

ASX ANNOUNCEMENT | 23 July 2024

ASKARI SECURES FUNDING TO UNLOCK TANZANIA URANIUM ACQUISITION STRATEGY



HIGHLIGHTS

- Askari Metals secures A\$850,000 funding package (before fees and costs) comprised of Redeemable Notes with professional and sophisticated investors
- Funding package will allow the Company to aggressively pursue its Tanzanian uranium acquisition strategy, strengthening its recently acquired Matemanga Uranium Project and reinforcing the Company's African-focused clean energy mandate
- Proceeds will also fund low-cost, high-impact exploration campaigns at the Uis Lithium Project, where trenching, mapping and sampling is defining high confidence drill targets
- Lincoln Ho appointed to the Board of Askari Metals as Non-Executive Director
- Askari will withdraw its Tranche 2 Placement as announced to ASX on 22 March 2024 in light of securing the funding package.

Askari Metals Limited (ASX: AS2) ("**Askari**" or "**Company**") is pleased to announce it has secured a A\$850,000 funding package (before fees and costs), comprised of Redeemable Notes with professional and sophisticated investors.

The full terms and conditions of the Redeemable Notes in provided in Annexure A.

Funding provides the Company with immediate access to the working capital required to aggressively pursue its Tanzanian uranium investment strategy, following its recent acquisition of Matemanga Uranium Project, and reinforce its African-focused clean energy mandate.

Askari Managing Director Gino D'Anna stated:

"We are pleased to have secured this significant funding package for the Company. Having access to these funds will enable us to execute our aggressive uranium acquisition strategy in Tanzania, strengthening our position in this sector following our recent acquisition of the Matemanga Uranium Project, and position Askari to unlock further advanced opportunities. At the same time, the Company is continuing with its low-cost, high-impact exploration campaigns at the Uis Lithium Project having identified further high-grade targets. We look forward to keeping our shareholders and investors updated as we progress."



Completion of the Redeemable Note funding package provides Askari with access to non-dilutive financing, which allows it to focus on executing its acquisition and exploration strategies across Tanzania and Namibia.

A financial arrangement / establishment fee equal to 3% plus GST of the gross funds raised is payable in respect of the Series A Redeemable Notes which total A\$700,000 (being the gross advance). No capital raising fees or financial arrangement / establishment fees are payable on the Series B Redeemable Notes which total A\$150,000 as these were secured directly by the Company.

As part of the Redeemable Note funding package, the Company will also appoint Mr Lincoln Ho to the Board of Askari Metals as a Non-Executive Director.

Mr Ho has more than eight years in ASX listed company directorship experience, providing a wide range of business and strategic advice to small cap unlisted and listed public companies. Mr Ho currently serves as a director of several mining exploration companies on the ASX and possesses significant experience in mining exploration and administration in Namibia, which will serve to assist and support the current exploration activities undertaken by Askari.

Askari will allocate funds from the Redeemable Note issue towards the continued exploration and development of the Uis Lithium Project in Namibia as well as its expansion into in-demand uranium in Tanzania.

Askari 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 2.5km from the operating Uis Tin-Tantalum-Lithium Mine (Andrada Mining Ltd) and is favourably located with the deep-water port of Walvis Bay being, which is less than 230km away serviced by all-weather sealed roads. In March 2023, the Company welcomed Lithium industry giant Huayou Cobalt onto its register, which remains supportive of the Company's ongoing exploration initiatives.

The Company 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.

In light of the recently secured funding package and the lengthy delays faced by the Company, Askari will withdraw its Tranche 2 Placement component, which remains subject to Shareholder approval, as announced to ASX on 22 March 2024. The Company will continue to work with those investors to ensure that they remain supportive and are given the opportunity to invest further alongside the Company.

The Company is currently finalising a Notice of Meeting which will be held during September 2024 to approve various business matters for Shareholders.

The Company looks forward to keeping its Shareholders updated on the progress of its activities.

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 – Redeemable Note Terms and Conditions

Series A Redeemable Note Terms and Conditions

Issuer	Askari Metals Limited (ACN 646 034 460 I 17) (AS2)
Description	Redeemable Notes (Notes)
Gross Raise	A\$700,000 – Gross Cash Advance
Total Loan	A\$760,000 – Gross Cash Advance plus Prepaid Interest Payment
Number of Notes	700,000 notes
Face Value	\$1
Maturity Date	Maturity Date means the date that is the earlier of: (a) 2 months from the Advance Date; and (b) the Company receiving cleared funds from an Equity Raising Event, unless prepaid earlier by the Borrower (in its sole discretion).
Use of Funds	(a) Fund exploration at the Matemanga Uranium Project, Tanzania; (b) Fund acquisition of additional highly prospective uranium projects in Tanzania; (c) Fund the continued exploration at the Uis Lithium Project, Namibia, which is due to resume drilling in 2024; and (d) General working capital
Interest Payment	Fixed at A\$60,000 which is prepaid by the Company on the Advance Date
Transferability	The Notes are not transferrable without the written consent of the AS2
Free attaching options	Subject to Shareholder approval, the participants in the Series A Redeemable Note issue will receive five (5) unlisted options for every \$1 invested exercisable at \$0.065 and expiring on 31 December 2027
Security	Unsecured
Events of Default	Customary for a transaction of this nature
Governing Law	The terms of the Notes will be governed by the laws of Western Australia

Series B Redeemable Note Terms and Conditions

Issuer	Askari Metals Limited (ACN 646 034 460 I 17) (AS2)
Description	Redeemable Notes (Notes)
Gross Raise	A\$150,000 – Gross Cash Advance
Number of Notes	150,000 notes
Face Value	\$1
Maturity Date	Maturity Date means 15 November 2024
Use of Funds	(a) Fund exploration at the Matemanga Uranium Project, Tanzania; (b) Fund acquisition of additional highly prospective uranium projects in Tanzania; (c) Fund the continued exploration at the Uis Lithium Project, Namibia, which is due to resume drilling in 2024; and (d) General working capital
Coupon Payment	12.0% payable on the Maturity Date
Transferability	The Notes are not transferrable without the written consent of the AS2
Free attaching options	Subject to Shareholder approval, the participants in the Series A Redeemable Note issue will receive five (5) unlisted options for every \$1 invested exercisable at \$0.065 and expiring on 31 December 2027
Security	Unsecured
Events of Default	Customary for a transaction of this nature
Governing Law	The terms of the Notes will be governed by the laws of Western Australia