

QUARTERLY ACTIVITIES REPORT

PERIOD ENDED 30 JUNE 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 30 June 2025 (**Quarter**).

HIGHLIGHTS

- **Phase 1 RC Drilling commenced at the Massan Deposit.**
- **Relogging of historical diamond core and RC chips.**
- **Database migration to Sequent MX Deposit completed.**
- **Returned focus to regional greenfields exploration and defining new targets.**
- **Successful conclusion of Chilean litigation and receipt of US\$100,000 from Loreto Joint Venture and Option Agreement.**

KADA GOLD PROJECT, GUINEA

Work continued at the flagship Kada Gold Project (Kada) during the quarter which was focused on the re-logging of previous Reverse Circulation (RC) and Diamond core (DD) drillholes, and the commencement of Phase 1 RC drilling at the Massan Deposit. In addition to this, the Company planned several geochemical campaigns to assist with regional exploration and future target generation.

Mapping

During the June 2025 quarter, regolith mapping of the Kada license area concluded, totalling an area of approximately 48.7 km². Several previously unidentified areas of informal workings were identified during the campaign and will undergo further investigation.

The central portion of Kada is dominated by lateritic plateau (flatlands) with extensive exposures of massive to pisolitic carapace (duricrust), separated by topographic lows characterised by alluvium and lateritic gravels associated with rivers and streams. Several particularly resistant steep-edged topographic highs, located in the northeast of the Permit, are dominated by iron- and silica-rich laterite, sometimes with hillside exposures of relatively continuous quartz veins.

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 identified several interesting structures and previously unidentified areas of artisanal workings.



Figure 2: Ongoing RC and DD re-logging at the Niandankoro Camp core shed. The exercise has incorporated training of several junior geologists that recently joined the Project



Figure 3: DD re-logging continues, focused on the Massan Deposit. Re-assessment of the downhole weathering profile will lead to concise re-modelling.

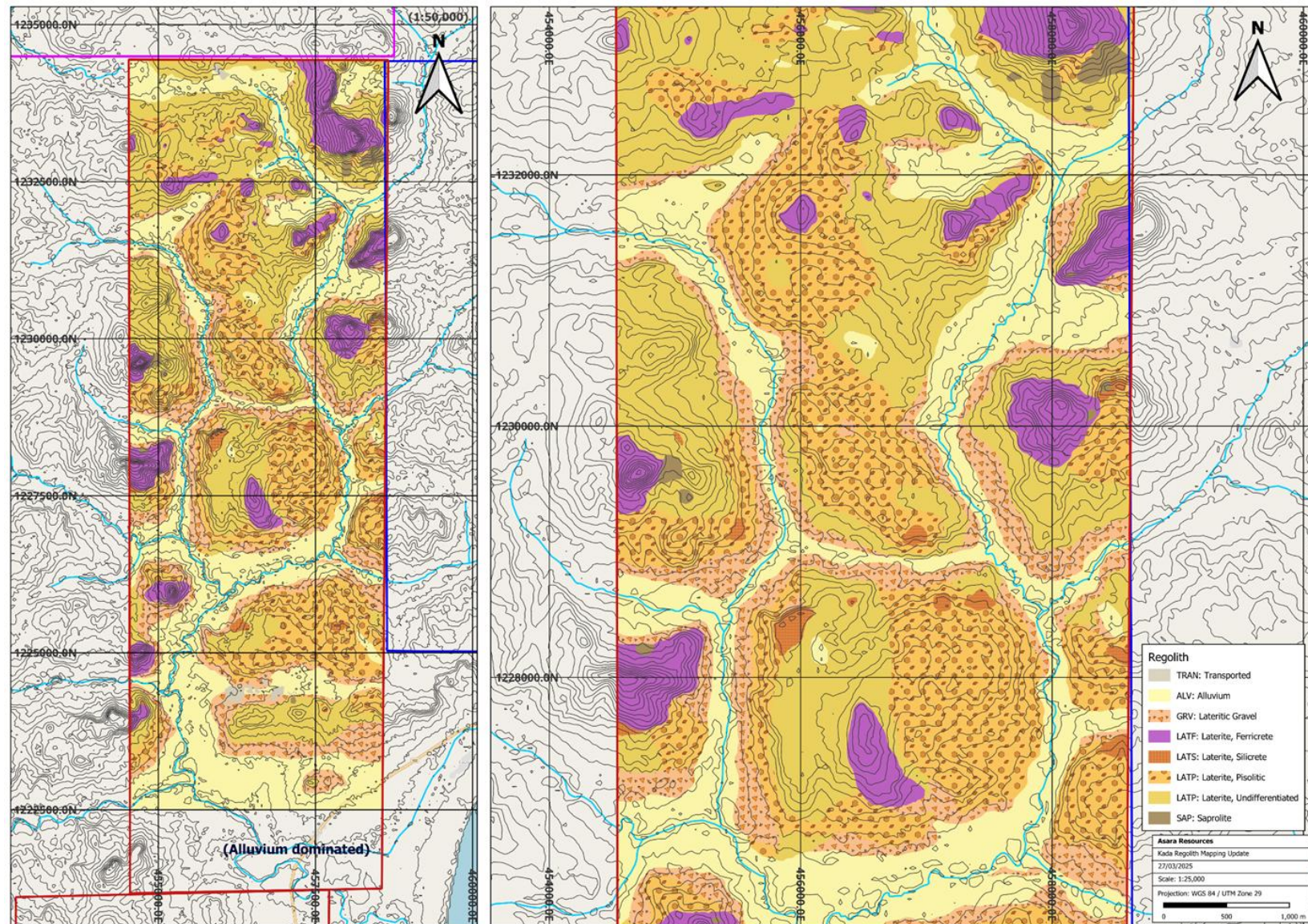


Figure 4: Kada regolith mapping update (Map scale left 1:50,000, right 1:25,000).

Re-logging and Geological Database

The Company completed migration of the previous geological database to Seequent MX Deposit, a cloud-based geological database management system, and completed configuration of the new logging activities. A re-logging exercise to review older logged data, and to align this with new logging standards, ensuring consistency and accurate data capture throughout the geological database continued in the June Quarter. In addition, the exercise introduced junior geologists to the logging procedures and Project geology.

During the June quarter a total of 16,606 m of Reverse Circulation (RC) chips and 1680.85 m of Diamond Drill (DD) core have been re-logged, concluding the re-logging of RC drillholes at the Massan Deposit.

Drill Program at Massan Deposit Commenced

The Company commenced execution of the planned 2025 drilling campaign at Massan with Phase 1 drilling consisting of 11,500 m of Reverse Circulation (RC) drilling. On 1st April 2025, the Company announced that the drilling contract had been awarded to Capital Drilling Guinea-SA, a subsidiary of Capital Limited (LSE: CAPD) (Capital), for up to 22,000m of RC and 4,000m of DD drilling, planned to be completed before the end of 2025.

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. Drilling commenced late in the June quarter, and sixteen (16) RC drillholes totalling 1618 m were completed. Drilling is scheduled to continue through the impending rainy season with a focus on DD drilling.

Regional Exploration and Target Generation

The Company has re-focused on regional exploration and fieldwork to facilitate the identification of possible areas of additional gold mineralisation. Drone surveys and the interpretation of updated Google Earth Satellite Imagery were completed during the quarter, coupled with ongoing field investigations led to the identification of multiple areas of informal workings for follow-up structural mapping.

89.9 line-kilometres totalling 8.76 km² of drone surveys were completed during the quarter, and an additional ten (10) drone surveys totalling 36.48 km² were designed and planned. The drone surveys have been halted over the rainy season and will re-commence in October 2025 following the end of the rainy season. Detailed structural and geological mapping of the workings to determine key trends is ongoing and expected to conclude later in the year. This data, coupled with planned regional geochemistry, will be critical in the production of further drill-ready targets leading into 2026.

A soil sampling campaign in the north of the Bamféle Permit was designed, with Phase 1 soil sampling forecast to commence in the September quarter. The campaign will be focused on an area directly south of Massan and has been designed to meet two main objectives: to test gold anomalies that remain open to the south along the same N-S striking structure as Massan, and to further build

the regional geochemical dataset. Phase 1 soil sampling consists of 519 points on a 100 x 100 m spaced grid.



Figure 5: The 2025 drilling campaign at Massan commenced late in the June quarter, starting with a planned 11,500 m of RC drilling.



Figure 6: Drone surveys continue to assist in the identification of informal gold workings for follow-up investigation.

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 employment of field assistants and technicians to support the ongoing drill and exploration programs.



Figure 7: The Company is committed to equal opportunities employment of local talent and focused on training.

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 (OJVA) 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 Company announced on 8 May 2025, that it had successfully concluded the legal proceedings against it, and Teck Resources Chile Limitada by way of an out of court settlement with the following terms:

- A new holding company, Compañía Minera Loreto SpA (Compañía Minera), will be established to hold the Loreto Project assets. •
- PRC will transfer the Loreto Project to Compañía Minera at book value.
- Asara will sell 25.26% of Compañía Minera to Costa Rica Dos for CLP 52,964,748 (approximately A\$87,122¹), with payment to be made through future profits generated by the Compañía Minera in the context of the OJV with Teck Chile.
- Asara and Costa Rica Dos will enter into a shareholders' agreement replicating the terms of the 2007 shareholders agreement for CMP.

The settlement also provides for:

- The irrevocable withdrawal of the civil lawsuit (Case No. C-17523-2023) by Costa Rica Dos, without reservation of rights.
- Mutual settlement and waiver of any current or future claims relating to the dispute, with the agreement carrying the legal effect of res judicata under Chilean law.
- Standard commercial protections, including a second-degree mortgage over the mining concessions and a penalty clause for non-compliance.

Following the successful conclusion of the litigation, the Company has received a cash payment of USD\$100,000 (A\$153,725)² in relation to the OJVA. For further details on the payment, refer to ASX announcement dated 11 June 2025.

CORPORATE

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) \$69,000.

Exploration Expenditure

During the quarter, evaluation and exploration expenditure across the Company's projects totalled \$1,388,000.

¹ Exchange rate of 1CLP 0.00164 to 1 AUD www.xe.com 7 May 2025

² Exchange rate of AUD:USD \$0.65 www.xe.com 10 June 2025

Cash on Hand as at 30 June 2025

The Company had \$3.199m in cash as at 30 June 2025.

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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 923Koz³, 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 lead⁴ 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.

³ ASX Announcement: Kada Mineral Resource Estimate Update improves confidence; more than 40% of oxide gold now indicated dated 09 October 2023.

⁴ 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")

30 June 2025

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(128)	(657)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(50)	(268)
	(e) administration and corporate costs	(143)	(526)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	5	7
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	(316)	(1,451)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(63)	(309)
	(d) exploration & evaluation	(1,260)	(2,278)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	154	2,655
	(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	(1,169)	68

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	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	-	(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	-	3,162

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4,793	1,339
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(316)	(1,451)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,169)	68
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	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 (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(109)	81
4.6	Cash and cash equivalents at end of period	3,199	3,199

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	3,199	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)	3,199	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	30
6.2	Aggregate amount of payments to related parties and their associates included in item 2	39
<i>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.</i>		

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.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(316)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,260)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,576)
8.4 Cash and cash equivalents at quarter end (item 4.6)	3,199
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	3,199
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.0
<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

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

Date: 29 July 2025

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

Notes

1. 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.
2. 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.