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FinnAust Mining plc / EPIC: FAM / Market: AIM / Sector: Mining

**FinnAust Mining plc ('FinnAust' or the 'Company')
Acquisition, Placing, Board Changes and Notice of General Meeting**

FinnAust Mining plc, the AIM listed exploration company with projects in Finland and Austria, is pleased to announce it has signed a binding agreement to acquire an initial 60% interest in Bluejay Mining Limited ('Bluejay') (the 'Bluejay Acquisition'). Bluejay is the 100% owner of the 126sq km high grade Pituffik titanium project in Greenland ('Pituffik Project'). The Bluejay Acquisition will see the Company expand its presence in the broader Nordic region in line with its stated strategy of building a multi-commodity portfolio of high value assets. The Bluejay Acquisition is conditional on Greenlandic regulatory approval and Shareholder approval to be sought at a General Meeting to be held by FinnAust, details of which are set out below.

Highlights

- Acquisition price of £0.9 million satisfied through the issue of up to 164,655,885 new ordinary shares (no cash component) with an option to acquire the remaining 40%
- Placing of 10 million New Ordinary Shares at 2 pence to raise £200,000 with major shareholder Western Areas Limited ('Western Areas') and Bluejay Placees demonstrating strong support for the Company and the Pituffik Project
- The presence of a very large and unusually pure titanium occurrence has been demonstrated by initial 2015 fieldwork by Bluejay as well as historical work by the Geological Survey of Greenland and Denmark ('GEUS')

- Work to date indicates potential for the Pituffik Project to be in the top percentile of projects worldwide in terms of heavy mineral grade
- Close to infrastructure; deep-water port, international airport and Town of Qaanaaq
- Greenland is a highly prospective yet underexplored emerging mining destination with a government focused on developing a resource based economy
- Roderick ('Rod') McIlree newly appointed to the Board as Managing Director, bringing strong in-country experience as founder of Greenland Minerals & Energy Ltd
- Graham Marshall to move to the position of Non-Executive Chairman and Daniel Lougher to move to the position of Non-Executive Director
- Strategic review now completed in conjunction with cornerstone investor Western Areas. Company's strategy is as follows:
 - o Secure high quality, low cost assets with demonstrable paths to production by taking advantage of the current cyclical downturn and depressed commodity markets to execute this strategy; and
 - o Ensure costs across all the Company's project areas are sustainable taking into account current market conditions.

FinnAust Managing Director Rod McIlree said, "The Pituffik Project fits neatly with our stated strategy of acquiring high grade & high value projects within the broader Nordic region. We believe this deposit has the potential to become a significant value driver for the Company as we undertake work to strengthen our knowledge of the asset. This understanding comes from reviewing the recent work completed by Bluejay as well as decades of historical technical and academic assessment by GEUS and others. We look forward to updating shareholders with further information in the near term.

"Work programmes are being prepared, with updates expected in the new year, focused on the singular goal of generating cash flow from what is a relatively simple yet high value opportunity to create a company capable of self-funding exploration and development opportunities.

"I am pleased to join FinnAust in the capacity of Managing Director and over the last few months I have completed a detailed review of the Company, its personnel and assets. I am pleased to advise that in conjunction with the

existing management team and cornerstone shareholder we have now defined a strategy that is focused on growth via acquisitions with specific focus on development opportunities within the Nordic region. FinnAust will continue to enjoy the support and expertise of Western Areas a leading miner which, when blended with my deep knowledge and experience of Greenland, I believe positions FinnAust to deliver on this strategy."

Outgoing FinnAust Chairman Daniel Lougher said "I have worked with Rod at FinnAust now for several months and I am happy that the strategy we have defined will be successful. With Graham Marshall as the new FinnAust Chairman, the management team now has sufficient resources and support to maximise its vision of growth through acquisitions and we look forward to continuing as a major shareholder and participating in their activities in the future."

Notice of General Meeting

The Board of FinnAust announces a General Meeting of the Company to be held at The Washington Mayfair Hotel, 5 Curzon Street, London, W1J 5HE on 24 December 2015 at 9:00 a.m. for the purposes of approving the Bluejay Acquisition.

The circular convening the General Meeting dated 8 December 2015 ('Circular') has been posted to shareholders. Further details of the Bluejay Acquisition, the Placing, Share Capital Reorganisation, the Pituffik Project and the Company's future strategy as extracted from the Circular are set out below.

The Circular is available at www.finnaust.com

Contact details:

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Extracts from the Circular are set out below. The same definitions apply throughout this announcement as are applied in the Circular. A list of definitions is set out at the end of this announcement.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Date of the Circular	8 December 2015
Last time and date of receipt of Forms of Proxy	9.00 a.m. on 22 December 2015
General Meeting	9.00 a.m. on 24 December 2015

Share Capital Reorganisation to become effective	6.00 p.m. on 24 December 2015
Admission of Placing Shares and Initial Consideration Shares	On or around 15 January 2016

KEY STATISTICS

Number of Ordinary Shares as at the date of this announcement	295,986,560
Number of New Ordinary Shares following the Share Capital Reorganisation*	295,986,560
Number of Placing Shares	10,000,000
Placing Price	2 pence
Gross proceeds of the Placing	£200,000
Placing Shares as a percentage of the Existing Ordinary Shares	3.38%
Initial Consideration Shares	123,900,000
Initial Consideration Shares as a percentage of the Existing Ordinary Shares	41.86%
Total number of New Ordinary Shares following the Placing, Bluejay Acquisition and Share Capital Reorganisation*	429,886,560
International Security Identification Number (ISIN) of the Ordinary Shares	GB00BFD3VF20
Tradeable Instrument Display Mnemonic (TIDM)	FAM

**assuming no options or warrants are exercised between the date of this announcement and Admission*

Further Information on the Bluejay Acquisition

On 8 December 2015, the Company entered into a sale and purchase agreement, pursuant to which it conditionally agreed to acquire 125,788 shares of no par value each in Bluejay representing an interest 60.37 per cent. of Bluejay for a maximum purchase price of £905,607, based on a total maximum valuation of Bluejay of £1.5 million, to be satisfied by the issue of up to 164,655,885 New Ordinary Shares to the Bluejay Vendors, *pro rata*, to their respective holdings in Bluejay as follows:

- (a) the allotment and issue of the Initial Consideration Shares, namely, 123,900,000 New Ordinary Shares on the satisfaction of the conditions of the Bluejay Acquisition; and
- (b) the allotment and issue of the Deferred Consideration Shares, namely, 40,755,885 New Ordinary Shares on a business day elected by the Company in accordance with the terms of the Bluejay Acquisition and such date shall not be later than 12 months after the date of the sale and purchase agreement.

The Bluejay Acquisition is conditional, amongst other matters, upon the following:

- (i) the Resolutions being passed at the General Meeting including the approval by Shareholders of the Bluejay Acquisition;
- (ii) the Placing; and

- (iii) change of control consent from the relevant Greenlandic authorities in respect of Bluejay in its capacity as the holder of the mineral exploration permit for the Pituffik Project.

The Initial Consideration Shares will be credited as fully paid and will represent 28.82 per cent. of the Enlarged Issued Share Capital.

The deferred consideration will only become due if Bluejay is granted a mineral exploration permit over the offshore Pituffik project area and if the issue of the Deferred Consideration Shares does not trigger a mandatory offer pursuant to Rule 9 of the Takeover Code.

Under the terms of the Bluejay Acquisition, the Company will also be granted an option by the Bluejay Vendors to acquire the remaining 39.63 per cent. of Bluejay for the sum of £594,393 to be satisfied by the issue of 108,071,388 New Ordinary Shares to the Bluejay Vendors, *pro rata*, to their respective holdings in Bluejay. The Option will be exercisable for a period of four years from the date of completion of the Bluejay Acquisition. The exercise of the Option is solely at the Company's discretion. Shareholders should note that the Option will not be exercised if it would trigger a reverse takeover pursuant to the AIM Rules for Companies or if it were to trigger a mandatory offer pursuant to Rule 9 of the Takeover Code.

Gregory Kuenzel, Non-Executive Director of the Company, and Roderick McIlree, who was appointed as Managing Director of the Company, are both shareholders in Bluejay and will receive Initial Consideration Shares. As a result, the Bluejay Acquisition constitutes a related party transaction as defined by the AIM Rules for Companies.

There are no independent directors of FinnAust for the purpose of the Bluejay Acquisition, SP Angel Corporate Finance LLP, the Company's nominated adviser considers that the terms of the Bluejay Acquisition are fair and reasonable insofar as Shareholders are concerned.

Placing

The Company has also placed 10,000,000 New Ordinary Shares following the receipt of subscriptions at a price of 2 pence per share from Western Areas, the Company's largest shareholder, and the Bluejay Placees. The Placing Price represents a premium of 264 per cent. to the Company's closing mid-market share price of 0.55 pence on 7 December 2015. The Placing, which is conditional on, *inter alia*, the Bluejay Acquisition, will raise funds of £200,000 which will be applied to the Company's working capital requirements and the progression of the Pituffik Project.

Application will be made for the Placing Shares and the Initial Consideration Shares to be admitted to trading on AIM. Dealings are expected to become effective on or around 15 January 2016. Following the issue of the Placing Shares and the Initial Consideration Shares, the Company will have 429,886,560 New Ordinary Shares in issue.

Subsequent to the issue of the Placing Shares and Initial Consideration Shares, the Bluejay Vendors will collectively hold 128,930,004 shares in the Company representing 29.99 per cent. of the Enlarged Issued Share Capital. Further details of the shareholdings of the Bluejay Vendors and Western Areas are set out under the heading "Takeover Code and Concert Party" below.

Takeover Code and Concert Party

The Takeover Code is issued and administered by the Panel. The Takeover Code

applies to all takeover and merger transactions, however effected, where the offeree company is, inter alia, a listed or unlisted public company incorporated in the United Kingdom. The Company is such a company and Shareholders are entitled to the protections afforded by the Takeover Code.

Under Rule 9 of the Takeover Code, any person who acquires an interest (as defined in the Takeover Code) in shares which, taken together with shares in which he and persons acting in concert with him are already interested, carry 30 per cent. or more of the voting rights in a company which is subject to the Takeover Code is normally required to make a general offer to all the remaining shareholders to acquire their shares.

Similarly, when any person, together with persons acting in concert with him, is interested in shares which, in aggregate, carry not less than 30 per cent. of the voting rights of a company but does not hold shares carrying more than 50 per cent. of such voting rights, a general offer will normally be required if any further interest in shares is acquired by any such person, or any person acting in concert with him, which increases the percentage of shares carrying voting rights in which he is interested.

An offer under Rule 9 must be made in cash (or with a full cash alternative) at a price not less than the highest price paid by the person required to make the offer, or any person acting in concert with him, for any interest in shares of the company during the 12 months prior to the announcement of the offer.

Rule 9 of the Takeover Code further provides, amongst other things, that where any person who, together with persons acting in concert with him holds over 50 per cent. of the voting rights of a company, acquires an interest in shares which carry additional voting rights, then they will not generally be required to make a general offer to the other shareholders to acquire the balance of their shares.

Under the Takeover Code, a concert party arises where persons who, pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control (as defined below) of a company or to frustrate the successful outcome of an offer for a company. Control means holding, or aggregate holdings, of shares carrying 30 per cent. or more of the voting rights of the company, irrespective of whether the holding or holdings give *de facto* control.

Western Areas holds an interest in 178,611,112 Ordinary Shares representing 60.34 per cent. of the Existing Ordinary Shares. As set out in the Admission Document, the interests of Western Areas in the ordinary share capital of the Company was previously the subject of a waiver granted in respect of Rule 9 and approved by Shareholders at a general meeting on 29 November 2013 (the "Waiver"). Following the completion of the Placing and the Bluejay Acquisition, Western Areas will hold an interest in 183,611,112 New Ordinary Shares representing 42.71 per cent. of the Enlarged Issued Share Capital.

The Panel has determined that pursuant to the Bluejay Acquisition, the Bluejay Vendors are acting in concert with each other and Western Areas is acting in concert with the Bluejay Vendors (the "Concert Party").

A table which sets out the current and maximum potential interests in the ordinary share capital of the Company for each member of the Concert Party is set out below:

Shareholder name	Interest in Existing Ordinary Shares	Percentage interest in Existing Ordinary Shares	No. of Placing Shares	No. of Initial Consideration Shares	Interest in New Ordinary Shares on completion of the Placing and the Bluejay Acquisition	Percentage Interest in New Ordinary Shares on completion of the Placing and the Bluejay Acquisition
Roderick McIlree*	Nil	Nil	Nil	42,966,685	42,966,685	9.99
Jeremy Whybrow	Nil	Nil	4,470,549	42,966,685	47,437,234	11.03
Gregory Kuenzel*	30,000	0.01	Nil	17,365,791	17,395,791	4.05
Shaun Bunn	Nil	Nil	529,451	13,119,788	13,649,239	3.18
Garth Palmer	4	0.00	Nil	7,481,051	7,481,055	1.74
Bluejay Vendors Total	30,004	0.01	5,000,000	123,900,000	128,930,004	29.99
Western Areas	178,611,112	60.34	5,000,000	Nil	183,611,112	42.71
Concert Party Total	178,641,116	60.35	10,000,000	123,900,000	312,541,116	72.70
Other Shareholders	117,345,444	39.65	Nil	Nil	117,345,444	27.30
TOTAL	295,986,560	100.00	10,000,000	123,900,000	429,886,560	100.00

*Director of the Company

There is no obligation under Rule 9 to make a general offer in respect of the issue of New Ordinary Shares to either Western Areas or the Bluejay Vendors, as Western Areas currently has an interest in excess of 50 per cent. of the voting rights of FinnAust and the Concert Party will have an interest in excess of 50 per cent. of the voting rights of the Company following the completion of the Placing and the Bluejay Acquisition.

Western Areas will hold between 30 per cent. and 50 per cent. of the voting rights of the Company following completion of the Placing and the Bluejay Acquisition, and will therefore be prevented from acquiring any additional New Ordinary Shares without incurring a further obligation under Rule 9 to make a general offer.

Following completion of the Placing and the Bluejay Acquisition, the Bluejay Vendors will hold an interest in 128,930,004 New Ordinary Shares representing 29.99 per cent. of the issued ordinary share capital of the Company as enlarged by the issue of the Placing Shares and the Initial Consideration Shares. The Bluejay Vendors will therefore be prevented from acquiring any additional New Ordinary Shares without incurring a further obligation under Rule 9 to make a general offer.

Following completion of the Placing and the Bluejay Acquisition, the Concert Party will have an interest in 312,541,116 New Ordinary Shares, representing 72.70 per cent. of the ordinary share capital of the Company as enlarged by the issue of the Placing Shares and the Initial Consideration Shares.

Shareholders should note that Western Areas currently holds over 50 per cent. of the voting rights of the Company. The Concert Party will continue to hold over 50 per cent. of the voting rights of the Company when the Placing Shares and Initial Consideration Shares are issued. Following completion of the Placing and the Bluejay Acquisition, neither Western Areas nor the Bluejay Vendors will be able to increase their interests in the voting rights of the Company through or between a Rule 9 threshold without Panel consent.

Further background information in relation to Western Areas and the Waiver is set out in the Admission Document.

Share Capital Reorganisation

Under English law, a company is unable to issue shares at a subscription price which is less than their nominal value. The nominal value of the Existing Ordinary Shares is 2 pence, and the current market price as at close of trading on 7 December 2015 (being the last practicable date prior to the publication of this announcement) was 0.55 pence. This, together with market conditions generally, means that it is not currently possible for the Company to raise new equity capital from the market generally at a minimum subscription price of 2 pence per share or more.

It is therefore proposed that each of the Existing Ordinary Shares be sub-divided into one New Ordinary Share with a nominal value of 0.01 pence each and one hundred & ninety nine A Deferred Shares with a nominal value of 0.01 pence each.

The A Deferred Shares have no value or voting rights and you will not be issued with a share certificate in respect of the A Deferred Shares. They will not be admitted to trading on AIM. Accordingly, the A Deferred Shares will be effectively worthless. The full rights attaching to the A Deferred Shares are set out in the Articles.

After the Share Capital Reorganisation, there will be the same number of New Ordinary Shares in issue as there are Existing Ordinary Shares. The New Ordinary Shares will have the same rights as those currently accruing to the Existing Ordinary Shares in issue under the Articles, including those relating to voting and entitlement to dividends. You will not be issued with a new share certificate for your New Ordinary Shares and the existing one will remain valid.

Holders of options and warrants over Existing Ordinary Shares will maintain the same rights as currently accruing to them and will not be issued with new warrant or option certificates.

The proposed Share Capital Reorganisation will become effective if resolution 1, which is set out in the Notice of General Meeting, is approved at the General Meeting.

General Meeting

The Resolutions to be proposed at the General Meeting are as follows:

Resolution 1 - Sub-division and re-designation of ordinary shares

This is an ordinary resolution to sub-divide and re-designate each of the issued ordinary shares of 2 pence each in the capital of the Company into one hundred & ninety nine A deferred shares of 0.01 pence each and one ordinary share of 0.01 pence each.

New Ordinary Shares

Immediately following the sub-division and re-designation, each Shareholder will hold one new ordinary share of 0.01p and one hundred & ninety nine A Deferred Shares in place of every one existing ordinary share of 2 pence each previously held in the capital of the Company. The rights of the New Ordinary Shares will in all material respects be the same as the ordinary shares currently in issue.

A Deferred Shares

The A Deferred Shares do not carry voting rights or a right to receive a dividend. The holders of A Deferred Shares do not have the right to receive notice of any general meeting of the Company, nor have any right to attend, speak or vote at any such meeting. In addition, holders of A Deferred Shares are only entitled to a payment on a return of capital or on a winding up of the Company after each of the holders of ordinary shares has received a payment of £100,000 in respect of each ordinary share. Accordingly, the A Deferred Shares will have no economic value. The Company does not intend to make any application for A Deferred Shares to be admitted to trading on AIM.

The Company does not intend to issue new share certificates to Shareholders following the re-organisation of its share capital.

Resolution 2 - Approval of the Bluejay Acquisition

This is an ordinary resolution that, subject to the passing of resolution 1 above, the proposed Bluejay Acquisition by the Company be and is hereby approved and that the directors of the Company be and are hereby authorised to do all such things as any of them may consider necessary or desirable to implement the Bluejay Acquisition.

Resolution 3 - Section 551 authority

This is an ordinary resolution authorising the directors to allot and issue New Ordinary Shares and grant rights to subscribe for such shares up an aggregate nominal value of £50,000. The authority will expire at the commencement of the next Annual General Meeting following this meeting or 31 December 2016, whichever is the earlier to occur.

Resolution 4 - Section 570 authority and dis-application of Section 561(1)

This is a special resolution authorising the directors to issue equity securities wholly for cash on a non pre-emptive basis pursuant to the authority conferred by resolution number 3 above. This will allow the Board to allot shares without recourse to the Shareholders so that it can move quickly from time to time as it deems appropriate. This authority will expire at the commencement of the next Annual General Meeting following this meeting or 31 December 2016, whichever is the earlier to occur.

Irrevocable undertaking

Western Areas has irrevocably undertaken to vote in favour of the Resolutions in respect of their existing holding of 178,611,112 Ordinary Shares, which represents 60.34 per cent. of the Existing Ordinary Shares.

Shareholders should note that Gregory Kuenzel will abstain from voting on Resolution 2 on account of the Bluejay Acquisition being considered a related party transaction. Rod McIlree does not have an interest in the Existing Ordinary Shares.

Information on the Pituffik Project and future strategy

Overview

The Thule black sand province in North West Greenland composes a coastline several hundred kilometres long containing both ilmenite and magnetite-rich regions. Within these regions are areas of elevated ilmenite concentrations (up to 60 per cent. with an average of 37 per cent.) on both active and uplifted beach zones that are the focus of Bluejay. The source of these titanium rich sands are regional basaltic sill and dyke swarms containing unusually high amounts of titanium (up to 6 per cent. in whole-rock analysis).

Regional extent of titanium rich sands

The highest-grade material to date has been identified at Pituffik, an area that has returned samples of opaque mineral (magnetite and ilmenite) fractions of up to 95 per cent. with up to 73 per cent. of that being ilmenite. Active beaches in the region have demonstrated grades of up to 68 per cent. with an average of between 38-40 per cent. ilmenite. In addition to these areas are the far more expansive uplifted beaches which are on average around 17 per cent. ilmenite.

Fieldwork by Bluejay as well as historical work by the Geological Survey of Greenland & Denmark ("**GEUS**") and others has highlighted the potential of these large and quite pure titanium occurrences for exploitation.

Greenland is a highly prospective yet underexplored emerging mining destination with a government focused on developing a resource based economy. The new incoming management of FinnAust, in particular Roderick McIlree, have operated successfully in Greenland for most of the past decade.

Bluejay and the Pituffik Project

The Pituffik Project is located on the Steensby Land peninsular in the north west of Greenland and is centered on the closed settlement of Moriusaq in the Qaasuitsup municipality (see Figure 1 below). The Pituffik Project is 83km south of the regional settlement Qaanaaq.

Figure 1: Ilmenite rich beach sand and marine sediments adjacent to the closed settlement of Moriusaq, north-east Greenland. (Please see the PDF attached at the top of the page)

The Pituffik Project was originally discovered in 1915 however it is only in the last 15 years that exploitation has become possible due to the profound environmental and climactic changes this part of the world is experiencing. Initial exploration results by Bluejay during 2015 along with a large amount of historical work performed by GEUS and others all indicate the presence of a very large and unusually pure titanium deposit (in ilmenite).

The Pituffik Project sits approximately 30km from the international airport and deep-water port of Thule Air Base operated by the United States Air Force to the south-east and Qaanaaq domestic airport to the north, both of which are serviced by several airlines, including Air Greenland, several times a week.

The Pituffik Project is an early stage exploration project, but it has been the subject of many campaigns of detailed technical studies and exhibits many indications that it could become one of the highest grade in situ deposit of ilmenite anywhere in the world. Photogrammetry, marine bathymetry as well as onshore and offshore sampling has been completed by Bluejay during 2015, the early results of which have shown visual percentages of heavy minerals in almost all samples taken, and continue to demonstrate not just the extensive and high grade nature of the onshore accumulations of ilmenite but also the potential for much larger volumes of ilmenite bearing sediments within the shallow marine environment extending out to approximately 1,000m from shore all in less than 20m of water. These offshore sediment accumulations, if proven, could be amenable to exploitation via simple and cost effective offshore dredging. Bluejay's Mineral Exploration Permit covers onshore ground only, though Bluejay are making enquiries in regards to extending the coastal boundary to cover potential offshore deposits. The Company will continue to

work to determine the nature and extent of these deposits as well as completing a more formal negotiation with the Mineral Licence and Safety Authority in Greenland on permitting and transactional approvals.

Figure 2: Ilmenite rich beach sand and marine sediments at Interlak, east of Moriusaq (Please see the PDF attached at the top of the page)

Figure 3: Ilmenite rich sediments in raised beaches at Interlak (Please see the PDF attached at the top of the page)

After completion of the Bluejay Acquisition the Company intends to continue to work with Greenlandic regulators to expand on existing development models to generate initial proof of concept bulk samples and ultimately larger volume exploitation. The Company will also analyse possible processing routes and product saleability.

Following completion of the Bluejay Acquisition, the Company intends to prioritise activities that will move the Pituffik Project towards relatively short term exploitation. The strategy of the Board is to generate cash flow from the Pituffik Project to create a company that is capable of eventually self-funding exploration and development opportunities that it currently owns as well as continuing to evaluate other complementary opportunities.

Update on existing project areas

As previously announced, the Company has moved to reduce costs across all its existing project areas during this time of low commodity prices. The Directors are now confident that the Finnish assets are "cost sustainable" for the long term. Work continues at a desktop level with acquisition of new geophysical data and reprocessing of existing datasets to generate high value drill targets for drilling at the appropriate time. The Company continues to look at ways to create value from these assets and will provide further updates on progress. The Company sees these assets as being strategic and of high value and recent changes were necessary to ensure they can be carried for the foreseeable future on their new restructured cost base.

Future strategy

The Company has assessed the market and has decided to focus on growth based opportunities to take advantage of the current cyclical downturn affecting the resources sector. This may be achieved in the short term through the acquisition of additional high quality assets to expand and complement the Company's existing portfolio of projects. Several opportunities are currently being reviewed and evaluated. Work will continue towards the production of a bulk sample "proof of concept" from the Pituffik Project with the aim of ultimately generating cash flow to create a company capable of self-funding exploration on its projects.

Bluejay, presents an opportunity for the Company to diversify and expand its broader Nordic Region footprint while also providing a highly experienced technical and management team who collectively have operated mineral exploration businesses in Greenland for approximately 10 years. During this time the Bluejay team has developed strong relationships with local governments both in Greenland and Denmark and has built up an extensive network of contacts across all mineral exploration disciplines.

The Directors are committed to ensuring FinnAust is well positioned when

markets improve for resource companies. This strategy has the support of the Company's cornerstone investor, Western Areas, one of Australia's largest nickel producers, which will continue to make resources and expertise available to FinnAust for this purpose. To date Western Areas has provided extensive technical and financial assistance to the Company, this support is expected to continue as FinnAust executes its growth strategy.

Bluejay corporate information

Bluejay Mining Limited is incorporated in the British Virgin Islands and is the holder of the Mineral Exploration Permit. Bluejay was established in July 2011 and made a loss of £76,195 for the 10 month period to 31 October 2015.

Competent person statement

There is currently no mineral resource estimate for the Pituffik Project. The information in this announcement that relates to exploration results is based on information compiled by Mr. Urpo Kuronen ("**Urpo**"), who is the Chief Operating Officer of the Company and a member of the Australasian Institute of Mining and Metallurgy.

Urpo has sufficient experience, relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as a qualified person as defined by AIM Rules. Urpo has reviewed this announcement and consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

DEFINITIONS

The following words and expressions apply throughout this announcement unless the context requires otherwise:

"A Deferred Shares"	the A deferred shares with a nominal value of 0.01 pence each, further details of which are set out in the Articles;
"Admission"	admission of Placing Shares and Initial Consideration Shares to trading on AIM becoming effective in accordance with the AIM Rules for Companies;
"Admission Document"	the Company's AIM admission document dated 12 November 2013;
"AIM"	a market of that name operated by the London Stock Exchange;
"AIM Rules"	together, the AIM Rules for Companies and the AIM Rules for Nominated Advisers (including the Note for Mining and Oil & Gas Companies);
"AIM Rules for Companies"	the AIM Rules for Companies published by the London Stock Exchange as amended from time to time;
"AIM Rules for Nominated Advisers"	the AIM Rules for Nominated Advisers published by the London Stock Exchange as amended from time to time;
"Articles"	the articles of association of the Company as at the date of this announcement;

"Bluejay"	Bluejay Mining Limited, a company incorporated in the British Virgin Islands with registered number 1662564;
"Bluejay Acquisition"	the proposed acquisition by the Company of 125,788 shares of no par value each representing an interest in 60.37 per cent. of Bluejay;
"Bluejay Placees"	the members of Bluejay who are participating in the Placing, namely Jeremy Whybrow and Shaun Bunn;
"Bluejay Vendors"	the vendors of Bluejay, namely Roderick McIlree, Jeremy Whybrow, Gregory Kuenzel, Garth Palmer and Shaun Bunn;
"Board" or "Directors"	the directors of the Company whose names are set out on page 2 of the Circular;
"Company" or "FinnAust"	FinnAust Mining plc, a company incorporated in England and Wales with registered number 05389216;
"Concert Party"	Western Areas and the Bluejay Vendors;
"Deferred Consideration Shares"	40,755,885 New Ordinary Shares to be issued to the Bluejay Vendors to satisfy the deferred consideration in relation to the Bluejay Acquisition, if certain criteria are met and the deferred consideration becomes due;
"Enlarged Issued Share Capital"	the issued ordinary share capital of the Company as enlarged by the Initial Consideration Shares and the Placing Shares pursuant to the Bluejay Acquisition and the Placing;
"Existing Ordinary Shares"	the 295,986,560 Ordinary Shares in issue at the date of this announcement;
"Form of Proxy"	the form of proxy for use by Shareholders in connection with the General Meeting, which is enclosed with the Circular;
"General Meeting"	the general meeting of the Company which is to be held at 9:00 a.m. on 24 December 2015 at The Washington Mayfair Hotel, 5 Curzon Street, London, W1J 5HE, notice of which is set out at the end of the Circular;
"Initial Consideration Shares"	123,900,000 New Ordinary Shares which will be issued to the Bluejay Vendors to satisfy the initial consideration due in relation to the Bluejay Acquisition;
"London Stock Exchange"	the London Stock Exchange plc;
"Mineral Exploration Permit"	the exploration licence held by Bluejay with licence number 2015/08 which is divided into three sub-areas and covers a land area of 126km ² in North West Greenland;
"New Ordinary Shares"	the proposed new ordinary shares of 0.01 pence each in the capital of the Company resulting from the Share Capital Reorganisation;
"Notice of General Meeting"	the notice of the General Meeting, which begins on page 20 of the Circular;

"Option"	the option to be granted to the Company pursuant to the terms of the Bluejay Acquisition whereby the Company will be granted the right to acquire the remaining 39.63 per cent. of Bluejay from the Bluejay Vendors for £594,393 to be satisfied by the issue of 108,071,388 New Ordinary Shares for a period of 4 years from the date of completion of the Bluejay Acquisition;
"Ordinary Shares"	the ordinary shares of 2 pence each in the capital of the Company as at the date of this announcement;
"Panel"	the UK Panel on Takeovers and Mergers;
"Pituffik Project"	the mineral resource exploration project covered by the Mineral Exploration Permit, south of Qaanaaq in North West Greenland;
"Placing"	the issue of the Placing Shares at the Placing Price to Western Areas and the Bluejay Placees;
"Placing Price"	2 pence per share;
"Placing Shares"	10,000,000 New Ordinary Shares subscribed for directly with the Company by Western Areas and the Bluejay Placees;
"Resolutions"	the resolutions to be proposed at the General Meeting as set out in the Notice of General Meeting;
"Rule 9"	rule 9 of the Takeover Code;
"Share Capital Reorganisation"	the sub-division of each Existing Ordinary Share into one New Ordinary Share and 199 A Deferred Shares;
"Shareholder(s)"	holders of Ordinary Shares;
"Takeover Code"	the UK City Code on Takeovers and Mergers (as amended from time to time); and
"Western Areas"	Western Areas Limited, a company incorporated in Australia with registered number 091049357.

This information is provided by RNS
The company news service from the London Stock Exchange

END

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Anonymous (not verified)
Acquisition, Placing, Board Changes, Notice of GM

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Wed, 12/09/2015 - 07:01

Company Announcement - General

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