

ASX ANNOUNCEMENT | 23 August 2024

ASKARI EXECUTES AGREEMENT TO SELL THE CALLAWA PROJECT



Askari Metals Limited (**ASX: AS2**) (“**Askari**” or “**Company**”) advises that the Company has entered into a legally binding sale agreement (“**Agreement**”) with Muccanabout Pty Ltd (“**Muccanabout**”) to sell 100% interest in the Callawa Project, comprised of E45/5842 (*granted*) and E45/6053 (*under application*), located approximately 90km north-east of Marble Bar in the east Pilbara of Western Australia.

Pursuant to the Agreement, Muccanabout will make an initial cash payment of A\$55,000 (plus GST) within 5 business days from execution with a further cash payment of A\$70,000 (plus GST) to be paid 6 months from the execution of the Agreement.

Following receipt of the second tranche cash consideration (as defined above), the sole and exclusive ownership of the Callawa Project will be transferred to Muccanabout.

A summary of the Agreement is provided in Annexure A.

Askari Managing Director Gino D'Anna stated:

“Execution of this agreement with Muccanabout aligns with our mandate to streamline the operations of the Company which is focused on uranium and lithium exploration in Tanzania and Namibia. The Company continues to evaluate other opportunities to monetise its Australian-based exploration projects portfolio which will provide long-term capital savings to the Company and enhance operational transparency. In line with this, the Company has also implemented a number of cash preservation initiatives.

We look forward to keeping our shareholders and investors updated as we progress.”

This announcement is authorised for release by the Board of the Company.

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FOR FURTHER INFORMATION PLEASE CONTACT**INVESTORS**

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ABOUT ASKARI METALS

Askari Metals is a focused Southern African exploration company. The Company is actively exploring and developing its Uis Lithium Project in Namibia located along the Cape-Cross – Uis Pegmatite Belt of Central Western Namibia. The Uis project is located within 2.5 km from the operating Uis Tin-Tantalum-Lithium Mine which is currently operated by Andrada Mining Ltd and is favourably located with the deep water port of Walvis Bay being less than 230 km away from the Uis project, serviced by all-weather sealed roads. In March 2023, the Company welcomed Lithium industry giant Huayou Cobalt onto the register who remains supportive of the Company's ongoing exploration initiatives.

The Company has also recently acquired the Matemanga Uranium Project in Southern Tanzania which is strategically located less than 70km south of the world-class Nyota Uranium Mine. Askari Metals is actively engaged in due diligence to acquire further uranium projects in this emerging tier-1 uranium province.

The Company is currently assessing its options for a spin-out divestment strategy of the Australian projects which includes highly prospective gold, copper, lithium and REE projects.

For more information please visit: www.askarimetals.com

CAUTION REGARDING FORWARD-LOOKING INFORMATION

This document contains forward-looking statements concerning Askari Metals Limited. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward looking statements in this document are based on the Company's beliefs, opinions and estimates of Askari Metals Limited as of the dates the forward-looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.



Annexure A: Summary of the Key Terms of the Sale Agreement

Terms	Description
Parties	Muccanabout Pty Ltd (Muccanabout) and Askari Metals Limited (Askari) Springdale Gold Pty Ltd (Springdale) First Western Gold Pty Ltd (First Western) (collectively, the Askari Parties)
Transaction Type	Askari Parties agrees to sell to Muccanabout, and Muccanabout agrees to purchase from Askari Parties, 100% of the legal and beneficial rights and interest in the Tenements (Sale Interest) for the Consideration and otherwise on the terms and conditions contained in this Agreement.
Consideration	In consideration of the sale, <ul style="list-style-type: none"> a. Muccanabout must pay a cash payment of \$55,000 (exclusive of GST) in cleared funds within 5 business days of Execution to Askari; and b. Muccanabout must pay a cash payment of \$70,000 (exclusive of GST) in cleared funds on the date of 6 months from Execution to Askari.
Termination	If Muccanabout fails to make the second tranche payment above, Muccanabout does not acquire any interest in the Tenements and is deemed to have withdrawn from this Agreement, and the payment in clause 2.3 will no longer be owing and payable by Muccanabout, and the further rights and obligations under this Agreement shall terminate.

The binding sale agreement is otherwise on standard terms and conditions, including confidentiality provisions, representatives and warranties.

