

ASX ANNOUNCEMENT | 22 July 2024

ASKARI METALS LIMITED

COMPLIANCE UPDATE – BREACH OF LISTING RULE 3.10



Askari Metals Limited (ASX: AS2) ("**Askari Metals**" or "**Company**") wishes to advise that, while preparing the notice of meeting for an upcoming general meeting, a number of inadvertent failures to notify the ASX regarding the issue of securities pursuant to Listing Rule 3.10 have been identified.

The Company has been engaged in discussions with ASX regarding its failure to notify ASX of the security issues. By way of rectification of these failures, the Company provides the following information:

1. The Company failed to notify ASX of the following issues of securities due to administrative oversights at the time of issue:
 - 1.1 The Company failed to lodge an Appendix 3G (Notification regarding unquoted securities) ("**Appendix 3G**") for the issue of 7,250,000 Performance Rights, comprising:
 - (a) 1,812,500 Class N Performance Rights;
 - (b) 1,812,500 Class O Performance Rights;
 - (c) 1,812,500 Class P Performance Rights; and
 - (d) 1,812,500 Class Q Performance Rights,

which were issued to directors of the Company ("**Directors**") on 16 March 2023, following Shareholder approval obtained on 20 February 2023.

The Class N Performance Rights vested on 6 January 2024 and converted into fully paid ordinary shares in the capital of the Company ("**Shares**") on 27 February 2024, at the election of the recipients, pursuant to the Company's Performance Rights Plan. The Company lodged an Appendix 2A (Application of quotation of securities) ("**Appendix 2A**") on 27 February 2024, together with updated Appendix 3Y's (Change in Director's interest) for each Director that received Shares on conversion of the Performance Rights. A cleansing notice pursuant to section 708A of the Corporations Act 2001 (Cth) ("**Corporations Act**") for the Shares was issued at the same time as the Appendix 2A. The other classes of Performance Rights remain on issue.

- 1.2 The Company failed to lodge an Appendix 3G for the issue of 800,000 Performance Rights, comprising:
 - (a) 200,000 Class N Performance Rights;
 - (b) 200,000 Class O Performance Rights;
 - (c) 200,000 Class P Performance Rights; and
 - (d) 200,000 Class Q Performance Rights,



which were issued to employees and other non-key management personnel of the Company on 16 March 2023.

- 1.3 The Company failed to lodge an Appendix 3H for the cancellation of 1,500,000 of the Performance Rights detailed in paragraph 1.1, which were on issue to former Director Chris Evans, comprising:
 - (a) 375,000 Class N Performance Rights;
 - (b) 375,000 Class O Performance Rights;
 - (c) 375,000 Class P Performance Rights; and
 - (d) 375,000 Class Q Performance Rights,

and were forfeited by Mr Evans' upon his resignation on effective from 29 January 2024.

- 1.4 The Company failed to lodge an Appendix 3G for the issue of 2,500,000 Options exercisable at \$0.80 per Option on or before 16 May 2027, which were issued on 16 May 2023, the issue of which was ratified by Shareholder on 24 November 2023.
 - 1.5 The Company failed to lodge an Appendix 2A for the issue of 279,225 Shares on 3 May 2023, in consideration for the acquisition of the remaining 10% interest in EPL 7345 as announced on 4 April 2023.
 - 1.6 The Company failed to lodge an Appendix 2A for the issue of 123,967 Shares on 16 August 2022 and released from escrow on 4 December 2023 in consideration for the acquisition of a 100% interest in the Talga East Lithium Project as announced on 4 October 2022.
 - 1.7 The Company failed to lodge an Appendix 2A for the issue of 100,000 Shares on 5 March 2024.
2. The Company advises that it failed to lodge cleansing notices pursuant to section 708A of the Corporations Act for:
 - 2.1 The issue of 279,255 Shares on 3 May 2023. The Company confirms that none of the 279,255 Shares have been traded and the Shares have been automatically cleansed as 12 months has passed since the date of their issue.
 - 2.2 The issue of 100,000 Shares on 5 March 2024. The Company confirms that none of the 100,000 Shares have been traded and remain in a holding lock.

There are no further Corporations Act matters to address with regard to the issues referred to in paragraphs 2.1 and 2.2 above.

3. The Company is committed to ensuring future compliance with its ASX notification obligations under Listing Rule 3.10, and has taken and will endeavour to take additional meaningful steps to ensure that these administrative oversights will not occur in the future, including:
 - 3.1 The Company will lodge the outstanding Appendix 2As for the issues above at paragraphs 2.1 and 2.2 (above) following the release of this announcement.
 - 3.2 The Company has placed a holding lock on the Shares referenced in paragraph 2.1 such that they cannot be traded until such time as the Company lodges the outstanding Appendix 2A for the Shares.



3.3 The Company has placed a holding lock on the Shares referenced in paragraph 2.2 such that they cannot be traded until time as the Company lodges the outstanding Appendix 2A for the Shares and the earlier of:

- (a) the Company lodging a prospectus containing an offer of Shares, the offer will cleanse the Shares referenced in paragraph 2.2 pursuant to section 708A(11)(b)(i) of the Corporations Act; or
- (b) 12 months having passed since the date of issue of the Shares referenced in paragraph 2.2 such that the Shares are automatically cleansed.

3.4 The Company is in the process of appointing of a full-time company secretary to manage ASX compliance matters, including notifying ASX of issues of securities under Listing Rule 3.10.

4. The current capital structure of the Company is set out below:

| Class of Security | Number |
|--------------------|-------------------------|
| Shares | 98,070,146 |
| Options | 19,276,495 ¹ |
| Performance Rights | 4,912,500 ² |

1. Comprising:

- (a) 16,776,495 quoted Options exercisable at \$0.25 per Option on or before 31 October 2024.
- (b) 2,500,000 unquoted Options exercisable at \$0.80 per Option on or before 16 May 2024.

2. Comprising:

- (a) 1,637,500 Class O Performance Rights. The Company notes that 375,000 Class O Performance Rights on issue to former Director Mr Chris Evans were forfeited on Mr Evans' resignation.
- (b) 1,637,500 Class P Performance Rights. The Company notes that 375,000 Class P Performance Rights on issue to former Director Mr Chris Evans were forfeited on Mr Evans' resignation.
- (c) 1,637,500 Class Q Performance Rights. The Company notes that 375,000 Class Q Performance Rights on issue to former Director Mr Chris Evans were forfeited on Mr Evans' resignation.

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.

