Update Summary

Entity name

GROUP 6 METALS LIMITED

Announcement Type

Update to previous announcement

Date of this announcement

9/5/2023

Reason for update to a previous announcement

SPP timetable amended to correct the issue date to agree to the timetable outlined in capital raising announcement dated 8 May 2023 and the investor presentation released 9 May 2023

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

GROUP 6 METALS 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.
If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

1.2 Registered Number Type	**Registration Number**
ABN	40004681734

1.3 ASX issuer code

G6M

1.4 The announcement is

☑ Update/amendment to previous announcement

1.4a Reason for update to a previous announcement

SPP timetable amended to correct the issue date to agree to the timetable outlined in capital raising announcement dated 8 May 2023 and the investor presentation released 9 May 2023

1.4b Date of previous announcement to this update

8/5/2023

1.5 Date of this announcement

9/5/2023

1.6 The Proposed issue is:

☑ An offer of +securities under a +securities purchase plan
☑ A placement or other type of issue

Part 4 - Details of proposed offer under securities purchase plan

Part 4A - Conditions

4A.1 Do any external approvals need to be obtained or other conditions satisfied before the offer of +securities under the +securities purchase plan issue can proceed on an unconditional basis?
☑ Yes

4A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	15/6/2023	☑ Estimated	

Comments

ASX Listing Rule 7.2 (Exemption 5) permits a listed company to issue securities under share purchase plan without that issuance counting towards the Companys placement capacity under Listing Rule 7.1 where the issuance satisfies the conditions of ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019 547 (Class Order). This Class Order allows a share purchase plan to be conducted without the use of a prospectus once in any consecutive 12-month period. The Company is unable to rely on the Class Order for the New Shares because it has conducted a share purchase plan in reliance on the Class Order in the immediately preceding 12 months. Given that the Company is unable to satisfy the conditions of the Class Order for this SPP, the issuance of all Shares and Options under the SPP is subject to the Company receiving prior shareholder approval for the purposes of Listing Rule 7.1.

Part 4B - 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

G6M : ORDINARY FULLY PAID

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

G6M : ORDINARY FULLY PAID

Maximum total number of those +securities that could be issued if all offers under the +securities purchase plan are accepted

35,714,286

Will the offer be conditional on applications for a minimum number of +securities being received or a minimum amount being raised (i.e. a minimum subscription condition)?

No

Will the offer be conditional on applications for a maximum number of +securities being received or a maximum amount being raised (i.e. a maximum subscription condition)?

No

Will individual security holders be required to accept the offer for a minimum number or value of +securities (i.e. a minimum acceptance condition)?

Yes

Is the minimum acceptance unit based or dollar based?

Dollar based ($)

Please enter the minimum acceptance value

$ 1,000

Will individual security holders be limited to accepting the offer for a maximum number or value of +securities (i.e. a maximum acceptance condition)?

Yes

Is the maximum acceptance unit based or dollar based?

Dollar based ($)

Please enter the maximum acceptance value

$ 50,000

Describe all the applicable parcels available for this offer in number of securities or dollar value

Under the SPP, the Company invites Eligible Shareholders to each participate by subscribing for a minimum of A$1,000 (Minimum Application Amount) with staged increments of A$1,000 up to a maximum of A$50,000 (Maximum Application Amount) of its ordinary shares at $0.14 per New Share

Offer price details

Has the offer price been determined?
Yes

In what currency will the offer be made?	What is the offer price per +security?
AUD - Australian Dollar	AUD 0.14000

Oversubscription & Scale back details

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

Describe the scale back arrangements

The Company may, in its absolute discretion, scale-back applications under the SPP. The Company may consider compliance with regulatory requirements; the amount applied for by each shareholder, the number of shares held at record date and the closing date. The Company may scale-back applications below the minimum application amount. No interest will be paid on any Application Amount paid or refunded.

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

Attaching +Security

The proposed attaching security can only be of 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?
Yes

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

For each option, right to be issued one share for $0.21 exercise price during the exercise period

+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

2

For a given quantity of the new +securities issued

3

What will be done with fractional entitlements?

Fractions rounded down to the nearest whole number or fractions disregarded

Maximum total number of those +securities that could be issued if all offers under the +securities purchase plan are accepted

23,809,524

Offer price details

Has the offer price been determined?
Yes

In what currency will the offer be made?

AUD - Australian Dollar

What is the offer price per +security?

AUD 0.00001

Please confirm whether the offer of the attaching +securities is a separate offer to the offer pursuant to the +security purchase plan
No

Please confirm whether the attaching +securities are being offered under a +disclosure document or +PDS
Yes

Oversubscription & Scale back details

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

Describe the scale back arrangements

The Company may, in its absolute discretion, scale-back applications under the SPP. The Company may consider compliance with regulatory requirements; the amount applied for by each shareholder, the number of shares held at record date and the closing date. The Company may scale-back applications below the minimum application amount. No interest will be paid on any Application Amount paid or refunded.

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 0.2100

Expiry date
30/6/2025

Details of the type of +security that will be issued if the option is exercised
G6M : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised
One fully paid ordinary share (ASX: G6M)

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.

Part 4C - Timetable

4C.1 Date of announcement of +security purchase plan
8/5/2023

4C.2 +Record date
5/5/2023

4C.3 Date on which offer documents will be made available to investors
15/5/2023

4C.4 Offer open date
15/5/2023

4C.5 Offer closing date
22/6/2023

4C.7 +Issue date and last day for entity to announce results of +security purchase plan offer
27/6/2023

Part 4D - Listing Rule requirements

4D.1 Does the offer under the +securities purchase plan meet all of the requirements of listing rule 7.2 exception 5 or do you have a waiver from those requirements?
☑ No

4D.1a Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?
☑ No

4D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?
No

Part 4E - Fees and expenses

4E.1 Will there be a lead manager or broker to the proposed offer?
No

4E.2 Is the proposed offer to be underwritten?
Yes

4E.2a Who are the underwriter(s)?

Ord Minnett Limited and Canaccord Genuity (Australia) Limited (the "Underwriters"). The Underwriters intend to appoint three of the Company's largest shareholders as sub-underwriters.

4E.2b What is the extent of the underwriting (ie the amount or proportion of the issue that is underwritten)?

The Share Purchase Plan will be partially underwritten to $3 million representing 60% of the total amount to be raised

4E.2c What fee, commission or other consideration is payable to them for acting as underwriter(s)?

The Underwriters will be paid an underwriting fee of 4.00% and a management fee of 2.00% of the Underwritten amount. The Underwriters will also be paid an underwriting fee of 4.00% and a management fee of 2.00% on any SPP Shortfall Securities placed by the Underwriters, excluding any SPP securities being underwritten.

4E.2d Please provide a summary of the significant events that could lead to the underwriting being terminated.

The Underwriting Agreement includes a number of standard termination events, including:
(i) shareholder approval not being obtained in relation to the SPP and/or placement;
(ii) the occurrence of a material adverse change in the condition of the Company; and
(iii) market related termination events, such as if there is a 10% fall in the S&S&P/ASX Small Ordinaries Index for two consecutive days.

4E.2e Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed offer?
Yes

4E.2e (i) What is the name of that party?

Chris Ellis

4E.2e (ii) What is the extent of their underwriting or sub-underwriting (ie the amount or proportion of the offer they have underwritten or sub-underwritten)?

Chris Ellis via his nominated entity intends to sub-underwrite the SPP to a maximum amount of A$1 million.

4E.2e (iii) What fee, commission or other consideration is payable to them for acting as underwriter or sub-underwriter?

It is intended that a sub-underwriting fee of 3% of A$1,000,000 will be paid to Chris Ellis regardless of whether the sub-underwriting commitment is taken up or not.

4E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?
No

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

Part 4F - Further Information

4F.01 The purpose(s) for which the entity intends to use the cash raised by the proposed issue

The Company will apply the funds raised towards capital expenditure and pre-production costs at the Dolphin Tungsten Mine, and for general working capital.

4F.1 Will the entity be changing its dividend/distribution policy if the proposed offer is successful?

☑ No

4F.2 Countries in which the entity has +security holders who will not be eligible to accept the proposed offer

Any country outside Australia and New Zealand

4F.3 URL on the entity's website where investors can download information about the proposed offer

The offer document will be made available at
https://g6m.com.au

4F.4 Any other information the entity wishes to provide about the proposed offer

Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 Do any external approvals need to be obtained or other conditions satisfied before the placement or other type of issue can proceed on an unconditional basis?
Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	15/6/2023	Estimated	

Comments

Shareholder approval is required for Placement Options
Shareholder approval is required for Placement Shares and Options to be issued to Directors under Listing Rule 10.11

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

G6M : ORDINARY FULLY PAID

Number of +securities proposed to be issued

193,142,860

Offer price details

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

In what currency is the cash

What is the issue price per

consideration being paid?	**+security?**
AUD - Australian Dollar	AUD 0.14000

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?
Yes

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

For each option, right to be issued one share for $0.21 exercise price during the exercise period

+Security type

Options

Number of +securities proposed to be issued

128,761,907

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

The Options are free attached to the Placement Shares and will be issued on a 2-for-3 basis

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

0.00000001

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 0.2100

Expiry date
30/6/2025

Details of the type of +security that will be issued if the option is exercised
G6M : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised
One fully paid ordinary share (ASX: G6M)

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.

Part 7C - Timetable

7C.1 Proposed +issue date
15/5/2023

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?
No

7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?
Yes

7D.1b (i) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?
112,137,811

7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?

Yes

7D.1c (i) How many +securities are proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?

44,826,473

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

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?

Ord Minnett Limited (Ord Minnett) and Canaccord Genuity (Australia) Limited (Canaccord) (together the Joint Lead Managers)

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

2% management fee on $27,040,000 ($540,800)
4% distribution fee on $8,740,000 ($349,600)

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

Part 7F - Further Information

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

The Company is issuing the securities under a Placement to raise $27m to fund capital expenditure, pre-production costs at the Dolphin Tungsten Mine, and for general 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

The Company intends to issue a Prospectus for the SPP and attaching Options under the Placement. A cleansing notice will be lodged for the Placement Shares.

7F.3 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:

☑ The publication of a +disclosure document or +PDS for the +securities proposed to be issued