

ASX Release

Reduction in Debt Facility and Equity Raise.

7
July
2025

Highlights

- US\$20 million debt facility reduced to US\$10 million.
 - Reduction of debt facility to be supplemented with new equity of A\$15 million.
 - Endeavor mine progressing toward steady state operations with silver-lead and zinc concentrates being stockpiled for transport.
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Polymetals Resources Ltd (ASX: POL) (Polymetals or the Company) advises that the existing US\$20m debt facility with Ocean Partners has been reduced to US\$10m due to the inability to obtain releases of additional security from existing security holders. The Company has replaced the undrawn US\$10m debt with an equity placement of A\$15m at \$0.80 per new share. This ensures the Company has adequate working capital during the Endeavor Mine production ramp-up.

Polymetals Executive Chairman Dave Sproule said:

I am very pleased with our shift to the ramp-up phase of production, following the completion of the construction work and first ore treatment in June. Ocean Partners, under the offtake agreement, will make the first pre-payment this week for silver-lead and zinc concentrates produced during our mill commissioning. The concentrate pre-payment along with equity funds and cash at bank provides adequate working capital to ramp-up to steady state production as modelled by the re-start study.

“We thank our shareholders and Ocean Partners for their support throughout the process of restarting the Endeavor Mine, which, coupled with potential exploration and metallurgical research success, will consolidate a long term and profitable project.”

Debt Facility

Polymetals announced it had secured a US\$20 million debt facility with Ocean Partners on 16 September 2024. Draw down of US\$10m was completed by March 2025 with subsequent tranches due in stages under certain conditions, one of which was to provide a share of security that is held by historic security-holders. The Company has been unable to secure the required part security and has therefore, by mutual agreement with Ocean Partners, reduced the debt facility to US\$10 million.

Placement Details

The Company will issue 18,750,000 new shares at an issue price of \$0.80 per share to raise A\$15 million. The new shares will be issued in a single tranche, utilising the Company’s existing capacity pursuant to ASX Listing Rule 7.1.



Proceeds from the equity raise will be used to replace the undrawn US\$10 million debt facility for working capital purposes.

The offer price of \$0.80/share represents a premium of 3.9% to the last traded price of \$0.77/share on Friday, 4 July 2025 and is a 1.1% premium to the 5-day VWAP of \$0.791/share.

The placement was managed by the Company with settlement costs of 0.2% of gross funds (being \$30,000) with the Company to realise net funds of \$14.97 million.

Following this placement, a total of 267,813,677 fully paid shares will be on issue.

The placement is expected to settle on Friday, 11 July 2025, with quotation and trading of new shares on Monday, 14 July 2025.

This announcement was authorised for release by Polymetals Resources Ltd Board.

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ABOUT POLYMETALS

Polymetals Resources Ltd (ASX: POL) is a mining company developing the high-grade Endeavor silver zinc mine within one of Australia's premier polymetallic mineral province the Cobar Basin, New South Wales, Australia. Polymetals is on track to become a long term, profitable base and precious metal producer. Polymetals holds a strong exploration portfolio for organic growth with excellent potential for discovery of copper, gold, silver and zinc orebodies. For more information visit www.polymetals.com

REFERENCES

The information in this report references the following ASX announcements:

- ASX Announcement "Production underway at the Endeavor Silver Zinc Mine" dated 16 June 2025
- ASX Announcement "Endeavor Silver Zinc Mine Commissioning Underway" dated 21 May 2025
- ASX Announcement "Endeavor Mine Funding and Offtake secured" dated 16 September 2024

The Company confirms that it is not aware of any information or data that materially affects the information included in the relevant market announcement and all material assumptions and technical parameters underpinning the estimates in the Original Announcement continue to apply and have not materially changed.



FORWARD LOOKING STATEMENT

This announcement contains “forward-looking information” that is based on POL’s expectations, estimates and projections as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to the mine restart study, POL’s business strategy, plan, development, objectives, performance, outlook, growth, cashflow, projections, targets and expectations, mineral resources, ore reserves, results of exploration and related expenses. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as ‘outlook’, ‘anticipate’, ‘target’, ‘likely’, ‘believe’, ‘estimate’, ‘expect’, ‘may’, ‘could’, ‘scheduled’, ‘plan’, ‘forecast’, and similar expressions.

Forward-looking statements are inherently uncertain and may therefore differ materially from results ultimately achieved. The Company does not make any representations and provides no warranties concerning the accuracy of any forward-looking information or likelihood of achievement or reasonableness of any forward-looking statements. Past performance is not necessarily a guide to future performance. Competent Person Statements regarding plans with respect to POL’s mineral properties are forward looking statements. There can be no assurance that POL’s plans for development of its mineral properties will proceed as expected or that any mineralisation will prove to be economic. The Company does not assume any obligation to update forward looking information if circumstances or management’s beliefs, expectations or opinions change, except as required by law. For the reasons set forth above, investors should not place undue reliance on forward-looking information. For additional information, please refer to the Company’s financial statements and other filings all of which are filed on the ASX at www.asx.com.au and the company’s website www.polymetals.com.

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