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FinnAust Mining PLC  
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**FinnAust Mining plc ('FinnAust' or the 'Company')  
Placing raises £1 million to Advance the Pituffik Titanium  
Project**

FinnAust Mining plc, the AIM listed exploration company with projects in Greenland, Finland and Austria, is pleased to announce that it has raised £1 million via the issue of 50,000,000 new ordinary shares of 0.01 pence each in the capital of the Company ('the Placing Shares') at a placing price of 2 pence per ordinary share to both new and existing shareholders ('the Placing').

The Company is focused on defining the broader development scenario for the Pituffik Titanium Project in Greenland as it targets an initial 30,000 tonne proof-of-concept bulk-sampling programme in 2017. To achieve this goal, FinnAust is working with its recently appointed consultants to plan and implement a 2016 work programme, further details of which will be provided in the short term.

FinnAust CEO Roderick McIllree said, "We are delighted that our investors share our view that Pituffik represents a simple yet high grade, low cost development opportunity and we are pleased with the strong support our strategy has received. Approximately half of the amount raised came from existing shareholders with the balance from new investors. FinnAust's strategy is to capitalise on Pituffik's near term production potential and with management all significant shareholders, thereby aligning interests with shareholders, it is reasonable to expect a continued measured focus on minimising dilution and discounted pricing as can be seen today. This placing complements the £200,000 investment committed by major shareholder Western Areas Limited and the current management team, which was also at a placing price of 2 pence and was part of the acquisition of a 60% interest in Bluejay Mining Limited in December 2015, so shareholders can feel comfortable that everyone is moving forward together.

"The positive results from the bathymetry (depth) and seismic profiling survey and extensive sampling programme at Pituffik have demonstrated that the shallow marine environment hosts very large volumes of potentially high grade titanium, and 2016 will see us conduct further exploration to more fully understand this area so that we may progress our plan to deliver cash flows through low cost production in the short to medium term."

### **Details of the Placing**

The majority of the proceeds of the Placing will be applied to the advancement of the Pituffik Titanium Project in Greenland.

Application will be made for the Placing Shares, which will rank *pari passu* with the existing ordinary shares of 0.01 pence each in the Company ('Ordinary Shares'), to be admitted to trading on AIM ('Admission'). It is expected that Admission will become effective and dealings will commence on or around 9 March 2016.

### **Further issue of equity**

FinnAust is making an application for a further 4,032,316 Ordinary Shares to be admitted to trading on AIM. These Ordinary Shares are being issued to certain professional advisors of the Company in satisfaction of fees outstanding. It is expected that admission will occur, and dealings in these further shares will commence on or around 9 March 2016. These shares will rank *pari passu* in all respects with the Company's existing Ordinary Shares.

In addition the Company has today granted options over Ordinary Shares to advisers to the Company. The details of the options are as follows:

- Tranche 1: 1 million options with an exercise price of 2 pence, valid for 12 months from the date of grant;
- Tranche 2: 1 million options with an exercise price of 4 pence, valid for 24 months from the date of grant; and
- Tranche 3: 1 million options with an exercise price of 6 pence, valid for 36 months from the date of grant.

### **Share Capital**

Following the issue of the Placing Shares, and the further issue of equity as described above, the issued share capital of the Company will consist of 350,018,876 Ordinary Shares. No shares were held

in treasury at the date of this announcement. The total current voting rights in the Company are therefore 350,018,876.

The above total current voting rights number is the figure which may be used by shareholders as the denominator for the calculation by which they will determine if they are required to notify their interest in, or a change to their interest in the Company.

Please note the acquisition of the 60% stake in Bluejay Mining Limited ('Acquisition') and the £200,000 placing to Western Areas Limited and Bluejay Mining Limited management announced in December 2015 ("December Placing") remain conditional upon the receipt of change of control consent from the Greenlandic authorities. Application has been made to the relevant authorities for the change of control of the mineral exploration permit to be approved and such approval is expected to be received shortly. Upon receipt of change of control consent from the Greenlandic authorities, the Acquisition and December Placing will complete and the initial consideration shares and December Placing shares will be issued. Further information on the Acquisition and December Placing is contained in the circular to shareholders dated 8 December 2015.

**\*\*ENDS\*\***

For further information please visit [www.finnaust.com](http://www.finnaust.com) or contact:

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Anonymous (not verified)

Raises GBP1 million to Advance Titanium Project

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Company Announcement - General

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