



Publication of inside information pursuant to Article 17 of the EU Market Abuse Regulation (MAR)

SunMirror AG enters into agreement to offer to acquire Latitude 66

Zug, Switzerland, 26 August 2021 - SunMirror AG ("SunMirror"; XETRA Vienna: ROR1; ISIN CH0396131929), a exploration company specialising in mineral resources such as gold, lithium, cobalt and other metals and minerals powering future industries, through its wholly owned subsidiary SunMirror Luxembourg S.A. ("SM S.A.") has entered into a conditional binding agreement with Latitude 66 Cobalt Limited to acquire 100 percent of the shares of Finnish cobalt company Latitude 66 Cobalt Oy ("Latitude 66") from its parent company Latitude 66 Cobalt Limited ("Parent"). Latitude 66's business focus is exploration and mine development with its business operations located in Finland.

Founded 4 years ago, Latitude 66 is one of the leading explorers of cobalt in Europe and controls the largest exploration tenement package of any single company in Finland, currently surpassing 9,000 square kilometres. Latitude 66's most advanced mine development project is the fourth largest known cobalt deposit in the European Union and the second largest not yet in production. In addition, Latitude 66 has an extensive exploration portfolio with over 100 targets identified for further exploration.

The expected purchase price payable to the Parent will be EUR 45 million, payable in cash on closing, and a 2% net smelter royalty on future production. The Board of Directors of SunMirror and the Board of the Parent have already approved the sale of Latitude 66 to SM S.A. The conditional binding agreement in respect of the acquisition of Latitude 66 contains an alternative completion structure which, subject to satisfaction of certain conditions, provides SM S.A. with the ability to propose a takeover offer of the Parent in accordance with applicable Australian corporations laws. The completion of the acquisition of Latitude 66, or a takeover bid if one is subsequently announced by SM S.A., is subject to completion by SunMirror of a capital raising of EUR 70 million and other customary conditions.

Following successful completion of the capital raising, a takeover offer is the preferred route of SM S.A. and the Board of Directors of the Parent believe that that is the route which may provide a preferable financial outcome for its shareholders but the offer must be made in accordance with applicable Australian corporations laws via entry into a bid implementation agreement which contains the recommendation of the Board of Directors of the Parent and the dispatch of a bidder's statement by SM S.A. to the Parent's shareholders (and a separate offer to existing holders of performance rights in the Parent).

If a takeover offer is made and is accepted by the required majority of 90% of shares on issue which entitles SM S.A. to acquire the shares of any shareholders in Parent who do not accept the offer, their shares in Parent may be compulsorily acquired under Australian corporations laws at the same price per share payable to the shareholders who accepted the takeover offer. If a takeover offer is made which is only accepted to an extent which would not entitle SM S.A. to compulsorily acquire the shares of non-accepting shareholders, then the acquisition would proceed to completion by way of a private sale of Latitude 66 by the Parent.

If the acquisition proceeds by way of private sale of Latitude 66 by the Parent, the Parent will give SM S.A. certain warranties relating to the business and assets of Latitude 66. Warranties will not be given by the shareholders of the Parent if the acquisition completes as the result of a successful takeover offer for the Parent.

For the avoidance of doubt, this announcement does not constitute an intention to make a takeover bid for the purposes of section 631 of the *Corporations Act 2001* (Cth).

Completion of the acquisition is expected no later than 30 November 2021.

Explanatory Note

SunMirror, which has prospective resource projects in Australia, expands its market presence through the acquisition of Latitude 66 and is able to supply the European economy with cobalt and other critical commodities and metals such as lithium from sustainable, stable and legally secure sources in compliance with applicable laws, regulations and ESG requirements. With the acquisition of Latitude 66, SunMirror is excellently positioned to act as a strategic partner in the future to the European economy, supplying raw materials for digital transformation.

Demand for critical raw materials such as cobalt and lithium has been growing rapidly for years. Drivers of this demand include new technological developments such as electromobility. Recently, the European Union ("EU") reaffirmed, as part of the launch of its European Green Deal, that a lack of access to critical raw materials or over-dependence on single suppliers would undermine Europe's ability to be an industrial leader in new technologies. In order to achieve the EU's goal of climate neutrality, it is important not to create new dependency on uncertain third countries for these critical raw materials in terms of legal certainty, working conditions and environmental standards.

Sunmirror has already received commitments for significant capital injections in the past and considers itself well positioned for further growth on this basis. In addition, further investors have recently expressed their interest to Sunmirror with a share price close to the market price in supporting the future growth of the company.

About SunMirror AG

SunMirror is a natural resources holding company with a strategic focus on traceable, responsibly sourced battery metals - the metals and minerals whose demand is driven by sustainable next-generation technologies. The company's shares (ISIN CH0396131929) are listed on the Vienna Stock Exchange (ticker: ROR1) and the Düsseldorf Stock Exchange. For further information, please visit: www.sunmirror.com.

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