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REDCASTLE RESOURCES LTD

ASX Announcement

20 August 2025

Strategic JV to Expedite Gold Production & Major Tenement Expansion in Eastern Goldfields

Major transactions to accelerate gold development strategy and provide district-size scale gold portfolio

Highlights:

- **Material Joint Venture (JV) with BML Ventures Pty Ltd ("BML") to fund 100% of working capital to first revenues for the Queen Alexandra (QA) and Redcastle Reef (RR) deposits**
- **JV underpins capital-light pathway to potential production: BML to manage mining approvals, day-to-day mining, haulage and toll treatment arrangements**
- **District-scale consolidation: Binding agreement to acquire the highly prospective TBone Belt package (~72 km^2) directly adjoining RC1's existing tenements, expanding Eastern Goldfields footprint to ~85 km^2**
- **Acquired tenements increase RC1's total landholding by some 600% - portfolio now includes:**
  - ***4 Granted Mining Leases (MLs)***
  - ***5 Mining Lease Applications (MLA)***
  - ***51 Prospecting Licences (PLs) Live***
  - ***3 Pending PLs***
  - ***Encompassing multiple historical gold workings and alluvial gold recovery***
- **Cornerstone Placement: Firm commitments received to raise A$4.0m via two-tranche placement at A$0.009 per share ("Placement").**
- **Significant BML equity participation with $1.5 million Placement subscription that strengthens alignment between shareholders and Redcastle's JV partner.**

Redcastle Resources Limited (ASX: RC1) ("Redcastle" or "the Company") is pleased to announce the execution of a Joint Venture Agreement with BML Ventures Pty Ltd ("BML"), a leading gold mining contractor based in Kalgoorlie, to partner fast-tracking of gold production from its Queen Alexandra (QA) and Redcastle Reef (RR) deposits located within the Eastern Goldfields, WA.

In addition, the Company also announces that it has entered into a binding agreement to acquire the TBone Belt Tenement Package, a large and highly prospective gold exploration portfolio covering ~72 km^2 directly

adjoining RC1's existing tenements. This acquisition marks a major step in Redcastle's growth potential unlocking district-scale access to exploration opportunities including synergies with the Company's existing Redcastle tenements.

Redcastle has secured firm commitments to raise up to $4.0 million via a two-tranche Placement, with strong support from current major shareholders and a $1.5 million cornerstone investment from JV partner BML. Further details on the Placement are outlined below.

Chairman's Comment

Redcastle Chairman, Dr Ray Shaw, said:

"*2025 is truly shaping up as a breakout year for Redcastle. The Joint Venture with BML provides a disciplined, capital-efficient pathway for first gold production, while the TBone acquisition delivers a unique opportunity to apply first mover systematic exploration across 48 concessions previously held by six separate entities adjacent to the tenements where our technical team have already demonstrated success with the QA and RR projects. The strong support for our capital raising reflects confidence in our now funded strategy. Taken together, this announcement highlights three major milestones for the Company, and over the coming weeks and months we will progressively release further technical information on the TBone concessions as our work is advanced, ensuring the market is kept fully and transparently informed".*

BML Ventures: Transformational Gold Mining JV Executed

Joint Venture Summary

The material commercial terms of the Joint Venture between the Company and BML are:

- The Scope of the Agreement relates to ML 39/318 (QA and RR Deposits), MLA 39/1171 (QA pit extension) and MLA 39/1140 (Morgan Castle East) and runs for a maximum of 5 years
- BML will fund 100% of mining and working capital requirements, including:
  - *All permitting related to mining activities except native vegetation clearance.*
  - *Mobilisation of mining fleet and equipment.*
  - *Site establishment (camp, power, water, haul roads, explosives magazine).*
  - *Mining operations (ore and waste movement, grade control, geotechnical and hydrological work).*
  - *Haulage and delivery of ore to processing facilities.*
  - *Processing and related costs until first revenue, thereafter to the extent possible self-funding from interim proceeds of product sales.*
  - *Managing all day-to-day mining operations, workforce, contractors, and safety compliance.*
  - *Arranging toll milling agreements with third-party processors.*
- Redcastle will be responsible for:
  - *Native Title, heritage surveys, and native vegetation and other environmental approvals.*
  - *Providing site access and tenure management.*
- JV facilitates a risk managed development scenario from Pre-FID through to commencement of mining at QA on an anticipated timescale of less than 12 months, with provision for agreed deferral as a result of third-party issues beyond the JV control (e.g. milling capacity or Heritage/Native Title approvals).
- For subsequent deposits potentially having commercial gold resources, BML will prepare and the Company reviews and approve work programs and budgets for both Pre-FID and post FID development and production targeting a minimum pre-tax free cashflow of 35% margin.
- Other terms and conditions are those usually incorporated into an agreement of this nature.
- RC1 responsible for limited Pre-FID costs principally heritage surveys, statutory and other third-party approvals, with each party recovering Pre-FID costs through future sales proceeds.

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- JV provides for 50-50 split on surplus gold sales proceeds after cost recovery by BML and tolling costs, with provision for interim profit distributions possible after starter pit.
- The Company's proposed production strategy is predicated upon the Maiden Mineral Resource Estimate ("MRE") for RR and updated the MRE for QA (ASX: RC1 30 June 2025). The Resource is backed up by a positive QA Scoping Study indicating a ~10-month toll-treat pathway producing ~13.7 koz, with estimated revenue of ~A$65.6M and an undiscounted pre-tax cash surplus of ~A$14–15M (ASX: RC1 1 August 2025).

About BML Ventures

BML Ventures is a WA Goldfields based company that funds, develops, and operates open pit gold mines with a strong technical focus and relationships with local toll treatment operators to maximise profitability from small to medium-sized mining projects. BML has previously undertaken arrangements with other junior mining companies including Lefroy Exploration (ASX: LEX) and Auric Mining (ASX: AWJ), as well as its own projects at Menzies such as Blackjack. BML has also been engaged in mining arrangements at the Selkirk deposit (owned by Brightstar Resources, ASX: BTR) and the Granny Venn deposit (owned by Resources & Energy Group, ASX: REZ).

TBone Belt Acquisition – District-Scale Growth in the Eastern Goldfields

Redcastle has entered into an acquisition agreement with a consortium of vendors ("Acquisition") for the strategic acquisition of tenements (as set out in Annexure 1) in a historically prolific WA gold producing region to add significant scale to the Redcastle tenement package which now sits at ~85 km^2, containing highly prospective gold lithologies and structures. The vendors are all unrelated parties of the Company.

The acquired 48 tenements previously held by 6 entities are located directly adjacent to Redcastle's existing ground and increase total landholding by some 600% - Redcastle's portfolio now includes:

- *4 Granted Mining Leases (MLs)*
- *5 Mining Lease Applications (MLA)*
- *51 Prospecting Licences (PLs) Live*
- *3 Pending PLs*

The material terms of the Acquisition Agreement are as follows:

- **Conditions Precedent**: Settlement of the acquisition is conditional upon the Minister providing consent to the sale of the tenements (if required) and each member of the consortium terminating all agreements that grant rights over or affect the tenements.
- **Consideration**: As consideration under the Acquisition Agreement, Redcastle agrees to pay to a maximum aggregate cash amount of $1,704,000 to the members of the consortium.
- **Royalty**: Redcastle will agree to enter into a royalty agreement with each member of the consortium granting them a 2% gross revenue royalty in respect of all minerals produced from the respective tenements sold by that party to Redcastle.

Redcastle has also sought and received prior ASX confirmation that Listing Rules 11.1.2 and 11.1.3 do not apply to the acquisition.

The acquisition is highly complementary to Redcastle's existing strategy which includes growing exploration scale to underpin future resource base growth and pursuing near-term cash flow opportunity from QA and RR.

This is a major step in Redcastle's growth, unlocking significant district-scale exploration potential and delivering immediate growth potential and synergies with the Company's pre-existing Redcastle tenements. Redcastle's total tenement holding in the region now stands at ~85 km^2.

Significant increase to regional scale supports resource growth

The newly acquired **TBone Belt tenement package** fundamentally resets Redcastle's position as an explorer in Western Australia's premier gold district, the Eastern Goldfields, surrounded by multi-million-ounce gold deposits and major mill operations (Figure 1). The TBone tenements strategically lie immediately adjacent to Redcastle's current holdings and sit centrally within the region. Further updates, including maps, exploration plans and timelines for planned work across the TBone Belt will be provided in due course.

Placement to Raise $4.0 million

The Company has secured firm commitments for a $4.0 million two-tranche placement ("Placement") at A$0.009 per new share ("New Share") ("Offer Price"), together with one (1) free attaching unlisted option for every three (3) Placement Shares subscribed for under the Placement (exercisable at $0.015 with a 3-year term) ("Placement Options").

Funds from the Placement will be used for the acquisition and exploration of the TBone tenement package including activities that generate robust prospects for proof of concept drilling, further exploration and delineation drilling at the Company's Redcastle Project to support and grow ongoing production by the BML JV possibly including Morgan's Castle East as well as working capital and costs of the capital raising.

The Offer Price of A$0.009 per New Share represents no discount to the last closing price and a 15% premium to the fifteen-day volume weighted average trading price.

The Company will issue approximately 185,891,600 New Shares under tranche one of the Placement (111,535,000 under ASX Listing Rule 7.1 and 74,356,600 under ASX Listing Rule 7.1A) to raise approximately A$1.673 million (before costs) ("Placement Tranche One"), which is expected to be completed on or about 26 August 2025. The issue of the Placement Options pursuant to Placement Tranche One will be subject to shareholder approval.

In addition, the Company will issue an additional 258,552,844 New Shares, subject to shareholder approval for the purposes of ASX Listing Rule 7.1, to raise approximately A$2.327 million (before costs) ("Placement Tranche Two"). The Redcastle directors will participate in Placement Tranche Two for an amount of A$40,000 subject to shareholder approval under ASX Listing Rule 10.11. These approvals will be sought at a general meeting to be held on or around early October with settlement and allotment shortly thereafter.

Xcel Capital Pty Ltd ("Xcel") acted as sole lead manager and sole bookrunner to the Placement. Xcel will be paid a Lead Manager Fee of $50,000 + GST, an equity raising fee equal to 6% of the aggregate amount raised under the Placement and will be issued, subject to shareholder approval, 45 million unlisted options, each with an exercise price of A$0.01 and expiry date of 30 October 2029.

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Indicative Timetable – Placement

Announcement of Placement	20 August 2025
Issue of Tranche One Placement Shares	26 August 2025
General Meeting of Shareholders to approve the issue of the Tranche Two Placement Shares and Placement Options	Early October 2025
Issue of Tranche Two Placement Shares and Placement Options	Early October 2025

Note: *The above dates are indicative only and subject to change by the Company as necessary.*

Joint Venture Alignment

The BML carry of working capital under the JV, together with its cornerstone participation in the Placement, materially reduces upfront equity requirements and dilution, while accelerating a capital-light pathway to first revenues.

Next Steps (Integrated Workplan)

- Finalise Pre-FID work program and budget under the BML JV (grade control, geotech/hydro, environmental baseline, pit designs, tolling and mine scheduling for QA/RR).
- Progress shareholder documentation for the approval of the securities pursuant to Placement Tranche Two.
- Prepare and evaluate MCE infill drilling campaign and other potential drilling targets near QA/RR.
- Refine TBone target ranking and reconnaissance programs while maintaining the QA/RR development schedule.

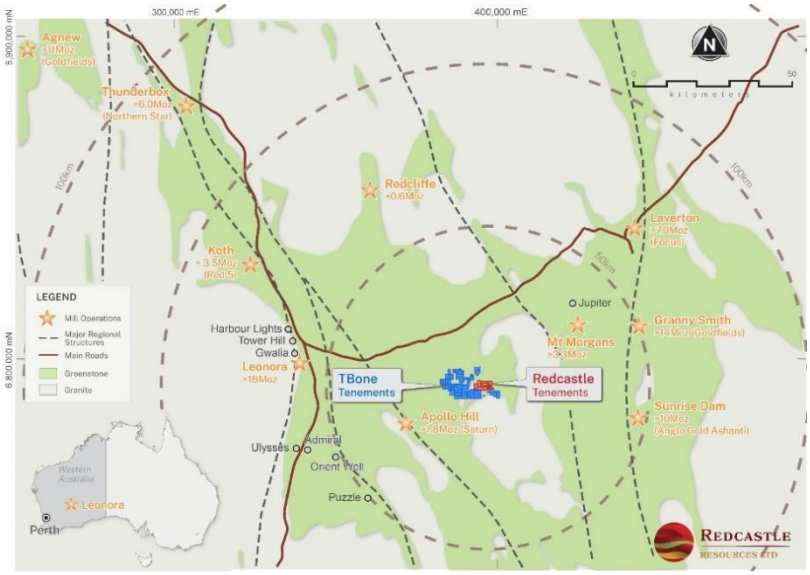

Figure 1: *Redcastle Project and TBone Belt Package - tenements location plan*

This announcement has been approved for release to ASX by the Board of Redcastle Resources Ltd

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Forward-Looking Statements

Certain statements in this announcement relate to the future, including forward-looking statements relating to Redcastle and its business (including its projects). Forward-looking statements include, but are not limited to, statements concerning Redcastle's planned exploration program(s) and other statements that are not historical facts. When used in this document, words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should," and similar expressions are forward looking statements.

These forward-looking statements involve known and unknown risks, uncertainties, assumptions, and other important factors that could cause the actual results, performance or achievements of Redcastle to be materially different from future results, performance or achievements expressed or implied by such statements. Actual events or results may differ materially from the events or results expressed or implied in any forward-looking statement and deviations are both normal and to be expected. Neither Redcastle, its officers nor any other person gives any representation, assurance or guarantee that the events or other matters expressed or implied in any forward-looking statements will actually occur. You are cautioned not to place undue reliance on those statements.

No New Information

In relying on the above mentioned ASX announcements and pursuant to ASX Listing Rule 5.23.2, the Company confirms that it is not aware of any new information or data that materially affects the information included in the above-mentioned announcements. In the case of announcements referred to containing an estimated mineral resource, all material assumptions and technical parameters underpinning the estimates in the relevant announcement continue to apply and have not materially changed.

In accordance with ASX listing rule 5.19.2, the Company confirms that all material assumptions underpinning the production target or the forecast financial information derived from the production target continue to apply and have not materially changed.

Proximate statements

This announcement contains references to exploration results derived by other parties either nearby or proximate to the TBone Belt tenement package and includes references to topographical or geological

similarities to that of the TBone Belt tenement package. It is important to note that such discoveries or geological similarities do not in any way guarantee that the Company will have any success or similar successes in delineating a JORC compliant Mineral Resource on the TBone Belt tenement package, if at all.

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ANNEXURE 1 - *TBone Package tenement list*

Tenement	Area	Unit	Status
M 39/276	12.78	ha	Live
M 39/388	120.95	ha	Live
M 39/790	121.10	ha	Live
P 39/6310	120.74	ha	Live
P 39/6311	120.80	ha	Live
P 39/6312	120.97	ha	Live
P 39/6313	120.95	ha	Live
P 39/6322	67.72	ha	Live
P 39/6323	198.98	ha	Live
P 39/6324	74.70	ha	Live
P 39/6325	188.39	ha	Live
P 39/6326	195.66	ha	Live
P 39/6327	177.02	ha	Live
P 39/6328	199.30	ha	Live
P 39/6329	199.29	ha	Live
P 39/6330	199.01	ha	Live
P 39/6331	199.64	ha	Live
P 39/6332	186.40	ha	Live
P 39/6333	160.33	ha	Live
P 39/6334	167.07	ha	Live
P 39/6335	197.09	ha	Live
P 39/6336	199.40	ha	Live
P 39/6337	197.83	ha	Live
P 39/6338	124.67	ha	Live
P 39/6339	129.15	ha	Live
P 39/6340	199.26	ha	Live
P 39/6341	189.05	ha	Live
P 39/6342	197.65	ha	Live
P 39/6343	126.83	ha	Live
P 39/6344	197.60	ha	Live
P 39/6347	120.89	ha	Live
P 39/6348	120.80	ha	Live
P 39/6349	120.73	ha	Live
P 39/6350	120.83	ha	Live
P 39/6351	178.19	ha	Live
P 39/6352	198.45	ha	Live
P 39/6353	189.67	ha	Live
P 39/6354	11.87	ha	Live
P 39/6355	199.58	ha	Live
P 39/6356	198.93	ha	Live
P 39/6357	49.51	ha	Live
P 39/6358	151.09	ha	Live
P 39/6443	19.00	ha	Live
P 39/6444	71.00	ha	Live
P 39/6465	162.00	ha	Live
P 39/6493	197.00	ha	Pending
P 39/6494	172.00	ha	Pending
P 39/6503	181.00	ha	Pending
Total package size	**7,172.84**	**ha**	