KRAKATOA RESOURCES LTD.

www.ktaresources.com

Lv 8, London House
216 St.Georges Terrace,
Perth WA, Australia 6000

T. +61 (08) 94810389
E. krakatoa@ktaresources.com

30 June 2025

Top-Up Placement

Krakatoa Resources Limited (**ASX: KTA**) ("**Krakatoa**" or "the **Company**") is pleased to announce that it has received firm commitments to raise an additional $357,000 (before costs) via a placement ("Top-Up Placement") of 34,000,000 ordinary shares at an issue price of $0.0105 (1.05c) per share ("Top-Up Placement Shares"). The Top-Up Placement is in addition to and on the same terms as the $1,302,000 Placement previously announced on 18 June 2025, bringing the total raised to $1,659,000 ("Combined Placement").

The Top-Up Placement Shares will be issued utilising the Company's existing Listing Rule 7.1 capacity. Subject to shareholder approval, the Company will issue 1 attaching unquoted option for every 2 Top-Up Placement Shares with an exercise price of 2c and an expiry date of 30 September 2026 ("Attaching Options").

Allotment of the Combined Placement to unrelated parties is anticipated to occur as follows: 97,190,476 Shares were issued on 26 June 2025, 38,761,905 Shares have been issued today and 19,047,619 Shares are to be issued on or about 7 July 2025.

The Company will pay a 6% capital raising fee on the funds raised.

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Authorised for release by the Board.

FOR FURTHER INFORMATION:
Colin Locke
Executive Chairman
+61 457 289 582
locke@ktaresources.com

ABOUT ZOPKHITO

The Zopkhito Project covers an area of ~1,779 hectares in the northern part of Racha region in Georgia, a country which borders Eastern Europe and Asia and has Azerbaijan, Russia, Turkey and Armenia as neighbours.

The Project is situated ~170km from Kutaisi (second biggest town in Georgia), where rail infrastructure links to the western ports (Poti and Batumi) on the Black Sea. The closest town is a village called Gebi, some 20km from site.

Zopkhito foreign resource estimate, broken down into the Soviet (Russian GKZ) classification system:

Resource Classification (Russian GKZ)	Grade (Sb%)	Tonnes (t)	Number of veins	Mean vein thickness (m)	Contained Sb Metal (t)
B	12.32	9,479	3	0.35	1,231
C1	11.71	69,715	16	0.34	8,492
C2	11.41	137,668	14	0.33	15, 874
P	11.54	7,673	8	0.28	523
Total(1)	**11.63**	**224,535**	**17**	**0.34**	**26,120**

Resource Classification (Russian GKZ)	Ore Tonnes (t)	Grade Au (ppm)	Au (kg)	Au (oz)
C2	1,994,500	4.2	8,377	269,323
P1	2,907,150	3.0	8,721	280,401
P2	2,358,491	3.5	8,255	265,395
TOTAL(1)	**7,260,141**	**3.7**	**25,353**	**815,119**

(1) Cautionary statement: The foreign estimate in this announcement was first released by the Company in an announcement titled "Option to Acquire Major Antimony and Gold Project" on 9 December 2024 ("Announcement") and is not reported in accordance with the JORC Code 2012. A competent person has not done sufficient work to classify the foreign estimate as a Mineral Resource in accordance with the JORC Code 2012. It is uncertain that following evaluation and/or further exploration work the foreign estimate will be able to be reported in accordance with the JORC Code 2012 The Company confirms that the supporting information provided in the Announcement continues to apply and has not materially changed.

ANTIMONY

Antimony is a high value, highly strategic critical metal that is used in wide ranging industrial and military applications including solar panel production, lead alloying for car batteries, bearings, cable sheathing and tin alloys for solder used in electronics and plumbing. Antimony is used in semiconductors, electronics, glass, ceramics, pigments, plastic production, rubber vulcanisation, pharmaceuticals, brake pads, clutches, coatings, paints and universal flame retardants.

GEORGIA

Georgia is an investor-friendly nation strategically positioned as a trade gateway between Europe and Asia. With a population of 3.7 million, the country has achieved remarkable economic milestones.

In 2023, Georgia's GDP stood at USD 30.5 billion, with a GDP per capita of USD 8,210. The country demonstrated an average annual real GDP growth of 5.2% from 2012 to 2023, with a robust 7.5% growth rate in 2023 despite global economic challenges.

Georgia's commitment to economic openness is reflected in its position as:

#7 globally for ease of doing business and protecting minority investors.
#2 globally in starting a business.
#12 globally in enforcing contracts.
#1 globally in budget transparency[1].

Georgia provides duty-free access to a market of approximately 2.8 billion people through its network of free trade agreements (FTAs) and preferential trade regimes. Key agreements include:

- The Deep and Comprehensive Free Trade Agreement (DCFTA) with the EU.
- FTAs with China, Turkey, CIS countries, EFTA nations, and Hong Kong.
- GSP agreements with the USA, Canada, and Japan.
- Negotiations for FTAs with India and Israel are also underway.

With a simple and service-oriented customs policy, about 80% of goods imported into Georgia are exempt from tariffs, supporting its role as a regional trade hub.

An investment in the Company is not risk free. The Directors strongly recommend that prospective investors consider the risk factors set in Appendix A, together with all other information released by the Company in accordance with its continuous disclosure obligations, before making an investment decision.

Forward Looking Statements

This document may include forward-looking statements. Forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions which are outside the control of the Company. Actual values, results or events may be materially different to those expressed or implied in this document. Given these uncertainties, recipients are cautioned not to place reliance on forward looking statements. No representation is made that, in relation to the tenements the subject of this announcement, the Company has now or will at any time in the future develop resources or reserves within the meaning of the JORC Code 2012.

Any forward-looking statements in this document speak only at the date of issue of this document. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and, unless required by applicable law, the Company is not under any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.

[1] https://archive.doingbusiness.org/en/data/exploreeconomies/georgia

APPENDIX A – RISK FACTORS

Introduction

The future performance of the Company and the value of the Company's securities may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are described below.

The risks factors set out below, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of its securities. This section is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

Company specific

RISK CATEGORY	RISK
Additional Requirements for Capital	As a junior exploration and development company, the Company's activities will require substantial ongoing expenditure. The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may seek to raise further funds through equity or debt financing, joint ventures, production sharing 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 exploration, development or production on the Company's properties, or even loss of a property interest. 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. Loan agreements and other financing rearrangements such as debt facilities, convertible note issues and finance leases (and any related guarantee and security) that may be entered into by the Company may contain covenants, undertakings and other provisions which, if breached, may entitle lenders to accelerate repayment of loans and there is no assurance that the Company would be able to repay such loans in the event of an acceleration. Enforcement of any security granted by the Company or default under a finance lease could also result in the loss of assets There can be no assurances that the Company will be able to obtain additional resources on terms acceptable to the Company or at all after the substantial exhaustion of the net proceeds of the Placement. Any additional equity financing may be dilutive to Shareholders and any debt financing if available may involve restrictive covenants, which may limit the Company's operations and business strategy. The Company's failure to raise funding if and when needed could delay or suspend the Company's business strategy, could have a material adverse effect on the

RISK CATEGORY	RISK
	Company's activities and affect the Company’s ability to continue as a going concern.
Sovereign Risk	The Company has exploration projects located outside Australia in Georgia. There are risks associated with operating in jurisdictions outside Australia, including, but not limited to, economic, social or political instability or change, hyperinflation, currency instability and changes of law affecting foreign ownership, government participation, taxation, working conditions, royalty arrangements, mining, rates of exchange, export duties, mine safety, labour relations, exploration licensing, environmental protection, as well as government control over mineral properties or government regulations that require the employment of local residents or contractors. In addition, changes to exploration, mining or investment policies or a shift in political attitude in the jurisdictions in which the Company operates may have a material adverse effect on the Company, including the Company’s ability to raise additional equity and debt funding. Any of these factors may, in the future, adversely affect the financial performance of the Company and the market price of the Company’s securities. No assurance can be given regarding future stability in any country in which the Company operates.
New Projects and Acquisitions Risk	The Company may pursue and assess other new business opportunities in the resources sector. These new business opportunities may take the form of direct project or asset acquisitions, joint ventures, farm-ins, acquisition of tenements / permits, merger with or acquisition of another business/company and/or direct equity participation. The acquisition of projects, businesses/companies or assets (whether completed or not) may require the payment of monies (as a deposit and/or exclusivity fee) after only limited due diligence or prior to the completion of comprehensive due diligence. There can be no guarantee that any proposed acquisition will be completed or be successful. If a proposed acquisition is not completed, monies advanced may not be recoverable, which may have an adverse effect on the Company. If an acquisition is completed, the Directors will need to reassess at that time, the funding allocated to existing and new projects, which may result in the Company reallocating funds from the existing projects and/or raising additional capital (if available). Furthermore, notwithstanding that an acquisition may proceed upon the completion of due diligence, the usual risks associated with the new project/business activities will remain.
No Production Revenues	At present, the Company is not generating any revenues from its projects. The Company expects to continue to incur losses unless and until such time as one or more of its projects enters into commercial production and generates sufficient revenues to fund its continuing operations.

Industry Specific

RISK CATEGORY	RISK
Title and Access	Interests in exploration and mining tenements held by the Company are evidenced by the granting of licences, leases, permits or authorities. Each of the tenements the Company has an interest in has been granted for a specific term and generally speaking, carries rental, annual expenditure and reporting commitments, as well as other conditions imposed under the relevant regulation applying in the jurisdiction the tenement is situated. The Company could face penalties, lose title to or its interest in tenements, or any other tenements that may be acquired by the Company in the future, if such conditions are not met or if insufficient funds are available to meet expenditure commitments. The Company's rights in tenements may be obtained by grant by regulatory authorities or be subject to contracts with third parties. Any third party may terminate or rescind the relevant agreement whether lawfully or not and, accordingly, the Company may lose its rights to exclusive use of, and access to any, or all, of the tenements. Third parties may also default on their obligations under the contracts which may lead to termination of the contracts. The maintaining of tenements, obtaining renewals, or getting tenements granted, often depends on the Company being successful in obtaining the required statutory approvals for its proposed activities and that the licences, concessions, leases, permits or consents it holds will be renewed as and when required. There is no assurance that such renewals will be given as a matter of course and there is no assurance that new conditions will not be imposed. In respect of the Company's interest in the Zopkhito Project, the vendors are presently in the process of obtaining an extension to the exploration period which has expired. Despite the Company not being aware of any reason as to why such extension would not be granted, there is no guarantee an extension will be granted, in which case the Company will need to consider its options under the option term sheet (see ASX announcement dated 9 December 2024). Additionally, the Company may not be able to access its tenements due to natural disasters or adverse weather conditions, political unrest, hostilities or failure to obtain the relevant approvals and consents.
Resource Estimates	Resource estimates are expressions of judgment based on knowledge, experience, and industry practice. Estimates that were valid when made may change significantly when new information becomes available. In addition, resource estimates are necessarily imprecise and depend to some extent on interpretations, which may prove to be inaccurate. Should the Company encounter mineralisation or formations different from those predicted by past drilling, sampling and similar examinations, resource estimates may have to be adjusted, and mining plans (if any) may have to be altered in a way which could adversely affect the Company's operations.

RISK CATEGORY	RISK
Metallurgy	Metal and/or mineral recoveries are dependent upon the metallurgical process that is required to extract economic minerals and produce a saleable product, and by nature, the development of suitable metallurgical extraction techniques contain elements of significant risk such as identifying a metallurgical process through test work to produce a saleable metal, and/or concentrate or intermediate; developing an economic process route to produce a metal and/or concentrate; and changes in mineralogy in the ore deposit can result in inconsistent metal recovery, affecting the economic viability of the project.
Operational	The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, insufficient or unreliable infrastructure such as power, water and transport, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical challenges which may affect performance and extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment. In the event that any of these potential risks eventuate, the Company's operational and financial performance may be adversely affected. No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining and metallurgical processing of its tenement interests. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.
Exploration and Development Risk	Mineral exploration and development are high-risk undertakings, and there is no assurance that exploration of the Company's tenements will result in the discovery of an economic deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited. The future exploration activities of the Company may be affected by a range of factors, including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company. In the event that exploration programs prove to be unsuccessful, this could lead to a diminution in the value of the tenements and possible relinquishment of the tenements.
Native Title and Aboriginal Heritage Risk	It is possible that, in relation to tenements in Australia which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Indigenous Australians exist. If native title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the

RISK CATEGORY	RISK
	exploration phase to the development and mining phases of operations, may be affected and this may have an adverse impact on the Company's activities. There is a risk that Aboriginal sites and objects may exist on the land the subject of the Company's Australian tenements, the existence of which may preclude or limit activities in certain areas of the Company's tenements.
Mine development	Possible future development of a mining operation at any of the Company's projects is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in mining and metallurgical extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services. If the Company commences production, its operations may be disrupted by a variety of risks and hazards which are beyond its control, including environmental hazards, industrial accidents, technical failures, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement of hazardous weather conditions and fires, explosions or accidents. No assurance can be given that the Company will achieve commercial viability through the development or mining and metallurgical processing of its projects. The risks associated with the development of a mine will be considered in full should the Company's projects reach that stage and will be managed with ongoing consideration of stakeholder interests.
Commodity price and exchange rate	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 commodities which the Company is targeting 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, market sentiment, futures markets, forward sales of metals by producers and speculators, stockpiling and destocking of metals as well as other global or regional political, social or economic events. Future serious price declines in the market values of Company targeted commodities could cause the development of, and eventually the commercial production from, the Company's projects to be rendered uneconomic. Depending on the prices of commodities, the Company could be forced to discontinue production or development and may lose its interest in, or may be forced to sell, some of its properties.

RISK CATEGORY	RISK
	Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, 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 markets.
Environmental	The Company's projects are subject to rules and regulations regarding environmental matters and the discharge of hazardous wastes and materials. As with all mineral projects, the Company's projects are expected to have a variety of environmental impacts should development proceed. Development of any of the Company's projects will be dependent on the Company satisfying environmental guidelines and, where required, being approved by government authorities. The Company intends to conduct its activities in an environmentally responsible manner and in accordance with all applicable laws, but may still be subject to accidents or other unforeseen events which may compromise its environmental performance and which may have adverse financial implications.
Climate Risk	There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include: (a) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and (b) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

General risks

RISK CATEGORY	RISK
Economic	General economic conditions, movements in interest and inflation rates, the imposition of tariffs, commodity prices and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.
Market conditions	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 general economic outlook; introduction of tax reform or other new legislation; interest rates and inflation rates; changes in investor sentiment toward particular market sectors; U.S. tariff changes; demand fundamentals underpinning supply and demand for, and process of metals produced; the demand for, and supply of, capital; geopolitical events; and terrorism or other hostilities. 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 resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.
Contractual	If the Company enters into agreements with third parties for the acquisition or divestment of equity interests in mineral exploration and mining projects, there are no guarantees that any such contractual obligations will be satisfied in part or in full. The ability of the Company to achieve its stated objectives may be materially affected by the performance by the parties of obligations under certain agreements. The Directors are unable to predict the risk of financial failure or default by any third party. If any party defaults in the performance of its obligations, it may be necessary for the Company to approach a court to seek a legal remedy, which can be costly.
Litigation risks	The Company is exposed to possible litigation risks including intellectual property claims, native title claims, tenure disputes, contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.
Reliance on key personnel	The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on 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.
Unforeseen expenditure	The Company may be subject to significant unforeseen expenses or actions, which may include unplanned operating expenses, future legal actions or expenses in relation to future unforeseen events.