



ASX/Media Announcement

23 October 2015

ARDIDEN FULLY-FUNDED FOR GRAPHITE DRILLING AFTER RAISING \$1M VIA HIGHLY SUCCESSFUL SPP AND PLACEMENT

Funds to underpin imminent drill program at recently expanded Canadian flake graphite project

ASX: ADV

Capital structure:

Ordinary shares
607.4m

Options (Unlisted)
80.0m (various)

Shareholders:

Institutional 13%
Board/Mgt 19%
Retail 68%

Top 20: 56%

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Key Points:

- Ardiden has finalised a successful capital raising of \$1M.
- Funds to be used to accelerate impending exploration and drilling program at Ardiden's 100%-owned Manitouwadge Jumbo Flake Graphite Project in Ontario, Canada.
- The total strike length of EM conductors at Manitouwadge with graphite prospectivity is 19km and the focus of the drill program will be on high priority graphite targets as identified in a recent CSA Global geophysical review and confirmed with recent ground sampling.
- Previous metallurgical testing on graphite at Manitouwadge indicated a flake distribution of jumbo and large flake graphite of up to 80%.
- The SPP was strongly supported by existing shareholders and global investment group Sanlam, which arranged the concurrent share placement.

North American graphite company Ardiden Limited (ASX: **ADV**) is pleased to advise that it raised a total of **\$1,025,305** after closing its recent Share Purchase Plan (SPP) heavily oversubscribed and finalizing a share placement to accommodate the high level of demand from investors.

The SPP to existing shareholders closed last week and was subject to scale-backs. The Company has also now finalized an additional share placement which was managed by the leading global investment and financial services house Sanlam Private Wealth.

The highly successful capital raising ensures that Ardiden is now fully-funded for the upcoming exploration and drilling program at the Company's flagship 100%-owned **Manitouwadge Jumbo Flake Graphite Project** in Ontario, Canada. This highly anticipated drilling program is scheduled to commence in the coming fortnight.

Sanlam is a leading global financial services group with \$20 billion in assets under management and administration for 30,000 clients. It has some 400 employees spanning 23 international offices.

The funds raised will be used for the upcoming drill program at Manitouwadge and to underpin resource development, ongoing evaluation and scoping work at the project, which is rapidly emerging as a highly promising flake graphite development opportunity in a Tier-1 jurisdiction.

The upcoming drill program will target high priority graphite targets identified as part of a recent geophysical review by CSA Global. The review enabled Ardiden to expand its mining claim package to 5,300Ha and triple the strike length of EM anomalies with graphite prospectivity to 19.3km.

Terms of Capital Raising

The Ardiden board has resolved to issue the maximum allowable shares under the SPP, being 130,050,876 shares at an issue price of 0.6c/share. The SPP was oversubscribed and subject to scale-backs. Cheques for refunds will be forwarded to unsuccessful applicants by Computershare shortly.

Sanlam has also arranged an additional share placement of 40,833,333 shares on the same terms at an issue price of 0.6c/ share, which the Board scaled back from the original Sanlam commitment of up to 83,333,333 shares due to the strong demand under the SPP.

In payment for the services provided, or as part of its role as Lead Manager, Sanlam will receive a standard placement fee of 6% on shares placed under the placement only and 5 million performance options. The performance options vest on a 20-day VWAP of 1.6c and have a strike price of 0.5c and expiry of 30 November 2017.

The Board is pleased with the response to the capital raising, which represents a strong endorsement of the Company's development strategy for its North American graphite assets.

The Board would like to take this opportunity to thank our existing shareholders for their support, and also to welcome several new investors to our share register. It is pleased to have the backing and continued support of Sanlam (previously known as Calibre Investments), which also supported our previous placement, as a high quality investment partner as we move forward. The Company is now fully-funded and in a very strong position to unlock the value of the Manitouwadge Graphite Project for our shareholders.

Further updates will be provided as they come to hand.

Board of Directors
Ardiden Limited

ENDS

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About the Manitouwadge Project

The 5,300 Ha Manitouwadge Jumbo Flake Graphite Project is located in Ontario, Canada. The Project has been confirmed as an attractive near-term development opportunity following a highly successful diamond drilling program in March 2015 and metallurgical test work.

Metallurgical testwork has indicated that up to 80% of the graphite is high value jumbo or large flake graphite. Testwork has also indicated that simple, low-cost gravity and flotation beneficiation techniques can result in graphite purity levels of up to 95.6% for jumbo flake and 94% for large flake. Testing using the proven caustic bake process was able to produce ultra-high purity (>99.95%) graphite. The graphite can also be processed into high value expandable graphite and produces a high quality graphene and graphene oxide.

Forward-Looking Statement

This announcement may contain some references to forecasts, estimates, assumptions and other forward-looking statements. Although the company believes that its expectations, estimates and forecast outcomes are based on reasonable assumptions, it can give no assurance that they will be achieved. They may be affected by a variety of variables and changes in underlying assumptions that are subject to risk factors associated with the nature of the business, which could cause actual results to differ materially from those expressed herein. All references to dollars (\$) and cents in this presentation are to Australian currency, unless otherwise stated. Investors should make and rely upon their own enquires and assessments before deciding to acquire or deal in the Company's securities.