

**ASX
Release****12 May 2025****ASX: FIN****Corporate Directory****Director**

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Cleansing Notice: Issue of Convertible Notes

This cleansing notice (**Cleansing Notice**) is given by Fin Resources Limited (ACN 009 121 644) (**Company**) under section 708A(12C)(e) of the *Corporations Act 2001* (Cth) (**Corporations Act**) as amended by *ASIC Corporations (Sale Offers: Securities Issued on Conversion of Convertible Notes) Instrument 2016/82*.

The Company hereby confirms that:

- (a) the convertible notes described below will be issued without disclosure to investors under Part 6D.2 of the Corporations Act; and
- (b) this Cleansing Notice has been given in accordance with section 708A(12C)(e) of the Corporations Act.

The issue of this Cleansing Notice enables the fully paid ordinary shares in the capital of the Company (**Shares**) issued on the conversion of the convertible notes issued by the Company on the terms described below, to be on-sold to retail investors without further disclosure.

This Cleansing Notice is important and should be read in its entirety.

1. Background

1.1 Convertible Note Agreements

On 11 March 2025, the Company announced its intention to raise up to \$445,000 through the issue of convertible notes (**Convertible Notes**) to various sophisticated investors (**Noteholders**).

On 19 March 2025, the Company released a notice of general meeting seeking shareholder approval for the issue of the Convertible Notes and setting out a summary of the material terms of the convertible note agreements proposed to be entered into with the Noteholders.

On 17 April 2025, the Company received shareholder approval to issue the Convertible Notes.

The Company confirms it has now received \$445,000 in consideration for the issue of 445,000 Convertible Notes to the Noteholders pursuant to separate convertible note agreements with each Noteholder on the same terms (**Convertible Note Agreements**).

The funds raised are intended to be applied towards corporate and administration costs, project evaluation costs and working capital.

A broad summary of the rights, privileges and restrictions attaching to the Convertible Notes is set out in Schedule 1 of this Cleansing Notice. The summary is not exhaustive and does not constitute a definite statement of the rights and liabilities of the Noteholders.

2. Contents of this Cleansing Notice

This Cleansing Notice sets out the following:

- (a) in relation to the Convertible Notes:
 - (i) the effect of the issue on the Company;
 - (ii) a summary of the rights and liabilities attaching to the Convertible Notes; and
 - (iii) a summary of the rights and liabilities attaching to the Shares and Conversion Options that will be issued on the conversion of the Convertible Notes; and
- (b) any information that:
 - (i) has been excluded from continuous disclosure notices in accordance with the ASX Listing Rules; and
 - (ii) is information that investors and their professional advisors would reasonably require for the purpose of making an informed assessment of:
 - (A) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - (B) the rights and liabilities attaching to the Shares and Conversion Options; and
 - (iii) other information relating to the Company's status as a disclosing entity.

3. The effect of the issue on the Company

3.1 Effect of the issue on the Company

The principal effect of the issue of the Convertible Notes on the Company will be:

- (a) increase the Company's cash reserves by \$445,000 (before costs associated with the Convertible Notes);
- (b) an increase of the number of unquoted convertible notes on issue from nil to 445,000;
- (c) the Company having a liability for the aggregate face value of the Convertible Notes (being \$445,000); and
- (d) if the Convertible Notes are converted, the aggregate maximum number of Shares and Conversion Options that the Company may or is required to issue is calculated by dividing the face value (\$445,000) of the Convertible Notes by the conversion price (10% discount to the 5-day volume weighted average price of Shares calculated on the 5 trading days on which trades in Shares occur immediately prior to the date of the conversion notice, subject to being no lower than the floor price of \$0.0009). Based on a conversion price of \$0.0045 (being a 10% discount to the last trading price (\$0.005) on the day of shareholder approval for the issue of the Convertible Notes (17 April 2025) and the disclosure date for preparation of this Cleansing Notice (12 May 2025)), the maximum number of Shares issued on conversion of all Convertible Notes would be 98,888,889 and an equivalent number of Conversion Options would also be issued. Based on a conversion price of \$0.0009 (being the floor price), the maximum number of Shares issued on conversion of all Convertible Notes would be 494,444,444 and an equivalent number of Conversion Options would also be issued.

The maximum increase in the number of Shares on issue as a result of the conversion of all Convertible Notes is 494,444,444 resulting in a change from 694,888,440 Shares to 1,189,332,884 Shares (assuming no other Shares are issued, including by the conversion or exercise of other convertible securities). The maximum increase in the number of Options on issue as a result of the conversion of all Convertible Notes is 494,444,444 resulting in a change from 41,666,666 Shares to 536,111,110 Options. The actual number of Shares and Conversion Options issued will depend on the conversion price at the time of conversion of the Convertible Notes.

3.2 Pro-forma Consolidated Statement of Financial Position

To illustrate the effect of the issue of the Convertible Notes on the Company, a pro-forma Consolidated Statement of Financial Position (**Pro-forma Accounts**) which is set out in Schedule 2 has been prepared based on the reviewed consolidated statement of financial position of the Company as at 31 December 2024.

The accounting policies adopted in the preparation of the Pro-forma Accounts are the same as those used in the preparation of the 31 December 2024 accounts. The historical and Pro-forma Accounts are presented in an abbreviated form, insofar as they don't include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements. The Pro-forma Accounts have not been subject to independent audit or review.

The Pro-forma Accounts have been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities on the basis that the issue of the Convertible Notes were issued on 31 December 2024. The Company advises that

the Pro-forma Accounts is not the current financial position of the Company as at the date of this Cleansing Notice, and that the information is provided for illustrative purposes only.

The Pro-forma Accounts also separately show the impact of the conversion of debt to Shares as further detailed in the Notice of Meeting released to ASX on 19 March 2025.

3.3 Potential effect on capital structure

The potential effect of the issue of and subsequent conversion of the Convertible Notes on the capital structure of the Company, assuming all Convertible Notes are issued and no other equity securities are issued, is set out below.

Security	Number
Shares¹	
Shares on issue as at the date of this Cleansing Notice	694,888,440
Maximum number of Shares issued on conversion of all Convertible Notes ²	494,444,444
Maximum number of Shares on issue on conversion of all Convertible Notes	1,189,332,884
Options	
Options on issue as at the date of this Cleansing Notice ³	41,666,666
Maximum number of Options issued on conversion of the Convertible Notes ^{2, 4}	494,444,444
Maximum number of Options on issue on conversion of all Convertible Notes	536,111,110

Notes:

1. The rights and liabilities attaching to the Shares are summarised in Section 4.1.
2. This represents the maximum number of Shares and Conversion Options that can be issued on conversion of the Convertible Notes. Refer to Section 3.1(d) for an explanation and worked examples. The actual number of Shares and Conversion Options issued will depend on the conversion price at the time of conversion.
3. The Company's existing options are all unquoted and comprised of:
 - 6,666,666 Options exercisable at \$0.00001 each on or before 5 July 2026;
 - 5,000,000 Options exercisable at \$0.02 each on or before 1 December 2026; and
 - 30,000,000 Options exercisable at \$0.005 each on or before 23 April 2028
4. The terms and conditions of the Conversion Options are set out in Section 4.2.

4. Rights and liabilities attaching to securities issued on conversion of the Convertible Notes

4.1 Shares

The Shares issued to a Noteholder on conversion of their Convertible Notes under the Convertible Notes Agreement will rank equally in all respects with all of the Company's existing Shares.

Under the Convertible Note Agreement, the Company is required to apply to ASX for quotation of the Shares issued on conversion of any Convertible Notes.

Full details of the rights and liabilities attaching to Shares are set out in the Company's constitution, a copy of which can be inspected free of charge, at the Company's registered office during normal business hours.

The following is a broad summary of the rights, privileges and restrictions attaching to all Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders.

(a) **General meetings**

Each shareholder of the Company (**Shareholder**) is entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the constitution of the Company (**Constitution**).

(b) **Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote (even though he or she may represent more than one member); and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable in respect of those Shares (excluding amounts credited).

(c) **Dividend rights**

Subject to and in accordance with the Corporations Act, the Listing Rules, the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the directors of the Company (**Directors**) may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as are referred to in the resolution and which plan provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

4.2 **Conversion Options**

For every Share issued to a Noteholder on conversion of a Convertible Note one Option on the following terms will be issued (**Conversion Options**).

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be 130% of the Conversion Price (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on that date that is two (2) years after the date of issue of the Options (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on and from the date of issue until the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Options certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Following the Exercise Date and within the time period specified by the Listing Rules, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise; and
- (ii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

Also, if required, the Company will give ASX a notice that complies with section 708A(5)(e) of the Corporations Act (**Cleansing Notice**), or, if the Company is unable

to issue a Cleansing Notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors. If a Cleansing Notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued Shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of a holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in Exercise Price or number of underlying securities**

Subject to paragraph (i), an Option does not confer a right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

An Option is transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

5. Compliance with disclosure obligations

The Company is a “**disclosing entity**” under the Corporations Act and, as such, is subject to regular reporting and disclosure obligations under both the Corporations Act and the ASX Listing Rules.

These obligations require the Company to notify ASX of information about specific events and matters as they arise. In particular, the Company is obliged to continuously disclose to the market immediately any information which a reasonable person would expect to have a material effect on the price or the value of the Shares.

The Company is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a directors’ statement and report, and an audit report or review. Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an ASIC office.

The Company will provide a copy of each of the following documents, free of charge, to any person on request:

- (a) the annual financial report most recently lodged by the Company with ASIC, being the financial report of the Company for the year ended 30 June 2024;
- (b) any half-year financial report lodged by the Company with ASIC after the lodgement of the annual financial report referred to in paragraph (a) and before the lodgement of this Cleansing Notice with ASX; and
- (c) any continuous disclosure notices given by the Company to ASX after the lodgement of the annual financial report referred to in paragraph (a) and before the lodgement of this Cleansing Notice with ASX.

A list of the continuous disclosure notices given by the Company to ASX after lodgement of the annual financial report referred to in paragraph (a) above and before the lodgement of this Cleansing Notice with ASX is set out in Schedule 3.

6. Information excluded from continuous disclosure notices

As at the date of this Cleansing Notice, the Company advises that it has fully complied with its disclosure obligations under the ASX Listing Rules and the Corporations Act, and, in particular, there is no information which the Company has excluded from any of its continuous disclosure notices given in accordance with the ASX Listing Rules and the Corporations Act as at the date of this Cleansing Notice which it would be reasonable for investors and their professional advisors to require for the purpose of making an informed assessment of:

- (a) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
- (b) the rights and liabilities attaching to the Convertible Notes, Shares and Conversion Options.

Authority and Contact Details

This announcement has been authorised for release by the Board of Fin Resources Limited.

For further information contact:

Jason Bontempo - info@finresources.com.au

Schedule 1 – Terms and Conditions of Convertible Notes

Number of Convertible Notes	445,000
Purchase Price / Face Value	\$1.00 per Convertible Note
Maturity Date	12 months after the purchase date of the Convertible Notes.
Interest	Nil
Conversion	At the Noteholder's election at any time prior to the Maturity Date (or earlier agreed redemption) and subject to all Convertible Notes of the Noteholder being converted. The conversion will occur within 5 business days of receipt of the conversion notice.
Conversion Securities	Shares: Face Value divided by the Conversion Price. In the event the calculation results in a fraction of Share the quantity issued on conversion will be rounded up to the nearest whole Share. Conversion Options: One Option for every Share issued on conversion
Conversion Price	10% discount to the 5-day volume weighted average price of Shares calculated on the 5 trading days on which trades in Shares occur immediately prior to the date of the conversion notice, subject to being no lower than the Floor Price
Floor Price	\$0.0009
Redemption	Maturity Date On the Maturity Date (to the extent not earlier redeemed or converted), the Company must redeem the outstanding Convertible Notes by paying the outstanding amount of the Face Value to the Noteholder in cash. Early redemption The Company may, with the Investor's prior written consent, elect to redeem the Convertible Notes in full at any time prior to the Maturity Date by payment of the aggregate Face Value outstanding.
Reorganisation of capital structure	In the event the issued capital of the Company is reorganised prior to conversion or redemption of the Convertible Notes, the Conversion Price will be adjusted in a manner such that the number of Convertible Notes or the Conversion Price or both is adjusted so that the reorganisation does not result in the Investor receiving a benefit that holders of Shares do not receive.
Ranking on Conversion	Shares issued on conversion of the Convertible Notes will rank equally with existing Shares on issue. Conversion Options will be issued with the terms and conditions set out in Section 4.2.
Security	Nil – unsecured
Event of Default	In the event the Noteholder gives the Company a notice following an event of default (e.g. event of insolvency, material breach) the total Face Value in respect of all outstanding Convertible Notes is immediately due and payable.

Schedule 2 – Pro-forma Consolidated Statement of Financial Position

	Unaudited	Pro Forma Adjustments		Unaudited
	31-Dec-24	Convertible	Subsequent	Pro Forma
	\$	Note	Events	31-Dec-24
	\$	\$	\$	\$
Current Assets				
Cash and cash equivalents	250,608	445,000		695,608
Trade and other receivables	213,047	-	-	213,047
Other assets	11,827	-	68,739	80,566
Other financial assets	100	-		100
Total Current Assets	475,582	445,000	68,739	989,321
Non-Current Assets				
Exploration and evaluation expenditure	2,391,727	-	-	2,391,727
Total Non-Current Assets	2,391,727	-	-	2,391,727
Total Assets	2,867,309	445,000	68,739	3,381,048
Current Liabilities				
Trade and other payables	431,883	-	(113,739)	318,144
Provisions	-	-	-	-
Total Current Liabilities	431,883	-	(113,739)	318,144
Total Liabilities	431,883	-	(113,739)	318,144
Net Assets	2,435,426	445,000	182,479	3,062,905
Equity				
Issued capital	37,118,818	-	182,479	37,301,297
Reserves	5,875,200	445,000	120,096	6,440,296
Accumulated losses	(40,558,592)	-	(120,096)	(40,678,688)
Total Equity	2,435,426	445,000	182,479	3,062,905
	-	-	-	-
NOTES	Number	\$		
Convertible Note				
\$1.00 per Convertible Note	445,000	\$ 445,000		
Subsequent Events				
Issue of Shares: 6 months' director fees	12,684,870	\$ 50,739		
Issue of Shares: 6 months' Technical Advisor fees	4,500,000	\$ 18,000		
Issue of Shares: accrued corporate adviser & director fees	28,434,870	\$ 113,739		
Consultant, Corporate Adviser and Director Options	30,000,000	\$ 120,096		

Schedule 3 – ASX announcements

Date	Title
30/04/2025	Quarterly Activities Report & Appendix 5B
23/04/2025	Change of Director's Interest Notice x2
23/04/2025	Notification regarding unquoted securities – FIN
23/04/2025	Section 708(A) Cleansing Notice – Share Issue
23/04/2025	Notification regarding unquoted securities – FIN
23/04/2025	Application for quotation of securities – FIN
23/04/2025	Notification of cessation of securities – FIN
17/04/2025	Results of General Meeting
19/03/2025	Letter to Shareholders, Notice of GM and Proxy Form
13/03/2025	Half Yearly Report and Accounts – 31 December 2024
11/03/2025	Proposed issue of securities – FIN
11/03/2025	Convertible Note Funding
03/02/2025	Initial Director's Interest Notice
03/02/2025	Final Director's Interest Notice
03/02/2025	Notification of cessation of securities – FIN
03/02/2025	Proposed issue of securities – FIN
03/02/2025	Non-Executive Director and Technical Advisor Appointments
31/01/2025	Quarterly Activities Report & Appendix 5B
18/12/2024	Change of Auditor
29/11/2024	Results of 2024 Annual General Meeting
31/10/2024	Quarterly Activities Report & Appendix 5B
21/10/2024	Letter to Shareholders, Notice of AGM and Proxy Form