

\$5.5 million Placement

Not for release to US wire services or distribution in the United States

5 November 2024

Highlights

- **Firm commitments received for a Placement to raise approximately \$5.5 million (before costs).**
- **The Placement was well supported by both domestic and international, natural resources-focused institutional investors.**
- **The Placement may be expanded to include other potential strategic parties on similar terms, subject to final approvals and formal documentation.**
- **The Company has entered a consultation period with Zijin Mining Group Co., Ltd (Zijin) in respect to the Khuiten Joint Venture (JV). As part of these on-going discussions, Zijin will be given an opportunity to participate in the Placement to maintain its 19.4% shareholding in Xanadu Mines, subject to documentation, regulatory and shareholder approvals.**

Xanadu Mines Ltd (**ASX:XAM, TSX:XAM**) (**Xanadu** or the **Company**) is pleased to announce the Company has received commitments for a placement to eligible professional and sophisticated investors of approximately 100 million fully-paid ordinary shares in Xanadu (**New Shares**) at an issue price of \$0.055 each to raise approximately \$5.5 million (before costs) (**Placement**). The Placement is unconditional and will be issued pursuant to the Company's existing placement capacity under ASX Listing Rule 7.1.

The Company is in discussion with other potential strategic parties for subsequent participation on similar terms, subject to formal documentation and approvals. This would also be issued pursuant to the Company's existing placement capacity under ASX Listing Rule 7.1.

Xanadu has entered a consultation period with Zijin Mining following delivery of the Kharmagtai Pre-Feasibility Study. As part of those discussions, Zijin will be given the opportunity to participate in the Placement on a pro rata basis to maintain its 19.4% shareholding in Xanadu Mines via its wholly owned subsidiary Jinping (Singapore) Mining Pte Ltd. Zijin's participation would be subject to formal documentation, internal approvals, completion of the Placement to all other participants, FIRB approval, and Xanadu shareholder approval under ASX Listing Rule 10.11.

The proceeds of the Placement, together with the Company's existing cash reserves, will be applied towards Xanadu's Red Mountain Copper-Gold Project and Sant Tolgoi Nickel-Copper Project, to new project acquisition and exploration, funding for Q1 CY2025 of the Khuiten JV prior to feasibility study commencement, and working capital.

The issue price of \$0.055 per New Share represents a 14.1% discount to Xanadu's last close (31 October 2024) of \$0.064 per share, and a discount of 16.7% to the 5-day VWAP of \$0.066 per share.

New Shares will rank pari-passu with Xanadu's existing fully paid ordinary shares currently on issue.

New Shares issued in the Placement are scheduled to settle on Thursday, 7 November 2024 with allotment and trading scheduled to occur on Friday, 8 November 2024. Subsequent placement of New Shares to other potential parties who are not yet confirmed, including Zijin, will be announced separately and will occur within 10 business days of completion of documentation, approvals and other applicable conditions for each party.

Ord Minnett and Bell Potter Securities Limited acted as Joint Lead Managers to the Placement and MST Financial and PAC Partners acted as Co-Managers.

Executive Chairman & Managing Director, Colin Moorhead, said, *“We are pleased with the strong support for this Placement. This provides capital to pursue our broader strategies, as we seek a new discovery at Red Mountain and Sant Tolgoi, to expand our portfolio into new copper and gold projects in Mongolia, and it puts us in a strong position to discuss potential strategic interests in Xanadu’s share of the Kharmagtai project. I look forward to updating the market with progress on Xanadu’s exploration portfolio as well as continued news flow from the Kharmagtai project as it moves from Pre-Feasibility into Feasibility stage.”*

For further information, please contact:

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This Announcement was authorised for release by Xanadu’s Board of Directors.

All dollar amounts are in Australian dollars unless otherwise indicated.

Not an offer in the United States

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