

ASX ANNOUNCEMENT | 23 July 2025

RESPONSE TO MEDIA SPECULATION



Askari Metals Limited (**ASX: AS2**) ("**Askari**" or "**Company**") refers to the digital media article featured in the *Addis Standard* dated 19 July 2025 (the "**Article**") and related posts and comments that feature in the online chat forum, HotCopper. The Company also refers to its ASX announcement dated 8 July 2025 in relation to the acquisition of the advanced brownfields Nejo Gold Project (the "**Nejo Project**") located in Central-Western Ethiopia (the "**Announcement**").

The Company was not contacted to provide a comment on the contents of the Article. The assertion that the Company remained silent when contacted is incorrect. If the Company had been contacted in relation to the contents of the Article, in keeping with the Communications Policy of the Company, an appropriate response would have been provided.

In addition, the Company has confirmed with Hong Kong Xingxu Mining International Investment Co., Ltd ("**Xingxu Mining**"), the holder of the Nejo Project Exploration Licences, that no letter has been served on it in Ethiopia. The Company is deeply concerned that an internal letter between the Oromia Mineral Development Authority and the Ministry of Mines of Ethiopia has been shared with an external media source, in this case being the *Addis Standard*. This will be promptly investigated by the Company, including the existence of such letter which the Company cannot confirm indeed exists as neither the Company nor Xingxu Mining have cited such letter.

It is further noted that only the Ministry of Mines of Ethiopia has the legal authority to revoke or cancel an exploration licence in Ethiopia. No such action has been taken nor is it threatened upon either the Company or Xingxu Mining.

The Company has been undertaking extensive legal and technical due diligence in relation to the Nejo Project to support the proposed transaction. In accordance with this requirement, the Company commissioned an internationally recognised law firm with extensive business experience in Ethiopia to provide a legal opinion of the **three fully granted Exploration Licences** that comprise the Nejo Project. The conclusion of the legal opinion states that the Exploration Licences have been validly granted in accordance with Ethiopian law, are in full force and effect, in good standing and not liable to forfeiture or cancellation.

The three Exploration Licences that comprise the Nejo Project are valid until 23 March 2028.

The Article also mentions "spatial overlaps", however the legal opinion received by the Company states that discussions were held between the Company's lawyers in Ethiopia and the Director of the Mineral Operations Licensing Directorate of the Ministry of Mines. During these discussions, the Director had



confirmed that there currently is, no other overlapping Explorations License given by the Ministry of Mines, over the same geographical area and for the same mineral types.

The Company notes that mining licence (MOM\LSML\81\2015) covering the proposed Tulu Kapi Mine is excised from the southern-most Exploration Licence (MOM\EL\00005\2022). There are also three separate exploration licences that are excised from the northern-most Exploration Licence (MOM\EL\00004\2022). This information is publicly available from the Ethiopian Cadastre (*refer to: [Ethiopia Mining Cadastre eGov Portal – Trimble Landfolio - Cadastre Map](#)*).

The Article includes certain claims and positions advanced by the Oromia Mineral Development Authority that reflect regional priorities and initiatives, rather than matters directly related to the Nejo Project. In line with the Company's ongoing commitment to cultivating constructive and mutually beneficial relationships within Ethiopia, engagement with the Oromia Regional Government, its state-owned enterprise group, community representatives, and other relevant stakeholders will remain an active and continuous process.

In support of the Company's adherence to strict ESG principles, the Company will continue to build a strong in-country technical team and capitalise on its excellent relationships with industry, government and other stakeholders in Ethiopia to support this plan, including Oromia and other relevant Zonal and Woreda offices.

The Company submits that it has signed a binding agreement with Xingxu Mining which enables the Company to acquire complete and unencumbered ownership of the Nejo Project through the Company's 100% acquisition of Xingxu Mining under what is considered a share-swap transaction, in which Askari issues shares to the shareholders of Xingxu Mining, as set out in the announcement dated 8 July 2025, in return for the complete and unencumbered shareholding in Xingxu Mining being transferred to the Company.

This transaction does not constitute a sale under Ethiopian laws as the owner of the Exploration Licences remains unchanged, being Xingxu Mining. It is only the legal owner of Xingxu Mining that changes as a result of the proposed transaction, being that Askari will own 100% of Xingxu Mining upon completion and the shareholder of Xingxu Mining will become significant shareholder of the Company.

However, pursuant to the agreement, Askari will assume all operator rights of the Nejo Project, including through providing funds to explore and further develop the Nejo Project alongside technological, technical, geological, strategic oversight and general day-to-day project management.

The structure of the transaction also provides the shareholder of Xingxu Mining to benefit from the Company's advancements at the Uis Project, in Namibia on the basis that the shareholder of Xingxu Mining will be a significant shareholder of Askari Metals. This is what is referred to in the Article as being stated by Mr Surafel Wondemagegene, the General Manager and Chief Geologist of Xingxu Mining, who will remain in that position, joining Askari Metals on completion of the proposed transaction.

Askari Metals is focused on developing the significant resource potential of the Nejo Project targeting both high-grade gold and high-grade copper. The Company plans on employing advanced technologies to define further targets and utilising systematic and focused exploration to follow up on the historical work that has been completed, which has identified several compelling targets across the circa 1,200km² district-scale landholding within the highly mineralised and prospective Arabian-Nubian Shield.

Shining Star International Group Co., Ltd. ("**Shining Star**"), the parent company of Xingxu Mining, is developing Angola's first industrial copper mine having invested US\$205 million of the required US\$250



million total investment (refer: [Chinese-backed Shining Star Icarus to launch Angola's first industrial copper mine - Africa Business+](#)).

The strategic relationship between the Company and Shining Star defined through the share swap transaction can potentially provide additional funding support to the Company which will become important as development of the Nejo Project progresses through potential resource definition, into feasibility studies and towards a potential decision to mine.

The proposed transaction remains subject to certain conditions precedent before completion can occur, including the completion of satisfactory legal and technical due diligence and shareholder approval. The Company is currently finalising its due diligence process, both technical and legal, and will be in a position to sign off on these matters in the coming days. It is the current intention of the Company to hold a General Meeting of Shareholders on or around the end of August 2025 to approve the proposed transaction, amongst other business. The Company will inform shareholders in the near term regarding the specific date and time of the Shareholder meeting, including the specific business of the shareholder meeting once the Notice of Meeting has been approved and signed off.

The Company would like to make it clear that this announcement does not lift the trading halt as it continues to address queries from ASX in relation to the 18 July 2025 announcement.

This announcement is authorised for release by the Board of Directors of Askari Metals Limited

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FOR FURTHER INFORMATION PLEASE CONTACT

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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 suitable "value-add" divestment strategy of the Australian projects which includes highly prospective gold, copper and REE projects.

For more information please visit: www.askarimetals.com

