

ELMORE

MARKET UPDATE

April 16th, 2021

KEY POINTS

- Significant Investment Fund added to Elmore's Register
- \$1 million placement executed at \$0.02 per share
- Additional funds will be used towards processing equipment, reducing the reliance on equipment finance
- Outstanding interest payable to Twynam for previously approved convertible note has been converted to shares
- The Company now has no debt and no creditors outside terms of trade

Elmore Ltd (ASX: ELE, "the Company") is pleased to provide an update on the Company's progress.

EQUITY PLACEMENT

Elmore is pleased to welcome a leading Australian fund manager to the register of the Company via a placement of 50,000,000 ordinary shares from the Company at \$0.02 per share, the same price as the recent relisting capital raise.

The Company is making the placement under its existing placement capacity.

Shaw and Partners Limited acted as Lead Manager to the transaction and will be paid a 6% fee on the transaction.

Funds will be used towards plant and equipment that the company is planning to purchase and build and decreases Elmore's reliance on Equipment finance as the Company progresses through its next stage of development.

INTEREST CONVERTED

Elmore is also pleased to announce that Twynam has opted to convert the outstanding interest (\$167,671.36) previously accrued under the now repaid convertible note into shares.

Under the agreement, principal and interest was convertible to shares at a 20% discount to the last capital raise, thus a conversion price of \$0.016 per share and 10,479,460 ordinary shares issued.

This conversion was ratified by shareholders at the EGM 29 January 2021. The principal of the convertible note was previously converted prior to re-listing.

Following this conversion, the Company has no debt (except some equipment and vehicle finance) and no creditors outside terms of trade.

For personal use only

ELMORE

MANAGING DIRECTORS COMMENT

Elmore's Managing Director Mr David Mendelawitz commented:

"After over 2 years of suspension and an enormous amount of hard work, I am delighted that we are back trading on the ASX. Whilst I know that no Shareholder ever wants to see further dilution, the opportunity to have a fund such as Regal on the register and the chance to strengthen the balance sheet is something that we believe is ultimately in everyone's best interest as we build the Company. Furthermore, we are delighted to see the continued support of Twynam and feel that their support over the last few years has been fundamental in allowing the Company to survive long enough to get to the point that we have arrived at.

We are now working hard to deliver on our strategy and look forwards to the path forwards as we now have a great team, some good contracts, an enhanced register of supporting shareholders, an solid strategy and finally and cleansed enterprise with some money to work with."

-END-