

28 October 2024



UNDERWRITING AGREEMENT TO ENSURE \$4.5 MILLION OF CASH FROM ASX-LISTED OPTIONS

Highlights

- Underwriting Agreement ensures \$4.5 million of cash from the exercise of certain ASX listed Larvotto options (ASX “LRVO”)
- Larvotto Resources continues to be well funded to continue its current exploration and development work programmes at the Hillgrove gold-antimony project in New South Wales, Australia

Larvotto Resources Limited (ASX: LRV, Germany: K6X, ‘Larvotto’ or ‘the Company’)

is pleased to announce that it has entered into a binding Underwriting Agreement with Aitken Mount Partners, Blue Ocean Equities Pty Ltd and Canaccord Genuity (Australia) Limited (together the “Underwriters”) to ensure that approximately \$4.5 million of cash will be received from the exercise of certain ASX listed Larvotto options (ASX “LRVO”).

These LRVO options were issued in conjunction with the Company’s Initial Public Offering in late 2021. There are circa 14.9 million options outstanding which are the subject of the Underwriting Agreement and the options have a strike price of \$0.30 with an expiry date of 1 December 2024.

Holders of the 14.9 million ASX listed LRVO options retain the right to exercise the options in accordance with their terms, up until their expiry in early December. Entry into the Underwriting Agreement provides certainty to the Company with respect to the receipt of approximately \$4.5 million of cash, being the outstanding 14.9 million options at their strike price of \$0.30. This cash of approximately \$4.5 million along with the Company’s current cash balance provides a strong capital base that ensures the Company is well funded for its current development and exploration work programmes at its flagship Hillgrove gold-antimony project in the north-east of New South Wales.

Commenting on entry into the Underwriting Agreement, Ron Heeks, Managing Director of Larvotto said,

“The underwriting of these options is part of the Company’s ongoing prudent approach to capital management as we progress development of the strategically important and antimony-rich Hillgrove asset.

We are actively working on site at Hillgrove as we conduct works needed to complete the Feasibility Study along with drilling of high-grade antimony and gold targets. This exploration drilling aims to add to our existing reserve of 600koz Au Eq through conversion from our resource base of approximately 1.7Moz of Au Eq. We are also looking to add more resource tonnes as well as providing the potential for mine life extension and prioritisation of higher grade material earlier into the Hillgrove mine schedule.

With the processing plant and underground workings already constructed, we are in the enviable position as a development company of being able to add incremental value through mine scheduling enhancement as we uncover further rich and accessible antimony and gold ore at Hillgrove. Along with the funds from the underwriting of the LRVO options, the Company continues to assess a number of other funding sources to progress Hillgrove including traditional debt funding, funding connected to gold and antimony offtake agreements and the possibility of securing western world government finance, given the strategically important antimony production projected to come from Hillgrove.

To date, 2024 has been a watershed year for the shareholders of Larvotto, reflected in the substantial re-rating of the shares in the Company. The underwriting of these options from our 2021 IPO provides us with an excellent capital base to add further shareholder value as we head into our planed Hillgrove antimony / gold development in 2025.”

In accordance with ASX Listing Rule 3.11.1, the Company advises that the Underwriters will be paid a fee of 5% (excluding GST) of the total underwritten amount. The Underwriting Agreement is subject to a number of market-standard termination events. These have been set out in full in the Appendix.

This announcement was authorised for release by the Board of Larvotto Resources Limited.

Reporting Confirmation

The information in this report that relates to exploration results is extracted from the Company's ASX announcements:

- ASX: LRV Announcement dated 28 June 2024 – Significant Exploration Upside Demonstrated at Hillgrove
- ASX: LRV Announcement dated 5 August 2024 – Hillgrove Gold-Antimony Project Pre-Feasibility Study

The Company confirms that it is not aware of any new information or data that materially affects the information included with the original market announcement.

About Larvotto Resources Ltd

Larvotto Resources Limited (ASX:LRV) is actively advancing its portfolio of in-demand minerals projects including the 1.7Moz AuEq high-grade Hillgrove Gold-Antimony Project in NSW, the large Mt Isa copper, gold and cobalt project adjacent to Mt Isa townsite in Queensland, the Eyre multi-metals and lithium project located 30km east of Norseman in Western Australia and an exciting gold exploration project at Ohakuri in New Zealand's North Island. Larvotto's board has a mix of experienced explorers, corporate financiers, ESG and corporate culture to progress its projects. Visit www.larvottoresources.com for further information.

Forward Looking Statements

Any forward-looking information contained in this news release is made as of the date of this news release. Except as required under applicable securities legislation, Larvotto does not intend, and does not assume any obligation, to update this forward-looking information. Any forward-looking information contained in this news release is based on numerous assumptions and is subject to all of the risks and uncertainties inherent in the Company's business, including risks inherent in resource exploration and development. As a result, actual results may vary materially from those described in the forward-looking information. Readers are cautioned not to place undue reliance on forward looking information due to the inherent uncertainty thereof.



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Non-Executive Chair

Mr Ron Heeks
Managing Director

Ms Anna Nahajski-Staples
Non-Executive Director

Ms Rachelle Domansky
Non-Executive Director

Mrs Cecilia Tyndall
Company Secretary

PROJECTS

Hillgrove Au, Sb
Hillgrove, NSW

Mt Isa Au, Cu, Co
Mt Isa, QLD

Ohakuri Au
New Zealand

Eyre Ni, Au, PGE, Li
Norseman, WA

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Appendix

10. Events of termination

10.1 Events

If of any one or more of the following events occurs after the Execution Date and prior to the Issue Date, the Underwriters may, at any time after becoming aware of that contingency without cost or liability to themselves, by notice in writing to the Company, terminate this Agreement and be relieved of all its obligations, but no such notice shall operate to the prejudice of any liability of the Underwriters arising out of any prior default by it hereunder. Any delay in giving the notice shall not be treated as a waiver of these rights and a further notice or notices may be given notwithstanding that subsequently the relevant contingency ceases to exist and notwithstanding any activity on the part of the Underwriters which is consistent with the performance by it of its obligations hereunder. The events of termination referred to are:

- (a) **(Timetable)** any event other than the Issue Date specified in the Timetable is delayed for more than 1 Business Day, or there is any delay to the Issue Date, without the prior written approval of the Underwriters;
- (b) **(withdrawal)** the Company withdraws the offer of Securities and determines not to underwrite the Shortfall Shares;
- (c) **(allotment)** the Company is prevented from allotting and issuing the Securities in accordance with this Agreement and the Timetable;
- (d) **(failure to comply)** the Company or any Related Corporation fails to comply with any of the following:
 - (i) a provision of its constitution;
 - (ii) any statute;
 - (iii) a requirement, order or request, made by or on behalf of the ASIC or any Governmental Agency; or
 - (iv) any material agreement entered into by it;
- (e) **(Certificate)** the Certificate which is required to be furnished by the Company under this Agreement is:
 - (i) not furnished when required; or
 - (ii) is untrue, incorrect or misleading;
- (f) **(ASIC investigation)** ASIC:
 - (i) holds, or gives notice of intention to hold, a hearing or investigation in relation to the Offer or the Company; or
 - (ii) prosecutes or gives notice of an intention to prosecute, or commences proceedings against, or gives notice of an intention to commence

proceedings against, the Company or any of its directors, officers, employees or agents in relation to the Offer,

and such hearing, notice, investigation, prosecution or proceeding is not withdrawn or discontinued before the Shortfall Settlement Date;

- (g) **(delisting)** ASX announces that the Shares will be delisted, removed from quotation, withdrawn from admission to trading status or suspended from quotation (which, for the avoidance of doubt, does not include a trading halt requested to facilitate the Offer);
- (h) **(ASX listing)** ASX does not give approval for the Shortfall Shares to be listed for official quotation by 10.00am on the Shortfall Settlement Date, or if approval is granted, the approval is subsequently withdrawn, qualified or withheld;
- (i) **(adverse change)** any material adverse change or effect occurs, or an event occurs which is likely to give rise to a material adverse change or effect, in the condition (financial or otherwise), assets, earnings, business, affairs, liabilities, financial position or performance, results of operations, profits, losses or prospects of the Company or a Related Corporation from that existing at the date of this Agreement;
- (j) **(Event of Insolvency)** an Event of Insolvency occurs in respect of the Company or a Related Corporation or there is an act or omission which may result in an Event of Insolvency occurring in respect of the Company or a Related Corporation;
- (k) **(extended Force Majeure)** a Force Majeure, which prevents or delays an obligation under this Agreement, lasting in excess of 2 weeks occurs;
- (l) **(investigation)** any person is appointed under any legislation in respect of companies to investigate the affairs of the Company or a Related Corporation;
- (m) **(Prescribed Occurrence)** a Prescribed Occurrence occurs;
- (n) **(suspension of debt payments)** the Company suspends payment of its debts generally;
- (o) **(litigation)** litigation, arbitration, administrative or industrial proceedings are after the date of this Agreement commenced against the Company or any Related Corporation;
- (p) **(Board and senior management composition)** there is a change in the composition of the Board or a change in the senior management of the Company before the Issue Date without the prior written consent of the Underwriters;
- (q) **(breach of material contracts)** any material contract to which the Company or a Related Corporation is a party is terminated or substantially modified;
- (r) **(banking facilities)** the Company's bankers terminating or issuing any demand or penalty notice or amending the terms of any existing facility or claiming

repayment or accelerated repayment of any facility or requiring additional security for any existing facility;

- (s) **(proceedings)** proceedings are commenced or there is a public announcement of an intention to commence proceedings before a court or tribunal of competent jurisdiction in Australia seeking an injunction or other order in relation to the Company's ability to agree to and complete the Offer;
- (t) **(default)** the Company is or becomes in default of any of the terms and conditions of this Agreement or a representation or warranty given by the Company is or becomes false or incorrect;
- (u) **(due diligence)** the information supplied by or on behalf of the Company to the Underwriters including as part of the due diligence activities is, or the results of the due diligence activities are, in the reasonable opinion of the Underwriters, false, misleading or deceptive (including by omission);
- (v) **(indictable offence)** any director of the Company or any Related Corporation is charged with an indictable offence or any director of the Company is disqualified from managing a corporation under the Corporations Act;
- (w) **(fraud)** the Company or any of its directors or officers (as that term is defined in the Corporations Act) engage in any fraudulent conduct or activity whether or not in connection with the Offer;
- (x) **(financial markets)** any adverse change or disruption to the existing financial markets, political or economic conditions of Australia, the United States of America, Hong Kong, the United Kingdom, Canada or China from those existing at the date of this Agreement;
- (y) **(hostilities)** there is an outbreak or escalation of hostilities in any part of the world, whether war has been declared or not, or an act or acts of terrorism, involving one or more of any one or more of Australia, the United States, Hong Kong, China, Canada, North Korea, South Korea or any member country of the European Union,;
- (z) **(national emergency)** a national emergency is declared by Australia or there is a material escalation of a pandemic or an epidemic such as novel coronavirus, a recurrence of severe acute respiratory syndrome or an outbreak of swine or avian influenza;
- (aa) **(change in laws)** there is introduced, or there is an official public announcement of a proposal to introduce, a new law in Australia or any State of Australia, or the Reserve Bank of Australia, or any Australian Commonwealth or State authority, adopts or announces a proposal to adopt a new, or any major change in, existing, monetary, taxation, exchange or fiscal policy (other than a law or policy which has been announced prior to the date of this Agreement);
- (bb) **(moratorium)** a general moratorium on commercial banking activities in Australia, the United States, Hong Kong, the United Kingdom, China, Canada, Japan, any member state of the European Union, Singapore or New Zealand is declared by the relevant central banking authority in any of those countries, or

there is a material disruption in commercial banking or security settlement or clearance services in any of those countries, for more than one Business Day;

- (cc) **(suspension of trading)** trading of securities quoted on ASX, the London Stock Exchange or the New York Stock Exchange is suspended, or there is a material limitation in trading, for more than one Business Day on which the exchange is open for trading; or
- (dd) **(judgment against a Related Corporation)** a judgment in an amount exceeding \$150,000 is obtained against the Company or a Related Corporation and is not set aside or satisfied within 7 days,

provided that nothing contained in this clause 10 shall prejudice or nullify any claims for damages which the Underwriters may have against the Company for or arising out of any breach of covenant or failure by the Company to observe or perform the obligations on its part contained in this Agreement and provided further that should the Underwriters terminate this Agreement pursuant to this clause 10, it shall thereupon be entitled to payment of the amounts referred to in clause 7.