

Successful A\$21.5 Million Capital Raising

Highlights

- Commitments received from professional and sophisticated investors for a A\$21.5 million Placement in Ardea, at A\$0.70 per share
- Strongly supported capital raising with a number of Australian and offshore institutional investors introduced to the register
- Funds raised will primarily be used for nickel sulphide drilling, regional nickel exploration, feasibility study programs and working capital

Ardea Resources Limited (**Ardea** or the **Company**) announces that it has received binding commitments for a share placement to professional and sophisticated investor clients of Petra Capital Pty Limited (**Petra**) to raise approximately A\$21.5 million before costs (**Placement**).

Funds raised from the Placement will primarily be used for nickel sulphide drilling, regional exploration, feasibility study programs and working capital.

Petra acted as Sole Lead Manager and Sole Bookrunner to the Placement.

Comments from Managing Director Andrew Penkethman

"We are delighted with the support that the Placement received from both new and existing institutional and sophisticated investors. Petra is to be commended for introducing such a high-quality group. On behalf of the Board, I would like to welcome our new highly credentialled Australian and offshore investors to the register.

Most importantly, special thanks to our existing Ardea shareholders for their loyal support and unwavering belief in the Company and its nickel-cobalt projects leading up to this company-defining Placement.

*The Ardea Team have been working tirelessly to position the Company so that the sole focus is nickel-cobalt. With the World transitioning to a low-carbon future and lithium-ion battery manufacturers needing to secure sustainable and ethical mineral supply, Ardea's Kalgoorlie Nickel Project (**KNP**) is perfectly positioned to play a key role.*

*The proceeds from the Placement will enable Ardea to rapidly advance its nickel sulphide assets through an extensive diamond drilling campaign, whilst existing funds will continue to be deployed to advance our KNP Goongarrie Hub Definitive Feasibility Study (**DFS**).*

With a strong treasury, we look forward to putting shareholder funds to work building up the KNP asset base towards production."

Placement Overview

Ardea has raised approximately A\$21.5 million in gross proceeds, being the Company's remaining placement capacity, via a Placement at an issue price of A\$0.70 per share (**Placement Price**). The Placement Price of A\$0.70 per share represents a 11.9% discount to the last traded price and a 6.5% discount to the 10 traded day VWAP of the Company's shares to 17 February 2022.

Ardea will issue a total of 30,707,553 new shares (16,824,532 under ASX Listing Rule 7.1 and 13,883,021 under ASX Listing Rule 7.1A). The Placement is expected to settle on or around 28 February 2022 with shares to be issued on 1 March 2022.

In addition, Ardea will issue 200,000 shares to Board members for their purchases consisting of Ian Buchhorn 150,000 shares, Andrew Penkethman 28,572 shares and Mathew Longworth 21,428 shares. The share issue to Board members will be on the same terms as the Placement shares and will raise an additional A\$140,000 subject to shareholder approval at a general meeting of the Company with details to be provided in the coming days.

An Appendix 3B for the proposed issue of securities will follow this announcement.

Strategic Partner Update

Ardea continues to progress its discussions with prospective Strategic Partners with the aim of selecting a preferred partner with the technical and financial capacity to work with the Company on the Kalgoorlie Nickel Project - Goongarrie Hub in completing the DFS and reaching a Final Investment Decision for funding and development. In light of the global push for sustainable and ethical mineral supply, Ardea continues to receive very strong interest in its suite of nickel-cobalt assets. Discussions with prospective Strategic Partners are considered to be at an early stage and there is no guarantee that a strategic partnership will be entered into.

Technical Update

Ardea continues to evaluate assay results from its H2 2021 metallurgical core drilling at the Highway, Goongarrie South, and Goongarrie Hill Prospects, as well as re-assays of historic drill pulps for QAQC confirmation at the Kalpini Nickel Project.

Interpretation of the comprehensive drill assay data sets is preliminary, ongoing and incomplete. The Company has undertaken an initial high level review of the data and, absent a comprehensive interpretation of the results, does not consider the information reviewed to be material at this stage. The Company intends to undertake a comprehensive analysis and interpretation of the results over the coming weeks and will provide announcements as and when appropriate reporting milestones are reached.

The Company is also in the process of undertaking current bench-scale metallurgical testing of the Highway drill core. This research and development work undertaken to date is preliminary.

The Company confirms that it is in compliance with Listing Rule 3.1.

Authorised for lodgement by the Board of Ardea Resources Limited.

For further information regarding Ardea, please visit <https://ardearesources.com.au/> or contact:

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