



ASX RELEASE: 7 October 2024

\$3.2m Placement to Accelerate Drilling at Yundamindra Gold Project

KEY HIGHLIGHTS

- Firm commitments from sophisticated investors for a \$3.2 million Placement, including a \$0.2m commitment from Directors.
- Funds to be used to accelerate drilling programs at the high grade Yundamindra Gold Project.
- Drilling programs will include expanding on exceptional recent drilling results at Pennyweight Point, including¹:
 - **30m @ 3.86 g/t Au from 89m** (YMRC069);
 - **30m @ 2.36 g/t Au from 64m**; (YMRC060);
 - **23m @ 2.84 g/t Au from 53m**; (YMRC059);
 - 13m @ 2.60 g/t Au from 82m; (YMRC062).
- Drilling Programs will also focus on expanding and testing the potential shallow gold system that links 4 prospects together for 2,500m of mineralisation along strike, including the Landed at Last and Bonaparte prospects.
- Assays for 22 holes from the recent drilling program are pending and results are expected in the coming weeks

Arika Resources Limited (“Arika” or “Company”) is pleased to announce that it has received firm commitments for a placement of 128 million new fully paid ordinary shares (**Shares**) in the Company at an issue price of AU\$0.025 per Share, to raise gross proceeds of \$3.2 million (**Placement**).

Funds raised from the Placement will be utilised to accelerate expansional drilling programs at the Yundamindra Gold Project and for additional working capital.

Commenting on the recent assay results and Placement, Arika Managing Director Justin Barton said:

“We are very happy with the strong support for the Placement, and it is a testament to the quality and potential of the Yundamindra Gold Project. The raising places the Company in a great position to enable us to immediately accelerate drilling at the rapidly emerging Yundamindra Gold Project, following the outstanding recent results returned from the Company’s maiden drilling programs, which included the Company’s longest and best intercept to date of 30m @ 3.86 g/t Au.”

Planning and commencement of the next phase of drilling will begin following interpretation of the assays from the remaining 22 holes still pending from our recent drilling program. The next phase of drilling will focus on expanding on known mineralisation at Pennyweight Point and testing the 2.5km of potential strike at the greater Landed at Last prospect and on targeting new discoveries”.

¹ Please refer to ASX announcement “Exceptional 30m @ 3.86 g/t Au Intercept at Yundamindra” dated 20 September 2024 and ASX announcement “Pennyweight Point Delivers More Thick High Grade Gold Hits” dated 26 September 2024.

A total of 74,787,675 Shares will be issued pursuant the Company's placement capacity under ASX Listing Rule 7.1 and a total of 45,212,325 Shares will be issued pursuant the Company's placement capacity under ASX Listing Rule 7.1A.

As part of the Placement, the Company's Directors have agreed to invest up to \$200,000 into Arika (**Directors Placement**) in a further show of support and confidence in the Company.

In addition to the Placement, the Company's Directors have also agreed to convert up to a total of \$75,000 of accrued Director fees on the same terms as the Placement (**Director Fee Conversion**). The Director Placement and Director Fee Conversion will be completed subject to shareholder approval which is intended to be sought at an upcoming General Meeting. Further details will be provided in the notice of Annual General Meeting to be released shortly.

The issue price of the Placement represents a:

- 14% discount to the last closing price of ARI shares on 2 October 2024 of A\$0.029 per share; and
- 16% discount to the 15-day volume weighted average (VWAP) of A\$0.0296 per share.

Canaccord Genuity (Australia) Limited (**Canaccord**) acted as the Lead Manager to the Placement, which has been overwhelmingly supported. Canaccord will receive a cash fee equal to 4% of the amount raised under the Placement, excluding the Directors Placement and 2% of the proceeds of the Placement. In addition, Canaccord will receive a total of 5 million Options for acting as Lead manager to the Placement.

Use of Funds to Accelerate drilling at Yundamindra

Arika continues to take a methodical and measured approach to exploration activities at Yundamindra, with our recently completed maiden campaigns focused on confirmation drilling to confirm gold grades and intersections as well as extensional drilling having been undertaken to validate and help improve in the precision of historical data and for viability in respect of any future JORC compliant resource estimations.

A total of 77 holes for approximately 6,000 metres have been drilled as part of Arika's maiden programs at Yundamindra, which have initially focused on the high priority Landed at Last, Bonaparte and Pennyweight Point prospects.

Exceptional results from the first 11 drillholes at Pennyweight Point, have confirmed and extended high-grade gold mineralisation, with significant thick intercepts as well as numerous other gold intervals, including¹:

- 30m @ 3.86 g/t Au from 89m (YMRC069);
- 23m @ 2.84 g/t Au from 53m; (YMRC059);
- 30m @ 2.36 g/t Au from 64m; (YMRC060);
- 13m @ 2.60 g/t Au from 82m; (YMRC062);

Assay results for a further 12 holes at Pennyweight Point remain outstanding, which remain open at depth, down dip and down plunge.

Upon interpretation of these pending assays, a program of expansional drilling at Pennyweight Point will be planned to follow up these exceptional intercepts and begin chasing the mineralisation at depth.

Assay results also remain pending from a further 10 holes at the Landed at Last prospect, which are expected in the coming weeks.

Gold mineralisation at Landed at Last and Bonaparte prospects is currently very shallow (<100m below surface) and has a current interpreted total strike length of over 750m for Landed at Last and 350m for

¹ Please refer to ASX announcement "Exceptional 30m @ 3.86 g/t Au Intercept at Yundamindra" dated 20 September 2024 and ASX announcement "Pennyweight Point Delivers More Thick High Grade Gold Hits" dated 26 September 2024



Bonaparte. Arika has investigated the drill results from Landed at Last and Bonaparte against historical drilling and identified that it is open not only at depth (YMRC0014, 6m @ 4.30 g/t Au from 67m)² but also open in multiple directions along strike as well.

Historical drilling has left Arika with a potential shallow gold orebody or system that links 4 prospects together for 2,500m of mineralisation along strike from the northern gold prospect Queen of Poland to the Southern gold prospect of Golden Treasure North².

Upon interpretation of the pending assays, Arika will begin planning the next phase of drilling to expand on the known mineralisation at these prospects through extensional resource definition and testing the 2.5km of potential mineralisation on the 4 greater Landed at Last prospects.

Yundamindra has over 20km of first order structures interpreted, with only circa 20% of structures actually drill tested to date. Furthermore, ~80% of potential host structures are currently untested at depth.

Independent experts, Core Geophysics, have undertaken a detailed review of all historical geophysical data in the area and identified an extensive pipeline of additional priority target areas within the Yundamindra Gold Project. Within this area, over 25 initial priority targets have been identified, for which Metalicity is undertaking detailed planning and intends to seek approvals also to commence exploration activities on these targets.

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

ENQUIRIES

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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”,

² Please refer to ASX announcement “More Impressive Gold Intersections Returned at Yundamindra” dated 22 July 2024



“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.

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.

