



## Completion of LDA Capital Subscription

Hawsons Iron Limited (**HIO** or **Company**) advises that the pricing period for the LDA Capital Limited (LDA) subscription has expired and LDA has now completed the subscription for shares pursuant to the Call Notice given to LDA as announced on 12 July 2022 (*see ASX Announcement Hawsons Submits Call Notice to LDA Capital*).

LDA has subscribed for 17,515,000 shares (**Subscription Shares**) of the 25,000,000 shares (**Collateral Shares**) put to LDA pursuant to the Call Notice for a total of \$5,566,448 at a price per Subscription Share of \$0.3178 (rounded). The price per Subscription Share represents 90% of the average VWAP of shares during the 30-day pricing period exclusive of adjusting events being \$0.3531 (rounded). The Company intends to seek shareholder approval at its Annual General Meeting to cancel the remaining 7,485,000 Collateral Shares for which LDA has not subscribed.

HIO submitted the capital Call Notice under the terms of its strategic \$200 million Put Option Agreement (**Agreement or facility**) with the US-based financier announced in December last year. (*See ASX Announcement dated 22 December 2021: Hawsons secures A\$200m equity funding package*).

Managing Director Mr Bryan Granzien said the LDA facility had allowed the Company access to capital at a time when markets were not conducive to new equity issues.

“The LDA Capital Facility was established specifically to ensure the Company had access to a reliable source of capital not wholly dependent on volatile, short-term shifts in equity market sentiment,” he said.

Under the terms of the Facility, LDA can subscribe for a minimum of 50% and a maximum of 200% of the Shares put to LDA Capital.

Market volatility during the pricing period over the 30 trading days meant that 2 days were eliminated from the volume and VWAP calculations, thereby lowering the Collateral Shares available for subscription to 23,333,333 of which LDA has subscribed for 75.06% resulting in a capital raise of \$5,566,448 million.

Mr Granzien said the capital injection will be used to help replenish the Bankable Feasibility Study (BFS) funds used to purchase Starlight Investment Company Pty Ltd’s joint venture interest in the Hawsons Iron Project. (*Refer ASX Announcement dated 24 March 2022: Hawsons secures 100% control of the Hawsons Iron Project*).

“This facility has provided access to equity capital to ensure we can maintain momentum advancing the Hawsons Iron Project through the Bankable Feasibility Study,” Mr Granzien said.

**Released by authority of the Board**

Hawsons Iron Limited

25 August 2022

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**About Hawsons Iron Ltd**

Hawsons Iron Ltd (ASX: HIO) is an iron ore developer and producer listed on the Australian Securities Exchange. The company is focused on developing its flagship Hawsons Iron Project near Broken Hill into a premium provider of high-quality iron ore products for the global steel industry.

**The Hawsons Iron Project** is situated 60km southwest of Broken Hill, New South Wales, Australia in the emerging Braemar Iron Province. Prefeasibility Study (PFS) results for the Project, which was completed in 2017, showed that it is capable of producing the world's highest-grade iron product (70% Fe), making it the world's leading undeveloped high-quality iron ore concentrate and pellet feed project. Leading research firm Wood Mackenzie in Q2 FY 2019 rated the project one of the world's best high-grade iron ore development projects, excluding replacement or expansion projects owned by the established miners.

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