ARIKA RESOURCES

ASX RELEASE: 2 MAY 2025

UPSIZED $5M CAPITAL RAISING TO FAST TRACK DRILLING AND EXPLORATION PROGRAMS AT YUNDAMINDRA AND KOOKYNIE GOLD PROJECTS, WA

Proceeds to underpin accelerated drilling and exploration across two strategically located gold projects to deliver growth in scale and unlock substantial regional potential

KEY HIGHLIGHTS

- **$5 million share placement to new and existing investors, including prominent Australian institutions.**
- **Placement includes $0.7 million commitment from Directors.**
- **Placement was significantly oversubscribed and upsized following strong support.**
- **Along with existing cash, Arika emerges with circa $6.0m in funds to support expansive exploration and drilling programs at the strategically located Yundamindra and Kookynie Projects, to test recently identified targets which have returned high grade drilling results.**
- **Drilling to commence next week at Yundamindra, initially focused on the high-priority Pennyweight Point and Landed at Last prospects.**

Arika Resources Limited (ASX: **ARI**) ("Arika" or "**Company**") is pleased to announce a strongly supported and upsized capital raising of $5 million (before costs) to accelerate exploration at its flagship Yundamindra and Kookynie Gold Projects in Western Australia (Figure 1) and for general working capital purposes (**Placement**).

The Company has received firm commitments for the Placement comprising approximately 217 million fully-paid ordinary shares in the capital of the Company (Shares) at an issue price of $0.023 per Share to existing and new professional and sophisticated investors. Directors of the Company have committed to participate for a total of up to $0.7 million providing a strong endorsement of the potential of the Company.

The transformational capital raising will put the Company in a position to execute its exploration and growth plans at both the Yundamindra and Kookynie Gold Projects, giving it the ability to underpin a sustained drilling and exploration effort.

Commenting on the capital raising, Arika's Managing Director, Justin Barton, said:

"We are delighted by the strong level of investor support for this capital raising, which we believe reflects the quality and scale of the opportunity in front of us at our two key WA gold projects.

"We are delighted to welcome a number of prominent resource-focused institutional investors as shareholders as part of this raising, which has also been strongly supported by existing shareholders and the Company's board and management team.

"Building on the outstanding technical work completed at Yundamindra and Kookynie in recent months – and the excellent results generated by our recent RC and diamond drilling program – we now have a clear pathway in front of us with an outstanding pipeline of priority targets to test in the weeks and months ahead.

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"As announced this week, a drill rig is currently mobilising to site at Yundamindra with drilling set to commence in the coming week focused on the emerging discoveries at the Pennyweight Point and Landed at Last prospects. Work is also continuing to unlock the potential of our highly prospective Kookynie Project.

"I would like to thank all shareholder who participated in this capital raising and welcome our new investors to the share register."

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Placement Details

The Company has received commitments from existing and new sophisticated and professional investors comprising 217 million new Shares at an issue price of $0.023 per Share in a two tranche Placement.

Tranche 1 of the Placement will issue approximately 147 million New Shares in the capital of the Company (Shares) to raise $3.4 million (Tranche One). Tranche One of the Placement will be undertaken within the Company's existing placement capacity pursuant to ASX listing rules 7.1 and 7.1A.

Tranche 2 of the Placement will comprise the issue of approximately 70 million new Shares to raise $1.6 million (Tranche 2) and includes $0.7 million in commitments from Directors of the Company and/or their related parties on the same terms as Tranche One (this includes the conversion up to a total of $200,000 of accrued Director fees on the same terms as the Placement), subject to shareholder approval at a future general meeting of shareholders.

The Placement issue price of $0.023 per Share represents a 13.4% discount to the 5-day Volume Weighted Average Price (VWAP) of the Company's shares on 29 April 2025. The new Shares to be issued under the Placement will rank equally with the existing ordinary shares on issue.

Allotment of the Shares pursuant to Tranche One of the Placement is expected to occur on or around 8 May 2025.

Canaccord Genuity (Australia) Limited and Bell Potter Securities Limited acted as Joint Lead Managers to the placement.

Use of Funds

The funds raised under the Placement will be used to fund the following:

- Drilling and exploration activities at the Yundamindra and Kookynie Gold Projects; and
- General working capital.

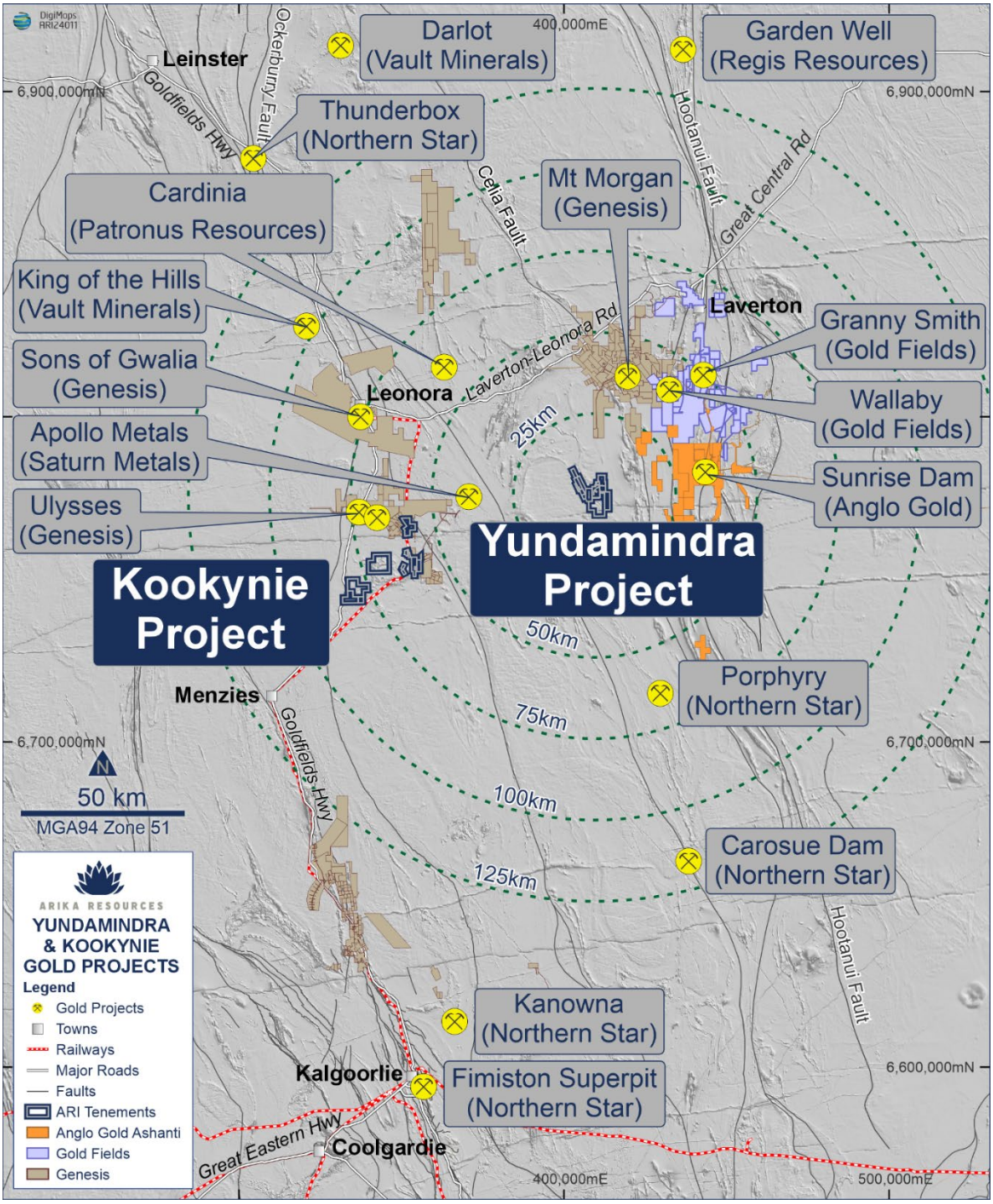


Figure 1: Project location plan showing Arika's Yundamindra and Kookynie Projects in relation to major gold deposits, operating mines and neighbouring tenure.

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This announcement is approved by the Board of Arika Resources Limited.

ENQUIRIES

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Competent Person Statement

The information that relates to Exploration Results is based upon information compiled by Mr Steve Vallance, who is a consultant to Arika Resources Ltd. Mr Vallance is a Member of the Australian Institute of Geoscientists (AIG). Mr Vallance has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code 2012). Mr Vallance consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

No New Information

To the extent that this announcement contains references to prior exploration results which have been cross referenced to previous market announcements made by the Company, unless explicitly stated, no new information is contained. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.

Forward Looking Statements

This announcement may contain certain "forward-looking statements" which may not have been based solely on historical facts, but rather may be based on the Company's current expectations about future events and results. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have reasonable basis. However, forward-looking statements:

(a) are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies;

(b) involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements. Such risks include, without limitation, resource risk, metals price volatility, currency fluctuations, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, as well as political and operational risks in the countries and states in which the Company operates or supplies or sells product to, and governmental regulation and judicial outcomes; and

(c) may include, among other things, statements regarding estimates and assumptions in respect of prices, costs, results and capital expenditure, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions.

The words "believe", "expect", "anticipate", "indicate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will", "schedule" and similar expressions identify forward-looking statements.

All forward-looking statements contained in this presentation are qualified by the foregoing cautionary statements. Recipients are cautioned that forward-looking statements are not guarantees of future performance and accordingly recipients are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.

The Company disclaims any intent or obligation to publicly update any forward-looking statements, whether as a result of new information, future events or results or otherwise.

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About Arika Resources Limited

Arika is focused on delivering value to shareholders through the development and discovery of high-quality gold assets, including its 80% owned Kookynie and Yundamindra Gold Projects (20% owned by Nex Metals (ASX: NME)), in Western Australia.

Arika Resources Limited is continuing to build on the potential large scale gold footprints at the Yundamindra and Kookynie Gold Projects by expanding on known mineralisation and targeting new discoveries through a pipeline of high priority brownfield and greenfield targets.

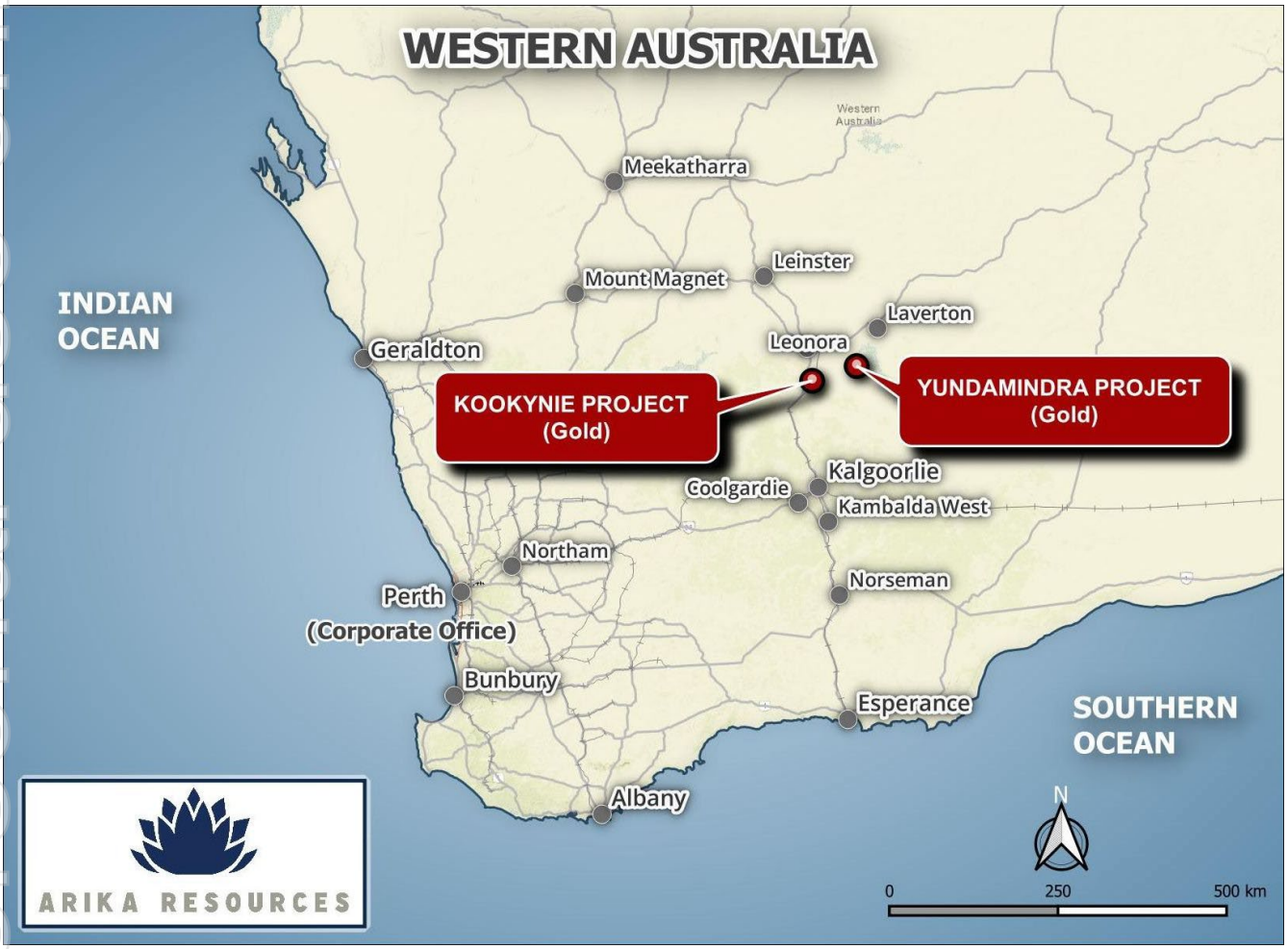


Figure: Regional Project Location Plan

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