

INSTITUTIONAL SHARE PLACEMENT

HIGHLIGHTS

- Placement to a leading Australian institutional investor raises \$1.25 million
- Sagon well-funded with approximately \$2.4 million cash post completion
- Proceeds will be used to fund exploration activities to upgrade and expand the Maiden Resource

Sagon Resources Limited (“Sagon”) or (the “Company”) is pleased to announce it has secured firm commitments to raise \$1.25m (before costs) in a share placement comprising the issue of 20,833,334 ordinary new shares in the Company (“New Shares”) at an issue price of 6¢ per share (“Placement”).

The Placement has been made to a single Australian institutional investor with a track record of successfully investing in the rare earths sector. The investor is unrelated to the Company.

Funds raised will be used to advance the Cummins Range Rare Earths Project and for general working capital. Patersons Securities Limited acted as Lead Manager to the Placement.

Sagon’s Executive Director, Mr Jeremy Robinson:

“This investment by a leading institutional investor validates the Cummins Range Rare Earths Project as an asset of global significance. Funds raised will underwrite the Company’s ability to grow the Resource whilst strengthening the Company’s balance sheet.”

The Placement will settle in a single tranche. The Company intends to issue 19,162,469 New Shares under Listing Rule 7.1 and 1,670,865 New Shares under Listing Rule 7.1A. New Shares issued under the Placement will rank equally with the Company’s existing fully paid ordinary shares with settlement of the Placement expect to occur on 22 October 2019.

For further information, please contact:

Jeremy Robinson
Executive Director