastructure, furniture and office supplies. The parties have agreed that the scope of the services and systems covered by the TSA may be further documented and/or may change over time, in which case either party may propose a change to the scope of the services or systems through written notice to the other party.

Solstice Minerals will pay for access to these services and systems on a time-based, at cost recovery basis, reflecting the costs incurred by OreCorp in its personnel providing the services. Charges may be varied from time to time by written mutual agreement, taking into account the external costs incurred by OreCorp in providing the services and systems. OreCorp will invoice Solstice Minerals monthly.

The TSA has an initial term of 12 months, however Solstice Minerals may terminate the agreement in respect of any particular service or system at any time by providing prior written notice and may do so immediately in any circumstances of serious failure, breach, insolvency or a change of control of OreCorp. The TSA may be extended beyond the initial 12 month term by agreement between the parties.

The TSA includes customary representations and warranties as well as additional provisions relating to confidentiality, intellectual property and non-solicitation of employees, which are considered standard for agreements of this nature.



## 7. UPDATED PRO-FORMA BALANCE SHEET (BASED ON ACTUAL AMOUNT RAISED UNDER THE OFFER)

	Reviewed Statement of Financial Position 31-Dec-21	Subsequent Events	Pro forma Adjustments Maximum Subscription	Pro forma Statement of Financial Position
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and cash equivalents	1	444,486	15,859,879	16,304,366
<b>Total Current Assets</b>	<b>1</b>	<b>444,486</b>	<b>15,859,879</b>	<b>16,304,366</b>
<b>Non-current Assets</b>				
Plant and equipment	-	-	153,893	153,893
Right of use asset	69,116	-	-	69,116
Exploration and evaluation assets	4,177,170	1,716,000	-	5,893,170
<b>Total Non-current Assets</b>	<b>4,246,286</b>	<b>1,716,000</b>	<b>153,893</b>	<b>6,116,179</b>
<b>TOTAL ASSETS</b>	<b>4,246,287</b>	<b>2,160,486</b>	<b>16,013,772</b>	<b>22,420,545</b>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Intercompany payables	6,545,937	2,160,486	(8,706,423)	-
Lease liabilities	41,247	-	-	41,247
Deferred tax liability	52,871	-	-	52,871
<b>Total Current Liabilities</b>	<b>6,640,055</b>	<b>2,160,486</b>	<b>(8,706,423)</b>	<b>94,118</b>
<b>Non-current Liabilities</b>				
Lease liabilities	28,865	-	-	28,865
<b>Total Non-current Liabilities</b>	<b>28,865</b>	<b>-</b>	<b>-</b>	<b>28,865</b>
<b>TOTAL LIABILITIES</b>	<b>6,668,920</b>	<b>2,160,486</b>	<b>(8,706,423)</b>	<b>122,983</b>
<b>NET LIABILITIES</b>	<b>(2,422,633)</b>	<b>-</b>	<b>24,720,195</b>	<b>22,297,562</b>
<b>EQUITY</b>				
Issued capital	1	-	24,936,243	24,936,244
Reserves	-	-	433,917	433,917
Accumulated losses	(2,422,634)	-	(649,965)	(3,072,599)
<b>TOTAL EQUITY</b>	<b>(2,422,633)</b>	<b>-</b>	<b>24,720,195</b>	<b>22,297,562</b>



## 8. ASX CONFIRMATIONS

The Company has received confirmation from ASX that:

- a) the non-affiliated shareholders of OreCorp who received 40,000,000 OreCorp Shares distributed in-specie to eligible OreCorp shareholders through the In-Specie Distribution will not be excluded for the purposes of Solstice Minerals demonstrating satisfaction of Listing Rule 1.1 condition 8; and
- b) the requirements of Listing Rule 9.1 do not apply to the 40,000,000 OreCorp Shares distributed in-specie to OreCorp shareholders through the In-Specie Distribution.

This announcement has been authorised for release by the Executive Director.

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