

QUARTERLY ACTIVITIES REPORT PERIOD ENDED 31 MARCH 2025

West African gold explorer Asara Resources Limited (ASX: AS1; **Asara** or **Company**) is pleased to provide its Quarterly Activities Report for the quarter ended 31 March 2025 (**Quarter**).

HIGHLIGHTS

- **\$2.3m placement to underpin exploration program at Kada.**
- **Appointment of Matthew Sharples as Chief Executive Officer.**
- **Detailed regolith mapping at Kada.**
- **Relogging of historical diamond core and RC chips.**
- **Award of drilling contract at Kada.**
- **Continued planning for commencement of drill program to upgrade existing Mineral Resource Estimate.**
- **Completion of Burkina Faso gold asset sale.**

KADA GOLD PROJECT, GUINEA

Work continued at the Kada Gold Project (**Kada**) during the quarter which was focused on the regolith mapping of the Kada licence area as well as re-logging of the core drilled to date.

Mapping

During the March 2025 quarter, regolith mapping of the Kada licence area has been a key focus. A total of 48.7 Km² has been mapped.

The central portion of Kada is dominated by lateritic plateau (flatlands) with extensive exposures of massive to pisolitic carapace (duricrust). The plateaus are separated by topographic lows characterised by alluvium and lateritic gravels associated with rivers (Figure 3).

The southernmost portion of the permit is close to the River Niger and is alluvium-dominated.



Figure 1: Regolith mapping of the Kada licence area



Figure 2: Ongoing RC and DD re-logging at the Niandankoro Camp core shed

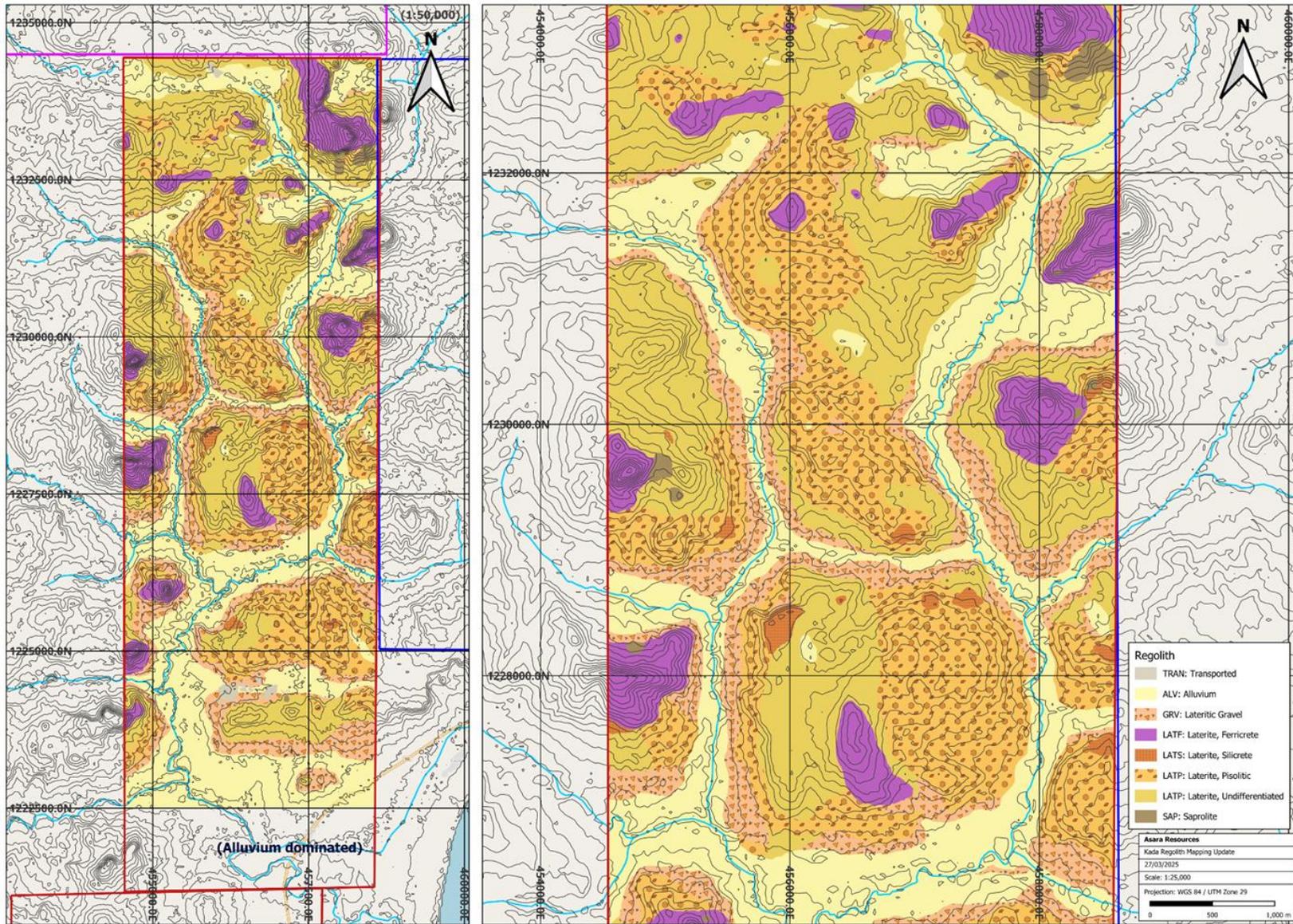


Figure 3: Kada regolith mapping update (Map scale left 1:50,000, right 1:25,000)

Re-logging and Geological Database

The Company continues to migrate the current geological database to Seequent MX Deposit, a cloud-based geological database management system, and implementing new logging standards in preparation for the upcoming drill program. A re-logging exercise is underway to review older logged data, align this data with the new logging standards, and provide consistency throughout the geological database.

During the March quarter, 6,779m of Reverse Circulation (**RC**) chips and 919m of Diamond Drill (**DD**) core have been re-logged.

Drilling Contract Award

During the quarter, the Company awarded the drilling contract for the upcoming drilling program at Kada to Capital Drilling Guinea-SA, a subsidiary of Capital Limited (LSE: CAPD) (**Capital**). The contract was awarded for up to 22,000m of RC and 4,000m of DD drilling, planned to be completed before the end of 2025.

Drill Program Preparation

Preparation for the 2025 drilling campaign has commenced with drill planning being completed in conjunction with Micon International, a leading UK-based mining consultancy. The campaign has been designed to meet three distinct objectives: to infill the existing drilling at Massan, increase geological confidence, and explore down-dip and along-strike extensions to the known mineralized structures.

COMMUNITY AND ENVIRONMENT

Community

The Company recognises the importance of engaging the local community, strengthening working relationships and to share information and understand local expectations and resolve any issues as and when they arise.

During the quarter, Asara continued to engage and collaborate with the communities surrounding Kada to lay the foundations for a mutually rewarding relationship moving forward. This included consultation with local communities and relevant stakeholders regarding the proposed bridging of two minor waterways to allow year-round access throughout the permits that comprise Kada. The construction of these bridges will benefit the local communities as well as the Company, and the Company was pleased to be able to collaborate with the local community on this project.

Environment

The Niandankoro Camp weather station continues to record vital baseline data for the various environmental studies that are scheduled to commence during the year. Asara takes its environmental stewardship seriously, and as such, the Company is fast-tracking important environmental baselines before the commencement of future study work.

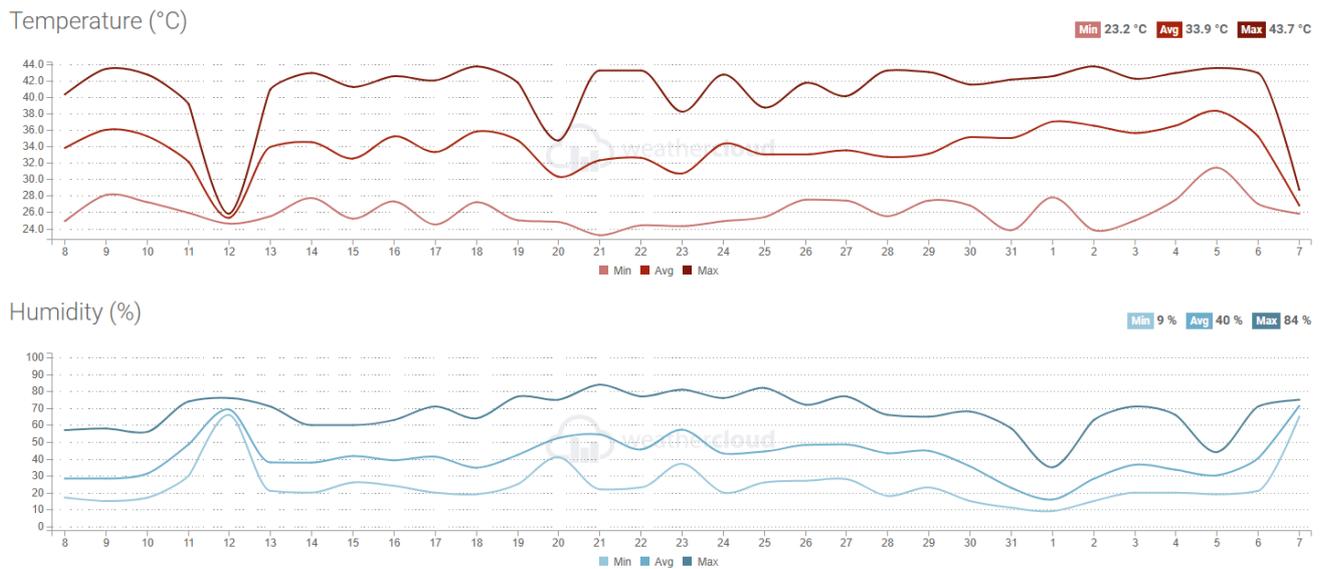


Figure 4: Climate data collected by the Niandankoro weather station

DIVESTMENT OF BURKINA FASO GOLD ASSETS

The Company completed the sale of its non-core Kouri and Babonga gold projects in Burkina Faso to BIC West Africa Limited (**BIC**) as detailed in the Company's ASX announcement dated 15 July 2024 "Asara divests non-core Burkina Faso gold assets for US\$2.2m cash" during the quarter.

The final condition precedent: the seller obtaining the requisite authorisations from the Burkina Faso Minister of Mines to transfer the shares in Asara's wholly owned subsidiary Golden Rim Resources Burkina SARL which holds the licences for the Kouri and Babonga Projects was waived, and Completion occurred, with the Company having received the final US\$550,000 payment from BIC.

Paguanta Copper and Silver-Lead-Zinc Project, Chile

The Company initiated discussions with several parties regarding the potential divestment of its Paguanta silver, zinc, lead, copper project (**Paguanta**). This asset is non-core and remains on care and maintenance as the Company works towards monetizing its interest in Paguanta while focussing on its flagship asset, Kada.

Loreto Project, Chile

Pursuant to the US\$17m Option and Joint Venture agreement with Teck Resources Chile Limitada (**Teck Chile**), Teck Chile continued to engage with surface landowners and local communities with respect to project access.

In November 2023, the Company announced that its Paguanta Project Joint Venture Partner Costa Rica Dos SpA (**Costa Rica Dos**) instigated legal proceedings in Chile regarding the Loreto Project in the form of a civil action for damages against the Company and Teck. The civil action relates to

predecessor exploration concessions over the ground comprising the Loreto Project that were historically held by Costa Rica Dos.

The legal proceedings are ongoing, but the Company is currently engaged in advanced discussions with Costa Rica Dos to resolve the dispute out of court.

CORPORATE

Placement

The Company raised \$2.3m via a placement to substantial shareholder Barbet L.L.C FZ (**Barbet**) during the quarter, which affirmed Barbet's commitment to the Company and its flagship asset, Kada.

The Placement was comprised of the issue of 104,517,541 fully paid ordinary shares at an issue price of \$0.022 (**Placement Shares**). The Placement shares were issued under the Company's existing placement capacity under ASX Listing Rule 7.1.

The proceeds of the Placement will be applied towards the upcoming drill program and exploration activities at Kada and general working capital.

Pursuant to the Placement's Subscription Agreement, Barbet is entitled to appoint one nominee Director of the Company, so long as Barbet owns at least 10% of the shares on issue. Barbet have not yet exercised this right.

Management Changes

Following completion of the Placement, the Company appointed Mr Matthew Sharples as Chief Executive Officer. Contemporaneous with the appointment of Mr Sharples, Mr Timothy Strong stepped down as Managing Director. Mr Strong remains on the Board as Executive Director – Corporate Strategy & Affairs.

Related Party Payments

The following payments to Related Parties of the Company and their associates were made during the quarter:

Director Salaries and Non-Executive Director Fees (including Superannuation where applicable) \$61,000.

Exploration Expenditure

During the quarter, evaluation and exploration expenditure across the Company's projects totalled \$721,000.

Cash on Hand as at 31 March 2025

The Company had \$4.793m in cash as at 31 March 2025.

Contact Information:

Matthew Sharples

Chief Executive Officer

+44 7498 970173

msharples@asararesources.com

This announcement was authorised for release by the Board of Directors.

ABOUT ASARA RESOURCES

Asara Resources Limited is an ASX listed exploration company with a portfolio of advanced minerals projects in Guinea, West Africa and in Chile, South America.

The Company's flagship project is the advanced Kada Gold Project in eastern Guinea. Guinea remains one of the most under-explored countries in West Africa. Asara has outlined an Indicated and Inferred Mineral Resource Estimate of 30.3Mt at 1.0g/t gold for 923Koz¹, the majority of which is shallow oxide-transitional gold mineralisation. Asara is focussed on growing the Mineral Resource Estimate. Most of the 150km² project area remains under explored and there is considerable upside for the discovery of additional oxide gold mineralisation.

Asara also holds the Paguanta Copper and Silver-Lead-Zinc Project in northern Chile which has a Measured, Indicated and Inferred Mineral Resource of 2.4Mt at 88g/t silver, 5.0% zinc and 1.4% lead for 6.8Moz silver, 265Mlb zinc and 74Mlb lead² at the Patricia Prospect, which remains open. The Company is seeking to divest these projects to focus on Kada.

At the adjacent Loreto Copper Project in Chile, Asara has signed a US\$17m Option and Joint Venture agreement with Teck Resources Chile Limitada (**Teck**) whereby Teck can acquire up to a 75% interest in the project.

Competent Persons Statements

The Company confirms that it is not aware of any new information or data that materially affects the information included in the ASX announcements or Mineral Resource Estimate referred to in this report and it further confirms that all material assumptions and technical parameters underpinning the Mineral Resource Estimate and exploration results continue to apply and have not materially changed.

¹ ASX Announcement: Kada Mineral Resource Estimate Update improves confidence; more than 40% of oxide gold now indicated dated 09 October 2023.

² ASX Announcement: New Resource Estimation for Paguanta dated 30 May 2017 (Total Mineral Resource includes: Measured Mineral Resource of 0.41Mt at 5.5% zinc, 1.8% lead, 88g/t silver, 0.3g/t gold; Indicated Mineral Resource of 0.61Mt at 5.1% zinc, 1.8% lead, 120g/t silver, 0.3g/t gold; Inferred Mineral Resource of 1.3Mt at 4.8% zinc, 1.1% lead, 75g/t silver, 0.3g/t gold).

Appendix 1

Summary of Mining Tenements and Area's of Interest.

Permit name	Project name	Asara Holding (%)	Changes in the Quarter to permits and/or interest
Guinea			
Kada	Kada	51	N/A
Bamfele	Kada	51 effective. 100% legal ownership, held on behalf of Kada Joint Venture.	
Burkina Faso			
Kouri	Kouri	0	Refer to section titled "Divestment of Burkina Faso Assets" above.
Margou	Kouri	0	
Gouéli	Kouri	0	
Babonga	Babonga	0	
Chile			
José Miguel 1 1-30 Exploitation	Paguanta	74	N/A
José Miguel 2 1-30 Exploitation	Paguanta	74	
José Miguel 3 1-20 Exploitation	Paguanta	74	
José Miguel 4 1-30 Exploitation	Paguanta	74	
José Miguel 5 1-30 Exploitation	Paguanta	74	
José Miguel 6 1-30 Exploitation	Paguanta	74	
José Miguel 7 1-30 Exploitation	Paguanta	74	
José Miguel 8 1-10 Exploitation	Paguanta	74	
Carlos Felipe 1 1-30 Exploitation	Paguanta	74	
Carlos Felipe 2 1-30 Exploitation	Paguanta	74	
Carlos Felipe 3 1-30 Exploitation	Paguanta	74	
Carlos Felipe 4 1-30 Exploitation	Paguanta	74	
Carlos Felipe 5 1-30 Exploitation	Paguanta	74	
Carlos Felipe 6 1-30 Exploitation	Paguanta	74	
Teki I 1 1-20 Exploitation	Loreto	100	N/A
Teki I 2 1-40 Exploitation	Loreto	100	
Teki I 3 1-60 Exploitation	Loreto	100	
Teki I 4 1-60 Exploitation	Loreto	100	
Teki I 5 1-60 Exploitation	Loreto	100	
Teki I 6 1-60 Exploitation	Loreto	100	
Teki I 7 1-20 Exploitation	Loreto	100	

Appendix 2

Kada Mineral Resource Estimate

Deposit	Type	Classification	Tonnes (Mt)	Grade (g/t Au)	Metal (Oz Au)
Massan	Oxide	Indicated	4.60	1.07	158,000
		Inferred	7.28	0.93	219,000
		Total	11.88	0.99	377,000
	Transition	Indicated	1.07	0.88	30,000
		Inferred	3.8	0.91	113,000
		Total	4.94	0.90	143,000
	Fresh	Indicated	1.25	0.90	36,000
		Inferred	11.65	0.93	350,000
		Total	12.90	0.93	386,000
	All	Indicated	6.92	1.01	224,000
		Inferred	22.80	0.93	682,000
		Total	29.72	0.95	906,000
Bereko	Oxide	Inferred	0.48	0.92	14,000
	Transition	Inferred	0.06	1.05	2,000
	Fresh	Inferred	0.04	1.01	1,000
	All	Inferred	0.58	0.94	18,000
Total Kada Project	Oxide	Indicated	4.60	1.07	158,000
		Inferred	7.76	0.93	233,000
		Total	12.37	0.98	391,000
	Transition	Indicated	1.07	0.88	30,000
		Inferred	3.92	0.91	115,000
		Total	4.99	0.90	145,000
	Fresh	Indicated	1.25	0.90	36,000
		Inferred	11.69	0.93	351,000
		Total	12.94	0.93	387,000
	All	Indicated	6.92	1.01	224,000
		Inferred	23.38	0.93	699,000
		Total	30.30	0.95	923,000

Notes for Table 1:

1. Mineral Resources are reported on a dry in-situ basis at a 0.50g/t Au cut-off as selected by Golden Rim, exceeding breakeven cut-off grades for economic extraction, and constrained to the limit of an optimised USD 1,800/oz gold price pit shell, based on a gravity/CIL processing route and typical West African open pit mining costs.
2. Mineral Resources have been compiled by Mr Frank Browning who is a full-time employee of Wardell Armstrong International and a Registered Member of the Australian Institute of Geoscientists. Mr Browning has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he has undertaken to qualify as a Competent Person as defined in the JORC Code.
3. All Mineral Resource figures reported in the table above represent estimates on 1st October 2023. Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape, and continuity of the occurrence and on the available sampling results. The totals contained in the above table have been rounded to reflect the relative uncertainty of the estimate. Numbers may not add due to rounding.
4. Mineral Resources are reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The Joint Ore Reserves Committee Code – JORC 2012 Edition).
5. Mineral Resources have been reported at a 100% equity stake and not factored for ownership proportions. Ownership proportions are detailed in Appendix 1.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

ASARA RESOURCES LTD

ABN

39 006 710 774

Quarter ended ("current quarter")

31 March 2025

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(135)	(529)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(86)	(218)
	(e) administration and corporate costs	(66)	(383)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	2	2
1.5	Interest and other costs of finance paid	-	(7)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(285)	(1,135)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(246)	(246)
	(d) exploration & evaluation	(586)	(1,018)
	(e) investments	-	-
	(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	851	2,501
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	19	1,237

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,299	3,687
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(15)	(25)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	(500)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	2,284	3,162

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,797	1,339
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(285)	(1,135)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	19	1,237
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,284	3,162

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(22)	190
4.6	Cash and cash equivalents at end of period	4,793	4,793

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	4,793	4,793
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details) – Term Deposit	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,793	4,793

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	34
6.2	Aggregate amount of payments to related parties and their associates included in item 2	27

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(285)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(586)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(871)
8.4 Cash and cash equivalents at quarter end (item 4.6)	4,794
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	4,794
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	5.5
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer:	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement gives a true and fair view of the matters disclosed.

Date: 29 April 2025

Authorised by: Board of Directors
(Name of body or officer authorising release – see note 4)

Notes

- This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
- If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: *Exploration for and Evaluation of Mineral Resources* and AASB 107: *Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.