

FUNDRAISING UPDATE

RENOUNCEABLE RIGHTS ISSUE


HIGHLIGHTS

- Proposed private placement, subject to shareholder approval, announced on 13 March 2025 to be cancelled and replaced with a renounceable 1 for 2 rights issue on the same terms as the proposed placement to provide all shareholders equal opportunity to participate
- Renounceable rights issue of one (1) new share for every two (2) shares held by eligible shareholders at \$0.012 per share, with one (1) free attaching option exercisable at \$0.022 expiring 19 March 2028, to raise up to \$1.1 million (**Rights Issue**)
- Issue priced attractively at \$0.012 representing 33% discount to last close price (\$0.018), with attaching options
- Renounceable issue is tradeable and shareholders can trade their rights from 8 April 2025
- Partially underwritten by Director-associated entity up to \$293,000 of any available shortfall
- Rights issue funding in addition to \$308k completed placement in March 2025 will fully fund Verity's strategy to advance the **154koz Au Monument Gold Project**
- Proposed funds raised to be applied towards
 - drill programs to advance the Korong-Waihi 154koz Au Mineral Resource Estimate at Monument from Inferred to Indicated classification
 - additional step out drilling at Korong-Waihi MRE
 - testing additional targets across 20km of anomalous Au strike at Monument
 - general working capital and assessment of potential additional opportunities

Verity Resources Limited (**ASX: VRL, Verity or the Company**) is pleased to provide shareholders an update on its recent fundraising initiatives.

As announced to the market on 13 March 2025, the Company raised \$308k via a private placement to professional and sophisticated investors utilising its available placement capacity under ASX Listing Rules 7.1 and 7.1A (**Placement**). The Company also announced a proposed placement to raise an additional \$1.1M from professional and sophisticated investors, subject to approval of shareholders at a general meeting to be called (**Proposed Placement**). The Placement and Proposed Placement comprised an issue price of \$0.012 per share, with one (1) free attaching unlisted option for every one (1) share subscribed exercisable at \$0.022 per option expiring 19 March 2028 (**Option**).

Following strong support from current shareholders and in the interest of providing an opportunity for loyal shareholders to participate, the Company has decided to cancel the Proposed Placement and undertake a one



(1) for two (2) renounceable rights issue (**Rights Issue**) on the same terms as the Placement and Proposed Placement to raise approximately \$1.1 million (before costs).

The Rights Issue is partially underwritten by CAP Holdings Pty Ltd ATF CAP Trust (ACN 139 779 203) an entity associated with Director Patrick Volpe (whom is a director and shareholder of CAP Holdings Pty Ltd and beneficiary of CAP Trust) and substantial shareholder Patrick John Volpe for up to \$293,000 (**Underwriter**). The Underwriter will not receive a fee in connection with underwriting the Rights Issue. A summary of the key termination events included in the underwriting agreement are set out in Annexure 1 below.

Terms of Rights Issue

For every one (1) new share subscribed, eligible shareholders will receive one (1) free attaching new unlisted Option with an exercise price of \$0.022 and expiring on 19 March 2028.

The issue price under the Rights Issue represents a discount of:

- 33% to the Company's last closing price of \$0.018 per share on the ASX; and
- 23% to the Company's 15-day VWAP on ASX of \$0.016 per share.

Shareholders can apply for shortfall in excess of their entitlement.

The Rights Issue is open to all eligible shareholders who are registered shareholders with a registered address within Australia, New Zealand, Germany, Hong Kong, Qatar, Botswana, Singapore, Switzerland, Thailand or the United Kingdom as at 7.00pm (AEST) on Wednesday, 9 April 2025 (**Record Date**) (**Eligible Shareholders**). Ineligible shareholders are all those shareholders with a registered address as at the Record Date outside those jurisdictions (**Ineligible Shareholders**). The Rights Issue will open on Friday, 11 April 2025 and close at 5.00pm on Thursday, 1 May 2025 (unless extended), and Eligible Shareholders can apply for additional shares in the shortfall in excess of their entitlement.

All New Shares issued will rank equally with existing shares on issue and the Company will apply for quotation of the new shares.

Shortfall

To the extent there are any shortfall shares remaining the Board reserves the right to place those remaining shortfall shares, together with free attaching Options, within 3 months of the closing date of the Rights Issue (**Shortfall Offer**).

The Underwriter has committed to partially underwrite the available Rights Issue shortfall up to \$293,000 (**Underwritten Amount**).

The Company reserves the right to pay commissions of up to 6% plus GST on funds raised (excluding the Underwritten Amount subscribed for by the Underwriter) in respect of the Shortfall Offer placed through licensed securities dealers or Australian financial services licensees.



Renounceable Offer

Since the Rights Issue is renounceable, shareholders can also trade their rights on ASX from Tuesday, 8 April 2025 to Wednesday, 23 April 2025. There is no guarantee that there will be a market for the rights. It is the responsibility of purchasers of rights to inform themselves of the eligibility criteria for the exercise of the rights. If holders of rights after the end of the trading period do not meet the eligibility criteria, they will not be able to exercise the rights.

Use of Funds

Funds raised under the Rights Issue will be applied towards:

- exploration activities at the Monument Gold Project in the Laverton-Leonora Goldfields in Western Australia, including:
 - review and validation of existing drill data to inform drill program to advance the Korong-Waihi 154koz Au Mineral Resource Estimate at Monument from Inferred to Indicated classification;
 - additional step out drilling at Korong-Waihi MRE;
 - testing additional targets across 20km of anomalous Au strike at Monument;
- costs of the Rights Issue and Shortfall Offer; and
- working capital requirements and assessment of potential additional opportunities.

Timetable

A prospectus in relation to the Rights Issue will be lodged with ASIC and ASX, together with a personalised entitlement acceptance form, will be sent to Eligible Shareholders shortly after the Record Date.

Eligible Shareholders should consider the prospectus in deciding whether to acquire securities under the Rights Issue and will need to follow the instructions on the entitlement and acceptance form that will accompany the prospectus.



The following are indicative dates in respect of the Rights Issue:

Event	Date
Announcement of Rights Issue and lodgement of Appendix 3B	Wednesday, 2 April 2025
Lodgement of Prospectus with ASIC and ASX	Pre-market open on Friday, 4 April 2025
Ex entitlement date Rights trading commences on deferred settlement basis	Tuesday, 8 April 2025
Record Date for determining entitlements (7:00pm AEST)	Wednesday, 9 April 2025
Prospectus and personalised Entitlement and Acceptance Forms sent out to Eligible Shareholders and the Company announces this has been completed, Offer Opens	Friday, 11 April 2025
Rights trading ends	Wednesday, 23 April 2025
Securities quoted on a deferred settlement basis	Thursday, 24 April 2025
Last date to extend the Closing Date	Monday, 28 April 2025
Closing Date of entitlement issue (5:00pm AEST)	Thursday, 1 May 2025
ASX and Underwriter notified of under subscriptions	Friday, 2 May 2025
Announcement of results of issue and lodgement of Appendix 2A	Monday, 5 May 2025
Issue date and quotation of securities under the Offer	Monday, 5 May 2025

** These dates are indicative only and are subject to change. Verity Resources reserves the right, subject to the Corporations Act and the ASX Listing Rules, to amend this indicative timetable by sending a revised timetable to ASX. In particular Verity Resources reserves the right to extend the Closing Date, accept late applications under the Rights Issue (either generally or in particular cases), and to withdraw or vary the Rights Issue without prior notice. Any extension of the Closing Date will have a consequential effect on the date for the allotment and issue of the New Shares and Options. All times are to Melbourne, Australia time.*

-Ends-

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

For further information, please contact:

Verity Resources Limited

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About the Monument Gold Project

The Monument Gold Project is in WA's world-class Laverton Gold District and comprises ~232km² of tenure located approximately 40km west of Laverton, adjacent and along strike of Genesis Minerals' (ASX: GMD) **3.3Moz Au Mt Morgan Project**. A Mineral Resource Estimate of 154koz of gold (see ASX announcement on 2 August 2021) was undertaken on the Korong and Waihi deposits, which occur along ~20km of relatively untested banded iron formation, interpreted to be the same unit that hosts the 1.4Moz Westralia gold deposit, located immediately southeast of Monument.





To date, only ~10% of the potential 20km strike has been drilled with detailed air core and reverse circulation drilling. There is currently additional priority targets identified along the banded iron formations horizon, that forms part of a 20km potential structural strike length identified that could also potentially host multiple other syenite-intrusion style targets (in total approximately 60 targets remaining to be tested).

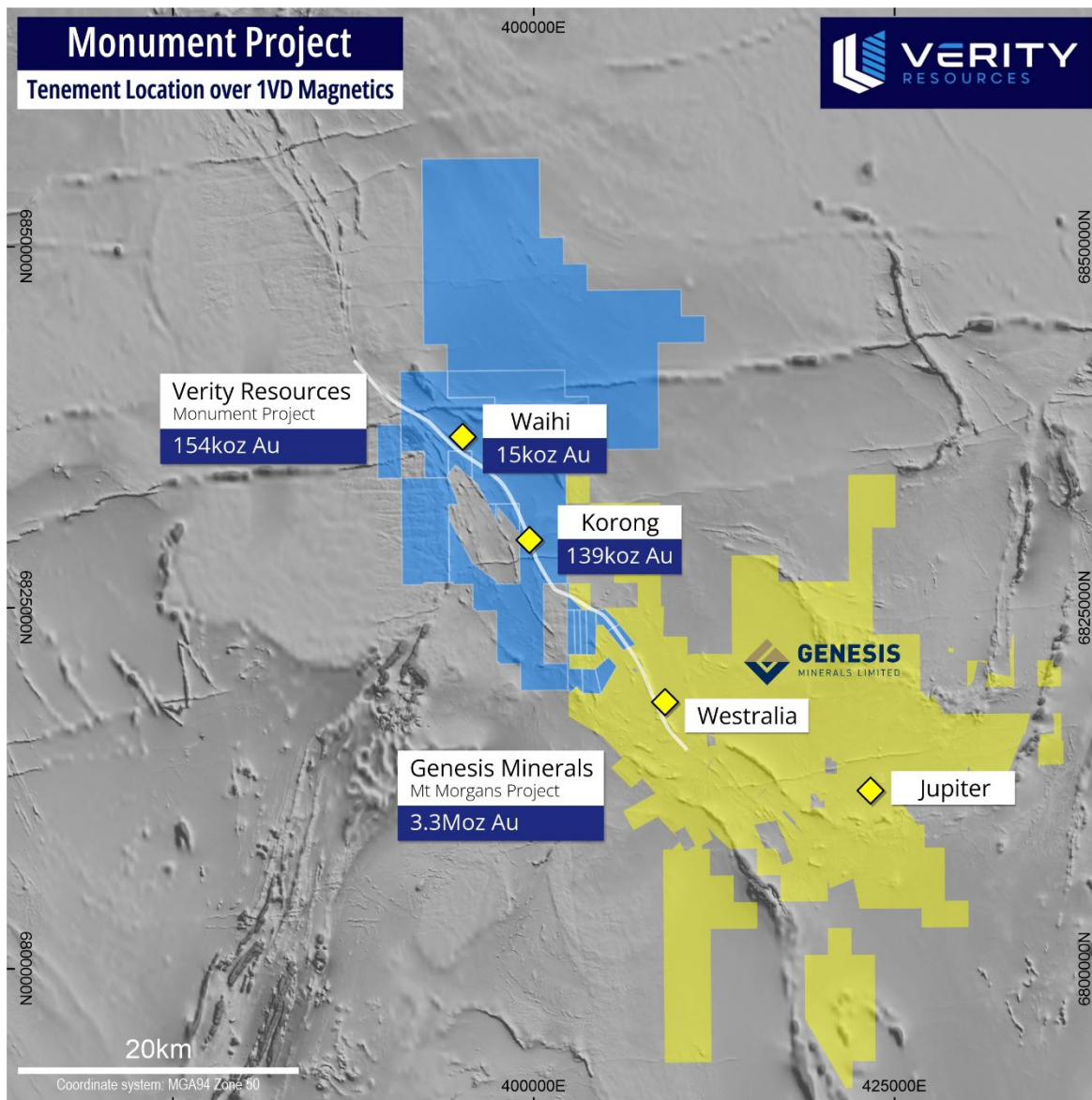


Figure 1. Monument Gold Project location adjacent to Genesis Minerals' 3.3Moz Mt Morgans Project.

About Verity Resources

Verity Resources owns 100% of the Monument Gold project located near Laverton in Western Australia. This project currently has a JORC-compliant (2012) Inferred resource of 3.257 Mt @ 1.4 g/t for 154,000 ounces Au. (inferred resources calculated by CSA Global in 2021 to JORC 2012 compliance using a 0.5 g/t cut-off grade; see 2 August 2021 ASX announcement "Mineral Resources Estimate declared for Monument Gold Project" for further information).

Verity Resources also holds a supply critical metals portfolio via a joint venture that includes rare earth elements, lithium, gold, base and precious metals in Brazil, including licences in the "Lithium Valley" and Poços de Caldas in the state of Minas Gerais,



globally known as prolific lithium and rare earth elements districts respectively. The Company also owns 70% of the Pimenta Project, a potential large-scale REE project in eastern Minas Gerais.

Verity Resources also holds large base and precious metals projects in the Limpopo Mobile Belt in Botswana, a district known for hosting major nickel and copper-producing operations. The Company's Botswana portfolio contains three flagship projects where high-grade Cu-Ag (Airstrip and Dibete) and a Maiden JORC Inferred Resource (Maibele North) have been discovered. Maibele North currently hosts a JORC (2012) inferred resource of 2.4Mt @ 0.72% Ni and 0.21% Cu + PGE's + Co + Au and is located within 50km of the Selebi-Phikwe mine recently acquired by TSX-listed Premium Nickel Resources Ltd (TSX-V:PNRL).

Competent Persons Statement (Monument Gold Project, Western Australia)

The information in this report that relates to Exploration Targets and Exploration Results is based on recent and historical exploration information compiled by Mr Michael Jackson, who is a Competent Person and a Member of the Australian Institute of Geoscientists. Mr Jackson is a consultant to Verity Resources Limited. Mr Jackson has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for the reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Jackson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Disclaimer

In relying on the above mentioned ASX announcement and pursuant to ASX Listing Rule 5.23.2, the Company confirms that it is not aware of any new information or data that materially affects the information included in the above announcement. No material exploration data or results are included in this document that have not previously been released publicly. The source of all data or results have been referenced.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning the Company's mineral properties, planned exploration program(s) and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may," "potential," "should," and similar expressions are forward looking statements. All such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, which could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.

Monument Gold Project, Western Australia, Resource Information

Korong Resource			
Deposit	Tonnes	Grade (g/t)	Au (Oz)
Korong	3,034,000	1.4	139,000
Waihi	223,000	2.1	15,000
Total	3,257,000	1.4	154,000

Table 2: JORC-compliant (2012) Inferred Resource was calculated at Korong and Waihi by CSA Global Pty Ltd in 2021 (see Table 2) using a 0.5g/t cut-off grade. See ASX announcement on 2 August 2021 "Mineral Resource Estimate Declared for Monument Gold Project".

Reference to Previous Announcements

The information in this announcement that relates to exploration results is extracted from the following Company announcement released to the ASX:

- 13 March 2025 "Placement to Advance Monument Gold Resource Growth"



Annexure 1 – Termination Events

The Underwriter may terminate the underwriting agreement if:

- (a) **offer prospectus:** any of the following occurs in relation to the prospectus:
- (i) it is not lodged with the ASIC; or
 - (ii) the ASIC makes an order under section 739 of the Corporations Act and such order is not lifted within 30 days;
- (b) **ASX listing:** ASX does not give approval for the shares to be listed for official quotation, or if approval is granted, the approval is subsequently withdrawn, qualified or withheld;
- (c) **index changes:** the All Ordinaries Index or the S&P/ASX Small Ordinaries Index as published by ASX is at any time after the date of this agreement is 20% or more below its respective level on any three (3) consecutive trading days prior to the date of the agreement;
- (d) **return of capital or financial assistance:** the Company or a related body corporate takes any steps to undertake a proposal contemplated under section 257A of the Corporations Act or passes or takes any steps to pass a resolution under section 260B of the Corporations Act, without the prior written consent of the Underwriter;
- (e) **alteration of capital structure or constitution:** except as described in the prospectus, the Company alters its capital structure or its constitution without the prior written consent of the Underwriter such consent not to be unreasonably withheld;
- (f) **default:** the Company is in material default of any of the terms and conditions of this Letter Agreement or breaches any warranty or covenant given or made by it under the agreement (in any material respect);
- (g) **event of insolvency:** an event of insolvency occurs in respect of it or a related body corporate;
- (h) **prescribed occurrence:** a prescribed occurrence occurs, other than as disclosed in the prospectus;
- (i) **suspension of debt payments:** the Company suspends payment of its debts generally; or
- (j) **change in shareholdings:** a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to the Company and is recommended for approval by a majority of independent directors of the Company.
- (k) **due diligence:** there is a material omission from the results of the due diligence investigation performed in respect of the Rights Issue or the results of the investigation or the verification material are false or misleading;
- (l) **adverse change:** any adverse change occurs which materially impacts or is likely to impact the assets, operational or financial position of the Company or a related body corporate (including but not limited to an administrator, receiver, receiver and manager, trustee or similar official being appointed over any of the assets or undertaking of the Company or a related body corporate);
- (m) **investigation:** any person is appointed under any legislation in respect of companies to investigate the affairs of the Company or a related body corporate;





- (n) **hostilities:** there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of the agreement involving one or more of Australia, Philippines, Indonesia, Japan, Russia, the United Kingdom, the United States of America, or the Peoples Republic of China, other than hostilities involving Afghanistan or Iraq, any country bordering Afghanistan or Iraq or any Arab country (being a country the majority of whose inhabitants are of Arab ethnicity);
- (o) **extended Force Majeure:** a force majeure which prevents or delays an obligation under the agreement, lasting in excess of 2 weeks occurs;
- (p) **indictable offence:** a director of the Company or any related body corporate is charged with an indictable offence;
- (q) **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; or
- (r) **supplementary prospectus:** the Underwriter reasonably form the view that a supplementary or replacement document (as appropriate) must be lodged with ASIC under section 719 or section 724 of the Corporations Act and the Company does not lodge a supplementary or replacement document (as the case may be) in the form and content and within the time reasonably required by the Underwriter.

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