

Announcement Summary

Entity name

EASTERN IRON LIMITED

Announcement Type

New announcement

Date of this announcement

Monday February 1, 2021

The Proposed issue is:

- A standard pro rata issue (including non-renounceable or renounceable)
- A placement or other type of issue

Total number of +securities proposed to be issued for a standard pro rata issue (including non-renounceable or renounceable)

ASX +security code	+Security description	Maximum Number of +securities to be issued
n/a	Options exercisable at \$0.012 each on or before 31 January 2023.	67,023,172
EFE	ORDINARY FULLY PAID	134,046,345

Ex date

Wednesday February 24, 2021

+Record date

Thursday February 25, 2021

Offer closing date

Friday March 12, 2021

Issue date

Friday March 19, 2021

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +security code	+Security description	Maximum Number of +securities to be issued
n/a	Options exercisable at \$0.012 each on or before 31 January 2023	37,500,000



EFE

ORDINARY FULLY PAID

75,000,000

Proposed +issue date

Wednesday March 17, 2021

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

EASTERN IRON LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

1.2 Registered Number Type

ACN

Registration Number

126678037

1.3 ASX issuer code

EFE

1.4 The announcement is

New announcement

1.5 Date of this announcement

Monday February 1, 2021

1.6 The Proposed issue is:

A standard +pro rata issue (non-renounceable or renounceable)

A placement or other type of issue

1.6a The proposed standard +pro rata issue is:

+ Non-renounceable



Part 3 - Details of proposed entitlement offer issue

Part 3A - Conditions

3A.1 - Are any of the following approvals required for the entitlement offer to be unconditional?

- **+Security holder approval**
- **Court approval**
- **Lodgement of court order with +ASIC**
- **ACCC approval**
- **FIRB approval**
- **Another approval/condition external to the entity**

No

Part 3B - Offer details

Class or classes of +securities that will participate in the proposed issue and class or classes of +securities proposed to be issued

ASX +security code and description

EFE : ORDINARY FULLY PAID

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

Yes

If the entity has quoted company options, do the terms entitle option holders to participate on exercise?

No

Details of +securities proposed to be issued

ASX +security code and description

EFE : ORDINARY FULLY PAID

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

ISIN Code for the entitlement or right to participate in a non-renounceable issue (if Issuer is foreign company and +securities are non CDIs)

Offer ratio (ratio to existing holdings at which the proposed +securities will be issued)



The quantity of additional +securities to be issued

1

For a given quantity of +securities held

4

What will be done with fractional entitlements?

Fractions of 0.5 or more rounded up

Maximum number of +securities proposed to be issued (subject to rounding)

134,046,345

Offer price details for retail security holders

In what currency will the offer be made?

AUD - Australian Dollar

What is the offer price per +security for the retail offer?

AUD 0.00800

Oversubscription & Scale back details

Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?

No

Will a scale back be applied if the offer is over-subscribed?

No

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

Yes

Attaching +Security

Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?

New class

Attaching +Security - New class (+securities in a class that is not yet quoted or recorded by ASX)

Details of attaching +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)



ISIN Code for the entitlement or right to participate in a non-renounceable issue (if Issuer is foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

No

ASX +security code

New class-code to be confirmed

+Security description

Options exercisable at \$0.012 each on or before 31 January 2023.

+Security type

Options

Offer ratio (ratio of attaching securities at which the new +securities will be issued)

The quantity of attaching +securities to be issued

1

For a given quantity of the new +securities issued

2

What will be done with fractional entitlements?

Fractions of 0.5 or more rounded up

Maximum number of +securities proposed to be issued (subject to rounding)

67,023,172

Offer price details for retail security holders

In what currency will the offer be made?

AUD - Australian Dollar

What is the offer price per +security for the retail offer?

AUD 0.00000

Oversubscription & Scale back details

Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?

No

Will a scale back be applied if the offer is over-subscribed?

No

Will all the +securities issued in this class rank equally in all respects from their issue date?

Yes



Options details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.0120

Expiry date

Tuesday January 31, 2023

Details of the type of +security that will be issued if the option is exercised

EFE : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

67,023,172

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

www.easterniron.com.au

Part 3C - Timetable

3C.1 +Record date

Thursday February 25, 2021

3C.2 Ex date

Wednesday February 24, 2021

3C.4 Record date

Thursday February 25, 2021

3C.5 Date on which offer documents will be sent to +security holders entitled to participate in the +pro rata issue

Friday February 26, 2021

3C.6 Offer closing date

Friday March 12, 2021

3C.7 Last day to extend the offer closing date

Tuesday March 9, 2021

3C.9 Trading in new +securities commences on a deferred settlement basis

Monday March 15, 2021



3C.10 Last day for entity to announce the results of the offer to ASX, including the number and percentage of +securities taken up by existing +security holders and any shortfall taken up by underwriters or other investors

Wednesday March 17, 2021

3C.11 +Issue date

Friday March 19, 2021

3C.12 Date trading starts on a normal T+2 basis

Monday March 22, 2021

3C.13 First settlement date of trades conducted on a +deferred settlement basis and on a normal T+2 basis

Wednesday March 24, 2021

Part 3E - Fees and expenses

3E.1 Will there be a lead manager or broker to the proposed offer?

Yes

3E.1a Who is the lead manager/broker?

CPS Capital Group Pty Ltd; and
First Growth Advisory Pty Ltd (Jointly).

3E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

Management Fee of 1% plus GST
Placing Fee of 5% plus GST
Each of the joint lead managers will receive 10,000,000 options at an exercise price of \$0.012 expiring 31 January 2023 subject to shareholder approval.

3E.2 Is the proposed offer to be underwritten?

Yes

3E.2a Who are the underwriter(s)?

CPS Capital Group Pty Ltd; and
First Growth Advisory Pty Ltd (Jointly)

3E.2b What is the extent of the underwriting (ie the amount or proportion of the offer that is underwritten)?

Fully underwritten

3E.2c What fees, commissions or other consideration are payable to them for acting as underwriter(s)?

Management Fee of 1% plus GST
Underwriting Fee of 5% plus GST

3E.2d Please provide a summary of the significant events that could lead to the underwriting being terminated

To be determined on conclusion of the underwriting agreement.

3E.2e Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed offer?

No



3E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?

No

3E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer

Part 3F - Further Information

3F.1 The purpose(s) for which the entity intends to use the cash raised by the proposed issue

Work plan at the Nowa Nowa Iron Project;
Exploration expenditure for the Nowa Nowa Copper Project;
Repayment of existing creditors;
Costs of the offer; and
Working capital.

3F.2 Will holdings on different registers or subregisters be aggregated for the purposes of determining entitlements to the issue?

No

3F.3 Will the entity be changing its dividend/distribution policy if the proposed issue is successful?

No

3F.4 Countries in which the entity has +security holders who will not be eligible to participate in the proposed issue

USA and Canada

3F.5 Will the offer be made to eligible beneficiaries on whose behalf eligible nominees or custodians hold existing +securities

No

3F.6 URL on the entity's website where investors can download information about the proposed issue

www.easterniron.com.au

3F.7 Any other information the entity wishes to provide about the proposed issue

3F.8 Will the offer of rights under the rights issue be made under a disclosure document or product disclosure statement under Chapter 6D or Part 7.9 of the Corporations Act (as applicable)?

Yes



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 - Are any of the following approvals required for the placement or other type of issue?

- +Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity

 Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	Tuesday March 16, 2021	<input checked="" type="checkbox"/> Estimated	No

Comments

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

 Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

 Yes

Details of +securities proposed to be issued

ASX +security code and description

EFE : ORDINARY FULLY PAID

Number of +securities proposed to be issued

75,000,000

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

 Yes



In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.00800

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

Yes

Attaching +Security

Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?

New class

Attaching +Security - New class (+securities in a class that is not yet quoted or recorded by ASX)

Details of attaching +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

No

ASX +security code

New class-code to be confirmed

+Security description

Options exercisable at \$0.012 each on or before 31 January 2023

+Security type

Options

Number of +securities proposed to be issued

37,500,000

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

No

Please describe the consideration being provided for the +securities

Options attaching to placement shares included in this 3B.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

0.000100



Will all the +securities issued in this class rank equally in all respects from their issue date?

Yes

Options details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.0120

Expiry date

Tuesday January 31, 2023

Details of the type of +security that will be issued if the option is exercised

EFE : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

37,500,000

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

See ASX announcement accompanying this 3B.

Part 7C - Timetable

7C.1 Proposed +issue date

Wednesday March 17, 2021

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

Yes

7D.1a Date of meeting or proposed meeting to approve the issue under listing rule 7.1

Tuesday March 16, 2021

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

No



7D.4 Will any of the securities to be issued be subject to voluntary escrow?

No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

Yes

7E.1a Who is the lead manager/broker?

CPS Capital Group Pty Ltd; and
First Growth Advisory Pty Ltd (Jointly).

7E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

Management Fee of 1% plus GST
Placing Fee of 5% plus GST

7E.2 Is the proposed issue to be underwritten?

No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

Nil

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

Work plan at the Nowa Nowa Iron Project;
Exploration expenditure for the Nowa Nowa Copper Project;
Repayment of existing creditors;
Costs of the offer; and
Working capital.

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

No

7F.2 Any other information the entity wishes to provide about the proposed issue