



A\$7.75 MILLION PLACEMENT TO ACCELERATE EXPLORATION AND STRENGTHEN THE BALANCE SHEET AND REGISTER

Key points

- **A\$7.75 million raised in strongly supported placement to institutional and sophisticated investors**
- **S2 will be well funded post-placement with ~A\$14 million cash plus its shareholding in Todd River Resources**
- **Strong demand from international and Australian institutional investors further strengthens the quality of the share register**
- **Positions the Company to proceed with various gold and base metal exploration initiatives in Australia and Finland**

S2 Resources Ltd (“S2” or the “Company”) advises that it has successfully completed the bookbuild for a placement to domestic and international institutional and sophisticated investors, raising A\$7.75 million (“Placement”). The Placement was strongly supported by both existing and new sophisticated and institutional investors.

The Placement of ~62 million ordinary shares (“New Shares”) is being undertaken within S2’s 25% capacity under ASX Listing Rule 7.1 and 7.1A and accordingly no shareholder approval is required in connection with the equity raising. 37,187,276 New Shares will be issued pursuant to ASX Listing Rule 7.1 and the remaining 24,788,724 New Shares will be issued under ASX Listing Rule 7.1A.

The New Shares will rank equally with the Company’s existing ordinary shares. The issue price pursuant to the Placement is A\$0.125 per New Share (“Issue Price”), representing a 13.8% discount to the last closing price of S2 shares on 15 July 2020 of A\$0.145 per share, and an 8.7% discount to the ten-day volume weighted average price (VWAP) of S2 shares to 15 July 2020 of A\$0.137 per share.

Post completion of the Placement, S2 will be well funded with a cash balance of ~A\$14 million. The proceeds of the Placement will be used to advance the Company’s ongoing exploration activities in Finland, to increase exploration activities in Australia, and for general working capital purposes.



Hartleys Limited and Bell Potter Securities Limited acted as joint lead managers to the Placement. Aitken Murray Capital Partners acted as co-manager to the Placement.

Settlement of the Placement is scheduled to occur on Monday 27 July 2020, with the New Shares to commence trading on Tuesday 28 July 2020.

S2's Executive Chairman Mark Bennett said "It is pleasing to see such strong demand from key shareholders. This Placement not only strengthens our balance sheet but continues to strengthen our register with existing major shareholders substantially increasing their position. This enables the Company to vigorously pursue its various gold and base metal exploration opportunities in Australia and Finland, with drilling in Finland being managed by S2's EU personnel and exploration continuing unimpeded in Western Australia despite the constraints imposed elsewhere by the Covid-19 pandemic".

For further information, please contact:

Mark Bennett
Executive Chairman
+61 8 6166 0240

Anna Neuling
Executive Director & Company Secretary
+61 8 6166 0240

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