

ASX ANNOUNCEMENT | 29 June 2026

ASX LISTING RULE 7.16 COMPLIANCE AND FUTURE FUNDING STRATEGY



Askari Metals Limited (**AS2** or the **Company**) wishes to advise the market of the following matters in connection with an inadvertent breach of ASX Listing Rule 7.16, as a result of a number of recent capital raisings undertaken by the Company, and the remedial actions the Company has undertaken and proposes to take to address that breach.

Background

ASX Listing Rule 7.16 provides that an entity must not issue convertible securities if, immediately after the issue, the number of convertible securities the entity has on issue would be greater than the number of shares it has on issue.

The Company recently undertook an entitlement offer and placement pursuant to which participants were entitled to two free-attaching options for every one share subscribed for and issued resulting in the Company having a greater number of options on issue than shares. Accordingly, the issue of those options gave rise to a breach of Listing Rule 7.16. The breach was inadvertent and was not the result of any deliberate conduct on the part of the Company.

As at the date of this announcement, the Company has 788,733,823 Shares on issue and 807,058,915 convertible securities on issue. As the number of convertible securities on issue exceeds the number of shares on issue, the Company is in breach of Listing Rule 7.16. Refer jointly to the Company's Appendix 2A and Appendix 3H, both released on 18 June 2026 for further details of the Company's issued capital.

The Company has engaged with ASX in relation to addressing the breach, and ensuring the Company returns to, and remains in, compliance with Listing Rule 7.16.

Remedial Action

To remedy the breach, the Company is proposing a small capital raise of up to A\$750,000 (before costs) through the issue of up to 93,750,000 shares. Funds will be applied towards ongoing exploration and development at the Company's portfolio of assets in Africa and general working capital. On completion of the capital raise, the Company expects to have 882,483,823 shares and 807,058,915 convertible securities on issue.

Following completion of the capital raise, the Company proposes to convene a general meeting of its shareholders on or around 31 July 2026, at which it will seek shareholder approval for a number of security issues, including the issue of the free-attaching options to participants in the placement



completed on or around December 2025. If all resolutions the subject of the general meeting are passed, the Company will be able to issue up to an aggregate of 356,500,000 convertible securities.

The number of shares on issue as at the date of the proposed general meeting will exceed the number of convertible securities on issue, meaning the breach of Listing Rule 7.16 will be remedied on a pre-meeting basis.

To ensure the Company remains compliant with Listing Rule 7.16 following the proposed general meeting, the Company will sequence the issues of convertible securities approved at that meeting as follows:

1. all convertible securities to related parties will be issued within one month of the meeting, in accordance with the Listing Rules, and will not exceed the number of shares on issue;
2. the Company will then complete a placement of at least 231,250,000 shares to raise approximately A\$1,850,000 (before costs), to be applied towards ongoing exploration and development at the Company's portfolio of assets in Africa and general working capital; and
3. following completion of the placement described above, and no later than three months from the date of the general meeting, the Company will issue the free-attaching options to the unrelated participants in the placement conducted on or around December 2025.

This sequencing will ensure that the number of convertible securities on issue does not exceed the number of shares on issue at any time, and that the Company remains in compliance with Listing Rule 7.16 both before and after the proposed meeting. Further details of the securities for which shareholder approval is being sought are set out in the Notice of Meeting to be dispatched shortly.

The Company has considered other mechanisms for addressing this matter but does not consider them viable. A number of the options to be issued under the proposed general meeting are for those who participated in the placement conducted on or around December 2025, and as such, are entitled to have them issued. Other options have been issued to participants in previous capital raisings, who are entitled to retain them. For the other existing classes, there is presently little incentive for holders to exercise in the near term, having regard to the exercise prices relative to the current trading price of the Company's shares and the time remaining until expiry.

Accordingly, the Company considers that the issue of ordinary shares to raise additional funds represents the most practical means of meeting its funding requirements and remedying its Listing Rule breach.

The Company will keep the market informed of material developments in connection with the above in the ordinary course.

Ongoing Compliance

The Company has reviewed the circumstances that gave rise to the breach and has implemented additional internal controls and processes to monitor the number of options and shares on issue, and the terms of any future offers of convertible securities, on an ongoing basis. The Company is satisfied that it has the appropriate tools and processes in place to ensure ongoing compliance with Listing Rule 7.16 and its other obligations under the Listing Rules.

The Company acknowledges this breach and has cooperated fully with ASX's subsequent review. The Company is committed to ensuring its ongoing compliance with the Listing Rules and effectively maintaining its corporate governance practices.



This announcement is authorised for release by the Board of Askari Metals Limited.

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FOR FURTHER INFORMATION PLEASE CONTACT

INVESTORS

Gino D'Anna

EXECUTIVE DIRECTOR

E. gino@askarimetals.com

ABOUT ASKARI METALS

Askari Metals is a focused African exploration company with a portfolio of highly prospective gold and critical minerals projects in Ethiopia and Namibia. The Company's flagship Nejo Project in Ethiopia is an advanced-stage brownfields gold and copper opportunity located on the Arabian-Nubian Shield, with a district-scale landholding of approximately 1,200km² surrounding the 1.7Moz Tulu Kapi Gold Mine and along strike from the 3.4Moz Kurmuk Mine.

In Namibia, Askari is advancing its 100%-owned Uis Project, a highly prospective polymetallic critical minerals project located within the Cape Cross-Uis Pegmatite Belt. The project sits close to Andrada Mining's operating Uis Tin Mine and is strategically positioned with access to the Walvis Bay Deepwater Port via sealed road infrastructure.

Askari continues to progress exploration across both core assets, with a focus on unlocking value through systematic drilling, target generation and resource growth opportunities.

For more information please visit: www.askarimetals.com