

17 April 2024

Entitlement Issue – Cleansing Notice

On Wednesday, 17 April 2024, AKORA Resources Limited (ACN 139 847 555) (ASX:AKO) (**Company**) announced that it will undertake a non-renounceable entitlement issue of 20,063,229 fully paid ordinary shares to eligible shareholders (**Entitlement Issue**) on the basis that eligible shareholders will be entitled to subscribe for one (1) ordinary share (**New Share**) for every five (5) existing ordinary shares held at record date, being 7:00pm (AEST) on Friday, 26 April 2024, at an issue price of \$0.15 per New Share to raise \$3,009,484.

This notice is given by the Company under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (**Corporations Act**) as notionally modified by ASIC Corporations (Non-Traditional Rights Issue) Instrument 2016/84 (**ASIC Instrument 2016/84**).

Further details regarding the Entitlement Issue will be set out in the Offer Booklet to be lodged with ASX on 30 April 2024.

For the purposes of section 708AA(7) of the Corporations Act, the Company advises:

- (a) the New Shares will be offered for issue without disclosure under Part 6D.2 of the Corporations Act;
- (b) this notice is being given under section 708AA(2)(f) of the Corporations Act as notionally modified by ASIC Instrument 2016/84;
- (c) as at the date of this notice, the Company has complied with:
 - (i) the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
 - (ii) sections 674 and 674A of the Corporations Act;
- (d) as at the date of this notice, there is no information that is 'excluded information' (within the meaning of sections 708AA(8) and 708AA(9) of the Corporations Act); and
- (e) the potential effect the Entitlement Issue will have on the control of the Company, and the consequences of that effect, will depend on a number of factors, including the eligible shareholders' interest in taking up their entitlements as well as the level of participation of eligible shareholders in taking up additional shares under the shortfall facility. While the outcome of these factors is not able to be ascertained by the Company as at the date of this notice, the likely effect of the Entitlement Issue would include, but not be limited to:
 - (i) if all eligible shareholders take up their entitlement under the Entitlement Issue, the issue of New Shares under the Entitlement Issue will have no effect on the control of the Company, and all shareholders will hold the same percentage interest in the Company, subject only to changes resulting from ineligible shareholders being unable to participate in the Entitlement Issue;
 - (ii) in the event that there is a shortfall, eligible shareholders who do not subscribe for their full entitlement of New Shares under the Entitlement Issue and ineligible shareholders unable to participate in the Entitlement Issue will be diluted relative to those shareholders who subscribe for some or all of their entitlement; and
 - (iii) no person will be issued New Shares if such issue would result in their voting power in the Company, in aggregate with the voting power of their associates, increasing from 20% or below to more than 20%, or from a starting point that is above 20% and below 90%.

For further information, please contact:

Shane Turner

Company Secretary

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This announcement has been authorised by AKORA Resources Limited's Board of Directors.

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

The Company's flagship Bekisopa Iron Ore Project has a 194.7 million tonne Inferred JORC Resource with very low impurities able to produce a premium-priced +68% Fe concentrate. Direct Reduced Iron-Electric Arc Furnace (DRI-EAF) technology which is used to make greener steel without coal and considerably less carbon emissions requires iron ore grades of at least 67%.

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 high-grade 61% Fe average grade direct shipping ore (DSO) for shipping to Blast Furnace-Basic Oxygen Furnace (BF-BOF) steelmakers.

