

Manager of Company Announcements
ASX Limited
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PERTH
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By E-Lodgement

PLACEMENT

Hardey Resources Limited ("Hardey" or "the Company") (ASX: HDY) is pleased to announce that it has received applications for 342,500,200 fully paid ordinary shares in Hardey (**Shares**) at a price of \$0.004 per Share to raise approximately \$1.37 million (before costs) through a placement to sophisticated and professional investors (**Placement**).

The Placement, will be conducted in two tranches, with the first tranche of 148,747,837 shares to be issued under the Company's 15% placement capacity under Listing Rule 7.1. Tranche 2 of the Placement, comprising of 193,752,363 Shares will be subject to shareholder approval. In addition, participants in the Placement will receive one free attaching listed option for every one share subscribed for in the Placement, exercisable at \$0.02 each on or before 30 April 2020 (**Placement Options**), subject to shareholder approval. Everblu Capital acted as sole lead manager to the Placement and will be paid a 6% capital raising fee on funds raised in accordance with their mandate.

Funds raised under the Placement are primarily intended to be used to further the Company's exploration efforts for Hardey's existing projects, with a particular focus on the Burraga Project. Specifically, Hardey will conduct metallurgical testing and recommence the Burraga drilling programme devised in 2017. The Company intends to increase the scope of the drilling programme and expedite the mobilisation of the drillers over the next two quarters. In addition, the funds are intended to be used to for maintenance and potential exploration at the Company's gold and base metal projects located in the Pilbara region of Western Australia, being the Bellary, Hamersley, Cheela and Elsie North Projects, covering 512km² of Fortescue Group Rocks, as well as the Grace Project located in the Paterson Province in Western Australia, together with general working capital and project generation.

The Company intends to call a General Meeting to seek shareholder approval for the Tranche 2 Shares and Placement Options as soon as practicable.

This announcement effectively lifts the trading halt and the Company is not aware of any reason why ASX would not allow trading to recommence immediately.

For and on behalf of the Board



Sarah Smith
(Company Secretary)

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