

20 December 2019

**ASX Release** 

## **\$520,000** Convertible Note Subscription Secured

Jacka Resources Limited (ASX:JKA, the Company) is pleased to announce that it has secured commitments from investors for an aggregate financing of \$520,000 by way of a convertible note facility (Facility).

The convertible notes (**Notes**) will mature 12 months from date of issue, will be unsecured, and will be convertible into ordinary shares in the event that the Company completes a re-compliance transaction prior to the maturity date.

None of the notes will be issued to related parties of the Company.

The funds raised will be used as working capital to allow the Company to complete a suitable acquisition and undertake its ASX re-compliance.

The key terms of the notes are as follows:

| Face Value           | A\$1.00 per note.   |
|----------------------|---|
| Maturity Date        | Twelve months from the date of issue.   |
| Interest Rate        | 12% per annum, accruing daily and compounding monthly, and payable in JKA shares in the event that re-compliance does not occur.      |
| Conversion           | Conversion will take place upon completion of an ASX re-compliance prior to the Maturity Date   |
| Conversion Price     | At a price per JKA share which is a 50% discount to the price of the capital raising undertaken in connection with the re-compliance. |
| Shareholder Approval | Conversion of the notes is subject to obtaining JKA shareholder approval  |
| Negative Pledge      | The Company must not incur any debt obligation or grant any security without the note holder's consent.                               |
| No Quotation         | No application will be made for ASX quotation of the Notes.   |

The Company has agreed to pay an arranger's fee of 6% of the value of the Facility payable in cash, plus a \$20,000 management fee payable in Notes.

## For more information please contact:

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