

ASX ANNOUNCEMENT | 16 August 2024

# ASKARI SUCCESSFULLY RENEGOTIATED TERMS ON SBC GLOBAL INVESTMENT REDEEMABLE NOTE



## HIGHLIGHTS

- Askari Metals successfully renegotiates the Redeemable Note executed with SBC Global Investment Fund in December 2023
- The Company will pay \$250,000 in cash on the earlier of 31 October 2024 and the Company's next capital raising after 2 September 2024, as a reduction to monies owing with the balance to be repaid through the conversion of the Redeemable Note into shares in the Company, in tranches, subject to shareholder approval
- Renegotiated position provides the Company with reduced funding pressure and provides more certainty and flexibility for the repayment of the Redeemable Note
- Combined with the recently secured funding package announced on 23 July 2024, the Company is aggressively capitalising on its Tanzanian uranium acquisition strategy, building upon the strategic position set by the Company through the acquisition of the Matemanga Uranium Project and reinforcing the Company's African-focused clean energy mandate

Askari Metals Limited (ASX: AS2) ("**Askari**" or "**Company**") is pleased to announce it has executed Deeds of Variation to the Redeemable Note entered into with SBC Global Investment Fund ("**SBC Global**") dated 19 December 2023 as announced on 20 December 2023 ("**Redeemable Note Deed**") whereby the parties have agreed to extend the maturity date from 31 August 2024 to 31 October 2024 ("**Repayment Date**") and vary the method of repayment of the Redeemable Note.

Pursuant to the Deeds of Variation, the Company has agreed to pay SBC Global (or its nominee/s):

- Repayment of \$250,000 in cash upon the earlier of the Repayment Date (being 31 October 2024) of the Redeemable Note Deed or completion of the Company's next capital raising after 2 September 2024; and
- Subject to shareholder approval, the remaining \$350,000 of the Redeemable Note Deed, which will be settled in \$50,000 monthly instalments ("**Instalments**") via the issue of fully paid ordinary shares in the Company ("**Shares**") where:



- a. the issue price of Shares comprising the first Instalment will be equal to the lesser of:
  - i. the issue price of Shares issued under the Company's next capital raising; or
  - ii. 90% of the average of the 3 lowest daily volume weighted average prices during the 10 trading days immediately prior to the issue date; and
- b. the issue price of Shares comprising the remaining six Instalments will be equal to a 10% discount to the volume weighted average price on the 10 trading days prior to the issue date.

In the event the Company does not obtain the requisite shareholder approvals or does not issue the required number of Shares by the times specified in the Deeds of Variation, then the Company must pay the amount in cash.

In consideration for the execution of the Deeds of Variation, the Company will pay SBC Global (or its nominee/s) \$25,000 in cash by 19 August 2024 and \$75,000 via the issue of Shares at an issue price equal to the issue price of Shares issued under the Company's next capital raising (**Consideration Shares**). The issue of the Consideration Shares will be subject to shareholder approval. In the event shareholder approval is not obtained for the issue of the Consideration Shares, then the Company must pay the amount in cash.

Further details in respect of the key terms of the Redeemable Note Deed are set out in the ASX announcement titled 'Askari Execute Funding Package to Continue Rapid Exploration' released on 20 December 2023.

The Company is currently finalising its Notice of General Meeting for its shareholders meeting which is anticipated to be held at the end of September 2024.

**Askari Managing Director Gino D'Anna stated:**

*"We are pleased to have renegotiated this funding package with SBC Global, who have proven to be very supportive of the Company and its outlook. This will enable us to continue the execution of our aggressive uranium acquisition strategy in Tanzania, strengthening our stronghold in this sector following the recent acquisition of the Matemanga Uranium Project, and position Askari to unlock further advanced opportunities. We look forward to keeping our shareholders and investors updated as we progress."*

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

**- ENDS -**



**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 Andradia 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](http://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.

