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Asara raises $60m to fast track exploration programs at its flagship Kada Gold Project

West African gold explorer Asara Resources Limited (ASX: AS1); **Asara** or **Company**) is pleased to advise that it has received firm commitments for an institutional placement of new fully paid ordinary shares (**New Shares**) to raise $60m (before costs) at an issue price of $0.125 per share (**Placement**).

Highlights

- Firm commitments of $60m received.
- Strong demand from existing and new tier-1 international and domestic institutional investors strengthens the Company's shareholder base and reflects the prospectivity of the Company's flagship asset, the Kada gold project in Guinea.
- Proceeds from the Placement underpins an accelerated exploration program at Kada to advance resource development, regional exploration activities and technical studies.

Managing Director & Chief Executive Officer, Matthew Sharples commented: "We are delighted with the outstanding outcome of the Placement, which was supported by overwhelming demand and resulted in the introduction of a number of high-calibre institutional investors to our share register. This Placement significantly strengthens our shareholder base with long-term, supportive investors and provides a strong financial platform from which Asara can aggressively fast-track exploration at Kada toward development and production readiness. Importantly, the funding will also support expansion of our land position and broader exploration footprint as we work to grow the Kada project into a Tier 1 gold development asset."

Placement Details

The Placement comprises the issue of 480,000,000 New Shares at an issue price of $0.125 per share raising $60 million (before costs). The issue price of $0.125 represents a 3.8% discount to the Company's last traded price of $0.13 on Tuesday, 5 May 2026 and a 5.4% discount to the 15-day VWAP of $0.132 per share.

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The first tranche of 400,004,932 New Shares to raise ~$50.0m will be completed utilising the Company's existing placement capacity pursuant to ASX Listing Rule 7.1 and 7.1A and is anticipated to settle on Thursday, 14 May 2026 with the New Shares to be allotted on Friday, 15 May 2026.

The second tranche of 79,995,068 New Shares to raise ~$10.0m will be subject to shareholder approval. The Company anticipates holding an Extraordinary General Meeting of Shareholders (**Meeting**) in late June to approve the Placement. Further details on the Meeting time will be provided in the notice of meeting to be dispatched to shareholders shortly.

The New Shares issued pursuant to the Placement will rank pari passu with the existing ordinary fully paid shares on issue in the capital of the Company.

Use of Funds

The proceeds of the Placement will be used to accelerate the Kada Gold Project, including:

- Resource extension and infill drilling.
- Resource definition drilling to grow the current 923Koz[1] Mineral Resource Estimate.
- Regional drilling across the broader project area.
- Mine design geotechnical drilling.
- Reconnaissance exploration to identify satellite deposits.
- Early works including construction of mine site infrastructure.
- Technical and environmental studies.
- Corporate costs, general working capital and costs of the Placement.

Advisors

Canaccord Genuity (Australia) Limited and Argonaut Securities Pty Limited acted as Joint Lead Managers and Bookrunners to the Placement. Tamesis Partners LLP acted as Co-Lead Manager.

-ENDS-

This announcement was authorised for release by the Board of Directors.

All dollar amounts are in Australian dollars unless otherwise stated.

[1] ASX Announcement: Kada Mineral Resource Estimate Update improves confidence; more than 40% of oxide gold now indicated dated 10 October 2023.

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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 owns 51% of the Kada project and, in April 2022, exercised its right to earn a further 24%, increasing its interest to 75%. To secure this additional interest, Asara must fund the preparation of a Definitive Feasibility Study for Kada. Asara has outlined an Indicated and Inferred Mineral Resource Estimate of 30.3Mt at 1.0g/t gold for 923Koz[2] (Error! Reference source not found.), the majority of which is shallow oxide-transitional gold mineralisation. Asara is focussed on growing the Mineral Resource Estimate. Most of the 150km^2 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 and is pursuing divestment of this asset to focus on the Kada Gold Project.

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 Chile**) whereby Teck Chile can acquire up to a 75% interest in the project.

Not an offer of securities

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

[2] ASX Announcement: Kada Mineral Resource Estimate Update improves confidence; more than 40% of oxide gold now indicated dated 10 October 2023.

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Table 1 – Kada Mineral Resource Estimate

Deposit	Type	Classification	Tonnes (Mt)	Grade (g/t Au)	Metal (Oz Au)
Massan	Oxide	Indicated	4.6	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**	**0.9**	**143,000**
	Fresh	Indicated	1.25	0.9	36,000
		Inferred	11.65	0.93	350,000
		Total	**12.9**	**0.93**	**386,000**
	All	Indicated	6.92	1.01	224,000
		Inferred	22.8	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	4.6	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**	**0.9**	**145,000**
	Fresh	Indicated	1.25	0.9	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	**30.3**	**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 Asara, 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).

Mineral Resources have been reported at a 100% equity stake and not factored for ownership proportions. Ownership proportions are detailed elsewhere in this announcement. The Kada Mineral Resource Estimate referred to in this announcement was first reported by the Company on 10 October 2023. The Company confirms that it is not aware of any new information or data that materially affects the information included in the Mineral Resource Estimate referred to in this report and it further confirms that all material assumptions and technical parameters underpinning the Mineral Resource Estimate continue to apply and have not materially changed.