ASX ANNOUNCEMENT

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21 October 2025

BINDING COMMITMENTS RECEIVED FOR $40 MILLION PLACEMENT OFFER

Offers now finalised and pave the way for Austral's ongoing growth, completing the acquisition of Rocklands, and re-quotation on ASX

Highlights:

- Binding commitments received for Placement Offer to raise $40 million at $0.05 per share
- Proceeds from the Placement Offer will be used to fund balance sheet recapitalisation and acquisition integration, exploration and resource development, the Rocklands mine development and general working capital
- The Company is in a position to satisfy each of the ASX Reinstatement Conditions which haven't already been waived before the Reinstatement Date, and has been engaging with ASX to facilitate re-quotation
- Following the recent acquisitions of Rocklands and Lady Loretta and the equity raise, Austral is in a position to unlock the full potential of the Mount Isa copper system through ownership of regional infrastructure

Austral Resources Australia Ltd (**ASX:AR1**) ("**Austral**" or the "**Company**") is pleased to announce that it has received binding commitments to raise $40 million via a placement of approximately 800 million fully paid ordinary shares ("**New Shares**") at an issue price of $0.05 per share to institutional and sophisticated investors ("**Placement Offer**").

Austral's Chairman, David Newling, commented:
"This marks another critical step towards delivering on the Company's goal of building Australia's next mid-tier copper powerhouse through disciplined consolidation, low-cost production, and responsible growth across Queensland's world-class copper belt.

The Placement Offer provides Austral with an extended runway through key strategic milestones in unlocking the full of potential of the Mount Isa copper system, targeting sustainable production of 50,000 tonnes of copper metal per year for over 20 years. Importantly, it paves the way for Austral to be re-quoted on the ASX and for it to begin the journey of generating returns for shareholders."

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Details of the Placement Offer

A total of approximately 800 million New Shares will be issued to raise $40 million pursuant to the Placement Offer. New Shares issued under the Placement will be issued at a price per share of $0.05 ("**Offer Price**"), which represents a 68.8% discount to the last traded price of $0.16 on 31 August 2023.

Bell Potter Securities Limited and Shaw and Partners Limited are acting as Joint Lead Managers and Joint Bookrunners to the Placement Offer.

Other Offers

The Placement Offer is part of a broader transaction including the offers summarised below:

- An offer to Dragon Field International Limited of 168,200,000 New Shares at the Offer Price per New Share and up to 21,000,000 New Options pursuant to the terms of the DOCA ("**DFIL Offer**");
- An offer to Thiess of 200 million New Shares at the Offer Price per New Share under the Thiess Debt Conversion ("**Thiess Offer**"); and
- An offer to AES of 40 million New Shares at the Offer Price per New Share under the AES Debt Conversion ("**AES Offer**"),

(together, the "**Offers**"). New Shares issued under the Offers will rank pari-passu with all existing fully paid ordinary shares in the Company.

The AES Offer was subject to the issue of the corresponding New Shares no later than one month following shareholder approval which has lapsed. The Company will not proceed with the AES Offer which does not affect the completion of the remaining Offers or the Company's re-quotation on ASX.

Further details are set out in Austral's Prospectus dated 3 September 2025, as supplemented by the supplementary prospectus dated 8 October 2025 (together, the "**Prospectus**").

Use of Proceeds for Placement Offer

Proceeds from the Placement Offer will be used for the following:

Source of Funds	$M	Use of Funds	A$M
Placement Offer	40.0	Balance sheet recapitalisation & acquisitions	21.5
		Project Expansion & Resource Development	2.4
		Rocklands Project Development	10.6
		Working Capital & Transaction Costs	5.5
TOTAL	**40.0**	**TOTAL**	**40.0**

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ASX Reinstatement

Austral has been suspended from trading on the ASX since 3 September 2023 and is a long term suspended entity pursuant to ASX's Listing Rules. ASX has confirmed that the suspension has been extended to 31 October 2025. Once the Offers have completed, Austral will have satisfied the last condition for the reinstatement to trading of AR1 shares on ASX. It is anticipated that trading of AR1 shares will occur approximately 3 days following settlement of the Offer.

The Company has been advised by the ASX, with respect to the required extension of the 2 Year Limit and reinstatement of its securities to official quotation, that it must be re-instated to trading ASX by no later than 31 October 2025 ("**Reinstatement Date**").

The Offer is subject to the Company satisfying or the ASX waiving the conditions set out in Appendix B of the Prospectus and Appendix A of this announcement ("**Reinstatement Conditions**") by the Reinstatement Date. The condition relating to the AES Offer has been updated by the ASX to reflect the amendments relating to the AES issue and the Company is in a position to satisfy each of the remaining ASX Reinstatement Conditions before the Reinstatement Date, and has been engaging with ASX to facilitate re-quotation.

Key Dates

An indicative timetable of key dates in relation to the Placement is set out below:

Indicative dates	
Announcement of Binding Commitments for Placement Offer	Tuesday, 21 October
Settlement of Placement Offer New Shares	Thursday, 23 October 2025
Allotment of New Shares	Friday, 24 October 2025
Commencement of trading of all Shares, including New Shares issued under the Offers, on ASX	Tuesday, 28 October 2025

All dates are subject to change and accordingly are indicative only, subject to compliance with the ASX Listing Rules and Corporations Act.

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Further Information

Further details of the Offers are set out in the Prospectus and Investor Presentation provided to the ASX. The Prospectus and Investor Presentation contain important information including key risks and international offer restrictions with respect to the Placement.

This announcement is authorised for market release by the Board of Directors.

FURTHER INFORMATION, PLEASE CONTACT:

Austral Resources Australia Ltd
David Newling
Chairman
Level 9, 60 Edward Street
Brisbane City Qld 4000
P: +61 7 3520 2500

Investor Relations
Jane Morgan
Jane Morgan Management
M: +61 405 555 618
E: jm@janemorganmanagement.com.au

About Austral Resources

To learn more, please visit: www.australres.com

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APPENDIX A – ASX REINSTATMENT CONDITIONS

1. AR1 releasing, prior to reinstatement, a prospectus pursuant to Part 6D of the *Corporations Act 2001* (Cth) ('Prospectus') in order to permit secondary sales of fully paid ordinary shares issued under a placement to raise a minimum of $40 million (the 'Placement') at $0.05 per share (the 'Offer Price').

2. Confirmation of close of the offer under the Prospectus (including any supplementary prospectus) and completion of the issue of fully paid ordinary shares pursuant to the Placement.

3. Confirmation in a form acceptable to ASX that AR1 has received cleared funds for the complete amount of the issue price of every security allotted and issued pursuant to the Placement.

4. AR1 demonstrating compliance with Listing Rule 12.2, at the time of reinstatement, to the satisfaction of ASX, by providing a statement (for release to the market as pre-reinstatement disclosure), confirming that AR1 will have sufficient working capital at the time of reinstatement to carry out its stated objectives as disclosed in the Prospectus for the next 12 months.

5. Confirmation in a form acceptable to ASX that:

   a. the Anthill Project Agreement has been entered into and formally executed by party to that document;

   b. any conditions precedent to the Anthill Project Agreement have been satisfied (and not waived); and

   c. ARO has been appointed as the initial manager of the Anthill Project.

6. Confirmation in a form acceptable to ASX that the following arrangements have been entered into and formally executed by the relevant parties, and that any conditions precedent to these arrangements taking effect have been satisfied (and not waived):

   a. the grant by AR1 or ARO (as the case may be) of security interests (as contemplated by the Prospectus) in favour of Thiess Pty Ltd ('Thiess'), Glencore, GAH and Secover, respectively (collectively, the 'Security Interests').

7. Confirmation in a form acceptable to ASX of completion of each of the following:

   a. the payment by AR1 to Thiess of $17.5 million (the 'Thiess Settlement Amount');

   b. the issue of $10 million worth of AR1 ordinary shares at the Offer Price (being a maximum of 200,000,000 ordinary shares) to Thiess (the 'Thiess Share Issue')

   c. the transfer of 54.6 million shares in AR1 to Thiess from third parties, including the transfer of 40 million shares from the Jauncey Entities (the 'Thiess Share Transfer'); and

   d. the full release and discharge of AR1's unsecured debt to Thiess as a consequence of payment of the Thiess Settlement Amount, the Thiess Share Issue and the Thiess Share Transfer.

8. Confirmation in a form acceptable to ASX that the DFIL – Share Subscription Agreement has been entered into and formally executed by AR1 and Dragon Field International Limited ('DIFL') (or its nominee) for the purposes of DFIL (or its nominee) subscribing for and being issued with the Share Component and the Option Component in conjunction with and subject to completion of the Rocklands Acquisition under the DOCA (each as defined below).

9. Confirmation in a form acceptable to ASX that the Glencore Loan Facility has been entered into and formally executed by AR1 and Glencore for US$15 million for the purposes of satisfying the Cash Component of the Rocklands Acquisition ('Acquisition Funding'), and satisfaction of each condition or other requirement to enable AR1 to fully draw down the loan facility.

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10. Confirmation in a form acceptable to ASX that the Glencore Offtake Agreement has been entered into and formally executed by AR1 and Glencore, and that any conditions precedent to the Glencore Offtake Agreement have been satisfied (and not waived).
11. Confirmation in a form acceptable to ASX that the Glencore Tolling Agreement has been entered into and formally executed by AR1 and Glencore, and that any conditions precedent to the Glencore Tolling Agreement have been satisfied (and not waived).
12. Confirmation in a form acceptable to ASX of the effectuation of the DOCA for the purposes of acquiring 100% of the issued share capital of CRA (the 'Rocklands Acquisition') and that all condition precedents to the DOCA have been satisfied (and not waived), including:

    a. the payment of $18,000,000 in cash (the 'Cash Component');

    b. the issue of 9.9% of the ordinary shares in AR1 (post issue of New Shares under the Prospectus) to DFIL (the 'Share Component'); and

    c. the issue of up to 21,000,000 unquoted options exercisable at 150% of the Offer Price expiring 24 months from the date of issue to DFIL (the 'Option Component').
13. Confirmation in a form acceptable to ASX that all claims against CRA have been extinguished upon effectuation of the DOCA.
14. Lodgement of any outstanding Appendices 2A, 3B and 3G for any issues of new securities (including the issue of securities under the Placement, the Thiess Share Issue, the AES Share Issue, the Share Component, and the Option Component) and confirmation that all new securities to be quoted have been issued under a disclosure document pursuant to Part 6D of the Corporations Act 2001 (Cth) in order to permit secondary sales of these securities.
15. Lodgement of any outstanding periodic or quarterly reports required to be lodged under Chapters 4 and 5 of the Listing Rules and any other outstanding documents required by Listing Rule 17.5.
16. Lodgement of any outstanding Director's Interest Notices, being either Appendix 3Xs, 3Ys, or 3Zs, as required.
17. Confirmation that the securities to be issued under the Placement have been issued and despatch of each of the following has occurred:

    a. in relation to all holdings on the CHESS sub-register, a notice from AR1 under ASX Settlement Operating Rule 8.9.1;

    b. in relation to all other holdings, issuer sponsored holding statements; and

    c. any refund money.
18. Payment of any ASX fees, including listing fees, applicable and outstanding.
19. Provision of the following documents, in a form suitable for release to the market.

    a. A statement confirming close of the Placement under the Prospectus.

    b. A statement confirming the issue price, the amount raised and the number of fully paid shares issued pursuant to the Placement under the Prospectus.

    c. A statement setting out the names of the 20 largest holders of each class of securities to be quoted, including the number and percentage of each class of securities held by those holders.

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d. A distribution schedule of the numbers of holders in each class of security to be quoted, setting out the number of holders in the following categories.

i. 1 - 1,000

ii. 1,001 - 5,000

iii. 5,001 - 10,000

iv. 10,001 - 100,000

v. 100,001 and over

20. A statement outlining AR1's capital structure at the time of reinstatement.

21. AR1's proposed use of funds based on funds raised under the Placement and Acquisition Funding.

22. A reviewed pro forma statement of AR1's consolidated financial position based on AR1's audited financial statements for the period ended 30 June 2025 with pro forma adjustments to show the effect of completion of the Placement, Rocklands Acquisition, and the impact of Creditor and Loan Amendments and Repayments and AES Debt Conversion (as described in the Prospectus), where the review is conducted in accordance with the Australian auditing standards by a registered company auditor or an independent accountant.

23. A statement confirming that, at the time of reinstatement, AR1 will have sufficient working capital to carry out its stated objectives as disclosed in the Prospectus for the next 12 months.

24. A statement confirming that the Anthill Project Agreement has been entered into and formally executed by the relevant parties, and that any conditions precedent to this agreement have been satisfied (and not waived), and ARO has been appointed as the initial manager of the Anthill Project.

25. A statement confirming that each of the Security Interests has been entered into and formally executed by the relevant parties, and that any conditions precedent to these arrangements taking effect have been satisfied (and not waived).

26. A statement confirming completion of the payment to Thiess of the Cash Settlement Component, the Thiess Share Issue, the Thiess Share Transfer, and of the full release and discharge of AR1's unsecured debt to Thiess as a consequence of payment of the Thiess Settlement Amount, the Thiess Share Issue and the Thiess Share Transfer.

27. A statement confirming that the DFIL – Share Subscription Agreement has been entered into and formally executed by AR1 and DFIL (or its nominee) for the purposes of DFIL (or its nominee) subscribing for and being issued with the Share Component and the Option Component in conjunction with and subject to completion of the Acquisition under the DOCA.

28. A statement confirming that the Loan Facility Agreement has been entered into and formally executed by AR1 and Glencore in order to satisfy the Cash Component of the Acquisition, and that any conditions precedent to this agreement have been satisfied (and not waived).

29. A statement confirming that the Glencore Offtake Agreement has been entered into and formally executed by AR1 and Glencore, and that any conditions precedent to this agreement have been satisfied (and not waived).

30. A statement confirming that Glencore Tolling Agreement has been entered into and formally executed by the relevant parties, and that any conditions precedent to this agreement have been satisfied (and not waived).

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31. A statement confirming the effectuation of the DOCA and completion of the Rocklands Acquisition, including:
    a. payment of the Cash Component;
    b. issue of the Share Component; and
    c. the issue of Option Component.
32. A statement confirming that all claims against CRA have been extinguished upon effectuation of the DOCA.
33. A statement confirming that there are no legal, regulatory or contractual impediments to AR1 undertaking the activities the subject of its proposed use of funds, as disclosed in the Prospectus.
34. A statement confirming that AR1 is in compliance with the Listing Rules and in particular Listing Rule 3.1.
35. Any further documents and confirmations that ASX may determine are required to be released to the market prior to reinstatement.
36. Provision of any other information required or requested by ASX.