



## ASX Announcement | 27 August 2019

### Rafaella Resources Limited (ASX:RFR)

## Rafaella Resources completes transformational acquisition of the Santa Comba Tungsten Project

### Investment highlights

- Rafaella has completed the acquisition of Galicia Tin and Tungsten SL, the 100% owner of the Santa Comba tungsten project in Galicia, northwest Spain
- The Acquisition was approved by shareholders at a special meeting held on 9 August 2019
- Rafaella subsequently completed a placement to raise approximately \$2.8 million to support the Acquisition and the forward development plan
- As part of the completion under the Acquisition, the Rafaella Board has changed with Steven Turner and Robert Wrixon joining the Board and Graham Durtanovich resigning as a director.

**27 August 2019** – Global explorer and developer Rafaella Resources Limited (**ASX: RFR**) ('Rafaella' or 'the Company') is pleased to announce that it has completed the acquisition of Galicia Tin and Tungsten SL ('GTT') ('Acquisition'), the 100% owner of the Santa Comba tungsten project in Galicia, northwest Spain ('the Project').

The transformational Acquisition was announced on 27 May 2019 and the Company has moved swiftly to close out the remaining actions in order to allow management to focus on the delivery of the drilling programme and concurrent feasibility study.

The Board has confirmed that all conditions precedent to completing the Acquisition have now been met or waived.

Alongside the completion of the Acquisition, Rafaella has immediately commenced a feasibility study at the Project, appointing a manager and engaging with two leading engineering firms (refer to ASX Announcement: released on the Company's platform 26 August 2019).

Combined with the drilling programme scheduled to commence within the next four weeks, Rafaella is well-placed to expedite the completion of the feasibility study and fast-track the Project through to production and early cash flows.

### Changes to the Rafaella Board

With the Acquisition now completed, Steven Turner has joined the Board as Managing Director and Robert Wrixon as Executive Director. Graham Durtanovich has resigned from the Board and Peter Hatfull, existing Non-Executive Director, has assumed the position of Non-Executive Chairman. Rafaella would like to thank Mr Durtanovich's contribution to the Company during this transformational period.

**Steven Turner** brings over 25 years of experience in the resource sector, having held senior roles in both industry and investment banking. During his career Steven has been based in London, Aberdeen, Singapore, Brisbane and Madrid. Steven has raised significant capital for the development of resource projects, including equity, public bonds and project finance. Most recently Steven was head of business development at a private mining group, having been instrumental in the successful growth of the company from a junior to mid-tier Australian base metal operator. Mr Turner holds Australian, Canadian and UK citizenships and is a Fellow of The Chartered Accountants of England and Wales and a Member of the Australian Institute of Company Directors.

**Robert Wrixon** is the currently a Director of the mining venture capital group Starboard Global Limited and has 20 years of experience in corporate strategy, commodities marketing, mining M&A and mineral exploration management. He has previously run two listed resources companies in Australia, and prior to that spent five years in corporate strategy for Xstrata plc based in Sydney and London.

Dr Wrixon is an Irish national and holds a PhD in mineral engineering from the University of California, Berkeley.

### **Material terms of Executive Employment Agreements**

In accordance with ASX Listing Rule 3.16.4, the Company provides the following information in respect of the material terms of Mr Turner and Dr Wrixon's Executive Employment Agreements:

#### **Steven Turner**

- (a) Commencement Date: 27 August 2019
- (b) Role: Managing Director and Executive Director
- (c) Term: Until terminated in accordance with the terms of the employment agreements
- (d) Base salary: fixed annual salary of €162,000 (approximately AUD\$265,000) increasing to €200,000 (approximately AUD\$327,000) upon execution of the development financing
- (e) Performance incentives: a total of 4,800,000 Performance Rights, comprising 2,400,000 Milestone 1 Performance Rights and 2,400,000 Milestone 2 Performance Rights, vesting upon the satisfaction of certain key performance criteria, as detailed in the notice of general meeting dated 9 July 2019
- (f) Bonus: subject to the Board's discretion, the Executive may be paid a bonus up to 50% of the base salary
- (g) Other benefits: the costs of the Executive's relocation to Spain, in connection with his role as Managing Director and Executive Director, shall be met by the Company for the duration of the Term
- (h) Termination:
  - (i) by the Company: three months' notice (or payment in lieu) plus three months' salary and any relocation costs of the Executive; and

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- (ii) by the Executive: three months' notice, which the Company may elect to pay out by paying the Executive three months' salary and any relocation costs of the Executive.

### **Robert Wrixon**

- (a) Commencement Date: 27 August 2019
- (b) Role: Executive Director
- (c) Term: Until terminated in accordance with the terms of the employment agreements
- (d) Base salary: \$72,000
- (e) Performance incentives: a total of 500,000 Performance Rights, comprising 250,000 Milestone 1 Performance Rights and 250,000 Milestone 2 Performance Rights, vesting upon the satisfaction of certain key performance criteria, as detailed in the notice of general meeting dated 9 July 2019
- (f) Termination:
  - (i) by the Company: three months' notice (or payment in lieu) plus three months' salary and any relocation costs of the Executive; and
  - (ii) by the Executive: three months' notice, which the Company may elect to pay out by paying the Executive three months' salary and any relocation costs of the Executive.

Both Executive's employment agreements otherwise contain provisions relating to indemnities, dispute resolution and confidentiality which are considered standard for agreements of their nature.

The terms of the Project's acquisition and its strategic and financial benefits are detailed in the announcement of 27 May 2019 and Investor Presentation of 29 July 2019.

**Rafaella's Managing Director Steven Turner said:** "We are very pleased to have completed this transformational acquisition for the Company. The Board has worked diligently to ensure that the transaction has closed quickly and with the recent capital raise, the Company is now well-positioned to focus on the delivery of the Santa Comba tungsten project as well as to continue to review the best way to maximise shareholder returns at our McCleery and Sandstone exploration projects."

**Ends**

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### **About Rafaella Resources**

Rafaella Resources Limited (ASX:RFR) as an explorer and developer of world-class mineral deposits worldwide. Rafaella owns the Santa Comba tin and tungsten project in Spain, the McCleery cobalt and copper project in Canada, and the Sandstone gold project in Australia. The Santa Comba project is located in a productive tin and tungsten province adjacent to critical infrastructure and the McCleery and Sandstone projects were previously under-explored and hold significant potential.

To learn more please visit: [www.rafaellaresources.com.au](http://www.rafaellaresources.com.au)

### **About Galicia Tin & Tungsten**

Galicia Tin & Tungsten (GTT) is a private Spanish registered company that holds the ownership of the physical assets, land leases, licences and mineral rights of the formerly producing Santa Comba mine.

### **Forward Looking Statements Disclaimer**

This announcement contains forward-looking statements that involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.