Neometals Mt. Edwards Nickel demerger on track

Neometals Ltd (ASX: NMT)

Provided an update in relation to the proposed demerger of the Company's Mt Edwards nickel project into a dedicated ASX listed nickel exploration and development company to be called Widgie Nickel Limited.

Neometals	ASX : NMT
Stage	Production + development
Metals	Titanium + Vanadium + lithium + nickel
Market cap	A$274 m @ 50 c
Location	Western Australia

Neometals provides a positive update on the demerger of the company's Mt. Edwards Nickel project into a newco, to be

listed on the ASX

Neometals Ltd (ASX: NMT) (“Neometals” or “the Company”) is pleased to provide an update in relation to the proposed demerger of the Company’s Mt Edwards nickel project(“Mt Edwards Project”) into a dedicated ASX listed nickel exploration and
development company to be called Widgie Nickel Limited (“Widgie Nickel”) (“Demerger”).

Neometals Widgie Nickel demerger HIGHLIGHTS

• Widgie Nickel Demerger timetable confirmed with Demerger documents to be lodged imminently
• Independent highly skilled Board and management team secured to run Widgie Nickel
• Neometals shareholders to receive In-Specie Distribution of Widgie Nickel shares and have an ability to increase exposure by way of an Entitlement Offer
• Advanced discussions with proposed underwriter for the $24 million Entitlement Offer

Following receipt of the ASX in-principle approval for Widgie Nickel to list, Neometals will shortly lodge a notice of meeting (“NoM”) seeking approval for the Demerger along with a short form prospectus relating to the in-specie distribution of Widgie Nickel shares to eligible Neometals shareholders.

The NoM will contain all relevant information for shareholders to assess the Demerger, including the advantages and

disadvantages, conditions, key risk factors and relevant dates.

If the Demerger conditions are satisfied, Neometals will distribute 100% of the Widgie Nickel shares on issue to eligible Neometals shareholders via a capital reduction and in-specie distribution of those shares, pro rata to their shareholding in Neometals as at
26 August 2021.

Eligible Neometals shareholders will receive 1 ordinary share in Widgie Nickel for approximately every 4.218 shares held in Neometals("In-Specie Distribution").

Widgie Nickel also proposes to complete a $24 million fundraising via an underwritten, non-renounceable pro rata entitlement offer to its shareholders who remain on its share register on the relevant record date on a 1 for 0.923 basis at $0.20 per new
Widgie Nickel share (Entitlement Offer), giving them the right (but not the obligation) to continue to further participate in the advancement of Widgie Nickel's exploration and development assets.

The lead manager and intended underwriter to the Entitlement Offer will be Euroz Hartleys Limited.

Further information to be included in the Widgie Nickel Entitlement Offer prospectus.

Neometals and Widgie Nickel management comments

> *"The demerger and return of our Mt Edwards asset offers existing Neometals shareholders the opportunity to realise the inherent long-term value*

of this exciting development story in a discrete, nickel focussed vehicle.

"I am particularly pleased to have secured a team of highly skilled resource professionals with diverse expertise to oversee Widgie Nickel's future and support the focussed exploration and development of the Mt Edwards Project."

Neometals' Managing Director, Chris Reed

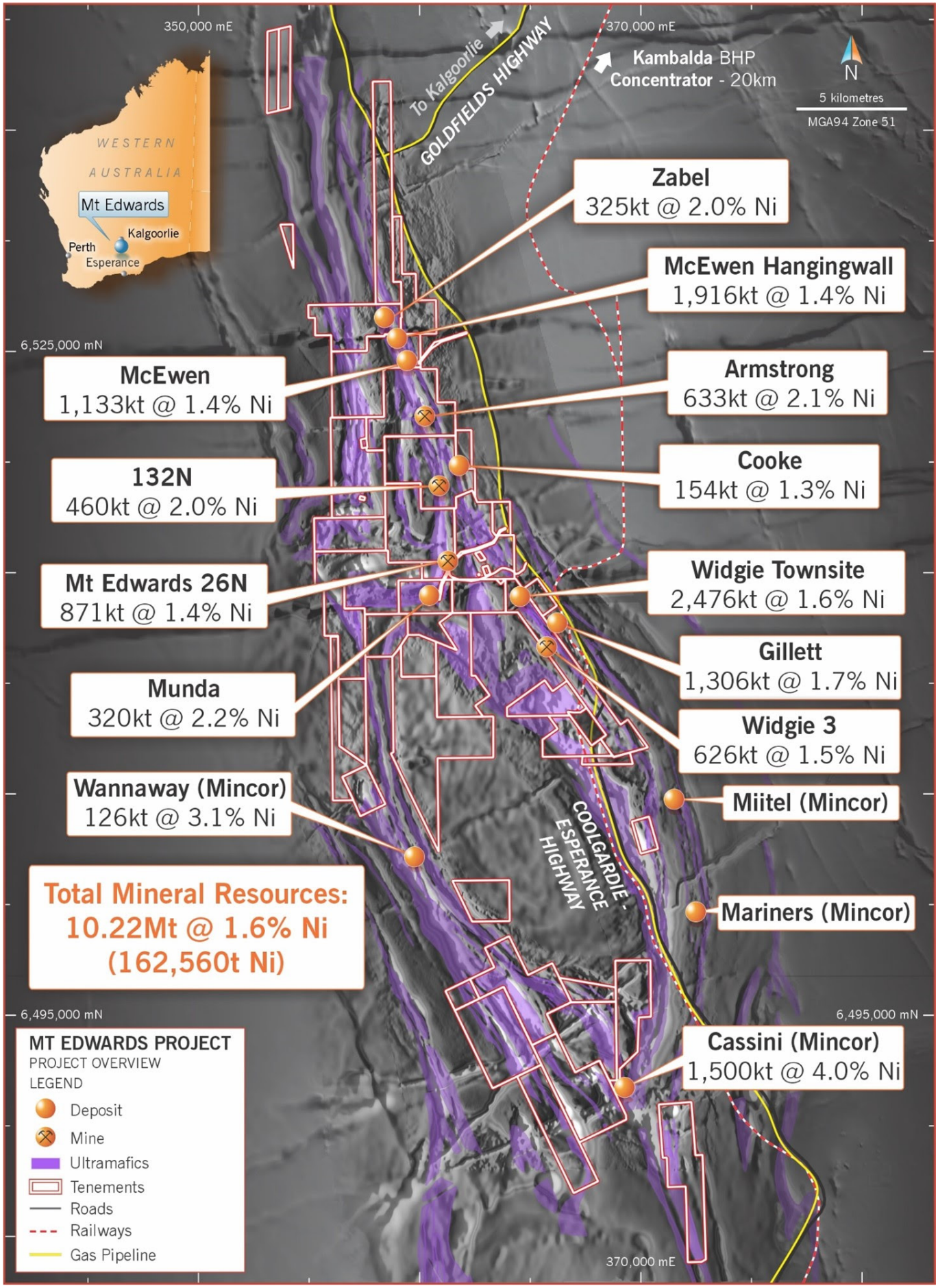
"Widgie Nickel presents investors with a compelling opportunity to gain exposure to an exciting nickel focussed development story.

"With a material resource inventory and a commanding landholding over the prolific Widgiemooltha dome, strategically located next to major infrastructure, we are well placed to start an exciting independent journey.

"We look forward to welcoming Neometals shareholders onto our register and would like to thank the Neometals Board for creating an independent vehicle with the technical, human and financial resources the Mt Edwards Project deserves."

Widgie Nickel Managing Director, Steve Norregaard

For brevity, this Neometals news summary has been abridged, to read the full news release, please click HERE


350,000 mE
370,000 mE
To Kalgoorlie
GOLDFIELDS HIGHWAY
Kambalda BHP Concentrator - 20km
N
5 kilometres
MGA94 Zone 51
WESTERN AUSTRALIA
Mt Edwards
Kalgoorlie
Perth
Esperance
Zabel
325kt @ 2.0% Ni
McEwen Hangingwall
1,916kt @ 1.4% Ni
6,525,000 mN
McEwen
1,133kt @ 1.4% Ni
Armstrong
633kt @ 2.1% Ni
132N
460kt @ 2.0% Ni
Cooke
154kt @ 1.3% Ni
Mt Edwards 26N
871kt @ 1.4% Ni
Widgie Townsite
2,476kt @ 1.6% Ni
Gillett
1,306kt @ 1.7% Ni
Munda
320kt @ 2.2% Ni
Widgie 3
626kt @ 1.5% Ni
Wannaway (Mincor)
126kt @ 3.1% Ni
Miitel (Mincor)
COOLGARDIE ESPERANCE HIGHWAY
Mariners (Mincor)
Total Mineral Resources:
10.22Mt @ 1.6% Ni
(162,560t Ni)
6,495,000 mN
6,495,000 mN
Cassini (Mincor)
1,500kt @ 4.0% Ni
MT EDWARDS PROJECT
PROJECT OVERVIEW
LEGEND
Deposit
Mine
Ultramafics
Tenements
Roads
Railways
Gas Pipeline
370,000 mE

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