

AKORA
Resources

Iron ore for tomorrow's steel making.

Equity Raising Investor Presentation
17 April 2024

Paul Bibby
Managing Director

Website – www.akoravy.com
ASX:AKO



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The information in this Presentation is of a general nature and does not purport to be complete nor does it contain all the information which a prospective investor may require in evaluating a possible investment in the Company or that would be required in a prospectus or other disclosure document prepared in accordance with the requirements of the Corporations Act 2001 (Cth) (Corporations Act). The Presentation is not a prospectus, disclosure document, product disclosure statement or other offering document under Australian law or under any other law. This Presentation has not been filed, registered or approved in any jurisdiction.

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All statements included herein, other than statements of historical fact, are Forward Looking Statements and are subject to a variety of known and unknown risks and uncertainties which could cause actual events or results to differ materially from those reflected in the Forward Looking Statements. The Forward Looking Statements in this corporate presentation may include, without limitation, statements about the company's plans for its exploration projects and future exploration, evaluation and development including drilling activities, quantification of mineral resources, feasibility studies, the construction and development of the Bekisopa Project, the company's business strategy, plans and outlook; the merit of the company's mineral properties; mineral exploration potential, timelines; the future financial or operating performance of the company and cost guidance; expenditures; approvals and other matters.

Often, but not always, these Forward Looking Statements can be identified by the use of words such as "estimate", "estimated", "potential", "planned", "open", "future", "assumed", "projected", "calculated", "used", "detailed", "has been", "gain", "upgraded", "expected", "offset", "limited", "contained", "reflecting", "containing", "conduct", "increasing", "remaining", "to be", "periodically", or statements that events, "could" or "should" occur or be achieved and similar expressions, including negative variations.

Forward Looking Statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the company to be materially different from any results, performance or achievements expressed or implied by the Forward Looking Statements. Such uncertainties and factors include, among others, changes in general economic conditions and financial markets; changes in commodity prices; technological and operational hazards in mine development activities; risks inherent in mineral exploration; uncertainties inherent in the estimation of mineral reserves, mineral resources, and metal recoveries; construction delays, the timing and availability of financing; governmental and other approvals; political unrest or instability in countries where IPR is active; labour relations issues; as well as those factors discussed under "Risk Factors".

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in Forward Looking Statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward Looking Statements contained herein are based on the assumptions, beliefs, expectations and opinions of management, including but not limited to estimates of future exploration success; expectations on economic viability of any mineral resource identified; expectations regarding future construction costs; expected trends in mineral prices and currency exchange rates; that the company's activities will be in accordance with the company's public statements and stated goals; that there will be no material adverse change affecting the company or its properties; that all required approvals will be obtained; that there will be no significant disruptions affecting operations, including the development and construction of the Bekisopa Project or any other project the Company seeks to advance, and such other assumptions as set out herein.

Forward Looking Statements are made as of the date hereof and the Company disclaims any obligation to update any Forward Looking Statements, whether as a result of new information, future events or results or otherwise, except as required by law. There can be no assurance that Forward Looking Statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, investors should not place undue reliance on Forward Looking Statements. This corporate presentation also refers to non-IFRS financial measures, such as future guesstimate of cash cost per tonne of processed ore and guesstimates of operating cash flow. These measures do not have a standardized meaning or method of calculation, even though the descriptions of such measures may be similar.

Competent Person Statement

The information in this Presentation that relates to Exploration Targets and Exploration Results is based on information compiled by Mr Jannie Leeuwner – BSc (Hons) Pr.Sci.Nat. MGSSA and is a full-time employee of Vato Consulting LLC. Mr. Leeuwner is a registered Professional Natural Scientist (Pr.Sci.Nat. - 400155/13) with the South African Council for Natural Scientific Professions (SACNASP). Mr. Leeuwner has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and the activity being undertaken to qualify as a Competent Person as defined in the Note for Mining Oil & Gas Companies, June 2009, of the London Stock Exchange and the 2012 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). Mr. Leeuwner consents to the inclusion of the information in this release in the form and context in which it appears.

The information in this Presentation that relates to Mineral Resources for the South Bekisopa Iron Project as announced on the 11th July 2023 is based on information prepared by Mr Richard Ellis BSc, MSc, MCSM, FGS, CGeol, EurGeol and is a full-time employee of Wardell Armstrong International. Mr Ellis is a Chartered Geologist of the Geological Society of London and has sufficient experience relevant to the style of mineralisation, the type of deposit under consideration and to the activity undertaken to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Ellis consents to the inclusion of the information in the release in the form and context in which they appear.

The information in this Presentation for the South Bekisopa Iron Project that relates to Mining and Financial Results of the updated Scoping Study for the South Bekisopa Iron Project is based on information prepared by Mr Colin Davies (Mining Engineer) BEng, MSc, CEng, ACSM, MIMMM, QMR who is a full-time employee of Wardell Armstrong International and Mr Winsor Lewis (Financial Analyst) BSc, ARCS, Management Accountant who is a sub-consultant to Wardwell Armstrong International. Mr Colin Davies is a Chartered Engineer of the Institute of Materials, Mineral and Mining UK, and Mr Winsor Lewis is a Management Accountant. Mr Davies and Mr Lewis both consent to the inclusion of the information in the release in the form and context in which they appear.

Cleaner iron ore for tomorrow's steel making.

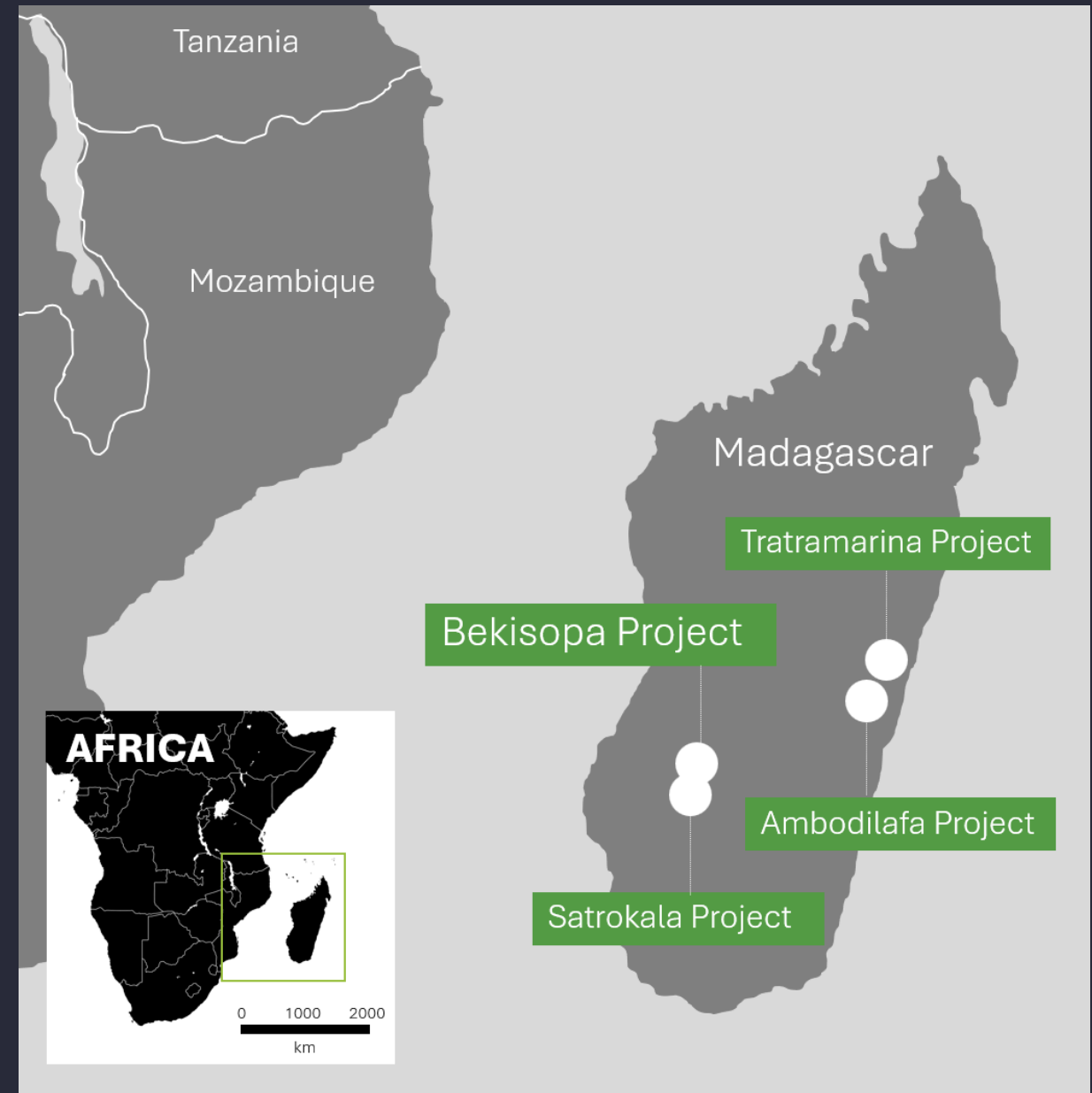
AKORA Resources (ASX: AKO) is focused on the development of four high-grade iron ore projects in Madagascar.

Flagship Bekisopa Iron Ore Project has a 194.7* million tonne (Mt) Inferred JORC Resource with very low impurities able to produce a premium-priced +68% Fe concentrate for Direct Reduced Iron-Electric Arc Furnace (DRI-EAF) technology.

To generate cash in the near-term, AKORA is advancing plans at Bekisopa to produce up to 2Mt per annum over the first five years of a 61% Fe average grade direct shipping ore (DSO) for shipping to Blast Furnace-Basic Oxygen Furnace (BF-BOF) steelmakers.

Timetable of Equity Raising – refer slide 28. Equity Raising Summary – refer slide 29.

* ASX Announcements 23/3/22 and 11/4/22

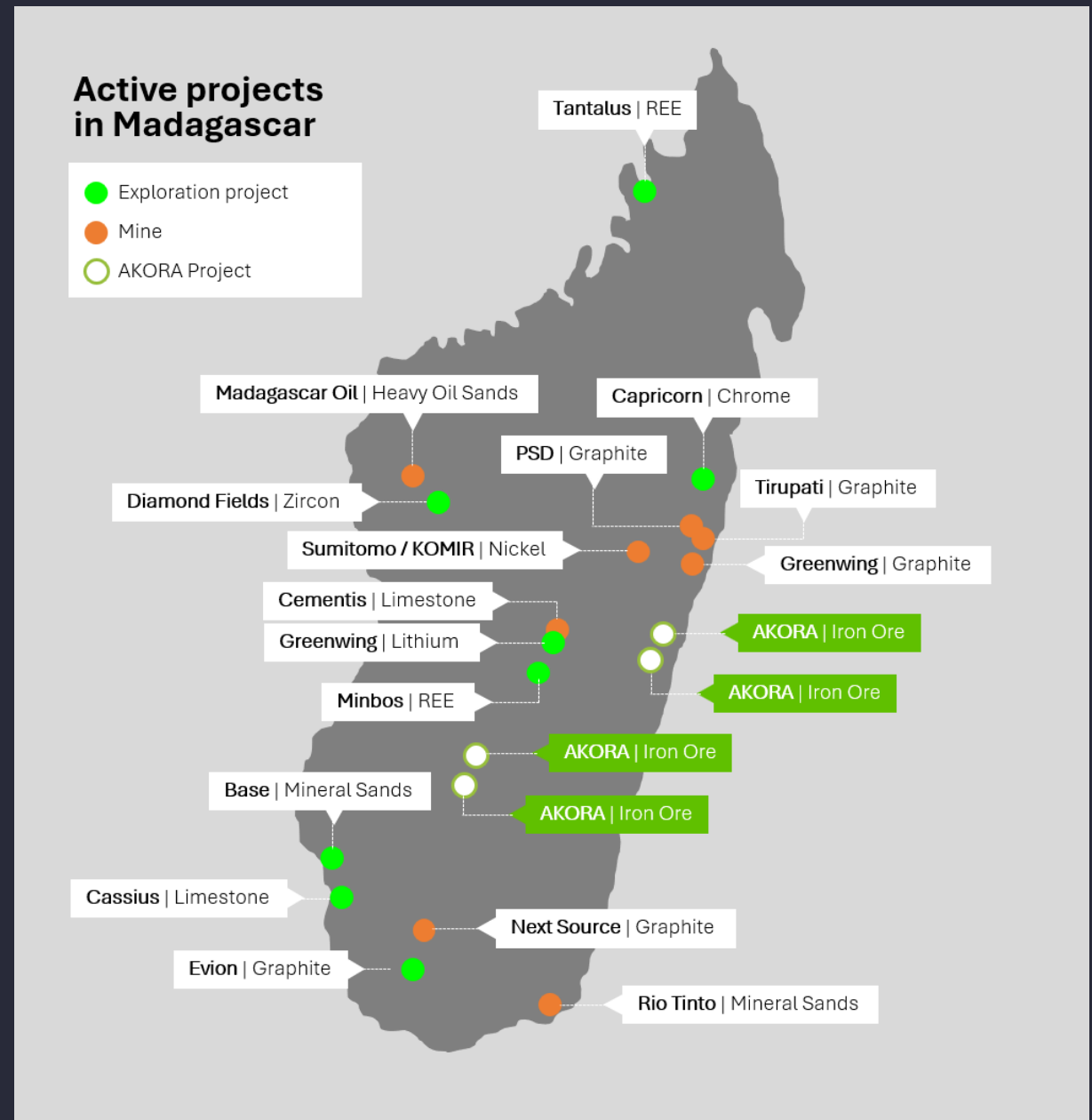


Madagascar has multiple major mines and exploration projects.

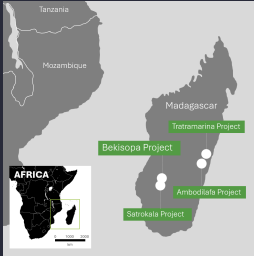
Some of the world's largest miners operate in Madagascar including Rio Tinto, and Sumitomo which operates the Ambatovy Project, one of the world's largest nickel mines.

The country is also host to other numerous commodities including copper, zinc, cobalt, chromite, coal, uranium and a growing graphite industry.

Next Source Materials Inc began trial production shipments in late 2023.



High-grade iron ore in Madagascar



DSO Outcrop
~67% Fe*



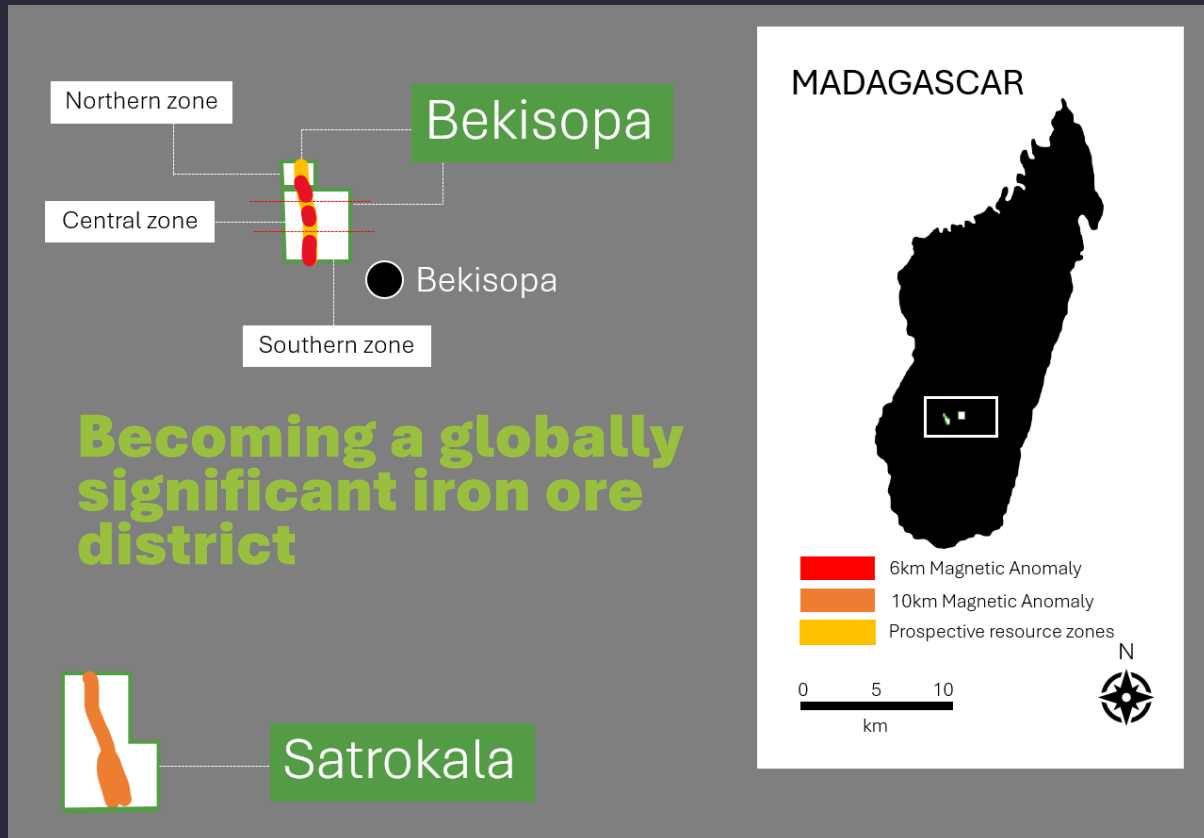
Trench 36: High-grade lump and fines iron ore
DSO weathered zone, 2.2m at ~66% Fe*



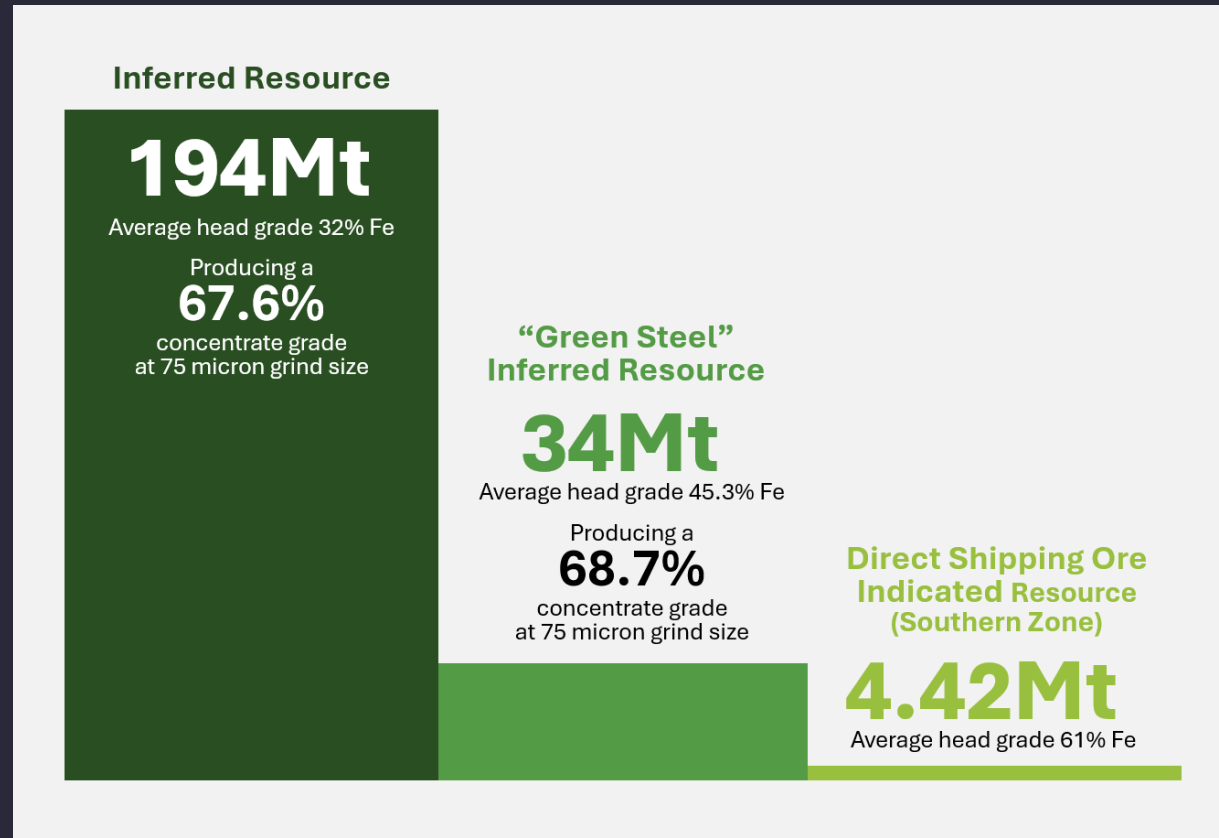
* AKO Prospectus, ASX Announcement 11/12/20

Bekisopa and Satrokala projects (100% Akora).

Location



Growing Bekisopa JORC Resource *



* ASX Announcements 23/3/22 and 11/4/22

Our plan is to develop the Bekisopa Project in two stages.

Stage 01

Produce **+62% Fe** direct shipping ore (DSO) *



Mine, crush, and screen ore to produce 62%+ Fe lump and fines product for shipping to blast furnace steelmakers.

* Scoping Study, ASX Announcement 14/11/23

- Production ramps up to 2 million tonnes pa
- Uses a US\$100 / tonne benchmark price
- Payback 2.1 years
- Generates US\$50m pre-tax at year 3 and
- US\$100m cash flow at the 2 million tonne rate

Bekisopa Scoping Study. *

Low CAPEX Case highlights.

At a benchmark price of US\$100 / tonne

Future drilling should add DSO tonnes and mine life and further enhance the project economics .

Robust DSO start-up financials.

Annual production

2Mt

Initial mine life

5 years

Capital Cost

US\$55m

Cash flow (pre-tax)

US\$270m

NPV₁₀ (pre-tax)

US\$125m

IRR (pre-tax)

64%

Capital payback

2.1 years

C1 Cash Cost (FOB)

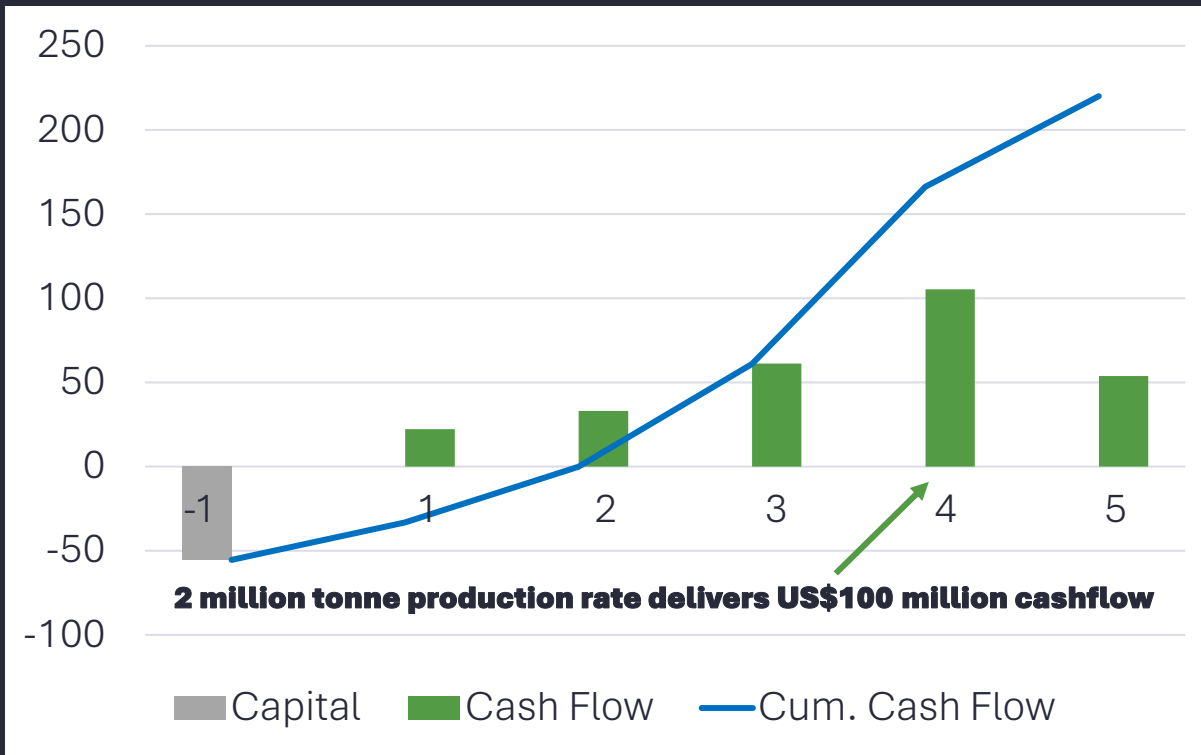
US\$42/wmt

* Scoping Study, ASX Announcement 14/11/23

Bekisopa Scoping Study. *

Delivers US\$50 million cash from year 3.

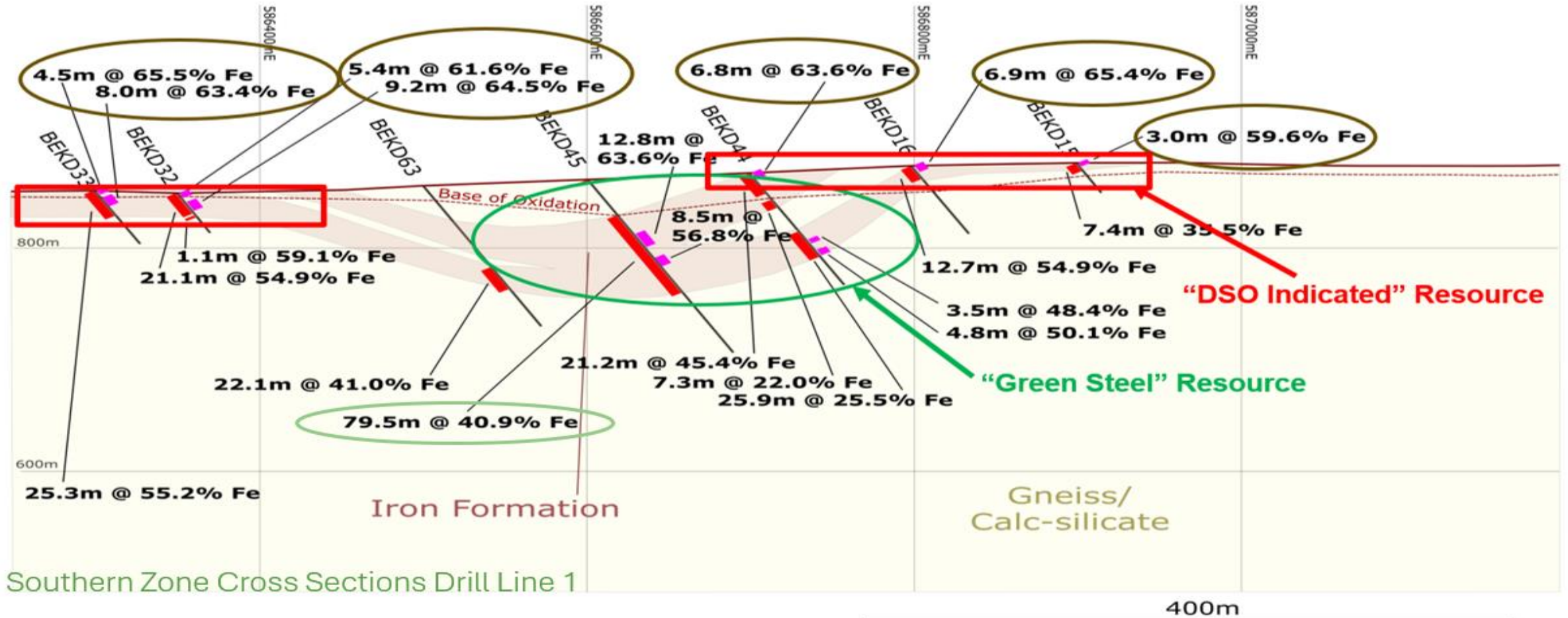
Low CAPEX Case
US\$M



- 2023 Drilling in the North and Central Zones will add DSO tonnes and additional mine life to the Pre-feasibility Study
- This additional mine life should boost Scoping Study Financial metrics, increasing cash flow

* Scoping Study, ASX Announcement 14/11/23

Bekisopa Iron Ore Project, high grade direct ship iron ore at surface, over an expansive readily upgradable high-grade iron ore resource. *



* ASX Announcement 2/3/22

Continued drilling success at Bekisopa Project.

Only 50% of 6km major ground magnetic anomaly has been drilled, each drilling campaign has successfully added additional resource tonnes.

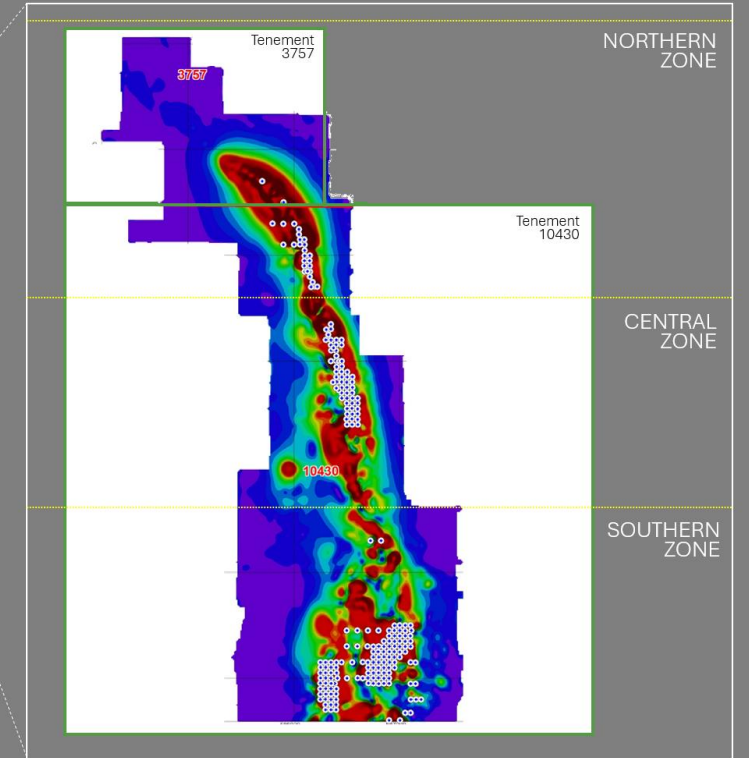
AKORA has drilled 250 holes across four campaigns totalling over 8,400m at Bekisopa. *

Fourth drilling campaign of 904.9m across 65 holes completed in August 2023.

Drilling on a 50m-by-50m grid across the project's northern and central zones, iron ore mineralisation intercepts averaged around 18.0m in the north and 9.2m in the central tenement.

Drill campaigns designed to add DSO tonnage, aid production planning, and increase mine life.

Bekisopa Project Drilling 2023



* ASX Announcement 11/10/23

Satrokala Project – just 40kms to the southwest of Bekisopa - offers considerable upside.

+60% Fe rock chips along 10km strike length. *

A magnetic survey completed 8 November 2023 will assist in pinpointing exploratory holes for maiden drilling proposed in Q2 2024.

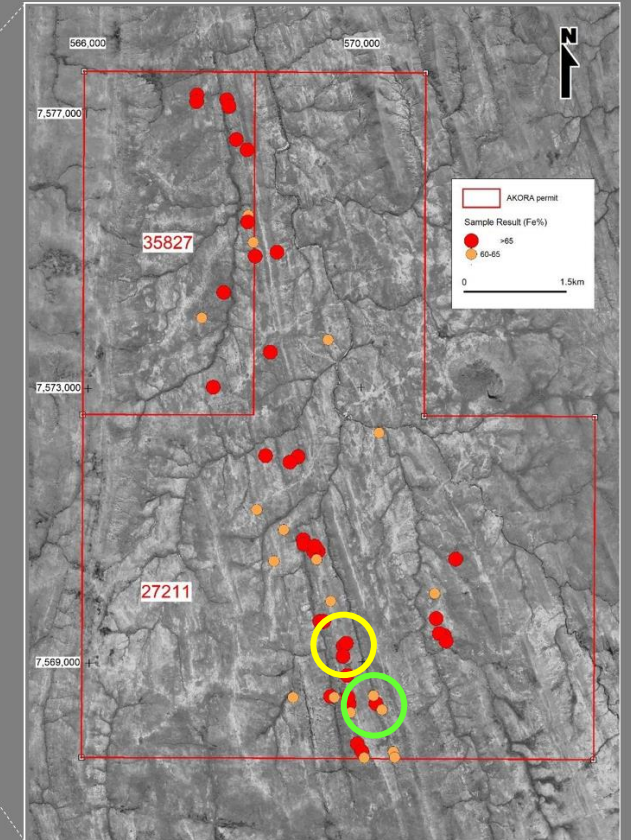
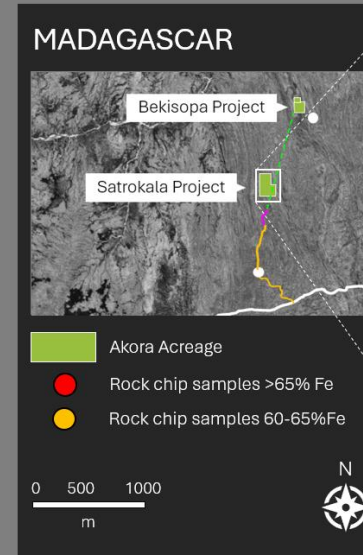


68.03%Fe average



64.63%Fe average

Satrokala Project Rock Chipping 2023



* Scoping Study, ASX Announcement 14/11/23

Satrokala Project

Magnetic strike features.

A strong and continuous magnetic anomaly, 10km long identified at Satrokala. *

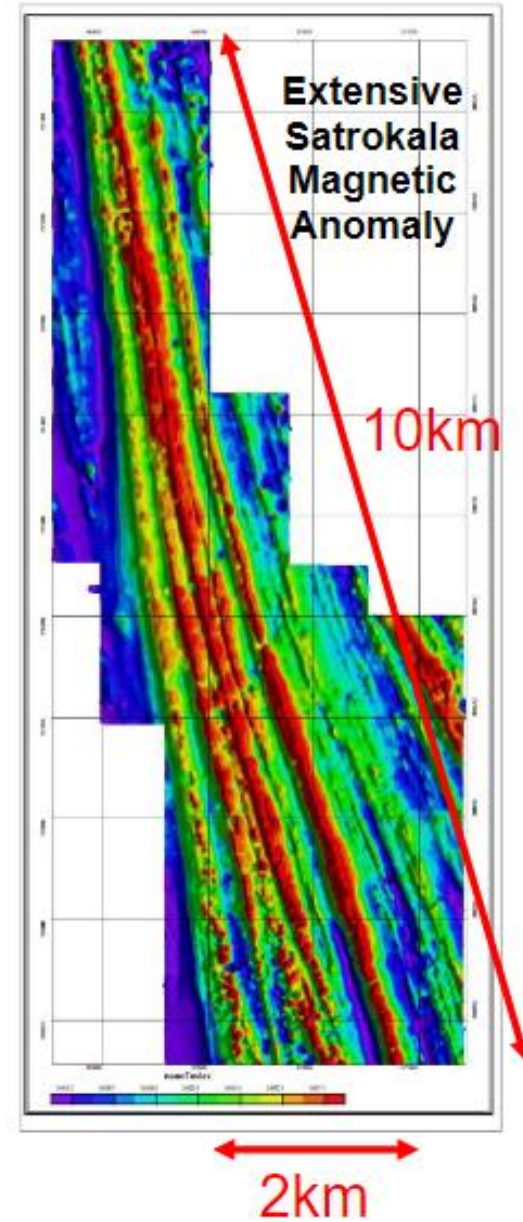
This magnetic feature is 66% longer than at the more advanced high-grade Bekisopa Iron Ore Project, 40km to the north-east.

8 magnetic units have been modelled, which occur along the strike length of the identified anomaly.

In the north, the combined anomaly unit widths modelled is 450m and widening to 1,280m combined width in the south.

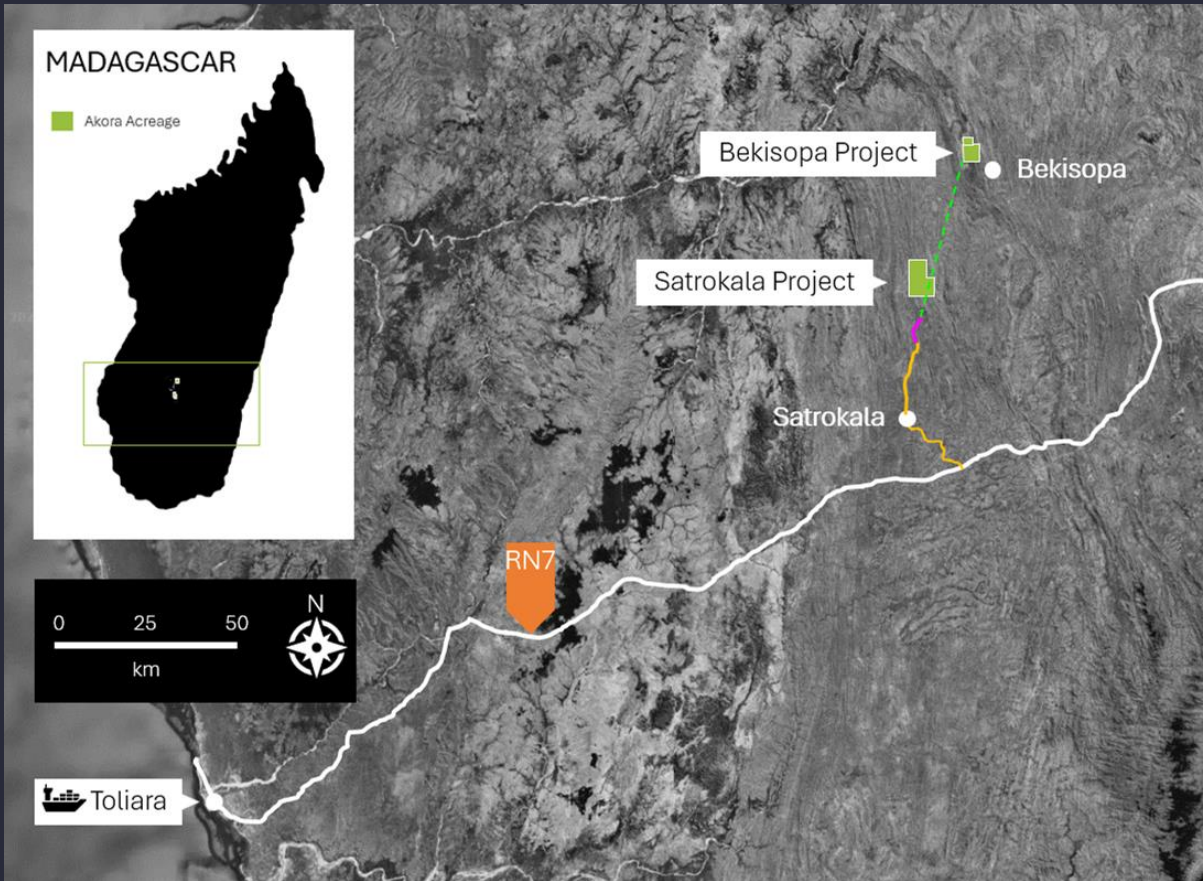
These magnetic units represent potential iron mineralisation and modelled as steeply dipping units from several hundred metres to +1,000 metres at depth.

* ASX Announcement 20/3/24



A pit to port solution. *

~360km from Bekisopa Project to Toliara.

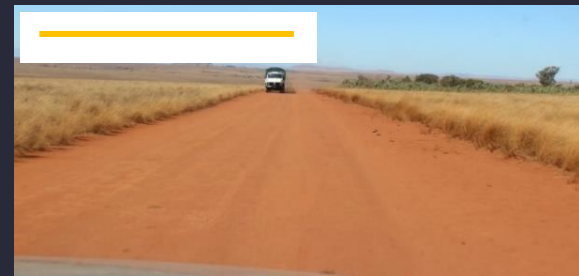


* Scoping Study, ASX Announcement 14/11/23

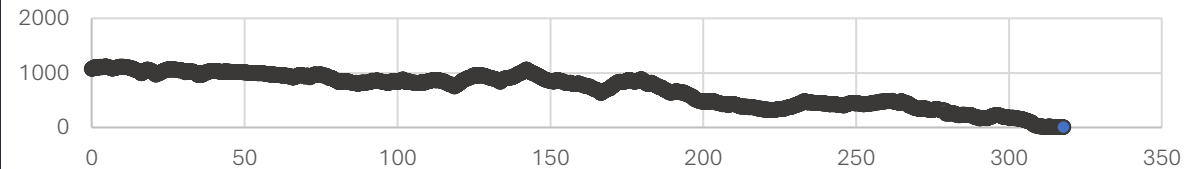
Established infrastructure



Up to ~50km of road to be built or upgraded between Bekisopa Project and Satrokala Project.



Elevation Change - Satrokala to Toliara



Strategic Investor Process. *

Update

AKORA has commenced a Strategic Investor Process involving multiple parties, seeking suitable funding partners for the development of our projects.

As of 17 April 2024, two parties have submitted Non Binding Indicative Offers, with two more expected in coming weeks. Expecting preferred participants will participate in site visits, first planned in mid-May 2024.

There are a variety of funding structures, types and valuations being proposed necessitating careful consideration by the Board. While this assessment is ongoing, the Board is quite encouraged by the proposals received to date.

* ASX Announcement 21/2/24



Stage 2 Bekisopa development.

Produce a premium grade low impurity iron concentrate.*

Stage 01

Produce direct shipping ore (DSO)



Low capex start-up, producing lump and fines iron ore for Blast furnace steelmakers. Generate early cash flow .

* Scoping Study, ASX Announcement 14/11/23

Stage 02 – Decarbonisation Iron Feed

Produce premium-priced iron concentrate



Add grinding and separation circuits to upgrade “Green Steel” resource, at a coarse 75 microns grind size, producing a +68% Fe low impurities DRI concentrate for shipping Iron steelmakers.

Steel is critical in a decarbonising world.

Steel demand is forecast to grow to around 2.7 billion tonnes by 2050*.

The World's electrification requires an enormous amount of steel.



Steel required for each transmission tower

27t



Steel required for each new electric motor vehicle

900kg



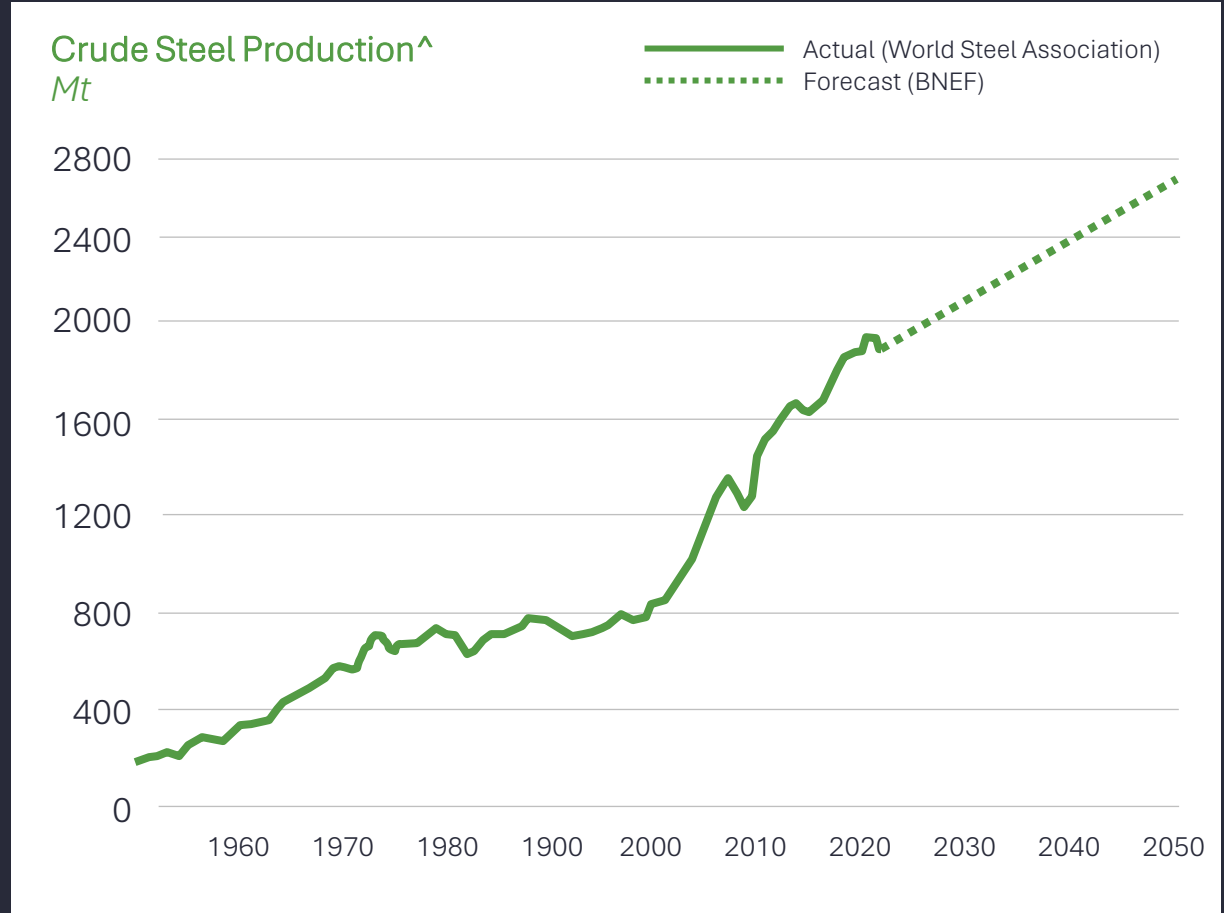
Steel required for each new wind turbine

280t



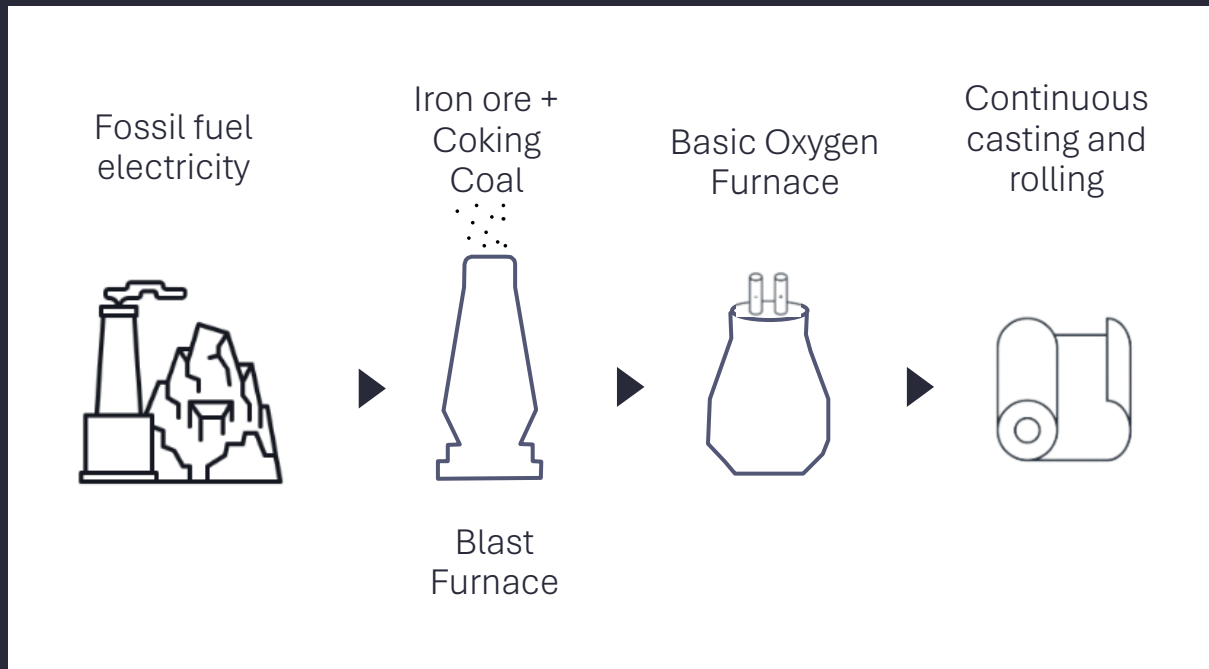
Steel required for each MW of solar power

40t



Direct Reduced Iron (DRI) technology reduces carbon emissions significantly.

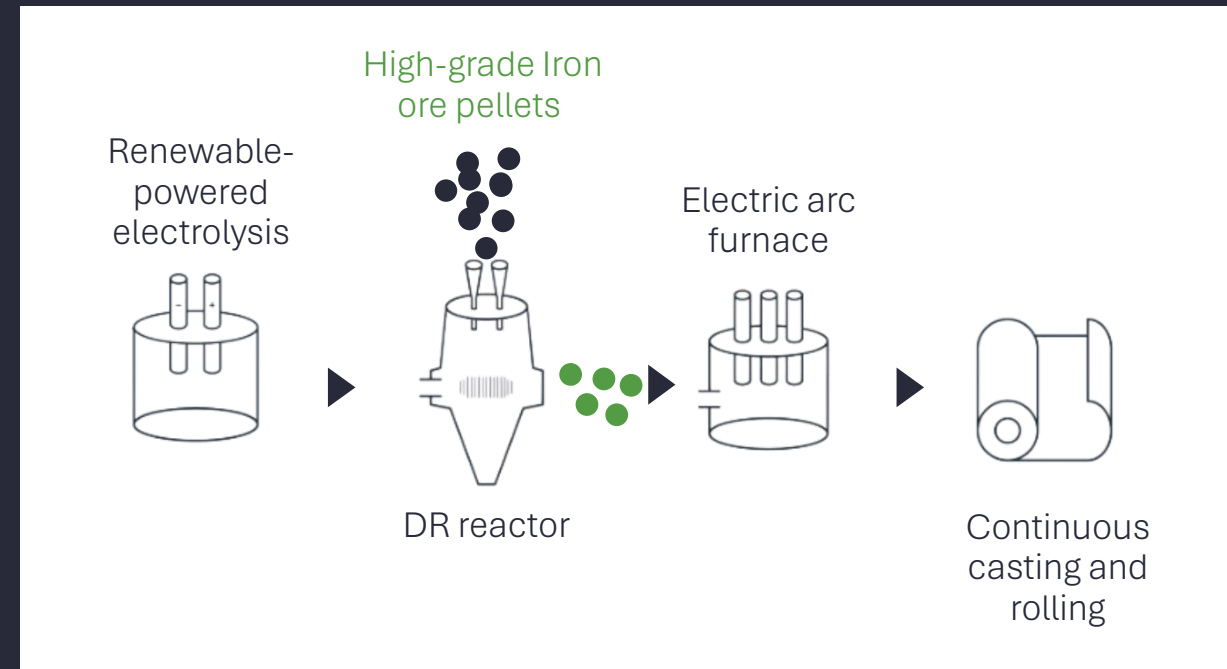
Traditional steelmaking



CO₂ per tonne of steel*

2 tonnes

Green steelmaking



CO₂ per tonne of steel*

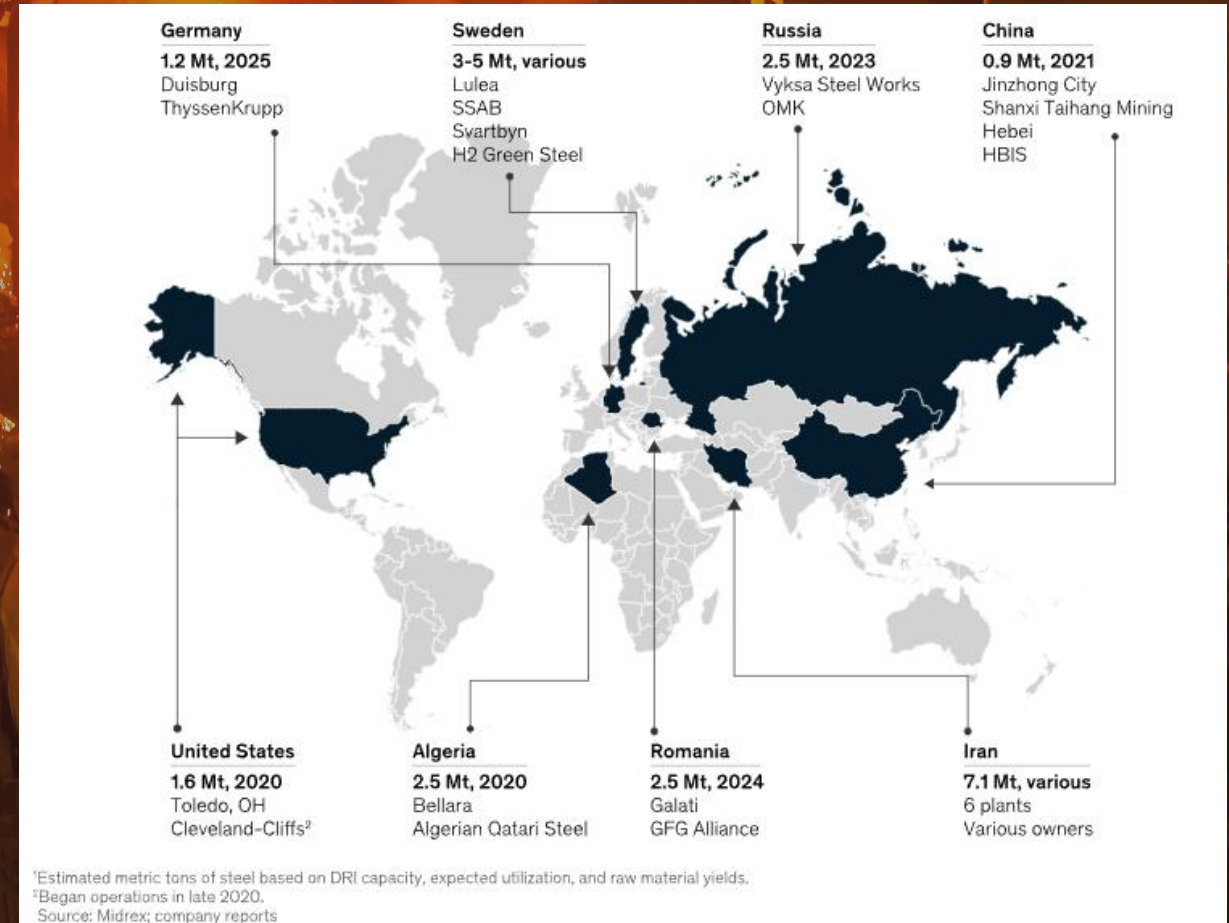
0.1 tonnes

The steel industry is turning green.

To reach net zero emissions by 2050, steelmakers are now switching production methods from blast furnaces that consume coal to direct reduced iron (DRI) processes.

ThyssenKrupp, ArcelorMittal and BlueScope Steel have all started to replace blast furnaces with DRI plants.

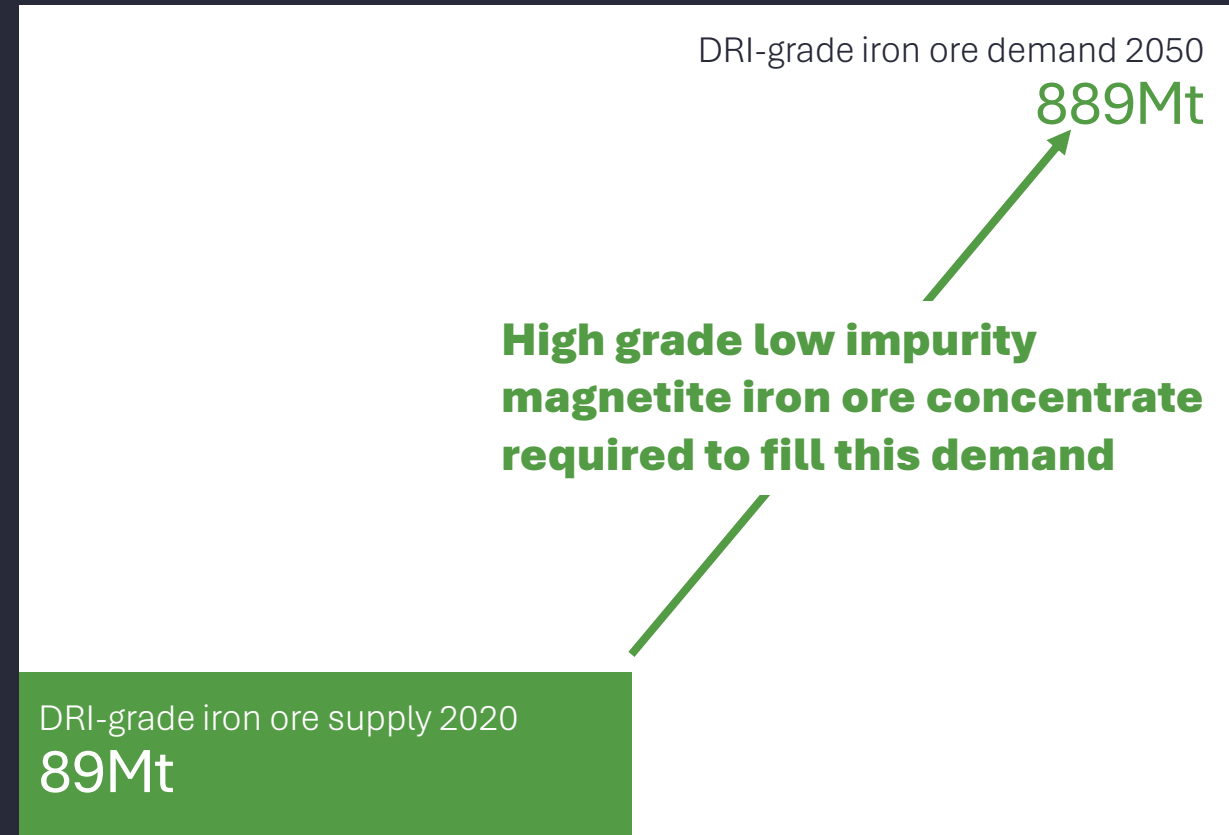
Map of planned or under construction DRI-EAF plants and capacity. Million tonnes



DRI technology requires iron ore with low impurities and grades above 67% Fe.

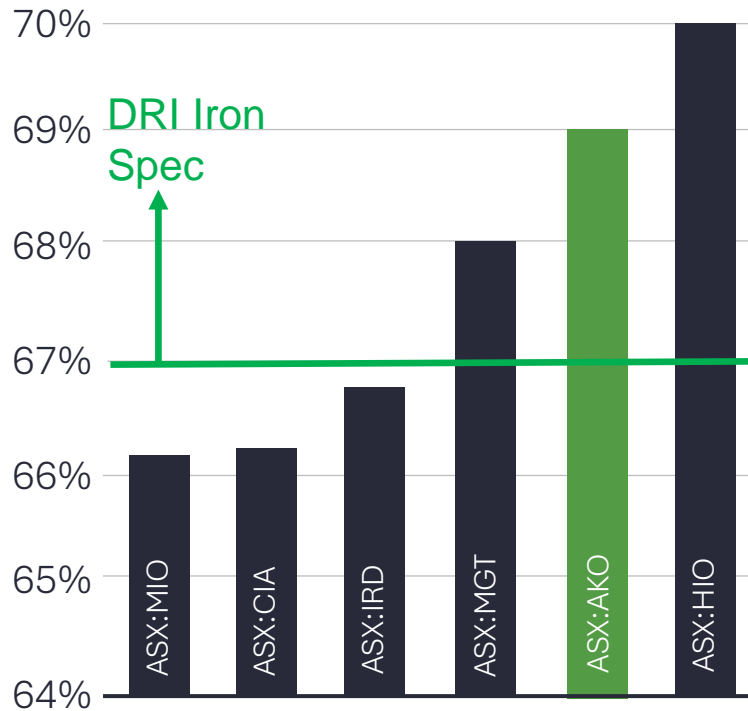
To produce 889Mt of steel from DRI processes in 2050 will require a tenfold increase in high-grade iron ore supply.

BNEF Net Zero Scenario 2050*

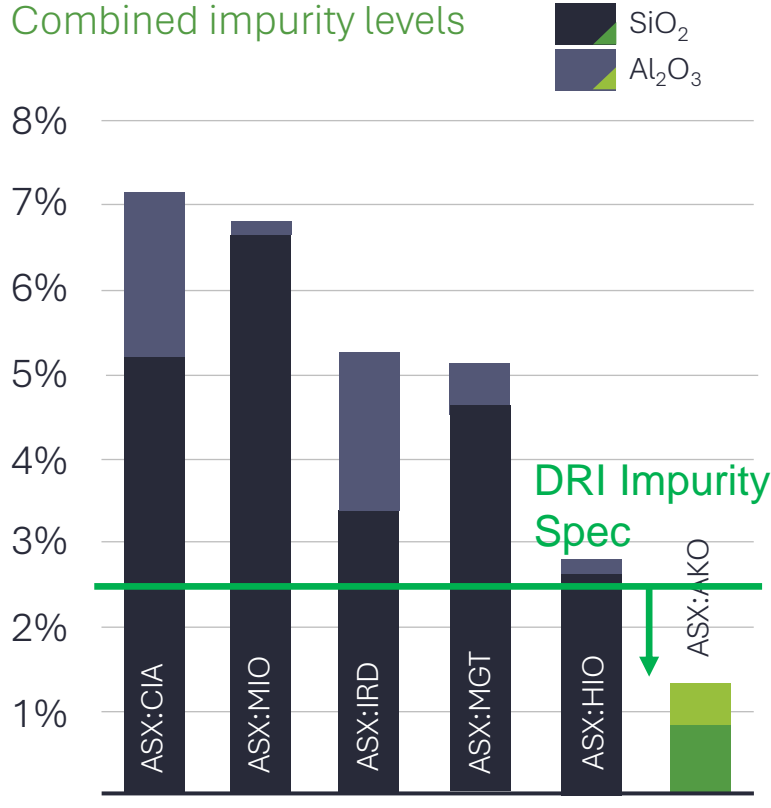


Our cleaner **+68%** iron concentrate should be in demand.

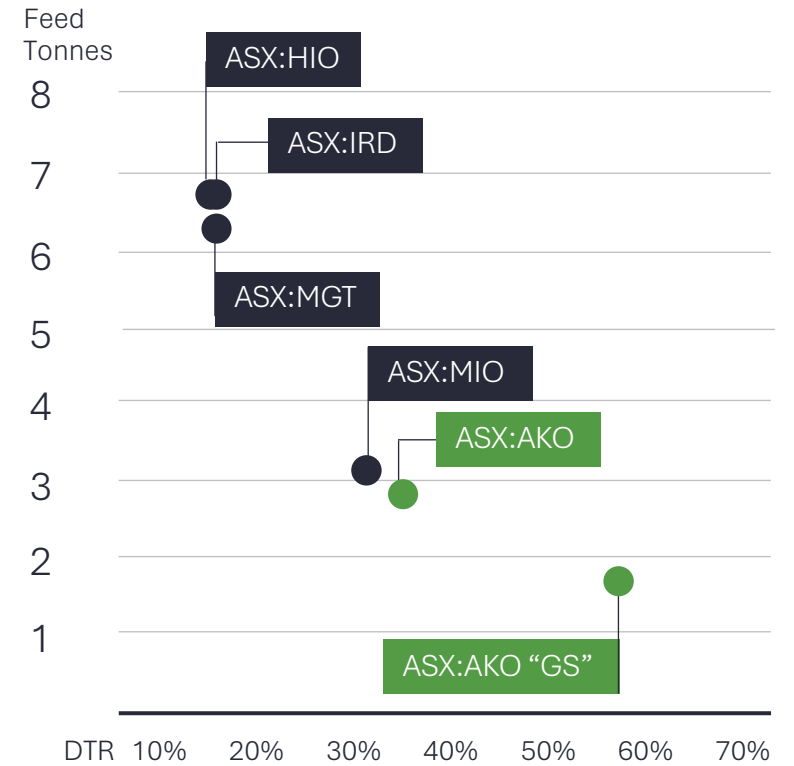
Iron concentrate grade



Combined impurity levels



Mined tonnes per product tonne



Sources: AKO ASX releases, Company reports and releases.

AKORA's cleaner iron ore is believed ideal for **greener steel** made from DRI.

Bekisopa iron ore upgrades to a **+68% Fe** concentrate at 75 microns. *

Ultra low impurities

0.5% SiO₂
0.7% Al₂O₃
0.003% P
0.004% S

A finer grind will deliver even higher iron grades and much lower impurity levels.

Our cleaner iron ore has been proven to achieve 1.7 mined tonnes to 1 mined tonne of concentrate.

Less mined tonnes per tonne of concentrate result in a lower CAPEX and OPEX.



Bekisopa Drill Core BEKD10 upgrades to **70% Fe** concentrate at 75 microns!

* Scoping Study, ASX Announcement 14/11/23

The Madagascar geographical advantage.

Madagascar can easily ship to Asian steelmakers as well as DRI pellet manufacturers around the World.

01

Close to rapidly growing Indian iron and steel industry.

02

Close to DRI pellet manufacturers in Middle East and Europe.

03

Competitive shipping distances to Asian steel markets.

04

Madagascar updated mining code recently finalised. *

* AKO ASX announcement 24/8/23



Working in with our host communities.

Working together with local people to deliver positive outcomes.

01

Frequent consultation ensures support is strong for our projects.



02

Knowledge transfer and generating jobs for local people are priorities.



03

Contributing educational and medical supplies to local villages.



04

Developing water infrastructure to improve health outcomes.



Board and management.

A seasoned mining team with wide experience in Africa.



Graeme Hunt
Non-Executive Chairman

Spent 34 years with Australian mining major BHP performing General Manager roles before serving as President Iron Ore between 1999 and 2005. Was Managing Director and Chief Executive Officer at Lihir Gold Ltd during which time he managed the company's takeover by Newcrest Mining for A\$9.5 billion. More recently he has held MD and CEO positions with Broadspectrum and AGL Energy. Management expertise spans steel production, exploration, mining, logistics and port operations across Australia, South America, PNG and West and Southern Africa.



Paul Bibby
Managing Director

A metallurgist with over 35 years' experience across the mining and metals industry. Spent 23 years with Rio Tinto in various operational, technological and business development roles. Appointed Chief Executive Officer of OceanaGold Corporation in 2009 and was instrumental in its equity raising activities in Europe and North America to improve its balance sheet and advance gold projects. In recent years, he has performed a number of "work-out" roles for Australian listed entities which involved various asset sales and reorganisations.



Matthew Gill
Non-Executive Director

A mining engineer with over 40 years' experience. Held various key roles in both national and international jurisdictions for organisations such as Rio Tinto, Castlemaine Goldfields, WMC, Placer Pacific, Renison Goldfields and Singapore-listed LionGold Corp. Overseen the completion of several Maiden Resource Estimates, has successfully led Pre-Feasibility Studies and Feasibility Studies and has been instrumental in the project development, establishment and operation of four mines, in Australia and internationally.



Shane Turner
CFO & CoSec

A Chartered Accountant with over 35 years accounting and financial experience. Has served as a Non-Executive Director, Company Secretary and CFO with Mozambique focused heavy mineral sands company MRG Metals Ltd (ASX:MRQ) since 2011. Holds a Bachelor's degree, Business/Commerce, Accounting & Law.



Jason Whittle
General Manager

Worked in operational leadership roles throughout the mining value chain, in mining and processing and marketing. Has performed project development and implementation roles on major projects across Australia, Peru and Africa for Pasmenco, Zinifex, OZ Minerals and MMG. Most recently, Jason was GM of Projects at Podium Minerals covering resource development, resources, metallurgical testwork, environmental & license planning and ESG. Holds a B.App.Sci (Met)(Hons), Mineral Processing and Materials Engineering from La Trobe University.



John W Ffooks & Co
African legal Advisor



Wardell Armstrong
Global mining consultants

Corporate Snapshot

ASX:AKO

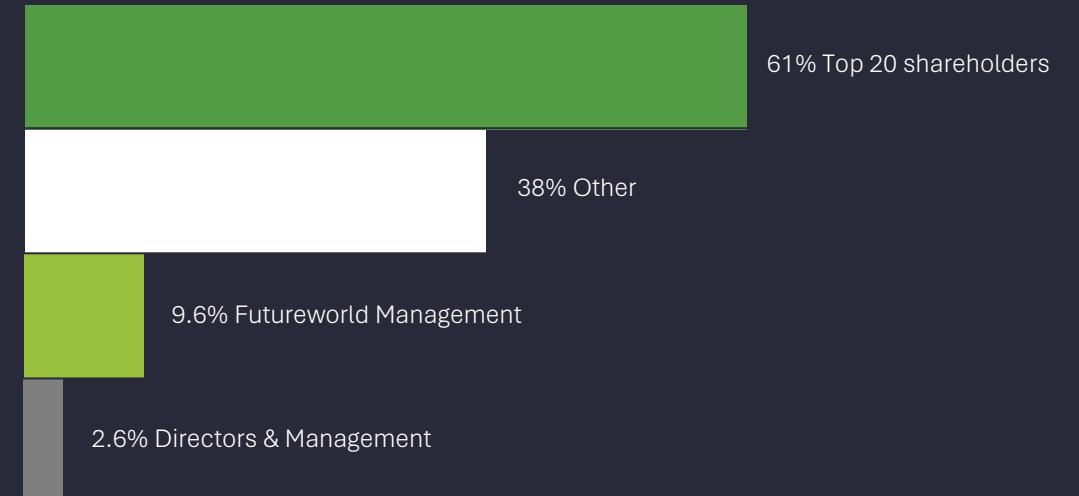
| | | | | | |
|--|-----------------------|------------------|-----------------|------------------|----------------------|
| Share price | Market capitalisation | Debt | Shares on issue | Cash | AKOO options |
| \$A0.15 | A\$14.2m | Zero | 94.9m | A\$1.3m | 14.7m |
| 15 April 2024 52 week high \$0.215, low \$0.125 | 15 April 2024 | 31 December 2023 | 15 April 2024 | 31 December 2023 | Expiring 25 May 2026 |

ASX Share price performance (\$A)

For the year to 12 April 2024



Ownership



AKORA Resources Investment Case *



* Scoping Study, ASX Announcement 14/11/23

DSO Start-Up

Low capex
High margin,
Strong cash flow.



Premium Grade Low Impurity DRI Concentrate

Long mine life for
decarbonising
the steel industry

Details of the Offer

Timetable

| Event | Dates * |
|--|---------------------------|
| Announcement of Placement and Proposed Entitlement Offer | Wednesday 17 April 2024 |
| Placement issue date | Wednesday 24 April 2024 |
| Shares traded on an “ex” entitlement basis | Wednesday 24 April 2024 |
| Record Date for eligibility to participate in the Entitlement Offer | Friday 26 April 2024 |
| Entitlement Offer opens (dispatch of Entitlement Offer Booklet) | Tuesday 30 April 2024 |
| Entitlement Offer closes | 5.00pm Friday 17 May 2024 |
| Announce results of Offer | By Wednesday 22 May 2024 |
| Allotment of new shares under Entitlement Offer | By Wednesday 22 May 2024 |
| Trading of new shares under Entitlement Offer | Thursday 23 May 2024 |

* All dates are indicative only and subject to change. Subject to the requirements of the Corporations Act 2001 (Cth), the ASX Listing Rules and any other applicable laws, the Company reserves the right to withdraw or vary the timetable without notice.

Equity raising summary

| | |
|---------------------------------|--|
| Offer Size and Structure | <ul style="list-style-type: none"> Up to \$3.8 million capital raising, comprising:- <ul style="list-style-type: none"> ➤ A \$0.8 million institutional placement (“Placement”), and ➤ Up to \$3.0 million via a 1 for 5 pro-rata non-renounceable entitlement offer (“Entitlement Offer”) Up to 25 million New Shares to be issued |
| Offer Pricing | <ul style="list-style-type: none"> Offer price of A\$0.15 per New Share represents a: <ul style="list-style-type: none"> • 6.1% discount to the 10 day Volume Weighted Average Price (VWAP); and • 7.4% discount to the 15 day Volume Weighted Average Price (VWAP). |
| Use of Proceeds | <ul style="list-style-type: none"> Fund AKORA’s Bekisopa Pre-Feasibility Study and early Development Works \$1,850,000; Satrokala Exploratory Drilling \$1,000,000 and costs of the capital raise and for working capital \$950,000. |
| Underwriting | <ul style="list-style-type: none"> The Entitlement Offer is not underwritten. However, AKORA’s largest shareholder, Future World Management P/L, currently holds 9.6% of issued capital and has irrevocably committed to investing up to \$1.5 million under this offer, subject to shortfall. |
| Top-Up Facility | <ul style="list-style-type: none"> Eligible shareholders will be able to apply for additional shares, over their entitlement, under a “Top-Up Facility” as part of the Entitlement Offer. |
| Ranking | <ul style="list-style-type: none"> New shares will rank pari passu with existing fully paid ordinary shares from allotment New shares issued under the Placement will be eligible to participate in the Entitlement Offer |

Summary of key risks

The following contains a summary of some of the key risks associated with an investment in AKORA Resources. This summary of risks below should be considered in the context of previous disclosures made by AKORA Resources in accordance with its periodic and continuous disclosure obligations.

Investors should consider the specific and general risk factors described below, together with information contained elsewhere in this document and consult their professional advisers before dealing in AKORA Resources securities.

There are specific risks which relate directly to the business of AKORA Resources. In addition, there are other general risks, many of which are largely beyond the control of AKORA Resources and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of AKORA Resources and the market price of securities of AKORA Resources. The following is not intended to be an exhaustive list of the risk factors to which AKORA Resources is exposed.

Summary of key risks

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|---|--|
| <p>SPECIFIC RISKS</p> | <p>An investment in the Company carries risks, including those specific to the Projects, those broader risks which affect the mining industry and those more general risks associated with investing in the share market.</p> <p>This section identifies some of the major risks associated with an investment in the Company. Intending Applicants should consider the risk factors described below, together with information contained elsewhere in this Offer Booklet, before any decision is made to subscribe for Shares.</p> <p>There are numerous risks which could materially and adversely affect the financial and operating performance of the Company, which in turn could impact the value of the Shares. The Directors and management have implemented internal controls and processes to mitigate some of these risks. There are however risks over which the Company, the Directors and management will be unable to exert significant influence.</p> <p>Any potential investor should be aware that subscribing for New Shares involves various risks. The New Shares to be issued pursuant to the Offer Booklet carry no guarantee with respect to the payment of dividends, return of capital or the market value of those Shares.</p> <p>An investment in Shares of the Company should therefore be considered speculative. The following risk factors are not intended to be an exhaustive list of the risk factors to which the Company is exposed. In addition, this section has been prepared without taking into account Applicants' individual financial objectives, financial situation and particular needs. Applicants should seek professional investment advice if they have any queries in relation to making an investment in the Company.</p> |
| <p>Financing Risks</p> | <p>The Company currently has no operating revenue and it is unlikely to generate any revenue from its existing projects in the short term. The Company may not raise sufficient funds from the capital raising to advance its projects. There is no guarantee that the Entitlement Offer will be fully subscribed. The Company may need to raise additional funds in the future to advance its Bekisopa and Satrokala projects, to fund further exploration and development at the Company's other projects and there is no assurance that the Company will be able to secure additional funding, whether debt, equity or otherwise, on acceptable terms, or at all. If the Company is unable to raise sufficient funds from this capital raising or any further capital raising, it may consider other funding alternatives. These alternatives could include additional equity funding, debt funding, joint venture or farm-in arrangements, streaming finance, convertible loans or asset sales. None of these alternatives have been determined at present, and any need to implement a funding alternative would be considered if the need arises having regard to the circumstances at that time. There is no assurance that AKORA will be able to implement any specific alternative. Any additional equity funding may have a dilutionary impact on a shareholder's holding in AKORA, or a negative impact on AKORA's share price.</p> <p>If the Company is unable to obtain additional funding as needed, it may be required to reduce the scope or suspend its proposed work program for the Bekisopa and Satrokala Projects.</p> |
| <p>Exploration and Development</p> | <p>The business of exploration, project development and mining contains risks by its very nature. To prosper, a mining exploration and development company needs to have successful exploration operations and the economic conversion of resources to reserves within the meaning of the 2012 JORC Code; it must be competent in the design and construction of efficient production/processing facilities and must be competent in its operations and managerial performance and must be proficient in the marketing of product. The future value of the Company will depend on its ability to find and develop resources that are economically recoverable. The Company is entirely dependent on the Projects which is the sole potential source of revenue, and any adverse developments affecting these projects would have a material adverse effect on the Company, its business, prospects, results of operations and financial condition.</p> <p>Notwithstanding the experience, knowledge and careful evaluation a company brings to an exploration project, there is no assurance that recoverable mineral resources will be identified. Even if identified, other factors such as technical difficulties, geological conditions, adverse changes in government policy or legislation or lack of access to sufficient funding may mean that the resource is not economically recoverable or may otherwise preclude a company from successfully exploiting the resource.</p> <p>Accordingly, there is no assurance that future exploration expenditure will result in discoveries or upgrade existing mineralisation to the stage where such can be successfully commercially exploited.</p> |
| <p>Operations</p> | <p>The operations of the Company may be affected by various factors including failures in internal controls and financial fraud. To the extent that such matters may be within the control of the Company, the risks will be addressed through management and supervision controls.</p> <p>The exploration programs of the Company and project development and mining operations may be affected by numerous factors beyond the control of the Company. These may include adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, plant and equipment, and events involving fire or explosions and the occurrence of other incidents beyond the control of the Company.</p> |

Summary of key risks

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| Mineral Resources | <p>Exploration involves a significant degree of risk and exploration operations can be hampered by force majeure circumstances and cost overruns for unforeseen events, including unexpected variations in geology, labour availability, COVID-19 restrictions and equipment malfunction.</p> <p>Mineral Resources which are not Ore Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, operational cost, metal price, mining control, dilution or other relevant issues.</p> <p>The category of reported Inferred Mineral Resources is the lowest level of confidence under the JORC Code. The evaluation of these resources with the intention of upgrading resource categories and converting them to reserves is impacted by a number of issues, including mining dilution, metallurgical recovery and grade variability. There can be no guarantee that the resources will be developed to the point of production.</p> |
| Legal System | <p>Madagascar has a less developed legal system than more established economies which could result in risks such as:</p> <ul style="list-style-type: none"> (a) effective legal redress in the Malagasy courts being more difficult to obtain; (b) higher degree of discretion on the part of governmental authorities who may be susceptible to corruption; (c) lack of judicial or administrative guidance on interpreting applicable rules and regulations; and (d) inexperience of the judicial system in such matters. |
| Environmental | <p>The mineral exploration sector operates under Australian Federal and State environmental laws and will also be subject to the laws of Madagascar. As with most exploration and development projects, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws, in order to minimise damage to the environment and risk of liability. Nevertheless, there are certain risks inherent in AKORA's activities which could subject the Company to extensive liability.</p> <p>The Company's operations may require it to use hazardous materials and produce hazardous waste which may be alleged to have an adverse impact on the environment or cause exposure to hazardous materials. Despite efforts on the part of the Company to conduct its activities in an environmentally responsible manner and in accordance with all applicable laws, the Company may be subject to litigation as a consequence. This may extend to being the subject of investigation by environmental authorities and incurring clean up obligations. This exposure could delay the timetable of a project and may subject the Company to restrictions and substantial penalties, including fines, damages, clean-up costs and other penalties.</p> <p>Mining companies operating in Madagascar are subject to environmental laws and regulations with respect to matters such as:</p> <ul style="list-style-type: none"> (a) limitations on land use; (b) prospecting and mining rights requirements; (c) reclamation and restoration of sites after completion; (d) protection of human health, plant life and wildlife; and (e) remediation of contaminated soil. <p>While it may be reasonably expected that all requisite approvals will be forthcoming, and whilst obligations for expenditure may be predicated on any requisite approvals being obtained, it cannot be guaranteed that any or all requisite approvals will be obtained.</p> <p>A failure to obtain any approval would mean that the ability to amend existing plans, undertake proposed development plans or infrastructure upgrades, participate in or develop any project, or possibly acquire any project, may be limited or restricted either in part or absolutely, which may have a material adverse effect on the Company.</p> |
| Mineralisation | <p>Mining exploration operations are high risk. Each mineralised system is unique and the nature of mineralisation, the occurrence and grade of any material, and its behaviour during mining, cannot be wholly predicted. Estimates of a mineral deposit are not precise calculations, but are based on interpretation and on samples from drilling, which may represent a very small sample of the entire ore body.</p> |

Summary of key risks

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| Upgrading Resource Categories and Conversion of Resources to Reserves | <p>Reserve and resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development plans which may, in turn, adversely affect the Company's operations. The variables on which estimates of resources and reserves are made include a number of factors and assumptions such as historical production, assumed effects of regulation by government agencies, assumptions regarding future prices and future capital and operating costs, all of which may vary considerably from those initially planned or used in determining any such resources or reserves. Changes in any underlying assumptions that affect either the cost of recovery or the viability of recovery of any resource will affect any calculation of Reserves.</p> |
| Approvals | <p>The Company is reliant on environmental and other approvals in Madagascar to enable it to proceed with the exploration and any development of the Tenements. There is no guarantee that the required approvals will be granted and failure by the Company to obtain the relevant approvals, or any delay in the award or transfer of the approvals, may materially and adversely affect the ability of the Company to proceed with the proposed exploration and development operations.</p> |
| Access | <p>There is a substantial level of regulation and restriction on the ability of exploration and mining companies to have access to land in Madagascar.</p> <p>Negotiations with both native title holders and landowners/occupiers are generally required before gaining access to land for exploration and mining activities. Inability or delays in gaining access may adversely impact on the Company's activities. The Company may need to enter into compensation and access agreements before gaining access to land.</p> |
| Regulatory, political, economic and Social Risks | <p>Currently, all the Company's exploration activities occur in Madagascar which has from time-to-time experienced political instability. The Company may be affected by possible instability and the risks, including, among other things, security concerns, labour disputes, government policy, and issues with citizens and native peoples.</p> <p>The mining industry in Madagascar is the subject of cross border relations. Many of the areas the subject of the Company's Projects are subject in whole or in part to local determinations, or claims made by local title parties and may contains indigenous heritage sites. The ability of the Company to undertake exploration or development operations on that tenement may be delayed or prohibited in the event that applicable consents cannot be obtained from the relevant native title parties or native groups.</p> |
| Approvals to Develop Mineral Deposits | <p>If the Company discovers an economically viable mineral deposit that it then intends to develop, it will require various approvals, licences and permits before it will be able to mine the deposit. There can be no guarantee that the Company will be able to obtain all required approvals, licences and permits promptly or at all. To the extent that required authorisations are not obtained or are delayed, the Company's operational and financial performance may be materially adversely affected.</p> |
| Failure of Studies | <p>Subject to the results of exploration and testing programs to be carried out, the Company may progressively undertake a number of studies in respect of a project. These studies may include scoping, pre-feasibility, definitive feasibility and bankable feasibility studies. These studies will be undertaken within parameters designed to determine the economic feasibility of the project. There can be no guarantee that any of the studies will confirm the economic viability of the Projects or the results of other studies undertaken by the Company (e.g. the results of a feasibility study may materially differ from the results of a scoping study).</p> <p>Even if a study confirms the economic viability of a project, there can be no guarantee that the project will be successfully brought into production as assumed or within the estimated parameters in the feasibility study once production commences.</p> |

Summary of key risks

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| Bekisopa Project Risk | <p>The Bekisopa Scoping Study (SS) referred to in this document is insufficient to provide assurance of an economic DSO Stage 1 development case at this stage and there is no certainty that the conclusions of the SS will be realised. The material assumptions relating to the SS are estimates and are subject to change, which may affect the viability of the Bekisopa DSO Start-Up project. There is also no guarantee that the Company will complete a PFS, DFS or EIS or if completed that the Company will be able to obtain necessary approvals or raise sufficient funds for the development of the project. Potential delays in completion of the PFS, or failure to obtain necessary approvals or to raise sufficient funds could have a material adverse effect on the Company's financial performance or a negative impact on the Company's share price. Mineral development is a high risk undertaking and successful development cannot be guaranteed.</p> |
| Developing Countries | <p>Investors in the securities of issuers who are conducting business in developing countries like Madagascar should be aware that these investments are generally subject to greater risk than investments in more developed countries and carry risks not typically associated in more mature markets. Investors should note Madagascar's economy, like those of other developing countries are subject to rapid change and that the information set out in the Offer Booklet may become outdated relatively quickly. Accordingly, prospective investors should exercise particular care in evaluating risks involved and must decide for themselves whether their investment is appropriate.</p> |
| Sovereign and Political Risks | <p>The mining industry in Madagascar is in its early stages and is not as developed as other more established jurisdictions in which the Company's competitors operate. As such, Madagascar currently has limited resources, infrastructure and experience to support mining. However, these have been growing with the development and operation of two significant projects involving Rio Tinto and Sumitomo. Further there is no material history of mining operations in Madagascar meaning that there is limited "in-country" experience available to the Company. The legislative and regulatory framework under which the Company operates is largely untested.</p> |
| Additional Expenditure | <p>From time to time there may be a need to undertake expenditure that has not been taken into account in this Offer Booklet. Although the Company is not presently aware of any additional expenditure requirements, if such expenditure is subsequently incurred, this may have an adverse effect of the current expenditure proposals of the Company and negatively impact the business plan of the Company.</p> |
| Additional Funding | <p>Although the funds to be raised under the Offers are considered sufficient to meet the immediate objectives of the Company, additional funding may be required by the Company in the event that costs exceed estimates or revenues do not match expectations. For example, additional funding may be required in order to undertake further exploration operations, more in-depth studies or to acquire complementary assets.</p> <p>Accordingly, the Company may need to engage in equity or debt financings to secure additional funds. Any additional funding may be dilutive to Shareholders, may be undertaken at lower prices than the Offer Price or may involve restrictive covenants that limit the Company's operations.</p> <p>There can be no assurance that such funding will be available on satisfactory terms or at all and any inability to obtain sufficient funding for the Company's activities and current or future projects may result in the delay or cancellation of those activities or projects.</p> |
| Competition | <p>The mining exploration and development sectors are subject to domestic and global competition. Although the Company will exercise reasonable due diligence in its business decision making and operations, the Company will have no influence or control over the activities or actions of its competitors, which actions may positively or negatively affect the operating and financial performance of the Company.</p> |
| Tenements | <p>The Company's interest in Tenements and the Projects in Madagascar are governed by legislation and are evidenced by the granting of leases and licences by the relevant bodies. The Company will have an obligation to meet conditions that apply to the tenements under the above legislation, including the payment of rent and prescribed annual expenditure commitments.</p> <p>Despite the Company's intention to be in full compliance with all obligations applicable to the tenements, there can be no guarantee that tenements that are subject to renewal will be renewed, or that expenditure commitments and other conditions that apply to the tenements will be satisfied.</p> <p>Renewal conditions may be more onerous by requiring, for example, increased expenditure and work commitments or compulsory relinquishment of areas of the tenements.</p> |

Summary of key risks

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| Occupational Health and Safety | <p>The mining industry has become subject to increasing occupational health and safety responsibility and liability. The potential for liability is a constant risk. If the Company fails to comply with necessary OH&S legislative requirements, it could result in fines, penalties and compensation for damages as well as reputational damage.</p> |
| Commodity Price and Exchange Rate | <p>The price for minerals will depend on available markets.</p> <p>To the extent the Company is involved in mineral production the revenue derived through the sale of commodities may expose the potential income of the Company to commodity price and exchange rate risks. The prices of minerals fluctuate widely and are affected by numerous factors beyond the control of the Company, such as industrial and retail supply and demand, exchange rates, inflation rates, changes in global economies, confidence in the global monetary system, forward sales of minerals by producers and speculators as well as other global or regional political, social or economic events. Future serious price declines in the market values of minerals could cause the development of, and eventually the commercial production from, the Company's Tenements to be rendered uneconomic. Depending on the prices of commodities, the Company could be forced to discontinue production or development or studies and may lose its interest in some of its Tenements. There is no assurance that a profitable market of minerals will exist from time to time.</p> <p>Furthermore, the international price of various commodities is typically denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian dollars, thereby exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international currency markets.</p> <p>In addition to adversely affecting the Company and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if a project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.</p> |
| Acquisitions | <p>From time to time the Company may undertake acquisitions of additional interests in mining tenements and other assets. The successful implementation of such acquisitions will depend on a range of factors including funding arrangements, geographical issues, staff continuity and compatibility of equipment or infrastructure. If acquisitions are not successfully integrated within the Company's operations, the financial performance of the Company could be adversely affected. At the time of any of such acquisitions the Company may decide that it is in the best interests of the Company and its Shareholders to fund the acquisition through the issue of further Shares. If this were to occur, it may result in the dilution of the ownership interests of Shareholders.</p> |
| Changes in Laws and Government Policy | <p>The availability of rights to explore and mine, as well as industry profitability generally, can be adversely affected by changes in government policy and laws. The impact of actions by government may affect the Company's activities, including its access to land and infrastructure, compliance with environmental regulations, and exposure to taxation and royalties.</p> <p>Changing attitudes to environmental land care, cultural heritage and indigenous land rights issues, together with the nature of the political process, provide the possibility of future policy changes. There is a risk that such changes may affect the Company's exploration plans or its rights and/ or obligations with respect to its tenements.</p> |

Summary of key risks

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| <p>No Production Revenues</p> | <p>At present the Company is not generating any revenues from its operations nor has it commenced commercial production on any of its Tenements. There can be no assurance that significant additional losses will not occur in the near future or that the Company will be profitable in the future. The Company's operating expenses and capital expenditures may increase in subsequent years as additional consultants, personnel and equipment associated with advancing exploration, development and commercial production of the Company's Tenements are added. The amounts and timing of expenditures will depend on the progress of ongoing exploration, associated studies and development, the results of consultants' analyses and recommendations, the rate at which are beyond the Company's control.</p> <p>The Company expects to continue to incur losses unless and until such time as its Tenements enter into commercial production and generate sufficient revenues to fund its continuing operations. The development of the Company's projects will require the commitment of substantial resources to conduct the time-consuming exploration, studies and development activities. There can be no assurance that the Company will generate any revenues or achieve profitability. There can be no assurance that the underlying assumed levels of expenses will prove to be accurate.</p> <p>Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of its activities and potential development programmes. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders. The Company is exposed to risks associated with its financial instruments, cash, receivables, accounts payable and accrued liabilities due to third parties from time to time. This includes the risk that a third party to a financial instrument fails to meet its contractual obligations, the risk that the Company will not be able to meet its financial obligations as they fall due and the risk that market prices may vary which will affect the Company's financial position and prospects.</p> <p>Additional funding will be required in the event costs exceed the Company's estimates and also to effectively implement business and operations plans in the future, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur. If such events occur, additional financing will be required. The Company may seek to raise further funds through equity or debt financing, joint ventures, licensing arrangements or other means. Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of activities and potential development programmes. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.</p> |
| <p>Terrorism</p> | <p>Terrorism or other sustained armed conflicted involving Australia or Madagascar, or in the regional area and their economies could cause political instability and societal disruption which could reduce overall demand for minerals potentially putting downward pressure on prevailing prices and adversely affect the Company's activities.</p> |
| <p>Contractual Risk</p> | <p>All companies operate through a series of contractual relationships with operators, technical experts, project managers, suppliers, customers and contractors generally. All contracts carry risks associated with the performance by the parties of their obligations as to time and quality of work performed. To the extent that third parties default in their obligations under such documents, it may be necessary for the Company to take legal action which may be costly and no guarantee can be given that a legal remedy will ultimately be granted on appropriate terms. In the event that the Company wishes to vary, terminate or amend contractual relationships due to the Company's circumstances or requirements of the operations, it may incur penalties and liabilities or such action may lead to legal action with the consequences as mentioned previously.</p> |
| <p>Covid-19 and other Pandemics</p> | <p>The outbreak of the coronavirus disease (COVID-19) has impacted global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains a risk. The Company's share price may be adversely affected in the short to medium term by any future economic uncertainty caused by COVID-19 or other pandemic. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact operations and are likely to be beyond the control of the Company.</p> <p>COVID-19 safe work practices have and will continue to be adopted in relation to the Company's operations, however, COVID-19 restrictions on movement and activities may adversely affect their operations in the future.</p> <p>The company is monitoring the outbreak of COVID-19 closely and have considered the impact of COVID-19 on its business. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain.</p> |

Summary of key risks

General Risks

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| Forecasts | The Directors consider that it is not possible to accurately predict the future revenues or profitability of the Company or whether any revenues or profitability will eventuate. The business of the Company is dependent upon a number of factors and many of these factors are outside the control of the Company. Consequently, the Company and the Directors do not make any forecast or representation in relation to the Company's future financial position or performance. |
| Economic | General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's business activities and potential development programmes, as well as on the ability to fund those activities. |
| Force Majeure | The Company's business may be adversely affected by risks outside the control of the Company, including (but not limited to) labour unrest, civil disorder, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions. |
| Uninsured Loss and Liability | Exploration for and development of minerals involves hazards and risks that could result in the Company incurring losses and liabilities to third parties. There is a risk that the Company may not be insured against all or any potential losses or liabilities that could arise from its activities. If the Company incurs losses or liabilities that are not covered by its insurance policies, the funds available for its business and activities will be reduced and could create risk for the value of the Company's assets. |
| Dependence on Outside Parties | The Company may pursue a strategy that forms strategic business relationships with other organisations in relation to potential products and services. There can be no assurance that the Company will be able to attract such prospective organisations and to negotiate appropriate terms and conditions with these organisations or that any potential agreements with such organisations will be complied with. |
| Market Conditions | <p>Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:</p> <ul style="list-style-type: none"> • general economic outlook • introduction of tax reform or other new legislation; • interest rates and inflation rates; • changes in investor sentiment toward particular market sectors; • the demand for, and supply of, capital; and • terrorism or other hostilities. <p>The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and mining stocks in particular. Neither the Company nor the directors warrant the future performance of the Company or any return to Shareholders arising from the Offer or any other event or occurrence.</p> |

Summary of key risks

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| <p>Reliance on Key Personnel</p> | <p>The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially upon senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment or if one or more of the Directors leaves the Board.</p> |
| <p>Investment Speculation</p> | <p>The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the New Shares offered under this Offer Booklet.</p> <p>Therefore, the New Shares to be issued pursuant to this Offer Booklet carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those New Shares.</p> <p>Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for New Shares pursuant to this Offer Booklet.</p> <p>The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the New Shares offered under this Offer Booklet.</p> <p>Therefore, the New Shares to be issued pursuant to this Offer Booklet carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those New Shares.</p> <p>Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for New Shares pursuant to this Offer Booklet.</p> |
| <p>Government Regulation Risk</p> | <p>The Company's tenements and activities may be subject to extensive regulation by local, state and federal governments in relation to exploration, development, production, exports, taxes and royalties, labour standards, occupational health, waste disposal, protection and rehabilitation of the environment, mine reclamation, mine safety, toxic and radioactive substances, native title and other matters. Compliance with such laws and regulations will increase the costs of exploring, drilling, developing, constructing, operating and closing mines and other production facilities. There is a risk that approvals required for exploration and development programs and mining operations may not be forthcoming, either at all or in a timely manner, or that they may not be able to be obtained on acceptable terms. A failure to obtain any approval would mean that the ability to participate in or develop any project, or possibly acquire any project, may be limited or restricted either in part or absolutely. There can be no assurance that future government policy will not change, and this may adversely affect the long-term prospects of the Company. In addition, future changes in governments, regulations and policies may have an adverse impact on the Company.</p> |

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