



A\$5 MILLION PLACEMENT TO FUND MULTIPLE EXPLORATION PROGRAMS IN AUSTRALIA AND FINLAND

Key Points

- **A\$5.0 million raised in placement to institutional and sophisticated investors**
- **Strong support from international and Australian institutions maintaining the Company's quality share register**
- **S2 well funded post-placement with ~A\$11.4 million cash plus a 13.5% shareholding in Todd River Resources valued at \$4.9 million¹**
- **S2 now fully funded to undertake exploration on multiple fronts in Australia and Finland, with September quarter activities including:**
 - **Ongoing diamond drilling at the Aarnivalkea (Aarni') gold prospect in Finland**
 - **Imminent diamond drill testing of the Ruopas Isovaara nickel-copper-PGE target in Finland**
 - **EM and soil geochemistry surveys in progress at the West Murchison nickel-copper-PGE project in Western Australia**
 - **Ongoing reconnaissance drilling at Jillewarra in Western Australia**
 - **Readying for the start of exploration at the belt-scale Koonenberry nickel-copper-PGE project in New South Wales**

S2 Resources Ltd ("S2" or the "Company") advises that it has completed a placement to domestic and international institutional and sophisticated investors, raising approximately A\$5.0 million ("Placement"). The Placement was oversubscribed and was well supported by existing sophisticated and institutional shareholders.

¹ Based on a closing price of \$0.65 on 20th August 2021



Use of Proceeds

The proceeds of the Placement will be used to advance the Company's ongoing exploration activities in Australia and Finland, and for general working capital purposes.

Exploration programs for the September quarter include ongoing broad spaced step-out diamond drilling at the 100% owned Aarni' gold prospect in Finland (refer to S2 ASX announcement dated 9th August 2021), diamond drill testing of the 100% owned Ruopas Isovaara nickel-copper-PGE electromagnetic (EM) target in Finland, and soil and EM surveys at the 100% owned West Murchison nickel-copper-PGE project in Western Australia (refer to S2 ASX announcement date 10th August 2021). Additionally, these funds will underpin ongoing exploration activities at the Jillewarra project in Western Australia, where S2 is earning a 70% interest, and also planned activities at the 100% owned belt-scale Koonenberry Ni-Cu-PGE project in New South Wales.

The Company is also exposed to success of other gold projects in Finland where Canadian companies Kinross Gold and Rupert Resources are earning into its regional ground holdings under separate agreements collectively worth up to A\$19.9 million (refer to S2 ASX announcements dated 3rd July and 17th August 2021).

Details of the Capital Raising

Euroz Hartleys Limited and Bell Potter Securities Limited acted as joint lead managers to the Placement. The Placement of ~41.5 million ordinary shares ("New Shares") is being undertaken within S2's capacity under ASX Listing Rule 7.1 and, accordingly, no shareholder approval is required in connection with the Placement.

The New Shares will rank equally with the Company's existing ordinary shares. The issue price pursuant to the Placement is A\$0.12 per New Share. Post completion of the Placement, S2 will be well funded with a cash balance of ~A\$11.4 million (after fees associated with the Placement) whilst retaining 13.5% shareholding in Todd River Resources valued at \$4.9 million. Settlement of the Placement is scheduled to occur on Monday 30th August 2021, with the New Shares to commence trading on Tuesday 31st August 2021.

This announcement has been provided to the ASX under the authorisation of Mark Bennett, Executive Chairman.

For further information, please contact:

Matthew Keane
Chief Executive Officer
+61 8 6166 0240

Mark Bennett
Executive Chairman
+61 8 6166 0240